

**SPOKANE REGIONAL CLEAN AIR AGENCY
BOARD MEETING MINUTES**

**December 6, 2018 9:30 a.m.
Spokane Clean Air's Conference Room
at 3104 E. Augusta Ave.**

BOARD MEMBERS:

Al French, Commissioner (Chair)
Ben Stuckart, City of Spokane (Absent)
Tom Brattebo, Member at Large (VC)
Kevin Freeman, Mayor of Millwood,
Small Cities & Towns
Rod Higgins, Mayor, City of Spokane Valley

STAFF MEMBERS PRESENT:

Julie Oliver, Executive Director
Stephanie May, Public Info. Specialist
Lori Rodriguez, Compliance Section Manager
April Westby, PE, Supervisory Engineer
Mark Rowe, Monitoring Section Manager
Michelle Zernick, Finance & HR Sect. Mgr.
Mary Kataoka, Administrative Assistant

OTHERS PRESENT:

Michelle Fossum & Kristina Montanez, Legal Counsel
Ron Edgar, Advisory Council Member
Deborah Bisenius, Advisory Council Member

WORK SESSION: There was no work session.

BOARD MEETING: 9:33 a.m.

1. **Advisory Council Report – Ron Edgar** – There was no meeting due to the Thanksgiving Holiday.

2. **Executive Director's Report – Julie**

The Finance and HR Section Manager and Julie attended the Spokane County Investment Pool (SCIP or Pool) District meeting. Portions of the metal frame around the front door are bent and cracked and other parts related to the proper functioning of the door also need replaced along with two other doors that need sweeps; the order has been placed for the new door and parts. Julie is working with Enduris and LNI to get an additional training for the contracting processes. We are working with Spokane County CTR office testing their new commute calendar. EPA Region 10 issued their final report on the Title V Program review for large industrial sources. EPA said overall we have a good program. We are working on a written response to some EPA concerns. We are looking at Enterprise

Content Management systems that can help us to better manage the requirements and responsibilities for retention and destruction of public records. Some discussion ensued.

Two things that Margee would have shared with the Board are the NOC fee structure revisions go into effect January 1st and in June Margee talked about the emission check or the I&M program and it sunsets at the end of 2019 per state law. The program has been used as a CO control measure for SRCAA. Prior to the program sun setting, there are some revisions that need to happen to the SIP; it is a procedural step that needs to happen for a revision to the plan and includes a public comment period; a letter was put together for jurisdictions within Spokane County about the upcoming comment period.

ACTION ITEMS:

3. Consent Agenda

- a. Approval of the November, 2018 Board Minutes
- b. Approval of Vouchers for November, 2018, numbered 10992 thru 11008, 11011 thru 11032 and 11034 thru 11042 with claims totaling \$58,987.32 and payroll numbered 11009, 11010 and 11033 and EFTs totaling \$162,538.84 – for a Grand Total of \$221,526.16

Rod Higgins moved to approve the consent agenda as presented and Kevin Freeman seconded it. Motion passed unanimously.

4. Setting the 2019 Board of Director's meeting schedule – July's meeting will be moved to the second Thursday of the month which is July 11, 2019, all other dates will remain the first Thursday of the month.

5. a. **Resolution 18-16** – Appointing members to the SRCAA Advisory Council. The two incumbents have stated that they are interested in serving another term and there were no other applicants. This resolution would reappoint Chet Jahns as the Agricultural Representative and Jana McDonald as the Representative for Air Pollution Control.

Kevin Freeman moved to approve Resolution 18-16 as presented and Tom Brattebo seconded it. Motion passed unanimously.

b. **Resolution 18-17** – Rescinding suspension of the annual registration fee provisions of Resolution 17-20 for the marijuana producers and processors set forth in the SRCAA consolidate fee schedule adopted pursuant to Regulation I, Article X. An overview was given on the creating and passing of the Marijuana Registration program and amending the Consolidated Fee Schedule to provide for fees related to the marijuana registration program; along with the Board's suspension of the annual fees pending further action of the Board.

