

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

BOARD OF DIRECTORS MEETING

September 11, 2013

Members present: Phil Johnson, Jefferson County (Chair)
Jim Cooper, City of Olympia
Cynthia Pratt, City of Lacey
Terri Jeffries in for Tim Sheldon, Mason County
Karen Valenzuela, Thurston County (Vice Chair)
Steve Rogers, Pacific County
Mike Doherty, Clallam County
Dan Di Guilio, City of Port Angeles

Members absent: Wes Cormier, Grays Harbor County

Guests: Sandra Romero, Thurston County Commissioner/Board of Health
Cathy Wolfe, Thurston County Commissioner/Board of Health
Art Starry, Thurston County Environmental Health
Cliff Moore, Thurston County Urban County Manager
Interim

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

Staff Present: Fran McNair, Executive Director; Robert Moody, Compliance Supervisor; Christi Duboiski, Air Quality Specialist; Mark Goodin, Professional Engineer; Aaron Manley, Engineer; Odelle Hadley, Senior Monitoring Technician; Mark Moore, Network Administrator/Monitoring Technician; Lynn Harding, Administrative Services Manager; and Debbie Moody, Office Manager/Recorder

The meeting was called to order at 10:01 a.m. Johnson requested a moment of silence in remembrance of the victims and families of the 911 tragedy.

Johnson introduced Sandra Romero, Thurston County Commissioner/Board of Health. Johnson asked if there were any additions or omissions to the Agenda. Cooper moved approval of the Agenda. Pratt seconded the motion and it carried unanimously.

CHAIR REPORT

Johnson noted there was no report.

APPROVAL OF MINUTES

Johnson asked for approval of the Minutes. Pratt moved approval of the Minutes. Valenzuela seconded the motion and it carried unanimously.

APPROVAL OF EXPENDITURES AND DISBURSEMENTS

Johnson noted the Expenditures and Disbursements consisted of Warrants and wire transfers 63005192 through 63005267 in the amount of \$57,687.84; and Payroll 373060 through 373076 and 3056012 and 375354 through 375371 in the amount of \$217,818.55 for July 4, 2013 through September 6, 2013. Cooper moved approval of the Expenditures and Disbursements. Valenzuela seconded the motion and it carried unanimously.

Before moving on to the next agenda item, McNair introduced ORCAA's two new staff members, Aaron Manley (Engineer) and Christi Duboiski (Air Quality Specialist). Johnson introduced Cathy Wolfe, Thurston County Commissioner/Board of Health and requested staff, visitors, and board introduce themselves.

PUBLIC COMMENT / PUBLIC HEARING / PRESENTATION

McNair explained there is a budget amendment that goes with Resolution 255 and 256.

Resolution 255 – Ultrafine Study

With the help of citizens from Clallam and Jefferson counties, along with our legislators we were able to secure \$516,000 for a 2-year Ultrafine Study in Clallam and Jefferson counties. Our focus is ambient air quality. We contracted with the University of Washington to conduct the study. Of the \$516,000 budget \$120,000 will be used for equipment; \$32,000 each year will be used for ORCAA staff; and the balance will be split between the 2 years.

Jeffreys asked if ORCAA will own the equipment. McNair stated we will not own it, it will belong to Ecology. Hadley explained the equipment we are purchasing isn't long term monitoring equipment; it is designed for these types of studies. Operation of the equipment is not something we have the funds to do long term. If another study came up and we contacted UW about monitoring we could likely make arrangements. This equipment would be best used in a lab. Ecology won't use it either and rather than have it sit around, it will be left at UW where the students can utilize it for studies and research.

Jeffreys asked if there was anything contractual regarding the equipment ownership. Harding explained we have an agreement, in the contract, with Ecology that ORCAA will continue to use the equipment and keep it in the possession at the UW.

Cooper asked if a presentation will be made at a later date. McNair said it is still early in the process, but yes, we will have a presentation.

