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SPOKANE REGIONAL CLEAN AIR AGENCY BOARD MEETING MINUTES

October 6, 2011 9:30 a.m.
Spokane Clean Air's Conference Room
at 3104 E. Augusta Ave.

BOARD MEMBERS:

Mayor Edward Crockett
Board Member Tom Brattebo (Chair)
Board Member Rose Dempsey
Board Member Jeff Corkill
Karen Corkins Assist. for Commissioner Al French

STAFF MEMBERS PRESENT:

William Dameworth, Director
Barbara Nelson, Finance/Personnel Admin.
Ron Edgar, Chief of Technical Services
Matt Holmquist, Compliance Administrator
Lisa Woodard, Public Information Officer
April Westby, Engineer
Michelle Fossum, Legal Council
Mary McDermott, Admin. Assistant

WORK SESSION: The work session began at 9:30 a.m.

Ron Edgar presented Joe Southwell with a plaque for his 20 years of service.

1. Update on the Indirect Source Rule – April Westby

April gave a brief update of the indirect source rule. There were three written comment letters received and eight people gave public testimony during the public hearing held on August 4, 2011. There were two commenter's from the Department of Defense on behalf of FAFB, two from UP and BNSF railroads, one from an environmental consultant, one from a trucking company, one from Washington Policy Center, one from the Greater Spokane Incorporated and one citizen. Based on testimony at the board meeting, it was decided to defer action on the rule for six months to see what kind of voluntary agreements might be reached. Since that time we have been working on reviewing all the written and verbal comments that we have received and have prepared a response to comments document. We are also working on revisions to the rule in response to comments received. The response to comments document will be in the board packet in November and it will also be sent to all commenter's. The revisions being considered to the rule as a result of the comments received are as follows: Exclude aircraft emissions from the rule; add a provision that the rule will not take effect with regard to the rail facilities that are federally regulated until EPA approves the rule into the SIP; add language that technical

feasibility and safety will be considered in the development of the emission reduction plan; and add provision to allow emission reduction plan to be revised with SRCAA approval. Some other recent developments that have happened since the hearing: We met with the Greater Spokane Incorporated (GSI) to discuss the rule on August 31st; Bill spoke at the Valley Chamber meeting to discuss the rule on September 6th; and Kim Hotstart has contacted SRCAA with interest to apply for a Washington diesel grant to retrofit switchers at the BNSF rail yard.

Board Member Brattebo asked if GSI had any comments or input. Bill stated that they are afraid of what Spokane Clean Air may do once the rule is in place, such as reduce the cutoff as to who it applies to. They are concerned about it as a concept. A large amount of discussion was just explanation of the rule, the background, why we're doing this and where it's headed.

Board Member Corkill asked if the GSI and Valley Chamber gave Bill any idea of the nature of the jobs that might be lost because of this rule. Bill replied there were two things: What Commissioner French said at the meeting and what was said at the two Chamber meetings. At the Chamber meetings, nobody discussed any particular loss of jobs, it was mostly an idea that this is sort of something that the people hear about and might cause them not to want to move here. We have offered for every person that has any concern about this that we will go through the calculations with them. Commissioner French was mostly concerned about the competition for businesses between Spokane and Kootenai Counties.

2. Review of Bylaws – Do they need updating? – Michelle Fossum

The Agency has had an issue with reaching a quorum. There are only five Board Members and we are required by statute to meet ten times a year; so to make sure that we meet that requirement, we've had some discussion about the possibility of appointing an alternate. The statute does allow for any member of the board to designate a regular alternate; that alternate has the same authority as the member that did the appointing and the only restriction is the person can't be the chair. Al French has designated Karen Corkins, who is here today, as his alternate for those times when he can't attend do to his work schedule conflicts. The question for the Board is do we want to make any adjustments to our By-Laws in light of the institution of this process. Our By-Laws currently are silent on the issue; the authority comes out of a state statute to do it. That is the issue before the Board, do they want to make any changes to the By-Laws to reflect this or not? Board Member Corkill thinks something like this should be put in the by-laws so they don't have to rely on the state regulations. Bill stated that the concern on the alternates was for consistency; if you are going to have an alternate it needs to be the same person. Bill stated that personally, he thinks that it might be appropriate to do exactly what the County Commissioners did, and have the County Commissioners approve the person; so whoever the appointing authority for the original person is, they should probably go ahead and appoint the individual. The Board Members agreed to proceed to put this language into the By-Laws.

