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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 11, 2019, at 1600 S. 2nd St., Mount Vernon, Washington.

MEMBERS PRESENT:

Skagit County	Mary Hudson Ron Wesen
Island County	Bob Severns Janet St. Clair
Whatcom County	Brian Heinrich Satpal Sidhu via teleconference
Member-At-Large	Joe Lindquist for Terry Nyman

ALSO PRESENT:

NWCAA staff members	Mark Buford, Alicia Huschka, Agata McIntyre, Toby Mahar, Seth Preston, Lyn Tober, and Laurie Caskey-Schreiber
Legal counsel	Simi Jain

CALL TO ORDER

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

APPROVAL OF PRIOR BOARD MEETING MINUTES

On a motion by Janet St. Clair, seconded by Joe Lindquist, the minutes for the March 14, 2019, meeting were approved 7-0.

ACTION ITEMS**Resolution 571 – NWCAA Rule Modifications – New Source Review Permits, Facility Registration, Ambient Standards, Sulfur Dioxide Monitoring.****Resolution 572 – NWCAA Rule Modification – Replacement or Substantial Alteration of Emission Controls & Non-road Engines**

NWCAA Executive Director Mark Buford introduced the resolution(s), which are the result of a two-year process to update and streamline the Agency's regulations.

NWCAA Permit Writer Lyn Tober presented a list of proposed changes to the Board in 2017. Resolutions 571 and 572 reflect all of the changes that are being proposed. Agency staff have completed outreach to interested stakeholders, gained their feedback and responded to the comments that were submitted.

Some of the regulatory updates in Resolutions 571 and 572 affect rules that are in NWCAA's State Implementation Plan (SIP), which is codified by the Environmental Protection Agency (EPA) in the Federal Register. NWCAA staff have been working with EPA Region 10 to provide them advanced copies of the proposed changes and gain EPA's unofficial buy-in regarding the changes. NWCAA shared a draft of the proposed changes with EPA Region 10 in 2018, and EPA indicated their unofficial support (via an October 2018 letter) for the proposed changes. Changing rules that are in the SIP is a multi-step process that also involves the Washington Department of Ecology (Ecology). Following Board approval, Agency staff will forward these revisions to Ecology, which must officially submit them to EPA on NWCAA's behalf. NWCAA is hopeful that the pre-work done with EPA will lead to a smooth SIP approval process.

The proposed changes to the NWCAA Regulations are:

1. **New Source Review** (NWCAA Sections 300-305): Update and clarify the construction permitting (New Source Review) regulations to reduce regulatory burden and focus permitting on areas where the Agency can provide significant air quality benefits.
2. **Registration Program** (NWCAA Section 320 & 321): Modifying the registration program to improve transparency and equity. Agency will clarify the list of facilities that must register with NWCAA and make changes to better align the NWCAA rule with the Washington Department of Ecology's rules.
3. **Ambient Standards** (NWCAA Sections 400-428): We are removing the ambient air quality standards in our rule in favor of referencing the state rule that already applies statewide.
4. **Weight / Heat Rate Standard – Emission of Sulfur Compounds** (NWCAA Section 460): Updating this section to only include those requirements that add air quality benefit in the current conditions.
5. **General Definition Section** (NWCAA Section 200): Revising this section to remove unnecessary definitions, clarify language, and move definitions embedded in our gasoline station rules to this section.
6. **Update adoption-by-reference list** in NWCAA Section 104: Proposing to revise and readopt the external adoption-by-reference list in NWCAA Section 104. This will

allow the Agency to implement the most recent version of the referenced state and federal rules.

Public comment periods and hearings were held for the changes in both resolutions, and the public comment process is now closed.

NWCAA Engineering Manager Agata McIntyre acknowledged that updating the SIP is a very time-consuming process, which explains why the NWCAA SIP was last updated in 1995.

Motion to approve Resolution 571 was made by Brian Heinrich, seconded by Lindquist, and approved 7-0.

Motion to approve Resolution 572 was made by Bob Severns, seconded by Mary Hudson, and approved 7-0.

Bills and claims

Board members discussed the bills and claims reports for March 2019 (totaling \$384,727.45). Hudson made a motion to approve the March 2019 bills and claims. Lindquist 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:

- Buford and Chief Financial Officer Alicia Huschka met with the members of the Finance Committee prior to the Board meeting (Wesen, Heinrich and Severns) and presented the fiscal year FY 2020 draft budget for their consideration. The members supported the budget coming to the full Board in May, with no recommendations for any changes. The Board will vote on the FY 2020 budget at their June meeting.
- The Legislature failed to adopt the new woodstove standards that Clean Air Agencies hoped would move forward in 2020. Buford was told that they simply ran out of time to address this piece of legislation. However, Senate Bill 5279 has moved forward for approval. This bill allows for limited prescribed outdoor burning in Urban Growth Areas as part of a concerted effort to prevent wildfires. Buford and others – while understanding the use of prescribed burning as a tool to address wildfire – are concerned about potential smoke problems that may arise with outdoor burning in these areas of high-density housing.
- The Greenhouse Gas mitigation program is winding down to a close in 2020. The fund has approximately \$200,000 leftover balance, and Agency staff would like Board members to consider using these funds to extend some of the work that has been done by the Opportunity Council to support their weatherization/energy efficiency program. Buford intends to invite staff from the Opportunity Council to make a presentation pitch during the May Board meeting.

New source review and air operating permit update – Agata McIntyre

NWCAA Engineering Manager Agata McIntyre reported on the March 2019 construction permit (new source review) activity.

In March, the agency received six applications for construction permits and issued five permit decisions.

McIntyre stated that one of the construction permit applications was from the Phillips 66 refinery, one of our 24 Air Operating Permit (AOP) sources. The company plans to add two storage tanks, one with the capacity to store 300,000 barrels of crude oil, and the other designed to hold 80,000 barrels of fuel oil. In its application the company stated that these tanks will be used to segregate lower-sulfur marine fuels they will produce to comply with the 2020 International Maritime Organization (IMO) marine fuel standards.

Enforcement update – Toby Mahar

NWCAA Compliance Manager Toby Mahar reported that the Agency issued two penalties in in March for illegal outdoor fires.

Mahar explained why the Washington Department of Transportation sent in a construction permit application. The Compliance staff contacted them about their federally regulated diesel-fueled generators that operate to support their facility at the base of Mount Baker in lieu of line-power that emit regulated pollutants above the registration threshold.

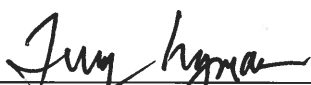
Mahar reported that the number of complaints for March was average. However, on March 29, Samish Island residents reported odor impacts from a tanker vessel off-gassing within the Vendovi Anchorage. Because of this event, next month's report will likely reflect an increase in odor-related complaints (the Monthly Activity report period is from the 26th to the 25th). Because ships are mobile sources, NWCAA has no direct jurisdiction. The Agency is working to raise awareness of the issue and determine possible improvements.

ADJOURNMENT

There being no further business to consider, the meeting adjourned at 2:10 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 11, 2019, in Mount Vernon, Washington.

ATTEST: 
Terry Nyman, Secretary
NWCAA Board of Directors


Ron Wesen, Chair
NWCAA Board of Directors

DATED: May 9, 2019