



**Spokane Regional Clean Air Agency
Title V Program Review
(2nd Round)**

EPA Region 10
September 28, 2018

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Attachments

- 1 Program Review Kickoff Letter and Information Request, July 9, 2018
- 2 Program Review Information Request Response, July 23, 2018
- 3 Title V Operating Permit System Reported Data

I. Introduction

This report documents the second review of the Spokane Regional Clean Air Agency's¹ (SRCAA's) Title V permitting program. The first Title V program review for SRCAA was completed in August 2006.

SRCAA's Title V Program

The Spokane Regional Clean Air Agency is a local air pollution control agency with jurisdiction throughout Spokane County in the state of Washington. SRCAA implements the state of Washington operating permit regulations found in Washington Administrative Code 173-401, but has their own fee rules. The Environmental Protection Agency Region 10² granted SRCAA full approval of its title V program, effective September 12, 2001. 66 FR 42439 (August 13, 2001). A revision to Washington's Title V rules was approved, effective on January 2, 2003. 67 FR 71479 (Dec 2, 2003). We have not approved any revisions to Washington's title V program since 2003. SRCAA has revised their fee rules three times since 2003; these revisions did not require EPA approval.

SRCAA currently issues Title V permits to approximately 8 sources. There are two permit writers that are responsible for writing Title V permits as well as processing construction permits. A third permit writer only works on construction permits. There are other staff that provide enforcement and accounting support to the Title V program.

Program Review Objective and Overview

The EPA initiated Title V program reviews in response to recommendations in a 2002 Office of Inspector General audit. The objective of broader program reviews (as opposed to individual permit reviews) is to identify good practices that other agencies can learn from, document areas needing improvement and learn how the EPA can help improve state and local Title V programs and expedite permitting.

The EPA set an aggressive initial national goal of reviewing all state and local Title V programs with 10 or more Title V sources. SRCAA was one of ten Title V programs in Region 10 reviewed between 2004 and 2007. Here is the list of agencies in Region 10 reviewed in the first round along with the final report date and an approximate number of Title V sources they regulated when reviewed:

<u>Permitting Authority (first round)</u>	<u>Report Date</u>	<u>Permits</u>
Idaho Department of Environmental Quality	January 2004	59
Oregon Department of Environmental Quality	June 2006	111
Lane Regional Air Protection Agency (OR)	June 2006	19
Spokane Regional Clean Air Agency (WA)	August 2006	10
Puget Sound Clean Air Agency (WA)	September 2006	35
Washington Department of Ecology	September 2006	27
Northwest Clean Air Agency (WA)	September 2006	21
Alaska Department of Environmental Conservation	September 2006	158
Olympic Regional Clean Air Agency (WA)	September 2007	15
Southwest Clean Air Agency (WA)	September 2007	12

¹ Spokane Regional Clean Air Agency was named Spokane County Air Pollution Control Authority (SCAPCA) during the 2006 Title V program review.

² In this report, the term "EPA" refers to the United States Environmental Protection Agency as a nationwide agency. The term "Region 10" and the first-person plural (we/us/our) refer to EPA Region 10.

In response to a follow-up review by the Office of Inspector General, the EPA also committed to repeat the reviews of all Title V programs with 20 or more Title V sources every four years beginning in 2007. The original, second-round commitment covered each of the four state programs in Region 10 (Alaska, Idaho, Oregon and Washington) as well as two local agencies in Washington (Puget Sound Clean Air Agency and Northwest Clean Air Agency). In September 2016, we fulfilled that commitment and decided to continue second-round reviews for the remaining agencies that were reviewed in the first round, but not yet reviewed for a second time.

Below is the list of agencies reviewed to date in the second round along with the final report date. All of the program review reports can be found on Region 10's air permitting website.³

<u>Permitting Authority (second round)</u>	<u>Report Date</u>
Idaho Department of Environmental Quality	September 2007
Puget Sound Clean Air Agency (WA)	September 2008
Northwest Clean Air Agency (WA)	September 2013
Washington Department of Ecology	September 2014
Alaska Department of Environmental Conservation	September 2015
Oregon Department of Environmental Quality	September 2016
Lane Regional Air Protection Agency (OR)	September 2017

In the first title V program review, we covered all major elements of a title V program. In the second round of program reviews, we focused on issues specific to each permitting authority's implementation of its permitting program. Of particular interest is how each authority has addressed the concerns identified in the first review. We also considered permit issuance progress, resources, compliance assurance monitoring (which is required to be added during permit renewal for most sources) and how programs have integrated new requirements and rules into their permits and program.

To prepare for this review, Region 10 sent a letter in June 2018 requesting specific information from SRCAA (Attachment 1). Region 10 reviewed SRCAA's emailed response (compiled as Attachment 2) which included, as requested, a staff list, financial records, and an update regarding each of the concerns raised in 2006.

Region 10 also reviewed past permit issuance data SRCAA reported to the Title V Operating Permits System (Attachment 3) and a selection of recently-issued permits. Permits issued more recently were intentionally selected for review to provide a more accurate depiction of how SRCAA's permits have changed since the first program review. The permits reviewed include:

<u>Permit No.</u>	<u>Company Name (Location)</u>	<u>Date Issued</u>
AOP-16	Spokane Northside Landfill	07/17/2017
AOP-15	Melcher Manufacturing Company	01/29/2018
AOP-11	Kaiser Aluminum	10/30/2017

While on site at SRCAA's office on August 7-8, 2018, Region 10 staff interviewed permit writing staff, enforcement staff and the agency director. The purpose of the interviews was to clarify and discuss what was learned from the review of their permits and other information. Region 10 staff and SRCAA staff discussed permit issuance progress, program resources (and the fee program), general program implementation topics, and specific issues identified during the previous review of SRCAA's program including compliance assurance monitoring.

³ <https://www.epa.gov/caa-permitting/permit-program-reviews-epa-region-10>

Program Review Report Structure

This program review report is presented in four main sections:

- I. Introduction
- II. Follow-up to 2006 Program Review
- III. Additional Review
- IV. Summary of Concerns and Recommendations

Section I presents some background regarding SRCAA's Title V program as well as an overview of Region 10's program review plan. Section II presents Region 10's evaluation of SRCAA's progress in resolving concerns identified in the 2006 program review. Section III presents additional observations from Region 10's review of SRCAA's individual permits including the application of compliance assurance monitoring. Finally, Section IV summarizes Region 10's second-round concerns and presents Region 10's recommendations for resolving any outstanding issues.

II. Follow-up to 2006 Program Review

In the initial Title V program review, finalized in August 2006, Region 10 provided observations delineated into nine separate topic areas labeled A through I. In each section, Region 10 identified good practices, concerns and other observations and asked SRCAA to respond to the concerns identified. In February 2007, SRCAA responded to Region 10 addressing the concerns identified by Region 10. SRCAA further addressed two outstanding issues in July 2007. SRCAA's 2007 responses were included in SRCAA's update in Attachment 2.

This section of the second-round program review report presents Region 10's evaluation of the progress SRCAA has made in addressing the concerns identified in the initial program review. Each of Region 10's original concerns is listed below, followed by SRCAA's 2007 responses, SRCAA's 2018 update, and, finally, Region 10's second-round (Round 2) evaluation.

Section A. Title V Permit Preparation and Content

A-1 2006 EPA Concern: The table format used by SRCAA, and other permitting authorities in Washington, can lead to difficulties for permit engineers. Some permit engineers tend to abbreviate necessary wording of rules and requirements in order to fit lengthy text into the narrow columns, which can lead to unclear or incomplete requirements. Formats that do not limit the space for writing a requirement help to ensure the requirement is written with the necessary details and formatting to make the requirement clear. Often, substantial portions of pages are blank because all of the text is in a single column, which unnecessarily lengthens the permit without adding value. In Table 1 of the permits, due to the need to cite multiple regulations in column two, the other columns are under-utilized. While it would likely take a considerable effort to change all of the permits to a text format (see permits issued by Oregon or Idaho), SRCAA should consider the benefits of making the changes during permit renewals.

2007 SRCAA Response: SRCAA would prefer to continue using the table format in our Title V permits for several reasons. First, our sources like the table format for ease of reading and because it is what they are accustomed to seeing. Second, as stated in the report, other permitting authorities in Washington use the table format, which leads to more state-wide consistency and uniformity in permits written by local authorities in Washington. Lastly, SRCAA's format includes all of the required elements for a Title V permit.

2018 SRCAA Update: SRCAA is still using table format in permits.

Round 2 Evaluation: Region 10 has, on several occasions, shared its opinion regarding formats that seem to work better, but EPA does not mandate a particular permit format. As long as SRCAA's permits comply with Title V, we will no longer consider this a concern that warrants follow-up.

A-2 2006 EPA Concern: SRCAA's statements of basis should contain a discussion of the facility's compliance history. In a December 20, 2001, letter from EPA Region 5 to the Ohio EPA, EPA provided guidelines on the content of an adequate statement of basis that meets the requirements of 40 C.F.R. § 70.7(a)(5). That letter states, among other things, that the statement of basis should include factual information that is important for the public to be aware of including the compliance history of the source such as inspections, any violations noted, a listing of consent decrees into which the permittee has entered and corrective action(s) taken to address noncompliance.

2007 SRCAA Response: In the future, SRCAA will add a discussion of the facility's compliance history to the statements of basis. SRCAA will implement action in all new and renewal permits drafted from this point forward.

2018 SRCAA Update: SRCAA includes a section on facility's compliance history in statements of basis.

Round 2 Evaluation: SRCAA's statements of basis consistently include a compliance history. This issue has been resolved.

- A-3 2006 EPA Concern: SRCAA's statements of basis should contain a discussion of facility permitting history. This type of discussion is important to allow the reader to analyze what requirements might potentially apply to the source and to serve as a record of facility changes for determining applicability for minor new source review (NSR) and prevention of significant deterioration (PSD) purposes.

2007 SRCAA Response: In the future, SRCAA will add a discussion of facility permitting history to the statements of basis. SRCAA will implement action in all new and renewal permits drafted from this point forward.

2018 SRCAA Update: SRCAA includes a section on facility's permitting history in statements of basis.

Round 2 Evaluation: SRCAA's statements of basis consistently include a permitting history. This issue has been resolved.

- A-4 2006 EPA Concern: It would be helpful if the statement of basis included a discussion regarding whether a facility is a major source of hazardous air pollutants.

2007 SRCAA Response: In the future, SRCAA will add a discussion regarding whether a facility is a major source of hazardous air pollutants to statements of basis. SRCAA will implement action in all new and renewal permits drafted from this point forward.

2018 SRCAA Update: SRCAA includes a discussion of whether the facility is a major source of HAPs in the statements of basis.

Round 2 Evaluation: SRCAA's statements of basis consistently either discuss whether the source is major for HAPs or implies it by explaining MACT or area source NESHAP applicability. However, none of the statements of basis included a potential to emit summary that would support the discussion. That goes for other non-HAP regulated air pollutants as well. In fact, potential to emit emission inventories were generally not included with the statements of basis. Region 10 recommends including in the statements of basis a table with the potential to emit of all regulated pollutants including HAPs and optionally appending to the statements of basis a potential to emit emission inventory. This will provide necessary information to support applicability claims and can be useful for other purposes such as assisting with compliance assurance monitoring applicability and source size. For additional guidance on the content of statements of basis, see EPA's April 30, 2014 guidance document entitled, "Implementation Guidance on Annual Compliance Certification Reporting and Statement of Basis Requirements for Title V Operating Permits."

Section B. General Permits

SRCAA has not issued any general Title V permits, so this topic was not covered during the program review.

Section C. Monitoring

C-1 2006 EPA Concern: SRCAA’s permits contain general testing requirements that include the ability to have alternative test methods approved by SRCAA. The permit cannot authorize approval of an alternative test method outside of the permit revision process. In addition, SRCAA cannot approve an alternative to the test method that is approved as part of the state implementation plan (SIP). See 40 CFR 51.212.

2007 SRCAA Response: In the future, for federal testing requirements, SRCAA will take "alternate test methods approved by SRCAA" out of the permits. However, for non-federal testing requirements, permits will continue to allow for "alternate test methods approved by SRCAA," especially if this provision is contained in the underlying requirement (e.g., NOC approval order). SRCAA will implement action in all new and renewal permits drafted from this point forward. (July 2007 follow-up) In the future, SRCAA will not include a provision that allows for alternative test methods.

2018 SRCAA Update: SRCAA does not include any alternate test methods for federal testing requirements.

Round 2 Evaluation: It is clear that SRCAA staff understand the limits of their authority regarding the approval of alternative test methods and have attempted to avoid language that can be misinterpreted. Unclear permit language, when implemented by staff that understand their authority, does not mean that incorrect decisions about alternative test methods have been made. Still, the alternative test method language in their permits, particularly the general test method language, can be improved to clarify who can approve each type of alternative method for each type of applicable requirement. We recommend SRCAA revise their permit language where it can be misinterpreted. During the onsite interviews, Region 10 also shared an approach for Title V permit approvals of alternative test methods for requirements originally established in construction permits, without having to reopen the original construction permit.

C-2 2006 EPA Concern: Although SRCAA requires facilities to develop a monitoring plan detailing how inspections will be performed and how records will be kept, the monitoring plan is not incorporated into the permit. As a result, much of the compliance assurance provisions for various emission units are essentially “off-permit.” Furthermore, there are no provisions for SRCAA approval or oversight of the monitoring plan. There are two options for addressing this issue. First, the entire plan could be attached to the permit and incorporated by reference into the permit. Revisions to the plan could then be incorporated into the permit through the part 70 permit revision procedures. Second, SRCAA could pull out from the plan and include in the permit the key provisions for assuring compliance with the emission limits, such as the pressure drop range for a scrubber.

2007 SRCAA Response: In the future, SRCAA will pull key provisions for assuring compliance with the emission limits from monitoring plans, such as the pressure drop range for a scrubber, and include them in the permit. SRCAA already does this as a general practice. However, when an operation and maintenance plan includes best management practices and other procedural requirements and does not include measurable parameters or other key provisions that assure compliance with an emission limit, SRCAA would prefer to keep the plan “off-permit.” SRCAA would also prefer to keep lengthy operation plans which are revised regularly, such as the one developed for

our Waste-to-Energy facility, off-permit. Many of the revisions made to these plans would not have a direct correlation with any emission limit for the facility. If SRCAA were required to revise an air operating permit for each change to an operation plan, this would cause a significant workload increase with little air quality benefit. SRCAA will implement action in all new and renewal permits drafted from this point forward.

2018 SRCAA Update: SRCAA pulls out key provisions, when possible, and includes them in the permit for assuring compliance with emission limits. However, for facilities with long and/or complicated O&M plans which are revised routinely, SRCAA still keeps the plan “off-permit.”

Round 2 Evaluation: SRCAA staff clearly understands the benefit of including in the permit those key provisions of monitoring and maintenance plans that are important for assuring compliance. Our review did not identify any examples where additional monitoring or maintenance provisions were clearly necessary to assure compliance. We will no longer consider this a concern that warrants follow-up.

- C-3 2006 EPA Concern: Some of SRCAA’s permits allow for visible emission observations to monitor compliance with a particulate limit other than opacity. When this approach is used, and any threshold for action other than “any visible emissions” is relied upon, a relationship between the emission limit and opacity should be justified through emission testing or other reliable information. Likewise, available emission testing results should have been used for this purpose. In the case where “any visible emissions” is used, the general concept that something will be visible before a compliance problem exists is generally reasonable justification.

2007 SRCAA Response: In the future, SRCAA will strive to establish a relationship between a particulate limit and opacity through emission testing or other reliable information, when opacity is used to monitor compliance with a particulate limit. However, this approach will only be used when opacity levels higher than 0% are used to demonstrate compliance with a particulate limit. SRCAA will continue to use the “no visible emissions” (a.k.a., “smoke / no smoke”) concept as monitoring for particulate emission standards, without an established relationship between a particulate limit and opacity, because we concur that something will be visible before a compliance problem exists. SRCAA will implement action in all new and renewal permits drafted from this point forward.

2018 SRCAA Update: SRCAA strives to establish a relationship between particulate limit and opacity, when data is available. SRCAA still uses the “no visible emissions” concept as monitoring for particulate emission standards without an established relationship

Round 2 Evaluation: Like many permitting authorities, SRCAA commonly uses opacity monitoring to assure compliance with particulate matter emission limits – see monitoring requirement 1M in most permits. The monitoring procedure requires emission testing if observed visible emissions cannot be remedied. SRCAA staff indicated that nearly all their sources routinely operate with zero opacity emissions, and the requirement to test when opacity cannot be returned to zero generally doesn’t happen. If that was not the case, Region 10 would recommend requiring opacity measurements simultaneous with the particulate testing to establish a relationship between opacity and particulate emissions to monitor compliance with the particulate limit. If visible emissions later

exceed those observed during particulate testing, additional testing may be necessary. The only other instance where SRCAA relies on opacity to confirm compliance with a particulate matter limit was supported with a thorough emission testing study. We no longer consider this a concern that warrants follow-up.

C-4 2006 EPA Concern: The frequency of source testing should generally depend on how close actual emissions are to the standard. More rigorous monitoring, recordkeeping and reporting requirements should generally be required when source tests indicate that actual emissions are very close to emission limits. Under such circumstances, source testing once every five years does not generally provide reasonable assurance of compliance. In addition, even in the case of more frequent source testing, the permit should also generally require monitoring of the same operational parameters that were monitored during the most recent compliant source test to ensure that the equipment is operating in the same manner as it did during the compliant source test. In a peaking plant permit we reviewed, the monitoring, recordkeeping and reporting requirements do not appear adequate to assure compliance with the emission limits, as actual emissions of certain pollutants appear to be very close to the corresponding emission limits.

2007 SRCAA Response: SRCAA does base the frequency of source testing on how close actual emissions are to the standard. However, SRCAA also bases the frequency of source testing on how often the equipment operates. For the Avista peaking plant, which was referenced in the draft report, this equipment only runs every ~ 3 years, other than for testing purposes. SRCAA does not think it is appropriate to require the equipment to operate solely for the purpose of testing the emissions. The peaking plant is required to be tested every 1,700 hours of operation (which would be triggered every three months, if the equipment was to run continuously) or every 5 years, whichever occurs first. SRCAA believes that this approach is justifiable and adequately assures compliance with the emission limits, especially given in the frequency of operation for the equipment. SRCAA also does require monitoring of the operational parameters that were monitored during the source test to ensure that the equipment is operating in the same manner as it did during the test. In the case of the Avista peaking plant, the only pertinent parameter to monitor (since these are uncontrolled turbines, except for the oxidation catalysts) is the oxidation catalyst pressure drop. This parameter is required to be kept within the acceptable range specified in the O&M plan. SRCAA did ensure that the acceptable range in the O&M plan was in-line with the pressure drop monitored during the source test. However, this fact was not well documented in the statement of basis. In the future, SRCAA will more clearly document the relationships between required monitoring and operational parameters that are monitored during source tests in the statements of basis. SRCAA will implement action in all new and renewal permits drafted from this point forward.

2018 SRCAA Update: SRCAA bases the frequency of source testing on how close the actual emissions are to the standard and how often the equipment operates.

Round 2 Evaluation: SRCAA explained in one statement of basis how the required test frequency was based on how close past test results were to the applicable standards. For other permits, it wasn't obvious whether SRCAA considered how close past test results were to the standards. Where past data exists and future testing is being required, SRCAA should not only consider this when setting test frequencies, but should document the data and decision in the statement of basis.

C-5 2006 EPA Concern: The monitoring, recordkeeping and reporting requirements in permits are numbered such that it is very difficult to cite a particular section of a requirement. In the case of correspondence or enforcement action, it is necessary to cite a more general requirement (e.g. 1M, 2M etc.) and then describe the specific action of interest. It is probably useful to establish a hierarchical numbering structure within each condition.

2007 SRCAA Response: SRCAA will attempt to separate out various sections of monitoring, recordkeeping, and reporting requirements, when appropriate and useful. SRCAA will implement action in all new and renewal permits drafted from this point forward.

2018 SRCAA Update: SRCAA attempts to separate out various sections of MRRR, when it is appropriate and/or possible.

Round 2 Evaluation: It appears that SRCAA has addressed this issue. We no longer consider this a concern that warrants follow-up.

Section D. Public Participation and Affected State Review

D-1 2006 EPA Concern: Like many of the permitting authorities across the country, SRCAA provides the permittee with a pre-draft permit for review and comment before the draft permit goes out for public comment. Soliciting the permittee's input on the factual aspects of the permit can help to reduce errors in the permit and help educate the permittee on its obligations under the permit. Working with the permittee on developing the substantive permit requirements through multiple permit iterations can, however, create the impression that the permit issuance process is not an open process. SRCAA should carefully balance these interests as it works with permittees during the development and issuance of Title V permits.

2007 SRCAA Response: During the public comment period on the draft permit, the public is welcome to look at SRCAA's Air Operating Permit review files, which contains all "pre-draft" permit work and communications between the permittee and SRCAA. During the public comment period, all comments received, including any comments on "pre-draft" permit work, is considered and addressed by SRCAA.

2018 SRCAA Update: SRCAA's practice remains the same on "pre-draft" work.

Round 2 Evaluation: This is generally not an issue when the agency documents the basis for all of the requirements in the permit and assures that all comments received during the public comment period are documented and addressed before the permit is issued. SRCAA understand and implements their program this way. As long as SRCAA continues to make the entire record available to the public during the public review process, Region 10 is satisfied with SRCAA's approach for ensuring transparency. We no longer consider this a concern that warrants follow-up.

Section E. Permit Issuance / Revision / Renewal

E-1 2006 EPA Concern: Permits for three of the four renewal applications received by SRCAA were issued late, due to resource constraints in prioritizing issuance of the initial permits. SRCAA feels that with all of the initial permits issued, future renewal permits will be issued on time.

2007 SRCAA Response: SRCAA attempts to issue all permits in a timely fashion. However, there are occasions when resource constraints and factors that are out of SRCAA's control may cause a renewal permit to be issued after the initial permit expiration date. However, the facility would not be without a permit, since the initial permit remains in effect after the initial permit expires, provided that the applicant has submitted a timely renewal application to SRCAA.

2018 SRCAA Update: SRCAA's practice remains the same on renewal applications. Resource constraints and other factors are still present and create backlogs for renewal permits.

Round 2 Evaluation: SRCAA renewed three of their eight permits, or 37%, within the last year, all after being administratively extended. Based on SRCAA's TOPS report for the first half of 2018, only one permit was administratively extended past its original expiration date as of July 1, 2018. According to SRCAA staff, three more permits will become administratively extended permits before the end of calendar year 2018 creating a significant backlog (50% of their Title V sources). SRCAA staff explained that an increased construction permit workload and several complicated permits prevented them from getting to the operating permits with expiration dates in 2018. It can be challenging when several permits have expiration dates in the same general time period. To manage that in the future, SRCAA should consider requesting some renewal applications earlier than normal (to begin work earlier) or staggering issued permit expiration dates, effectively spreading out the workload. We would like to see SRCAA's plan for tackling the new backlog of administratively extended permits.

Section F. Compliance

F-1 2006 EPA Concern: Like many permitting authorities, SRCAA requires corrective actions when certain monitored parameters are outside of the acceptable range. This is a practical approach for assuring potential operational problems are addressed promptly. When using this approach, SRCAA should clarify when a deviation occurs (when the unit is outside the range or if corrective action is not taken), such that the appropriate records are created and reported. Furthermore, SRCAA should add recordkeeping so each event of operation outside the acceptable range is documented, even if it is not a deviation.

2007 SRCAA Response: In the future, SRCAA will clarify when a deviation occurs and add recordkeeping so that each event of operation outside of an acceptable range is documented. SRCAA will implement action in all new and renewal permits drafted from this point forward.

2018 SRCAA Update: SRCAA attempts to clarify when a deviation occurs when monitored parameters are outside of acceptable ranges.

Round 2 Evaluation: All three permits reviewed had some monitoring, recordkeeping or reporting requirements for which deviation was not specifically defined. This lack of a definition of deviation for each and every requirement may not be causing an implementation problem (if the source and SRCAA agree what constitutes a deviation); however, we believe that including the definition will help to assure sources know when they should be reporting deviations. This can lead to better compliance and easier enforcement.

Section G. Resources and Internal Management Support

G-1 2006 EPA Concern: On-site interviews indicated that there may be confusion related to allocation of permitting staff time (labor cost) to Title V and non-Title V budgets. Activities associated with new source review (NSR) permit preparation are not Title V fundable activities, even if the project is at a Title V source. Title V permit revisions to accommodate NSR permit terms, and agency activities related to implementation of NSR requirements contained in Title V permits are examples of activities that may be billed to Title V. However, establishing or revising site-specific NSR permit terms may not be billed to Title V. SRCAA permitting and accounting staff should examine this aspect of their internal billing system and change it as needed.

2007 SRCAA Response: This issue has been addressed with SRCAA's recently revised Title V fee regulations. See SRCAA Regulation I, Section 10.06 for the revised fee regulation. (July 2007 follow-up) Currently, SRCAA does track the time and costs associated with the Notice of Construction (NSR) program for the Title V sources. These costs are paid by the Title V sources as part of their annual fee under the SRCAA Time Fee. Therefore, it is not entirely true to state that funds collected under Title V are used to develop NSR permits, since the sources do pay for the time associated with the NSR permit. However, in order to make the NSR fees completely separate from the Title V monies, SRCAA will amend our regulations to stipulate that the NSR fee schedule that currently only applies to non-Title V sources will apply to all sources (including Title V sources). Due to current Title V workloads (5 renewal applications currently in process) and the resources necessary to perform a regulation revision, SRCAA will not be able to initiate the regulation revision until 1st Quarter 2008. We trust EPA concurs that Title V permitting work which directly impacts air quality should take precedence over administrative issues like regulation amendments.

2018 SRCAA Update: Already addressed. The NSR fees were separated from the Title V fees / monies through the fee revision completed by SRCAA in 2008.

Round 2 Evaluation: SRCAA understands and correctly implements this aspect of the Title V fee program. SRCAA staff were aware of EPA's latest guidance memorandum for managing fees, Program and Fee Evaluation Strategy and Guidance for 40 CFR Part 70, March 27, 2018. We no longer consider this a concern that warrants follow-up.

