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BOARD MEETING MINUTES

The meeting of the Board of Directors of the Northwest Clean Air Agency was held at 1:30 p.m. Thursday, October 12, 2017, at 1600 S. 2nd St., Mount Vernon, Wash.

MEMBERS PRESENT:

Skagit County	Joe Lindquist Ron Wesen
Island County	Jim Campbell Richard Hannold
Whatcom County	Brian Heinrich Carl Weimer
Member-At-Large	Kelley Moldstad for Terry Nyman

ALSO PRESENT:

Advisory Council	Sandy Paris
NWCAA staff members	Mark Buford, Alicia Huschka, Toby Mahar, Agata McIntyre, Seth Preston, and Laurie Caskey-Schreiber
Legal counsel	Simi Jain

CALL TO ORDER

Board of Directors Chairman Joe Lindquist called the meeting to order at 1:33 p.m.

APPROVAL OF PRIOR BOARD MEETING MINUTES

On motion by Jim Campbell, seconded by Ron Wesen, the minutes for the September 14, 2017, meeting were approved 7-0.

NEW BUSINESS

UPDATE: Revised registration fee schedule – Toby Mahar

NWCAA Compliance Manager Toby Mahar presented information about the proposed revisions to the NWCAA registered source fee schedule.

The proposal stems from NWCAA's strategic plan goals:

- Clean Air
- A level playing field for business
- Financial stability

Mahar explained the proposed changes to the registered source fee schedule improve upon the fairness and transparency of the existing fee structure. Though the proposed fee structure is not designed to result in an overall increase in revenue, it does ensure long-term viability for this program as required.

The proposed fee structure for registered sources (gasoline dispensing facilities excluded) is: **Base fee + Emissions fee + Additional fee** (as applicable).

- **Base Fee**
 - \$150 <0.1 tons emissions per year (excludes carbon monoxide)
 - \$625 ≥ 01.tons emissions per year (excludes carbon monoxide)
- **Emission Fee (\$/ton)**
 - \$214/ per ton emitted (excludes carbon monoxide)
- **Additional Fee (*Workload Adjustment*)**
 - \$2,600 Synthetic Minor
 - \$3,000 Odor Source
 - \$ 500 for **complexity 1**:
Includes federal rules for dry cleaners, metal plating, small engines, small boilers, wood preservation, and asphalt production. Facilities using rolling average limits, moderate nuisance complaints, and portable / temporary sources.
 - \$2,500 for **complexity 2**:
Includes federal rules for mercury, large engines, foundries, large boilers, large welders/abrasive blasting, asphalt processing, animal feed, large boilers, facilities with several permits and numerous nuisance complaints.

Based on initial design, 159 facilities will experience an increase in their registered source fees and 93 facilities will experience a decrease in their fees:

- In general, facilities emitting between 1 and 9.9 tons/ year and >20 tons/year including wood products, boat builders, shipyards, mid-large combustion units, and some of the largest emitters will experience fee increases.
- In general, small (<0.1 ton per year) emitters, rock crushers, asphalt production, concrete production, small engines, tanks, will experience a decrease in their fees.

The agency is proposing implementation phased-in over three years starting in 2018, which will provide relief to small businesses immediately.

The agency is proposing to add a small gasoline dispensing facility category at \$150 per year. Many of these facilities have compliance issues, which can lead to emissions higher than some of the larger gasoline stations. Approximately 20 facilities will be impacted.

Agency outreach and stakeholder engagement will be implemented:

- Public notice
- Public hearing
- Letters to all registered sources
- Phone calls to facilities with large dollar increases
- Consideration of comments
- Proposal to the Board.

NWCAA Executive Director Mark Buford stated that these changes are designed revenue-neutral and the Agency is obligated to recover the costs for operating this program. The overall goal of this Agency and for this program is to reduce emissions and this proposal incentivizes sources to try and reduce their emissions, which could lead to a reduction in their registered source fee.

NWCAA Advisory Council member Sandy Paris, spoke in favor of the process that went into formulating the new fee schedule. Paris appreciated the thoughtful, consensus based discussions that went into making this an equitable proposal.

Board members indicated their support for the three-year phased in approach for these revisions to NWCAA's registered source fee schedule. Mahar will bring forward a formal proposal for adoption at the December Board meeting based on this proposal and stakeholder responses.

Bills and claims

Board members discussed the bills and claims reports for September 2017. Brian Heinrich made a motion to approve the September 2017 (\$422,068.33) bills and claims. Rick Hannold seconded the motion, and the Board approved the bills and claims 7-0.

STAFF REPORTS

Director's Report – Mark Buford

- **Making Sense of Sensors meeting**

Buford attended two meetings in early September; the Fall NACAA meeting, which was held in Seattle, and the South Coast Air Quality Management District meeting, held in Los Angeles. The California meeting focused on the use of low cost air quality sensors. The meeting was well-attended and there was much interest as to how the use of these low cost monitors could impact the public's knowledge about air quality.

Most of the monitors will be measuring particulate. Consensus of the presenters seemed to be that the existing sensors available for purchase need improvements in accuracy, precision, reliability, and durability. Most of them have no means of calibration. That said, the presenters seemed generally to believe that these are technology issues which will be solved in a few years and now is the time to work on issues such as performance standards

for the units. Several businesses have a commercial interest in deploying a high density network of these low cost monitors.

The Agency has ordered seven PurpleAir monitors and these will be installed next to the existing Agency monitors. These field tests will assist the Agency in determining the performance of the low cost sensors in our climate. Humidity is reported to have a significant effect on the performance of these low cost sensors.

- **Whatcom County Specialized Emergency Response Program (SERP).**

Buford recently met with representatives from SERP. They are interested in enhancing their ability to measure air quality during an emergency response event. SERP responded to the recent Ferndale odor incident where a school was evacuated. They would like the Agency to consider providing funding for monitors that would be used by first responders. Buford feels that this information would also benefit NWCAA. If the Agency decides to support this request, Buford would advocate that the Agency fund this project with the unallocated penalty money that is currently in the cumulative reserve fund. If this continues to appear promising and beneficial, there will be a request to the Board.

- **Columbia Valley program.**

The State and EPA funding is still unknown, however Buford feels it is important to keep the momentum going with replacing woodstoves in Columbia Valley. The years 2018, 2019, 2020, may be critical years for showing compliance with the PM2.5 NAAQS. During the November Board meeting, NWCAA will bring forward a resolution to transfer \$25,000 into this program.

New source review and air operating permit update – Agata McIntyre

NWCAA Engineering Manager Agata McIntyre reported on the September 2017 construction permit (new source review) activity.

During September, the agency received one application for a construction permit and issued five construction permits.

Among the construction permits issued, was one for Pacific Woodtech. They are installing a new billet beam processing line, which will use less energy than their former process for making beams. They switched to a different glue, which does not require heat to set the glue.

Enforcement update – Toby Mahar

NWCAA Compliance Manager Toby Mahar reported that in September, the Agency issued three Notice of Violations, one of those was for illegal outdoor burning, and the other two were issued to Chemtrade for excess sulfuric acid mist emissions, and to Puget Sound Energy for excess ammonia emissions at their Encogen Generating Station.

ADJOURNMENT

There being no further business to consider, the meeting adjourned at 2:50 p.m.

CERTIFICATION

I hereby certify this is a true and correct copy of the minutes of the meeting of the NWCAA Board of Directors held on October 12, 2017, in Mount Vernon, Washington.

ATTEST:



Terry Nyman, Secretary
NWCAA Board of Directors



Joe Lindquist, Chair
NWCAA Board of Directors

DATED: November 9, 2017