Kevin Freeman moved to approve Resolution 18-17 as presented and Rod Higgins seconded it. Kevin Freeman added that he thinks it is time to do this and then what happens happens and we need to start seeing what level of compliance SRCAA gets. It's an industry and we have gone through the mechanisms of regulation and we've done everything, this needs to be voted. Tom Brattebo stated that he agrees with that and SRCAA has expended quite a bit of money over the last few years and that money has come from the citizens of the county with no particular connection to this business and our other programs pay for themselves; so I think that it's time to bring that in. Al French asked legal

counsel for advice on the public that is here to talk on the passing of Resolution 18-17 which is not a public hearing item. Michelle Fossum stated that the Board has had public comment and closed public comment on this particular issue in the past. However, if the Board wanted to perhaps move the general comment period and let people speak to it, the Board could do that but it would not be a public hearing on this particular issue. Al French asked the Board if they would like to take the testimony since it is officially closed and what they could do is move the public forum up to this item. Kevin Freeman stated that he is willing to move the public forum with the understanding to the audience that this is not a public hearing. Al French stated that the action that they take is going to be based upon the testimony received to date. The testimony today will not be part of the official record in support of this action. The official comment period for this item has been previously closed.

9. Public Forum – The Board moved the public forum to allow members of the public to speak about this resolution. Ums and ahs were left out of the transcription.

Doug Henderson: Good morning everyone thank you for having (in audible) allowing us to comment on this subject. I do work in the recreational cannabis industry, but I believe that how the state has decided to regulate what clean air is and how this Board has decided to fee us and charge us is slightly out a pace. We're talking about something that smells maybe bad to some people but maybe not as bad to others and it doesn't have any significant health impacts that have been proven. To impart this level of fee on us seems to be a bit of an overstep because it will have later implications as we move towards controlled environment cultivation for normal food supplies especially with a change in climate. I really don't have much else to say other than these businesses are small but a lot of us are trying to the right thing and additional fees like this make it very difficult for us to compete in a very, very small very low profit industry, at least for the producer and processor. So that is all I have to say and thank you for your time.

Toni Nersesian: Before you start the clock could I please enter that we did a split payment on our fees this year, I think it was August I talked to Julie and asked when would we have a chance to talk for the 2019 fees and I didn't think we had a second chance. So I'm really surprised our opinions are (inaudible) here right now, but I just wanted to get that. So for my three minutes; it has been four and three quarter years since we had been testifying in front of Al, the County, a lot of people; in 2017 the Clean Air Department said they needed to do (inaudible) things because it was going to cost a lot of money to implement it because you had to lay the ground work; and it was my understanding we had a chance to review these fees for 2019. In 2017, speaking with Al French, his idea was out in the (inaudible) meeting, there would be an annual \$100 dollar fee for everybody and violators would be fined. This is the only Agency to charge smaller processors, those who bag and trim flower and do nothing more for processing instead of just producing. The presidencies are the Washington State International Building Counsel and Spokane County and I defer to Al for both of these for confirmation, so that if you bag and yeah just bag a packaged flower, you don't have to go through what those go through who might blow things up, have a fire, be bigger. As a Tier 1 and there's many Tier 2s that also do (inaudible) what we do, just bag and process. We're out there, nothings gonna blow up. You need to have a reasonable fee and I think State precedence from the building counsel and the county should be followed and processing on a lower level should not be (inaudible) nor fee'd at all period. I don't know if you've done it this year but you should have fines for people who continually file complaints with you and cause you to spend many, many man hours chasing after farms who are not doing anything. My example is Bang's Cannabis and there was an outdoor (inaudible) in January, I want to say "17" Al (inaudible) "16". The man who drove that neighborhood complaint, which is what put us in front of you, was so over the hill that his daughter,

a minister, took the stand and said my father's wacked, my father hates pot, he just goes after them all the time. Patrick Bang, who I don't know personally, my understanding's, has spent tens of thousands of dollars trying to make his neighbor happy. If his neighbor, any neighbor, is going to harass someone, let them pay the fees. There should be a balance on this, something to rein them in. My last major point is since we met last time, two sessions are gone from Washington DC, Pete Sessions and Jeff Sessions. Jeff we all know about. Pete from Texas kept every bill possible going to the floor; banking for us will be passed, I think, first quarter of "19". Deregulation I hope to God we are unscheduled as a one drug in two years. So you are really spending a lot of time, in two years we are going we're gonna end up in Ag. You're going to treat us like any other farm and I'd like you to keep that in mind before you gear up and put a lot of money into staff. My times up. We really would like better fees. Thank you all.

