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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, November 18, 2021, via video conference.

MEMBERS PRESENT:

Skagit County	Joe Lindquist for Mary Hudson
Island County	Tara Hizon
Whatcom County	Todd Donovan Brian Heinrich
Member-At-Large	Terry Nyman

MEMBERS ABSENT:

Janet St. Clair
Ron Wesen

ADVISORY COUNCIL:

Mary Hess

ELECTED OFFICIAL:

Satpal Sidhu, Whatcom County Executive

ALSO PRESENT:

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

CALL TO ORDER

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

APPROVAL OF PRIOR BOARD MEETING MINUTES

On motion by Todd Donovan, seconded by Terry Nyman, the minutes for the Oct. 14, 2021, meeting were approved 4-0 (*Tara Hizon arrived shortly after the vote*).

PRESENTATION

Fiscal year 2022 1st quarter financial report (through Sept. 30, 2021) – Alicia Huschka

NWCAA Chief Financial Officer Alicia Huschka reviewed actual financial results compared to the annual budget for fiscal year 2022 for the Operating Fund for the three-month period ending September 30, 2021.

	Year-to-date	Annual Budget	% of Annual Budget
Revenues	\$3,388,838	\$4,639,632	73%
Expenses	\$1,079,657	\$4,899,183	22%

Huschka stated that the revenues are tracking as anticipated, noting the cyclical nature of when certain revenues are billed during the year. Registered source billing is done during the month of February, and the billing for NWCAA large sources is done during the beginning of the fiscal year, during the month of July.

Huschka reported that there are no surprises with the budget so far, and the Agency funds are in good shape.

ACTION ITEMS

Resolution 594 – Adopting a New Fee Schedule for Registered Sources

NWCAA Executive Director Mark Buford reviewed the changes that are being proposed in Resolution 594. The proposed changes would reduce fees from the current registration fee schedule for the following source types:

1. Stand-Alone Stationary Emergency Engines

- a. Facilities registered *only* because of large emergency engines.

2. Synthetic Minor (SM) Sources

- a. These are facilities that would otherwise be “major” and subject to the Air Operating Permit program except that they have enforceable limits that keep them below major emissions thresholds.
- b. Proposing a new fee category added to SMs, to apply to those with enforceable limits below 80% of major thresholds.
- c. Four sources currently would qualify for this reduced SM fee.
- d. Reflects reduced administrative oversight for SMs with limits below 80% of major thresholds. SMs with limits above 80% of the major threshold have additional EPA requirements.

3. Commercial Composting Facilities

- a. Currently eight facilities have been identified that sell or distribute compost, all will be new to NWCAA registration this year.
- b. Proposing registration fees that also simplify recordkeeping and emissions reporting.

The Board was presented with this proposal of changes in September 2021, a 30-day public comment period occurred, and a public hearing was held. Some of the comments submitted have been included in your Board packet. If approved this resolution would be enacted on Jan. 1, 2022.

Donovan made a motion to approve Resolution 594, Nyman seconded the motion. Board members voted to approve Resolution 594 with a 5-0 vote.

Resolution 595 – Amending Fiscal Year 2022 Operating Fund and Legal Reserve Fund Budgets

Huschka explained that Resolution 595 transfers \$96,000 of funds out of the Operating Fund and into the Legal Reserve Fund to replenish the reserve fund balance, and adds a budget revenue and related expense in the Operating Fund in the amount of \$260,050 resulting from a woodsmoke reduction grant award from the Department of Ecology. These funds will primarily be paid to the Opportunity Council to facilitate approximately 17 woodstove changeouts in the Columbia Valley area.

Donovan made a motion to approve Resolution 595, Joe Lindquist seconded the motion, and the Board approved Resolution 595 with a 5-0 vote.

