

OLYMPIC REGION CLEAN AIR AGENCY
2940 B Limited Lane NW
Olympia, Washington 98502

BOARD OF DIRECTORS MEETING

July 8, 2009

Members present: Clay Harwood, Pacific County (Chair)
Grant Munro, City of Port Angeles Representative
Ross Gallagher, Mason County
Mike Doherty, Clallam County
Art Starry, Thurston County Representative
Joan Machlis, City of Olympia (Vice Chair)
Ann Burgman, City of Lacey
Phil Johnson, Jefferson County
Terry Willis, Grays Harbor County

Members absent:

Ecology: Sean Lundblad

Legal Counsel: Fred Gentry of Bean, Gentry, Wheeler & Peternell

Staff Present: Fran McNair, Executive Director; John Kelly, Engineer; Dan Nelson, Public Information Officer; Lynn Harding, Administrative Services Manager; Jimmy Werner, Senior Air Monitoring Technician; Mark Moore, Monitoring Technician; and Debbie Moody, Recorder

The meeting was called to order at 10:00 a.m.

Harwood presented Burgman with a gift recognizing her time served as Chair. There were no additions or omissions to the Agenda. Munro moved approval of the Agenda. Burgman seconded the motion and it carried unanimously. Gallagher moved approval of the Consent Agenda. Munro seconded the motion and it carried unanimously.

UNFINISHED BUSINESS

Vehicle Security

McNair noted at the previous meeting staff had mentioned building a garage for our vehicles. Due to the size of the building in question, there were some other items we would have to comply with, which would increase the price of the garage by \$20,000. Based on previous concerns, staff shelved the concept and requested bids for a fenced area. We are looking at building a fenced area large enough to accommodate four vehicles. The bids are around \$4,000, which is a lot less than the \$50,000-\$80,000 for a garage. McNair noted she is requesting approval from the Board for \$4,500 for the fenced area.

Johnson moved approval of the expenditure of \$4,500 for a fenced security area for the vehicles. Burgman seconded the motion and it carried unanimously.

Cascade Sierra Solutions - Truck Program

McNair stated we had discussed providing \$50,000 to this program. McNair explained that after further conversations with Cascade Sierra Solutions (CSS), come to find out they didn't receive the DERA monies. In the Board packets, McNair stated, there is a paper outlining the status of the program. Financially, McNair explained, the program is quite a bit different. They will be

reapplying for the DERA funds but won't know until around January 2010. McNair stated she did explain to CSS that she was nervous about the program at this point in time. McNair noted to the Board that she would recommend we wait on any funds until they have secured the DERA funds. McNair felt they do not have enough, at this point, to make it worthwhile for the truckers in our area.

Willis asked if we were told why they didn't receive the DERA funds. McNair stated it was a grant and they just weren't picked. Machlis asked if McNair's main concern was the lack of trucker participation. McNair stated there are 3 components that we were interested in: lease to own options; getting repossessed rigs; and the level of controls they were going to be able to install. Harwood agreed that it appears there are a lot of unknowns at this time. What sounded like a good project at the beginning doesn't seem to be a good direction to go at this point. Harwood agreed we should wait.

Machlis did not disagree, however did note if we are going to get value from the program we may want to think about it. Machlis asked if she was correct in understanding that we don't have to pay unless we find participants. McNair stated that was incorrect. If we give them the funds, they get to use it as part of their program. McNair stated she could have CSS let us know once they get approval from California and get other trucking companies to sell reposed trucks (so we have alternatives)—we can enter into this at any time. Machlis wanted to make sure we aren't being so tentative that we aren't helping this move forward. McNair stated CSS will continue to move forward with or without our money.

After further discussion the Board agreed to hold off on participating in the CSS project until further notice.

DIRECTOR'S REPORT

Compliance Update

McNair explained Robert Moody, Compliance Supervisor was in training today so she would be giving his report. She noted we had originally asked Crown Cork and Seal do a presentation today, unfortunately their lead was sent to Chicago. They would still like to come in so we will work with them on a future date. McNair noted she had not attended the latest Pollution Control Hearing as she was out of town. Heather Welch, of Gentry's office represented us and after the hearing there were a few issues with regards to our Regulations. The language we have with regards to identifying the violator needs to be cleaned up. We will need to hold a public hearing for the changes that need to be made. McNair stated we have had 104 complaints over the past month and 56 of those were from Ocean Protein. McNair did note she had recently visited Hoquiam and did get a chance to speak with some of the people in the area. McNair stated she does recognize Ocean Protein has been in the community for five years and they have done a lot to reduce the odors – it is less pungent that it had been in the past – however there is still a problem.