Valenzuela moved approval of Resolution 255. Pratt seconded the motion and it carried unanimously.

Resolution 256 – Woodstove Change-out/Bounty Program for Thurston

McNair explained we have received a grant of \$100,000 to apply in Thurston County. We currently have \$30,000 left from our previous woodstove change-out. The \$100,000 will be spent over 2 years, \$50,000 this year and \$50,000 next year. This new program will allow not only for the change out from wood heat to a clean source of heat (gas, ductless, etc); but will allow for a bounty as well. The bounty is \$350.00 and the rebates are \$1,500 for ductless heat pumps and \$1,200 for other forms of heat other than ductless.

Romero asked if this only for those that have wood as their sole source of heat. McNair stated no, anyone with an older woodstove can be replaced. Jeffreys asked why Mason County wasn't included. McNair explained it was turned down because there really isn't an air quality problem in that area. McNair noted depending on how our funds are in the next year or so, the Board could choose to use funds for a bounty program.

Di Guilio asked if we have an \$80,000 program this year. McNair stated that is correct, the \$30,000 from last year and the \$50,000 for this year. The budget amendment is just for the \$50,000.

Pratt moved approval of Resolution 256. Cooper seconded the motion and it carried unanimously.

Valenzuela, speaking directly to the Finance Committee Members noted both resolutions we just approved have the impact of amending our current budget. Valenzuela requested a conversation at the next Finance

Committee Meeting regarding the fact that the resolutions mix together policy and budget action and whether or not those should be separated. Rogers stated he was impressed by this process in that it was very streamlined. Valenzuela asked if Rogers would not want to change the process. Rogers stated it was very straightforward and easy, however he is not on the finance committee.

Outdoor Burning Presentation

R.Moody explained we had a citizen come to the Board in April to discuss her frustrations with outdoor burning in her area impacting her. In July, R.Moody continued, we discussed the history of outdoor burning. R.Moody explained the incorporated and urban growth areas of Thurston County are no burn areas. We currently spend approximately \$145,000 a year on outdoor burning complaints and a majority of those are from Thurston County. It lends some credibility, from a budgetary standpoint, perhaps we need to further regulate outdoor burning in Thurston County. One question the Board had at a previous meeting was whether we have authority to restrict burning. R.Moody noted we do. The majority of complaints received have to do with residential burning. If we were to limit residential burning, we believe the expense would drop dramatically. Another option would be to charge a fee for residential burn permits. Currently these permits are handed out, free of charge. Charging for the permits may discourage burning and promote alternative methods of disposal. We could consider sun-setting land clearing burning. Thurston County is fortunate in that we have alternatives—compost and hog-fuel for example.

The proposal brought before the Board today includes a sunset for land clearing burning in 2015. The infrastructure is in place and we believe we can achieve the closure of land clearing burning within 2 years. For residential burning, we feel we need more time to work with our citizens and are looking at 2019 for a sunset date. Some burning would not be impacted by our proposal, R.Moody stated. Silviculture burns, flood/storm debris burning, agricultural burning, fire training burns, ceremonial and recreational burning are independent of the proposal and would still be allowed.

Valenzuela noted there is a charge for people to bring their yard debris to the Waste and Recovery Center however it costs nothing for them to burn it in their yards. We had discussed the reverse incentive by charging more for a burn permit than what it would cost to take it to the Waste and Recovery Center. Valenzuela asked the different types of burns be defined. R.Moody explained flood and storm debris is related to a declared state of emergency, not your everyday yard debris (leaves, twigs, etc.). Ecological burns (prairie fires) are permitted through Department of Natural Resources.

