

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

BOARD OF DIRECTORS MEETING

February 12, 2014

Members present: Phil Johnson, Jefferson County (Chair)
Keith Stahley for Jim Cooper, City of Olympia
Karen Valenzuela, Thurston County (Vice Chair)
Steve Rogers, Pacific County
Mike Doherty, Clallam County
Dan Di Guilio, City of Port Angeles
Cynthia Pratt, City of Lacey
Wes Cormier, Grays Harbor County

Members absent: Tim Sheldon, Mason 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; Lynn Harding, Administrative Services Manager; and Debbie Moody, Office Manager/Recorder

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

Johnson asked if there were any additions or omissions to the Agenda. Pratt moved approval of the Agenda. Di Guilio seconded the motion and it carried unanimously.

CHAIR REPORT

Selection of Finance Committee

Johnson asked if there were any volunteers. Pratt, Rogers and Valenzuela stated they would serve on the committee.

APPROVAL OF MINUTES

Johnson asked for approval of the Minutes. Cormier moved approval of the Minutes. Doherty seconded the motion and it carried unanimously.

APPROVAL OF EXPENDITURES AND DISBURSEMENTS

Johnson noted the Expenditures and Disbursements consisted of Warrants and wire transfers 63005449 through 63005493 in the amount of \$108,793.37; and Payroll 386612 through 386627 and 3056690 through 36056691 in the amount of \$119,648.13 for January 3, 2014 through February 7, 2014. Pratt moved approval of the Expenditures and Disbursements. Valenzuela seconded the motion and it carried unanimously.

PUBLIC COMMENT / PUBLIC HEARING / PRESENTATION

There were no public in attendance; no hearings; and, no presentations.

NEW BUSINESS

Resolution 258 – Asset Disposal Policy

McNair explained we don't typically have a lot of surplus property, however on occasion we have

equipment that is no longer of use to us. During our renovation we have come across items we no longer need and rather than bring individual items to the Board for disposal, we have prepared Resolution 258 that determines a process to surplus equipment of minor value. Valenzuela moved approval of Resolution 258-Asset Disposal Policy. Rogers seconded the motion and it carried unanimously.

DIRECTOR'S REPORT

Compliance Update

R.Moody noted the engineering team had participated in inspections over the previous month. With regards to permitting, we have an agreement with the Brinnon Fire District allowing them to take over land clearing burn permits for their area. We are also discussing the same options with Quilcene Fire. Having the fire departments handling permits takes the pressure off compliance for that area.

R.Moody stated we do have an outdoor burning case that is scheduled for the PCHB in early March. We recently went through a consultation with L&I. They did find some minor issues that we will need to address, one of the tasks will be to update our safety manual.

Pratt asked about the Notice of Violation for Choi. R.Moody explained a dentist removed asbestos in a dental office. The asbestos was removed without a permit, without proper precautions and was not done by certified workers. McNair added, as part of the settlement, we have requested he write a letter to the Dental Association, explaining what he did, why it was the incorrect way and how it should be done properly.

Valenzuela requested additional information on the L&I visit. R.Moody stated we contacted L&I and requested a non-enforcement consultation. We requested they look at our existing procedures and our building. Because one of our employees is doing construction work, our safety policy needs to be updated to include the construction trade requirements. We expect the final report in a couple of weeks.

Di Guilio asked if staff has been communicating with the folks in Sequim regarding the difficulties in replacing the Port Angeles inspector. McNair stated we have not spoken with Sequim. Di Guilio noted there is an email from Bob Sextro that implies ORCAA is purposely not filling the Port Angeles position. McNair stated we did not get an email from Sextro. Doherty noted there is going to be a re-evaluation plan for the position. Di Guilio stated it is important to get the message up to the folks in Sequim so they know what the situation is. McNair stated, if any other Board member is interested, she is meeting with Doherty, Johnson and Di Guilio after the Board meeting to discuss the issue. Johnson noted if we have a quorum we'll need to have the full discussion during the meeting. Valenzuela was the only other interested member.