Catherine Miller: I just wanted to give you a google map of our property to pass around, we're in the middle and this is our (inaudible) just to give you an idea. So, I think we all agree that it would be great if we didn't have to be here and if the industry could just have regulated itself and made amends with neighbors without getting to this point; but because we are here and I understand you had to do something with the complaints. I was just hoping that if a farm was determined to be very low impact, I have a proximity exemption idea. You know my farm is 4,000 feet from the nearest neighbor and because of atmospheric mixing including prevailing winds and heavy terrain, it's impossible to smell anything for more than a third of a mile away. I also understand there could be a rare outlier to, to that situation, like on the I-90 corridor, if it's just a, you know, you're stuck in a valley with somebody, you could detect odors from maybe up to a mile away, which I don't think there's air pollution but I do understand that it offends some people. I was thinking in that rare outlier situation, that farm just wouldn't be exempt; you know, they would have to put in a few more air filters to try to control for, for being in a more rare situation. But, for somebody in the middle of nowhere, no neighbor insight and then I'm the only residence in a 1,100 acre plot; and we're a mom and pop farm, I am very concerned that \$4,700 extra per year could sink us. We don't even have any employees, it's just my husband and I trying to make it work and you know, we really care, we grow organically, we're friends with our farmer neighbors. We have the best neighbors who grow garbanzos and wheat and we're actually allowing them to farm a corner of our land because he came to us, it's the Flag family, he came to us and said "you know turning my tractor around with where your property is of the road is nearly impossible, would you mind if I used a corner (inaudible) some wheat?" We said totally fine, so and then he plows our surrounding fields and bails hay; I mean we love our neighbors and he seems to really like us. So I just, you know, we used such thoughtful site planning in where to place our business and I, we haven't received any odor complaints and I'm fairly certain that if you drove by, you wouldn't smell anything. So I was just hoping you might take into consideration a proximity exemption for someone who's in the middle of nowhere with a lower impact. Thank you.

Commissioner Al French: Thank you and for the record, I did meet with Ms. Miller and we had a very good conversation and I think she makes a good compelling argument. I would like to at least come back and take a look at in terms of the proximity situation. I think a lot of challenges we've had are five and ten acre parcels that are very close to neighbors and stuff; (inaudible) it's almost a mile away from the neighbor, I think it's a, I think it's a worthy conversation to have. That's my two cents.

Katie Kessler: Thank you. I'm Katie and I'm the financial manager of a Tier 3 cannabis producer/processor, we're also somewhat like Catherine kind of in the middle of nowhere, no

complaints, planned our site for that exact reason, cause it was hard to find a site in this industry to have your business, we're in the middle of eight acres, never had a complaint. So I hear a lot "whoa you guys must be making a ton of money", I hear that a lot. Well if you talk to the majority of Tier 3 producers/processors, I'm sure that you'll know that they will all say that is not the case. First of all, Tier 3 sounds big, when (inaudible) can grow up to 30,000 square feet of plant canopy, majority of Tier 3s don't do that, they have that license to be able to grow and expand if they need to. Therefore base they're fees, first of all, off of Tier level is flawed, it should be based off of sales, not Tier size because each Tier doesn't necessarily have 30,000 square feet of canopy. So, I believe the fees should be based on, not on Tier size but rather on sales. From the beginning cannabis farmers, and that's what we are farmers, subject to lost crops, changes in climate, weather, all of that. But I think you all need to remember we are farmers, we don't enjoy any of the benefits of being a farmer, but that is what we are; and because we're cannabis farmers, we've had to pay a premium for the services that we need just to do business, \$5,000 for insurance, \$3,200 for a license, just \$1,700 just to have a bank account and already this year \$2,281 to Spokane Clean Air for a problem, odor problem that no one around us has ever complained about. As the price for cannabis plummets throughout our state and the fees for doing business not only rise, but those that we must pay are being added too, we're on the verge of going out of business. We employ five people and prior to that, most of them were on some sort of subsidy before we hired them. Because of cannabis we were able to employ them for the past four years, it's a small business. I believe a lot of people on this Board are interested in supporting small business. If we're forced to close our doors due to increase in fees, these folks will be forced back to Spokane, Spokane Valley, Millwood, Airway Heights and they will be back on the subsidies that you folks will also be having to pay to support them. We'll be okay, my husband and I are engineer and nurse, but I urge you to re-evaluate your fee structure in support of small business, which is what makes, which is what most of us farmers are. Thank you.