G-2 2006 EPA Concern: On-site interviews also indicated that there may be confusion related to allocation of Title V penalties received by SRCAA. Penalties cannot be attributed as Title V revenues and used to fund Title V activities. SRCAA permitting and accounting staff should examine this aspect of their revenue and expenditure accounting system and change it as needed.

2007 SRCAA Response: SRCAA has never used Title V penalties as Title V revenues and will not do so in the future.

2018 SRCAA Update: Never has been an issue.

Round 2 Evaluation: SRCAA staff understand and correctly implements this aspect of the Title V fee program. We no longer consider this a concern that warrants follow-up.

G-3 2006 EPA Concern: It appears that SCAPCA's Title V permit engineer has had limited access to Title V training. Because of the limited demand in the geographical area, it is very unlikely that training opportunities will occur in the Spokane, Washington, area.

Resources must be available for staff to travel to proximate population centers such as Seattle, Portland and Denver to access the latest and complete Title V and related training.

2007 SRCAA Response: SCAPCA is committed to providing access to pertinent training for all Title V staff. However, we have not seen many Title V training opportunities in recent years in any proximate population centers. We will watch for future training offered.

2018 SRCAA Update: SRCAA has offered Title V training to all appropriate staff. Both permit engineers and the inspector attended EPA's most recent Title V workshop.

Round 2 Evaluation: SRCAA's permit writers are very experienced, requiring little ongoing training. SRCAA staff rely on Westar for technical training and have been active participants in the periodic Title V workshops held in Region 10, often leading the Permit Writing 101 part of the workshop, wherein permit writers new to the program get training. We no longer consider this a concern that warrants follow-up.

- G-4 2006 EPA Concern: SCAPCA's Title V costs have exceeded revenues for a number of years. At the time of EPA's visit to SCAPCA's offices, the program had amassed a \$77,000 deficit, which has been subsidized by local assessment money (from cities and local governments – this is not grant money or Title V money). As EPA advised SCAPCA in a letter dated August 15, 2002, failure to collect sufficient fees to support a Title V program is a program deficiency that is grounds for withdrawal of SCAPCA's Title V program. EPA's expectation is that SCAPCA revise its fee structure expeditiously so that its Title V program is self-funding.

2007 SRCAA Response: This issue has been addressed by SCAPCA's proposed revised fee regulations. In the revised fee regulation, all future Title V costs will be recovered and past program deficit will be recovered over the next 10 year period.

2018 SRCAA Update: Already been addressed. No deficit to Title V program.

Round 2 Evaluation: SRCAA has resolved this issue and currently employs a budget balancing system that assures potential shortfalls are identified and balanced with subsequent collections. SRCAA's budget has been balanced consistently over the past few years. We no longer consider this a concern that warrants follow-up.

Section I. Document Review (Rules/Forms/Guidance)

- I-1 2006 EPA Concern: SCAPCA updates their rules periodically to adjust their fee rates. EPA should be apprised of rule revisions. All rule revisions should be routinely submitted for EPA review and approval, even the routine fee adjustments.

2007 SRCAA Response: SCAPCA will send rule revisions that are directly contained in the SIP to EPA for review and approval. However, we are not aware of any requirement to send rules, such as routine fee adjustments, to EPA for review and approval.

2018 SRCAA Update: Three rules revisions to Title V fees have been done since 2003.

Round 2 Evaluation: Title V rule changes that most likely warrant submittal and EPA approval are only done by the Washington Department of Ecology. We prefer SRCAA simply keep us apprised of fee changes. If we think a fee change requires submittal and approval, we will notify SRCAA.

- I-2 2006 EPA Concern: On Form A-1, the questions in items 10 and 11 imply that a permittee has a choice regarding whether such changes should be integrated into the permit. A renewal permit should incorporate all off-permit changes made during the prior permit term rather than continue to keep them off-permit.
- 2007 SRCAA Response: SCAPCA will change this item in our AOP renewal application to ensure that all off-permit changes made during the prior permit term will be incorporated into the renewal permit. SCAPCA will implement action in all renewal applications sent out from this point forward.
- 2018 SRCAA Update: Change made to AOP renewal application.
- Round 2 Evaluation: We no longer consider this a concern that warrants follow-up.
- I-3 2006 EPA Concern: Form A-1 (item 22) and the instructions for the form omit the important qualification that ambient air quality data and air emissions data are not entitled to confidential treatment. These documents should also include the qualification that the information relate to “the production or process” unique to the applicant. It would be helpful to cite to state law on confidentiality (RCW 70.94.205).
- 2007 SRCAA Response: SCAPCA will revise the AOP renewal application to cite the state law on confidentiality and clarify that ambient air quality data and air emissions data are not entitled to confidential treatment. SCAPCA has always ensured that any information claimed confidential by an applicant meets the state law on confidentiality (RCW 70.94.205) and does not include ambient air quality data and/or air emissions data. SCAPCA will implement action in all renewal applications sent out from this point forward.
- 2018 SRCAA Update: Changes made to AOP renewal application.
- Round 2 Evaluation: We no longer consider this a concern that warrants follow-up.
- I-4 2006 EPA Concern: In the instructions to Form A-1 (item 22), some aspects of claiming information as confidential under 40 CFR Part 2 are summarized. It would seem more appropriate for SCAPCA’s form to focus on the requirements for claiming information as confidential under State law (RCW 70.94.205), rather than federal law, since it is state law that will govern in the first instance (until the permittee is directed to provide the information directly to EPA). In addition, EPA prefers that SCAPCA simply reference federal law and not summarize it.
- 2007 SRCAA Response: SCAPCA will revise the instructions to Form A-1 in the AOP renewal application to refer to the state confidentiality law, rather than the federal law. SCAPCA will implement action in all renewal applications sent out from this point forward.
- 2018 SRCAA Update: Changes made to AOP renewal application.
- Round 2 Evaluation: We no longer consider this a concern that warrants follow-up.

III. Additional Review

In addition to reviewing concerns identified in the first review, Region 10 requested an update about program resources and permit issuance progress and reviewed several permits that were issued by SRCAA within the last few years. The following permits were reviewed by Region 10 as part of this program review:

<u>Permit No.</u>	<u>Company Name (Location)</u>	<u>Date Issued</u>
AOP-16	Spokane Northside Landfill	07/17/2017
AOP-15	Melcher Manufacturing Company	01/29/2018
AOP-11	Kaiser Aluminum	10/30/2017

The focus of the permit reviews was generally on previously identified concerns and specifically on compliance assurance monitoring requirements. CAM has been a recent focus for Region 10's oversight work for several reasons. CAM is required to be applied in the initial permit for sources with "large" pollutant-specific emission units and in the first renewal for all other emission units. Most pollutant-specific emission units are not large, so CAM has been primarily implemented during the renewal phase of the Title V program. Region 10 had a rigorous permit oversight program in the early years of Title V. By the time state and local agencies were issuing renewal permits, Region 10 had scaled back its oversight program substantially and, in fact, reviewed very few permits that addressed CAM. Beginning in fiscal year 2013, Region 10 began to review a small percentage of state/local renewal permits to see how CAM was being addressed. A consistent lack of documentation regarding CAM applicability and monitoring decisions in statements of basis was discovered. Logically, Region 10 decided to specifically review how CAM was being addressed in permits as part of the second-round program reviews.

Conclusions regarding past concerns have been documented in Section II of this report, specific to each previously-identified concern. Concerns regarding CAM and any new topics identified during the program review are documented in this section of the report.

New Concerns

1. Based on Region 10's review of SRCAA's permits, CAM applicability decisions were sometimes missing or incomplete. Every statement of basis should address CAM applicability in enough detail to clearly establish whether CAM applies to each emission unit in the permitted facility, preferably in a single "CAM section" of the statement of basis. One statement of basis correctly explained that an emission unit was subject to CAM and that some other emission units were not subject, but did not address all of the emission units or applicable requirements and did not always support the claims with data/information. Emissions data was not presented to support whether an emission unit had pre- or post-control potential to emit greater than the major source thresholds, key information for CAM applicability and applying CAM when it is applicable. Where a simple statement regarding CAM applicability citing the applicability criteria is not adequate (sometimes it can be) or there are a lot of emission units potentially subject to CAM, Region 10 suggests SRCAA consider using a tabular approach for documenting CAM applicability. Finally, when an emission unit is subject to CAM, all the general CAM requirements in 40 CFR 64.2 through 64.10 must be included in the permit complete with citations to the EPA's and Washington's rules as appropriate. Finally, SRCAA should ensure that the monitoring data collection frequency for the emission unit subject to CAM meets CAM's minimum requirement. SRCAA should improve the way CAM is addressed in their permit and statements of basis.

2. The statements of basis included discussions about new applicable requirements; however, the new requirement section was not consistently labeled as such. At least one statement of basis can be improved by creating (and identifying as such) a section dedicated exclusively to new applicable requirements and rules and address applicability to those new rules. Also, all the statements of basis would benefit from the inclusion of a table of contents.
3. In some permits where MACT standards have been incorporated, multiple compliance options are listed. In those cases where the compliance option chosen by the source is clear, the statement of basis can explain that. If the other options are no longer possible, the permit can also be cleaned up by removing the compliance options not used. Similarly, when incorporating new applicable requirements, adding the details of all the compliance options, rather than simply noting that several exist, is necessary.
4. One permit reviewed seems to assume that the state of Washington is implementing an EPA-approved state plan rather than the federal plan. Region 10 has not approved the state of Washington's plan. See 40 CFR 62.14352(b). The permit should be revised to include the requirements in the applicable federal plan.
5. Many offices and units within Region 10 have new mailing addresses. Where SRCAA includes the address for mailing copies of certain documents to Region 10, the permits should be revised accordingly. Region 10 can supply the new addresses if needed.

IV. Summary of Concerns and Recommendations

Concerns

Many of the concerns identified in the first-round program review have been resolved to Region 10's satisfaction, but some still need at least some attention. Region 10 is satisfied with SRCAA's progress on 15 of the 20 concerns identified in the 2006 program review. Region 10 thinks SRCAA can still improve on the remaining five original concerns. Region 10 has identified four new concerns that SRCAA should address.

Region 10 has provided some new information regarding two topics. Region 10 clarified that fee revisions by SRCAA are not required to be submitted for approval, but Region 10 would appreciate being kept apprised of fee revisions. If Region 10 ever thinks approval is necessary for a particular fee revision, it will contact SRCAA (Concern I-1). The mailing address for sending reports to Region 10 has changed; SRCAA can update their permits with the new address (New Concern 5).

SRCAA has made some improvements to their permits and statements of basis, but more improvements can be realized for four original concerns and three new concerns. Better documentation of major source status should be addressed in statements of basis (Concern A-4). The types of alternative test methods that SRCAA can approve should be clarified in the permits (Concern C-1). Historical compliance information should be documented in the statement of basis and used to set the frequency of required source testing (Concern C-4). Deviations should be better defined in permits to ensure better compliance and enforcement (Concern F-1). SRCAA's statements of basis can be improved by consistently including a specific section that addresses new applicable requirements (New Concern 2). Where MACT standards (for example) allow several options for compliance and the company has selected the approach they will take, the permit and statement of basis can clarify that (New Concern 3). A federal requirement was not included in one permit (New Concern 4).

Region 10 is particularly concerned about one issue identified in 2006 as well as one new issues. SRCAA has been consistently behind in issuing renewal permits. All three of the permits that were issued within the last year had been administratively extended. Four more permits were administratively extended this year. SRCAA must develop a plan to address their current and seemingly recurring backlog (Concern E-1). Compliance assurance monitoring applicability should be fully documented in the statement of basis (New Concern 1).

Recommendations

SRCAA should provide to Region 10 a response that explains what they plan to do to resolve these 9 topics/concerns: Concern A-4, C-1, C-4, E-1 and F-1 and New Concerns 1 thru 4. If SRCAA prefers to discuss any of the concerns before responding, Region 10 will gladly accommodate that.



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10**

1200 Sixth Avenue, Suite 155
Seattle, WA 98101-3123

OFFICE OF
AIR AND WASTE

July 9, 2018

Ms. Julie Oliver
Executive Director
Spokane Regional Clean Air Agency
3104 East Augusta Avenue
Spokane, Washington 99207

Dear Ms. Oliver:

The purpose of this letter is to notify you that the U.S. Environmental Protection Agency Region 10 plans to perform a second review of the Spokane Regional Clean Air Agency's title V operating permit program. This letter kicks off the effort by describing the review process and our proposed schedule. We are also requesting information that will assist us in our program review. Your agency will be the eighth of the second-round program reviews that Region 10 will undertake.

This program review will focus primarily on the following four areas: (1) follow-up on concerns identified during our 2006 review of your program; (2) permit issuance progress and resources; (3) compliance assurance monitoring; and (4) new applicable requirements and rules. We will review a selection of your permits, focusing on those issued more recently. This program review will require involvement of staff and managers from your permitting, technical, finance and compliance groups. We appreciate your cooperation and assistance.

Our tentative schedule is as follows:

Task	Tentative Date
Region 10 sends kickoff letter	Today
You send requested information	July 27, 2018
Region 10 visits Spokane Clean Air	August 7-8, 2018
Region 10 sends final report	September 21, 2018

The enclosure describes the information we would like to receive in advance, so we can be efficient during the onsite interviews. Please return the information (preferably in electronic form) as early as possible, but no later than the date in the table above, to Doug Hardesty (hardesty.doug@epa.gov) who will be leading the review. We will contact you if we need any additional information.

We look forward to working with you and your staff. If you have any questions about the program review, please do not hesitate to call me at (206) 553-1679 or Doug at (208) 378-5759.

Sincerely,

Kelly McFadden, Manager
Stationary Source Unit

Enclosure

cc: Ms. April Westby, SRCAA (electronic)

**Title V Program Review
Spokane Regional Clean Air Agency**

Information Request

Please send the following information in electronic form as soon as possible, but no later than July 27, 2018, to Doug Hardesty (hardesty.doug@epa.gov)

1. A list of Spokane Clean Air staff that work in the title V program, noting their responsibilities (e.g. permit writer, rule writer, inspector, etc.).
2. Information about any title V permits, renewals, or revisions that are recent enough that they are not represented on the Spokane Clean Air website.
3. A list and description of any rule changes that have been made to Spokane Clean Air's title V regulations (e.g. those that affect applicability, implementation, or fees) since the last revision approved in January, 2003. If any of the rule changes have been submitted to Region 10 for review, note the date of submittal.
4. Financial records (preferably from your last complete fiscal year) reflecting revenues and expenses that document Spokane Clean Air's ability to fund the operating permit program with title V fees and Spokane Clean Air's ability to ensure that title V fees are used only for title V authorized expenses.
5. An update regarding each of the concerns raised in the 2006 title V program review, noting whether the plan to address the concern was completed and whether Spokane Clean Air is approaching any of the concerns identified in the 2006 title V program review differently than previously communicated to Region 10 on August 7, 2006. Provide a narrative explaining the different approach, if applicable.
6. Any issues or requests that Spokane Clean Air would like to raise to Region 10 regarding any aspect of the title V program.

From: April Westby
To: [Hardesty, Doug](#)
Subject: Title V information request numbers 1 and 2
Date: Monday, July 23, 2018 11:23:48 AM

- 1) List of Spokane Regional Clean Air Agency staff that work in Title V program:

April Westby, permit writer (lead)

Joe Southwell, permit writer

Brandy Dickinson, inspector

Lori Rodriguez, Compliance Manager

Amy Fanning, Finance & Human Resources Manager

Julie Oliver, Executive Director

- 2) There is no title V permit information on permits, renewals, or revisions that is not represented on the Spokane Clean Air website.

April Westby, PE
Environmental Engineer
Spokane Regional Clean Air Agency
3104 E. Augusta
Spokane, WA 99207
(509) 477-4727, ext. 105
awestby@spokanecleanair.org

From: April Westby
To: [Hardesty, Doug](#)
Subject: Title V information request item number 3
Date: Monday, July 23, 2018 1:21:22 PM

SRCAA follows Chapter 173-401 WAC for Title V regulations. However, we do have our own fee regulation. SRCAA's fee regulations have been revised 3 times since 2003, as follows:

Title V fees revised 9/7/06 through Resolution 06-16

Title V fees revised 7/3/08 through Resolution 08-18

Title V fees revised 10/3/13 through Resolutions 13-19 and 13-20.

I will send documents pertaining to each fee regulation revision in separate e-mails to keep them clear.

April Westby, PE
Environmental Engineer
Spokane Regional Clean Air Agency
3104 E. Augusta
Spokane, WA 99207
(509) 477-4727, ext. 105
awestby@spokanecleanair.org

**Spokane Regional Clean Air Agency
Summary of Air Operating Permit Program
Program Cost and Fees Collected**

FY Billed	Base Fee	Emission fee	Staff Time Fee	Total Fee(s)	Ecology Assessment PassThrough billed annually by Ecology	Prior FY Adjustment	Total	Actual Program Costs	Variance (Fees less Actual)
FY-14	\$ 30,000.00	\$ 88,382.13	\$ 52,166.87	\$ 170,549.00	\$ 16,178.23	\$ 36,331.01	\$ 223,058.24	\$ 137,545.00	\$ 33,004.00
FY-15	\$ 24,000.00	\$ 81,712.72	\$ 31,832.28	\$ 137,545.00	\$ 11,346.94	\$ (33,004.00)	\$ 115,887.94	\$ 159,708.00	\$ (22,164.00)
FY-16	\$ 27,000.00	\$ 78,295.94	\$ 54,412.06	\$ 159,708.00	\$ 11,109.09	\$ 22,164.00	\$ 192,981.09	\$ 175,764.00	\$ (16,056.00)
FY-17	\$ 27,000.00	\$ 80,236.04	\$ 68,527.96	\$ 175,764.00	\$ 10,772.02	\$ 16,056.00	\$ 202,592.02	\$ 192,798.00	\$ (17,034.00)
FY-18	\$ 27,000.00	\$ 80,096.84	\$ 85,701.16	\$ 192,798.00	\$ 8,639.53	\$ 17,034.00	\$ 218,471.53	\$ -	\$ 192,798.00



Office of the Washington State Auditor
Pat McCarthy

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED UPON PROCEDURES**

Julie Oliver, Executive Director
Spokane Regional Clean Air Agency
3104 E. Augusta Avenue
Spokane, WA 99207-5384

To the Board of Directors and Management of Spokane Regional Clean Air Agency

We have performed the procedures enumerated below, which were agreed to by the management of Spokane Regional Clean Air Agency and the Washington State Department of Ecology, related to the Agency's Air Operating Permit (AOP) program and the Agency's compliance with program requirements established by Chapter 70.94.161-.162 of the Revised Code of Washington and Chapter 173-401 of the Washington Administrative Code, for the periods ended June 30, 2017 and 2016.

The Agency's management is responsible for managing the AOP program, compliance with these requirements, and for the accuracy of its financial records. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested of for any other purpose.

Agreed Upon Procedures

In relation to the Spokane Regional Clean Air Agency's Air Operating Permit (AOP) program:

Procedures related to collection of fees

1. Inspect the Authority's written procedure for developing, assessing and collecting fees from its sources

Results of Procedures

1. We inspected the Agency's written procedures for developing, assessing, and collecting fees from its sources and

and determine whether it is more than three years old.

2. Compare totals from the AOP permit ledgers or systems to the general ledger for each fiscal year. (Applicable only if permits were issued out of a separate system than the general ledger and may only be feasible if permit amounts are included in the permit ledger or system.)
3. Judgmentally select AOP permits issued during the engagement period and trace amounts to receipts and to the general ledger.
4. Inspect a judgmental selection of AOP permit accounts receivables for each fiscal year and determine whether late fees were assessed and collection measures initiated in accordance with Authority policies and procedures.

Procedures related to computation of fees

5. Inspect invoices for a judgmental selection of AOP permits issued during the engagement period to ensure fees agreed with the Authority's approved fee schedule and fee calculation worksheets.

Procedures related to revenue and expenditure accounting

6. Identify which fund or accounts are used to account for AOP revenue and expenses.

found they were updated on January 4, 2018, which is less than three years old.

2. We did not perform this procedure. The Agency issues all permits from its general ledger and a separate system is not used.
3. We selected all AOP permits issued during the periods ended June 30, 2017 and 2016 and traced corresponding receipt amounts to the general ledger. No exceptions were found as a result of applying this procedure.
4. We did not perform this procedure. We traced all billings for AOP permits to actual payments and there were no AOP permit receivables for either fiscal year.
5. We selected all invoices for AOP permits issued during the engagement period and confirmed that fees agreed to the approved fee schedule and fee calculation worksheet.
6. AOP revenues are accounted for in Fund 131. Expenses charged directly to the AOP program are accounted for in Fund 131.

7. Inspect all Authority general ledger accounts used to account for AOP revenue and expenses and determine whether AOP revenue and expenses are commingled with other revenue sources or expense uses.
8. Judgmentally select expenses accounted for in non-AOP accounts during the engagement period and inspect supporting documentation to determine whether they were for AOP activities.
7. We inspected general ledger accounts for Fund 131 and determined that AOP revenues and expenses are not comingled with other revenue sources or expense uses.
8. We judgmentally selected expense transactions from non-AOP accounts that occurred during the engagement period and inspected supporting documentation for each and determined they were not related to AOP activities.

Procedures related to authorized activities

9. Judgmentally select AOP program expenses (including payroll) for the engagement period and inspect supporting documentation to determine whether they were for allowable program activities.
10. Inspect supporting documentation for a judgmental selection of tasks the sources were billed for during the engagement period and determine whether they were completed.
11. Inspect the Authority's indirect costs allocations and determine whether indirect costs were also charged to the program as direct costs.
9. We judgmentally selected expenses charged to the AOP program during the engagement period and determined they were for allowable program activities.
10. We inspected supporting documentation for a judgmental selection of permit issuances which sources were billed for during the engagement period and determined that these tasks had been completed.
11. We inspected the Agency's indirect cost allocations and determined that indirect costs were not also charged to the program as direct costs.

Procedures related to available funds

12. Inspect Authority interim and year-end balance sheets for each fiscal year to determine if the AOP program had a negative fund balance at any time during the engagement period.
12. We inspected year-end balance sheets for each fiscal year and determined that the AOP program did not have a negative fund balance at any time during the engagement period.

13. Inspect uses of AOP program revenues collected in excess of actual program costs for each fiscal year and determine whether Authority complied with its policy for handling excess program revenue.

13. We compared AOP program revenues to program costs for each fiscal year and determined that there were no excess program revenues during the engagement period.

14. To ensure all Title V facilities were billed for permit fees during the engagement period, perform a query of all Title V sources and synthetic minors on an annual basis.

