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## **BOARD MEETING MINUTES**

The meeting of the Board of Directors of the Northwest Clean Air Agency was held at 1:30p.m. Thursday, November 8, 2018, at 1600 S. 2nd St., Mount Vernon, Washington.

### **MEMBERS PRESENT:**

Skagit County	Joe Lindquist Ron Wesen
Island County	Richard Hannold
Whatcom County	Brian Heinrich
Member-At-Large	Terry Nyman

**ABSENT:** Bob Severns  
Satpal Sidhu

**ADVISORY COUNCIL:** Mary Hess

### **ALSO PRESENT:**

NWCAA staff members	Mark Buford, Alicia Huschka, Toby Mahar, 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 motion by Rick Hannold, seconded by Ron Wesen, the minutes for the October 11, 2018, meeting were approved 4-0. (Joe Lindquist arrived shortly after the vote.)

**NEW BUSINESS****Fiscal year 2019 first quarter financial report (through Sept. 30, 2018) – Alicia Huschka**

NWCAA Chief Financial Officer Alicia Huschka reviewed actual financial results compared to the annual budget for fiscal year 2019 for the Operating Fund for the three-month period ending September 30, 2018.

	<b>Year-to-date</b>	<b>Annual Budget</b>	<b>% of Annual Budget</b>
<b>Revenues</b>	\$2,909,267	\$4,365,961	67%
<b>Expenses</b>	\$950,564	\$4,721,769	20%

Huschka stated that the revenues collected include 99% of the Air Operating Permitted source fees. Additional revenues will be billed in the next few months, with registered source billings being completed in February 2019.

Huschka reported on the Greenhouse Gas Reduction projects and funds that have been used as of September 30, 2018:

<b>Recipient</b>	<b>Award Amount</b>	<b>Spent at 9/30/18</b>	<b>Project Balance</b>	<b>Notes</b>
Opportunity Council	\$ 2,708,669	\$2,647,326	\$61,343	Agreement term: June 2015-Dec. 2018
Whatcom Smart Trips	\$ 95,000	\$68,400	\$26,600	Funded for: July 2017- June 2019
City of Bellingham	\$ 760,000	\$130,966	\$629,034	Contract extended April 2021
Sustainable Connections / Opportunity Council	\$ 141,331	\$141,331	0	<b>Completed</b>
Washington State University (WSU)	\$ 241,681	\$241,659	0	<b>Completed</b>
Administration	\$ 676,726	\$548,371	\$128,355	Personnel administration & Legal
<b>Totals</b>	<b>\$4,623,407</b>	<b>\$3,778,052</b>	<b>Budget balance: \$845,332</b>	

**NEW BUSINESS****Reappointment of Advisory Council members – Mark Buford**

NWCAA Executive Director Buford asked Board members to support re-appointing Sandy Paris and Rebecca Spurling to the Advisory Council. Both of their terms are set to expire at the end of December 2018, and this three-year renewal would extend their terms until the end of 2021.

Motion to re-appoint Paris and Spurling to the Advisory Council was made by Joe Lindquist, seconded by Terry Nyman, and approved 5-0.

### **Bills and claims**

Board members discussed the bills and claims reports for October 2018. Wesen made a motion to approve the October 2018 (\$474,561.88) bills and claims. Hannold seconded the motion, and the Board approved the bills and claims 5-0.

## **STAFF REPORTS**

### **Director's Report – Mark Buford**

- **Pipeline explosion**

Buford reported that the pipeline owned and operated by Enbridge north of Prince George, British Columbia, did cause all of the refineries in NWCAA's jurisdiction and the Whidbey Naval Air Station to curtail their operations to conserve natural gas for a short period of time. The air quality was not significantly impacted. Natural gas supply is not completely restored and major facilities, such as the refineries, will be watchful through the winter.

- **Disaster Planning.**

Buford recently attended the National Association of Clean Air Agencies meeting, which was held in Cleveland, Ohio. While there, he attended a session on Clean Air Agencies and their role in natural disaster events.

Buford learned that it is important to have a plan in place before a disaster strikes, so that an Agency is prepared to meet the needs of the public, as well as, ensuring the continuity of the Agency's operational needs. The Advisory Council members supported developing a disaster preparedness plan, and some of the council members volunteered to assist the Agency with the formation of this plan. The Agency may also want to consult a professional in this area to help with this process.

- **Wildfire update.**

Due to the various regional wildfires, NWCAA experienced the worst air quality in the Agency's history. This event led to high readings for particulate in NWCAA's jurisdiction. Bellingham had six days above the particulate limit for the NAAQS, Anacortes also had six days over the permissible range, and Oak Harbor had two days of poor air quality.

NWCAA called an air quality burn ban in August. Prior to this event, the Agency had never called a summer burn ban.

Because this smoke event was so widespread across the state, Washington State officials will likely apply to the U.S. Environmental Protection Agency (EPA) to treat this time period of heavy smoke, as an exceptional event. Which would mean that these high particulate readings would not be factored in when the EPA reviews the areas in our State that should be put into non-attainment status for violating the National Ambient Air Quality Standard (NAAQS).