Permit Actions

Goodin noted if anyone had any particular questions with regards to the report, he could answer them. Goodin explained there are items staff is involved in that do not show up on our reports. We will be meeting with Nippon to discuss issues they are experiencing with startup and shake down of their boiler. We are anticipating them requesting an extension on their stack testing. Our position would be to have the boiler tested at full maximum capacity, which would result in the worst possible emissions.

Silver Springs Organics will also be testing their facility. The test they will be conducting is to determine emission factors and we are working with them on their test plan.

Granite Construction, asphalt plant located in Belfair, that uses a specialized technology called warm-mix asphalt. They did conduct initial testing and the numbers do show compliance. We are still working with them to make sure we have all the process data that shows they were operating at maximum capacity and the test was representative of emissions for the long run.

Johnson asked if we can change the monitoring timeline due to Nippon's inability to test. McNair stated the monitors will stay through March and we hope they will be up and running by then. The UW is aware of the fact that Nippon is operating their old boiler and that the new boiler is not operating at capacity. The equipment for the ultrafine study should remain in the area through a portion of the summer. McNair wanted to note we are looking at ambient air not individual sources, and it should be noted the older boiler is likely a worse case due to age.

Pratt asked about Ecology's after-the-fact permit for generators. Goodin stated he believed that was a typo and they are new generators. Staff will check into this case.

Air Quality Summary

McNair noted Hadley, Nelson and Moore are attending a conference/training in North Carolina. As for air quality, McNair continued, the handout shows generally good air quality in our jurisdiction, with a few days of unhealthy air in Shelton and Lacey. McNair did note we lost a couple of days of data at our Raymond site.

The Saturation study is showing that, while there are a few peaks, the majority of the monitors are tracking quite closely.

McNair wanted to make a point to thank the Port Angeles fire department. She stated they have been phenomenal to work with. They have gone above and beyond to assist our staff in siting the equipment on the building—even utilizing a training opportunity for their firefighters by using their ladder trucks.

McNair briefly went over some of the equipment noting which equipment the UW will utilize for the Ultrafine study as well as what is used for the Saturation study. Doherty noted there is a Kinder Morgan proposal that may result in additional bunkering (up to 4 or 5 times more). This study may be valuable for Port Angeles to use for arguing for additional measures.

McNair also added we are working hard to get Cheeka Peak designated as a research site so it can continue to be funded with 103 dollars.

Pratt understood that we are not able to decipher what comes from China, for instance, at Cheeka Peak. With the new equipment will we be able to do that with research. McNair stated we may be able to.

Education and Outreach

McNair noted a handout in the packet regarding woodstoves. McNair stated she and Nelson have been bringing this flier along on their talks throughout the jurisdiction. We recently visited Port Angeles and Port Townsend to meet with their staff and a lot of the discussion has been focused on marijuana. We want to be consistent across the state so we have staff working with Ecology and other local ahrs. We have developed a form to distribute to the local jurisdictions to give to potential marijuana businesses. We have learned if the business property is under 5 acres it will not be considered agricultural and we may have some jurisdiction. Once it is established they are not agricultural, many other factors come in to play as to whether or not they would be permitted by ORCAA. Goodin added from what he has been seeing, most of the operations will be indoors. Some of the guidance from Colorado states you must have some sort of odor control device. Our take on this, Goodin continued, is to gather the information and make determinations on a case-by-case basis.

McNair stated another topic we are discussing with the local jurisdictions is asbestos and demolitions. We were pleased to learn that both Port Angeles, Port Townsend and their counties are not issuing permits until they are satisfied they have gone through ORCAA's process.

Valenzuela asked for clarification with regards to whether or not ORCAA is requiring a stack or do you not know yet. Goodin explained the state law says any stationary source of emissions requires prior review and approval through the air authority, but it doesn't explicitly define what the sources of

emissions are so it is up to each air agency to develop regulations. They define the lower thresholds that either exempt facilities out or rule them in to the regulations. Marijuana is a new business and it isn't even on our current diminimus list of emissions that we exempt. They are a stationary source of emissions, Goodin noted, so it is up to us to decide how low we want to go. Once we get some details on these sources, we can make determinations as to whether or not they need to be permitted.