14. We obtained list of all permits issued by the Agency for Title V sources and synthetic minors for the engagement period. We compared this list to billings and collections for the same period and determined that all facilities were billed for permit fees.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objectives of which would be the expression of an opinion or conclusion on the financial information of the Agency's AOP program, on compliance with specified requirements, or on the internal control over compliance with the specified requirements. Additionally, the agreed-upon procedures do not constitute an audit or review of financial statements or any part thereof, the objective of which is the expression of an opinion or conclusion, respectively, on the financial statements or a part thereof. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Restriction on Use

This report is intended for the information and use of the Board of Directors and Management of the Spokane Regional Clean Air Agency and the Department of Ecology and is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Sincerely,



Bradley White, Audit Manager

Washington State Auditor's Office

Spokane, Washington

April 9, 2018

Fee Calculations for 2017 Billing

Emission Totals based on WEDs submitted in April 2017 (covering calendar year 2016 emissions)

10/18/2017

COMPANY NO.	SOURCE	PM10 tpy	SO2 tpy	NOx tpy	VOC tpy	CO tpy	Non VOC TAPs tpy	TOTAL TPY
506	FIBER-TECH	0.07	0.00	0.00	54.85	0.00	0.00	54.92
529	IEPC	51.70	0.20	68.20	7.50	8.20	1.82	137.62
483	KAISER TRENTWOOD	82.20	0.70	115.30	188.30	116.90	0.99	504.39
505	MELCHER MANUF	0.34	0.00	0.00	4.87	0.00	0.00	5.21
270	MUTUAL MATERIALS	47.28	17.84	9.44	0.64	31.89	30.32	137.41
300	NORTHSIDE LANDFILL	0.61	0.06	0.45	0.09	0.93	0.58	2.72
107	TRANSCANADA GTN	4.20	2.30	73.10	6.90	62.10	0.00	148.60
765	HAAKON	0.32	0.00	0.00	16.69	0.00	0.00	17.01
503	WTE	20.60	6.20	306.40	0.90	27.50	11.50	373.10
	TOTAL	207.3	27.3	572.9	280.7	247.5	45.2	1,380.98

1,381.0

Fee Calculations for 2017 Billing
 CY-2017 AOP Fee Calculations
 Based on FY 17 Program Costs and
 SRCAA Regulation I, Section 10.06
 11/16/2017

Base Fee Emission Fee Total Base Fee & Emission Fee

SRCAA Time Fee

SRCAA AOP Program Cost Correction

Total SRCAA Fee

Ecology Assessment

TOTAL AOP FEE

BASED ON WEDS

\$58.00 per ton

\$17,034.00

Ecology Assessment
\$8,639.53

COMPANY NO.	SOURCES	2016 EMISSIONS	Base Fee	Emission Fee	Total Base Fee and Emission Fee
506	FIBER T	54.92	\$3,000.00	\$3,185.36	\$6,185.36
529	IEPC	137.62	\$3,000.00	\$7,981.96	\$10,981.96
483	KAISER TRENTWOOD	504.39	\$3,000.00	\$29,254.62	\$32,254.62
505	MELCHER MANUF	5.21	\$3,000.00	\$302.18	\$3,302.18
270	MUTUAL MATERIALS	137.41	\$3,000.00	\$7,969.78	\$10,969.78
300	NORTHSIDE LANDFILL	2.72	\$3,000.00	\$157.76	\$3,157.76
107	GTN	148.60	\$3,000.00	\$8,618.80	\$11,618.80
765	HAAKON	17.01	\$3,000.00	\$986.58	\$3,986.58
503	WTE	373.10	\$3,000.00	\$21,639.80	\$24,639.80
	TOTAL	1380.98	\$27,000.00	\$80,096.84	\$107,096.84

SRCAA Time Fee
\$4,287.63
\$9,991.60
\$33,232.38
\$3,321.95
\$4,519.40
\$10,171.86
\$6,180.37
\$2,472.15
\$11,523.82
\$85,701.16

Total Annual Fee
\$10,472.99
\$20,973.56
\$65,487.00
\$6,624.13
\$15,489.18
\$13,329.62
\$17,799.17
\$6,458.73
\$36,163.62
\$192,798.00

SRCAA Program Cost Correction
\$925.31
\$1,853.05
\$5,785.88
\$585.25
\$1,368.49
\$1,177.69
\$1,572.58
\$570.64
\$3,195.11
\$17,034.00

TOTAL SRCAA FEE
\$11,398.30
\$22,826.61
\$71,272.87
\$7,209.38
\$16,857.67
\$14,507.32
\$19,371.76
\$7,029.37
\$39,358.73
\$209,832.00

Ecology Assessment
\$469.31
\$939.85
\$2,934.56
\$296.84
\$694.09
\$597.32
\$797.60
\$289.42
\$1,620.54
\$8,639.53

TOTAL AOP FEE
\$11,867.61
\$23,766.46
\$74,207.43
\$7,506.22
\$17,551.76
\$15,104.63
\$20,169.36
\$7,318.79
\$40,979.27
\$218,471.53

Total FY 2017 AOP Program Cost =
\$192,798.00

SRCAA Time Fee must cover balance
 $\$192,798 - \$107,096.84 =$
\$85,701.16

This amount accounts for the difference between the FY-16 and FY-17 costs

FY-16 program cost
\$175,764

Ecology assessment =
\$8,639.53

\$8,639.53 will be sent to Ecology

SRCAA Time Fee Calculation
 CY 2017 Billing
 11/16/2017

COMPANY NO.	SOURCES	Total Number of Hours Spent During FY 2017	Total Number of General Hours Spent on AOP During FY 2017 = 339.75/9 = 37.75 hrs/source	Total Hours Hrs/Yr
506	FIBER-TECH	45.5	37.75	83.25
529	IEPC	156.25	37.75	194.00
483	KAISER TRENTWOOD	607.5	37.75	645.25
505	MELCHER MANUF	26.75	37.75	64.50
270	MUTUAL MATERIALS	50	37.75	87.75
300	NORTHSIDE LANDFILL	159.75	37.75	197.50
107	TRANSCANADA GTN	82.25	37.75	120.00
765	HAAKON	10.25	37.75	48.00
503	WTE	186	37.75	223.75
TOTAL		1324.25	339.75	1664

TOTAL AMOUNT FOR SRCAA TIME FEE = **\$85,701.16**

SRCAA Time Fee
\$4,287.63
\$9,991.60
\$33,232.38
\$3,321.95
\$4,519.40
\$10,171.86
\$6,180.37
\$2,472.15
\$11,523.82
\$85,701.16

339.75 hrs

2017 AOP Billing
 Summary Spreadsheet
 11/16/2017

COMPANY NO.	SOURCES	TOTAL TPY
506	FIBER T	54.92
529	IEPC	137.62
483	KAISER TRENTWOOD	504.39
505	MELCHER MANUF	5.21
270	MUTUAL MATERIALS	137.41
300	NORTHSIDE LANDFILL	2.72
107	GTN	148.6
765	HAAKON	17.01
503	WTE	373.1
	TOTAL	1380.98

Base Fee	Emission Fee	SRCAA Time Fee	SRCAA AOP Program Cost Correction	Total SRCAA Fee	Ecology Assessment
\$3,000.00	\$3,185.36	\$4,287.63	\$925.31	\$11,398.30	\$469.31
\$3,000.00	\$7,981.96	\$9,991.60	\$1,853.05	\$22,826.61	\$939.85
\$3,000.00	\$29,254.62	\$33,232.38	\$5,785.88	\$71,272.87	\$2,934.56
\$3,000.00	\$302.18	\$3,321.95	\$585.25	\$7,209.38	\$296.84
\$3,000.00	\$7,969.78	\$4,519.40	\$1,368.49	\$16,857.67	\$694.09
\$3,000.00	\$157.76	\$10,171.86	\$1,177.69	\$14,507.32	\$597.32
\$3,000.00	\$8,618.80	\$6,180.37	\$1,572.58	\$19,371.76	\$797.60
\$3,000.00	\$986.58	\$2,472.15	\$570.64	\$7,029.37	\$289.42
\$3,000.00	\$21,639.80	\$11,523.82	\$3,195.11	\$39,358.73	\$1,620.54
\$27,000.00	\$80,096.84	\$85,701.16	\$17,034.00	\$209,832.00	\$8,639.53

2017 TOTAL AOP FEE
\$11,867.61
\$23,766.46
\$74,207.43
\$7,506.22
\$17,551.76
\$15,104.63
\$20,169.36
\$7,318.79
\$40,979.27
\$218,471.53

Fee Goes to SRCAA AOP Program Fee Goes to SRCAA AOP Program Fee Goes to SRCAA AOP Program Amount Goes to repay general fund \$8,639.53 will be sent to Ecology

\$192,798.00



Office of the Washington State Auditor
Pat McCarthy

Financial Statements Audit Report
Spokane Regional Clean Air Agency
Spokane County

For the period July 1, 2015 through June 30, 2017

Published April 26, 2018

Report No. 1021148





Office of the Washington State Auditor

Pat McCarthy

April 26, 2018

Board of Directors
Spokane Regional Clean Air Agency
Spokane, Washington

Report on Financial Statements

Please find attached our report on the Spokane Regional Clean Air Agency's financial statements.

We are issuing this report in order to provide information on the Agency's financial condition.

Sincerely,

Pat McCarthy
State Auditor
Olympia, WA

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

**Spokane Regional Clean Air Agency
Spokane County
July 1, 2015 through June 30, 2017**

Board of Directors
Spokane Regional Clean Air Agency
Spokane, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Spokane Regional Clean Air Agency, Spokane County, Washington, as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the Agency's financial statements, and have issued our report thereon dated April 9, 2018.

We issued an unmodified opinion on the fair presentation of the Agency's financial statements in accordance with its regulatory basis of accounting. We issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared by the Agency using accounting practices prescribed by Washington State statutes and the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual described in Note 1, which is a basis of accounting other than GAAP. The effects on the financial statements of the variances between the basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audits of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's

internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of the Agency's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However,

this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy
State Auditor
Olympia, WA

April 9, 2018

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Spokane Regional Clean Air Agency Spokane County July 1, 2015 through June 30, 2017

Board of Directors
Spokane Regional Clean Air Agency
Spokane, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the Spokane Regional Clean Air Agency, Spokane County, Washington, for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the Agency's financial statements, as listed on page 11.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Unmodified Opinion on Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, the Spokane Regional Clean Air Agency has prepared these financial statements to meet the financial reporting requirements of Washington State statutes using accounting practices prescribed by the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual. Those accounting practices differ from accounting principles generally accepted in the United States of America (GAAP). The differences in these accounting practices are also described in Note 1.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Spokane Regional Clean Air Agency, for the years ended June 30, 2017 and 2016, on the basis of accounting described in Note 1.

Basis for Adverse Opinion on U.S. GAAP

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. The effects on the financial statements of the variances between GAAP and the accounting practices the Agency used, as described in Note 1, although not reasonably determinable, are presumed to be material. As a result, we are required to issue an adverse opinion on whether the financial statements are presented fairly, in all material respects, in accordance with GAAP.

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Spokane Regional Clean Air Agency, as of June 30, 2017 and 2016, or the changes in financial position or cash flows for the years then ended, due to the significance of the matter discussed in the above “Basis for Adverse Opinion on U.S. GAAP” paragraph.

Other Matters

Supplementary and Other Information

Our audits were performed for the purpose of forming opinions on the financial statements taken as a whole. The Schedules of Liabilities are presented for purposes of additional analysis, as required by the prescribed BARS manual. These schedules are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated April 9, 2018 on our consideration of the Agency’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral

part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large, stylized initial "P".

Pat McCarthy
State Auditor
Olympia, WA
April 9, 2018

FINANCIAL SECTION

**Spokane Regional Clean Air Agency
Spokane County
July 1, 2015 through June 30, 2017**

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2017
Fund Resources and Uses Arising from Cash Transactions – 2016
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2017
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Notes to the Financial Statements – 2017
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SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2017
Schedule of Liabilities – 2016

Spokane Regional Clean Air Agency
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended June 30, 2017

		Total for All Funds (Memo Only)	001 General Fund	104 VERP III	129 Wood Smoke Reduction 16 &
Beginning Cash and Investments					
30810	Reserved	681,804	249,232	7,621	-
30880	Unreserved	1,379,075	1,379,075	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
320	Licenses and Permits	806	806	-	-
330	Intergovernmental Revenues	376,637	322,740	-	53,897
340	Charges for Goods and Services	1,098,916	-	-	-
350	Fines and Penalties	85,167	85,167	-	-
360	Miscellaneous Revenues	681,337	595,528	-	27,922
Total Revenues:		2,242,863	1,004,241	-	81,819
Expenditures					
550	Natural and Economic Environment	2,205,576	1,032,957	16,783	81,819
Total Expenditures:		2,205,576	1,032,957	16,783	81,819
Excess (Deficiency) Revenues over Expenditures:		37,287	(28,716)	(16,783)	0
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	20,087	87	20,000	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		20,087	87	20,000	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	3,794	3,794	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	20,000	20,000	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
Total Other Decreases in Fund Resources:		23,794	23,794	-	-
Increase (Decrease) in Cash and Investments:		33,580	(52,423)	3,217	0
Ending Cash and Investments					
5081000	Reserved	933,941	415,366	10,837	-
5088000	Unreserved	1,160,519	1,160,519	-	-
Total Ending Cash and Investments		2,094,460	1,575,885	10,837	-

The accompanying notes are an integral part of this statement.

Spokane Regional Clean Air Agency
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended June 30, 2017

		131 Air Operating Permit Title V	132 Asbestos	133 Source Registration	134 NOC/NOI/SEPA
Beginning Cash and Investments					
30810	Reserved	-	193,802	231,149	-
30880	Unreserved	-	-	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	175,774	283,227	501,720	138,195
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	17,025	-	-	40,862
Total Revenues:		<u>192,799</u>	<u>283,227</u>	<u>501,720</u>	<u>179,057</u>
Expenditures					
550	Natural and Economic Environment	192,799	202,716	499,445	179,057
Total Expenditures:		<u>192,799</u>	<u>202,716</u>	<u>499,445</u>	<u>179,057</u>
Excess (Deficiency) Revenues over Expenditures:		0	80,511	2,275	-
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
Total Other Decreases in Fund Resources:		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Cash and Investments:		0	80,511	2,275	-
Ending Cash and Investments					
5081000	Reserved	-	274,313	233,424	-
5088000	Unreserved	-	-	-	-
Total Ending Cash and Investments		<u>-</u>	<u>274,313</u>	<u>233,424</u>	<u>-</u>

The accompanying notes are an integral part of this statement.

Spokane Regional Clean Air Agency
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended June 30, 2016

		Total for All Funds (Memo Only)	001 Current Expense	104 VERP III	129 Wood Smoke Reduction 16 &
Beginning Cash and Investments					
30810	Reserved	442,848	190,717	7,290	-
30880	Unreserved	1,546,548	1,546,548	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
320	Licenses and Permits	679	679	-	-
330	Intergovernmental Revenues	368,701	317,951	-	50,750
340	Charges for Goods and Services	1,049,968	-	-	-
350	Fines and Penalties	99,290	99,290	-	-
360	Miscellaneous Revenues	650,517	572,690	-	-
Total Revenues:		2,169,156	990,611	-	50,750
Expenditures					
550	Natural and Economic Environment	1,976,996	958,891	19,670	50,750
Total Expenditures:		1,976,996	958,891	19,670	50,750
Excess (Deficiency) Revenues over Expenditures:		192,160	31,719	(19,670)	-
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	20,000	-	20,000	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		20,000	-	20,000	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	120,678	120,678	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	20,000	20,000	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
Total Other Decreases in Fund Resources:		140,678	140,678	-	-
Increase (Decrease) in Cash and Investments:		71,482	(108,959)	330	-
Ending Cash and Investments					
5081000	Reserved	681,804	249,232	7,621	-
5088000	Unreserved	1,379,075	1,379,075	-	-
Total Ending Cash and Investments		2,060,879	1,628,307	7,621	-

The accompanying notes are an integral part of this statement.

Spokane Regional Clean Air Agency
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended June 30, 2016

		131 Air Operating Permit Title V	132 Asbestos	133 Source Registration	134 NOC/NOI/SEPA
Beginning Cash and Investments					
30810	Reserved	-	162,915	81,926	-
30880	Unreserved	-	-	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	159,918	265,736	524,081	100,234
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	15,846	-	-	61,982
Total Revenues:		<u>175,764</u>	<u>265,736</u>	<u>524,081</u>	<u>162,215</u>
Expenditures					
550	Natural and Economic Environment	175,764	234,848	374,858	162,215
Total Expenditures:		<u>175,764</u>	<u>234,848</u>	<u>374,858</u>	<u>162,215</u>
Excess (Deficiency) Revenues over Expenditures:		0	30,888	149,223	1
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
Total Other Decreases in Fund Resources:		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Cash and Investments:		0	30,888	149,223	1
Ending Cash and Investments					
5081000	Reserved	-	193,802	231,149	-
5088000	Unreserved	-	-	-	-
Total Ending Cash and Investments		<u>-</u>	<u>193,802</u>	<u>231,149</u>	<u>-</u>

The accompanying notes are an integral part of this statement.

**Spokane Regional Clean Air Agency
 Fiduciary Fund Resources and Uses Arising from Cash Transactions
 For the Year Ended June 30, 2017**

		Total for All Funds (Memo Only)	601 AOP DOE Oversight
308	Beginning Cash and Investments	-	-
388 & 588	Prior Period Adjustments, Net	-	-
310-360	Revenues	10,772	10,772
380-390	Other Increases and Financing Sources	-	-
510-570	Expenditures	-	-
580-590	Other Decreases and Financing Uses	10,772	10,772
	Net Increase (Decrease) in Cash and Investments:	-	(0)
508	Ending Cash and Investments	-	-

The accompanying notes are an integral part of this statement.

**Spokane Regional Clean Air Agency
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended June 30, 2016**

	Total for All Funds (Memo Only)	601 AOP DOE Oversight
308	Beginning Cash and Investments	-
388 & 588	Prior Period Adjustments, Net	-
310-360	Revenues	11,197
380-390	Other Increases and Financing Sources	-
510-570	Expenditures	-
580-590	Other Decreases and Financing Uses	11,197
	Net Increase (Decrease) in Cash and Investments:	0
508	Ending Cash and Investments	-

The accompanying notes are an integral part of this statement.

Spokane Regional Clean Air Agency
MCAG 1026
Notes to the Financial Statements
For the year ended June 30, 2017

Note 1 - Summary of Significant Accounting Policies

The Spokane Regional Clean Air Agency (SRCAA) was incorporated on January 1, 1969 and operates under the laws of the state of Washington applicable to Air Pollution Control Agencies. SRCAA is a special purpose government district and is responsible for administering federal, state, and local laws and regulations regarding outdoor air pollution in Spokane County. To achieve the goals of the Clean Air Act, SRCAA established programs aimed at reducing air pollution from all sources. The Agency directs a combination of education and regulatory efforts towards commercial and industrial emission sources, residential wood combustion, outdoor burning, motor vehicle, and asbestos, and dust sources.

- SRCAA operates an air monitoring network which gathers data and reports air quality and the level of pollution for PM2.5 and PM10 to the public on an hourly basis. SRCAA also reports air quality and the level of Ozone pollution on an hourly basis during Ozone season.
- SRCAA provides education and outreach to the public through direct contact at schools, local events, website and social media.
- SRCAA issues air permits to businesses that create air emissions such as auto body painting, gas stations, large industrial facilities, and others.
- SRCAA provides Air Quality maintenance planning and monitoring to ensure continued attainment of the Federal Air Quality Standards for Spokane County.
- SRCAA serves the public by responding to complaints and enforcing State, Federal, and Local Air Quality regulations according to the Washington State Clean Air Act Chapter 70.94 RCW.

A five-member Board of Directors governs SRCAA. The Board is made up of one County Commissioner, one representative from City of Spokane, one representative from City of Spokane Valley, one representative from the small cities and towns, and one member at large elected by the Board. The Board appoints an Executive Director to oversee the Agency's daily operations and its 18 employees.

The Spokane Regional Clean Air Agency reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed, but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances are not presented using the classifications defined in GAAP.

A. **Fund Accounting**

Financial transactions of the government are reported in individual funds. Each fund uses a

separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements. The following fund types are used by SRCAA:

GOVERNMENTAL FUND TYPES:

General Fund

This fund is the primary operating fund of SRCAA. It accounts for all financial resources except those required or elected to be accounted for in another fund.

The following funds have been established by Resolution and adopted by the Board of Directors as designated reserves that have been elected to be accounted for in separate funds. These funds roll-up into the general fund for reporting purposes. A Resolution must be approved by the Board of Directors to appropriate expenditures or transfer any portion of the fund balance to another fund.

- 002 Petty Cash
- 005 Project Reserve
- 006 Retirement Reserve
- 007 Monitoring Equipment Reserve
- 008 Vehicle Reserve
- 009 Building Maintenance Reserve
- 010 Information Technology (IT) Reserve
- 011 Ozone Study Reserve

Special Revenue Funds

These funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes of the government.

- 104 VERP III
- 129 Wood Smoke Reduction (State Grant)

The following funds account for operations that provide goods or services to the general public and are supported primarily through user charges. Fee structures are in place according to Chapter 70.94 RCW. Local Assessments are used to pay the difference between program costs and grant funds and fees collected.

- 131 Air Operating Permit Title V - federally mandated, fee based full cost recovery
- 132 Asbestos – fee based full cost recovery
- 133 Source Registration – fee based full cost recovery
- 134 NOC/NOI/SEPA –partially fee based cost recovery

FIDUCIARY FUND TYPES:

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of others.

Agency Funds

These funds are used to account assets that the government holds on behalf of others in a custodial capacity.

- 601 Air Operating Permit/Department of Ecology Oversight (AOP/ECY)
Used for assets held by Spokane Regional Clean Air Agency in a trustee capacity as the agent for the WA State Department of Ecology (ECY). The fund was established in FY-10. SRCAA includes an annual AOP/ECY program oversight fee, which is calculated by ECY, on its annual billing to all Title V Air Operating Permit Sources. This fee is collected annually by SRCAA and passed through to ECY.

B. Basis of Accounting and Measurement Focus

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received and expenditures are recognized when paid.

In accordance with state law, SRCAA also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous period.

C. Budgets

The SRCAA Board of Directors adopts an annual appropriated entity wide budget for all anticipated resources and outlays for the fiscal period. The comprehensive budget document summarizes, at the fund level, the operating budgets for the following funds:

- 001 General Fund
- 131 Air Operating Permit Title V
- 132 Asbestos
- 133 Source Registration
- 134 NOC/NOI/SEPA

A single resolution containing all appropriations is approved by the Board of Directors. The budget constitutes the legal authority for expenditures at that level. Annual appropriations lapse at the fiscal period end.

Budgets for project specific funds are adopted by separate resolution identifying details regarding the special purpose or funding source requirements. The budgets for the following funds have been adopted by separate resolution:

- 104 VERP III
- 129 Wood Smoke Reduction (State Grant)

Annual appropriated budgets are adopted on the same basis of accounting as used for financial reporting.

The appropriated and actual expenditures for the legally adopted budgets were as follows:

Fund/Department	Final Appropriation	Actual Expenditures	Variance
001 - General Fund	\$ 1,442,802.22	\$ 1,056,750.64	\$ 386,051.58
104 - VERP III	\$ 27,620.59	\$ 16,783.25	\$ 10,837.34
129 - Wood Smoke Reduction 16 & 17	\$ 85,250.00	\$ 81,818.68	\$ 3,431.32
131 - Air Operating Permit Title V	\$ 203,800.00	\$ 192,798.59	\$ 11,001.41
132 - Asbestos	\$ 224,210.00	\$ 202,716.00	\$ 21,494.00
133 - Source Registration	\$ 499,445.00	\$ 499,445.00	\$ -
134 - NOC/NOI/SEPA	\$ 201,720.00	\$ 179,057.00	\$ 22,663.00

Budgeted amounts are authorized to be transferred between programs; however, any revisions that alter the total appropriation or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment, must be approved by the agency Board of Directors.

SRCAA budget procedures are mandated by RCW 70.94.092. The steps in the budget process are as follows:

- 1) No later than the May Board of Directors meeting, the Agency Executive Director submits a proposed budget to the Board of Directors. This budget is based on priorities established by the Executive Director and the Board and estimates provided by Agency Section Managers during the preceding months, and balanced with revenue estimates made by the Agency Finance & Human Resources Manager.
- 2) SRCAA Board of Directors conducts a public meeting on the proposed budget in May and/or June.
- 3) SRCAA Board of Directors make adjustments to the proposed budget and conduct a public hearing to adopt, by resolution, a final balanced budget no later than the fourth Monday in June.
- 4) Within 30 days of adoption, the final budget is available to the public.
- 5) Amending the Budget - When the SRCAA Board of Directors determine that it is in the best interest of the Agency to increase or decrease appropriations, it may do so by resolution after holding public hearings.

D. Cash and Investments

See Note 2, Deposits and Investments.

E. Capital Assets

Capital assets are assets with an initial individual cost of more than \$2,000 and an estimated useful life in excess of seven (7) years. Capital assets and inventory are recorded as capital expenditures when purchased.

F. Compensated Absences

Compensated absences are absences for which employees may be paid, such as vacation, compensatory leave, and sick leave. Payments are recognized as expenditures when paid.

Vacation leave may be accumulated up to 360 hours. Upon separation from employment, the employee receives payment for any unused vacation.

Sick leave may be accumulated indefinitely. Employees who terminate employment for any reason other than retirement will not be compensated for unused sick leave. Sick leave is used on a last in - first out basis. Upon retirement employees unused sick leave will be paid at the employee's base rate of pay up to a maximum total of 975 hours as follows:

- Employees will be paid for 50% of hours accrued prior to November 1, 2007
- Employees will be paid for 25% of hours accrued on or after November 1, 2007

The accompanying Schedule of Liabilities includes an additional 1.45% to adjust for Medicare taxes. At the end of fiscal year 2017, the total Compensated Absences Liability was \$146,684.

G. Long-Term Debt

See Note 3, Debt Service Requirements.

H. Risk Management

Spokane Regional Clean Air Agency is a member of Enduris. Chapter 48.62 RCW provides the exclusive source of local government entity authority to individually or jointly self-insure risks, jointly purchase insurance or reinsurance, and to contract for risk management, claims, and administrative services. Enduris was formed July 10, 1987 pursuant to the provisions of Chapter 48.62 RCW, Chapter 200-100 WAC, and Chapter 39.34 RCW. Two (2) counties and two (2) cities in the State of Washington joined together by signing an interlocal governmental agreement to fund their self-insured losses and jointly purchase insurance and administrative services. As of August 31, 2017, there are 540 Enduris members representing a broad array of special purpose districts throughout the state. Enduris provides property and liability coverage as well as risk management services and other related administrative services.

Members make an annual contribution to fund Enduris and share in the self-insured retention of the jointly purchased excess and/or reinsurance coverage. The self-insured retention is:

- \$1,000,000 deductible on liability loss - the member is responsible for the first \$1,000 of the deductible amount of each claim, while Enduris is responsible for the remaining \$999,000 on a liability loss.
- \$250,000 deductible on property loss - the member is responsible for the first \$1,000 of the deductible amount of each claim, while Enduris is responsible for the remaining \$249,000 on a property loss.
- Enduris is responsible for the \$4,000 deductible on boiler and machinery loss.

Enduris acquires reinsurance from unrelated insurance companies on a "per occurrence" basis to cover all losses over the deductibles as shown on the policy maximum limits. Liability coverage is for all lines of liability coverage including Public Official's Liability. The Property coverage is written on an "all risk", blanket basis using current Statement of Values. The Property coverage includes but is not limited to mobile equipment, boiler and machinery, electronic data processing equipment, business interruption, course of construction and additions, property in transit, fine arts, cyber and automobile physical damage to insured vehicles. Liability coverage limit is \$20 million per occurrence and property coverage limit is \$1 billion per occurrence. Enduris offers crime coverage up to a limit of \$1 million per occurrence.

Since Enduris is a cooperative program, there is a joint liability among the participating members.

The contract requires members to continue membership for a period of not less than one (1) year and must give notice 60 days before terminating participation. The Master Agreement (Intergovernmental Contract) is automatically renewed after the initial one (1) full fiscal year commitment. Even after termination, a member is still responsible for contribution to Enduris for any unresolved, unreported and in-process claims for the period they were a signatory to the Master Agreement.

Enduris is fully funded by its member participants. Claims are filed by members with Enduris and are administered in house.

A Board of Directors consisting of seven (7) board members governs Enduris. Its members elect the Board and the positions are filled on a rotating basis. The Board meets quarterly and is responsible for conducting the business affairs of Enduris.

I. Reserved Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments is reported as reserved when it is subject to restrictions on use imposed by external parties or due to internal commitments established by the SRCAA Board of Directors. When expenditures that meet these restrictions are incurred, SRCAA intends to use reserved resources first before using unreserved amounts.

The agency has the following reserve funds that have been established with resolutions by the Board of Directors. These funds are reserved for the specific use indicated by the fund title. Annual deposits for these funds are included in the general fund budget each year. While the funding is included in the general fund budget process, specific resolutions for each fund appropriation and expenditure are required as separate actions.

Fund Name	Amount Reserved	Reason for Restriction
006 Retirement Reserve	\$ 76,748.23	Pay out of Annual and/or Sick Leave at retirement
007 Monitoring Equipment Reserve	\$ 56,522.17	Replace Air Monitoring Equipment as needed
008 Vehicle Reserve	\$ 55,221.36	Replace Vehicles as needed
009 Building Maintenance Reserve	\$ 148,874.70	Maintain and Upgrade Facilities as needed
010 Information Technology Reserve	\$ 28,000.00	Maintain and Upgrade IT as needed
011 Ozone Study Reserve	\$ 50,000.00	Future Ozone study(s)
104 VERP III	\$ 10,837.34	Vehicle Emission Repair Program

Fee based programs are authorized under RCW 70.94.151, 70.94.152, 70.94.161 and 70.94.162. The RCW details the work that can be charged to the programs. In addition, the RCW mandates that fees collected under this authority must be used strictly for running that program. Therefore, all year end fund balance is defined as reserved and is included in the next year's budget.