Bills and claims

Board members discussed the bills and claims reports for October 2021. Donovan made a motion to approve the October (\$352,623.09) 2021 bills and claims. Tara Hizon 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:

- The NWCAA monitoring stations measure particulate matter (PM2.5) in the air. They also report the measured concentrations to State Agencies and to the Environmental Protection Agency. The State of Washington uses a different system to convey the risk to the public than the federal one that is used. These risk communication tools use colors (green, yellow, orange, etc) to convey potential risk. The differing indices have created confusion for the public in that the Washington index (WAQA) and EPA index (AQI) can report different risk values for the same measured concentration. Out of concern that this confusion is undermining risk messaging, the State Departments of Health and Ecology investigated a number of possible resolutions. As a result of their work, the State is recommending that the Washington index be phased out and that the federal index (AQI) be used throughout Washington before the next wildfire season begins. This will bring Washington in line with our neighboring states and provide consistency within Washington. NWCAA supports this decision and will begin changing to the AQI index. Some other local clean air agencies (PSCAA for one) already report using the federal AQI and do not use the Washington index.

- Buford submitted a letter to U.S. Senator Patty Murray, who sits on the Senate Appropriations Committee, asking her to support the 92-million-dollar increase being proposed to fund to state and local clean air agencies. Buford noted that federal funding has been stagnant for the past 15 years.
- Buford is planning on the NWCAA staff returning to the office during the first week of January 2022. The office will remain closed to the public at this time. He is also hoping that the February 2022 Board meeting will be in-person. This will be confirmed as the date approaches.
- Due to the recent flood event in Whatcom County, the Agency's new Toyota RAV4 hybrid vehicle sustained significant water damage, so the car will have to be re-ordered. No word on the timeline for delivery of this second vehicle. This flood event triggered a State of Emergency Declaration for Island, Whatcom and Skagit counties. As a result of this, the State rules for burning flood debris are slightly altered for a period of 2 years.

New source review and air operating permit update – Agata McIntyre

NWCAA Engineering Manager Agata McIntyre reported on the October 2021 construction permit (New Source Review) and Air Operating Permit activity.

The Agency received two applications for a construction permits and issued one permit. Work on renewing Air Operating Permits, which require renewal every five years, continues.

McIntyre noted that one of the applications received was for the Ferndale Refinery (Phillips 66) to install a burner replacement on an existing hydrotreater heater. The new equipment will utilize a new ultra-low NOx burner, and there will be no increase in capacity.

Enforcement update – Toby Mahar

NWCAA Compliance Manager Toby Mahar reported that NWCAA issued 14 notices of violation (NOV) in October. 12 of these NOVs pertained to sources failing to pay their 2021 registration fees.

NOV 1415 was issued to the Big Fat Fish LLC Company for failing to properly manage fish raw materials and waste on-site. The wastewater treatment system appeared to have operational issues as well. NWCAA is coordinating with Department of Ecology.

The Ferndale Terminal (Petrogas West LLC) operates a butane and propane receiving, storage, and shipping facility. The facility receives product via rail, truck, and pipeline and can distribute product via rail, truck, or ship. Petrogas was issued NOV 1416 for failing to install and operate in accordance with the Notice of Construction applications submitted to NWCAA. NWCAA also alleges that Petrogas failed to obtain required Prevention of Significant Deterioration and Title V permits and report emissions. These violations are "high priority violations" under EPA policy, requiring additional coordination with EPA.

An associated Compliance Order was issued with NOV 1416 requiring the facility to operate a thermal oxidizer as an interim control device, obtain a permit for the full projects

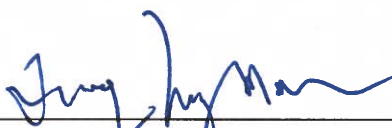
implemented, and provide reporting until the projects are fully permitted. NWCAA is in the early stages of addressing these violations and is coordinating information with EPA, Ecology, and Whatcom County.

ADJOURNMENT

There being no further business to consider, the meeting adjourned at 2:30 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 18, 2021, in Mount Vernon, Washington.

ATTEST: 

Terry Nyman, Secretary
NWCAA Board of Directors



Brian Heinrich, Chair
NWCAA Board of Directors

DATED: December 9, 2021