Pratt asked if staff knew how many people go out and get permits, or if you find they don't have permits when you visit them due to a complaint. R.Moody explained we receive very few complaints on land clearing burns and we feel we have a high compliance rate on these types of burns, perhaps because they are harder to hide. Do you anticipate people to be more apt to get a permit if they have to purchase them, Pratt asked. R.Moody stated he doesn't feel residents are as compliant as contractors and it takes longer for them to realize the better solution is to find alternatives to burning. Our workload will likely increase dramatically then taper off, R.Moody noted.

Di Guilio asked what alternatives are available for land clearing burn debris. R.Moody explained Silver Spring Organics has the capability of taking in 120,000 tons per year and are currently at half. There is another option near I-5 as well as a guy in Mason County who would be willing to travel for the debris. Di Guilio noted there is a biomass plant in Port Angeles as well. Di Guilio noted this would significantly increase the cost for developers, has there been any consideration for that. R.Moody stated the city limits and urban growth areas have been banned to this type of burning for quite some time so contractors have already factored that in. It would just extend the area.

Cooper asked if our regulations state the burning has to happen on site—if we ban burning in south county will it be cheaper for them to haul it across the county line and burn it in Lewis County. R.Moody stated the rules prohibited hauling debris from a no burn area to a burn area. Cooper asked if there could be an option for a one time burn. McNair explained we have come up with many scenarios and brought these

suggestions to the Board for discussion. Cooper asked if we go this route he would like to see burning cost more than it would cost to take it to Silver Springs or one of the other alternatives. R. Moody stated, excluding transportation, yard waste pickup (through LeMay) would be \$11.00 per month. Tipping fees at the landfill are about \$18.00 per ton for vegetative matter. McNair noted there are areas of the county not covered by LeMay due to economics. Thurston County Solid Waste would have to look into the expansion of waste pick up.

Valenzuela stated she appreciates the conversation, especially with regards to the Rochester area. Valenzuela noted in staffs' outline of the different ways to approach this, there is no mention of the role of the Board of Health. Is there some action or statement the Board of Health can take with regards to outdoor burning, Valenzuela asked. R. Moody noted there is not a clearly defined role. However, as the Board of Health which protects the citizens' health, if this is a proposal you wish to support, it would go a long way with the rest of the ORCAA Board, which adopt the rules that impact how burning takes place.

Romero noted people are not used to having to pay for a permit. Will the fire districts continue to issue the permits and collect the money? R. Moody stated we would process the permits and people would be able to get them, and pay for them, online. McNair stated we will be discussing this with the fire districts. Currently, there is no accountability with the permits. In many cases, McNair explained, the fire districts have a box of permits setting out for people to take and no one tracks them. We would like to have the process so we know who has a permit. We are the enforcement agency for this activity. Romero noted she likes the concepts thus far.

Jeffreys felt the fire districts should be notified, in some way, when permits are issued so they are aware of permitted fires.

Valenzuela requested staff finish defining the different burns. R. Moody noted silviculture burning is in relation to commercial timber harvesting and are commonly referred to as slash burns and our outside our purview. Agricultural burning is permitted through our agency and would include burning grass fields, moldy hay, cranberry bogs, etc. Fire training burning would include structure (practice burn) fires and extinguisher training. They get permits through us. Recreational fires are basically campfires and by rule they can only be 3 feet across and 2 feet high. They would include only clean, seasoned fire wood. Recreational fires are not allowed in Olympia, Lacey or Tumwater. Ceremonial fires are an exempted burn generally affiliated with a Native American tribe.

Cooper asked if ceremonial burns include flag retiring. R. Moody stated ORCAA's position on retiring a flag is don't burn them. Most of the flags are nylon and should not be burned. We have allowed, with many restrictions, the burning of cotton flags but we continued to discourage that.

Johnson explained at one point, in Jefferson County, people could drop off yard waste at the landfill for free—at a loss to the county. It was decided we were going to begin charging for the disposal of yard waste and we were told people would be outraged. They weren't and people continue to pay for the disposal. Johnson felt it would be the same if ORCAA charged for burn permits. Johnson noted he was in favor of the proposal.