The Columbia Valley area has problems with particulate counts all year, because of winter woodstove smoke, and summer wildfire smoke. The Agency strategy for addressing this problem is:

- Control what we can – keep working on wood smoke reduction efforts.
- Help reduce wildfires – support DNR’s effort to control wildfires by doing prescribed burns, but not to the point of significantly sacrificing air quality.
- Team up with health departments – develop partnerships. Coordinate messaging and communication efforts.

- **Recent meeting with Ecology staff**

Buford reported that he met yesterday with Washington Department of Ecology Air Quality Program management to discuss the following three issues:

1. The Alcoa (Intalco) Aluminum plant, located west of the city of Ferndale, is regulated by the Washington Department of Ecology. The NWCAA has no regulatory authority over Intalco. As a result of EPA issuing a new (lower) standard for SO<sub>2</sub> in the air and out of concern that Intalco (and only Intalco in the NWCAA jurisdiction) emits enough SO<sub>2</sub> to potentially cause an exceedance of the new standard, Ecology installed an SO<sub>2</sub> monitor in 2016 on Mountain View Road, just east of Intalco, to monitor the effect of emissions from Intalco. Preliminary data suggests the future possibility of a NAAQS exceedance at the Mountain View monitor.

The SO<sub>2</sub> National Ambient Air Quality Standard (NAAQS) is based on the average of three years of data – in this case 2017, 2018, and 2019. If the monitor continues to show readings like those we’ve seen so far in 2017 and 2018, it is on track to exceed the SO<sub>2</sub> NAAQS at the end of the three year period. This would trigger the U.S. Environmental Protection Agency (EPA) to designate the area as out-of-attainment (aka non-attainment) as soon as late 2020.

A nonattainment designation is a process that typically begins with a new standard being issued, followed by an identification of areas that do not comply with the standard, and then a requirement for the agency with jurisdiction to formulate and implement a plan to bring the area into attainment.

SO<sub>2</sub> does not persist in the atmosphere for long, so the actual area of concern appears to be relatively close to the Intalco facility itself. Buford expressed that it would be a rare occurrence for the EPA to designate the non-attainment area around one business. Often these areas are defined by a county’s geographical boundaries. A smaller area, such as the Cherry Point industrial area, may be possible.

Buford addressed this issue with the Advisory Council, and they supported the Agency developing a communications plan that includes messaging for residents in the area. Buford sees the value in such communication and would like to develop this plan with Ecology because Intalco is under Ecology jurisdiction. Such cooperation would result in a more complete communication.

Ecology expressed a desire to work closely with NWCAA on this issue.

2. Buford also discussed Ecology’s participation in moving forward NWCAA’s recent revisions to the Agency’s rules. The staff at the EPA’s Region 10 office reviewed the proposed changes to the Agency’s rules, and indicated their approval of the changes. However, before EPA can officially adopt these changes, Ecology must formally submit the changes to EPA for inclusion into the States Implementation Plan (SIP). Ecology indicated their willingness review these changes during the spring of 2019.

- 3. The last issue that was discussed with Ecology staff was the role between NWCAA in enforcing the Prevention of Significant Deterioration (PSD) section of Air Operating Permits. Buford supports the Agency being a one-stop shop for enforcing all permit requirements (including PSD permits that Ecology issues) for our large sources. Ecology issues the actual PSD permit, and they plan to have some internal discussions about this topic, but overall they seemed supportive about NWCAA’s continued enforcement role.

**New source review and air operating permit update – Agata McIntyre**

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

During October, NWCAA received three applications for a construction permits and issued four permits. Among the construction permit applications received was one from Petrogas for their Ferndale Storage Terminal to modify the testing requirements in an existing permit for their existing engines.

The Lynden Darigold facility also submitted a permit application to modify a permit for their existing temporary gas boiler to allow it to burn diesel as a backup fuel. Darigold’s natural gas supply was curtailed after a recent gas pipeline explosion in B.C. The facility did not have permit approval to run the boiler on diesel at that time. They want to have the ability to burn diesel should a similar situation arise in the future.

**Enforcement update – Toby Mahar**

NWCAA Compliance Manager Toby Mahar reported to the Board about the recent Superior Court hearing that she attended in Okanogan County. (Annette Holding) Super Duper Foods filed an appeal of the Pollution Control Hearing Board’s decision from November 2017. Mahar expects that the judge will issue a ruling within the next couple of weeks. Mahar believes the Agency will prevail with this case.

Mahar reported that the Compliance team issued eight enforcement actions, and received an increase in the number of complaints received, during the month of October. Many of the complaints were related to odor issues stemming from the operations at the Ershigs manufacturing plant, located Bellingham.

**ADJOURNMENT**

There being no further business to consider, the meeting adjourned at 2:25 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 November 8, 2018, in Mount Vernon, Washington.

ATTEST:   
 Terry Nyman, Secretary  
 NWCAA Board of Directors

  
 Brian Heinrich, Chair  
 NWCAA Board of Directors

DATED: December 13, 2018