Bernard Kessler: Tell me when. Okay, thank you for the opportunity to speak and thank you for your efforts to make the air that I breathe clean and enjoyable. My name is Bernie Kessler, I'm a chemical engineer employed in the pulp and paper industry for over 30 years and I'm part owner of a Tier 3 cannabis farm, also a Spokane resident; no stranger to rule making, mitigation and fee structures and water waste and air environmental compliance. However, this is the first time I've been compelled to stand in front of a Board to share my concerns. Several years ago initial regulations were implemented in Spokane County to improve our air, auto emission regulations were to improve our air quality. Although every vehicle has a potential to pollute beyond acceptable standards, rule makers decided to focus on only those vehicles most likely to pollute. Clearly consideration was given to the burdens placed on the car owner. These regulations were proactive and yet took into consideration the probability that an older vintage car may likely, may be more likely to violate air standards than the newer ones. My experience with the Spokane Clean Air regulations and fees put in place this year indicate this level of due diligence in their rulemaking was completely dismissed. Over 70% of odor complaints come from just a hand full of farms. Somehow the Clean Air Agency has convinced you, the Board, to financially and otherwise burden over a 100 farms to pay for the misgivings of a few, that's not being proactive, that's just a money grab from a fledgling non unified under represented industry. The burden is not small, all the costs of our business are inflated over those of established businesses and with the ever shrinking price of our product, the fees and costs of mitigation put in place to put us out of business. I would expect more from the Board that claims to well represent the small business owner. I'm also very concerned about using Tier size to determine fee structure. Tier size means almost nothing in this fledgling industry for the average farmer within each Tier, excluding the multimillion dollar farms mostly

indoor and the zero sales farms looking and that was looking at your date through September. A little less than half of the Tier 2s in Spokane have more sales than half the Tier 3s. Not hard to, a farm, a farm in the top quartile of sales in the Tier 3, the quartile, sells roughly 30 times what the average farmer in a Tier 3 sells. Not hard to imagine when you realize a rural sun grown Tier 3 crop has one yield per year while the mega growers in the downtown warehouse are continuously harvesting. It's also ironic that these mega growers who unlike outdoor growers are located in the densest populations where complaints are most likely. They continuously have plants in flower which is the peak of odor generation and concentrate all those odors into a few point source emitters and generate the most sales and they are considered equivalent in odor complaint risk and ability to meet high program fees as rural outdoor farmers are. Members of the Board, I urge you to look at sales volume rather than Tier size when establishing any fees. Total sales are public record, easily accessible and a much better metric of production and financial impact of the fee structure on a farmer. Please reconsider the financial impact and fairness of the fees and regulations put in place. Consider mandating that Spokane Clean Air includes stakeholders to revisit this process, whether it's a farmer's panel or one of the many cannabis trade groups. Thank you.

