

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

BOARD OF DIRECTORS MEETING

February 10, 2016

Members present: Jim Cooper, City of Olympia (Chair)
Steve Rogers, Pacific County
Cynthia Pratt, City of Lacey (Vice Chair)
Wes Cormier, Grays Harbor County
Dan Di Guilio, City of Port Angeles
Mary Ellen Winborn, Clallam County
Sandra Romero, Thurston County
Terri Jeffreys for Tim Sheldon, Mason County

Members absent: Phil Johnson, Jefferson County

Legal Counsel: Jeff Myers of Law, Lyman, Daniel, Kamerrer and Bogdanovich

Staff Present: Fran McNair, Executive Director; Robert Moody, Compliance Supervisor; Mark Goodin, Professional Engineer; Odelle Hadley, Senior Monitoring Technician; Nick Grant, Network Administrator/Monitoring Tech; Dan Nelson, Public Information Officer; Lynn Harding, Administrative Services Manager; and Debbie Moody, Office Manager/Recorder

The meeting was called to order at 10:02 a.m.

Cooper asked for approval of the agenda. Pratt moved approval of the Agenda. Cormier seconded the motion and it carried unanimously.

CHAIR REPORT

Cooper noted he needs to appoint three members to the Finance Committee. Cooper asked for volunteers. Pratt volunteered to remain on the committee. Jeffreys stated she would be happy to serve, however she is Sheldon's alternate and would like to confer with him. Cormier stated he could serve if there were no other volunteers. Cooper noted we will consider the committee to be Pratt, Cormier and Jeffreys pending further notice.

PUBLIC COMMENT

There were no members of the public in attendance.

CONSENT AGENDA

Cooper asked for approval of the Consent Agenda. Jeffreys moved approval of the Consent Agenda. Pratt seconded the motion and it carried unanimously.

DIRECTOR'S REPORT

Compliance Program Update

R.Moody noted his staff has been busy with marijuana odor and woodstove complaints. The compliance team continues to work on revising the asbestos rules and hope to be prepared with a draft by the end of

February. The next step, R.Moody noted, is to take it out to the stakeholders for comments, then to the Board. R.Moody shared a common question with the Board; what are the chances of finding asbestos in our structure. Looking at our permits from 2015, we found that of the 300 demolition projects, 100 had asbestos.

Winborn asked if they are different than other odors, noting she was outside a restaurant in Carlsborg and the marijuana odor was extremely strong, but once inside, it wasn't noticeable at all. R.Moody explained we are still learning about marijuana. It appears the odors dissipate in a short distance. The chemicals are predominately terpenes, which is what you find in pine trees for instance. McNair noted we have had complaints about the grower in Carlsborg. Winborn asked what we do about odors. R.Moody explained we treat them like any other odor source. We start with education, in the case of marijuana we do have best management practices we share with them.

Jeffreys, noting the many complaints on the report, stated she had spoken with the Deputy Prosecuting Attorney and R.Moody about an outdoor grow in a residential area. R.Moody recommended meeting with the neighbors and came out and talked to those that had a vested interest to talk about how to build a record. Jeffreys asked if we met with the neighbors in the Elma case. R.Moody explained the situation is a bit different as there are only 2 neighbors in the Elma case and we have spent a lot of time working with them, but have not had a formal get-together as Jeffreys described. Cormier added the Elma grow is also located in an area zoned industrial. Cormier added it appears to be more of a civil matter.

Engineering Program Update

Goodin noted he had four noteworthy cases. We recently held a public hearing, on January 26, for two modification applications for Nippon Paper Industries. Goodin stated we had no public in attendance, however, we did receive written comments from two individuals. We also held a public hearing, February 1, in Shelton for Sierra Pacific Industries. Sierra Pacific Industries' application is to renovate the former Simpson Lumber site. They plan on removing all equipment, except the boiler, and rebuild the plant. We did have at least one member of the public in attendance.

The next case, Goodin continued, is Interfor in Port Angeles. They are requesting to install new equipment (dry kilns) and they will be changing from a minor source to a major source of emissions after installation. At that time, they will be subject to our Air Operating Permit (AOP) program.

The final case is Little Green, located in Hoquiam. Little Green manufactures resin-impregnated paper for the plywood industry. Little Green is an AOP source and have many changes in the renewal permit application.

Winborn asked what triggers a hearing for these permits. Goodin explained some hearings are mandatory and others are at our discretion. If we know there is public concern, we may decide to hold a hearing. If we receive significant comments from the public, we are mandated to hold a hearing.

Air Quality Program Update

Hadley noted South Bend's monitoring information is finally on our report, noting we did get 7 days of data in January. Unfortunately the instrument failed and we had to replace it and it should be up and running again today. Hadley did point out a few moderate days in January, as well as a few unhealthy days that occurred early in the month throughout our jurisdiction.

We have received an approved Memorandum of Agreement (MOA) with Rochester School District, Hadley stated. We installed the instruments on February 4 and the Thurston County Saturation Study is now fully underway and we will continue the study for a full year. Hadley did note we will need to renegotiate with the Olympia Fire Department, which we installed in October, but we don't anticipate an issue. Hadley showed the current slide for the Saturation Study, noting the sites are all tracking well, with Lacey still showing the

highest numbers at this point. Hadley stated she is very interested in seeing what the Rochester site will show next month.