Fund Name	Amount Reserved	Reason for Restriction
131 Air Operating Permit	\$ -	Fee based program RCW 70.94
132 Asbestos	\$ 274,313.31	Fee based program RCW 70.94
133 Registration	\$ 233,424.01	Fee based program RCW 70.94
134 NOC/NOI/SEPA	\$ -	Fee based program RCW 70.94

Unreserved Fund Balance

The fund balance in the following funds is unreserved and available for appropriation by resolution and Board approval:

Fund Name	Amount	Comment
001 General Fund	\$ 1,138,304.77	
005 Project Reserve	\$ 22,013.73	Unidentified projects that benefit the Agency

Note 2 – Deposits and Investments

SRCAA entered into an agreement with The Spokane County Treasurer for banking management services. The Spokane County Treasurer acts as treasurer for all SRCAA deposits are invested as legally prescribed in various financial institutions in the form of U.S. Government obligations, U.S. Government agencies, certificates of deposit, savings accounts, bankers’ acceptances, repurchase agreements, municipal bonds, and the Washington State Treasurers Local Government Investment Pool. The agreement also provides for accurate payment of banking fees for accounts administered by the Spokane County Treasurer as the ex officio Treasurer for SRCAA.

It is the policy of Spokane County to safely invest public funds in accordance with governing statutes in a manner which will provide the best investment return given; the Treasurer has a banking custodial duty to return the principal to the entities when needed. Investments are made by designated personnel in accordance with the Spokane County Treasurer’s investment policy. The Treasurer’s policy dictates that all investment instruments other than certificates of deposit and County notes be transacted on the delivery-versus-payment basis.

The County’s deposits and certificates of deposit are held by banks that are designated as public depositories in the state of Washington and fall under the scope of the state of Washington’s Public Deposit Protection Act. Public depositories must fully collateralize all uninsured public funds with collateral held by a designated trustee.

Type of Investment	Cash Balance as of June 30, 2017
Spokane County Investment Pool	\$2,133,506.24

Note 3 – Debt Service Requirements

SRCAA has no long-term debt.

Note 4 – Pension Plans

A. State Sponsored Pension Plans

All SRCAA full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans (PERS 2 and PERS 3).

The State Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems
 Communications Unit
 P.O. Box 48380
 Olympia, WA 98540-8380

Also, the DRS CAFR may be downloaded from the DRS website at www.drs.wa.gov.

At June 30, 2017 (the measurement date of the plans), SRCAA proportionate share of the collective net pension liabilities, as reported on the Schedule 09, was as follows:

Plan Type	Employer Contribution	FY17 Ending Net Pension Liability	Allocation %	Liability (Asset)
PERS 1	\$ 56,357	\$ 4,745,078,000	0.009369%	\$ 444,566
PERS 2/3	\$ 73,607	\$ 3,474,522,000	0.012051%	\$ 418,715

Note 5 - Other Disclosures

Significant transactions with related parties.

There are three elected officials on the SRCAA Board of Directors that are in positions to influence budgetary and financial decisions and policies for other entities. They may also be appointed to various committees and regional groups. These members would be considered related parties. There have been no significant transactions with related parties.

Extraordinary events.

Two insurance claims were filed in FY17 with Enduris Risk Management.

- 1) Vandalism occurred to the Air Monitoring Equipment at the Sunset Elementary (Airway Heights) monitoring site. Total repair costs \$2,110.56 (includes \$1,000 deductible).
- 2) Extensive water damage occurred to the Executive Directors office caused by an Ice Dam build up during the winter months. Total repair costs \$16,162.50 (includes \$1,000 deductible).

Contingencies and litigations.

SRCAA goes through the appeal process for any Notice of Violation Appeals that are filed with the Pollution Control Hearings Board by the violators. Mitigation is generally successful; where both parties agree on a settlement prior to the hearing.

Self-Insurance.

SRCAA does not self-insure.

Other

There are no events after the end of the period to report.

SRCAA has no joint ventures.

There is no reason to doubt the long-term continuation of SRCAA as a municipal corporation.

There are no significant commitments or obligations on SRCAA financial resources that are not disclosed in other sections.

Cost Recovery Programs

Regulations and Fee Schedules are in place for service fees for the following Funds: 132 Asbestos, 133 Source Registration, and 134 NOC/NOI/SEPA. Fees collected are to be used to cover the cost of each program. Any fees collected exceeding the program cost will be a reserve fund balance for that program and included in the budget the following year to cover the cost of the program. Annual review of program costs and revenue will be conducted by staff and fee adjustments will be suggested to the Board of Directors as necessary. Changes in fees must follow the standard public notice and public hearing protocol and Board approval prior to an effective date.

Fund 131 Air Operating Permit Title V is managed to meet requirements in Chapter 173-401 WAC. This includes permitting, inspections, compliance issues, and annual fees as well as many other specific elements. The program is full cost recovery with Spokane Regional Clean Air Agency Regulations and fee structure in place. Total program costs are billed annually to the affected industrial facilities. The cost of this program fluctuates each year depending on staff time, on new permits, permit renewals, compliance, and industry upgrades and equipment changes. The level of production at facilities is also a factor because of the changes in emissions with every increase or decrease in operations.

On-Line Electronic Asbestos

Notice of Intent for Asbestos projects continue to be filed through the Agency's web site. Contractors or the public can log on to the site and complete the NOI and make payment through the on-line payment option. The information is imported into an agency data base. Asbestos project notices are also accepted in the office or by mail.

FY-17 Staffing

SRCAA changed a Part Time Administrative Assistant position to Full Time within the annual budget approved with Resolution 17-02 bringing the total staff including the Executive Director to 19 full time employees.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Spokane Regional Clean Air Agency (SRCAA) was incorporated on January 1, 1969 and operates under the laws of the state of Washington applicable to Air Pollution Control Agencies. SRCAA is a special purpose district government with the duty to administer federal and state air quality laws and federal, state, and local air quality regulations in Spokane County.

- SRCAA operates an air monitoring network which gathers data and reports air quality and the level of pollution for PM2.5, PM10, and Ozone to the public on an hourly basis.
- Provides education and outreach to the public through direct contact at schools, local events, and social media.
- Issues air permits to businesses that create air emissions such as auto body painting, gas stations, large industrial facilities, and others.
- Provides Air Quality maintenance planning and monitoring to ensure continued attainment of the Federal Air Quality Standards for Spokane County.
- Serve the public by responding to complaints and enforcing State, Federal, and Local Air Quality regulations according to Chapter 70.94.100 RCW Air Pollution Control Authority.

SRCAA reports financial activity in accordance with the Cash Basis Budgeting Accounting and Reporting System (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed, but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances are not presented using the classifications defined in GAAP.

A. Fund Accounting

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements. The following fund types are used:

GOVERNMENTAL FUND TYPES:

General Fund 001

This fund is the primary operating fund of SRCAA. It accounts for all financial resources except those required or elected to be accounted for in another fund.

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The following funds have been established by Resolution and adopted by the Board of Directors as designated reserves that have been elected to be accounted for in separate funds. These funds roll-up into the general fund for reporting purposes. A Resolution must be approved by the Board of Directors to appropriate expenditures or transfer any portion of the fund balance to another fund.

- Fund 002 - Petty Cash
- Fund 005 - Project Reserve
- Fund 006 - Retirement Reserve
- Fund 007 - Equipment Reserve
- Fund 008 - Vehicle Reserve
- Fund 009 - Building Maintenance Reserve
- Fund 010 - Information Technology (IT) Reserve
- Fund 011 – Ozone Study Reserve (established with Resolution 16-04 April 2016)

Special Revenue Funds

These funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes of the government. Active Special Revenue Funds in FY-16 include the following:

- Fund 104 - VERP III
- Fund 129 – State Wood Smoke Reduction (Grant)

The following funds account for operations that provide goods or services to the general public and are supported primarily through user charges. Fee structures are in place according to Chapter 70.94.RCW. Local Assessments are used to pay the difference between program costs and fees collected.

- Fund 131 - Air Operating Permit Title V - federally mandated, fee based full cost recovery
- Fund 132 - Asbestos – fee based full cost recovery
- Fund 133 - Source Registration – fee based full cost recovery
- Fund 134 - NOC/NOI/SEPA –partially fee based cost recovery

Debt Service Funds

These funds account for the financial resources that are restricted, committed or assigned to expenditures for principal, interest and related costs on general long-term debt.

Currently SRCAA has no long-term debt.

FIDUCIARY FUNDS TYPES

Fiduciary funds account for assets held by the government in a trustee capacity or as an agency on behalf of others.

Agency Funds

These funds are used to account for assets that the government holds on behalf of others in a custodial capacity.

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Fund 601 - Air Operating Permit/Department of Ecology Oversight (AOP/ECY) accounts for assets held by Spokane Regional Clean Air Agency in a trustee capacity as the agent for the State Department of Ecology. The fund was established in FY-10. SRCAA includes an annual AOP/ECY program oversight fee, which is calculated by Ecology, on its annual billing to all Title V Air Operating Permit sources. This fee is collected by SRCAA and passed-thru to Ecology in two payments, March and June each year.

B. Basis of Accounting and Measurement Focus

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received and expenditures are recognized when paid.

In accordance with state law, SRCAA also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous period.

C. Budgets

The SRCAA Board of Directors adopts an annual appropriated entity wide budget for all anticipated resources and outlays for the fiscal period. The comprehensive budget document summarizes, at the fund level, the operating budgets for the following funds:

- 001 General Fund
- 131 Air Operating Permit Title V
- 132 Asbestos
- 133 Source Registration
- 134 NOC/NOI/SEPA

A single resolution containing all appropriations is approved by the Board of Directors. The budget constitutes the legal authority for expenditures at that level. Annual appropriations lapse at the fiscal period end.

Budgets for project specific funds are adopted by separate resolution identifying details regarding the special purpose or funding source requirements. The budgets for the following funds have been adopted by separate resolution:

- 104 VERP III
- 129 State Wood Smoke Reduction (Grant)

Annual appropriated budgets are adopted on the same basis of accounting as used for financial reporting.

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The appropriated and actual expenditures for the legally adopted budget is as follows:

Fund	Final Appropriation	Actual Expenditures	Variance
001 - General Fund Expense	\$1,240,738.00	\$1,099,568.49	\$141,169.51
104 - VERP III	\$27,290.32	\$19,669.73	\$7,620.59
129 - State Wood Smoke Reduction	\$115,000.00	\$50,750.00	\$64,250.00
131 - Air Operating Permit Title V	\$181,560.00	\$175,763.61	\$5,796.39
132 - Asbestos	\$249,575.00	\$234,848.32	\$14,726.68
133 - Source Registration	\$527,076.00	\$374,858.02	\$152,217.98
134 - NOC/NOI/SEPA	\$251,600.00	\$162,215.43	\$89,384.57
	\$2,592,839.32	\$2,117,673.60	\$475,165.72

Budgeted amounts are authorized to be transferred between programs; however, any revisions that alter the total appropriation, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment, must be approved by the agency Board of Directors.

The Agency’s budget procedures are mandated by RCW 70.94.092. The steps in the budget process are as follows:

- 1) Prior to the May Board of Directors meeting, the Agency Executive Director submits a proposed budget to the Board of Directors. This budget is based on priorities established by the Executive Director and the Board and estimates provided by Agency Section Managers during the preceding months, and balanced with revenue estimates made by the Agency Finance & Personnel Administrator.
- 2) The Agency Board of Directors conducts public meetings on the proposed budget in May and/or June.
- 3) The Agency Board of Directors make adjustments to the proposed budget and conduct a public hearing to adopt, by resolution, a final balanced budget no later than the fourth Monday in June.
- 4) Within 30 days of adoption, the final budget is available to the public.
- 5) Amending the Budget - When the Agency Board of Directors determine that it is in the best interest of the Agency to increase or decrease appropriations, it may do so by resolution after holding public hearings.

D. Cash and Investments

See Note 2, Deposits and Investments.

E. Capital Assets

Capital assets are long-lived assets of the SRCAA and are recorded as expenditures when purchased. Capital assets of the Agency consist of machinery and equipment with a purchase price of \$2,000 or greater and a useful life of seven (7) or more years. Capital assets are recorded as expenditures when purchased.

A summary of changes in the general fixed assets follows:

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Balance July 1, 2015	\$ 1,276,133
Additions	\$ 55,555
Deletions	\$ 17,738
Balance June 30, 2016	\$ 1,313,950

F. Compensated Absences

Vacation leave may be accumulated up to 360 hours, and is payable upon resignation, retirement, or death. At June 30, 2016 total accumulated leave liability (sick and vacation) was valued at \$145,116 also shown on Schedule 9. This represents a \$3,633 increase of the June 30, 2015 leave liability.

Employees may accrue an unlimited number of sick leave hours. Upon retirement employees unused sick leave will be paid at the employees base rate of pay up to a maximum total of 975 hours as follows:

- Employees will be paid for 50% of hours accrued prior to November 1, 2007 and will be paid for 25% of hours accrued on or after November 1, 2007. Sick leave is used on a last in first out basis.
- Employees who terminate employment for any reason other than retirement will not be compensated for unused sick leave.

G. Long-Term Debt See Note 3, Debt Service Requirements.

H. Risk Management

SRCAA is a member of Enduris. Chapter 48.62 RCW provides the exclusive source of local government entity authority to individually or jointly self-insure risks, jointly purchase insurance or reinsurance, and to contract for risk management, claims, and administrative services. Enduris was formed July 10, 1987 pursuant to the provisions of Chapter 48.62 RCW, Chapter 200-100 WAC, and Chapter 39.34 RCW. Two (2) counties and two (2) cities in the State of Washington joined together by signing an interlocal governmental agreement to fund their self-insured losses and jointly purchase insurance and administrative services. As of August 31, 2016, there are 507 Enduris members representing a broad array of special purpose districts throughout the state. Enduris provides property and liability coverage as well as risk management services and other related administrative services.

Members make an annual contribution to fund Enduris and share in the self-insured retention of the jointly purchased excess and/or reinsurance coverage. The self-insured retention is:

- \$1,000,000 deductible on liability loss - the member is responsible for the first \$1,000 of the deductible amount of each claim, while Enduris is responsible for the remaining \$999,000 on a liability loss.
- \$250,000 deductible on property loss - the member is responsible for the first \$1,000 of the deductible amount of each claim, while Enduris is responsible for the remaining \$249,000 on a property loss.
- Enduris is responsible for the \$4,000 deductible on boiler and machinery loss.

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Enduris acquires reinsurance from unrelated insurance companies on a “per occurrence” basis to cover all losses over the deductibles as shown on the policy maximum limits. Liability coverage is for all lines of liability coverage including Public Official’s Liability. The Property coverage is written on an “all risk”, blanket basis using current Statement of Values. The Property coverage includes but is not limited to mobile equipment, boiler and machinery, electronic data processing equipment, business interruption, course of construction and additions, property in transit, fine arts, and automobile physical damage to insured vehicles. Liability coverage limit is \$10 million per occurrence and property coverage limit is \$1 billion per occurrence. Enduris offers crime coverage up to a limit of \$1 million per occurrence.

Since Enduris is a cooperative program, there is a joint liability among the participating members.

The contract requires members to continue membership for a period of not less than one (1) year and must give notice 60 days before terminating participation. The Master Agreement (Intergovernmental Contract) is automatically renewed after the initial one (1) full fiscal year commitment. Even after termination, a member is still responsible for contribution to Enduris for any unresolved, unreported and in-process claims for the period they were a signatory to the Master Agreement.

Enduris is fully funded by its member participants. Claims are filed by members with Enduris and are administered in house.

A Board of Directors consisting of seven (7) board members governs Enduris. Its members elect the Board and the positions are filled on a rotating basis. The Board meets quarterly and is responsible for conducting the business affairs of Enduris.

Enduris Annual Financial Statement and reports may be found at their web site www.enduris.us.

I. Reserved Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments is reported as reserved when it is subject to restrictions on use imposed by external parties or due to internal commitments established by the SRCAA Board of Directors. When expenditures that meet these restrictions are incurred, the SRCAA intends to use reserved resources first before using unreserved amounts. Reservations of Ending Cash and Investments are listed below:

The agency has the following reserve funds that have been established with resolutions by the Board of Directors. These funds are reserved for the specific use indicated by the fund title. Annual deposits for these funds are included in the general fund budget each year. While the funding is included in the general fund budget process, specific resolutions for each fund appropriation and expenditure are required as separate actions.

- Fund 006 Retirement Reserve
 Purpose: to pay annual leave and sick leave at retirement
 June 30, 2016 balance: \$97,527
- Fund 007 Equipment Reserve
 Purpose: to replace monitoring equipment
 June 30, 2016 balance: \$29,200
- Fund 008 Vehicle Reserve
 Purpose: to replace vehicles as needed
 June 30, 2016 balance: \$59,629
- Fund 009 Building Maintenance Reserve
 Purpose: to maintain and upgrade the building as needed

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- June 30, 2016 balance: \$48,875
- Fund 010 Information Technology (IT) Reserve
 Purpose: to upgrade and stay current with technology
 June 30, 2016 balance: \$14,000
 - Fund 011 Ozone Study Reserve
 Purpose: to fund an ozone study in the future
 June 30, 2016 balance: \$0.00
 - Fund 104 VERP III (Vehicle Emission Repair Program)
 Fund 104 VERP III was established in 2001 as a program to reduce vehicle emissions and is a Vehicle Emission Repair Program. It was originally established as a Supplemental Environmental Project to achieve transportation related emission reductions. It is a joint program operated under a Memorandum of Understanding between Spokane Clean Air, State Department of Ecology (ECY) and Spokane Neighborhood Action Partners (SNAP). Funding sources have varied over the years from large specific enforcement agreements, to state transportation emission reduction grants. Since 2010 it has been funded with appropriations from Spokane Clean Air Project Reserve Fund 005. The funds are appropriated for the specific use of continuing the VERP program and thereafter reserved and carried forward each year.
 June 30, 2016 balance: \$7,620.

Fee based programs are authorized under RCW 70.94.151, 70.94.152, 70.94.161 and 70.94.162. The RCW details the work that can be charged to the programs. In addition, the RCW mandates that fees collected under this authority must be used strictly for running that program. Therefore, all year end fund balance is defined as reserved and is included in the next year's budget.

- Fund 131 Air Operating Permit Title V
 June 30, 2016 balance: \$0.00
- Fund 132 Asbestos
 June 30, 2016 balance: \$193,802
- Fund 133 Source Registration
 June 30, 2016 balance: \$231,148
- Fund 134 NOC/NOI/SEPA balance: \$0.00

Unreserved Fund Balance

The fund balance in the following funds is unreserved and available for appropriation by resolution and Board approval:

- Fund 001 General Fund
 June 30, 2016 balance: \$1,376,111.32
- Fund 005 Project Reserve
 Purpose: Unidentified unfunded projects or purchases that benefit Spokane County Air Quality
 June 30, 2016 balance: \$2,764

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Deposits

SRCAA entered into new agreement with The Spokane County Treasurer for banking management services in June of 2016. The Spokane County Treasurer acts as treasurer for all SRCAA deposits are invested as legally prescribed in various

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financial institutions in the form of U.S. Government obligations, U.S. Government agencies, certificates of deposit, savings accounts, bankers' acceptances, repurchase agreements, municipal bonds, and the Washington State Treasurers Local Government Investment Pool. The agreement also provides for accurate payment of banking fees for accounts administered by the Spokane County Treasurer as the ex officio Treasurer for SRCAA.

B. Investments

It is the policy of Spokane County to safely invest public funds in accordance with governing statutes in a manner which will provide the best investment return given; the Treasurer has a banking custodial duty to return the principal to the entities when needed. Investments are made by designated personnel in accordance with the Spokane County Treasurer's investment policy. The Treasurer's policy dictates that all investment instruments other than certificates of deposit and County notes be transacted on the delivery-versus-payment basis.

The County's deposits and certificates of deposit are held by banks that are designated as public depositories in the state of Washington and fall under the scope of the state of Washington's Public Deposit Protection Act. Public depositories must fully collateralize all uninsured public funds with collateral held by a designated trustee.

As of June 30, 2016, the Agency's cash balance invested in the SCIP was \$2,060,878. This amount is stated at cost.

NOTE 3 – LONG-TERM DEBT

SRCAA has no long-term debt.

NOTE 4 – STATE SPONSORED PENSION PLANS

A. State Sponsored Pension Plans

All Spokane Regional Clean Air Agency full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans (PERS 2 and PERS 3).

The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems
Communications Unit
P.O. Box 48380
Olympia, WA 98540-8380

The DRS CAFR may also be downloaded from the DRS website at www.drs.wa.gov.

At **June 30, 2016** (the measurement date of the plans), SRCAA's proportionate share of the collective net pension liabilities*, as reported on Schedule 9, was as follows:

SPOKANE REGIONAL CLEAN AIR AGENCY ANNUAL REPORT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR FISCAL YEAR ENDED JUNE 30, 2016

Plan Type	Employer Contribution	FY16 Ending Net Pension Liability	Allocation %	Liability (Asset)
PERS 1	\$ 53,635	\$ 5,370,471,000	0.009458%	\$ 507,939
PERS 2/3	\$ 70,053	\$ 5,034,921,000	0.012135%	\$ 610,988

*For DRS sponsored plans, the allocation percentage and collective liability for each plan is available at www.drs.wa.gov.

NOTE 5 -OTHER DISCLOSURES

Significant transactions with related parties.

There are three elected officials on the SRCAA Board of Directors that are in positions to influence budgetary and financial decisions and policies for other entities. They may also be appointed to various committees and regional groups. These members would be considered related parties. There have been no significant transactions with related parties.

There were no extraordinary events this period.

Contingencies and litigations.

SRCAA goes through the appeal process for any Notice of Violation Appeals that are filed with the Pollution Control Hearings Board by the violators. Mitigation is generally successful; where both parties agree on a settlement prior to the hearing.

Marijuana producers may file a declaratory action relating to the application of RCW 70.94.640 to marijuana grow operations.

Self-Insurance. SRCAA does not self-insure.

There are no events after the end of the period to report.

SRCAA has no joint ventures.

There is no reason to doubt the long-term continuation of SRCAA as a municipal corporation.

There are no significant commitments or obligations on SRCAA financial resources that are not disclosed in other sections.

Other Items

Cost Recovery Programs

Regulations and Fee Schedules are in place for service fees for the following Funds: 132 Asbestos, 133 Source Registration, and 134 NOC/NOI/SEPA. Fees collected are to be used to cover the cost of each program. Any fees collected exceeding the program cost will be a reserve fund balance for that program and included in the budget the following year to cover the cost of the program. Annual review of program costs and revenue will be conducted by staff and fee adjustments will be suggested to the Board of Directors as necessary. Changes in fees must follow the standard public notice and public hearing protocol and Board approval prior to an effective date.

Fund 131 Air Operating Permit Title V is managed to meet requirements in Chapter 173-401 WAC. This includes permitting, inspections, compliance issues, and annual fees as well as many other specific elements. The program is full cost recovery with Spokane Regional Clean Air Agency Regulations and fee structure in place. Total program

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FOR FISCAL YEAR ENDED JUNE 30, 2016

costs are billed annually to the affected industrial facilities. The cost of this program fluctuates each year depending on staff time, on new permits, permit renewals, compliance, and industry upgrades and equipment changes. The level of production at facilities is also a factor because of the changes in emissions with every increase or decrease in operations.

ON-LINE Electronic Asbestos Notice of Intent for Asbestos projects continue to be filed thru our web site. Contractors or the public can log on to the site and complete the NOI and make payment thru the on-line payment option. The information is imported into an agency data base. Asbestos project notices are also accepted in the office or by mail.

SRCAA accepts credit card payments for fees for services On-Line only (SRCAA does not accept face to face or over the phone credit card transactions) there is a 3.8% fee charged to the user to help off-set the banking fees assessed for each transaction.

The funds are transferred electronically into the County Bank account daily. Standard cash receipts are prepared at SRCAA and submitted to the County Treasurer's office where the funds are then deposited into SRCAA's account. It has been determined that the credit card banking fees not recovered are a cost of doing business.

SRCAA declared a state of emergency pursuant to SRCAA Regulation I Article IX Asbestos Control Standards, Section 9.04.A.7.i. The declaration was issued due to a severe windstorm on November 17, 2015 that caused widespread damage to structures in Spokane County. SRCAA issued an Emergency Order whereby the SRCAA Regulation I, Section 10.09 and parts of SRCAA's fee schedule and waiting periods would be waived, if it was demonstrated to SRCAA's satisfaction that the structure was damaged by the windstorm on November 17, 2015. The Order was issued on November 19, 2015 with an end date of March 31, 2016 which was later extended to December 31, 2016.

A total of \$10,200 asbestos fees were waived under this Emergency Order in FY-16 for thirty-four (34) separate Notice of Intent for Asbestos Projects or Demolition permits.

Agency Building Maintenance

Resolution 15-18 was approved July 2, 2015 appropriating \$75,000 Unreserved General Fund Balance to replace the entire roof on the Agency office building located at 3104 E Augusta Ave, Spokane. The roof replacement was necessary to preserve the integrity of the structure and ensure its longevity.

Resolution 15-21 was approved September 3, 2015 appropriating \$28,000 Unreserved General Fund Balance to install a fall protection system that meets required safety standards on the roof at 3104 E Augusta Ave, Spokane. The roof of the building is a primary monitoring site where various equipment is installed and requires regular maintenance by staff. The equipment measures and monitors the air quality which is then reported to public and the data is used in EPA reporting.

FY-16 Staffing

SRCAA added one new position a Rule Writer/SIP Planner within the annual budget approved with Resolution 15-14 bringing the total staff of 18.8 employees; eighteen full time and one person working 80%.