Crystal Oliver: Thank you, my name is Crystal Oliver; I'm speaking on behalf of Washington SunGrowers Industry Association. We're an association representing over 90 licensees in Washington State who grow cannabis outdoors underneath the sun. I have a lot of concerns about the proposal. Firstly, I think that this proposal is inconsistent with the legislative intent of the Clean Air Act. Naturally occurring monoterpenes such as pinene are not pollution. I'm confident that the Legislature did not intend for farmers who transition to growing a different crop to be targeted by Clean Air Agencies. I also find that the fee structure where you're charging outdoor farmers more than indoor farmers is problematic considering the reality that indoor production carries a much greater carbon footprint overall when you take into account energy usage, light bulbs, bottled fertilizers and pesticides, growing medium usage and waste associated with those things. Also, when I analyzed your data as far as odor complaints and took out the outliers more of the complaints were associated with indoor growers. So I don't think you actually have the data to support charging outdoor farmers more. Let's see, you know the Clean Air Act it makes mention of best available science on several occasions. Your own research identified that the most common emission of the cannabis plants was pinene, that's a monoterpene that's also emitted by hops, hemp and Christmas trees. I noticed that all over Spokane we've got these Christmas trees for sale and people are voluntarily bringing these things into their house and exposing themselves to pinene; there's no public risk here. When the Agency did their analysis, I asked them why they weren't analyzing outdoor farmers and they told me that they were unable to distinguish between pinene from cannabis or pinene from pine trees. There's no real pollution here. What this Agent, I, I find myself so frustrated that so many of you ran on platforms that include small business, anti over regulation, anti-big government and you're working for an Agency that I can't believe I'm testifying against the Clean Air Agency, I care about pollution, I care about clean air and we grow organically and yet you're here assessing these fees against small business owners, against farmers. And right now we've got the farm bill that's about to pass and it looks very likely that there'll be a provision for hemp and I struggle to believe that when some of our grain farmers decide to transition to hemp, that you're going to come after them and charge them fees for growing hemp because it releases the same monoterpenes and odds are they're going to be doing it on a much larger scale than we are. I think that, I understand that you had some neighbors who complained about a farmer, I think that those neighbors use the Agency as a tool to harass that farmer because they had a moral objection to cannabis and I think that the Agency misspent public funds there and it's not my responsibility to reimburse you for that.

Kevin Oliver: My name's Kevin Oliver, I'm a Tier 3 farmer with my wife Crystal. I second everything that the audience has said in support of not supporting these regulations. I won't try to take my three minutes. I don't have a lot of things to say. I do want to mention I sit on the National Board of Directors for the National Organization for the Form of Marijuana Laws, it's coming up on 50 years of policy reform. We've been instrumental in providing strategic, logistic, and financial support for every campaign that has legalized pot around the United States and around the world for that matter. I apologize on behalf of them, this is a civil liberties issue we didn't know that it was gonna be this hard given the intent of 502 for small businesses to make a go of it when the intent of the initiative was to allow small businesses to make a go of it. It seems increasingly that regulatory agencies small and large are empowered to facilitate the consolidation of industry away from small business to large business; and I don't know any consumer who would say "Hey, I can't wait for big marijuana post legalization", but you guys are doing a great job to facilitate that. I would also like to say that sometimes normal's acronym is, is called the National Organization of Rich Marijuana Lawyers and nothing would please me more than to see the States Attorney General Office put this Agency under a microscope in the actions they have taken in regards to this specific issue.

Patrick Bang: I don't typically do these cause I'm not a good public speaker but, I appreciate the opportunity to speak and I'm the owner of Bang's Cannabis Company, I hold the majority of all the complaints and I'm actually the reason we all got here and why we're here today. So I just want to say sorry to all the growers that have felt the wrath of my neighbors; I really appreciate you guys dealing with this with me. So we have spent thousands of dollars to fix this and in doing so we had over 30, over 30 visits over the course of a year and a half and only one detection of odor that was strong enough to get a fine for it. And according to the rules, it says it has to basically ruin their quality of life and I would doubt that one complaint over the or one detection over the course of a year and a half merits someone's quality of life being interrupted. I also want to know when we get to this point, cause I'm literally on the edge of failure. When we get to this point that our business collapse, where are these resources going to go given that 70% of em has been spent just because of my farm. So that's really all I have to say. Thank you.

Lacey Bang: I'll just take a short amount of time. My name is Lacey Bang and I'm also an owner of Bang's Cannabis Company and I typically don't come to these things because I appreciate regulation and I like Crystal Oliver am a staunch opponent to pollution and I firmly believe that our cannabis helps regulate and clean the air just like Christmas trees and replenishes the oxygen in the earth; but I would also just like to add to all of this that there is an avenue for false complaints for 911 and there is a way to determine whether or not those are false complaints and fine the people that continually call 911 and miss use those emergency services. Like my husband said, we had over 30 complaints and one detection and we know that Clean Air is spending valuable resources coming out just trying to determine whether or not there was an actual odor in that area and so I would just like to offer that maybe there should, there could be some sort of fee against false complaints that could be used in better resource than placing greater fees on farmers. Thank you.

