

FISCAL YEAR 2009 BUDGET

July 1, 2008 - June 30, 2009



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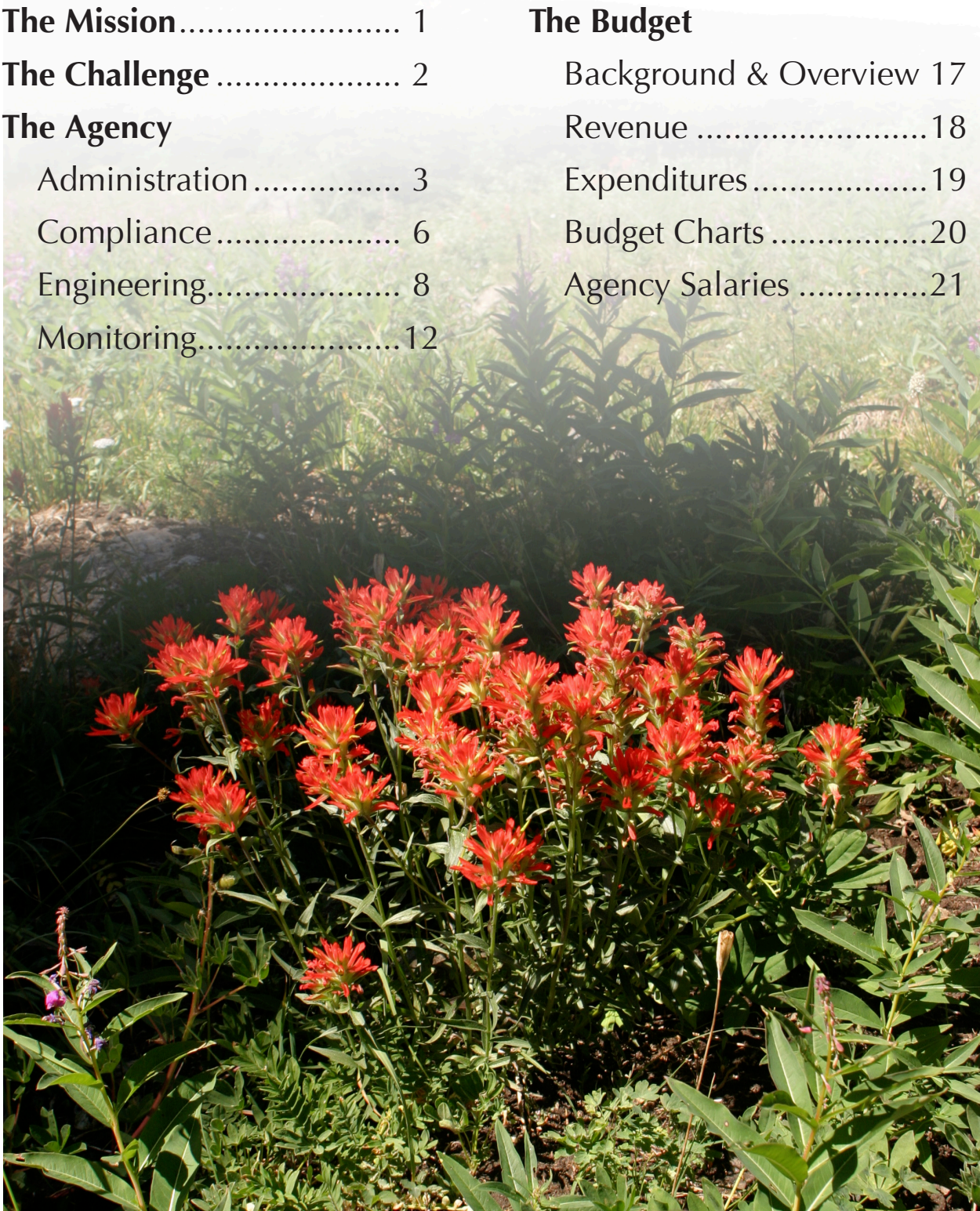
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On the Cover: Mallards flock around the Nisqually River Delta (Thurston County).

Above: Paintbrush blooming along the Marmot Pass Trail, Olympic National Park (Jefferson County).

Introduction

The Olympic Region Clean Air Agency (ORCAA) celebrates 40 years of Cleaner Air this year. ORCAA is a regional government agency having regulatory and enforcement authority in and for Clallam, Grays Harbor, Jefferson, Mason, Pacific, and Thurston counties of Washington state. ORCAA was established in 1968 (then called the Olympic Air Pollution Control Authority) after passage of the Washington Clean Air Act (RCW 70.94). The agency is responsible for enforcing federal, state and local air pollution standards and regulating air pollutant emissions from new and existing sources.

With over 8,000 square miles, ORCAA has the largest area of the seven regional air pollution control agencies in Washington state. Its jurisdiction is as diverse as the people the agency serves, from the coastal counties and the land on the southern stretches of the Strait of Juan de Fuca to the western edges of Puget Sound and the more populated areas around the state capital of Olympia. More than 460,000 people live in the jurisdiction served by ORCAA.

A nine-member Board of Directors establishes the policies and oversees the operations of the agency. The Board comprises one representative from each of

Vision: *All individuals in ORCAA's jurisdiction—especially children and the elderly—can live, work, and play in a healthful and clean environment, free from the harmful and destructive effects of air pollution.*



the six counties in ORCAA's jurisdiction, and one representative from each of the three largest cities in the region –Lacey, Olympia and Port Angeles.

Mission: *We promote air quality and take actions that protect the health and welfare of people and the natural environment in ORCAA's jurisdiction (Clallam, Grays Harbor, Jefferson, Mason, Pacific, and Thurston counties).*

The Board is responsible for selecting an Executive Director who oversees the agency's professional staff. The Executive Director also enforces the orders, ordinances, resolutions and regulations of the agency.

ORCAA's Vision and Mission

The Washington Clean Air Act states that it is public policy to preserve, protect, and enhance the air quality for current and future generations. ORCAA's purpose is to carry out these public policies as specified by the state legislature. ORCAA regulates more than 700 air pollution sources, ranging from large industrial complexes to such businesses as manufacturing facilities, hospitals, dry cleaners, gasoline stations, and auto body shops. The agency also

administers laws and regulations regarding solid fuel burning devices (wood stoves and fireplaces), asbestos abatement, and outdoor burning.

ORCAA's primary goal – through sound management, public education and enforcement – is to provide citizens in its jurisdiction with clean air. Air is an essential natural resource that must be protected from harmful levels of pollution.

Monitoring and improving air quality is an on-going agency effort. The agency also strives to be consistent with the social, economic and industrial well being of the jurisdiction it serves.

The agency also cooperates on many policies and programs with such state agencies as the Department of Ecology, Department of Natural Resources and Department of Health, as well as with the United States Environmental Protection Agency (EPA).

