

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

**May 3, 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:**

April Westby, PE, Supervisory Engineer  
Amy Fanning, Finance & Human Resources Sect. Mgr.  
Lisa Woodard, Communication/Outreach Sect. Mgr.  
Lori Rodriguez, Compliance Section Manager  
Joe Southwell, PE, Air Quality Engineer  
Mark Rowe, Monitoring Section Manager  
Margee Chambers, Rule Writer/SIP Planner  
Mary Kataoka, Administrative Assistant

**OTHERS PRESENT:**

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

**WORK SESSION: 9:31 a.m.**

1. Amy Fanning presented an overview of the fiscal year 2019 draft budget. The presentation included the budget deadline, budget highlights, revenue, expenditures, FY-19 appropriation versus expenses, transfers out, FY-19 ending fund balance, ending fund balance history, general fund, general fund ending balance history, civil penalties, cost allocation, indirect costs, FY-19 indirect cost per program and local assessments.

Discussion ensued. There was a consensus of the Board Members present to proceed with adding an additional Air Quality Specialist/Inspector I position as proposed in the draft budget. The Board would like to increase the amount of Civil Penalties that remains in the General Fund from \$60,000 to \$70,000. The Board would also like Julie to draft a letter in support of grants and bring back a draft to the Board. Commissioner French would like to see a side-by-side for the years of 2017, 2018 and 2019 so that the Board can track where the expenses are occurring.

2. April Westby gave an update on the Notice of Construction (NOC) program moving to full cost recovery. The update included an NOC program overview, program summary, NOC/NOI application review process, program direct costs, program hours, indirect costs, program revenue, Board of Director By-Laws, fees – Washington Legislative Authority, fee history, cost recovery, program costs and revenue, fee comparison, summary of fee comparison, fee tracking, fee tracking findings, NOC program review recap, staff recommendations and an NOC fee revision tentative schedule.

Discussion ensued. There was a consensus of the Board Members present to proceed with the multi-step increase of the NOC fees which would raise NOC fees by 15 percent effective January of 2019 and a raise of NOC fees by another 10 percent effective January of 2020 and then re-evaluate annually. The Board agreed that the charges for inspections (ICIs) should be charged to the registration program and not to the NOC program; and the local assessments should cover the NOC assistance for sources, up to eight hours. Staff will come back at a later date with updated fees.

3. Mark Rowe presented an overview of the plan for relocating the Augusta air monitoring station and the effects of the North Spokane Corridor (Hwy. 395). This is part of the Washington State Department of Ecology air monitoring network for particulate matter (PM<sub>2.5</sub> and PM<sub>10</sub>) and gathering of meteorological information. Discussion ensued.

**BOARD MEETING:** 10:48 a.m.

**1. Advisory Council Report – Ron Edgar**

The advisory council meeting consisted of a review of the NOC program. The Advisory Council Members were in agreement with the recommendations of the staff to set the number of hours that would be used for base fees and begin charging an hourly rate when that number of hours runs out; and also to move the ICI inspections to the registration program. If there is a formal request for something in writing, that there be some kind of a charge to cover some of the costs and it's important for SRCAA to support small businesses and do what they can. The Council agrees with the fee increases to cover the cost and then another small increase after that in the following year or at least an evaluation to see if the first increase is enough to bring it into full cost recovery.

**2. Executive Director's Report – April Westby**

The State Auditor's Office completed the audit and Board Member Rod Higgins attended the exit interview. Staff has been working on implementation of the marijuana regulatory program. Work on the exterior building repairs and painting started. A competitive grant application was submitted to Ecology for \$100,000 in grant funds for replacing uncertified wood stoves. Julie is working on reaching out to other agencies to see if there is any funding available for relocating the Augusta air monitoring station.

**3. Consent Agenda – Action Item**

- a. Approval of the April 5, 2018 Board Minutes

- b.** Approval of Vouchers for April, 2018, numbered 10653 thru 10680 and 10683 thru 10694 with claims totaling \$33,958.22 and payroll warrants numbered 10681, 10682 and EFTs with payroll totaling \$91,478.36 – for a Grand Total of \$125,436.58

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

**4. Resolution No. 18-06 – Regarding SRCAA Regulation I, Article VI, Section 6.18(H)(2) – Extending Deadline for Submission of Application for Marijuana Production Exemption**

Michelle presented this resolution would change the 180 day effective date of March 1st for a marijuana exemption to November 5, 2018, because the forms will not be available until May 7, 2018 and this will give the applicants a full 180 days to the deadline.

Kevin Freeman moved to approve Resolution No. 18-06 as presented and Rod Higgins seconded it. Motion passed unanimously.

**5. Future Board meeting schedule – April**

Rod moved for the July 5th meeting to be changed to July 12<sup>th</sup>, and the September 6<sup>th</sup> meeting to be changed to September 13th and Tom seconded it. Motion passed unanimously. The Board will set the 2019 board meeting dates at the December 2018 board meeting, including the Advance. April let the Board know that Julie found out that the Advance could be considered one of the regular scheduled meetings.

**6. Activity Reports:**

**Public Information/Education Update – Lisa Woodard**

An overview of the April activity was given. April's update included community and school outreach events and presentations; print materials; wood heating season; asbestos; outdoor burning; ongoing/special projects; and upcoming community and school events. Some discussion ensued.

**Compliance Activity – Lori Rodriguez**

An overview of complaints and asbestos was given. There were 15 odor complaints and 14 of those were marijuana and half of the 14 were from one facility. One marijuana facility was issued an NOV and penalty and a second facility has also been issued an NOV. A PCHB hearing was scheduled for this week but Burlington Northern chose to dismiss the case after SRCAA received significant rulings in its favor and motions for summary judgment. There are three asbestos issues going on right now around Spokane.

**Permitting Activity – April Westby**

An overview of permits and applications received was given and work on the Air Operating Permits.

**Air Monitoring Activity – Mark Rowe**

A brief summary of the March air quality was given. Some discussion ensued.

**SIP/Rule Making Activity – Margee Chambers**

A brief update of what other air quality agencies are doing in regards to the new marijuana industry. Some discussion ensued.

**Financial Status Report – Amy Fanning**

The Treasure’s Report outlines any funds that have a negative balance and why there’s a negative balance there. Fund 134 is the NOC program and 135 is the marijuana program and is being offset by the general fund and will be reconciled at the end of the fiscal year. As of the end of March, 75 percent of the fiscal year has elapsed, of that SRCAA has spent 71 percent of the budget and are below the spending limit. An estimate of the total expenses will be \$380,000 less than what was budgeted and the revenue is going to be \$100,000 more than was originally budgeted. The revenues are more because SRCAA budgeted low for the federal grants and they came in higher than anticipated.

7. **Public Forum** – There were no public comments.
8. **Board Concerns** – Will there be a quorum for the June meeting? All Board Members present will be at the June meeting.
9. **Next Board Meeting** – 9:30 a.m., Thursday June 7, 2018, Spokane Regional Clean Air Agency Office at 3104 E. Augusta Ave.
10. **Adjournment** – The board meeting was adjourned at 11:20 a.m.

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COMMISSIONER AL FRENCH, CHAIR

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JULIE OLIVER, EXECUTIVE DIRECTOR