Valenzuela stated Thurston County has decided to permit these types of sources and have determined where they can be located. Valenzuela noted she did not want ORCAA to become an additional pressure on the applicants and make it difficult for them to be successful and compliant. Valenzuela stated the potential applicants, thus far, have had some concerns regarding ORCAA permitting.

Doherty asked if there is a deadline with regards to making a decision as to whether ORCAA will regulate these businesses or not. Doherty stated he was unaware that there may be odors from the production, he had heard more about disposal of debris and people concerned they will burn it. Doherty stated Clallam County doesn't necessarily want to get into this discussion, however we have received some complaints. Clallam County does have people applying for permits in neighborhoods. Is there a point that it is too late for ORCAA to regulate, Doherty asked. Goodin noted they are a stationary source, so it is a matter of ruling them out than ruling them in. Doherty asked how complaints will be handled. Goodin noted that would be a good motivation to say we need to regulate them.

Finance/Administrative Update

Harding wanted to thank City of Olympia for their prompt service in regards to our building permit. Harding wanted to remind the Board our Wellness committee has been working with staff keeping morale up with team activities. Encouraging staff to get out and move on our breaks and lunch has proved to be easy with the activities the committee has come up with – currently we are holding our own version of winter Olympics. Harding wanted to recognize Jennifer DeMay and Aaron Manley of the engineering team. They are heading up the wellness activities and encouraging staff participation.

Harding noted we are currently doing well in our finances. To date, we had budgeted revenues at \$1.2 million and we are at \$1.2 million. This amount does not include the residual or our surplus, Harding explained. We have approximately \$80 thousand in savings under our salary and benefit lines, due to lower benefit costs, as well as deferred hiring of staff.

The woodstove change out/bounty program is continuing to do well. Harding stated we continue to pick up new contractors wanting to participate as well.

Executive Director's Report

McNair noted she had taken a few Board members on a tour of the building. We have had an initial inspection by the city of Olympia and they will come back when we are complete. We'll have an electrical inspection this afternoon. Department of Corrections will be disassembling our cubicles and reassembling them in the new space. The tenants are being kept up-to-date and are looking forward to settling into their new space as well. Things are going quite well and we are currently on budget and ahead of schedule.

McNair did note that for the next Board meeting in March, we will be in our new space and the members will be able to access the Board room via an outside door.

EXECUTIVE SESSION

There were no items for Executive Session.

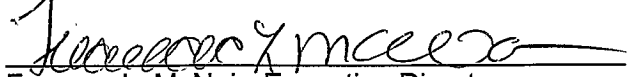
FOR THE GOOD OF THE ORDER

There was nothing for the good of the order.

ADJOURNMENT

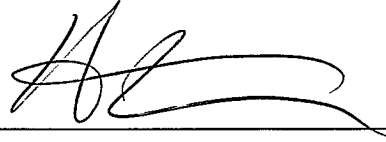
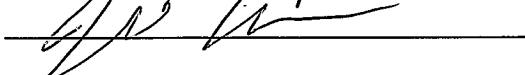
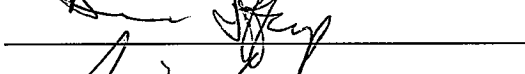
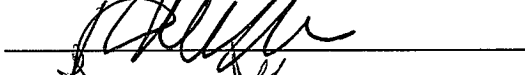
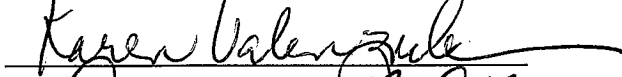
The meeting adjourned at 11:09 a.m.

PRESENTED BY:



Francea L. McNair, Executive Director

APPROVED BY:



APPROVED and SIGNED this 12 day of March 2014