The Challenge

The Washington State Department of Ecology ranks air pollution as one of the top environmental threats facing residents and businesses in the state, including ORCAA's jurisdiction. Most susceptible to direct health risks are young people, the elderly, pregnant women, and those with pre-existing respiratory and heart disease.

Generally, residents living and working in ORCAA's area have benefited from clean air. In the past, Thurston County did not meet national ambient air quality standards for particulate matter less than 10 microns in diameter (PM_{10}).

Due to improved wood stove

design and emissions certification, combined with curtailment of their usage during poor air quality events, EPA designated Thurston County as being in attainment for the PM_{10} national ambient air quality standard in 2000. But healthy air quality could change in the years ahead, to the detriment of present and future generations.

Forecasters predict that much of the agency's territory is expected to experience above average growth in coming years. That could equate to the potential for significant air quality problems. The air quality standard (24 hour average) for particulate matter less than 2.5 microns in size ($PM_{2.5}$) has been lowered by EPA from 65 to 35 micrograms per cubic meter. As a result, a few areas in ORCAA's jurisdiction may exceed the national ambient air quality standard.

Particulate matter in this size range is easily inhaled deep into the lungs and can cause illness and even death.

ORCAA responds to the ever-growing and demanding air quality issues and concerns with a professional staff committed to seeking solutions and achieving agency goals.



Grays Harbor Paper in Hoquiam is one of the many businesses ORCAA works with to ensure air quality laws are met. As can be seen in this picture, the stacks at the plant frequently emit steam vapor which is allowed.

Administration

The Administration Section is responsible for the day-to-day operation of the agency, including fiscal management, secretarial support and information technology services. The section is staffed by an Administrative Services Manager, an Administrative Assistant, Secretary and Information Technology Consultant.

Areas of responsibility include human resources, employee payroll and benefits, accounting, policy development, planning, information technology and administrative support.

FY2008 Accomplishments

In addition to marking ORCAA's 40th anniversary, 2008 was a year of many

accomplishments for the agency. ORCAA was audited by the State Auditor's Office (SAO) in the second quarter of FY2008. The audit covered fiscal years 2006 and 2007. ORCAA was audited in the following areas: accountability for public resources; compliance with state laws, regulations and agency policies; financial statements; and the federal Title V Air Operating Permit (AOP) program. The SAO concluded that ORCAA was in compliance with applicable standards and practices, policies and procedures, laws and regulations for the years audited. There were no findings. Results of the audit can be found on the Auditor's website, www.sao.wa.gov.

In addition to the SAO audit, ORCAA's Title V program was audited by the EPA and the state Department of Ecology. ORCAA passed both of these audits with no findings,

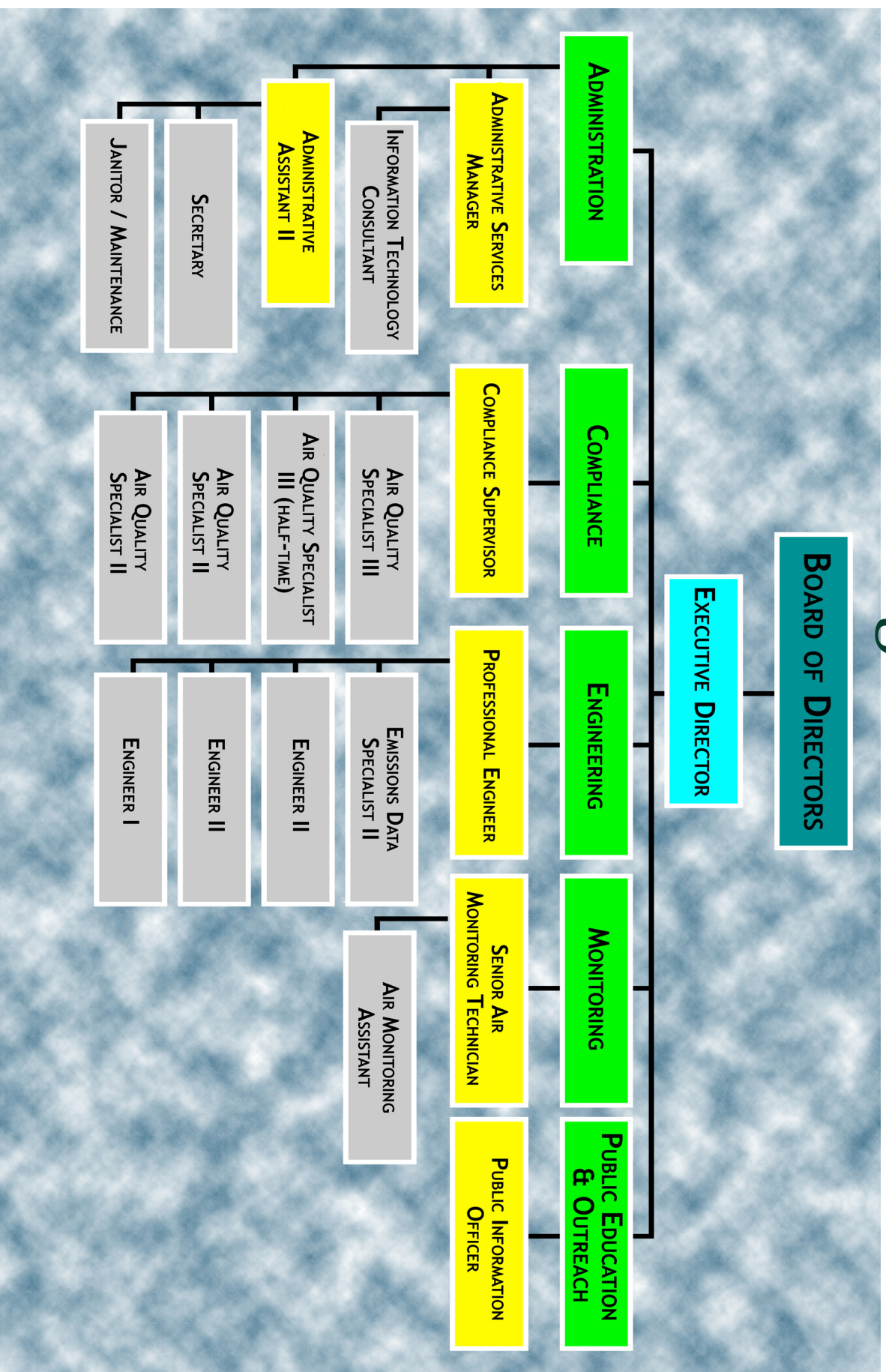
as well. Audits revealed ORCAA's AOP program to be a well run, efficient and effective program.

During FY2008, ORCAA implemented financial services legislation that passed the previous legislative session. ORCAA now processes its own warrants for direct payment of business costs. The process is now more efficient and less costly than in previous years.



Soil Key's Composting facility near Tenino required significant agency enforcement resources in FY2008.

