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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, August 12, 2021, via video conference.

MEMBERS PRESENT:

Skagit County	Mary Hudson Ron Wesen
Island County	Janet St. Clair
Whatcom County	Brian Heinrich
Member-At-Large	Terry Nyman

MEMBERS ABSENT: Todd Donovan, Bob Severns

ALSO PRESENT:

NWCAA staff members	Mark Buford, Alicia Huschka, Toby Mahar, Agata McIntyre, Seth Preston, and Laurie Caskey-Schreiber
Legal counsel	Svend Brandt-Erichsen

CALL TO ORDER

Board of Directors Chairman Brian Heinrich called the meeting to order at 1:35 p.m.

Executive Session

Heinrich announced that the Board and Agency staff were going into executive session at 1:37 p.m. to discuss a litigation issue. Discussion was estimated to last 15 minutes. Heinrich called the meeting back to order at 1:52 p.m.

APPROVAL OF PRIOR BOARD MEETING MINUTES

On motion by Ron Wesen, seconded by Mary Hudson, the minutes for the June 10, 2021, meeting were approved 5-0.

PRESENTATION

Fiscal Year 2021 Year-end financial report – Alicia Huschka

Agency Chief Financial Officer Alicia Huschka presented a summary report for the close of fiscal year 2021.

	Actual as of June 30, 2021	Budget	% of Annual Budget
Revenues	\$4,393,322	\$4,455,596	99%
Expenses	\$4,474,333	\$4,900,205	91%

	Operating Fund	Cumulative Reserve Fund	Capital Replacement Fund	Supplemental Environmental Fund	Personnel Costs Reserve Fund	Legal Reserve Fund	Total
Assets	\$1,399,635	\$791,314	\$192,350	\$487,766	\$278,784	\$154,647	\$3,304,496
Liabilities	260,936	0	0	0	0	0	260,936
Fund Balance	1,138,699	791,314	192,350	487,766	278,784	154,647	3,043,560
Liabilities and Fund Balance	\$1,399,635	\$791,314	\$192,350	\$487,766	\$278,784	\$154,647	\$3,304,496

Huschka also noted that the Supplemental Environmental fund, has an estimated uncommitted fund balance of \$267,000.

ACTION ITEMS

Resolution 593 – Authorizes amending fiscal year 2022 Operating Fund Budget – Alicia Huschka

Huschka presented Resolution 593 for Board approval. This resolution authorizes the Agency to carry forward unspent special legal services funds in the amount of \$48,079 to fiscal year (FY) 2022 that were previously committed to the legal services program in FY 2021.

Motion to approve Resolution 593 was made by Janet St. Clair, seconded by Hudson, and approved 5-0.

Bills and claims

Board members discussed the bills and claims reports for June and July 2021. Mary Hudson made a motion to approve the June (\$508,968.84) and July (\$326,400.55) 2021 bills and claims. Ron Wesen seconded the motion, and the Board approved the bills and claims 5-0.

STAFF REPORTS**Director's report – Mark Buford**

Buford reported to the Board on the following matters:

- Buford mentioned that the recent wildfire smoke caused air quality that was generally in line with, but marginally worse than expected. It is very difficult to forecast wildfire smoke. There are multiple factors that influence a smoke forecast, including the weather, size, and intensity of the fires.
- Agency staff have been working on a fee schedule change for composting operations and proposed rule changes for crushing operations.
- During the months of July and August, the agency is transitioning to a return to staff working in office, with a tentative full transition of staff working in office beginning in September. The office remains closed to the public until a date to be determined later in 2021. Plans may change in response to the COVID Delta variant and state/local health official guidance.
- The Advisory Council will be meeting on Aug. 26, 2021. John Wolpers from the Whatcom County Health Department has retired, so Buford will reach out to the Health Department Director to find a replacement for him.
- In the long term, NWCAA will also be examining our ambient air monitoring network to make sure that it is meeting the current and anticipated future the needs of the community.

New source review and air operating permit update – Agata McIntyre

NWCAA Engineering Manager Agata McIntyre reported on the June and July 2021 construction permit (new source review) activity.

During June 2021, the Agency received four applications for construction permits and issued ten construction permits.

One of the applications received in June was from Skagit Soils. The change they are seeking would be an expansion of their existing composting facility, which would allow them to double the volume of material they process.

During July 2021, the Agency received three applications for construction permits and issued six permits.

One of the applications received in July was from the BNSF Railway for soil remediation at the Custer Derailment Site. BNSF will be remediating the contaminated soils from the 2020 crude oil train derailment, and they will use carbon vessels as air pollution controls.

Enforcement update – Toby Mahar

NWCAA Compliance Manager Toby Mahar reported that the Agency issued 24 violations in June. The majority of these were based on sources failing to report their emissions. The

Agency utilizes a formula that bases registration fees on source's emissions, so this information is important and necessary for the registered source billing program. Mahar noted that most of these violations, have since been resolved.

NWCAA also issued two penalties in June, one to Sierra Pacific for operational issues and the second one for illegal asbestos removal. In July, staff issued two violations, and one \$60,000 penalty to the Shell Puget Sound Refinery. The Shell refinery had two flaring events that took place in August and September of 2020. The September event caused odor impacts south of the facility including the Swinomish tribal community.


ADJOURNMENT

There being no further business to consider, the meeting adjourned at 2:49 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 August 12, 2021, in Mount Vernon, Washington.

ATTEST:



Terry Nyman, Secretary
NWCAA Board of Directors



Brian Heinrich, Chair
NWCAA Board of Directors

DATED: September 9, 2021