Hadley went over a slide showing the daily average PM2.5 for the previous 3 years. There had been concerns regarding a proposed winter-time burn ban, Hadley stated. The proposal was for banning burning in December and January, Hadley continued, we may want to look at this data to make a determination if that is the correct timeline. There was some discussion regarding our area going out of attainment, Hadley stated we don't have any concerns at this time.

The last slide Hadley shared showed a rather significant spike on the Aberdeen monitor. After checking around, Hadley explained, there had been a structure fire several blocks from the monitoring station.

Education and Outreach

Nelson noted he had been involved in the 2 public hearings as well as a meeting with the North Thurston Kiwanis. Nelson noted the Kiwanis meeting went well, they had a lot of interest in the residential programs we deal with. Lacey Public Affairs had sought assistance from Kiwanis, and we are now looking into their issue at the Nisqually Delta. Nelson stated he felt a lot of good comes out of these meetings and encouraged the Board members to let any local civic groups they can contact ORCAA for a speaker. Nelson noted he does have some other community events (STEM Fair) coming up this spring and summer. Our compliance person stationed in Port Townsend will be attending the Port Townsend Home Show and other staff will be doing the Master Builders Home Show in Lacey. We are contemplating other shows as well.

The woodstove buyback program has been slow through the winter months, but we do expect that to pick up as the weather warms up.

Nelson added he has been working with compliance on odor issues as well.

Finance/Administrative Update

Harding deferred her report to McNair.

Executive Director's Report

McNair explained we still have 2 office spaces to rent. We sold one of our vehicles and are down from 5 cars to 4 and need to purchase a replacement vehicle. We also sold our monitoring trailer.

McNair stated we are looking at a new database. Our current database is 20 years old and we have recently learned it will no longer be supported by Microsoft after this summer. McNair explained staff has done research and are narrowing down our options. There is a company out of California that they are considering and we will be having them come up and go over the database again. This database is \$25,000 with a \$1,000 monthly technical support and maintenance fee. McNair did note if we purchase the database, we will likely have to pay for it out of our database reserve fund. Rogers asked if the \$25,000 included migration. D.Moody noted it does not. Migration and training will run another \$10,000.

McNair stated it appears we will have a reduction in our state funds. Our woodstove buyback money appears to be going away. McNair went over the funding, explaining the issues that may affect us. On the federal side, McNair continued, several years ago EPA proposed a 40% cut to Region 10, which we are part of. Congress has now Okayed the cuts. EPA is looking at phasing the cut in over 5 to 8 years. Because of these cuts, McNair explained, there is a potential we'll need to raise our assessment. The assessment is currently \$.45 per capita, and has been since 2007. McNair stated she is working with staff to determine what that number needs to be. Per the RCW, McNair continued, if state and federal monies should shrink, the local jurisdictions are to assist in making that up. Cormier asked if ORCAA can just assess a levy on

property tax. McNair stated we can, however we won't. Puget Sound Clean Air Agency is the only local that uses a combination of per capita and property tax.

Cooper asked if our delegation fully aware of how this impacts us? McNair stated we have provided testimony and we have sent letters to our delegation. Cooper asked that staff bring a brief budget discussion to the next regular Board meeting, prior to a decision being made. McNair explained we typically would bring this to the Finance Committee, but we can bring it to the full Board. Di Giulio asked when we would know whether or not the cuts are coming. McNair stated we hope to know by the end of March. Di Giulio noted his concern is enacting an increase in assessments and then don't see a reduction from the State and Federal agencies. Di Giulio stated knowing what the deficit will be should drive the change in assessment. McNair explained we have already lost some funding this year, based on general cuts. We do have new expenses we haven't had before, such as the new database. There are other expenses that are causing us to need additional funding, McNair continued. We could provide 2 scenarios; one based on our increased costs, and the second based on state and possible federal funding losses. Cooper suggested the resolution could be worded in such that the assessment cover the funds as they decrease.

Jeffreys asked what the percentage the assessment is to the overall budget. Harding stated that information is in the budget.

EXECUTIVE SESSION

There were no items for Executive Session.

FOR THE GOOD OF THE ORDER

Cooper asked where we stand on the Outdoor Burning Committee. McNair explained she has been having difficulty scheduling meetings, however it appears we will be able to bring the proposal to the Thurston County Fire Chiefs in March.

McNair stated staff is still working on gathering bids for changing the outdoor lighting to LED. A representative from PSE will be attending our next Board meeting to discuss green power. There was some additional discussion about green power and offsets, but no action from the Board. Cooper suggested McNair contact Rich Hoy at the city of Olympia to learn about offsets.

ADJOURNMENT

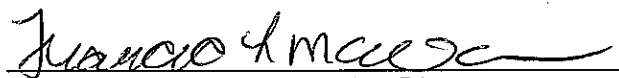
There was nothing further from the Board.

The meeting adjourned at 11:17 a.m.

CERTIFICATION

I hereby certify this is a true and correct copy of the minutes of the meeting of the ORCAA Board of Directors held on February 10, 2016, in Olympia, Washington.

ATTEST:


Francea L. McNair, Executive Director
Olympic Region Clean Air Agency


Jim Cooper, Chair
ORCAA Board of Directors

DATED: March 9, 2016