ORCAA's Organization Chart



FY2009 Goals

ORCAA will be working this next year to improve information technology at the agency. The agency will secure the services of a contractor to develop a new database to maintain agency information. The new database will be faster and more efficient. In addition, the new database will have expanded features such as a geographic information system to provide better linkages among the layers of stored data.

Over the next year ORCAA will be more involved in climate change issues. The Agency has drafted a guidance document on Climate Change Protection and will be

working through public education, business assistance and outreach, and permitting to reduce greenhouse gas emissions in ORCAA's six-county jurisdiction.

ORCAA will also be looking at ways to increase revenue without increasing fees to regulated businesses or increasing the per-capita assessment charged to counties and cities within ORCAA's jurisdiction. Approaches include innovative fund raising efforts and a continuous assessment of agency fees. Conversely, ORCAA is always looking for ways to decrease expenses and to operate more efficiently and effectively.



Gravel and asphalt plants are potential sources of air pollution, and as such are regulated by ORCAA.

Compliance

“It smells like an outhouse in August.” “My throat is scratchy, my sinuses are plugged, my house smells like smoke and we don’t even burn.” “The woodstove smoke in our neighborhood is affecting my child’s asthma.”

These are only a few examples of the types of complaints ORCAA Air Quality Specialists have heard in the past year. If someone needs help regarding air quality, they turn to ORCAA. Those complaints represent people in our community, neighbors, a baby sitter, the business man, a store owner, the little league baseball coach, and others. ORCAA responds to every complaint received. In 2007, there were 1,480 complaints, marking a decline

in complaints from the previous year. This number works out to a complaint every few hours. There is a range of actions that typically occur in these responses. For the “lesser evils” we try education first. When possible, and practical, a letter and a phone call are likely the first response to complaints. In some cases – such as burning tires, or smoke impacting a school playground – an immediate response is required. A common problem for our compliance staff is delayed reporting of the situation. Unfortunately, in some cases the complaint is made hours or days after the violation occurred.

Of course this is not all the Air Quality Specialists do for the public. We are there to

protect and hopefully improve air quality. This is accomplished in many ways. In concert with other sections, air quality specialists review and put restrictions on permits. Permits offered through the Compliance Section include asbestos abatement, demolition, fire training exercises, agricultural burning, and land clearing burning. Each of these activities have restrictions placed on the operator to minimize the impact to air quality and public health. Asbestos is the most restrictive permit offered by ORCAA



This photo illustrates an illegal burn which included prohibited materials (materials other than natural vegetation).

because the fibrous mineral can cause cancer when it is inhaled. Though contractors removing asbestos are tightly regulated by the Department of Labor and Industries, the homeowner has little experience or training. ORCAA has crafted “how to” pamphlets for removing popcorn ceiling and vinyl flooring that are appropriate for a homeowner. This information should help protect the homeowner and their family from exposure to asbestos and it makes the disposal safer for the workers at the transfer station. Prior to the issuance of a demolition permit, any structure must be inspected by an EPA accredited asbestos inspector to identify potential asbestos. Any asbestos must be removed prior to demolition. The other permits offered by ORCAA relate to outdoor burning. Through proper permitting the impacts to health and the environment can be reduced.

To efficiently accomplish our tasks, we work with other agencies including the Department of Ecology, the Department of Natural Resources, Labor and Industries, State Department of Health, fire districts, county health and building departments.

Private industry is also an ally of ORCAA. We inspect businesses for compliance but we also work with them through business assistance visits, notification of upcoming federal regulations, and inspections. The inspection process is relatively straight forward. Background data is reviewed, including prior inspection reports, Notices of Construction, correspondence, emission calculations and review of the appropriate regulations. Several of the large companies submit regular written reports to ORCAA for review. These documents are a valuable tool for the air quality specialists. A field

Did you know...?

ORCAA's Air Quality Specialists get their eyes “calibrated” every 6 months at “smoke school” so that they can accurately read smoke opacity.



visit of each business is conducted to determine compliance with applicable federal, state and local regulations, approval orders, and regulator orders issued by ORCAA. These visits are generally well received by the businesses. It is an opportunity for the business to learn about ORCAA and on occasion get direction for solving a problem. The inspections are then summarized in a written report that is added to the permanent record. Businesses within our jurisdiction are generally in compliance with the regulations. Frequently it is in their best interest to support clean air as we share common goals. By running a clean business, they may be able to improve their bottom line. Through compliance with air quality laws and regulations, many businesses have been able to recycle or reuse valuable products in their air emissions.

It is an amazing feat; ORCAA has 730 registered businesses. During the past year, 661 inspections of these businesses were completed. Those businesses include asphalt plants, gas stations, crematories, automotive painting, log yards and lumber mills. Yet, an ORCAA inspector is expected to be knowledgeable about each of these very different businesses.

The Compliance Section is staffed by a Compliance Supervisor and four Air Quality Specialists.

FY2008 Accomplishments

The Compliance Section has been working with stakeholders to update the asbestos rules in ORCAA Regulations. These rules have remained relatively unchanged for a decade and are due for improvement in clarity and format.

With a fully staffed Compliance Section, ORCAA completed a record number of inspections and investigations this year.

The Air Quality Specialists have been busy educating spray coating businesses and dry cleaners regarding new federal rules.

ORCAA was fortunate to add an experienced Air Quality Specialist this fiscal

year. This brings the staffing level back to what it was in 2005.

FY2009 Goals

The Environmental Protection Agency continues to release new regulations, most of which affect small businesses. Staff will work with these businesses to educate them about the regulations and offer assistance to ensure compliance with the federal rules.

ORCAA will continue discussion with Forks community leaders to develop ways to innovatively dispose of wood waste and storm debris.

The Compliance Section will continue to conduct mandatory inspections of regulated sources and perform investigations as required.

Engineering

ORCAA's Engineering Section provides engineering expertise that benefits all programs at the agency, but primarily in the areas of compliance assessment and permitting. The section is responsible for implementing two essential air regulatory programs required by the Washington Clean Air Act: New Source Review (NSR) and Title V Air Operating Permits (Title V). The Engineering Section is also responsible for maintaining the agency's emissions inventory, implementing certain delegated federal regulations, addressing State Implementation Plan (SIP) related activities, and implementing ORCAA's regulations. ORCAA's Engineering Section includes five full time employees including a Professional Engineer, three Engineers and an Emissions Data Specialist.

New Source Review

New stationary sources of air pollution within ORCAA's jurisdiction are subject to New Source Review pursuant to RCW 70.94.152. The term "New Source Review" (NSR) refers to the regulatory process designed to facilitate review and evaluation of compliance with air requirements prior to construction, installation, modification or establishment of any new air pollution source. The goal of NSR is to ensure new sources are established in compliance with applicable air regulations and standards, including the ambient air quality standards. Gas stations, dry cleaners, spray coating operations, manufacturing processes using resin, lumber mills, boilers, rock crushers, and hot mix asphalt plants are examples of the many types of air pollution sources subject to NSR.