**Spokane Regional Clean Air Agency
Schedule of Liabilities
For the Year Ended June 30, 2017**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
Revenue and Other (non G.O.) Debt/Liabilities						
264.30	PERS 1 - State Sponsored Pension Plan		507,939	-	63,373	444,566
264.30	PERS 2/3 - State Sponsored Pension Plan		610,988	-	192,273	418,715
259.12	Compensated Absences		145,116	1,568	-	146,684
	Total Revenue and Other (non G.O.) Debt/Liabilities:		1,264,043	1,568	255,646	1,009,965
	Total Liabilities:		1,264,043	1,568	255,646	1,009,965

**Spokane Regional Clean Air Agency
Schedule of Liabilities
For the Year Ended June 30, 2016**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated absences		141,483	3,633	-	145,116
264.30	Pension Plan PERS 1		519,013	-	11,074	507,939
264.30	Pension Plan PERS 2 & 3		457,959	153,029	-	610,988
	Total Revenue and Other (non G.O.) Debt/Liabilities:		1,118,455	156,662	11,074	1,264,043
	Total Liabilities:		1,118,455	156,662	11,074	1,264,043

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

Contact information for the State Auditor's Office	
Public Records requests	PublicRecords@sao.wa.gov
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov

Fund	Account	Title	Trans	Date	Trans Type
131 300 340	345 17 00 00 41	AOP Permit Fees	737	11/17/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	737	11/17/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	737	11/17/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	741	11/18/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	741	11/18/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	741	11/18/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	795	11/22/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	795	11/22/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	795	11/22/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	796	11/23/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	796	11/23/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	796	11/23/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	799	11/28/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	799	11/28/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	799	11/28/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	800	11/28/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	800	11/28/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	800	11/28/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	800	11/28/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	806	11/30/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	806	11/30/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	806	11/30/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	936	12/20/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	936	12/20/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	936	12/20/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	941	12/23/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	941	12/23/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	941	12/23/2016	Tr Rec
131 300 340	345 17 00 00 41	AOP Permit Fees	2454	6/8/2017	Tr Rec
131 300 340	368 50 00 00 31	Local Assessment Funding AOP	2659	6/30/2017	Adjustmt

Vendor	Amount	Remark
Melcher Manufacturing	4,113.56	
Melcher Manufacturing	3,000.00	
Melcher Manufacturing	295.22	
Transcanadas Gtn System	3,000.00	
Transcanadas Gtn System	9,785.18	
Transcanadas Gtn System	6,674.19	
Fiber Tech Industries Inc	3,000.00	
Fiber Tech Industries Inc	1,310.80	
Fiber Tech Industries Inc	3,391.62	
Kaiser Aluminum Washington LLC	16,521.91	
Kaiser Aluminum Washington LLC	27,927.00	
Kaiser Aluminum Washington LLC	3,000.00	
Northside Landfill	3,000.00	
Northside Landfill	157.76	
Northside Landfill	10,960.71	
Spokane Regional Solid Waste System	3,000.00	
Spokane Regional Solid Waste System	24,304.32	
Spokane Regional Solid Waste System	12,370.75	
Inland Empire Paper Company	6,967.48	
Inland Empire Paper Company	7,990.08	
Inland Empire Paper Company	3,000.00	
Haakon Industries	3,000.00	
Haakon Industries	1,145.50	
Haakon Industries	2,680.96	
Mutual Materials Company	3,000.00	
Mutual Materials Company	7,320.18	
Mutual Materials Company	4,846.78	
Irs Environmental	9.5	
Ncm Contracting Group LP	<u>17,025.09</u>	Funding Adjustment For AOP Program
	192,798.59	

Fund	Account	Title	Trans	Date	Bank Acct	Check #
131 300 430	553 70 43 00 41	AOP Travel/Training	497	10/4/2016	1	1648
131 300 430	553 70 43 00 41	AOP Travel/Training	2046	4/5/2017	1	10080
131 300 430	553 70 43 00 41	AOP Travel/Training	2555	6/27/2017	1	10225
131 300 516	553 70 11 00 41	AOP Salaries	19	7/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	20	7/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	21	7/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	23	7/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	27	7/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	32	7/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	33	7/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	37	7/15/2016	1	1480
131 300 516	553 70 11 00 41	AOP Salaries	38	7/15/2016	1	1481
131 300 516	553 70 11 00 41	AOP Salaries	38	7/15/2016	1	1481
131 300 516	553 70 11 00 41	AOP Salaries	39	7/15/2016	1	1482
131 300 516	553 70 11 00 41	AOP Salaries	39	7/15/2016	1	1482
131 300 516	553 70 11 00 41	AOP Salaries	39	7/15/2016	1	1482
131 300 516	553 70 11 00 41	AOP Salaries	40	7/15/2016	1	1483
131 300 516	553 70 11 00 41	AOP Salaries	41	7/15/2016	1	1484
131 300 516	553 70 11 00 41	AOP Salaries	102	7/29/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	103	7/29/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	106	7/29/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	114	7/29/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	117	7/29/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	119	7/29/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	120	7/29/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	122	7/29/2016	1	1523
131 300 516	553 70 11 00 41	AOP Salaries	123	7/29/2016	1	1524
131 300 516	553 70 11 00 41	AOP Salaries	123	7/29/2016	1	1524
131 300 516	553 70 11 00 41	AOP Salaries	124	7/29/2016	1	1525
131 300 516	553 70 11 00 41	AOP Salaries	125	7/29/2016	1	1526
131 300 516	553 70 11 00 41	AOP Salaries	170	8/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	171	8/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	174	8/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	178	8/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	181	8/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	183	8/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	184	8/15/2016	1	
131 300 516	553 70 11 00 41	AOP Salaries	186	8/15/2016	1	1542
131 300 516	553 70 11 00 41	AOP Salaries	187	8/15/2016	1	1543
131 300 516	553 70 11 00 41	AOP Salaries	187	8/15/2016	1	1543
131 300 516	553 70 11 00 41	AOP Salaries	188	8/15/2016	1	1544
131 300 516	553 70 11 00 41	AOP Salaries	188	8/15/2016	1	1544
131 300 516	553 70 11 00 41	AOP Salaries	188	8/15/2016	1	1544
131 300 516	553 70 11 00 41	AOP Salaries	189	8/15/2016	1	1545
131 300 516	553 70 11 00 41	AOP Salaries	190	8/15/2016	1	1546
131 300 516	553 70 11 00 41	AOP Salaries	254	8/31/2016	1	

131 300 516 553 70 21 00 41	AOP Benefits	123	7/29/2016	1	1524
131 300 516 553 70 21 00 41	AOP Benefits	125	7/29/2016	1	1526
131 300 516 553 70 21 00 41	AOP Benefits	127	7/29/2016	1	1528
131 300 516 553 70 21 00 41	AOP Benefits	187	8/15/2016	1	1543
131 300 516 553 70 21 00 41	AOP Benefits	187	8/15/2016	1	1543
131 300 516 553 70 21 00 41	AOP Benefits	188	8/15/2016	1	1544
131 300 516 553 70 21 00 41	AOP Benefits	190	8/15/2016	1	1546
131 300 516 553 70 21 00 41	AOP Benefits	191	8/15/2016	1	1547
131 300 516 553 70 21 00 41	AOP Benefits	271	8/31/2016	1	1571
131 300 516 553 70 21 00 41	AOP Benefits	271	8/31/2016	1	1571
131 300 516 553 70 21 00 41	AOP Benefits	273	8/31/2016	1	1573
131 300 516 553 70 21 00 41	AOP Benefits	275	8/31/2016	1	1575
131 300 516 553 70 21 00 41	AOP Benefits	354	9/15/2016	1	1597
131 300 516 553 70 21 00 41	AOP Benefits	354	9/15/2016	1	1597
131 300 516 553 70 21 00 41	AOP Benefits	355	9/15/2016	1	1598
131 300 516 553 70 21 00 41	AOP Benefits	357	9/15/2016	1	1600
131 300 516 553 70 21 00 41	AOP Benefits	358	9/15/2016	1	1601
131 300 516 553 70 21 00 41	AOP Benefits	448	9/30/2016	1	1622
131 300 516 553 70 21 00 41	AOP Benefits	448	9/30/2016	1	1622
131 300 516 553 70 21 00 41	AOP Benefits	450	9/30/2016	1	1624
131 300 516 553 70 21 00 41	AOP Benefits	452	9/30/2016	1	1626
131 300 516 553 70 21 00 41	AOP Benefits	491	10/4/2016	1	1642
131 300 516 553 70 21 00 41	AOP Benefits	492	10/4/2016	1	1643
131 300 516 553 70 21 00 41	AOP Benefits	527	10/14/2016	1	1652
131 300 516 553 70 21 00 41	AOP Benefits	527	10/14/2016	1	1652
131 300 516 553 70 21 00 41	AOP Benefits	528	10/14/2016	1	1653
131 300 516 553 70 21 00 41	AOP Benefits	530	10/14/2016	1	1655
131 300 516 553 70 21 00 41	AOP Benefits	531	10/14/2016	1	1656
131 300 516 553 70 21 00 41	AOP Benefits	615	10/31/2016	1	1686
131 300 516 553 70 21 00 41	AOP Benefits	615	10/31/2016	1	1686
131 300 516 553 70 21 00 41	AOP Benefits	617	10/31/2016	1	1688
131 300 516 553 70 21 00 41	AOP Benefits	619	10/31/2016	1	1690
131 300 516 553 70 21 00 41	AOP Benefits	699	11/15/2016	1	1717
131 300 516 553 70 21 00 41	AOP Benefits	699	11/15/2016	1	1717
131 300 516 553 70 21 00 41	AOP Benefits	700	11/15/2016	1	1718
131 300 516 553 70 21 00 41	AOP Benefits	702	11/15/2016	1	1720
131 300 516 553 70 21 00 41	AOP Benefits	703	11/15/2016	1	1721
131 300 516 553 70 21 00 41	AOP Benefits	763	11/30/2016	1	1736
131 300 516 553 70 21 00 41	AOP Benefits	763	11/30/2016	1	1736
131 300 516 553 70 21 00 41	AOP Benefits	765	11/30/2016	1	1738
131 300 516 553 70 21 00 41	AOP Benefits	767	11/30/2016	1	1740
131 300 516 553 70 21 00 41	AOP Benefits	848	12/15/2016	1	1771
131 300 516 553 70 21 00 41	AOP Benefits	848	12/15/2016	1	1771
131 300 516 553 70 21 00 41	AOP Benefits	849	12/15/2016	1	1772
131 300 516 553 70 21 00 41	AOP Benefits	851	12/15/2016	1	1774
131 300 516 553 70 21 00 41	AOP Benefits	852	12/15/2016	1	1775
131 300 516 553 70 21 00 41	AOP Benefits	893	12/30/2016	1	1779

131 300 516 553 70 21 00 41	AOP Benefits	893	12/30/2016	1	1779
131 300 516 553 70 21 00 41	AOP Benefits	895	12/30/2016	1	1781
131 300 516 553 70 21 00 41	AOP Benefits	897	12/30/2016	1	1783
131 300 516 553 70 21 00 41	AOP Benefits	1997	12/31/2016	0	
131 300 516 553 70 21 00 41	AOP Benefits	963	1/5/2017	1	1814
131 300 516 553 70 21 00 41	AOP Benefits	965	1/5/2017	1	1816
131 300 516 553 70 21 00 41	AOP Benefits	1007	1/13/2017	1	1833
131 300 516 553 70 21 00 41	AOP Benefits	1007	1/13/2017	1	1833
131 300 516 553 70 21 00 41	AOP Benefits	1008	1/13/2017	1	1834
131 300 516 553 70 21 00 41	AOP Benefits	1010	1/13/2017	1	1836
131 300 516 553 70 21 00 41	AOP Benefits	1011	1/13/2017	1	1837
131 300 516 553 70 21 00 41	AOP Benefits	1230	1/30/2017	1	1875
131 300 516 553 70 21 00 41	AOP Benefits	1233	1/30/2017	1	1872
131 300 516 553 70 21 00 41	AOP Benefits	1433	1/30/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1433	1/30/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1437	2/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1437	2/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1439	2/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1440	2/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1442	2/15/2017	1	1880
131 300 516 553 70 21 00 41	AOP Benefits	1626	2/28/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1626	2/28/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1628	2/28/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1629	2/28/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1869	3/15/2017	1	10035
131 300 516 553 70 21 00 41	AOP Benefits	1874	3/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1875	3/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1875	3/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1877	3/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	1956	3/31/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2000	3/31/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2000	3/31/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2002	3/31/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2115	4/12/2017	1	10095
131 300 516 553 70 21 00 41	AOP Benefits	2118	4/12/2017	1	10096
131 300 516 553 70 21 00 41	AOP Benefits	2103	4/14/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2104	4/14/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2106	4/14/2017	1	10093
131 300 516 553 70 21 00 41	AOP Benefits	2191	4/28/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2192	4/28/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2195	4/28/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2195	4/28/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2265	5/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2265	5/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2267	5/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2268	5/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2269	5/15/2017	1	10141

131 300 516 553 70 21 00 41	AOP Benefits	2348	5/31/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2348	5/31/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2350	5/31/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2351	5/31/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2444	6/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2444	6/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2446	6/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2447	6/15/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2448	6/15/2017	1	10194
131 300 516 553 70 21 00 41	AOP Benefits	2538	6/30/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2538	6/30/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2540	6/30/2017	1	
131 300 516 553 70 21 00 41	AOP Benefits	2541	6/30/2017	1	
131 300 586 553 70 51 00 41	Indirect Expense AOP	2629	6/30/2017	0	

Trans Type	Vendor	Amount
Claims	Smoke School Inc	190.00
Claims	Smoke School Inc	190.00
Claims	April Westby	301.80
Payroll	John M Conklin	526.13
Payroll	Brandy M Dickinson	257.09
Payroll	Deirdre M Fitzgerald	-
Payroll	Mary L Kataoka	52.70
Payroll	Russell D Neumiller	-
Payroll	Joe R Southwell	312.24
Payroll	April L Westby	896.99
Payroll	AFLAC	8.74
Payroll	Department Of Retirement Systems	130.79
Payroll	Department Of Retirement Systems	50.19
Payroll	Health Care Authority	103.89
Payroll	Health Care Authority	4.62
Payroll	Health Care Authority	9.69
Payroll	Nationwide Retirement Solutions	250.52
Payroll	US Bank Taxes	348.49
Payroll	John M Conklin	173.97
Payroll	Brandy M Dickinson	518.97
Payroll	Mary L Kataoka	49.57
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	88.62
Payroll	Joe R Southwell	404.04
Payroll	April L Westby	1,025.83
Payroll	AFLAC	12.84
Payroll	Department Of Retirement Systems	111.70
Payroll	Department Of Retirement Systems	73.58
Payroll	Nationwide Retirement Solutions	260.10
Payroll	US Bank Taxes	352.42
Payroll	John M Conklin	173.97
Payroll	Brandy M Dickinson	188.32
Payroll	Mary L Kataoka	175.26
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	66.46
Payroll	Joe R Southwell	243.67
Payroll	April L Westby	948.29
Payroll	AFLAC	16.98
Payroll	Department Of Retirement Systems	126.41
Payroll	Department Of Retirement Systems	39.26
Payroll	Health Care Authority	131.17
Payroll	Health Care Authority	3.69
Payroll	Health Care Authority	8.81
Payroll	Nationwide Retirement Solutions	278.81
Payroll	US Bank Taxes	301.56
Payroll	John M Conklin	173.97

Payroll	Brandy M Dickinson	203.88
Payroll	Mary L Kataoka	49.57
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	66.47
Payroll	Joe R Southwell	404.04
Payroll	April L Westby	1,025.83
Payroll	AFLAC	7.06
Payroll	Department Of Retirement Systems	109.90
Payroll	Department Of Retirement Systems	51.86
Payroll	Nationwide Retirement Solutions	231.35
Payroll	US Bank Taxes	287.26
Payroll	John M Conklin	174.04
Payroll	Brandy M Dickinson	188.48
Payroll	Mary L Kataoka	89.25
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	-
Payroll	Joe R Southwell	365.95
Payroll	April L Westby	1,066.58
Payroll	AFLAC	10.46
Payroll	Department Of Retirement Systems	120.57
Payroll	Department Of Retirement Systems	51.86
Payroll	Health Care Authority	10.26
Payroll	Health Care Authority	138.51
Payroll	Health Care Authority	5.05
Payroll	Nationwide Retirement Solutions	261.00
Payroll	US Bank Taxes	305.41
Payroll	John M Conklin	173.97
Payroll	Brandy M Dickinson	74.14
Payroll	Mary L Kataoka	49.57
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.16
Payroll	Joe R Southwell	404.04
Payroll	April L Westby	1,041.01
Payroll	AFLAC	4.68
Payroll	Department Of Retirement Systems	107.46
Payroll	Department Of Retirement Systems	42.92
Payroll	Nationwide Retirement Solutions	216.61
Payroll	US Bank Taxes	257.54
Payroll	Dept Of Labor And Industry	31.41
Payroll	John M Conklin	574.25
Payroll	Brandy M Dickinson	673.52
Payroll	Mary L Kataoka	43.89
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	212.56
Payroll	Joe R Southwell	365.56
Payroll	April L Westby	1,240.50
Payroll	AFLAC	16.69

Payroll	Department Of Retirement Systems	181.54
Payroll	Department Of Retirement Systems	88.05
Payroll	Health Care Authority	180.29
Payroll	Health Care Authority	7.06
Payroll	Health Care Authority	16.81
Payroll	Nationwide Retirement Solutions	354.67
Payroll	US Bank Taxes	546.41
Payroll	John M Conklin	173.97
Payroll	Brandy M Dickinson	74.14
Payroll	Mary L Kataoka	49.57
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.91
Payroll	Joe R Southwell	404.04
Payroll	April L Westby	1,041.01
Payroll	AFLAC	4.68
Payroll	Department Of Retirement Systems	107.53
Payroll	Department Of Retirement Systems	42.92
Payroll	Nationwide Retirement Solutions	216.68
Payroll	US Bank Taxes	257.81
Payroll	John M Conklin	210.45
Payroll	Brandy M Dickinson	451.23
Payroll	Mary L Kataoka	43.90
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.91
Payroll	Joe R Southwell	290.12
Payroll	April L Westby	962.48
Payroll	AFLAC	12.28
Payroll	Department Of Retirement Systems	110.61
Payroll	Department Of Retirement Systems	63.68
Payroll	Health Care Authority	136.69
Payroll	Health Care Authority	5.23
Payroll	Health Care Authority	12.26
Payroll	Nationwide Retirement Solutions	242.81
Payroll	US Bank Taxes	338.58
Payroll	John M Conklin	173.97
Payroll	Brandy M Dickinson	74.14
Payroll	Mary L Kataoka	49.57
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.91
Payroll	Joe R Southwell	404.04
Payroll	April L Westby	1,041.01
Payroll	AFLAC	4.68
Payroll	Department Of Retirement Systems	107.53
Payroll	Department Of Retirement Systems	42.92
Payroll	Nationwide Retirement Solutions	216.68
Payroll	US Bank Taxes	257.81
Payroll	John M Conklin	173.97

Payroll	Brandy M Dickinson	772.53
Payroll	Mary L Kataoka	43.91
Payroll	Barbara Nelson	87.23
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.91
Payroll	Joe R Southwell	365.70
Payroll	April L Westby	962.46
Payroll	AFLAC	20.63
Payroll	Department Of Retirement Systems	115.51
Payroll	Department Of Retirement Systems	95.48
Payroll	Health Care Authority	170.93
Payroll	Health Care Authority	7.37
Payroll	Health Care Authority	16.61
Payroll	Nationwide Retirement Solutions	289.94
Payroll	US Bank Taxes	426.74
Payroll	John M Conklin	174.02
Payroll	Brandy M Dickinson	74.21
Payroll	Mary L Kataoka	49.59
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.92
Payroll	Joe R Southwell	404.12
Payroll	April L Westby	1,041.19
Payroll	AFLAC	4.68
Payroll	Department Of Retirement Systems	107.54
Payroll	Department Of Retirement Systems	42.92
Payroll	Nationwide Retirement Solutions	216.68
Payroll	US Bank Taxes	257.81
Adjustmt	Ncm Contracting Group LP	(1,845.33)
Payroll	Dept Of Labor And Industry	37.84
Payroll	John M Conklin	174.22
Payroll	Brandy M Dickinson	479.43
Payroll	Mary L Kataoka	149.56
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	42.94
Payroll	Joe R Southwell	364.60
Payroll	April L Westby	853.28
Payroll	AFLAC	19.58
Payroll	Department Of Retirement Systems	111.28
Payroll	Department Of Retirement Systems	73.90
Payroll	Health Care Authority	149.92
Payroll	Health Care Authority	14.88
Payroll	Nationwide Retirement Solutions	290.34
Payroll	US Bank Taxes	349.69
Payroll	John M Conklin	174.17
Payroll	Brandy M Dickinson	74.19
Payroll	Mary L Kataoka	49.57
Payroll	Russell D Neumiller	-

Payroll	Lori J Rodriguez	22.93
Payroll	Joe R Southwell	404.04
Payroll	April L Westby	1,041.38
Payroll	Nationwide Retirement Solutions	216.68
Payroll	AFLAC	4.68
Payroll	US Bank Taxes	257.18
Payroll	Department Of Retirement Systems	42.92
Payroll	Department Of Retirement Systems	107.53
Payroll	John M Conklin	174.28
Payroll	Brandy M Dickinson	67.92
Payroll	Mary L Kataoka	59.93
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.94
Payroll	Joe R Southwell	364.65
Payroll	April L Westby	953.63
Payroll	Department Of Retirement Systems	42.92
Payroll	Department Of Retirement Systems	108.64
Payroll	Nationwide Retirement Solutions	221.19
Payroll	US Bank Taxes	259.29
Payroll	AFLAC	4.68
Payroll	Health Care Authority	124.97
Payroll	Health Care Authority	9.73
Payroll	John M Conklin	174.17
Payroll	Brandy M Dickinson	74.19
Payroll	Mary L Kataoka	59.87
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.93
Payroll	Joe R Southwell	404.04
Payroll	April L Westby	1,041.38
Payroll	AFLAC	4.68
Payroll	Department Of Retirement Systems	108.63
Payroll	Department Of Retirement Systems	42.92
Payroll	Nationwide Retirement Solutions	221.19
Payroll	US Bank Taxes	259.29
Payroll	John M Conklin	182.56
Payroll	Brandy M Dickinson	67.94
Payroll	Mary L Kataoka	59.90
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.96
Payroll	Joe R Southwell	364.60
Payroll	April L Westby	953.17
Payroll	AFLAC	4.68
Payroll	Health Care Authority	124.97
Payroll	Health Care Authority	9.73
Payroll	US Bank Taxes	259.43
Payroll	Department Of Retirement Systems	42.92
Payroll	Department Of Retirement Systems	109.22

Payroll	Nationwide Retirement Solutions	221.78
Payroll	John M Conklin	180.32
Payroll	Brandy M Dickinson	74.19
Payroll	Mary L Kataoka	59.87
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.93
Payroll	Joe R Southwell	397.74
Payroll	April L Westby	1,041.38
Payroll	US Bank Taxes	260.33
Payroll	Department Of Retirement Systems	109.22
Payroll	Department Of Retirement Systems	42.92
Payroll	Nationwide Retirement Solutions	229.28
Payroll	AFLAC	4.68
Payroll	Dept Of Labor And Industry	25.95
Payroll	John M Conklin	180.32
Payroll	Brandy M Dickinson	66.68
Payroll	Mary L Kataoka	59.94
Payroll	Lori J Rodriguez	22.93
Payroll	Joe R Southwell	358.18
Payroll	April L Westby	953.02
Payroll	Russell D Neumiller	-
Payroll	US Bank Taxes	260.33
Payroll	Nationwide Retirement Solutions	229.27
Payroll	Health Care Authority	124.97
Payroll	Health Care Authority	9.73
Payroll	AFLAC	5.84
Payroll	John M Conklin	180.32
Payroll	Brandy M Dickinson	73.03
Payroll	Mary L Kataoka	59.87
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.93
Payroll	Joe R Southwell	397.74
Payroll	April L Westby	1,041.38
Payroll	Nationwide Retirement Solutions	229.28
Payroll	US Bank Taxes	260.33
Payroll	AFLAC	5.84
Payroll	Department Of Retirement Systems	109.22
Payroll	Department Of Retirement Systems	42.92
Payroll	John M Conklin	180.32
Payroll	Brandy M Dickinson	66.60
Payroll	Mary L Kataoka	59.93
Payroll	Russell D Neumiller	-
Payroll	Joe R Southwell	358.28
Payroll	April L Westby	953.92
Payroll	Lori J Rodriguez	22.95
Payroll	Department Of Retirement Systems	109.23
Payroll	Department Of Retirement Systems	42.92

Payroll	US Bank Taxes	260.33
Payroll	Health Care Authority	124.97
Payroll	Health Care Authority	9.73
Payroll	Nationwide Retirement Solutions	229.27
Payroll	John M Conklin	180.32
Payroll	Brandy M Dickinson	73.03
Payroll	Mary L Kataoka	59.87
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.93
Payroll	Joe R Southwell	397.74
Payroll	April L Westby	1,041.38
Payroll	Department Of Retirement Systems	109.22
Payroll	Department Of Retirement Systems	42.92
Payroll	Nationwide Retirement Solutions	229.28
Payroll	US Bank Taxes	260.33
Payroll	AFLAC	11.68
Payroll	John M Conklin	180.41
Payroll	Brandy M Dickinson	66.70
Payroll	Mary L Kataoka	60.00
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.94
Payroll	Joe R Southwell	358.18
Payroll	April L Westby	953.32
Payroll	Department Of Retirement Systems	109.22
Payroll	Department Of Retirement Systems	42.92
Payroll	Nationwide Retirement Solutions	229.27
Payroll	US Bank Taxes	260.33
Payroll	Health Care Authority	124.97
Payroll	Health Care Authority	9.73
Payroll	John M Conklin	180.32
Payroll	Brandy M Dickinson	73.03
Payroll	Mary L Kataoka	59.87
Payroll	Russell D Neumiller	-
Payroll	Lori J Rodriguez	22.93
Payroll	Joe R Southwell	397.74
Payroll	April L Westby	1,041.38
Payroll	Department Of Retirement Systems	109.22
Payroll	Department Of Retirement Systems	42.92
Payroll	Nationwide Retirement Solutions	229.28
Payroll	US Bank Taxes	260.33
Payroll	AFLAC	11.68
Payroll	Department Of Retirement Systems	238.94
Payroll	Department Of Retirement Systems	91.57
Payroll	Health Care Authority	1,135.63
Payroll	US Bank Taxes	42.87
Payroll	Vantagepoint Transfer Agents 401	183.29
Payroll	Department Of Retirement Systems	204.05

