

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

BOARD OF DIRECTORS MEETING

January 14, 2015

Members present: Steve Rogers, Pacific County (Chair)
Jim Cooper, City of Olympia (Vice Chair)
Art Starry, for Sandra Romero, Thurston County
Dan Di Guilio, City of Port Angeles
Cynthia Pratt, City of Lacey
Wes Cormier, Grays Harbor County
Terri Jeffreys, for Tim Sheldon, Mason County
Phil Johnson, Jefferson County
Mike Chapman, Clallam County (via phone)

Members absent:

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; Dan Nelson, Public Information Officer; Lynn Harding, Administrative Services Manager; and Debbie Moody, Office Manager/Recorder

The meeting was called to order at 10:01 a.m.

Rogers noted Pratt requested to leave early due to another commitment. Rogers suggested changing the Agenda to allow the action items be taken care of prior to the State Auditors presentation. Rogers asked for approval of the amended agenda. Cooper moved approval of the Agenda as amended. Pratt seconded the motion and it carried unanimously.

CHAIR REPORT

No report

APPROVAL OF MINUTES

Rogers asked for approval of the Minutes. Cooper moved approval of the Minutes. Pratt seconded the motion and it carried unanimously.

APPROVAL OF EXPENDITURES AND DISBURSEMENTS

Rogers noted the Expenditures and Disbursements consisted of Warrants and wire transfers 63005864 through 63005924 in the amount of \$94,482.24; and Payroll 3057519 and 407589 through 407604 and 3057660 and 410803 through 410819 in the amount of \$260,298.04 for November 7, 2014 through January 8, 2015. Cooper moved approval of the Expenditures and Disbursements. Pratt seconded the motion and it carried unanimously.

PUBLIC COMMENT / PUBLIC HEARING / PRESENTATION

No public comment, hearing or presentation

NEW BUSINESS

Removal of fees from Regulation

McNair explained our fees are currently imbedded in our Regulations and to change anything in our Regulations we must go through a long process. The process includes filing Code Reviser forms and holding a public hearing. Depending on the length of the document, the Code Reviser process can take more than 30 days. We would like to streamline the process. We would still have a public process, including education and a public hearing, but the timeline would be shortened as we wouldn't have to wait for the Code Reviser process. This would not impact any other part of our Regulation and would not change any fees at this time.

R.Moody noted we will have to go through the Code Reviser to change the existing rule and that does take time, typically about four months. R.Moody stated there aren't any substantive changes. We would like to withdraw them from Regulation and put them in Resolution. We don't expect any public comment. If the Board wishes to move forward the process would be: file our paperwork, by noon, on January 21; it would be published in the State Register; we would hold a public hearing during the March 11 Board meeting; we would file another form with the Code Reviser and the changes would take effect sometime in April. Myers noted we would be requesting the Board adopt a fee schedule, by Resolution, at the same time so there is no gap in our authority to charge fees.

Pratt asked if ORCAA is required to submit a Small Business Impact Statement. R.Moody stated we are exempt from that process. Cooper liked the idea and asked if it can be simplified more by tying it to the budget process? Myers did note that was a good suggestion, however we don't want to prohibit us from changing fees as needed.

Rogers stated he would entertain a motion to proceed. Pratt moved approval to remove the fees from Regulation. Myers added the motion appears to be that staff proceed to file the CR102 to remove the fees from Regulation and place them in Resolution. Johnson seconded the motion. The motion carried with a majority of the Board (Di Guilio and Jeffreys abstained as they arrived midway through the presentation).

Cormier asked about the public process. McNair noted there will be a 30 day public comment period.

Resolution 261- Budget Amendment #002

McNair explained Nelson has been running our woodstove reduction program. We received \$100,000 to cover 2 years and spent it in a year. We went back to Ecology and requested additional funds. Ecology will be giving us an additional \$25,000 and this Resolution is needed to amend the budget to show the additional funds.

Johnson asked if there will be a time when this program is offered outside Thurston County. McNair stated we have tried, however because the other counties don't meet the standard for bad air quality.

Cooper moved approval of Resolution 261. Johnson seconded the motion and it carried unanimously.

State Auditor Report

Angie Folkers, Audit Manager for State of Washington, noted she has been involved in this audit for about 13 years. Lisa Harbour, AIC for State of Washington, introduced Jennifer Woods. Folkers explained Harbour and Woods were present and performed the audit for ORCAA. The documents handed out to the Board are in draft form, Folkers noted. Folkers went over the documents noting there were no findings during the audit. We did make a few minor recommendations to staff which were dealt with prior to the end of the audit. The audit covered three years, however we will be doing audits every two years going forward.