ORCAA engineers worked diligently on the permit for Imperium's biodiesel production facility in Hoquiam to ensure the new business could thrive while keeping the local air clean and healthful.

ORCAA's Engineering Section implements the NSR program through review and approval of Notice of Construction (NOC) or Notice of Intent to Operate (NOI) applications. Approval of an NOC application is required prior to construction or establishment of a new stationary source of air pollution like a steam boiler or new lumber mill while approval of an NOI application is required prior to establishing a portable or temporary stationary source of air pollution like a portable rock crusher or portable asphalt plant.

ORCAA Engineers review NOC and NOI applications to verify compliance with applicable state, federal and ORCAA air regulations and standards. Approval is contingent on ORCAA finding that the proposed new stationary source of emissions employs Best Available Control Technology (BACT), will comply with applicable emissions performance standards, will not cause or contribute to violation of any ambient air quality standard, and

will not cause detriment to the health, safety or welfare of the public. This review typically requires calculating emission rates, evaluating the adequacy and reliability of proposed air pollution controls, assessing the likelihood of compliance with applicable air regulations and standards, and assessing the impact of emissions on the ambient air quality.

All NOC applications require some form of public notice and an opportunity for a public hearing. When there is significant public interest in an application, ORCAA holds a public hearing to gather public testimony. Public hearings are typically scheduled after normal working hours at a public building as close as possible to the proposed project site. This ensures as much public participation as possible. ORCAA engineers are responsible for assuring adequate public noticing as well as communicating ORCAA's findings and answering technical questions from the public at public hearings. Final approval of an NOC application generally takes between

15 to 60 days after a complete application is received. Approval of an NOI application generally takes a matter of days.

Since the beginning of the fiscal year, ORCAA worked on 60 NOC applications and issued final approvals on 38 applications. In the same time period six NOI applications have been submitted and approved. Most noteworthy of these include the following approvals:

1. Additional lumber drying kilns at the Sierra Pacific Industries lumber mill in Aberdeen;
2. Diesel engine generators to provide shore power for submarines at the Indian Island Naval Station;
3. Relocation of a boat manufacturing plant to the Amtech facility in Yelm;
4. Construction of a new lamination building at Westport Shipyard in Westport; and,
5. Weyerhaeuser's log export facility at the Port of Olympia.

These are just a few examples of the permits approved during the first two thirds of FY2008.

Title V Air Operating Permit Program

Companies that are the largest emitters of air pollution are referred to as "Major Sources." Major Sources are those with a potential to emit more than 100 tons per year of any criteria pollutant, greater than 10 tons per year of any hazardous air pollutant (HAP), or greater than 25 tons per year of any combination of HAPs. In addition to the requirement to secure approval through an NOC permit application prior to constructing or modifying a source of air pollution, Major Sources in the State of Washington are subject to the State's Air Operating Permit program pursuant to RCW 70.94.162. This section of the State's Clean

Air Act requires Major Sources to operate in compliance with an approved Air Operating Permit (AOP). AOPs are permits governing operation of a major source for a five-year permit term. They incorporate and clarify all air requirements that apply to equipment at a Major Source and establish necessary monitoring, record keeping and reporting conditions. They are required to be renewed every five years, during which time they are subject to a public review and approval by EPA.

Currently, there are 17 Major Sources in ORCAA's jurisdiction. However, one of these, K Ply Inc. in Port Angeles, temporarily shutdown and may not resume operations in the near future. Therefore, ORCAA is likely to finish out this fiscal year with 16 Major Sources. This count includes Grays Harbor Energy's power plant located at the Satsop Industrial Park in Grays Harbor County. Through a memorandum of Agreement between ORCAA and the Energy Facility Siting and Environmental Council (EFSEC) ORCAA was contracted to perform all compliance and Title V permitting on behalf of EFSEC for this power plant.

Out of the 16 Major Sources, all operate under a valid AOP except for the Sierra Pacific Industries lumber mill, Imperium Renewables, and Grays Harbor Energy, which just recently became Major Sources.

ORCAA's Engineering Section is responsible for processing AOP permit applications, assisting in compliance/enforcement activities, and assisting Major Sources in complying with air regulations. In addition, the State Clean Air Act requires Title V programs to include a Small Business Assistance Program (SBAP) component as part of their Title V program. ORCAA's Engineering Section also administers ORCAA's SBAP, which involves assisting small businesses in

complying with pre-construction permitting requirements.

ORCAA Engineers assist the Compliance Section in conducting site inspections and other duties associated with compliance/enforcement. ORCAA's policy is to conduct one comprehensive inspection of each major source annually. A total of 16 scheduled full compliance inspections were conducted in FY2008. Besides scheduled annual inspections, additional site visits associated with overseeing stack tests and to respond to complaints were conducted. To date, a total of 10 stack tests were conducted at Major Sources in FY2008. At least one more stack tests will take place before the close of the fiscal year.

On the permitting front, three permits and four permit revisions will be issued during FY2009, which is one less than in FY2008. To date, ORCAA issued an AOP renewal permit to Weyerhaeuser in Raymond and an initial AOP to Sierra Pacific Cogeneration in Aberdeen. ORCAA is also on track to issue an AOP renewal permit to Grays Harbor Paper in Hoquiam and will start work on the renewal permit for Westport Shipyard by the end of FY2008. This will bring the total permit issuance rate to three permits by the end of FY2008. In FY2009 the renewal permit for Westport Shipyard will be completed and initial permits are expected to be issued to both Imperium Renewables and

Sierra Pacific Lumber. In addition to this, several AOP permit revisions are anticipated. However, the time involved for permit revisions is much less than the time involved in initial or renewal-permit issuance.

Based on projected permits and inspections, Title V workload is expected to decrease slightly in FY2009. However the cost to administer the program per FTE will increase due to increased operating expenses. Overall cost of the Title V program and, therefore, annual fees are expected to increase slightly for FY2009.

Education and Outreach Assistance

ORCAA Engineers provide education and outreach assistance regarding air permits, air quality impacts of new sources of air pollution, and the air quality impacts of existing Major Sources of air pollution. ORCAA regularly responds to inquiries from companies regarding air permitting and compliance requirements by assisting businesses in:

- Calculating actual emission rates;
- Determining applicability of air regulations and standards;
- Running ambient air dispersion models to estimate ambient air impacts from a source;
- Evaluating adequacy of air pollution controls in a particular application; and,



Inspecting operations at a local mill.

-
- Completing air permit application forms.

Such services are offered for businesses that do not have the in-house expertise or cannot hire an environmental consultant for completing an air permit application.