R. Moody stated one other item on our proposal was a specific time, twice a year, for burning. Once in the spring (April) and once in the fall (October). Allowing burning during those times would likely assist in maintaining better air quality during the woodstove burning season. If we can limit outdoor burning during this time, we may be able to reduce the number of indoor burn bans we have to call—allowing people to continue to use their woodstoves for heat.

Wolfe asked if the proposal, allowing the spring/fall burns would continue until 2019 and then there would be no burning whatsoever. R. Moody stated that is correct. Cooper asked what the education process would look like. R. Moody noted Nelson would be in charge of the education process. McNair stated it would be multi-media, community meetings, and a lot of face time. Pratt asked if there was action needed

today. Valenzuela wanted clarification as to what is the problem statement and did the proposal come before us as the preferred alternative. Does staff have data that says this is where we should be heading or is this just a good start point for discussion? R.Moody stated his intent is it is a reasonable proposal based on what we know—there are many voids in the data. We do not know how many residential burn permits there are in Thurston County. We don't know how many people would be buying a permit. Valenzuela noted this is not a data driven proposal so we don't have a justified proposal to eliminate outdoor burning.

R.Moody stated he didn't feel it is data-dependent. We have, in place currently, the resources to justify the elimination of burning. We would need to work with solid waste committee to verify they have capacities and methodology in place to collect the material. Our proposal is preliminary but it is based on practicality.

Valenzuela felt, as the Board of Health, what they would need to take this proposal out to the citizens is the problem statement such as over time we have seen steady deterioration in Thurston County largely due to outdoor burning; other sources contribute to deterioration but this is a major one and here is the proposal to mitigate that. R.Moody stated we cannot make a statement that strong, clearly the biggest problem in Thurston County is woodstoves. Outdoor burning does contribute to air quality issues and drives an incredible volume of complaints to this agency.

Doherty felt we needed a bigger list of alternate disposal methods before going to the public. Doherty also noted it would be good to have a discussion with Department of Transportation regarding their state highway burns. It would be better if they removed the brush and hauled it to either be taken to a biomass facility or composted. Being that we are mostly timber counties, we need to discuss with DNR what it would take as an incentive to change their disposal methods as well. Doherty noted there are 5 other counties that have more timber industry and contribute to the air shed. Doherty felt the rules should apply throughout.

Valenzuela stated she would like to have the Thurston Board of Health to talk to county staff about what we have heard today before offering our thoughts about whether or not we want to move forward. Wolfe stated she would like more time to delve into the proposal. Romero stated it is a good first step and would like to discuss this with solid waste. Romero liked the idea of alternative uses because we have not really put a value on this product before.

McNair stated we will be happy to work with Thurston County staff and provide additional information if needed. Once we have a chance to meet with the county we can bring back an updated proposal to the Board.

NEW BUSINESS

Resolution 254 - Thurston County Treasurer; Positive Pay Services

Harding explained Thurston County Treasurer has implemented new procedures that offers more security and tighten controls. This service is free and one of the strongest mechanisms available to prevent check fraud. It is called Positive Pay and enables us to monitor more closely the checks that are presented against our accounts. Only those checks authorized will be paid. We are asking the Board to approve this procedure.

Valenzuela moved approval of Resolution 254. Pratt seconded the motion and it carried unanimously.

DIRECTOR'S REPORT

Compliance Update

R.Moody stated the compliance team has been very busy with inspections. Burning season will begin again at the end of September and our focus will change at that time.

Permit Actions

Goodin wanted to touch on a few noteworthy permits. Two facilities in Grays Harbor County, Imperium Renewables and Westway Terminals, are very large projects involving construction of large tanks to handle commodities such as crude oil, gasoline, diesel, vegetable oil and biodiesel. The proposal for Imperium is to install 9 such tanks. They will receive railcar shipments of the different fuels and offload to barges for transport. Westway plans to install several tanks for crude oil.