McNair stated she feels for these neighbors. McNair noted the location of Ocean Protein is not a good location for this type of facility. The people in the community are frustrated because we are not writing violations. McNair stated she explained writing violations won't resolve the issue and she would much rather see them use their money for additional technology to solve the problem. McNair noted Mark Goodin, Professional Engineer accompanied her on an inspection of the plant and felt there is more they can do with their equipment to lessen the odor. Willis asked if there are grants or funds that would help Ocean Protein move their business. Gentry noted they own the building they are in and one of the reasons they located where they did was the close proximity to the water and Grays Harbor Paper. McNair stated staff would be meeting with Gentry at the end of the week to look at alternatives for this business and what more we

can do. Some discussion followed. There was no action required of the Board.

McNair noted the next case we are working on has to do with Atlas Pellets in Shelton. McNair stated she now has their attention. They have a fugitive dust issue that is bothering neighbors. McNair noted the structure has a large open area where the trucks were coming and going. McNair asked why they didn't get a piece of canvas to cover the open area to cut down the dust problem. We did write a letter explaining to them they needed to find out what it would cost to have a flap door made. They didn't follow through. McNair stated she gave them a contact at an awning company and told them to call. Atlas Pellet stated they called and no one was available to come out and give them a bid. McNair noted she contacted the awning company herself and come to find out they never called. McNair stated Atlas did end up contacting the company that built the structure and received bids – so the process is now moving along.

McNair stated she visited Soil Key this week. McNair stated this was her first trip out to the facility. Soil Key is under orders to clean up the site and have been working on it. McNair explained it was obvious during the site visit that they are making progress, however it is slow going. There was some concern that one of the piles was missing. Pile B, which apparently wasn't to be moved, is gone. Ecology noted the Pile B had been determined that it was not suitable to be sold as compost. Ecology will be following up on that.

McNair noted there have been 40 inspections completed in the last month. She stated the inspection staff are currently on a 4/10 schedule for the summer, on a trial basis. She noted we will be comparing past inspections to see if the alternative schedule assisted staff in completing more inspections during the trial period.

We have received a few odor complaints from North Mason Fiber; however, with wind direction not working in their favor, we were happy with the fact we only received a few complaints.

The Jerry Leppel case was heard before PCHB recently. We have not yet heard the outcome of the case.

ORCAA Permit Actions

John Kelly, Engineer, stated we are currently working on three Title V permits: Westport Shipyard is in the public comment phase; Sierra Pacific Industries Lumber has turned in their application; and, Olympic Panel Products' permit is due next month. We have several minor source applications in process as well. We have received seven new permits in the past month and three of them were for new facilities. Kelly noted EPA is in the process of re-promulgating the boiler MACT and in that process they will be requiring stack testing from three of our major sources – Nippon, Grays Harbor Paper, and Weyerhaeuser Raymond. They will be required to do extensive stack testing next month so that EPA can have the results by October. The boiler MACT will also affect Simpson in Shelton. In the last month Department of Ecology revised the air toxic regulation (WAC 173-460) resulting in new work with regards to looking closer at the air toxic impacts.

Machlis noted seven new permit applications sound hopeful for the economy – is that at all the case. Kelly stated he has looked at several years of NSR data and there doesn't really seem to be any sort of pattern to it. It is encouraging, Kelly added, that we do have new businesses coming in.

Willis asked Kelly to give more detail on Grays Harbor Paper. Kelly explained Grays Harbor Paper is a major source which has an industrial boiler that burns hogfuel. There are new rules coming from the federal government that will affect these types of boilers. The boiler MACT is the newest rule and it is designed to control the toxic air contaminants coming from the

combustion process in the boiler. Kelly noted of interest, EPA identified 16 major sources (from Washington, Oregon, Idaho and Alaska) that they wanted to have test – of the 16, 3 are in our jurisdiction.

Education and Outreach

Dan Nelson, Public Information Officer, stated we had sent out newsletter updates with regards to Ocean Protein. There were over 200 people on our mailing list, which gives you an idea of how large of an area it covers. The newsletter was used to let the neighboring community know that we are continuing to work with Ocean Protein.