Regarding public outreach, every permit application processed by ORCAA receives some form of public noticing and an opportunity for a public comment period. ORCAA Engineers communicate the air quality impacts of a proposed new source through written reports that are publicly available fact sheets posted on ORCAA's web site, and through staff presentations during public hearings. All questions and comments received by ORCAA from the public in conjunction with a proposed air permit, both verbal and written, receive a written response. ORCAA Engineers also make sure, during public hearings and in written responses, to inform interested persons of their right to appeal the final decisions on an air permit.

FY2009 Goals

The primary goal of ORCAA's Engineering Section is to issue final AOPs and NOC

approvals within the regulatory timeframes allowed. Meeting this goal will require a continued steady effort in ORCAA's Title V and NSR programs. ORCAA believes permitting goals can be met provided a continued full compliment of staff in the Engineering Section. In addition to this goal, the Engineering Section proposes the following projects intended to improve permitting efficiency at ORCAA:

1. Streamlining and clarifying ORCAA's new source review permitting regulations including possibly changing a Notice of Construction (NOC) permit to an Air Discharge permit and adding a Permit to Operate requirement for minor sources;
2. Updating and improving ORCAA's standard Final Determination template;
3. Incorporating energy efficiency considerations as part of the standard Best Available Control Technology review of criteria pollutant emissions;
4. Adopting General Permits for rock crushers, auto-body shops, dry cleaners and gas stations; and,
5. Establishing an Energy Efficiency Outreach program.

Monitoring

ORCAA operates an air quality-monitoring network within its six-county jurisdiction. Data collected at the various sites are provided to Ecology, EPA and the public. Ambient air quality data are essential for ORCAA and other agencies. The data are used to provide real-time decision making capabilities, such as the need for burn bans, track trends, and to provide input for computer models used to predict concentrations of air pollutants.

The near real time air quality data available on the internet is used to educate the public about local air quality conditions, potential health effects, as well as detailed air quality forecasts. The American Lung Association uses the data for its Breathe Easy Network, which provides advance warning when air quality deteriorates in communities so people may take precautionary measures to limit exposure and help reduce pollution levels. ORCAA's Senior Air Monitoring



ORCAA maintains a transcontinental air monitoring station at Cheeka Peak, near Neah Bay (Clallam County). Cheeka Peak Observatory (CPO) provides data on background pollutants that travel across the Pacific to our region.

Technician performs the necessary data collection, data validation, data acquisition, instrument quality control and maintenance functions, planning, equipment purchasing, air quality forecasting, grant writing, and administration. Coordination with local, state, federal and tribal air monitoring agencies are necessary functions for the air monitoring program.

Data are collected for particulate matter (PM_{10} and $PM_{2.5}$), ozone (O_3), carbon monoxide (CO), sulfur dioxide (SO_2), total reactive nitrogen oxides (NO_x) and meteorological parameters. Particulate matter is measured using continuous integrating M903 heated nephelometers that are correlated to the EPA federal reference methods (FRM). Equivalent methods are used for gaseous monitoring O_3 , CO, SO_2 , and NO_x . The meteorological parameters include wind speed, wind direction,

temperature, relative humidity, total solar radiation, and rain fall.

Current and planned Monitoring Sites:

- Clallam County- M903 heated nephelometer for continuous fine particulate and Air Quality Index. Makah - Cheeka Peak Observatory continental boundary monitoring station- M903 heated nephelometer for continuous fine particulate and light scatter, ozone, low level CO, low level SO_2 , low-level NO_x and meteorological sensors including rainfall and radiometer.
- Grays Harbor County- M903 heated nephelometer for continuous fine particulate and Air Quality Index.
- Jefferson County- M903 heated nephelometer for continuous fine particulate and Air Quality Index.

- Mason County- M903 heated nephelometer for continuous fine particulate and Air Quality Index.
- Thurston County - M903 heated nephelometer for continuous fine particulate and Air Quality Index, ozone and meteorological sensors.
- Pacific County - M903 heated nephelometer for continuous fine particulate and Air Quality Index.

FY2008 Accomplishments

Using an EPA grant, ORCAA has provided real-time Web-based access to air quality data for four air-monitoring stations in five counties. With the exception of the Raymond site, all of the ORCAA monitoring stations have real time data available.

In collaboration with Lakeside Industries and the Washington Department of Fish and Wildlife, ORCAA established a new monitoring site in Thurston County's Nisqually Valley. In addition to collecting meteorological data, this site collects real-time PM_{2.5} data. Data will be displayed on ORCAA's web site by the beginning of FY2009.

ORCAA air quality forecasts are incorporated in the EPA AirNow web site and used by Seattle-area television media. This is accomplished in part through continuous PM_{2.5} sampling and data transmission.

The ORCAA Air Monitoring Section provided quality assurance and technical assistance to the Quinault and Makah tribes for their M903 nephelometer for continuous fine particulate sampling in Taholah and Neah Bay. ORCAA received an EPA grant to operate the Cheeka Peak Observatory (CPO) continental boundary air monitoring station. The grant also allowed purchase of replacement equipment for the station.

After ORCAA accepted management of the CPO, the station transitioned from a research

facility to a state and local air monitoring station. As a result, ORCAA began trace gas monitoring at CPO, which involved new analyzers, calibrators, data acquisition, and procedure development.

As part of the management plan, ORCAA coordinated with the Makah Tribe, assisting them to launch their air program in return for their assistance in daily operation of the CPO monitoring activities and site access.

In other areas, ORCAA's Monitoring Section coordinated with Ecology to install a shelter at the new Yelm ozone monitor station that is upwind of the highway.

The Air Monitoring Technician also made a presentation at the Air Monitoring and Instrumentation training session for the Precursor/Trace Gas/Calibration session at the National Air Monitoring Conference.

FY2009 Goals

- Display data for the Nisqually Valley air monitoring station.
- Connect the Raymond continuous fine particulate monitor to the Ecology data acquisition system to provide Air Quality Index, and real time web data in Pacific County for PM_{2.5}.
- Continue to research innovative technology to reduce costs while improving the availability of air quality data.
- Continue to seek technical and monetary support from Ecology and EPA for monitoring needs.
- Apply for an EPA Grant extension to continue the transition of the CPO continental boundary air monitoring station into an NCORE station.
- Work with the Makah Tribe to conserve and reduce resources to operate and maintain the CPO monitoring station and provide technical assistance to the Makah for their tribal monitoring

Public Education & Outreach

program.

The new communications and public relations catch-phrase is “Social Marketing.” This simply means using new technological forms of direct-communication to reach our audience. ORCAA’s Public Education and Outreach Section, staffed by the Public Information Officer (PIO), jumped into the Social Marketing business by launching a digital newsletter, an on-demand email alert and news updates program, and by continually updating and expanding the agencies web presence.