We are also on the cusp of issuing Nippon's final operating permit. We are working with Nippon and their consultant to finalize conditions. We did approve Nippon's co-gen plant in 2010, their cooling towers more recently, and they are nearly ready to commence operation of the facility. Due to changes in the federal regulations, Goodin explained, we have to include additional conditions to their approval order. Goodin noted some of the changes did relax some of the federal standards however the standards the state and ORCAA impose are more stringent. The net effect, Goodin stated, is there will be no change in emissions.

Pratt asked where DeAtley Crushing and Puget Sound Surfacers located. Goodin explained these are portable plants and can be moved to any area of our jurisdiction by notification.

Valenzuela asked Goodin to explain the 'after-the-fact' Intercity Transit permit. Valenzuela asked if they did something without a permit. Goodin explained 'after-the-fact' does in fact mean they proceeded with the construction of something without our approval. We work with them to get the permit in, completed and approved so they are in compliance. Goodin noted 'after-the-fact' permits do constitute a violation, however we don't always issue a notice of violation depending on the cooperation of the proponent.

Wolfe noted two permits that have had no action since April – Nisqually Arco and a coffee roaster in Port Angeles. What would be the reason they have had no action for so long. Goodin stated he would have to ask the engineer working on the projects. Wolfe stated we hear all the time that we take forever to get small business permits and we don't want to be guilty due to them sitting here. Goodin stated our businesses contact us if there are issues. We can get look into these and get back to you.

Johnson asked when Nippon is scheduled to start their co-gen facility. Goodin noted the first step is the shake down period where they purge the steam lines and cure the refractory—that should all be underway right now. Goodin felt it would be a few more weeks. Di Guilio had been told the generators would start up in November.

Air Quality Summary

Hadley noted air quality for July and August were both good. Hadley went over the different locations and the air quality numbers for each. Hadley explained each of the different sites and what types of monitors are located there. Hadley stated Ecology has contacted us, requesting that we install a new federal reference method for PM2.5 at our Lacey site. We will use it to recalibrate our nephelometers. The federal reference method is a filter based monitor, meaning we pull filters and weigh them and get actual measurement of PM2.5. We then correlate that number back to our monitors.

Cooper asked if we have secured sites for the next county's saturation study. Hadley explained staff has gone up there and looked at several sites. Our next step is to make contact with them to see if they will allow us use of the site. Hadley did note we will be extending the Clallam County study by a couple of months due to starting late. Jefferson County will still get their full year, as will each of the other counties.

Hadley explained our official start date for the Ultra Fine study was July 1. We are still securing finalized contracts while incurring expenses. McNair noted Ecology allocated the money as of July 1, so there is no problem backdating the purchases. Di Guilio stated he doesn't like that type of process, he prefers to have the money prior to beginning any project. McNair explained we typically have to spend the money first and request reimbursement—even for our state and core grants. Harding added we have received written

notification from Ecology to go ahead and incur costs as of July 1.

We have ordered the new instruments, Hadley continued, and they will be used to monitor ultrafine particle measurements. They have purchased DustTraks that monitor PM2.5 but are mobile. Hadley explained they will have the students use these to take snapshot measurements all over the area on a given day. They will be monitoring carbon dioxide as well. Because the meteorology winds are so complex in the area we will be putting meteorology stations at each site as well. Hadley added they will be using our saturation study data to support their study. They also have equipment to speciate what they capture. We do expect to begin measuring in October. Hadley wanted to reiterate that ORCAA is acting as the project manager and we'll help where we can, but UW's professors are in charge of the science and they will be doing the study and work with help from their students.

Doherty asked if the half-time position in Port Angeles has been filled. McNair noted Cirulis is still up in Port Angeles and we will be replacing her with a full-time position. McNair added it doesn't appear we will be having a position stationed out of Port Angeles as we didn't get any applicants for the area. McNair explained our 2 most experienced inspectors will be taking turns spending time up in that area. Doherty felt that would be very disappointing to the public. McNair stated we are hoping to find a desk up in either the county or city offices that we can use for our staff while they work up there.