John Wood: My names John I'm license 413860 and all I really want to say is that I'm, I'm opposed to this blanket fee by Clean Air. Every time this industry turns, turns around, we're, we seem to be fee'd or cost associated with things that may or may not affect the people around businesses. Our margins are ridiculously thin already and every time we have to pay another fee, it cuts into our slim profits. I'm not saying that the problem farms or facilities that create smells that bother people shouldn't be managed; I think that it should be a case by case basis and that we should not have to

pay Spokane Clean Air just to be in the marijuana business if we are creating no odors and have had no complaints. There are a lot of industries that create a lot more air pollution than the marijuana industry and I think that the resources should be spent going after those industries as well and or, or as an alternative. Also as an alternative I think that this fee, the fee that to pay for Spokane Clean Air, which I don't oppose, be in participating in the marijuana industry should be more like a top down situation as Crystal had mentioned earlier; in other words, relative to revenue for the businesses or farms. I also think that another alternative to that would be to add fees to the retail side of the industry because those are the people that are making all the money. As you guys continue to push these small farmers out of business, someone else said it earlier, you're basically gonna put all these small people out of business and Marlboro's gonna come in and be the one provider of marijuana in Washington State and that's not what we want. Thank you very much.

Person in the Audience: Can I just speak to that too. There are retail shops that people have complained about.

Commissioner French: No, the format's not one where it's a workshop or anything. With that, I will close the public comment period and then look to my fellow Board for direction. I think we've got a motion on the floor.

Mayor Freeman: We do have a motion on the floor. So Mr. French you indicated that you had had a discussion that you were looking at revisiting this or in some way looking at this. I will say that I don't think that the economics of the business are of discussion here. But, if we are looking at considering different fee structures based on if that's the will of the Board, based on proximity, production, value, gross production, economics things like that, that's, that's something else we can consider. I'm not immune to that.

Tom Brattebo: I'd ask, I guess in my mind it's sort of lets go forward and then keep an eye on what's going on and if we need to change things, see where the, what kind of results we get with the complaints. We're not done, but let's move.

Mayor Freeman: I hate to say this but I don't think we should be passing rules if we're just going to go back and change the rule again; and if there's a valid discussion here to be had on if we wish to take a revised look at how we regulate or how we look at or evaluate properties, then let's, let's pause this and then reopen that and do it. I have a different perspective based on what I do, but I'm willing to say that we have, we do have a duty to make the rule as fair as possible based on production, production mechanisms, things like that. So we do have, we do, we do owe that to the citizens to do that. So I really think that if the will is to go back and revisit some of this, we go back and revisit this before we move forward on this; but we definitely go back and revisit it quickly and get it done and get something final out there that people can rely on and budget for and no that it's there.

Commissioner French: So I think the one thing I was intrigued by was that in all the discussions that I've been involved with, with regard to this product and this process is that the push has been how small of an operate, how small of a parcel of land does it take to produce the product and still not create an impact on neighbors; and I know at the County, that's part of this conversation we've struggled with is not only how large a parcel does it take but what's the proximity of the grow to adjacent neighbors; and the zoning implications that we had talked about minimum distances and so the one thing I was intrigued by and the conversation with Miss Miller is that nowhere in our conversation did we talk about, okay, we know what the minimum is, what's the maximum? At

what point is the maximum distance from a neighbor such to where there is no impact. And so that's the part of the conversation that I don't know that I've, well that I know that I haven't had because it's never been part of, part of any of the deliberations that I've been involved in. So that part of it I'm intrigued by. And so I know that perfection is the enemy of the good and so it's not that I think we're going to come out with a structure that everybody's gonna be slap crazy happy about, but I do want to get to a point to where we can be as equitable as possible. And again, and a couple people said this, you know we are here because, and I said this from the very beginning and I've said it consistently, if the industry will regulate itself we don't have to and I really wished, really wished you'd of found a way to regulate yourself so that we weren't in this situation. Yes, I understand there are some people that do not like marijuana and they file complaints and sometimes they're malicious and/or are political than they are real. I also know that the Board of Equalization for the County has reduced the property values of adjacent property owners to grows because of the negative impacts and that's not this Board making that action, that's a totally separate independent board that has come to that determination. So to say that there's no impacts, I've got other groups that will make that, that have taken that position and actually followed it up with economic adjustments. So I think if, if the Board is willing to maybe take 60 days since we're in the holidays and I don't expect a whole lot to happen over the balance of this month; come back and look at that and see if there is any merit to looking at that side of the equation. I'd be willing to do that.