This new communication tool allows the PIO to better coordinate essential communications between the agency and the public. In addition to direct outreach, the primary areas of emphasis for the Education and Outreach Section include media relations, interagency coordination, public education and community involvement. The PIO coordinates all agency publications, including the tasks of writing and/or editing the content. Other tasks include desktop publishing design work for all brochures, newsletters, signs, banners and special publications. The PIO also serves as the agency’s webmaster, maintaining the content and format of the ORCAA website and online presence. The PIO works closely with the Compliance Section to manage cooperative agreements with fire agencies dealing with outdoor burning programs. The PIO manages the agency’s school bus retrofit program and provides information resources for residents interested in air issues not directly regulated by the agency, such as indoor air quality and agricultural odor control.



Media Relations

One vital means of communicating with the public within the ORCAA jurisdiction is through the mainstream media. Agency programs, activities and issues of concern are communicated to the media through a variety of means in order to ensure media interest. Press releases are the core tool used to communicate with the media, but direct one-on-one presentations and story solicitations are also made. We also provide journalists with on-going assistance in background research and story development. Additionally, many journalists within the region have noted they make frequent use of the weekly news and information updates posted to the ORCAA website to stay abreast of air quality issues, both locally and nationally.

Interagency Coordination

The Public Education and Outreach Section maintains direct communication with the array of governmental bodies

with whom ORCAA works. Because there are a great deal of agencies involved in air quality issues, from city planning departments to federal regulatory agencies, clear communication channels must be maintained to prevent confusion or delays in assistance. For instance, the PIO facilitates meetings between ORCAA's professional staff and the representatives of other governmental agencies to ensure air quality issues are properly addressed during those agencies' permitting processes.

Additionally, the PIO represents ORCAA on several interagency coalitions, including the Northwest Air Quality Communicators group (NWAQC). This body includes representatives from local, state, federal and tribal clean air agencies in Washington, Oregon, Idaho and British Columbia. The NWAQC works cooperatively on issues of importance to one or more of its member agencies, as well as developing joint education and outreach materials and programs. In the last few years, NWAQC joint projects have included a broad anti-idling campaign specifically targeting schools and parents who drop off and pick-up kids at schools, and a multimedia education campaign targeting outdoor burning. The campaign featured a 30-second TV spot, print advertisements and educational posters. For FY2009, the NWAQC group plans a coordinated campaign addressing the issue of indoor burning (woodstoves and fireplaces) with linked spots developed for radio, TV and newspaper, as well as online "social marketing" tools.

Public Education

As the information age continues to evolve, ORCAA's Public Education and Outreach Section continues to move forward to keep our work and the need for clean air in front

of our residents. We use the newest social marketing tools, including direct email alerts, digital newsletters and even social networking services such as YouTube.com and Facebook.com to achieve the goals of informing the public about the importance of air quality issues. Through the public education program, the PIO organizes a variety of presentations and outreach activities. These include air quality lessons within schools and educational facilities in our region. We also provide informational materials for the general public as well as for businesses.

Community Involvement

As a continuation of the public education programs, the PIO and/or Executive Director represents ORCAA at public events whenever possible. These could be large, planned festivals such as county fairs, community celebrations, or simply meetings of local civic groups. ORCAA's goal is to be as available as possible in areas convenient to the public.

FY2009 Goals

The Public Information and Outreach Section will again partner with the NWAQC coalition to leverage a modest contribution into a major educational campaign, this time targeting individual reduction of air pollution from indoor burning appliances (woodstoves and fireplaces). We'll expand our nascent on-demand email alert and news updates program, and explore additional social marketing opportunities online.

Budget Background & Overview

This budget is for ORCAA's FY2009, which runs from July 1, 2008 through June 30, 2009. As specified in the Washington Clean Air Act (RCW 70.94.092), by the fourth Monday in June each year, ORCAA must adopt a budget for the following year. A public hearing was held during ORCAA's regularly scheduled Board of Directors' meeting on June 11, 2008 to adopt the FY2009 budget.

Expenditures

The total budget for FY2009 will increase by approximately 14 percent over the previous year's budget. In addition to funding the new Air Monitoring Assistant position, a majority of the costs come from increased spending in the diesel school bus retrofit program.

Not surprisingly, the largest expenditure in ORCAA's budget is for salaries and employee benefits. Payroll expenditures will increase by approximately 7 percent over the previous fiscal year. This increase includes a 3.3 percent cost of living allowance, a new monitoring technician position and a janitor.

The cost of benefits will also increase up to 10 percent. This is due in part to escalating health insurance costs and increases in employee dependant care coverage.

Revenue

Per capita assessments in this year's budget will not increase. ORCAA will be relying

on savings from the FY2008 budget and the reserve fund to cover FY2009 expenditures.

In the school bus diesel retrofit program, we've received an additional grant of \$198,000 for FY2009 to assist with diesel emissions reductions projects. ORCAA will continue to receive grant funds from EPA, Ecology and Lakeside Industries to cover specific project costs.

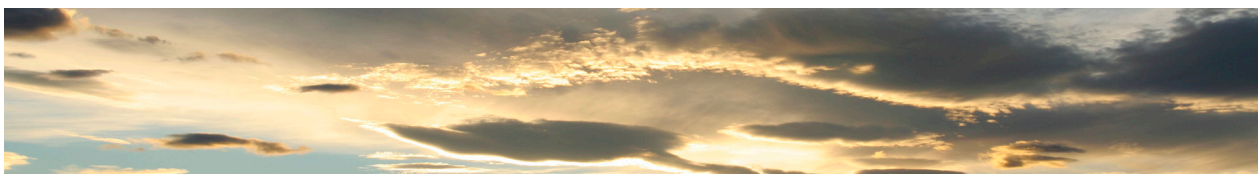
Where the Money Goes

As indicated in Figure 2 on page 20, salaries and benefits account for 60 percent of the agency's expenditures. The remaining 40 percent is apportioned among administrative, office and building, and non-administration expenses. These expenses include building mortgage payments, office maintenance, professional services and grants, and school bus diesel retrofits.

FY2009 Highlights

- **Total Expenditures = \$ 2.4 million;**
- **No increase in registration fees;**
- **No increase in per capita assessments;**
- **3.3 percent cost of living allowance for employees;**
- **\$566,894 in contract grants.**

The following pages provide a detailed accounting of ORCAA's revenues and expenditures for FY2009. In addition, employee salaries by position are shown.