Nelson noted we had some money left over from the Hoquiam lawnmower exchange, and we do have the option of continuing it via postcard coupons that would go directly to Neuton. We didn't get as large a response as we thought we would get – we are now considering using the remaining funds as a woodstove change out program in the community.

DNR has started a change out program for burn barrels. If you turn in a burn barrel they will provide a compost bin. We have the compost bins here at our office and we have begun to receive a few calls requesting them. Currently DNR is targeting Mason County and we are working with them to open it up to other communities.

We continue to work with Northwest Clean Air and Puget Sound Clean Air developing strategies for media outreach. We need to be able to address burn bans in a better way with regards to the overlapping issues with the other agencies.

Nelson stated he continues to work on our new website as well. He noted Mark Moore, Monitoring Technician, has been helping with programming and coding as well.

Willis, noting she is definitely in favor of a woodstove program in the Grays Harbor Area, however is there anyway we can just give the penalty money back to Ocean Protein and have them use it to fix the problem. We don't have as big an air quality issue, due to woodstoves, as other areas do, but Ocean Protein could probably use the funds to take care of the odor. Nelson stated the money we were talking about was part of the settlement with Ocean Protein. Part of the settlement agreement, Nelson explained, \$75,000 was devoted to the city of Hoquiam for an air pollution project. If the city agrees giving the money back to Ocean Protein is the best use of the remainder of the money, we can certainly explore that. McNair stated we may also want to look at other things we can do in the community, around the plant, to the benefit of the citizens in the area.

Willis asked if she was the only one that feels we are giving a benefit for bad behavior. She explained the city gave them a permit to build a business in an area that doesn't really fit the planning issue. There are definitely problems, yet we turn around and give the money to the city. Gentry stated it really wasn't to the city, if memory serves, \$75,000 was to go to pollution control projects as applied for by the city of Hoquiam. Gentry noted there had been a time line on the use of the money. Nelson noted the deadline for the use of the money has passed but we were trying to keep within the original intent – using the money in the community. Of course, Nelson noted, it is entirely up to the Board what we do with the money at this point.

Willis stated she would like to see Ocean Protein succeed and we should do what we can to help them out. What Willis doesn't want to see is us getting into a pattern of creating situations by letting problems continue and someone benefits from it. Machlis noted if we do have some money that is no longer allocated, we could play a role in setting the priority of what might be the most important air quality investment we can make. It sounds like Ocean Protein may just be that priority. Machlis stated she is definitely for us setting air quality priorities in the

community. Willis agreed noting as long as there is progression forward it seems a good idea, however if something changed and Ocean Protein wasn't working with you, we would have the authority to say we won't help any further. Harwood stated he would like the money focused on the community as well. McNair agreed and will come back to the Board with ideas focused on the community and Ocean Protein.

Doherty asked if staff has the authority to look at a profit loss statement from Ocean Protein. McNair stated she didn't know if we do or not. Doherty stated he had asked Richard Stedman the same question and Stedman stated we just took their word for it that they are spending a lot of money on fixing things—they are barely profitable. Gentry noted we have provided us a list of expenditures they made, but we have never received a profit loss statement. McNair asked if we could ask for it. Gentry said you can ask for anything.

Doherty asked if there is some public documents that are sent out when the burn bans start. Do we use this time to educate people on alternative solutions to burning? Nelson stated we do have a list of alternatives on the website and we have printed documents we hand out to people when they request a burn permit. Nelson noted he also does radio interviews when we have a burn ban and he noted the alternatives available. Nelson stated he has noticed people are more tolerant of fire safety burn bans than air quality burn bans – apparently their homes are more important than health.

Doherty also asked if someone on staff could monitor the stimulus money for energy projects – there is a required local government match. If someone could help us get to the match by monitoring clean air, it might mean another fund available to help local governments get their money.

McNair stated we plan on putting in a grant proposal to EPA, under the climate showcase communities. This is a 50% match grant, but it can be in kind. We are looking at \$300,000 over the next three years. If we receive the grant we'll be looking at our six counties with regards to energy conservation and air quality improvements. We hope to work with Puget Sound Energy and have them do energy audits in homes as well as businesses. Willis stated she would be interested in this grant as well. McNair stated she would send the information to the entire Board via email.