Harbour briefly went over the different areas that were audited and what they looked at. She noted everything looked really good and there were no findings.

Johnson asked what the Auditor looks for with regards to the open public meetings act. Harbour stated we look to see whether your meetings are open to the public, have minutes, how executive sessions are documented in the minutes and similar things. The Board thanked the Auditors for their time.

DIRECTOR'S REPORT

Compliance Program Update

R.Moody gave a brief explanation of the compliance report for Chapman. R.Moody did note we have been discussing our odor policy with an attorney for one of our sources. We are currently working with Myers to improve our policy. It will likely be brought before the Board at the February meeting. Di Guilio asked what the specific issue was for the other attorney. Specifically, R.Moody explained, our current policy states we must have five formal complaints before we issue a notice of violation. The policy used to include a clause *or at the directors discretion*, however when the policy was updated 10 years ago, that was inadvertently left off. This would be an issue if you have a source of odors with only a couple of residences nearby we are unable to effectively deal with the possible nuisance.

Engineering Program Update

Goodin noted there have been several permits finalized and mailed out over the previous 2 months. Nippon will be conducting the compliance testing, over 5 days, beginning February 16. Goodin explained there are a couple of marijuana facility permits on the list. These facilities are only being permitted because they have large generators. Our stance is still that we will not register or permit these facilities unless they have equipment that would normally be registered or permitted.

Jeffreys thanked ORCAA for assisting with marijuana odors. Jeffreys noted R.Moody had mentioned staff need 5 complaints before they are investigated, is that correct? R.Moody explained we investigate each complaint; the policy is problematic for issuing Notices of Violations. Jeffreys asked if there was an escalation of odor complaints during the harvest season (Sept/Oct). R.Moody explained most of the odor complaints come from outdoor growing operations and we received most of them in the summer. Jeffreys questioned whether or not people are agreeing with staffs' assessment of the odor. R.Moody stated many times we do not agree. Jeffreys asked if staffs assessments are objective. R.Moody explained they are as objective as they can be with regards to odors. R.Moody explained in detail the process staff goes through for an odor investigation. There was nothing further from the Board.

Air Quality Program Update

Hadley stated November had a couple periods of stagnation and we did call a burn ban, for Thurston

County, early in the month. In December we did have an "unhealthy" day on our Port Angeles monitors. We did have a few higher than normal levels however they didn't last very long. We saw a similar pattern, for the same time period, in Lacey. Hadley also showed a chart covering air quality for the calendar year 2014.

The Ultra-fine study continues at the Port Angeles fire station. The instrument was removed for repair and maintenance, however they will be reinstalled this week. We continue to measure CO, CO₂, SO₂, Ozone and Black Carbon. Once we get approval from Ecology we'll be moving the PM_{2.5} instruments to the fire station as well.

Hadley noted staff met with Representative Tharinger to discuss extending the funding for the Ultra-fine study through June of 2016. The current funding takes us through June 2015, however due to delays with Nippon's cogeneration facility, we wanted to capture summer in the study as well.

Education and Outreach

Nelson noted Grays Harbor County was hit pretty heavily by the storms and there has been quite a bit of damage. Staff has been working diligently getting the word out to the communities with regards to safely handling and removing construction debris that may contain asbestos. We have also been working with the waste haulers to ensure the waste is handled properly. (Pratt left at 10:50am)

Cooper asked if air quality is a consideration in an emergency operation center when it is activated. Nelson stated air doesn't typically come into play which is why we are proactive in getting out to these communities. Not only do we want to make sure the materials are handled safely, we also want to make sure people don't just burn the debris.

Each of the houses, Cormier asked, are required to get a permit through ORCAA? Nelson stated they need to check with us, there may be instances where a permit is not needed. Cormier asked if ORCAA could have a policy that if an area is proclaimed by the Governor as an area of emergency we consider waiving fees in that specific area. Cormier did note he will be recommending the same thing at the next county meeting. Rogers stated Pacific County was also hit and requested the same information be shared there. Nelson stated he has talked to Pacific County, and Mason County, as well.

Nelson thanked the Board for the budget amendment for the Woodstove Buyback program. We have had a long waiting list and the money will be used. Nelson did state we will be requesting more funds next year, asking for double the funds.

