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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, April 12, 2018, at 1600 S. 2nd St., Mount Vernon, Wash.

MEMBERS PRESENT:

Skagit County	Joe Lindquist Ron Wesen
Island County	Richard Hannold Bob Severns
Whatcom County	Brian Heinrich Satpal Sidhu
Member-At-Large	Carl Weimer for Terry Nyman

ALSO PRESENT:

NWCAA staff members	Mark Buford, Matt Holmquist, Alicia Huschka, Agata McIntyre, Seth Preston, and Laurie Caskey-Schreiber
Legal counsel	Loch Clark

CALL TO ORDER

Board of Directors Chairman Brian Heinrich called the meeting to order at 1:30 p.m.

APPROVAL OF PRIOR BOARD MEETING MINUTES

On a motion by Satpal Sidhu, seconded by Rick Hannold, the minutes for the March 8, 2018, meeting were approved 5-0. (*Joe Lindquist and Bob Severns arrived shortly after the vote.*)

PRESENTATION

Updates to NWCAA spray coating and gasoline station rules – Matt Holmquist

NWCAA air quality inspector Matt Holmquist presented a list of proposed changes that are being considered for the Agency's spray-coating and gasoline station rules.

Holmquist noted that there are approximately 100 spray-coating facilities in NWCAA's jurisdiction, and roughly 50 of them do not have permits. They often range in size, and the filtration devices they use vary. The goal for these types of facilities is not to see any visible emissions. Proper filtration systems should capture most of the emissions.

The following requirements are being considered for the spray-coating rule changes:

- Containers with Volatile Organic Compounds (VOCs) must be kept closed. The goal is to reduce particulate emissions and lessen the exposure to VOCs and Toxic Air Pollution sources (TAPS).
- Enclose manual spray gun cleaning.
- Require recordkeeping to identify when filters / equipment need to be changed or serviced.
- Propose giving sources two (2) years to come into compliance if they need to install enclosures and exhaust systems.

These changes have been reviewed by the Advisory Council. NWCAA will ask stakeholders to provide input on the draft rules before formal rulemaking begins. The Board will vote on the final version of these rules at some point during the fall. NWCAA is coordinating a Spray Coater Efficiency Training workshop on June 6, 2018, to help spray coaters reduce VOCs.

For gasoline-dispensing facilities, there are approximately 225 stations in NWCAA's jurisdiction; 150 of those gas stations do not conduct any tests on their equipment. The Agency is proposing a set of rules that would require routine pressure decay (PD) testing on a graduated basis, depending on the number of gallons of gas sold.

- The PD test involves pressurizing the tank with nitrogen and measuring the pressure over a five-minute period to see if the tank meets the minimum allowable pressure losses. The test is beneficial in finding leaks / failures of vent caps, vapor poppets, spill bucket drain valves, adapter fitting, etc.
- Approximately 35% of the facilities in our jurisdiction are already required to do this test under existing permits or federal regulations.
- A major testing company in our jurisdiction estimated that less than 10% of NWCAA's facilities pass this test with no repairs needed, compared with a 70% pass rate in Puget Sound Clean Air Agency's jurisdiction. (PSCAA already requires this test.)
- With properly operating equipment at the gas-dispensing facilities in our jurisdiction, we would easily reduce VOCs and TAPS emissions.
- Testing would not be required at the smaller stations that dispense less than 30,000 gallons per year.

Holmquist explained that the new rules for gas stations would go into effect 30 days after their adoption. Agency staff are hoping to bring these rules to the Board for approval sometime during the fall. The first year of the testing requirement would be 2019.

ACTION ITEMS

Resolution 561 – Amend the FY 2018 Operating fund and Legal Reserve fund budgets.

NWCAA Chief Financial Officer Alicia Huschka introduced the resolution to authorize the Agency to transfer \$75,000 from the Legal Reserve fund to the Operating Fund for special legal service expenses.

Motion to approve Resolution 561 was made by Severns, seconded by Lindquist, and approved 7-0.

Bills and claims

Board members discussed the bills and claims reports for March 2018 (totaling \$351,271.92). Sidhu made a motion to approve the March 2018 bills and claims. Hannold seconded the motion, and the Board approved the bills and claims 7-0.

STAFF REPORTS

Executive Director's report – Mark Buford

Buford reported to the Board on the following matters:

- The Pollution Control Hearings Board (PCHB) recently ruled on a case involving Olympic Clean Air Agency and a marijuana production operation. Their decision acknowledged that the Clean Air Act (RCW 70.94.640) provides an agricultural exemption for operations that are five acres or larger in size. The PCHB tended to view marijuana as a plant or horticultural crop that should be considered as an agricultural activity.
- The Agency has a new portable air monitoring trailer. This unit can be deployed to any area in our jurisdiction and can run for eight days on a propane generator. This will greatly assist the Agency in gaining information and in validating any existing assumptions.
- Buford and Huschka met with the members of the Finance Committee prior to the Board meeting (Wesen, Heinrich and Weimer for Nyman) and presented the fiscal year FY 2019 draft budget for their consideration. The members supported the budget coming to the full Board in May, with no recommendations for any changes.

New source review and air operating permit update – Agata McIntyre

NWCAA Engineering Manager Agata McIntyre reported on the March 2018 construction permit (new source review) activity.

In March the agency received six applications for construction permits.

McIntyre stated that one of the construction permit applications received was from Chemco, one of our 25 Air Operating Permit (AOP) sources. They have been in operation since the early 1980s and they are now applying for a construction permit to develop a new product line to manufacture a weather resistant wood product. This product could be a competitor for products like TREX decking.

Manufacturing the new product will produce emissions that are somewhat different from what Chemco emitted in the past. Chemco proposes to use an existing autoclave (pressurized chamber) to impregnate wood boards with a resin, then cure the boards in their existing wood drying kilns. According to the application, this process will emit 22 tons per year of VOCs, with a maximum annual production of 1.1 million linear feet of wood.

Enforcement update – Matt Holmquist

Holmquist, on behalf of NWCAA Compliance Manager Toby Mahar, reported that the Agency issued five notices of violations in March.

Among the violations issued was one to the Tesoro Refinery for excess sulfur dioxide emissions from its flare. Tesoro had problems with its catalytic cracking unit, and the back-up to that unit also had problems, which led to the excess emissions. Agency staff will soon be meeting with Tesoro staff to discuss the incident.


ADJOURNMENT

There being no further business to consider, the meeting adjourned at 2:06 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 12, 2018, in Mount Vernon, Washington.

ATTEST:



Terry Nyman, Secretary
NWCAA Board of Directors



Brian Heinrich, Chair
NWCAA Board of Directors

DATED: May 10, 2018