OLYMPIC REGION CLEAN AIR AGENCY
REVENUE
For The Fiscal Year Ending June 30, 2009

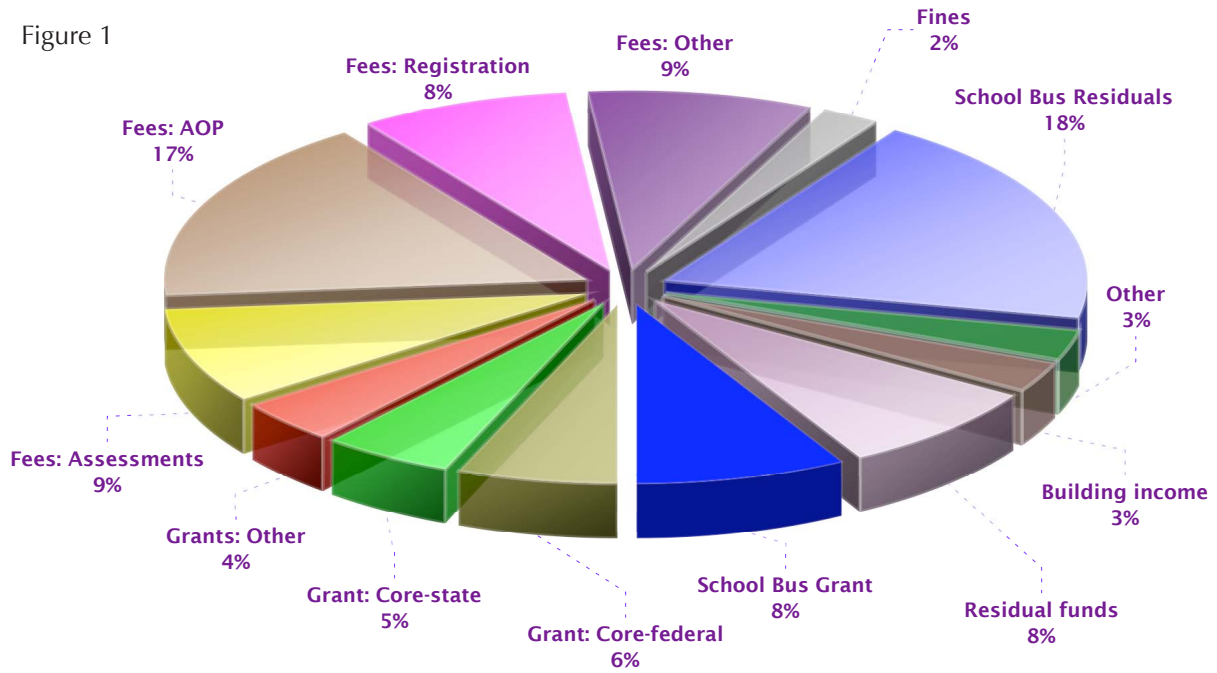
	Actual 2007	Current 2008	Proposed 2009	Projected 2010
<u>GRANTS</u>				
Core-Federal	\$165,393.00	\$134,705.00	\$150,534.00	\$150,534.00
Core-State	\$124,954.00	\$124,954.00	\$124,954.00	\$124,954.00
<u>PM Agreements:</u>				
Ecology Monitoring	\$10,563.00	\$808.00	\$15,000.00	\$15,000.00
CPO Project w/EPA	\$82,323.00	\$69,377.00	\$69,377.00	\$69,400.00
Woodstove Grant	\$8,639.00	\$13,680.00	\$9,029.00	\$9,029.00
<u>FEES</u>				
Assessments	\$207,678.00	\$207,675.00	\$216,945.00	\$216,945.00
AOP (Title V)	\$389,372.58	\$397,847.00	\$409,723.00	\$410,000.00
EFSEC	\$0.00	\$0.00	\$38,000.00	\$38,000.00
DOE Oversight	\$19,756.00	\$20,000.00	\$20,000.00	\$20,000.00
Annual Registration	\$146,397.00	\$180,000.00	\$198,000.00	\$198,000.00
NOC - Major	\$9,197.00	\$7,500.00	\$20,000.00	\$20,000.00
NOC - Minor	\$36,819.00	\$40,000.00	\$35,000.00	\$35,000.00
Asbestos	\$79,200.00	\$65,000.00	\$65,000.00	\$65,000.00
Outdoor Burning-Land Clearing	\$59,625.00	\$53,500.00	\$40,000.00	\$40,000.00
<u>OTHER</u>				
Fines	\$244,195.00	\$50,000.00	\$55,000.00	\$55,000.00
Investment Interest	\$77,931.00	\$52,000.00	\$57,000.00	\$55,000.00
Lakeside Industries	\$0.00	\$0.00	\$10,000.00	\$10,000.00
Miscellaneous Income	\$6,885.00	\$4,000.00	\$500.00	\$500.00
Building Income	\$83,443.00	\$81,324.00	\$70,000.00	\$70,000.00
School Bus Retrofit Program	\$354,250.00	\$300,000.00	\$198,000.00	\$0.00
<u>RESIDUAL FUNDS</u>				
Residual Reserve Funds - Administrative	\$0.00	\$274,882.84	\$202,891.00	\$239,777.00
Residual Reserve Funds - School Bus Retrofit Holdings	\$0.00	\$0.00	\$375,238.00	\$363,000.00
Residual Reserve Funds - School Bus Admin/Other Holdings	\$0.00	\$85,000.00	\$95,000.00	\$95,000.00
TOTAL REVENUE & RESERVE	\$2,106,620.58	\$2,162,252.84	\$2,475,191.00	\$2,300,139.00
PROJECTED EXPENDITURES	\$1,656,533.23	\$2,162,253.00	\$2,475,191.00	\$2,300,139.00

OLYMPIC REGION CLEAN AIR AGENCY
EXPENDITURES
For The Fiscal Year Ending June 30, 2009