Nelson noted staff met with the Thurston County Burn Committee prior to the holidays. They have agreed the online permitting has proved to be useful. They appreciate that the information is available to them. We were able to use the information to immediately contact permit holders to alert them of the November burn ban. The next step, Nelson stated, is to discuss fee implementation. The committee was a little less accepting of a fee, mostly because they were unsure how it will look. We will be reaching out to the permit holder, and the general public, with surveys to discuss fee prices and the program in general.

Cooper stated if there is a reasonable alternative, wouldn't an action be to implement a ban? Nelson noted we have discussed that in the past and even invited the Thurston County Board of Health to a meeting, but they weren't that interested at the time. Nelson added, we do want to do things progressively, giving them the options and hopefully deterring them from burning along the way.

Finance/Administrative Update

Harding stated we did meet with the Finance Committee this morning and went over the 6-month income statement. Harding noted we are at 48% of our revenues and 49% of our expenditures.

Executive Director's Report

McNair explained the Governor's budget has been submitted and briefly went over the Model Toxics Control Act and how it affects our funding. The Governor is suggesting that for diesel and woodstove, which was formerly a \$4 million ask, become a \$2 million dollar ask this biennium. The air programs, in general, are in pretty good shape because of the climate change pieces. We are hopeful our state funding won't be dramatically affected. Ozone may become an issue. There is a federal mandate tasking EPA to come out with a number by December 2014, the current standard is 75 ppb. EPA did not come out with a new number, but came out with a range of 65-70 ppb. McNair stated there are some areas of the state that may have a problem if 65 becomes the new standard.

McNair stated there was potential legislation looking at what gas stations were being charged for registration. Each agency is able to determine their own fees and how they manage their programs, so things are different throughout the regions. JLARC was asked to do a study to see how each local air managed the program. The result was the realization that the locals do have authority to manage their own programs and charge fees to cover cost and it is ok if they are different. Another item that came out of the study had to do with Stage II Vapor Recovery and vehicle on-board vapor recovery. McNair stated they would like the state to do a study to determine, at what point, we would have enough new vehicles in the state, to do away with Stage II Vapor Recovery systems. We should have some preliminary numbers by next fall, McNair stated. We will see if we hear anything further from the legislature.

Cooper asked if ORCAA shares a lobbyist with the other air agencies or do we do our own lobbying. McNair explained we do not share. Puget Sound is the only agency that employs a lobbyist, the rest of the directors do work together with Ecology. McNair did add that she, as well as other directors, do testify before the legislature.

McNair stated the Personnel Committee will be meeting directly after this meeting. McNair also noted we have 2 new Board members, Mike Chapman (phone) from Clallam County and Sandra Romero for Thurston County. Art Starry is sitting in for Romero today.

EXECUTIVE SESSION

There were no items for Executive Session.

FOR THE GOOD OF THE ORDER

Prior to adjournment, Di Guilio moved to direct staff to prepare a resolution that allows staff to waive fees associated with declared national disasters. Cormier seconded the motion. Rogers asked if there was any discussion. Cooper asked that staff and counsel review the legality of the action. Rogers asked if it is currently allowed at the discretion of the director. McNair noted the fees are in our regulation and didn't feel she has the authority. Myers stated he does not recall a revision in the rule that addresses waiver of fees. Myers stated it may be able to be incorporated in the new fee structure. Jeffreys asked the staff to do a fiscal impact statement. Jeffreys wanted to know what the potential impact would be and how would it be recovered. McNair stated we can use the current event as a model.

Rogers, noting the motion on the table, asked if there were any further comments. There were none. Rogers called for the question. The motion carried unanimously.

ADJOURNMENT

There was nothing further from the Board.

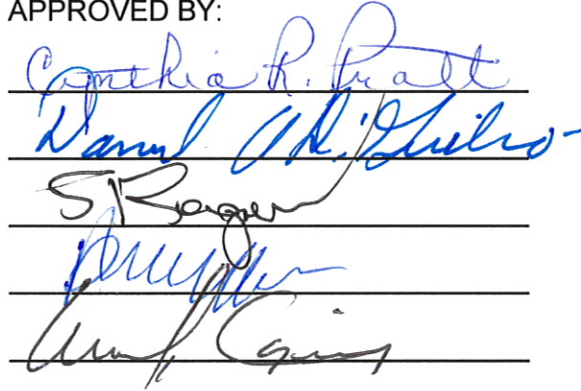
The meeting adjourned at 11:17 a.m.

PRESENTED BY:



Francea L. McNair, Executive Director

APPROVED BY:



APPROVED and SIGNED this 11 day of February 2015