Michelle added that the statute doesn't require such confirmation specifically, but we did utilize that process with respect to Karen, so that the other County Commissioners would be aware of what was going on and not have any strong objections to the person who would be sitting there. There was more discussion between the Board Members and Michelle on this

subject. Michelle stated that she will take the Board's direction and Bill and she will put together a proposed amendment to the by-laws for consideration of the Board at the next meeting. A Board packet will be sent out to all alternates so that they can keep up with what is going on at Spokane Clean Air. There was some discussion about changing the time of the board meeting; it was decided to leave the time at 9:30 a.m. on the first Thursday of the month.

BOARD MEETING: The board meeting was called to order at 9:52 a.m.

1. Advisory Council Report – Andrew Stenbeck

I'm Andrew Stenbeck with the Washington State Department of Natural Resources. I'm the local District Manager and my District consists of all of Spokane County, most of Pend Oreille County, the southern third of Stevens and northern Lincoln County. It is suppression and regulation of all of the state land, which is about 100,000 acres and also 2.2 million acres of fire jurisdiction. The advisory meeting was mostly on DNR and its program. We have a burning program and have worked closely with Spokane Clean Air to help reach the attainment levels and now we've had varying degrees of how we worked and it was driven by a Memorandum of Understanding. The legislature when they first created our burning regulation program where we permit silvicultural burns, we were directed that the program should pay for itself by its fees. The fees of changed very little since its inception in the early 1990's and now there is going to be a revamp of the entire program. A typical fee for a permit in Spokane County is about \$25; it's going to go to about \$105 and we do 90 plus percent on site visits where we visit the folks there and we do the tonnage calculations and talk to them about clean burning, fire prevention and make sure that there's no prohibited burning material and that it does indeed fall within our jurisdiction, not the DOE or Spokane Clean Air. With the increased fee, it will pay for about 60 percent of the current program and with that they're changing the way we're doing it and it will be largely an online based permit process. The onsite will be an exception and with the increased fees we anticipate more rule burns. There's a certain standard in Spokane County you can burn a four foot pile of branches from unimproved property without a permit if you follow the rules (your on site while it burns down and out, you have a water source and hand tools). Where we interface with Spokane Clean Air largely there is no burning inside the UGA so it is between the UGA and smoke sensitive, formerly the non-attainment area, we have permits there. If it is a product of forest operation, we write the permit otherwise Spokane Clean Air handles it. Well now we're not going to be necessarily doing on-sites and there is a lot more potential for smoke impingement and issues that way. So in discussing this with Matt, we're coming up with a new MOU or agreement that will probably be coming before the board; I'm working through the details on my side of the house and waiting to see what the final product will look like; but in the mail out rule we will put additional information on clean burning. The idea and intent is that my local staff will coordinate with Spokane Clean Air staff and we will do preventative contacts on permits that we perceive may be a risk to create smoke impingement or an area that we have a history of having troubles with. We're faced front and center with the reduced budget and having to figure out how we will staff and manage the program on a lot less money and that's where it's going and I think it will require greater cooperation and communication; but this isn't a relationship that's new. We've been doing on-sites together, we've worked cooperatively for many years now and this will be a transition but it's not like we have to build a new relationship.

Most of the money for this program came from the general fund and they zeroed out the general funding and the legislature said we will give you the approval to increase your permits so much and we said if we increase it to the maximum amount it's going to fund about 60 percent of the program. We are going to have some hearings in the next month or so and then there will start to be an online process. By January 1st I anticipate that will be online. We are cutting staff for the other 40 percent needed and so we won't have staff to do the on-sites like we have historically. The interesting part is that folks will be expected to do they're own tonnage calculations and it's going to be assumed that if it's 10 or 20 acres, I don't know what the numbers going to be, that whatever their permits for is going to be 30 tons because that's the state-wide average. That will be at minimum \$105 fee to burn their piles. It used to be that up to 100 tons it was about \$25 and then after 100 tons it was increased by how much it was you were burning. Right now the process is still evolving, but right now they will go online and read some information about how you're responsible for it if you create smoke impingement, you create a fire that burns down stuff, you're responsible for it. There will be a key that says do you have less than 20 acres and if you say yes, you get a 30 ton permit for \$105 and if you have more than 10 or 20 acres it will have you go through the calculation process and you come up with the tonnage; if it is less than 100 tons, you get \$105 permit otherwise if it is more they add additional fees. The individual fills it out mails it to DNR with a check, a dispatcher will get it and look at it, get it to the field folks who won't go look at it in the field so they will review it and if it looks correct, they will sign it and mail out the permit. The idea is if we know the permit is in an area in Spokane County that we have a concern, we will contact Spokane Clean Air and either they will call or we will call them and tell them we are going to stop by and talk to them about clean burning and take a look at their permit and property and discuss the concerns with them. On-sites will be prioritized to the sensitive areas which is 30 percent of what it has been in the past.