Education and Outreach

McNair explained Nelson is on vacation. McNair stated staff participated in both the Pacific County and Grays Harbor County fairs. R. Moody built an asbestos display case and the compliance team put it together with common asbestos samples. This was displayed at both fairs and we did get a lot of people looking at it. We will also participate in the Dungeness River Festival in Sequim at the end of the month. Nelson has been working on target audiences. We had some issues in Pacific County with regards to outdoor burning – Nelson put together some fliers to send out to the area in question. McNair stated she and Nelson will begin their ORCAA 101 visits again soon. We'll be going out to all six counties meeting with fire districts, port districts, county and city staff and anyone else that may need some additional information on what we do and how we can work together.

Jeffreys asked if ORCAA has done any education for potential abatement of abandoned properties. We have problems with selling these properties because of the potential for asbestos. McNair stated we did do a targeted mailing to all contractors, however if you know of a contractor that might need additional information we'd be happy to contact them.

Finance/Administrative Update

Harding stated we have been using our new credit card vendor and will provide a more detailed update once we've put some more time in with them; however, Harding continued, to date we have had 160 payments in the past 2 months, equating to approximately \$40,000. Of the 160 transaction, over 100 of them were processed by the customer online. The balance being done over the counter or over the phone with staff. Harding reminded the Finance Committee members we will be meeting on October 9 at 9:00am.

Updating on our Registration revenue – we had budgeted \$344,000 and have received 86% thus far. We sent out over 700 invoices and have less than 100 outstanding.

We will be coming back to the Board with another resolution next month, Harding explained. The Association of Washington Cities' (AWC) Board approved, January 1, 2014, going self-insured. We will need to have a contract with AWC that our Board needs to approve. Di Guilio asked what the umbrella policy level would be. Harding explained we don't have that information but we will be bringing the contract and resolution to the Finance Committee next month and then the resolution to the Board. McNair added we had been alerted there would be an increase in our benefits and have recently learned there will be

none. Harding stated we had put in 8% increase in our budget but we now know there will be no increase in our benefits.

Executive Director's Report

McNair stated we typically get audited by the state every two years. We were recently contacted by them and they have requested we be put on a three-year schedule. Our online permits have caught the attention of Northwest Air Clean Air Agency and they have asked to contract with us to have Moore come up and build online permits for them as well.

FOR THE GOOD OF THE ORDER

Doherty stated Inslee is ending his climate change initiative and there are some webinars, for instance a youth summit on October 1, and if there is some way we can monitor that and if there are aspects of it that are fitting, it would be good to see staff participate. McNair stated we have not been invited to participate. We did talk to Ecology, McNair explained, but were told we can attend/watch the public hearings, but not participate. Ecology will be staffing the process.

EXECUTIVE SESSION

There was no executive session.

ADJOURNMENT


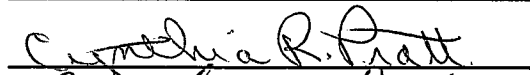
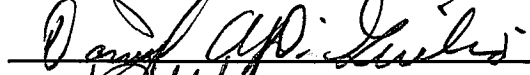

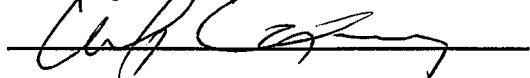
There was nothing further from the Board.

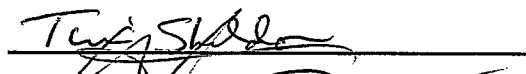
The meeting adjourned at 12:00 p.m.

PRESENTED BY:


Francea L. McNair, Executive Director

APPROVED BY:


Cynthia R. Pratt

David A. D. Smith

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APPROVED and SIGNED this 9 day of October 2013