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## **BOARD MEETING MINUTES**

The meeting of the Board of Directors of the Northwest Clean Air Agency was held at 1:30 p.m., Thursday, April 8, 2010, at 1600 South Second Street, Mount Vernon, Washington.

### **MEMBERS PRESENT:**

Skagit County	Ron Wesen Joe Lindquist
Island County	Cathy Rosen Angie Homola
Whatcom County	David Webster
Member-At-Large	not present

### **MEMBERS ABSENT:**

Terry Nyman, Carl Weimer

### **ALSO PRESENT:**

NWCAA Staff Members	Mark Asmundson, Mark Buford, Scott Pratschner, Dan Mahar, Margarita Smith
Advisory Council	No one present
Legal Counsel	Loch Clark

### **CALL TO ORDER**

Cathy Rosen, Board Chairperson, called the meeting to order at 1:35 p.m.

### **APPROVAL OF PRIOR BOARD MEETING MINUTES**

On motion by David Webster, seconded by Ron Wesen, the minutes of the March 11, 2010 Board meeting were approved.

## **NEW BUSINESS**

### **Review of the Draft FY 2011 Budget – David Webster**

The Finance Committee met just prior to the Board meeting to review and discuss the Draft FY 2011 Budget. Among numerous issues discussed, one line item that drew attention was the annual Registration Program fees assessed to cover program costs. In order for that program to become self-sustaining, the fees would need to be doubled over the next year or two. Both David Webster and Joe Lindquist voiced their concerns about the impact of these significant increases on small businesses in our jurisdictions.

Asmundson reported that the Advisory Council had met and voiced a preference of one year (and two years at the latest) to reach full program cost recovery. The Agency would be willing to allow businesses to pay their annual fee in two equal payments, if desired. Operating costs are increasing about 7.5% each year, and per capita and state and federal funding continues to cover important but unfunded air programs.

Two Board members voiced support for reaching cost recovery in one year, but the majority of members prefer to spread the increases over a two-year period.

It will be important to take a close look at the tier structure for registered source fees before implementing fee schedule changes. These registration fee changes are typically considered in the autumn, before the end of the calendar year.

Rosen suggested that a tentative four/five-year fee schedule for businesses might be advisable.

The Preliminary Budget will be presented to the Board at the May 20, 2010 Board meeting for review and discussion.

## **STAFF REPORTS**

### **Director's Report – Mark Asmundson**

Asmundson reported to the Board on the following matters:

- The regular, ongoing business of the Agency is going well. We are busy and gearing up for getting busier.
- We have submitted substantive rule changes, principally related to agency SEPA activity, to the State Code Reviser. The proposed changes will be considered by the Board at the June Board of Directors meeting.
- The legislature is still in session.
- We are in the midst of the five-year review of our salaries. This survey is being conducted by the same firm that conducted the original salary survey in 2005. The survey report will be made to the Board in May.
- EPA has still not issued the EPA greenhouse gas Tailoring Rule. As an EPA administrative decision was made that applicability of the rule would not take place

until 2011, Asmundson assumes the agency felt it could spend more time refining the proposed Rule.

- The Agency has completed the Draft FY 2011 Budget which was considered by the Advisory Council and the Finance Committee. It will now be converted to a Preliminary Budget and distributed to all Board members for discussion of concerns at the May Board meeting. By law, it must be adopted by June.
- The software for the accounting system will begin implementation next week.
- Finally, and sadly, we all have experienced heartfelt sorrow related to the injuries and deaths resulting from the accident at Tesoro.

### **New Source Review & Air Operating Permit (AOP) Update – Mark Buford**

#### Permit Actions (6)

- 2 Shell Puget Sound Refinery Changes to existing OAC for AOP cleanup
- McEvoy Oil Company – Gasoline Station Modification
- Hertco Kitchens LLC – Administrative Amendment
- Chemco Inc – Formal NOC determination
- Sierra Pacific Air Operating Permit – Issued Draft

#### Ongoing OAC Projects (7)

- Shell Puget Sound Refinery (2) – Changes to existing OAC for AOP cleanup
- Socco, Inc. – Installation of Wood Fired Boiler, Two New Lumber Kilns - Incomplete Application
- Farm Power Rexville – Modify OAC
- Fred Meyer Fuel Stop #24 – New gasoline station
- Fred Meyer Fuel Stop #25 – New gasoline station
- Port of Anacortes – Loading of prilled sulfur

#### New Applications Received (4)

- BP Cherry Point Refinery – OAC Modification #4 Boiler
- Northwest Collision – Spray Booth OAC
- Chemco Inc – Formal NOC determination
- Janicki Industries – OAC for new oven

#### Air Operating Permit (11)

- Chemco – Initial permit underway
- BP Cherry Point Refinery (Blaine) – Renewal underway
- ConocoPhillips Refinery (Ferndale) – Renewal underway
- PSR Shell (Anacortes) – Renewal underway
- Sierra Pacific – Draft Issued
- Tenaska – Administrative Amendment
- PSE – Encogen – Renewal underway
- PSE – Whitehorn – Renewal underway
- PSE – Fredonia – Renewal underway
- PSE – Sumas – Initial Permit underway
- Fibrex Corporation – Burlington – Initial permit underway

**MISCELLANEOUS**

**Approval of Bills and Claims**

On motion by Angie Homola, seconded by Joe Lindquist, the Board approved Bills and Claims for March 2010.

**Next Meeting**

The next Board meeting will be held on Thursday, May 20, 2010 at 1:30 p.m.

**ADJOURNMENT**

As there was no further business, Cathy Rosen adjourned the meeting at 2:15 p.m.

**CERTIFICATION**

I hereby certify this is a true and correct copy of the minutes of the meeting of the NWCAA Board of Directors held on April 8, 2010, in Mount Vernon, Washington.

ATTEST: \_\_\_\_\_  
Terryl Nyman, Secretary  
NWCAA Board of Directors

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Cathy Rosen, Chair  
NWCAA Board of Directors

DATED: May 20, 2010