



1600 South Second Street
Mount Vernon, WA 98273-5202
ph 360.428.1617
fax 360.428.1620
www.nwcleanair.org

BOARD MEETING MINUTES

The meeting of the Board of Directors of the Northwest Clean Air Agency was held at 1:30 p.m., Thursday, April 10, 2014, at 1600 South Second Street, Mount Vernon, Washington.

MEMBERS PRESENT:

Skagit County	Sharon Dillon for Ron Wesen Joe Lindquist
Island County	Jim Campbell Keith Higman for Kelly Emerson
Whatcom County	Rud Browne Brian Heinrich

ABSENT:

Member-At-Large	Terry Nyman
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ALSO PRESENT:

NWCAA staff members	Mark Asmundson, Dave Blake, Jason Bouwman, Mark Buford, Therese Holm, Julie O'Shaughnessy, Katie Skipper, and Laurie Caskey-Schreiber
Legal counsel	Simi Jain for Loch Clark

ABSENT:

Advisory Council	No one present
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CALL TO ORDER

Sharon Dillon, substitute Board Chair Ron Wesen, called the meeting to order at 1:35 pm.

APPROVAL OF PRIOR BOARD MEETING MINUTES

On motion by Jim Campbell, seconded by Brian Heinrich, the minutes for the March 13, 2014, Board meeting were approved.

PRESENTATIONS

Environmental specialist Dave Blake presented information about the agency's Indoor Air Quality program. Blake said some of his outreach efforts to improve indoor air quality include:

- Walk-throughs for the schools located in NWCAA's three-county jurisdiction, educating them on ways to improve their air quality.
- Producing and distributing 34,000 copies of a 12-minute video.
- Creating a variety of brochures and informational sheets that have been used by real estate agents, landlords, homeowners and renters.
- Lecturing across the nation, educating people about the importance of addressing indoor air quality issues.
- Conducting home visits or assessments in response to health department referrals.

NEW BUSINESS

Finance Director Therese Holm reported on the certificate of Social Security referendum. The secret ballot election was held on March 4, 2014. The employees voted in favor of maintaining the current system of contributing to the ICMA self-directed pension fund, rather than participating in the Social Security system. Of the 21 eligible voting members, one member voted in favor of participating, and 17 voted against participating in the Social Security Act. Three people elected not to cast a ballot, so those were considered "no" votes.

ACTION ITEMS

Bills and claims

Heinrich made a motion to approve the March 2014 bills and claims, seconded by Joe Lindquist, and unanimously approved. Rud Browne asked if the bills and claims could be re-formatted to better reflect what these costs are affiliated with. Holm stated that the accounting staff will look into this.

STAFF REPORTS

Director's report – Mark Asmundson

Agency Executive Director Mark Asmundson reported to the Board on the following matters:

- Two Board members from the Finance Committee met with agency staff to review the budget being proposed for fiscal year 2015. That meeting went well, and the Finance Committee gained approval to move forward with this budget from the two members present (Heinrich and Keith Higman). Asmundson intends to meet with the third member, Wesen, at a later time.

During the May Board meeting, the proposed budget will be presented and open for discussion. Asmundson encouraged everyone to review the budget when it is delivered in early May. During the May meeting, revisions will be considered, and at the June meeting, the Board will vote on the final version. He added that, legally, the agency and Board will need to adopt a budget at the June Board meeting.

- The agency recently met with Brian Willett from the State Auditor's Office to learn about the Lean process. Agency staff will receive Lean training, which Asmundson hopes will increase awareness and assist in the sequencing of employee's work with the end result being more efficient service to the public.
- Asmundson and Communications Director Katie Skipper recently attended a social media conference, which was very good. Asmundson realizes that this is an important element to our communications efforts.
- Asmundson announced that the agency will be holding a public hearing on April 30, 2014. This will be an opportunity for the public to provide input about renewing the Air Operating Permit for the Shell Puget Sound Refinery (PSR). Unfortunately, there is a lot of misinformation circulating about PSR's proposed oil train offloading facilities. Skipper will send out a news release before the hearing, to help the public understand what the hearing is about.

Agency Assistant Director Mark Buford added that the agency typically issues two kinds of permits: **1)** notice of construction (NOC) and **2)** air operating permit (AOP). This public hearing is not related to the refinery's proposed construction of rail offloading facilities. PSR is applying for permits from NWCAA for those projects, however, the agency only has jurisdiction over the vapor control that the refinery would use when oil is transferred from the trains to the refinery.

- The Bellingham Herald has asked NWCAA to contribute an informational column that will run every other month. Asmundson feels very positive about this opportunity.
- The new database will go live the week of April 14, 2014. The timing is good. The agency leadership team just discussed how to make the monthly Board reports more meaningful and easier to understand. The new database should enable agency staff to do that more easily than the old database would.

New source review and air operating permit update – Mark Buford

Buford reported that the agency received five applications for NOC projects. One of those applications is for the Shell "feedstocks" import project (oil by rail, but not crude). Buford added that this application is considered incomplete. The public will be informed of this process and NWCAA intends to make this process as transparent as possible. Buford clarified that we only have jurisdiction over stationary sources. We will be concerned with the sources of emissions at the point where the refinery is offloading or loading product. The agency does not regulate rail traffic. The federal Surface Transportation Board regulates rail cars in transit.

Buford also explained Tesoro's NOC application for a new flare gas recovery system. He added that the agency recently issued a permit to Phillips 66 for its new flare gas system, as well as four other permits for the month of March.

Enforcement update – Julie O’Shaughnessy

Director of Compliance Julie O’Shaughnessy reported on enforcement issues that occurred in March. She provided details associated with the recent notice of violation (NOV 4074) issued to Tesoro for failing to prevent hydrocarbons from the refinery’s crude-by-rail offloading facility from entering the wastewater collection system. The flow of process wastewater to the wastewater collection system was stopped and attempts to remove residual hydrocarbons in the wastewater equipment are ongoing.

O’Shaughnessy reported that three notices of violation issued to Shell in March did not occur during the same period of time, however staff workload allowed all of them to be issued in March. Each notice of violation was a discreet incident: NOV 4075 was issued for excess sulfur emissions from sulfur recover unit 4; NOV 4076 was issued for excess sulfur emissions from sulfur recovery unit 3, and excess sulfur content in gas combusted at the flare; NOV 4078 was issued for excess sulfur emissions from the flare and for the excess sulfur fuel gas to a heater.

In March, the agency had 56 complaints. Wood smoke was still the biggest issue, garnering 18 complaints.

Browne asked O’Shaughnessy how the agency identifies violations for large sources. One method identified by O’Shaughnessy is self-reporting. Asmundson added that sources are very motivated to comply with this honor system, otherwise they risk going to jail. The lead designee for each facility signs an annual statement, certifying compliance.

ADJOURNMENT

There being no further business to consider, the meeting adjourned at 2:44 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 April 10, 2014, in Mount Vernon, Washington.

ATTEST: 
Terry Nyman, Secretary
NWCAA Board of Directors


Ron Wesen, Chair
NWCAA Board of Directors

DATED: May 8, 2014