2. Director's Report for September – Bill Dameworth

We are in the process of integrating staff's response to comments on the proposed Indirect Source Rule with a legal review by our attorney in Seattle. We were planning on distributing the response to comments document to the Board at the October 6th board meeting if we could get it completed and thoroughly reviewed in time. We are also planning on making modifications to the proposed rule in response to comments made in writing and orally at the August board meeting. We have had some discussions with BNSF regarding installation of auxiliary power units (APUs) on their switch engines to reduce idling in Spokane. Ecology has some diesel grant money available and Lisa and I are working with BNSF and Ecology to prepare a grant request to install the APUs. Spokane Clean Air would administer the grant and the application deadline is October 17th. Before we finalize the grant, Lisa and I would like to sit down with BNSF and have some more dialogue with them if the Board has no objections. There was some discussion between board members and Bill on the grant money and BNSF.

Baker Commodities and Spokane Clean Air have signed a consent agreement whereby Baker Commodities will install new air pollution control equipment at their Spokane facility which will be similar to the device at their Seattle facility. The equipment should be operational during the first half of 2012 and Spokane Clean Air has agreed to waive the penalties for two outstanding NOV's. We are looking forward to reviewing additional details and specifications

when the company files for a permit to construct the equipment. Board Member Corkill commended Bill on his efforts working with Baker Commodities to install new equipment.

3. Public Information/Education Update for August – Lisa Woodard

Lisa gave a brief overview of the September activities since the August activities are in the activity report. We did an air quality presentation at the East Spokane Kiwanis Club meeting; shared a booth with other environmental agencies at the Interstate Fair; Margee was at one of the parking lots for the STA Rider appreciation Event and attended the Sunset Elementary School Community Night; we were at the SE Spokane County Fair in Rockford; at Valleyfest; and Margee presented at the ETC training that the County hosts. Compliance assistance consisted of an asbestos presentation at the Spokane Housing Authority Landlord Workshop, asbestos spots are airing now, we updated the CAP information sheet (Stack/Rainguard Requirements) and the CAP Update Newsletter was printed and distributed. Other projects consist of the following: Confirming media partnerships and promotions for the wood heating season; submitted an application for the state wood smoke reduction grant to fund rebates on wood, gas or pellet devices; application for a state diesel grant; and the fall chipping event was postponed until April 2012 and postcards were sent to area residents. Media consisted of a radio interview with KXLY on air quality impact of regional wildfires and we were contacted by media on a foul odor in the downtown business district.

4. Compliance Activity for August – Matt Holmquist Permitting and Air Monitoring Activity for August – Ron Edgar

Matt gave a brief overview of the compliance activity (complaints, inspections, NOVs, etc.). August was a very busy month for inspections, complaints and related activity. The fire danger burn ban was lifted towards the end of September and some of the inspectors have noted that they are running across people who hear that the burn ban was lifted so they are burning yard waste, garbage, etc. and they are issuing lots of warnings to people. On the County outdoor burning administration research, Randy Vissa, County Fire Marshall is still researching the issue and trying to decide what options might exist and he plans to brief the County Commissioners later this month at one of their meetings. The dust and odor complaints will start to drop down with the cooler months. On the asbestos labeling legislation, Bill discussed the labeling legislation at the Air Quality Manager's meeting on September 13th and got input from those folks; Matt talked to an attorney, Ann Strickland, from EPA Headquarters in DC and she had some input for Spokane Clean Air; and Bill and Matt are still reviewing those comments and a clean version should be put together shortly and Bill will send it out to all of the local clean airs and Ecology.