Michelle Fossum: May I just mention as the Board is considering that; that if you decide that you want to revise the way that you impose fees, that will be a reopening of the rule, a new public comment period and all of that process. So it won't happen quickly, and that's not saying that that's bad, but I just want you to know that we have to start over and public notice and comments and all of that sort of thing.

Mayor Freeman: And if that's what needs to be done, then that's what needs to be done. I, I don't have an issue with that (clapping from the audience)

Commissioner French: Alright, this is not a cheering section, the rules of conduct for this is that there is no outward expression of positive or negative impact. Please respect the process. If not, I will have to ask you to leave.

Mayor Freeman: But Commissioner French, at the same time there are other agricultural production entities that are regulated, by clean air mechanisms and that we have an issue that we need to look at and we had looked at that issue both from the indoor producer, from the outdoor producer things like that. So I think you're discussion and your point with regards to the County's, the County's predicament of what causes, what causes impact, odor impact, that's what we're dealing with here is odor not terpenes, not pinenes, not anything like that, not a toxicity issue, not dealing with a toxicity issue, dealing with an odor issue; that if we need to look at that, I go back to the letter that was received from the Miller's. It looks like Dr. Yonge, down at WSU maybe had done some modeling or I don't know if he was (inaudible) to something but there is something down there if their atmospheric group had done some work, then that could be a consideration. So, I guess Michelle then I had made the motion, there's a second, do we just take an up or down vote at this time, do we retract the motion or we just have to go through the motion.

Commissioner French: At this point, Roberts Rules say that we take a vote on the motion and if it fails, then we can open it up for another motion, but you can't retract a motion. So we have to take a vote on it, Mayor Higgins.

Mayor Higgins: Well we're sitting here right now because we've gone through this iteration before. Having been in the agricultural business growing, not cannabis obviously, but other things and in hearings like this affecting other things regulatorily based, where in the hell have you people been? I don't recall this conversation, this discussion going on in the things we've heard up till now that got us to this point. So if we go back, no (inaudible)

Unidentified person in audience: (inaudible)

Commissioner French: Again, another outburst and I'm gonna ask you to leave.

Unidentified person in audience: (inaudible) He asked a question.

Commissioner French: No he didn't and the discussion is among the board members not with the public.

Mayor Higgins: If we go back, may I strongly suggest that you be present and present you're arguments, okay. Get involved, you're not victims here.

Tom Brattebo: There was effort to get, there was involvement.

Mayor Freeman: Well we did have, we had a stakeholders group, we had all that sort of stuff and so I'm willing to, as I said, I'm willing to reconsider this from the standpoint of the concerns that Mr. French has brought forward and the idea; but I'm not willing, I'm willing to reconsider it from the idea of what is actual effect on surrounding property owners, like what you said, like, like Board of Equalization has determined that surrounding property owners can be affected. We're not and if we find that there is a, a different mechanism for looking at that, then we should, we have the potential to consider. Economic impacts are secondary to providing consistent regulation.

Commissioner French: All in favor of the motion to adopt Resolution 18-17, please indicate by saying I (no Is); all opposed say Ney (four Nays). The motion fails, so at this point, we can, I don't know that I need another motion. I think what I need is to direct staff to revisit this based upon the comments we heard today and then in the January meeting, let's have this as a topic of conversation and maybe you can have some suggestions for us on how to address some of the concerns. Then we'll have it as a discussion topic for our January meeting. (The Board agreed)

As members of the audience left, Catherine Miller asked the Board about providing the information from Dr. Yonge. Kevin Freeman told Ms. Miller to provide the information to agency staff.

6. PUBLIC HEARING: 10:30 a.m. – 10:37 a.m.

a. Resolution 18-18 – Amending FY-19 budget to appropriate additional funds from the Special Project Reserve Account for continued implementation of the VERP under the MOU with Ecology and SNAP. A brief overview was given of the program.

There were no public comments. Kevin Freeman moved to approve Resolution 18-18 as presented and Rod Higgins seconded it. Motion passed unanimously.

b. Resolution 18-19 – Appropriating building reserve funds for replacement and repair of exterior doors. A brief overview of the exterior door problems was given. Some discussion ensued on the costs.

