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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, February 13, 2014, at 1600 South Second Street, Mount Vernon, Washington.

MEMBERS PRESENT:

Skagit County	Joe Lindquist Ron Wesen
Island County	Kelly Emerson
Whatcom County	Rud Browne Brian Heinrich
Member-At-Large	Terry Nyman

ABSENT: Jim Campbell

ALSO PRESENT:

NWCAA Staff Members	Jason Bouwman, Mark Buford, Dan Mahar, Agata McIntyre, & Laurie Caskey-Schreiber
Advisory Council	No one present
Legal Counsel	Loch Clark

CALL TO ORDER

Kelly Emerson, Board Chair, called the meeting to order at 1:30 pm.

ELECTION OF BOARD OFFICERS

Emerson opened the floor for annual Board elections. Assistant Director Mark Buford explained that traditionally the Vice Chair moves to Chair, and the three counties rotate to Vice Chair. Kelly Emerson made a motion to nominate the recommended slate of candidates: Ron Wesen as Chair, Brian Heinrich as Vice Chair, and Terry Nyman as Secretary. This motion was seconded by Ron Wesen and approved by all.

Ron Wesen then appointed Kelly Emerson to Chair of the Finance Committee, and also added Brian Heinrich and Terry Nyman to serve as additional members.

APPROVAL OF PRIOR BOARD MEETING MINUTES

On motion by Kelly Emerson, seconded by Brian Heinrich, the minutes for the December 12, 2013, Board meeting were approved with Rud Browne abstaining from the vote.

PRESENTATIONS

NWCAA Lead Engineer Dan Mahar gave a presentation about the history and details of the Federal Clean Air Act. Mahar highlighted the following significant events / actions;

- **1967 Air Quality Act Amendment** – designation of air quality control regions, mandate to develop National Ambient Air Quality Standards (NAAQS) for six criteria air pollutants:
 - PM₁₀ – Course Particulate and PM_{2.5} – Fine Particulate
 - CO – Carbon Monoxide
 - SO₂ – Sulfur Dioxide
 - O₃ – Lower Atmospheric Ozone
 - NO_x – Nitrogen Oxides
 - Pb – Lead

 - States must submit state implementation plan (SIP) to meet the NAAQS
 - The Northwest Air Pollution Authority is established

- **1970 Clean Air Act Amendments** – transferred all administrative functions for air quality to the newly created U.S. Environmental Protection Agency (EPA), which was tasked with establishing NAAQS, and they gave states three more years to submit their SIP. They were also tasked with developing new source performance standards (NSPS).

- **1977 Clean Air Act Amendments** – mandated prevention of significant deterioration (PSD) program, which established Class I areas (*National Parks & Wilderness areas – mandate to protect their pristine air quality*) and established other areas as Class II and set a baseline for air quality that was not to be significantly eroded. Also created a PSD (major new source review) permitting process, where best available control technology (BACT) is required.

- **1990 Clean Air Act Amendments** – create air operating permits (AOP) - Compiles all requirements into a single permit that is good for five years, and responsible official certifies ongoing compliance. Develop maximum achievable control technology (MACT) standards for a wide variety of industrial source categories – these are based on best 12% control in the industry. Started acid rain program, and established criminal penalties for “willful” violations.

- **Current Federal Clean Air Act** –
 - Title I – Attainment of NAAQS through SIP Plans, New Source Performance Standards, PSD Permitting, Hazardous Air Pollutant MACT Standards
 - Title II – Mobile Sources
 - Title III – Acid Deposition
 - Title IV – General Provisions
 - Title V – Air Operating Permits
 - Title VI – Stratospheric Ozone

- **Washington’s State Implementation Plan (SIP)** – NAAQS monitoring program, special plans for non-attainment/maintenance areas, state air quality regulations (e.g., *vapor control at gasoline stations, outdoor burning and woodstove regulations,*

vehicle tailpipe I/M program, clean diesel grants), local air agency regulations (e.g., minor new source review permitting program, control requirements for fugitive hydrocarbon emissions from refineries), delegated federal programs (NSPS, MACT, PSD, Title V).