Payroll	Department Of Retirement Systems	140.38
Payroll	US Bank Taxes	44.67
Payroll	Vantagepoint Transfer Agents 401	191.01
Payroll	Department Of Retirement Systems	230.93
Payroll	Department Of Retirement Systems	71.68
Payroll	Health Care Authority	1,185.34
Payroll	US Bank Taxes	39.25
Payroll	Vantagepoint Transfer Agents 401	167.83
Payroll	Department Of Retirement Systems	200.76
Payroll	Department Of Retirement Systems	91.81
Payroll	US Bank Taxes	37.95
Payroll	Vantagepoint Transfer Agents 401	162.26
Payroll	Department Of Retirement Systems	220.25
Payroll	Department Of Retirement Systems	91.81
Payroll	Health Care Authority	1,189.02
Payroll	US Bank Taxes	40.47
Payroll	Vantagepoint Transfer Agents 401	173.07
Payroll	Department Of Retirement Systems	196.32
Payroll	Department Of Retirement Systems	71.82
Payroll	US Bank Taxes	34.77
Payroll	Vantagepoint Transfer Agents 401	148.71
Payroll	Dept Of Labor And Industry	82.14
Payroll	Employment Security Department	31.43
Payroll	Department Of Retirement Systems	331.64
Payroll	Department Of Retirement Systems	172.74
Payroll	Health Care Authority	1,817.69
Payroll	US Bank Taxes	65.41
Payroll	Vantagepoint Transfer Agents 401	279.71
Payroll	Department Of Retirement Systems	196.45
Payroll	Department Of Retirement Systems	71.82
Payroll	US Bank Taxes	34.78
Payroll	Vantagepoint Transfer Agents 401	148.78
Payroll	Department Of Retirement Systems	202.07
Payroll	Department Of Retirement Systems	123.21
Payroll	Health Care Authority	1,231.01
Payroll	US Bank Taxes	42.18
Payroll	Vantagepoint Transfer Agents 401	180.39
Payroll	Department Of Retirement Systems	196.45
Payroll	Department Of Retirement Systems	71.82
Payroll	US Bank Taxes	34.78
Payroll	Vantagepoint Transfer Agents 401	148.78
Payroll	Department Of Retirement Systems	211.03
Payroll	Department Of Retirement Systems	189.34
Payroll	Health Care Authority	1,547.24
Payroll	US Bank Taxes	51.91
Payroll	Vantagepoint Transfer Agents 401	222.04
Payroll	Department Of Retirement Systems	196.46

Payroll	Department Of Retirement Systems	71.82
Payroll	US Bank Taxes	34.78
Payroll	Vantagepoint Transfer Agents 401	148.78
Adjustmt	Ncm Contracting Group LP	308.86
Payroll	Dept Of Labor And Industry	103.35
Payroll	Employment Security Department	13.52
Payroll	Department Of Retirement Systems	203.30
Payroll	Department Of Retirement Systems	141.10
Payroll	Health Care Authority	1,439.59
Payroll	US Bank Taxes	44.66
Payroll	Vantagepoint Transfer Agents 401	190.99
Payroll	Vantagepoint Transfer Agents 401	148.78
Payroll	US Bank Taxes	34.78
Payroll	Department Of Retirement Systems	71.82
Payroll	Department Of Retirement Systems	196.45
Payroll	Department Of Retirement Systems	71.82
Payroll	Department Of Retirement Systems	198.46
Payroll	US Bank Taxes	35.04
Payroll	Vantagepoint Transfer Agents 401	149.90
Payroll	Health Care Authority	1,081.16
Payroll	Department Of Retirement Systems	198.46
Payroll	Department Of Retirement Systems	71.82
Payroll	US Bank Taxes	35.04
Payroll	Vantagepoint Transfer Agents 401	149.90
Payroll	Health Care Authority	1,081.17
Payroll	US Bank Taxes	35.18
Payroll	Department Of Retirement Systems	71.82
Payroll	Department Of Retirement Systems	199.54
Payroll	Vantagepoint Transfer Agents 401	150.49
Payroll	US Bank Taxes	35.18
Payroll	Department Of Retirement Systems	199.53
Payroll	Department Of Retirement Systems	71.82
Payroll	Vantagepoint Transfer Agents 401	150.49
Payroll	Dept Of Labor And Industry	62.54
Payroll	Employment Security Department	56.13
Payroll	US Bank Taxes	35.18
Payroll	Vantagepoint Transfer Agents 401	150.49
Payroll	Health Care Authority	1,081.16
Payroll	US Bank Taxes	35.18
Payroll	Vantagepoint Transfer Agents 401	150.49
Payroll	Department Of Retirement Systems	199.53
Payroll	Department Of Retirement Systems	71.82
Payroll	Department Of Retirement Systems	199.54
Payroll	Department Of Retirement Systems	71.82
Payroll	US Bank Taxes	35.18
Payroll	Vantagepoint Transfer Agents 401	150.49
Payroll	Health Care Authority	1,081.17

Payroll	Department Of Retirement Systems	199.53
Payroll	Department Of Retirement Systems	71.82
Payroll	US Bank Taxes	35.18
Payroll	Vantagepoint Transfer Agents 401	150.49
Payroll	Department Of Retirement Systems	199.53
Payroll	Department Of Retirement Systems	71.82
Payroll	US Bank Taxes	35.18
Payroll	Vantagepoint Transfer Agents 401	150.49
Payroll	Health Care Authority	1,081.16
Payroll	Department Of Retirement Systems	199.53
Payroll	Department Of Retirement Systems	71.82
Payroll	US Bank Taxes	35.18
Payroll	Vantagepoint Transfer Agents 401	150.49
Adjustmt	Ncm Contracting Group LP	<u>102,173.00</u>
		<u>192,798.59</u>

Remark

Smoke School

AOP Travel/Training

001 Indirect Recovery - AOP

**SPOKANE COUNTY AIR POLLUTION CONTROL AUTHORITY
EPA TITLE V PROGRAM REVIEW “ACTION PLAN”**

As requested in the Introduction section of the report, SCAPCA is responding to the concerns identified in the report. SCAPCA's responses are structured to match the formatting and numbering conventions used in EPA's report.

A. Title V Permit Preparation and Content

EPA Concern	Proposed SCAPCA Action to Address Concern	Schedule for SCAPCA Action to Address Concern	2018 Status of EPA Concern
1. Table format used by SCAPCA in permits	SCAPCA would prefer to continue using the table format in our Title V permits for several reasons. First, our sources like the table format for ease of reading and because it is what they are accustomed to seeing. Second, as stated in the report, other permitting authorities in Washington use the table format, which leads to more state-wide consistency and uniformity in permits written by local authorities in Washington. Lastly, SCAPCA's format includes all of the required elements for a Title V permit.	N/A	SRCAA is still using table format in permits
2. Statements of basis should contain a discussion of facility's compliance history	In the future, SCAPCA will add a discussion of the facility's compliance history to the statements of basis.	SCAPCA will implement action in all new and renewal permits drafted from this point forward	SRCAA includes a section on facility's compliance history in statements of basis.
3. Statements of basis should contain a discussion of facility permitting history	In the future, SCAPCA will add a discussion of the facility permitting history to the statements of basis	SCAPCA will implement action in all new and renewal permits drafted from this point forward	SRCAA includes a section on facility's permitting history in statements of basis.
4. Statements of basis should indicate whether a facility is a major source of HAPs	In the future, SCAPCA will add a discussion of whether the facility is a major source of HAPs to the statements of basis	SCAPCA will implement action in all new and renewal permits drafted from this point forward	SRCAA includes a discussion of the whether the facility is a major source of HAPs in the statements of basis.

C. Monitoring

EPA Concern	Proposed SCAPCA Action to Address Concern	Schedule for SCAPCA Action to Address Concern	2018 Status of EPA Concern
1. SCAPCA's permits contain general testing requirements that allow alternative test methods approved by SCAPCA	In the future, for federal testing requirements, SCAPCA will take "alternate test methods approved by SCAPCA" out of the permits. However, for non-federal testing requirements, permits will continue to allow for "alternate test methods approved by SCAPCA," especially if this provision is contained in the underlying requirement (e.g., NOC approval order).	SCAPCA will implement action in all new and renewal permits drafted from this point forward	SRCAA does not include any alternate test methods for federal testing requirements.
2. SCAPCA's permits do not include all compliance assurance provisions (e.g., monitoring plans) in permit.	In the future, SCAPCA will pull key provisions for assuring compliance with the emission limits from monitoring plans, such as the pressure drop range for a scrubber, and include them in the permit. SCAPCA already does this as a general practice. However, when an operation and maintenance plan includes best management practices and other procedural requirements and does not include measurable parameters or other key provisions that assure compliance with an emission limit, SCAPCA would prefer to keep the plan "off-permit." SCAPCA would also prefer to keep lengthy operation plans which are revised regularly, such as the one developed for our Waste-to-Energy facility, off-permit. Many of the revisions made to these plans would not have a direct correlation with any emission limit for the facility. If SCAPCA were required to revise an air operating permit for each change to an operation plan, this would cause a significant workload increase with little air quality benefit.	SCAPCA will implement action in all new and renewal permits drafted from this point forward	SRCAA pulls out key provisions, when possible, and includes them in the permit for assuring compliance with emission limits. However, for facilities with long and/or complicated O&M plans which are revised routinely, SRCAA still keeps the plan "off-permt."
3. Some of SCAPCA's permits	In the future, SCAPCA will strive to establish a relationship between a particulate limit and opacity	SCAPCA will implement action in all new and	SRCAA strives to establish a relationship

<p>allow for visible emission observations with a particulate limit other than opacity.</p>	<p>through emission testing or other reliable information, when opacity is used to monitor compliance with a particulate limit. However, this approach will only be used when opacity levels higher than 0% are used to demonstrate compliance with a particulate limit. SCAPCA will continue to use the “no visible emissions” (a.k.a., “smoke / no smoke”) concept as monitoring for particulate emission standards, without an established relationship between a particulate limit and opacity, because we concur that something will be visible before a compliance problem exists.</p>	<p>renewal permits drafted from this point forward</p>	<p>between particulate limit and opacity, when data is available. SRCAA still uses the “no visible emissions” concept as monitoring for particulate emission standards without an established relationship.</p>
<p>4. The frequency of source testing should be based on how close actual emissions are to the standard</p>	<p>SCAPCA does base the frequency of source testing on how close actual emissions are to the standard. However, SCAPCA also bases the frequency of source testing on how often the equipment operates. For the Avista peaking plant, which was referenced in the draft report, this equipment only runs every ~ 3 years, other than for testing purposes. SCAPCA does not think it is appropriate to require the equipment to operate solely for the purpose of testing the emissions. The peaking plant is required to be tested every 1,700 hours of operation (which would be triggered every three months, if the equipment was to run continuously) or every 5 years, whichever occurs first. SCAPCA believes that this approach is justifiable and adequately assures compliance with the emission limits, especially given in the frequency of operation for the equipment. SCAPCA also does require monitoring of the operational parameters that were monitored during the source test to ensure that the equipment is operating in the same manner as it did during the test. In the case of the Avista peaking plant, the only pertinent parameter to</p>	<p>SCAPCA will implement action in all new and renewal permits drafted from this point forward</p>	<p>SRCAA bases the frequency of source testing on how close the actual emissions are to the standard and how often the equipment operates.</p>

	monitor (since these are uncontrolled turbines, except for the oxidation catalysts) is the oxidation catalyst pressure drop. This parameter is required to be kept within the acceptable range specified in the O&M plan. SCAPCA did ensure that the acceptable range in the O&M plan was in-line with the pressure drop monitored during the source test. However, this fact was not well documented in the statement of basis. In the future, SCAPCA will more clearly document the relationships between required monitoring and operational parameters that are monitored during source tests in the statements of basis.		
5. The MRRR in permits are numbered such that it difficult to cite a particular section of a requirement	SCAPCA will attempt to separate out various sections of monitoring, recordkeeping, and reporting requirements, when appropriate and useful.	SCAPCA will implement action in all new and renewal permits drafted from this point forward	SRCAA attempts to separate out various sections of MRRR, when it is appropriate and/or possible.

D. Public Participation and Affected State Review

EPA Concern	Proposed SCAPCA Action to Address Concern	Schedule for SCAPCA Action to Address Concern	2018 Status of EPA Concern
1. SCAPCA's pre-draft permit work with permittees can create the impression that the permit issuance process is not an open process	During the public comment period on the draft permit, the public is welcome to look at SCAPCA's Air Operating Permit review files, which contains all "pre-draft" permit work and communications between the permittee and SCAPCA. During the public comment period, all comments received, including any comments on "pre-draft" permit work, is considered and addressed by SCAPCA.	N/A	SRCAA's practice remains the same on "pre-draft" work

E. Permit / Issuance / Revision / Renewal

EPA Concern	Proposed SCAPCA Action to Address Concern	Schedule for SCAPCA Action to Address Concern	2018 Status of EPA Concern
<p>1. Three of the four renewal applications received by SCAPCA were issued late.</p>	<p>SCAPCA attempts to issue all permits in a timely fashion. However, there are occasions when resource constraints and factors that are out of SCAPCA's control may cause a renewal permit to be issued after the initial permit expiration date. However, the facility would not be without a permit, since the initial permit remains in effect after the initial permit expires, provided that the applicant has submitted a timely renewal application to SCAPCA.</p>	<p>N/A</p>	<p>SRCAA's practice remains the same on renewal applications. Resource constraints and other factors are still present and create backlogs for renewal permits.</p>

F. Compliance

EPA Concern	Proposed SCAPCA Action to Address Concern	Schedule for SCAPCA Action to Address Concern	2018 Status of EPA Concern
<p>1. Permits need to clarify when a deviation occurs when monitored parameters are outside of the acceptable ranges and SCAPCA needs to add recordkeeping so each event of operation outside the acceptable range is documented</p>	<p>In the future, SCAPCA will clarify when a deviation occurs and add recordkeeping so that each event of operation outside of an acceptable range is documented.</p>	<p>SCAPCA will implement action in all new and renewal permits drafted from this point forward</p>	<p>SRCAA attempts to clarify when a deviation occurs when monitored parameters are outside of acceptable ranges.</p>

G. Resources and Internal Management Support

EPA Concern	Proposed SCAPCA Action to Address Concern	Schedule for SCAPCA Action to Address Concern	2018 Status of EPA Concern
1. Possible confusion related to the allocation of permitting staff labor cost to Title V and non-Title V budgets	This issue has been addressed with SCAPCA's recently revised Title V fee regulations. See SCAPCA Regulation I, Section 10.06 for the revised fee regulation.	Already been addressed	Already addressed
2. Possible confusion related to allocation of Title V penalties received by SCAPCA	SCAPCA has never used Title V penalties as Title V revenues and will not do so in the future.	N/A	Never has been an issue.
3. SCAPCA's Title V permit engineer has had limited access to Title V training.	SCAPCA is committed to providing access to pertinent training for all Title V staff. However, we have not seen much in the way of Title V training in recent years in any proximate population centers. We will watch for future training offered.	N/A	SRCAA has offered Title V training to all staff. Both permit engineers and the inspector attended EPA's most recent Title V workshop.
4. SCAPCA's Title V costs have exceeded revenues for a number of years.	This issue has been addressed by SCAPCA's recently revised fee regulations. In the revised fee regulation, all future Title V costs will be recovered, and past program deficit will be recovered over the next 10 year period.	Already been addressed	Already been addressed. No deficit to Title V program.

I. Document Review (Rules/Forms/Guidance)

EPA Concern	Proposed SCAPCA Action to Address Concern	Schedule for SCAPCA Action to Address Concern	2018 Status of EPA Concern
1. SCAPCA updates their Title V rates periodically, but has not submitted their	SCAPCA will send rule revisions that are directly contained in the SIP to EPA for review and approval. However, we are not aware of any requirement to send rules, such as routine fee	N/A	Three rules revisions to Title V fees have been done since 2003.

revisions to EPA for review and approval	adjustments, to EPA for review and approval.		
2. On Form A-1 of AOP renewal application, questions 10 and 11 imply that a permittee has a choice regarding whether off-permit changes would be integrated into the permit.	SCAPCA will change this item in our AOP renewal application to ensure that all off-permit changes made during the prior permit term will be incorporated into the renewal permit.	SCAPCA will implement action in all renewal applications sent out from this point forward	Change made to AOP renewal application.
3. Form A-1 of AOP renewal application and the instructions form omit the information that ambient air quality data and air emissions data are not entitled to confidential treatment.	SCAPCA will revise the AOP renewal application to cite the state law on confidentiality and clarify that ambient air quality data and air emissions data are not entitled to confidential treatment. SCAPCA has always ensured that any information claimed confidential by an applicant meets the state law on confidentiality (RCW 70.94.205) and does not include ambient air quality data and/or air emissions data.	SCAPCA will implement action in all renewal applications sent out from this point forward	Changes made to AOP renewal application.
4. EPA would prefer that SCAPCA's renewal application focus on requirements for claiming information as confidential under State law, rather than federal law.	SCAPCA will revise the instructions to Form A-1 in the AOP renewal application to refer to the state confidential law, rather than the federal law.	SCAPCA will implement action in all renewal applications sent out from this point forward	Changes made to AOP renewal application.

July 20, 2007

Richard Albright, Director
Office of Air, Waste and Toxics
United States EPA Region 10
1200 Sixth Avenue, AWT-107
Seattle, WA 98101

RE: SRCAA response to letter dated June 27, 2007

Dear Mr. Albright:

The Spokane Regional Clean Air Agency (SRCAA) has received your letter, dated June 27, 2007, describing the remaining outstanding issues regarding our Action Plan in response to the Title V Program Review Final Report. To address the remaining issues, SRCAA offers the following responses:

Testing requirements that allow alternative test methods

In future Air Operating Permits, SRCAA will not include a provision that allows for alternative test methods.

2018 Status

SRCAA does not include provisions that allow for alternative test methods.

Notice of Construction fees

Currently, SRCAA does track the time and costs associated with the Notice of Construction (NSR) program for the Title V sources. These costs are paid by the Title V sources as part of their annual fee under the SRCAA Time Fee. Therefore, it is not entirely true to state that funds collected under Title V are used to develop NSR permits, since the sources do pay for the time associated with the NSR permit.

However, in order to make the NSR fees completely separate from the Title V monies, SRCAA will amend our regulations to stipulate that the NSR fee schedule that currently only applies to non-Title V sources will apply to all sources (including Title V sources). Due to current Title V workloads (5 renewal applications currently in process) and the resources necessary to perform a regulation revision, SRCAA will not be able to initiate the regulation revision until 1st Quarter 2008. We trust EPA concurs that Title V permitting work which directly impacts air quality should take precedence over administrative issues like regulation amendments.

2018 Status

The NSR fees were separated from the Title V fees / monies through the fee revision completed by SRCAA in 2008.

If you have any questions about this letter, please contact April Westby of my staff at (509) 477-4727, ext. 105 or awestby@spokanecleanair.org

Sincerely,

SPOKANE REGIONAL CLEAN AIR AGENCY

William Dameworth
Director

Cc: Paul Koprowski, EPA Acting Washington Air Coordinator
Pat Nair, EPA Boise Office

PROPOSED REVISIONS TO SCAPCA AIR OPERATING PERMIT FEES

FACT SHEET

Summary of Proposed Changes:

- **New Three-Part Annual Fee**
 - 1) Base Fee of \$3,000 (same as current)
 - 2) Emission Fee of \$31.11 per ton of emissions from previous calendar year (same as current)
 - 3) **SCAPCA Time Fee** (new fee), which will cover the remaining AOP program costs not covered by the base fee and emission fee totals. The SCAPCA time fee will be calculated for each source by multiplying the remaining AOP program costs (those not covered by the base fee and emission fee totals) by the percentage of time that SCAPCA staff spent on the source during the year. SCAPCA will use detailed time accounting records to track time spent on each source to calculate the percentage of time spent on that source.

- **Notice of Construction (NOC) Fees Not Applicable to AOP Sources**

AOP Sources will no longer be required to pay fees related to Notice of Construction review (e.g., NOC filing fee, SEPA filing fee, NOC review fee, etc.). These fees will be included as part of the SCAPCA Time Fee.

- **Shortfall Recovery Fee for Next 10 Years**

Per EPA direction, SCAPCA must recover the past cumulative AOP program deficit, which has accrued over the past 12 years. To recover this deficit, which is expected to total ~\$45,000 at the end of this year, SCAPCA is proposing to institute a "Shortfall Recovery Fee" as part of the annual fee for the next ten years. The "Shortfall Recovery Fee" will spread recovery of the program deficit over a ten period. Each year, from 2006-2015, an equal fee will be assessed to the sources subject to the AOP program during that year. With the current number of AOP sources, SCAPCA estimates that each source will be charged ~\$500 per year for the next ten years to recover the past program deficit.

**Notice of Public Comment Period and Public Hearing for Proposed Revisions
To SCAPCA Regulation I, Sections 10.06 & 10.07
Air Operating Permit Fees**

Date: July 27, 2006

To: Air Operating Permit Sources and Other Interested Parties

From: April Westby, Environmental Engineer

Summary of Proposed Revisions

The Spokane County Air Pollution Control Authority (SCAPCA) has proposed revisions to SCAPCA Regulation I, Article X, Section 10.06 – Registration and Operating Permit Fees For Air Contaminant Sources and SCAPCA Regulation I, Article X, Section 10.07 – Application and Permit Fees for Notice of Construction and Application for Approval and for Notice of Intent to Install and Operate a Temporary Stationary Sources. The purpose of the revisions is to achieve full cost recovery of SCAPCA's Air Operating Permit (AOP) Program, as mandated by Federal and State Clean Air Acts. The proposed fee changes will allow SCAPCA to recover all future Air Operating Permit costs (i.e., achieve full cost recovery) as well as recover the past Air Operating Permit program deficit (~\$45,000) accrued over the past 10 years. Changes to the existing rules include:

1. Addition of SCAPCA time fee as part of the annual fee paid by sources that are subject to the AOP program during any portion of the calendar year;
2. Addition of Program deficit recovery fee as part of the annual fee paid by sources that are subject to the AOP program during any portion of the calendar year. The Program deficit recovery fee will expire in 2016 when the AOP program deficit will be zero; and
3. Elimination of Notice of Construction fees for AOP sources.

Proposed Revised Regulations

The proposed revised regulations are available for review on SCAPCA's web-site at www.scapca.org. To request a hard copy of the revised regulations, please contact April Westby at alwestby@scapca.org or (509) 477-4727 ext. 105.

Public Comment Period – Written Comments Requested

SCAPCA would like your written comments on the proposed Air Operating Permit Fee revisions. Please send written comments **on or before September 6, 2006** to:

SCAPCA
Attn: April Westby
1101 W. College, Suite 403
Spokane, WA 99201

Public Hearing Scheduled

A public hearing on the proposed changes to the Air Operating Permit Fees will be held during September's Board Meeting. At the public hearing, after public comments are heard, SCAPCA's Board of Directors will decide whether or not to adopt the proposed changes.

Date: September 7, 2006
Time: 9:30 am
Location: Spokane County Public Works Building
Lower Level Hearing Room
1206 W. Broadway
Spokane, WA 99201

More Information / Questions

For additional information, please contact April Westby at alwestby@scapca.org or (509) 477-4727, ext. 105.

A RESOLUTION AMENDING REGULATION I, ARTICLE X,)
SECTION 10.06 & 10.07 – AIR OPERATING PERMIT FEES) RESOLUTION 06-16

WHEREAS, pursuant to the provisions of the Washington Clean Air Act, Chapter 70.94 RCW, the Spokane County Air Pollution Control Authority (SCAPCA) was created as a municipal corporation of the State of Washington; and

WHEREAS, RCW 70.94.141 authorizes the Board of an activated authority to adopt, amend and repeal its own rules and regulations, and

WHEREAS, the 1990 amendments to the Federal Clean Air Act (42 USC 7401 et. seq.) mandate a nationally uniform permit program for major stationary sources of air pollution, including a system of fees, sufficient to recover all direct and indirect program costs, and

WHEREAS, the Washington Clean Air Act (Ch. 70.94 RCW) requires the system of fees to fully recover and not exceed the program costs, and

WHEREAS, RCW 70.94.162 authorizes SCAPCA to assess and collect fees sufficient to cover the direct and indirect costs of implementing an operating permit program; and SCAPCA has received delegated authority to administer the air operating permit program in Spokane County, and

WHEREAS, an amendment to the regulation is necessary to achieve full cost recovery in future years and recover past program deficit of ~\$19,000 over the next ten years;

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of SCAPCA, hereby adopts the amendments to SCAPCA Regulation I, Article X Sections 10.06 and 10.07 Air Operating Permit Fees; attached hereto as Appendix A.

DATED THIS 7TH DAY OF SEPTEMBER 2006.

SPOKANE COUNTY AIR POLLUTION CONTROL AUTHORITY

ATTEST:

WILLIAM O. DAMEWORTH, DIRECTOR

APPENDIX A RESOLUTION 06-16

AMENDATORY SECTION

REGULATION I, ARTICLE X, SECTIONS 10.06 & 10.07

ARTICLE X

SECTION 10.06 REGISTRATION AND OPERATING PERMIT FEES FOR AIR CONTAMINANT SOURCES

- A. Each source required by Article IV, Section 4.01 to be registered, each air operating permit source, and each source required by Article V, Section 5.02 to obtain an approved Notice of Construction and Application for Approval is subject to an annual fee for each calendar year, or portion of each calendar year, during which it operates. The owner or operator shall pay the fee, pursuant to the requirements in Section 10.02. Fees received pursuant to the registration program or the operating permit program shall not exceed the actual costs of program administration.
- B. The annual fee for each source shall be determined as follows:
1. For sources that are not subject to Section 10.06.B.3, 4, or 5. of this Regulation and which emit less than 5 tons per year of criteria and toxic air pollutants:
 - a. a flat fee of \$160; and
 - b. a \$30 fee for each stack and other emission point, not to exceed \$600; and
 - c. an emission fee of \$20 per ton of each criteria and toxic air pollutant; and
 - d. an additional fee of \$150 for each source which operated at least one incinerator or burn out oven during the registration period; and
 - e. an additional fee of \$100 if the source is required by the Authority to submit an annual emissions inventory to the Washington Emission Data System (WEDS).
 2. For sources that are not subject to Section 10.06.B.3, 4, or 5. of this Regulation and which emit 5 tons or more per year of criteria and toxic air pollutants, but less than 100 tons per year of any one criteria pollutant:
 - a. a flat fee of \$215; and
 - b. a \$30 fee for each stack and other emission point, not to exceed \$600; and
 - c. an emission fee of \$20 per ton of each criteria and toxic air pollutant; and
 - d. an additional fee of \$150 for each source which operated at least one incinerator or burn out oven during the registration period; and

- e. an additional fee of \$100 if the source is required by the Authority to submit an annual emissions inventory to the Washington Emission Data System (WEDS).