Ron gave a brief overview of the permitting and air monitoring activity. Permits have been up and it looks very good for cost recovery for the program and we have done some changes to our cost accounting for the NOCs and this gives us a little better cost recovery. There have been more NOCs which means there's new equipment or modifications coming in rather than temporary which is related to roads, asphalt plants, construction, etc. The NOCs submitted and approved can be found on Spokane Clean Air's web site. Air quality for the month of August was mostly in the good and ozone only climbed into the moderate zone once. There was

some wind blown dust and fires in the end of August that caused both the PM₁₀ and PM_{2.5} to go into the moderate range. We did not approach any of the standards for August. Things continue to be very clean in the Spokane area.

5. Treasurer's Report for September 2012 – Barbara Nelson

Barbara gave a brief overview of the treasurer's report. We had a Resolution which was approved at the last board meeting transferring money from the Project Reserve Fund to the VERP program and that is the \$45,000 removed from the revenue expenditure. There were a couple of grants noted which are reimbursable grants that go in quarterly and will be requested this month. The program cost summary shows the overall work that identifies the program costs and they are apportioned out to their funding sources. The program costs are generated from a combination of staff time, direct costs identified in the budget. Indirect costs are calculated based on the percent of time spent in each program and that gives you the total indirect costs and it is apportioned based on the percent of time spent in each of the programs. The asbestos program has a fund balance which will be carried forward and used specifically for that program in the future; those are revenues based on fees and by statute they are required to be used for that program. The source compliance fund balance was generated due to the change in our billing process instituted last January. This fund balance will be used in the next couple of years. The AOP fund balance will be balanced out on our billing cycle; within our regulation we have a formula so that we can balance that if we have a carry-over or a negative figure each year that's balanced. We balance the NOC/SEPA Review fund balance with a small amount of our local assessment money; and it should be very close to cost-recovery next year and we should not have to raise fees. We have reevaluated our time accounting and what we are charging to the specific programs (Asbestos, NOC/SEPA Review, Source Compliance and AOP Program) and we are following the RCW exactly for what is allowed to be charged so that we can make sure we are getting to the fee recovery without increasing fees more than what we should be doing. There was some discussion between Barbara and the Board Members.

6. CONSENT AGENDA – ACTION ITEM –

- a. Approval of the September 1, 2011 Board Minutes;
- b. Approval of Vouchers for September 2011 – Numbered 6023 thru 6078 totaling \$17,692.46 Claims and Payroll of \$129,261.61 for a Grand Total of \$146,954.07.

Board Member Dempsey moved to approve the board minutes and vouchers and Board Member Corkill seconded it. Motion passed unanimously.

PUBLIC HEARING ITEM #7: Opened at 10:36 a.m.

7. Resolution 11-31 Up Date TEOM Monitors using Equipment Reserve Funds – Ron Edgar

There are several TEOM (Tapered Element Oscillating Microbalance) Monitors; these are real-time particulate monitors that we are operating. Several were bought in the early 1990s and the company that builds them has quite supporting these older models and we are using spare parts from one that has been decommissioned to keep the others going. What we are proposing

is to use the equipment replacement reserve fund to replace one of the units; this also includes the shelter since they changed the model and the existing shelter does not fit. The new TEOMs have been recognized by the EPA as a federal equivalent method so that the data from the operation of this monitor will be valid and could be used for determining attainment status of the area.

There were no public comments. Board Member Corkill moved to approve the board minutes and vouchers and Board Member Dempsey seconded it. Motion passed unanimously.

The Public Hearing Closed at 10:41 a.m.

There were no public comments. Board Member Corkill moved to approve Resolution 11-31 and Board Member Dempsey seconded it. Motion passed unanimously.

8. Board Concerns – The Board introduced Karen Corkins, assistant to Commissioner French. Karen was appointed the stand-in when Commissioner French is unavailable for any board meeting.

9. Public Forum – There were no public comments.

The meeting adjourned at 10:43 p.m.

The next Board Meeting will be November 3, 2011 at 9:30 a.m. – Spokane Regional Clean Air Agency office at 3104 E. Augusta Avenue.

BOARD MEMBER TOM BRATTEBO, CHAIR

WILLIAM DAMEWORTH, SECRETARY