	Actual 2007	Current 2008	Proposed 2009	Projected 2010
<u>PAYROLL EXPENDITURES</u>				
Salaries	\$927,982.00	\$1,011,161.00	1,086,462.00	\$1,103,245.00
Employee Benefits	\$282,475.23	\$360,933.00	400,548.00	\$424,000.00
TOTAL P/R EXPENSES	\$1,210,457.23	\$1,372,094.00	\$1,487,010.00	\$1,527,245.00
<u>NON-PAYROLL EXPENDITURES</u>				
General Office:				
Office Supplies	\$7,801.00	\$7,600.00	\$7,600.00	\$7,600.00
Gasoline	\$5,767.00	\$6,000.00	\$6,600.00	\$6,600.00
Dues/Subscriptions/Bank Fees	\$4,539.00	\$3,200.00	\$3,200.00	\$3,200.00
Rental Space - Satellite Offices (2)	\$4,571.00	\$6,096.00	\$6,200.00	\$6,384.00
Miscellaneous	\$530.00	\$600.00	\$600.00	\$600.00
Capital Purchases:				
Copier Purchase	\$0.00	\$0.00	\$10,464.00	\$0.00
Vehicle Purchase	\$26,099.00	\$0.00	\$22,000.00	\$23,000.00
Computer:				
Computer Supplies	\$958.00	\$1,700.00	\$1,700.00	\$1,700.00
Hardware/Software - Capital Expenses	\$21,987.00	\$13,700.00	\$14,000.00	\$14,000.00
Equipment	\$1,902.00	\$12,600.00	\$12,000.00	\$6,000.00
Professional Services:				
Legal/Prof Srs.	\$40,738.00	\$40,000.00	\$40,000.00	\$40,000.00
Audits/Accounting	\$4,234.00	\$13,000.00	\$2,100.00	\$12,000.00
DOE Oversight	\$19,756.00	\$20,000.00	\$20,000.00	\$20,000.00
IT - Consultant, SQL Contractor	\$28,987.00	\$75,000.00	\$75,214.00	\$75,000.00
Communications:				
Phone	\$19,843.00	\$23,000.00	\$20,000.00	\$20,000.00
Postage	\$7,058.00	\$7,800.00	\$8,200.00	\$8,200.00
Public Education:				
Printing	\$2,417.00	\$5,900.00	\$9,000.00	\$9,000.00
Promotional	\$33,287.00	\$45,000.00	\$45,000.00	\$45,000.00
Travel:				
Staff Travel	\$2,413.00	\$5,000.00	\$5,000.00	\$5,000.00
Board	\$4,163.00	\$4,500.00	\$5,200.00	\$5,200.00
Training	\$15,803.00	\$32,600.00	\$37,000.00	\$32,600.00
Advertising & Insurance:				
Advertisement/NOV Service	\$252.00	\$6,000.00	\$4,200.00	\$4,200.00
Insurance (Bldg., Vehicles, Staff Bonding)	\$16,478.00	\$17,200.00	\$20,000.00	\$20,000.00
Maintenance:				
Maintenance & Repair Copier	\$2,249.00	\$3,500.00	\$3,500.00	\$3,500.00
Maintenance & Repair - Vehicles	\$1,389.00	\$2,000.00	\$4,000.00	\$4,000.00
Sub-Total Administrative Expenses	\$273,221.00	\$351,996.00	\$382,778.00	\$372,784.00
<u>OFFICE BLDG. OPERATING EXPENDITURES</u>				
Interest Expense & Principal - Office Bldg.	\$46,892.00	\$46,900.00	\$47,203.00	\$46,910.00
Alarm Monitoring	\$1,436.00	\$2,200.00	\$2,200.00	\$2,200.00
Utilities	\$8,156.00	\$9,500.00	\$11,000.00	\$11,000.00
Maintenance Office Bldg.	\$11,438.00	\$9,563.00	\$15,000.00	\$15,000.00
Janitorial & Supplies	\$3,575.00	\$5,000.00	\$2,000.00	\$2,000.00
Leasehold Improvements	\$8,951.00	\$20,000.00	\$20,000.00	\$16,000.00
Sub-Total Office Building Operating	\$80,448.00	\$93,163.00	\$97,403.00	\$93,110.00
<u>NON-ADMINISTRATIVE-OPERATING</u>				
School Bus Retrofit - Purchase of DOC's/Other	\$39,867.00	\$300,000.00	\$476,000.00	\$277,000.00
Monitoring Program - CPO, Equipment, Maint., Replace., etc.	\$52,540.00	\$45,000.00	\$32,000.00	\$30,000.00
Sub-Total Non-Administrative - Operating	\$92,407.00	\$345,000.00	\$508,000.00	\$307,000.00
GRAND TOTAL EXPENDITURES	\$1,656,533.23	\$2,162,253.00	\$2,475,191.00	\$2,300,139.00

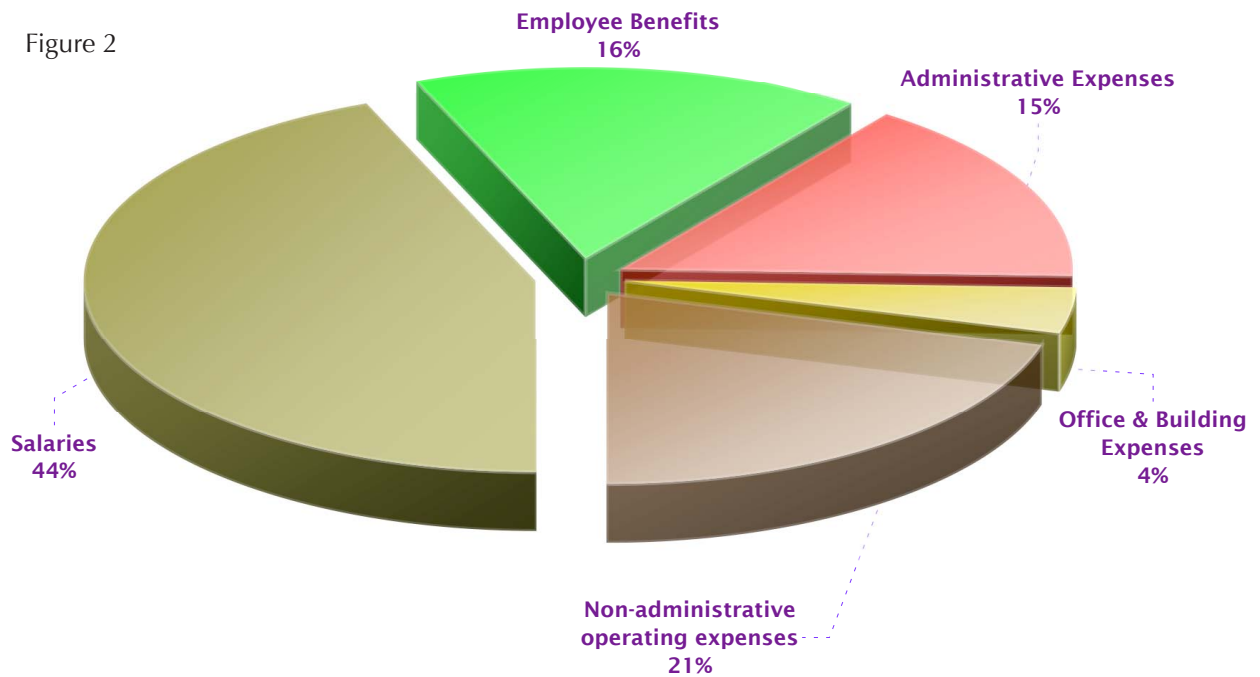
Revenue

Figure 1



Expenditures

Figure 2



Agency Salary by Position

Position	FY2009 Salary
Administrative Assistant II	\$49,750
Administrative Services Manager	\$73,838
Air Monitoring Assistant	\$52,080
Air Quality Specialist II	\$47,233
Air Quality Specialist II	\$46,110
Air Quality Specialist III (1/2 FTE)	\$31,476
Air Quality Specialist III	\$62,953
Compliance Supervisor	\$77,359
Emissions Data Specialist II	\$62,953
Engineer I	\$66,213
Engineer II	\$77,359
Engineer II	\$77,241
Executive Director	\$97,157
Janitor/Maintenance	\$7,200
Senior Air Monitoring Technician	\$73,838
Professional Engineer	\$85,355
Public Information Officer	\$66,213
Secretary	\$32,134
Total Payroll	\$1,086,462
FICA-MC	\$83,114
Medical, etc	\$221,449
Retirement	\$90,285
L&I	\$5,700
Other	-
Total Salaries and Benefits	\$1,487,010