Administrative Services Update

Lynn Harding, Administrative Services Manager, noted the final financial report for Fiscal Year 2009 will be distributed at the August Board meeting. The first finance committee meeting, which will begin meeting on a quarterly basis, will meet prior to the October Board meeting. Harding noted staff is reviewing proposals we received for the Woody Biomass project. The RFQQ was sent out and we received seven proposals. Harding stated either McNair or Goodin should have more information in August with regards to the status of the project.

Air Quality Summary

Jimmy Werner, Senior Air Monitoring Technician, noted the Air Monitoring News letter put together by Mark Moore, Air Monitoring Technician. Werner noted the newsletter seems to be going over quite well and the information Moore is pulling together for it has been helpful. Werner noted the overall air quality for June was as expected. We did bump the Ozone moderate level with the heat wave in June. Werner gave the Board a quick history on the changes in burning and monitoring. He noted there had been a time when the agency issued permits along with the fire department and more people burned wood. We knew there were issues with wood smoke and we worked with Ecology to site what is now the Mountain View school monitoring site. At the time we monitored for PM10 and we did violate the standard

which started the process to attain the standard. The standard has changed and we are now monitoring for PM2.5 a much smaller particulate.

Werner stated he had attended a meeting in Ellensburg to discuss changes in the way we call air quality burn bans. He noted Robert Moody, Compliance Supervisor attended the training as well.

Werner noted we have submitted our plan for NCore for Cheeka Peak, which is one of the few rural background sites throughout the US. The other site in Washington is located in Seattle – which is the main focus for NCore. We should know sometime this year if Cheeka Peak is designated.

Machlis asked how many NCore sites there are nationwide. Werner stated he didn't know for sure how many, but at least one per state.

Doherty stated it has been predicted that BC is going to have a disproportionate number of wildfires – do we have a feeling how much of the particulates will come into the Puget Sound Basin. Werner noted we have seen that earlier this year. It is a big issue to think about and try to find out where all the particles are coming from. We assume, in the future, those types of issues will come into play with regards to the standards. Doherty stated we shouldn't be blamed for their pollution, but how do you prove where it came from. It seems a good argument for the use of national wildfire planning money and have community wildfire plans to help eliminate the risk of the fires. Doherty asked if there was some way staff can watch it.

McNair noted DNR has a relationship with the forest service and BC and she was sure they are all talking. There is a problem with the beetle infestation and other diseases and of course they are concerned about the fires that may start in Canada and move down into our state. It may be good to have a conversation with DNR to see what type of prevention they have been discussing. McNair stated she would also bring this up at the next Washington Air Quality Director's meeting. Sean Lundblad, Department of Ecology, noted EPA has a mechanism in place in case of a wildfire. If it triggers a violation of the standard for PM, the mechanism allows you to flag the events and explain it was uncontrollable and it shouldn't influence attainment status.

Wood Stove Change-Out Update

McNair stated we have changed out 90 woodstoves. We are reapplying for funding for the upcoming year. We will be asking for a grant in the Lacey, Olympia, Tumwater, Port Angeles and Port Townsend area. Willis asked if we would expand this program to other areas. McNair noted we can ask for anything; however Ecology will base their decision on air quality issues.

Thurston Regional Planning Council Report

Burgman noted the TRPC meeting is this coming Friday so there is no report. Machlis noted she did attend the last TRPC meeting and she stated there will be a report at the upcoming meeting regarding the pre-investment study for rapid transit of some kind in Thurston County. Machlis thought it important that air quality be addressed with regards to rapid transit due to the fact there are so many vehicle miles traveled in our area. The other item, Machlis stated, is TRPC will be holding a retreat to look at the mission. Machlis stated she would like to keep air quality a large part of the discussion with regards to land use, transportation, density, etc. There may be a chance for ORCAA to weigh in a bit more on the air quality portion.

Johnson wanted to thank staff, especially Goodin, for comments received regarding the public hearing we held for Port Townsend Paper. Johnson noted he was able to take the comments received from Goodin and use them to send in County Commissioner's remarks as well.

Doherty noted the timber counties are trying to find a time to meet sometime around the 22ⁿ-28th or so, to discuss biomass. Hopefully staff can attend as well. Doherty noted Tom Robinson is leading it up. McNair stated she would contact Robinson directly and have staff attend.

ADJOURNMENT

Munro moved adjournment of the meeting at 11:36 a.m. Johnson seconded the motion and it carried unanimously.

PRESENTED BY

Francea L. McNair, Executive Director

APPROVED BY:

The Majority of the Board

APPROVED and SIGNED this 9th day of September 2009