Mahar summarized that the Clean Air Act is health based, technology forcing, market based, and cost effective.

Rud Browne asked how the agency ensures compliance to the NAAQS. Buford explained that the agency defends the NAAQS through rules that we promulgate and implement. Browne also wondered about the area(s) where these pollutants are monitored, whether this is done at the source site or somewhere else. Buford stated that we are concerned with the ambient air quality, which is the air that the public has access to, often measured at the property's boundary for the business that we regulate. He added that we operate several federally approved site specific monitoring stations.

PRESENTATION- FY 2014 Financial Report (Quarterly) – Mark Buford

Buford presented the statement of revenues and expenses for the Operating Fund for the quarter that ended December 31, 2013. Revenues of \$2,880,487 are 77% of the annual budget of \$3,727,236. Registration fees will be billed in February 2014. Penalty revenues are at \$36,174, 48% of the budget. We anticipate a \$90,000 penalty payment from Tesoro during the third quarter FY 2014 budget. Buford stated that the expenses are at \$1,703,508, which is 44% of the annual budget for FY 2014.

ACTION ITEMS

Bills and Claims

Joe Lindquist made a motion to approve the December 2013 and January 2014 Bills and Claims, seconded by Kelley Emerson, and unanimously approved.

STAFF REPORTS

Director's Report – Mark Buford

Buford highlighted some items from Mark Asmundson's report to the Board on the following matters:

- The 9th U.S. Circuit Court of Appeals has ruled in our favor in our litigation with the Washington Environmental Council and the Sierra Club. The case was dismissed for lack of subject matter jurisdiction. The state has elected to move forward with the rule making process for requiring reasonably available control technology for greenhouse gases at refineries. Our involvement with this case is now over.
- The EPA has promulgated new federal woodstove performance standards. Washington state already adheres to this new standard. The overall goal is to reduce particulate emissions, on a national level, by two thirds. The anticipated new ozone standard will be delayed until after the election.
- The agency has a new monitoring site in Anacortes. The property was recently acquired by the Port of Anacortes. The agency hopes to continue to maintain this station at this location.

- In 2014, we will have two additional AOP (Title V) sources. Both Bellingham (Post Point) and Anacortes wastewater treatment plants will be applying for Title V permits. This will bring our total number of AOP sources to 26.
- We have a fourth refinery applying for a rail crude oil offloading facility. NWCAA doesn't regulate the transportation of crude by rail; this is done via federal regulations. There is a case challenging this situation in California, and we will watch how it develops.
- Progress is being made toward addressing the air quality issues in Columbia Valley. As members of the East Whatcom Regional Resource Center Clean Air Committee, NWCAA staff helped organize and participated in a well-attended workshop in December to promote cleaner wood-burning practices, and they will continue to work with a citizen group to promote practices that enhance the air quality for this area.

New Source Review & Air Operating Permit (AOP) Update – Agata McIntyre

Chemical Engineer Agata McIntyre reported that the agency received seven new minor source application, and nine permits were issued during the months of December and January. McIntyre explained that in addition to the minor source applications, Shell submitted some permits to update the language in their AOP. These modifications involve no physical changes, but rather changes to the language in the refinery's permit. Additionally, Shell did submit an application for its new rail crude off-loading facility, which the refinery anticipates constructing in 2015.

Enforcement Update – Bob Uhrich

Inspector Bob Uhrich reported on some of the enforcement issues that the agency dealt with in December and January.

ADJOURNMENT

There being no further business to consider, the meeting adjourned at 2:45 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 February 13, 2014, in Mount Vernon, Washington.

ATTEST: 
Terry Nyman, Secretary
NWCAA Board of Directors

 for
Ron Wesen, Chair
NWCAA Board of Directors

DATED: March 13, 2014