3. For facilities, where the dispensing of gasoline is the only registered emission point, and which are not subject to Section 10.06.B.4 of this Regulation, a flat fee of \$165.

~~(3)~~4. ~~For ((air operating permit sources, a share of the assessment by Ecology, pursuant to RCW 70.94.162(3), determined according to Section 10.06.D of this Regulation, plus:)) sources that are subject to the air operating permit (AOP) program during any portion of the calendar year:~~

- a. ~~((an))~~ Annual base fee of \$3,000; ~~((and))~~
- b. ~~((an))~~ Emission fee of \$31.11 per ton of actual emissions from the previous calendar year;
- c. SCAPCA time fee, as determined by the following formula:

$$TF_I = \frac{(H_I + H_G) \times RPC}{H_T}$$

Where,

TF_I is the SCAPCA time fee for AOP source, I;

H_I is the total SCAPCA staff hours spent on AOP source, I;

H_G is the total general hours SCAPCA staff spent on the AOP program divided by the total number of sources subject to the AOP program during any portion of the calendar year;

RPC is the remaining SCAPCA AOP program cost, calculated by subtracting the sum of the Section 10.06.B.4.a and b. fees from the total SCAPCA AOP program costs; and

H_T is the total number of hours SCAPCA staff spent on the AOP program, including total time spent on the AOP sources and general hours spent on the AOP program.

Note: H_I, H_G, H_T, and RPC are for the most recent SCAPCA fiscal year.

Note: H_I, H_G, and H_T are obtained from SCAPCA time accounting records.

- d. Program deficit recovery fee, as determined by the following formula:

$$PDRF_{I,y=2006 \rightarrow 2015} = \frac{\text{Remaining Program Deficit}_y}{(2016 - y)} \times \frac{E_{I(y-1)}}{E_{T(y-1)}}$$

Where,

PDRF_I is the program deficit recovery fee assessed during year “y” (from 2006-2015) to each AOP source, I, that operated during any portion of the calendar year “y”;

Remaining Program Deficit is the total cumulative funding deficit for SCAPCA's AOP program at the end of year "y";

"y" is the year, beginning in year 2006 and ending in year 2015;

E_I is the total (in tons) of actual emissions from AOP source, I, during the calendar year prior to year "y" (y-1); and

E_T is the sum (in tons) of the actual emissions from all AOP sources during the calendar year prior to year "y" (y-1).

Note: The program deficit recovery fee will expire in 2016 when the AOP program deficit will be zero.

e. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined by the following formula:

$$I = \frac{F_I \times A_E}{F_T}$$

Where,

I is the individual share of the assessment;

F_I is the total individual fee assessed pursuant to Section 10.06.B.4.a., b., c., and d. of this Regulation;

A_E is the total Ecology assessment pursuant to RCW 70.94.162(3); and

F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.B.4.a., b., c., and d. of this Regulation.

((4))5. For affected units under Section 404 of the Federal Clean Air Act (42 USC 7401 et seq):

a. A fee of \$50 per hour of time expended in carrying out the fee eligible activities specified in RCW 70.94.; and

b. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined by the following formula:

$$I = \frac{F_I \times A_E}{F_T}$$

Where,

I is the individual share of the assessment;

F_I is the total individual fee assessed pursuant to Section 10.06.B.5.a. of this Regulation;

A_E is the total Ecology assessment pursuant to RCW 70.94.162(3); and

F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.B.5.a. of this Regulation.

~~((b. a share of the assessment by Ecology, pursuant to RCW 70.94.162(3), determined pursuant to Section 10.06.D of this Regulation.~~

~~5. For facilities, where the dispensing of gasoline is the only registered emission point, and which are not subject to Section 10.06.B.3 of this Regulation, a flat fee of \$165.~~

~~C. The Board shall annually review the fee schedule for air operating permit sources and projected costs to implement the requirements of RCW 70.94.161 and determine if the total projected fee revenue to be collected pursuant to this Section is sufficient to recover program costs. Such review shall include opportunity for public review and comment on the projected costs and any changes to the operating permit fee schedule. Accordingly, the Authority shall account for program costs, including employee costs and overhead. If the Board determines that the total projected fee revenue is either significantly excessive or deficient for this purpose, then the Board shall amend the fee schedule to more accurately recover program costs.~~

~~D. Individual shares of the assessment pursuant to RCW 70.94.162(3) shall be determined by the following formula:~~

$$I = F_i \times A_E$$

$$F_T$$

~~Where,~~

~~I is the individual share of the assessment, and~~

~~F_i is the individual fee assessed pursuant to Section 10.06.B.3, or 4. of this Regulation, and~~

~~A_E is the total assessment pursuant to RCW 70.94.162(3), and~~

~~F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.B.3, or 4. of this Regulation.)~~

SECTION 10.07 APPLICATION AND PERMIT FEES FOR NOTICE OF CONSTRUCTION AND APPLICATION FOR APPROVAL AND FOR NOTICE OF INTENT TO INSTALL AND OPERATE A TEMPORARY STATIONARY SOURCE

The fees contained in Section 10.07 do not apply to air operating permit sources.

- A. Filing Fee - For each project required by Article V to file a Notice of Construction and Application for Approval (NOC) or a Notice of Intent to Install and Operate a Temporary Stationary Source, the applicant shall pay a filing fee of \$150 at the time of filing the application.
- B. Project Review Fee - IN ADDITION to the filing fee provided in Section 10.07.A, the applicant shall pay a fee, according to the following:
 1. Equipment fee - Sources for which an application is made for one or more emission points under one Notice of Construction or Notice of Intent to Install and Operate a Temporary Stationary Source application, as allowed in Section

5.02.G, the equipment fee, for each emissions unit and/or air pollution control system being installed or modified, shall be as follows:

a. Fuel Burning Equipment With or Without Air Pollution Control Equipment:

<u>Design Input Size (MMBtu/hr)</u>	<u>Fee</u>
.4 < 5	\$200
5 < 10	\$250
10 < 20	\$300
20 < 50	\$350
50 < 100	\$400
100 < 250	\$500
250 < 500	\$650
500 < UP	\$850

b. Refuse Burning Equipment Including Air Pollution Control Equipment:

<u>Capacity (ton/day)</u>	<u>Fee</u>
0 < 12	\$1,000
12 < 250	\$1,500
250 < UP	\$2,500

c. Process Equipment and/or Air Pollution Control Equipment or Uncontrolled Process Equipment:

<u>Actual ft³/min</u>	<u>Fee</u>
0 < 5,000	\$150
5,000 < 20,000	\$250
20,000 < 50,000	\$350
50,000 < 100,000	\$450
100,000 < 250,000	\$550
250,000 < 500,000	\$650
500,000 < UP	\$800

d. Gasoline dispensing facilities:

<u>Equipment Being Installed</u>	<u>Fee</u>
Annual facility gasoline throughput of less than 1.5 million gallons	\$150
Annual facility gasoline throughput of 1.5 million gallons or greater	\$250

e. For sources not included in the above categories, an hourly fee of \$50.00 per hour of time expended in project review.

2. Significant emissions review fee - In addition, except for projects subject to an equipment fee, pursuant to Section 10.07.B.1.e. above, for any new or modified source of air pollution to be constructed and anticipated to produce significant emissions, as defined in Article I, Section 1.04. of this Regulation, a significant emissions review fee of \$250.

3. Toxic air pollutant review fee - In addition, except for projects subject to an equipment fee, pursuant to Section 10.7.B.1.e. above, for any new or modified source of air pollution which requires review pursuant to Chapter 173-460 WAC, a toxic air pollutant review fee. For sources with one or more emission points under one Notice of Construction application, as allowed in Section 5.02.G, a

separate toxic air pollutant review fee applies to each emissions unit, or each group of like-kind emissions units, being installed or modified. A group of emissions units shall be considered as like-kind if the same set of emission calculations can be used to characterize emissions from each of the emissions units. The toxic air pollutant review fee shall be as follows:

- a. For a new or modified source using WAC 173-460-080(2)(e), Small Quantity Emission Rates, to demonstrate that ambient impacts are sufficiently low to protect human health and safety, as required WAC 173-460-070 & WAC 173-460, an additional charge of \$100;
 - b. For a new or modified source using dispersion screening models (e.g., EPA SCREEN or TSCREEN) under WAC 173-460-080(2)(c) to demonstrate that ambient impacts are sufficiently low to protect human health and safety, as required WAC 173-460-070, an additional charge of \$150;
 - c. For a new or modified source using more refined dispersion models (e.g., EPA ISC3) under WAC 173-460-080(2)(c) to demonstrate that ambient impacts are sufficiently low to protect human health and safety, as required WAC 173-460-070, an additional charge of \$400; or
 - d. For a new or modified source using a second tier analysis under WAC 173-460-090 or a risk management decision under WAC 173-460-100 to demonstrate that ambient impacts are sufficiently low to protect human health and safety, as required WAC 173-460-070, an additional charge of \$1000.
4. NSPS Review Fee - In addition, except for projects subject to an equipment fee, pursuant to Section 10.07.B.1.e. above, for any new or modified source of air pollution, subject to a standard under WAC 173-400-115 (NSPS), an additional charge as follows:
- a. If subject to 40 CFR Part 60, Subpart Dc, Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units, with only natural gas as a fuel, an additional charge of \$50;
 - b. If subject to 40 CFR Part 60, Subpart Dc, Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units, using fuels other than solely natural gas, an additional charge of \$100;
 - c. If subject to 40 CFR Part 60, Subpart I, Standards of Performance for Hot Mix Asphalt Facilities, an additional charge of \$100;
 - d. If a volatile organic liquid storage tank subject to 40 CFR § 60.110b(b) or (c), no additional charge;
 - e. If subject to 40 CFR Part 60, Subpart OOO, Standards of Performance for Nonmetallic Mineral Processing Plants, no additional charge; and
 - f. If subject to a subpart of 40 CFR Part 60, other than those covered in a. through d. above, an additional charge of \$250.
5. NESHAP Review Fee - In addition, except for projects subject to an equipment fee, pursuant to Section 10.07.B.1.e. above, for any new or modified source of air

pollution, subject to a standard under WAC 173-400-075 (NESHAP), an additional charge as follows:

- a. If subject to 40 CFR Part 63, Subpart M, National Perchloroethylene Air Emissions Standards for Dry Cleaning Facilities, and/or WAC 173-400-075(6), Emission Standards for Perchloroethylene Dry Cleaners, no additional charge;
 - b. If subject to 40 CFR Part 63, Subpart N, National Emission Standards for Chromium Emissions From Hard and Decorative Chromium Electroplating and Chromium Anodizing Tanks, an additional charge of \$100;
 - c. If subject to 40 CFR Part 63, Subpart T, National Emission Standards for Halogenated Solvent Cleaning, an additional charge of \$150; and
 - d. If subject to a subpart of 40 CFR Part 63, other than those covered in a through c. above, an additional charge of \$250.
6. Integrated Review Fee - In addition, for integrated review of a Notice of Construction and Application for Approval, as allowed under Section 5.02.J of this Regulation, an additional charge of \$250.
- C. Change in Condition Fee - Sources for which application is made for a change in conditions pursuant to Section 5.10.C of this Regulation, the fee shall be one half the current fee for a Notice of Construction and Application for Approval or a Notice of Intent to Install and Operate a Temporary Stationary Source for that type of source, including the filing fee, according to Section 10.07.A, and the applicable fees, according to Section 10.07.B, or \$350, whichever is less.
- D. Compliance Investigation Fee - Where a compliance investigation is conducted pursuant to Section 5.12 of this Regulation, the compliance investigation fee shall be \$300 per emissions unit, or group of like-kind emissions units, being installed or modified. A group of emissions units shall be considered as like-kind if the same set of emission calculations can be used to characterize emissions from each of the emissions units.
- E. SEPA Review Fee - Where review of an Environmental Impact Statement (EIS), Environmental Checklist, or an Addendum to, or adoption of, an existing environmental document pursuant to the State Environmental Policy Act (SEPA) Chapter 197-11 WAC is required, in association with a Notice of Construction and Application for Approval or a Notice of Intent to Establish a Temporary Stationary Source, the applicant shall pay a SEPA or EIS review fee of \$50 per hour or \$125, whichever is greater. The applicant shall pay a partial SEPA review fee of \$125, at the time of submittal of the EIS or SEPA. The Authority will bill the owner, operator, or applicant for the remainder of the SEPA or EIS review fee after a threshold determination has been made and/or a preliminary determination of the Notice of Construction has been issued.
- F. Complex Project Review Fee –
1. The Control Officer may notify the applicant in writing that, due to the complexity of the application, the permit processing fees will be based on the actual hours spent by the Authority staff in evaluating and verifying the proposed project's compliance with applicable federal, state, and local rules and regulations. The complexity fee applies to Notice of Construction and Application for Approval orders and Notice of Intent to Establish a Temporary Stationary Source permissions to operate.

2. The complexity fee assessed shall be \$50 per hour and shall not exceed the actual cost of processing and reviewing the proposed project. This complexity fee may include, but is not limited to, costs associated with planning meetings and/or design evaluations, that are related to the proposed project, prior to actual submission of a complete application.
3. The complexity of a permit shall be determined by dividing the usual fee in Section 10.07.B.1.a - d. by \$50 per hour. If this number is less than the actual hours spent in review, the Authority may elect to assess a Complex Project Review Fee instead of assessing the fee according to the schedule in Section 10.07.B.1.a. - d. The actual review time shall not include the time associated with review of an environmental checklist or environmental impact statement. These fees are assessed separately under Section 10.07.E.
4. The applicant may avoid being subject to a Complex Project Review Fee by providing additional information with the application that reduces the cost to the Authority in reviewing the application to a level consistent with the fee schedule in Section 10.07.B.1a - d.



1101 W. College Ave., Suite 403, Spokane, WA 99201 ♦ (509) 477-4727 ♦ Fax (509) 477-6828 ♦ www.spokanecleanair.org

A RESOLUTION AMENDING REGULATION I, ARTICLE X,)
SECTION 10.06 & 10.07 – AIR OPERATING PERMIT FEES) RESOLUTION 08-18

WHEREAS, pursuant to the provisions of the Washington Clean Air Act, Chapter 70.94 RCW, the Spokane Regional Clean Air Agency (SRCAA) was created as a municipal corporation of the State of Washington; and

WHEREAS, RCW 70.94.141 authorizes the Board of an activated authority to adopt, amend and repeal its own rules and regulations, and

WHEREAS, the 1990 amendments to the Federal Clean Air Act (42 USC 7401 et. seq.) mandate a nationally uniform permit program for major stationary sources of air pollution, including a system of fees, sufficient to recover all direct and indirect program costs, and

WHEREAS, the Washington Clean Air Act (Ch. 70.94 RCW) requires the system of fees to fully recover and not exceed the program costs, and

WHEREAS, RCW 70.94.162 authorizes SRCAA to assess and collect fees sufficient to cover the direct and indirect costs of implementing an operating permit program; and SRCAA has received delegated authority to administer the air operating permit program in Spokane County,

WHEREAS, an amendment to the regulation is necessary to achieve full cost recovery in future years and recover past program deficit of ~\$50,000, and

WHEREAS, an amendment to the regulation is necessary to separate Notice of Construction review fees from air operating permit annual fees;

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of SRCAA, hereby adopts the amendments to SRCAA Regulation I, Article X Sections 10.06 and 10.07 Air Operating Permit Fees; attached hereto as Appendix A.

DATED THIS 3RD DAY OF JULY 2008

SPOKANE REGIONAL CLEAN AIR AGENCY

Jeffrey Corkill, Chair

Bonnie Mager

Melissa Ahern

ATTEST:

Edward Crockett

William Dameworth, Director

Rose Dempsey

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AMENDATORY SECTIONS

REGULATION I, ARTICLE VI, SECTION 10.06 & 10.07

SECTION 10.06 REGISTRATION AND OPERATING PERMIT FEES FOR AIR CONTAMINANT SOURCES

- A. Each source required by Article IV, Section 4.01 to be registered, each air operating permit source, and each source required by Article V, Section 5.02 to obtain an approved Notice of Construction and Application for Approval is subject to an annual fee for each calendar year, or portion of each calendar year, during which it operates. The owner or operator shall pay the fee, pursuant to the requirements in Section 10.02. Fees received pursuant to the registration program or the operating permit program shall not exceed the actual costs of program administration.
- B. The annual fee for each source required by Article IV, Section 4.01 to be registered and that is not subject to Section 10.06.C. of this Regulation shall be determined by adding all of the applicable fees below;

1.

Registration Fee Categories	Fee	Fee Applicability
Facility Fee ^A	Per the Fee Schedule	Per Source
Emissions Fee ^B	Per the Fee Schedule	Per Ton
Emission Point Fee ^C	Per the Fee Schedule	Per Stack/Point
Burn Out Oven/Incinerator Fee ^D	Per the Fee Schedule	Per Source
Synthetic Minor Fee ^E	Per the Fee Schedule	Per Source
WEDS Fee ^F	Per the Fee Schedule	Per Hour

- a. Each source is subject to the fee listed.
- b. The additional fee listed applies to each ton (rounded to the nearest one-tenth of a ton) of each criteria and toxic air pollutant emitted.
- c. The additional fee applies to each stack and other emission points. For gasoline stations, each gasoline tank vent is an emission point.
- d. The additional fee listed applies to each source which operated at least one incinerator or burn out oven during the registration period.
- e. The additional fee listed applies to each Synthetic Minor source as defined in SRCAA Regulation I, Article I, Section 1.04.
- f. The additional fee listed applies to each source required by the Authority to submit an annual emissions inventory for entry into the Washington Emission Data System (WEDS). SRCAA staff time spent processing and reviewing WEDS will be tracked in 15 minute increments and charged at the hourly rates provided above.
2. The Board shall periodically review the fee schedule for registered sources and determine if the total projected fee revenue to be collected pursuant to this Section is sufficient to fully recover program costs. Any proposed fee revisions shall include opportunity for public review and comment. Accordingly, the Agency shall account for program costs, including employee costs and

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overhead. If the Board determines that the total projected fee revenue is either significantly excessive or deficient for this purpose, then the Board shall amend the fee schedule to more accurately recover program costs.

C. The annual fee for each air operating permit source shall be determined as follows:

1. The Board shall periodically review the fees for air operating permit sources and determine if the total projected fee revenue to be collected pursuant to this Section is sufficient to fully recover program costs. Any proposed fee revisions shall include opportunity for public review and comment. Accordingly, the Agency shall account for program costs, including employee costs and overhead. If the Board determines that the total projected fee revenue is either significantly excessive or deficient for this purpose, then the Board shall amend the fees to more accurately recover program costs.
2. For sources that are subject to the air operating permit (AOP) program during any portion of the calendar year:
 - a. Annual base fee of \$3,000;
 - b. Emission fee of \$31.11 per ton of actual emissions from the previous calendar year;
 - c. SRCAA time fee, as determined by the following formula:

$$TF_I = \frac{(H_I + H_G) \times RPC}{H_T}$$

Where,

TF_I is the SRCAA time fee for AOP source, I;

H_I is the total SRCAA staff hours spent on AOP source, not including time spent on Notice of Construction application reviews, I;

H_G is the total general hours SRCAA staff spent on the AOP program divided by the total number of sources subject to the AOP program during any portion of the calendar year;

RPC is the remaining SRCAA AOP program cost, calculated by subtracting the sum of the Section 10.06.C.2.a and b. fees from the total SRCAA AOP program costs; and

H_T is the total number of hours SRCAA staff spent on the AOP program, including total time spent on the AOP sources and general hours spent on the AOP program.

Note: H_I , H_G , H_T , and RPC are for the most recent SRCAA fiscal year.

Note: H_I , H_G , and H_T are obtained from SRCAA time accounting records.

- d. (~~(Program deficit recovery fee)~~) AOP Program Cost Correction, as determined by the following formula:

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$$\text{PDRF}_{y=2006 \rightarrow 2015} = \frac{\text{Remaining Program Deficit}_y}{(2016 - y)} \times \frac{E_{I(y-1)}}{E_{T(y-1)}}$$

$$\text{PCC}_I = \frac{\text{AOP Program Cumulative Deficit or Surplus} \times F_I}{F_T}$$

Where,

PCC_I is the AOP Program Cost Correction assessed (~~(PDRF_I is the program deficit recovery fee assessed during year “y” (from 2006-2015) to each AOP source, I, that operated during any portion of the calendar year “y”);~~);

AOP Program Cumulative Deficit or Surplus is the cumulative financial deficit or surplus for SRCAA’s (~~(Remaining Program Deficit_y is the total cumulative funding deficit for SCAPCA’s AOP program at the end of the most recent SRCAA fiscal year (“y”));~~);

~~((“y” is the year , beginning in year 2006 and ending in year 2015;))~~

F_I is the total individual fee assessed pursuant to Section 10.06.C.2.a., b., and c., of this Regulation; and

F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.C.2.a., b., and c. of this Regulation.

~~((E_I is the total (in tons) of actual emissions from AOP source, I, during the calendar year prior to year “y” (y - 1); and~~

~~E_T is the sum (in tons) of the actual emissions from all AOP sources during the calendar year prior to year “y” (y - 1).~~

~~Note: The program deficit recovery fee will expire in 2016 when the AOP program deficit will be zero.)~~

- e. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined by the following formula:

$$I = \frac{F_I \times A_E}{F_T}$$

Where,

I is the individual share of the assessment;

F_I is the total individual fee assessed pursuant to Section 10.06.C.2.a., b., and c. (~~(, and d.)~~) of this Regulation;

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A_E is the total Ecology assessment pursuant to RCW 70.94.162(3); and

F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.C.2.a., b., and c. (~~(, and d.)~~) of this Regulation.

3. For affected units under Section 404 of the Federal Clean Air Act (42 USC 7401 et seq):
 - a. A fee of (~~(\$50)~~) \$65 per hour of time expended in carrying out the fee eligible activities specified in RCW 70.94.; and
 - b. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined by the following formula:

$$I = \frac{F_I \times A_E}{F_T}$$

Where,

I is the individual share of the assessment;

F_I is the total individual fee assessed pursuant to Section 10.06.C.3.a. of this Regulation;

A_E is the total Ecology assessment pursuant to RCW 70.94.162(3); and

F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.C.3.a. of this Regulation.

SECTION 10.07 APPLICATION AND PERMIT FEES FOR NOTICE OF CONSTRUCTION AND APPLICATION FOR APPROVAL (NOC) AND FOR NOTICE OF INTENT TO INSTALL AND OPERATE A TEMPORARY STATIONARY SOURCE (NOI)

~~((The fees contained in Section 10.07 do not apply to air operating permit sources.))~~

A. NOC and NOI Fees

1. Base Fee

- a. For each project required by Article V to file a NOC or a NOI, the applicant shall pay a base fee pursuant to the fee schedule. Base fee classes are listed below.

1) Class I – Notice of Intent Permit

Notice of Intent permits for portable stationary sources and temporary stationary sources include the following:

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Article IV,

Exhibit R

<u>Source/Source Category Description</u>	<u>Category</u>
(a) Asphalt plant	15
(b) Concrete batch plant / ready mix plant	22
(c) Rock crusher	36

2) Class II – Simple Notice of Construction Permit

Simple permits generally conform to a template and involve minimal off-site impact evaluation. They include the following:

Article IV,

Exhibit R

<u>Source/Source Category Description</u>	<u>Category</u>
(a) Boiler and other fuel-burning equipment	27
(b) Coffee roaster	20
(c) Concrete batch plant / ready mix plant	22
(d) Dry cleaner	23
(e) Emergency generator	52
(f) Gasoline dispensing facility	28
(g) Lithographic printing / screen printing	9.e.5
(h) Material handling that exhausts $\geq 1,000$ acfm	24
(i) Rock crusher	36
(j) Spray booth / surface coating operation	57
(k) Stationary internal combustion engine	53
(l) Sterilizer	9.e.8
(m) Stump / wood waste grinder	54

3) Class III – Standard Notice of Construction Permit

Standard permits generally include those that don't conform to a template and involve minimal off-site impact evaluation. They include the following:

Article IV,

Exhibit R

<u>Source/Source Category Description</u>	<u>Category</u>
(a) Soil and groundwater remediation operation	9.e.7
(b) Burn out oven	43
(c) Chrome plating	35
(d) Incinerator / crematory	31

4) Class IV – Complex Notice of Construction Permit

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Complex permits generally include those that don't conform to a template and involve more complex off-site impact evaluation. They include the following:

<u>Source/Source Category Description</u>	<u>Article IV, Exhibit R Category</u>
(a) Asphalt plant	15
(b) Composting	21
(c) Refuse systems	48
(d) Rendering	49
(e) Sewerage systems	50

- b. For sources / source categories not listed in Section 10.07.A.1.a, above, NOI and NOC application review will be assigned to Class I, II, III or IV by the Control Officer on a case-by-case basis.
 - c. For sources with one or more emission points under one NOC application, as allowed in Section 5.02.G, a separate base fee applies to each emissions unit, or each group of like-kind emissions units, being installed or modified. A group of emissions units shall be considered as like-kind if the same set of emission calculations can be used to characterize emissions from each of the emissions units.
2. Modification / Revision Fee
- a. Equipment Modification Fee

Applicants of sources requesting a change in equipment (e.g., replacement or substantial alteration of emission control technology) pursuant to Section 5.10.C of this Regulation shall pay a fee pursuant to the fee schedule.
 - b. Permit Condition Revision Fee

Applicants of sources requesting a change in conditions pursuant to Section 5.10.C of this Regulation shall pay a fee pursuant to the fee schedule.
3. Additional Fees (for each application)
- a. SEPA Review Fee

Where review of an Environmental Impact Statement (EIS), Environmental Checklist, or an Addendum to, or adoption of, an existing environmental document pursuant to the State Environmental Policy Act (SEPA) Chapter 197-11 WAC is required, in association with a NOC or a NOI, the applicant shall pay a SEPA or EIS review fee pursuant to the fee schedule.
 - b. Toxics Review Fee

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For any new source of air pollution which requires review pursuant to Chapter 173-460 WAC, a toxic air pollutant review fee shall be paid. For sources with one or more emission points under one NOC application, as allowed in Section 5.02.G, a separate toxic air pollutant review fee applies to each emissions unit, or each group of like-kind emissions units, being installed or modified. A group of emissions units shall be considered as like-kind if the same set of emission calculations can be used to characterize emissions from each of the emissions units. The toxic air pollutant review fee shall be as follows:

1) Small Quantity Emission Rate (SQER)

For a new source using WAC 173-460-080(2)(e), SQER, to demonstrate that ambient impacts are sufficiently low to protect human health and safety, as required WAC 173-460-070 & WAC 173-460, the applicant shall pay a SQER review fee pursuant to the fee schedule.