There were no public comments. Rod Higgins moved to approve Resolution 18-19 as presented and Tom Brattebo seconded it. Motion passed unanimously.

NON-ACTION ITEMS:

7. Executive Session (Purpose will be announced if session is needed.)

The Board went into Executive Session pursuant to RCW 42.30.110(1)(a)(i) at 11:03 a.m. for 5 minutes to discuss pending or potential litigation, there will be no decision made as a result of the executive session. In the executive session will be the Board, Julie Oliver, Executive Director and Michelle Fossum and Kristina Montanez, Legal Counsel attending. Kevin Freeman extended the session for another 5 minutes. Commissioner French reconvened the board meeting at 11:13 a.m.

8. Activity Reports: September

a. Public Information/Education Update – Stephanie May – There were overviews of the November community events/school programs/presentation; asbestos; compliance assistance; social media/constant contact subscribers; wood heating season; ongoing/special projects (wood stove change-out grant, 2019 calendar/annual report and 50th anniversary planning); and upcoming events.

b. Compliance Activity – Lori Rodriguez – Clayton Krietzman, Spokane Clean Air's new inspector, was introduced. There were 27 odor complaints and 25 of those were cannabis related; October is harvest season and 19 of those were from one facility. Some discussion ensued on NOVs being issued and the timing of the complaints that come in regarding odors. The Board is interested in the thoughts of the Clean Air staff regarding the comments heard today, at a later date.

c. Permitting Activity – April Westby – The annual billing for the 600 facilities that are regulated is being prepared to go out in January. An overview of the NOC program was given. The AOP program had its EPA audit that was done and the main finding was that some permits are lapsed. The AOP permits are good for five years and are very large permits so when they submit a renewal application, it puts into effect what is called a permit shield and so their permit continues even though it is beyond the expiration date. Some discussion ensued.

d. Air Monitoring Activity – Mark Rowe – An overview of the October air quality index was given. There was one day with an AQI of 101 which is unhealthy for sensitive groups for PM₁₀ from Turnbull and PM_{2.5} was a little elevated at that time also. Some discussion ensued.

e. Rule/SIP Update – Margee Chambers – There was no update given.

f. Financial Status Report – Michelle Zernick – October's reports do include the first quarter cost allocations. Training continues with Ecology on the EAGL grants and they were all filed and the reporting is done with those. A lot of annual report training has been going on and the annual report is done and filed and a copy was sent to the Board Members. The AOP invoices were sent out in November.

g. FY-2018 Annual Report – Julie Oliver – The annual financial report has been submitted a week early. A copy is in your packet.

9. Public Forum – Deborah Bisenius – I am a member of the Advisory Council and I wanted to congratulate the Board for trying to utilize the best science that was available at the time to make this fee structure and other normalize the regulation as possible. I recognize that it's hard to make a trend with three dots. You learn algebra that you can make a straight line with two dots but it doesn't make it normal and I think what we're seeing is the emotion of people that have been pushing their rope uphill the whole way. We know what that's like; the Clean Air Agency wasn't just born. I got reminded last night watching the footage of our George Herbert Walker Bush President Memorial that he was the reason I have a job. I had not put that piece together before about the Clean Air Act was passed during his administration and it doesn't lose any factual evidence on me that his daughter died of Leukemia in a town that was known for air quality concerns, Huston. So friends, it's important to know the context of some of these things and I've lived through the period of time when people were struggling to justify medicinal use of this product and it's important that you continue to normalize it in my mind because even though everybody's familiar with the struggles small business has, but even though you may be confronted with emotional impact of different decisions, I really appreciate that, that to me it's trying to make the best face of a really difficult situation and I appreciate that.

10. Board Concerns – There will be a quorum for the January meeting.

11. Next Board Meeting – 9:30 a.m., Thursday January 3, 2019, Spokane Regional Clean Air Agency Office at 3104 E. Augusta Ave.

12. Adjournment – The board meeting was adjourned at 11:14 a.m.

COMMISSIONER AL FRENCH, CHAIR

JULIE OLIVER, EXECUTIVE DIRECTOR