2) Dispersion Modeling

For a new source using dispersion screening models (e.g., EPA SCREEN or TSCREEN) under WAC 173-460-080(2)(c) to demonstrate that ambient impacts are sufficiently low to protect human health and safety, as required WAC 173-460-070, the applicant shall pay a dispersion modeling review fee pursuant to the fee schedule.

3) Advanced Modeling

For a new source using more refined dispersion models (e.g., EPA ISC3) under WAC 173-460-080(2)(c) to demonstrate that ambient impacts are sufficiently low to protect human health and safety, as required WAC 173-460-070; or for a new or modified source using a second tier analysis under WAC 173-460-090 or a risk management decision under WAC 173-460-100 to demonstrate that ambient impacts are sufficiently low to protect human health and safety, as required WAC 173-460-070, the applicant shall pay the advanced modeling review fee in the fee schedule.

c. New Source Performance Standards (NSPS) Review Fee

Applicants of any new air pollution source subject to WAC 173-400-115 (NSPS) and 40 CFR Parts 60 shall pay a NSPS review fee according to the fee schedule.

d. National Emission Standard for Hazardous Air Pollutants (NESHAP) Review Fee

Applicants of any new air pollution source subject to WAC 173-400-075 (NESHAP) and 40 CFR Parts 61 and 63 shall pay a NESHAP fee according to the fee schedule.

e. Best Available Control Technology (BACT) Review Fee

1) Generic BACT

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Where no BACT review is required (e.g., the applicant demonstrates there is an established and/or recognized BACT standard for the source category type), a BACT review fee is not applicable.

2) Non-Generic BACT Review

A non-generic BACT review is one where a generic BACT standard is not applicable and a top-down BACT review is not required. Applicants of any new air pollution source subject to a non-generic BACT review shall pay a non-generic BACT review fee according to the fee schedule.

3) Top-Down BACT Review (as described in EPA’s Draft New Source Review Workshop Manual from October 1990 and as summarized below)

A top-down BACT review is one that requires available control technologies be ranked in descending order of control effectiveness. The most stringent or “top” control technology is first examined. That control technology is established as BACT unless the applicant demonstrates, and the ((Authority)) Agency concurs, that technical considerations, energy, environmental, or economic impacts justify a conclusion that the most stringent technology is not achievable in for the project being proposed. If the most stringent control technology is eliminated in this fashion, the next most stringent control technology is considered, and so on. Applicants of any new air pollution source subject to a top-down BACT review shall pay a top-down BACT review fee according to the fee schedule.

B. Payment of Fees

1. At the Time of Application

The base fee shall be paid at the time of application. Review of the application will not commence until the applicable base fee is received.

2. After Application

a. Payment of Fees for Complete Applications

The Agency will invoice the owner, operator, or applicant for all other applicable fees without regard to whether the request(s) associated with this section are approved or denied.

b. Payment of Fees for Incomplete Applications

If an owner, operator, or applicant notifies SRCAA in writing that an incomplete application will not be completed or cancels the application (i.e., the application is neither approved or denied), applicable fees for review performed pursuant to A.2 and A.3 of this section shall be invoiced. If an application remains incomplete for more than 3 months, the owner, operator, or applicant shall be invoiced applicable fees for review performed pursuant to A.2 and A.3 of this section. If review of the application recommences, applicable review fees apply.

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C. Incomplete Applications

Applications not accompanied by the base fee will be considered incomplete. In addition, if information requested by the Agency is not provided, the application will be considered incomplete and review of the application will be suspended. Review of the application will commence, or recommence when applicable, when all required fees and information requested by the Agency is received. An application will be cancelled if it remains incomplete for more than 18 months from initial receipt. For review of the cancelled application to resume, the applicant must pay all outstanding invoice fees, if applicable, and resubmit the applicable base fee.

D. Compliance Investigation Fee

Where a compliance investigation is conducted pursuant to Section 5.12 of this Regulation, the compliance investigation fee shall be assessed pursuant to the fee schedule. The fee shall be assessed for each emissions unit, or group of like-kind emissions units, being installed or modified. A group of emissions units shall be considered as like-kind if the same set of emission calculations can be used to characterize emissions from each of the emissions units.

E. Periodic Fee Review

The Board shall periodically review the fee schedule and determine if the total actual fee revenue collected and projected fee revenue to be collected pursuant to this Section is sufficient to fully recover program costs. Any proposed fee revisions shall include opportunity for public review and comment. Accordingly, the Agency shall account for program costs, including employee costs and overhead. If the Board determines that the total project fee revenue is either significantly excessive or deficient for this purpose, then the Board shall amend the fee schedule to more accurately recover program costs. In general, fees will be greater for permits that are typically more complex or take more time to review and process.

**Notice of Public Comment Period and Public Hearing for Proposed Revisions
To SRCAA Regulation I, Sections 10.06 & 10.07
Air Operating Permit Fees**

Date: May 19, 2008

To: Air Operating Permit Sources and Other Interested Parties

From: April Westby, Environmental Engineer

Summary of Proposed Revisions

The Spokane Regional Clean Air Agency (SRCAA) has proposed revisions to SRCAA Regulation I, Article X, Section 10.06 – Registration and Operating Permit Fees For Air Contaminant Sources and SRCAA Regulation I, Article X, Section 10.07 – Application and Permit Fees for Notice of Construction and Application for Approval and for Notice of Intent to Install and Operate a Temporary Stationary Sources. The purpose of the revisions is to achieve full cost recovery of SRCAA's Air Operating Permit (AOP) Program, as mandated by Federal and State Clean Air Acts. The proposed fee changes will allow SRCAA to recover the past Air Operating Permit program deficit of \$50,000, which is comprised of \$16,000 cumulative deficit, which has accrued over the life of the AOP Program and \$34,000 deficit from 2007 due to indirect costs that were not included in the AOP program costs. In addition, the proposed fee changes separate Notice of Construction (NOC) fees from the Title V Air Operating Permit annual fees, as mandated by EPA. Changes to the existing rules include:

1. Addition of "AOP Program Cost Correction" fee as a component to the annual AOP fee given in SRCAA Regulation I, Section 10.06 C.2, which will reconcile any AOP program deficit or surplus during the next billing cycle. The "AOP Program Cost Correction" fee would be divided among the AOP sources according to the percentage of the total AOP fees that each source's individual fees comprise. In the 2008 billing, the \$50,000 program deficit (\$16,000 cumulative deficit + \$34,000 deficit from 2007) would be recovered using the "AOP Program Cost Correction Fee;" and
2. Separation of NOC fees from Title V Air Operating Permit annual fees. SRCAA Regulation I, Section 10.06 C.2 will be revised to clarify that time spent on NOC application reviews is not included as part of the annual AOP fee. In addition, Section 10.07 will be revised so that the NOC fees will apply to AOP sources.

Proposed Revised Regulations

The proposed revised regulations are available for review on SRCAA's web-site at www.spokanecleanair.org. To request a hard copy of the revised regulations, please contact April Westby at awestby@spokanecleanair.org or (509) 477-4727 ext. 105.

Public Comment Period – Written Comments Requested

SRCAA would like your written comments on the proposed Air Operating Permit Fee revisions. Please send written comments **on or before July 2, 2008** to:

SRCAA
Attn: April Westby
1101 W. College, Suite 403
Spokane, WA 99201

Public Hearing Scheduled

A public hearing on the proposed changes to the Air Operating Permit Fees will be held during July's Board Meeting. At the public hearing, after public comments are heard, SRCAA's Board of Directors will decide whether or not to adopt the proposed changes.

Date: July 3, 2008
Time: 9:30 am
Location: Spokane County Public Works Building
Lower Level Hearing Room
1206 W. Broadway
Spokane, WA 99201

More Information / Questions

For additional information, please contact April Westby at awestby@spokanecleanair.org or (509) 477-4727, ext. 105.

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AMENDATORY SECTIONS

REGULATION I, ARTICLE VI, SECTION 10.06 & 10.07

SECTION 10.06 REGISTRATION AND OPERATING PERMIT FEES FOR AIR CONTAMINANT SOURCES

- A. Each source required by Article IV, Section 4.01 to be registered, each air operating permit source, and each source required by Article V, Section 5.02 to obtain an approved Notice of Construction and Application for Approval is subject to an annual fee for each calendar year, or portion of each calendar year, during which it operates. The owner or operator shall pay the fee, pursuant to the requirements in Section 10.02. Fees received pursuant to the registration program or the operating permit program shall not exceed the actual costs of program administration.
- B. The annual fee for each source required by Article IV, Section 4.01 to be registered and that is not subject to Section 10.06.C. of this Regulation shall be determined by adding all of the applicable fees below;

1.

Registration Fee Categories	Fee	Fee Applicability
Facility Fee ^A	Per the Fee Schedule	Per Source
Emissions Fee ^B	Per the Fee Schedule	Per Ton
Emission Point Fee ^C	Per the Fee Schedule	Per Stack/Point
Burn Out Oven/Incinerator Fee ^D	Per the Fee Schedule	Per Source
Synthetic Minor Fee ^E	Per the Fee Schedule	Per Source
WEDS Fee ^F	Per the Fee Schedule	Per Hour

- a. Each source is subject to the fee listed.
- b. The additional fee listed applies to each ton (rounded to the nearest one-tenth of a ton) of each criteria and toxic air pollutant emitted.
- c. The additional fee applies to each stack and other emission points. For gasoline stations, each gasoline tank vent is an emission point.
- d. The additional fee listed applies to each source which operated at least one incinerator or burn out oven during the registration period.
- e. The additional fee listed applies to each Synthetic Minor source as defined in SRCAA Regulation I, Article I, Section 1.04.
- f. The additional fee listed applies to each source required by the Authority to submit an annual emissions inventory for entry into the Washington Emission Data System (WEDS). SRCAA staff time spent processing and reviewing WEDS will be tracked in 15 minute increments and charged at the hourly rates provided above.
2. The Board shall periodically review the fee schedule for registered sources and determine if the total projected fee revenue to be collected pursuant to this Section is sufficient to fully recover program costs. Any proposed fee revisions shall include opportunity for public review and comment. Accordingly, the Agency shall account for program costs, including employee costs and overhead. If the Board determines that the total projected fee revenue is either significantly excessive or deficient for this purpose, then the Board shall amend the fee schedule to more accurately recover program costs.

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C. The annual fee for each air operating permit source shall be determined as follows:

1. The Board shall periodically review the fees for air operating permit sources and determine if the total projected fee revenue to be collected pursuant to this Section is sufficient to fully recover program costs. Any proposed fee revisions shall include opportunity for public review and comment. Accordingly, the Agency shall account for program costs, including employee costs and overhead. If the Board determines that the total projected fee revenue is either significantly excessive or deficient for this purpose, then the Board shall amend the fees to more accurately recover program costs.

2. For sources that are subject to the air operating permit (AOP) program during any portion of the calendar year:

a. Annual base fee of \$3,000;

b. Emission fee of \$31.11 per ton of actual emissions from the previous calendar year;

c. SRCAA time fee, as determined by the following formula:

$$TF_I = \frac{(H_I + H_G) \times RPC}{H_T}$$

Where,

TF_I is the SRCAA time fee for AOP source, I;

H_I is the total SRCAA staff hours spent on AOP source, not including time spent on Notice of Construction application reviews, I;

H_G is the total general hours SRCAA staff spent on the AOP program divided by the total number of sources subject to the AOP program during any portion of the calendar year;

RPC is the remaining SRCAA AOP program cost, calculated by subtracting the sum of the Section 10.06.C.2.a and b. fees from the total SRCAA AOP program costs; and

H_T is the total number of hours SRCAA staff spent on the AOP program, including total time spent on the AOP sources and general hours spent on the AOP program.

Note: H_I , H_G , H_T , and RPC are for the most recent SRCAA fiscal year.

Note: H_I , H_G , and H_T are obtained from SRCAA time accounting records.

d. ~~((Program deficit recovery fee))~~ AOP Program Cost Correction, as determined by the following formula:

$$PDRF_{y=2006 \rightarrow 2015} = \frac{\text{Remaining Program Deficit}_y}{(2016 - y)} \times \frac{EI_{(y-1)}}{ET_{(y-1)}}$$

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$$PCC_i = \frac{\text{AOP Program Cumulative Deficit or Surplus} \times F_i}{F_T}$$

Where,

PCC_i is the AOP Program Cost Correction assessed ~~((PDRF_i is the program deficit recovery fee assessed during year “y” (from 2006-2015) to each AOP source, I, that operated during any portion of the calendar year “y”);~~

AOP Program Cumulative Deficit or Surplus is the cumulative financial deficit or surplus for SRCAA's ~~((Remaining Program Deficit, is the total cumulative funding deficit for SCAPCA's AOP program at the end of the most recent SRCAA fiscal year (“y”));~~

~~((“y” is the year , beginning in year 2006 and ending in year 2015;))~~

F_i is the total individual fee assessed pursuant to Section 10.06.C.2.a., b., and c., of this Regulation; and

F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.C.2.a., b., and c. of this Regulation.

~~((E_i is the total (in tons) of actual emissions from AOP source, I, during the calendar year prior to year “y” (y-1); and~~

~~E_T is the sum (in tons) of the actual emissions from all AOP sources during the calendar year prior to year “y” (y-1).~~

~~Note: The program deficit recovery fee will expire in 2016 when the AOP program deficit will be zero.)~~

- e. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined by the following formula:

$$I = \frac{F_i \times A_E}{F_T}$$

Where,

I is the individual share of the assessment;

F_i is the total individual fee assessed pursuant to Section 10.06.C.2.a., b., and c. ~~((, and d.))~~ of this Regulation;

A_E is the total Ecology assessment pursuant to RCW 70.94.162(3); and

F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.C.2.a., b., and c. ~~((, and d.))~~ of this Regulation.

3. For affected units under Section 404 of the Federal Clean Air Act (42 USC 7401 et seq):
- a. A fee of ~~((\$50))~~ \$65 per hour of time expended in carrying out the fee eligible activities specified in RCW 70.94.; and

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- b. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined by the following formula:

$$I = \frac{F_i \times A_E}{F_T}$$

Where,

I is the individual share of the assessment;

F_i is the total individual fee assessed pursuant to Section 10.06.C.3.a. of this Regulation;

A_E is the total Ecology assessment pursuant to RCW 70.94.162(3); and

F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.C.3.a. of this Regulation.

SECTION 10.07 APPLICATION AND PERMIT FEES FOR NOTICE OF CONSTRUCTION AND APPLICATION FOR APPROVAL (NOC) AND FOR NOTICE OF INTENT TO INSTALL AND OPERATE A TEMPORARY STATIONARY SOURCE (NOI)

~~((The fees contained in Section 10.07 do not apply to air operating permit sources.))~~

A. NOC and NOI Fees

1. Base Fee

- a. For each project required by Article V to file a NOC or a NOI, the applicant shall pay a base fee pursuant to the fee schedule. Base fee classes are listed below.

1) Class I – Notice of Intent Permit

Notice of Intent permits for portable stationary sources and temporary stationary sources include the following:

<u>Source/Source Category Description</u>	<u>Article IV, Exhibit R Category</u>
(a) Asphalt plant	15
(b) Concrete batch plant / ready mix plant	22
(c) Rock crusher	36

2) Class II – Simple Notice of Construction Permit

Simple permits generally conform to a template and involve minimal off-site impact evaluation. They include the following:

<u>Source/Source Category Description</u>	<u>Article IV, Exhibit R Category</u>
(a) Boiler and other fuel-burning equipment	27

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(b)	Coffee roaster	20
(c)	Concrete batch plant / ready mix plant	22
(d)	Dry cleaner	23
(e)	Emergency generator	52
(f)	Gasoline dispensing facility	28
(g)	Lithographic printing / screen printing	9.e.5
(h)	Material handling that exhausts $\geq 1,000$ acfm	24
(i)	Rock crusher	36
(j)	Spray booth / surface coating operation	57
(k)	Stationary internal combustion engine	53
(l)	Sterilizer	9.e.8
(m)	Stump / wood waste grinder	54

3) Class III – Standard Notice of Construction Permit

Standard permits generally include those that don't conform to a template and involve minimal off-site impact evaluation. They include the following:

<u>Source/Source Category Description</u>	<u>Article IV, Exhibit R Category</u>
(a) Soil and groundwater remediation operation	9.e.7
(b) Burn out oven	43
(c) Chrome plating	35
(d) Incinerator / crematory	31

4) Class IV – Complex Notice of Construction Permit

Complex permits generally include those that don't conform to a template and involve more complex off-site impact evaluation. They include the following:

<u>Source/Source Category Description</u>	<u>Article IV, Exhibit R Category</u>
(a) Asphalt plant	15
(b) Composting	21
(c) Refuse systems	48
(d) Rendering	49
(e) Sewerage systems	50

- b. For sources / source categories not listed in Section 10.07.A.1.a, above, NOI and NOC application review will be assigned to Class I, II, III or IV by the Control Officer on a case-by-case basis.

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- c. For sources with one or more emission points under one NOC application, as allowed in Section 5.02.G, a separate base fee applies to each emissions unit, or each group of like-kind emissions units, being installed or modified. A group of emissions units shall be considered as like-kind if the same set of emission calculations can be used to characterize emissions from each of the emissions units.
2. Modification / Revision Fee
 - a. Equipment Modification Fee

Applicants of sources requesting a change in equipment (e.g., replacement or substantial alteration of emission control technology) pursuant to Section 5.10.C of this Regulation shall pay a fee pursuant to the fee schedule.
 - b. Permit Condition Revision Fee

Applicants of sources requesting a change in conditions pursuant to Section 5.10.C of this Regulation shall pay a fee pursuant to the fee schedule.
 3. Additional Fees (for each application)
 - a. SEPA Review Fee

Where review of an Environmental Impact Statement (EIS), Environmental Checklist, or an Addendum to, or adoption of, an existing environmental document pursuant to the State Environmental Policy Act (SEPA) Chapter 197-11 WAC is required, in association with a NOC or a NOI, the applicant shall pay a SEPA or EIS review fee pursuant to the fee schedule.
 - b. Toxics Review Fee

For any new source of air pollution which requires review pursuant to Chapter 173-460 WAC, a toxic air pollutant review fee shall be paid. For sources with one or more emission points under one NOC application, as allowed in Section 5.02.G, a separate toxic air pollutant review fee applies to each emissions unit, or each group of like-kind emissions units, being installed or modified. A group of emissions units shall be considered as like-kind if the same set of emission calculations can be used to characterize emissions from each of the emissions units. The toxic air pollutant review fee shall be as follows:

 - 1) Small Quantity Emission Rate (SQER)

For a new source using WAC 173-460-080(2)(e), SQER, to demonstrate that ambient impacts are sufficiently low to protect human health and safety, as required WAC 173-460-070 & WAC 173-460, the applicant shall pay a SQER review fee pursuant to the fee schedule.
 - 2) Dispersion Modeling

For a new source using dispersion screening models (e.g., EPA SCREEN or TSCREEN) under WAC 173-460-080(2)(c) to demonstrate that ambient impacts are sufficiently low to protect human health and safety, as required WAC 173-460-070, the applicant shall pay a dispersion modeling review fee pursuant to the fee schedule.

Appendix A – Resolution 08-18

3) Advanced Modeling

For a new source using more refined dispersion models (e.g., EPA ISC3) under WAC 173-460-080(2)(c) to demonstrate that ambient impacts are sufficiently low to protect human health and safety, as required WAC 173-460-070; or for a new or modified source using a second tier analysis under WAC 173-460-090 or a risk management decision under WAC 173-460-100 to demonstrate that ambient impacts are sufficiently low to protect human health and safety, as required WAC 173-460-070, the applicant shall pay the advanced modeling review fee in the fee schedule.

c. New Source Performance Standards (NSPS) Review Fee

Applicants of any new air pollution source subject to WAC 173-400-115 (NSPS) and 40 CFR Parts 60 shall pay a NSPS review fee according to the fee schedule.

d. National Emission Standard for Hazardous Air Pollutants (NESHAP) Review Fee

Applicants of any new air pollution source subject to WAC 173-400-075 (NESHAP) and 40 CFR Parts 61 and 63 shall pay a NESHAP fee according to the fee schedule.

e. Best Available Control Technology (BACT) Review Fee

1) Generic BACT

Where no BACT review is required (e.g., the applicant demonstrates there is an established and/or recognized BACT standard for the source category type), a BACT review fee is not applicable.

2) Non-Generic BACT Review

A non-generic BACT review is one where a generic BACT standard is not applicable and a top-down BACT review is not required. Applicants of any new air pollution source subject to a non-generic BACT review shall pay a non-generic BACT review fee according to the fee schedule.

3) Top-Down BACT Review (as described in EPA's Draft New Source Review Workshop Manual from October 1990 and as summarized below)

A top-down BACT review is one that requires available control technologies be ranked in descending order of control effectiveness. The most stringent or "top" control technology is first examined. That control technology is established as BACT unless the applicant demonstrates, and the ((Authority)) Agency concurs, that technical considerations, energy, environmental, or economic impacts justify a conclusion that the most stringent technology is not achievable in for the project being proposed. If the most stringent control technology is eliminated in this fashion, the next most stringent control technology is considered, and so on. Applicants of any new air pollution source subject to a top-down BACT review shall pay a top-down BACT review fee according to the fee schedule.

Appendix A – Resolution 08-18

B. Payment of Fees

1. At the Time of Application

The base fee shall be paid at the time of application. Review of the application will not commence until the applicable base fee is received.

2. After Application

a. Payment of Fees for Complete Applications

The Agency will invoice the owner, operator, or applicant for all other applicable fees without regard to whether the request(s) associated with this section are approved or denied.

b. Payment of Fees for Incomplete Applications

If an owner, operator, or applicant notifies SRCAA in writing that an incomplete application will not be completed or cancels the application (i.e., the application is neither approved or denied), applicable fees for review performed pursuant to A.2 and A.3 of this section shall be invoiced. If an application remains incomplete for more than 3 months, the owner, operator, or applicant shall be invoiced applicable fees for review performed pursuant to A.2 and A.3 of this section. If review of the application recommences, applicable review fees apply.

C. Incomplete Applications

Applications not accompanied by the base fee will be considered incomplete. In addition, if information requested by the Agency is not provided, the application will be considered incomplete and review of the application will be suspended. Review of the application will commence, or recommence when applicable, when all required fees and information requested by the Agency is received. An application will be cancelled if it remains incomplete for more than 18 months from initial receipt. For review of the cancelled application to resume, the applicant must pay all outstanding invoice fees, if applicable, and resubmit the applicable base fee.

D. Compliance Investigation Fee

Where a compliance investigation is conducted pursuant to Section 5.12 of this Regulation, the compliance investigation fee shall be assessed pursuant to the fee schedule. The fee shall be assessed for each emissions unit, or group of like-kind emissions units, being installed or modified. A group of emissions units shall be considered as like-kind if the same set of emission calculations can be used to characterize emissions from each of the emissions units.

E. Periodic Fee Review

The Board shall periodically review the fee schedule and determine if the total actual fee revenue collected and projected fee revenue to be collected pursuant to this Section is sufficient to fully recover program costs. Any proposed fee revisions shall include opportunity for public review and comment. Accordingly, the Agency shall account for program costs, including employee costs and overhead. If the Board determines that the total project fee revenue is either significantly excessive or deficient for this purpose, then the Board shall amend the fee schedule to more accurately recover program costs. In general, fees will be greater for permits that are typically more complex or take more time to review and process.



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A RESOLUTION AMENDING REGULATION I,)
ARTICLE X – FEES AND CHARGES SECTION 10.06)
REGISTRATION AND OPERATING PERMIT FEES) RESOLUTION 13-19
FOR AIR CONTAMINANT SOURCES)

WHEREAS, pursuant to the provisions of the Washington Clean Air Act, Chapter 70.94 RCW, the Spokane Regional Clean Air Agency (SRCAA), was created as a municipal corporation of the State of Washington; and

WHEREAS, SRCAA Regulation I contains Article X – Fees and Charges, Section 10.06 Registration and Operating Permit Fees For Air Contaminant Sources; and

WHEREAS, RCW 70.94.141 authorizes the Board of an activated authority to adopt, amend and repeal its own rules and regulations; and

WHEREAS, an amendment to SRCAA Regulation I, Article X, Section 10.06 Registration and Operating Permit Fees For Air Contaminant Sources, C.2 and C.3 is necessary to facilitate the removal of the amount for each Air Operating Permit Fee from Regulation I; and

WHEREAS, the Operating Permit Fee amounts will be added to the SRCAA Fee Schedule that has been in place since 2006 and later consolidated with Resolution 11-30; and

WHEREAS, the Board has considered all verbal testimony submitted at the public hearing on October 3rd, 2013, and written comments submitted and determined that the proposal is reasonable;

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of SRCAA, hereby adopts the amendments to SRCAA Regulation I, Article X – Fees and Charges, Section 10.06 Registration and Operating Permit Fees For Air Contaminant Sources, C.2 and C.3 as shown in Attachment A, effective November 12th, 2013.

DATED THIS 3rd DAY OF OCTOBER 2013.

SPOKANE REGIONAL CLEAN AIR AGENCY

Commissioner Al French, Chair

Mayor Patrick Rushing, Vice Chair

Tom Brattebo

ATTEST:

Mayor, Tom Towey

William Dameworth, Director

Jeffrey Corkill

Attachment A

AMENDATORY SECTION

REGULATION I, ARTICLE X, SECTION 10.06

SECTION 10.06 REGISTRATION AND OPERATING PERMIT FEES FOR AIR CONTAMINANT SOURCES

- A. Each source required by Article IV, Section 4.01 to be registered, each air operating permit source, and each source required by Article V, Section 5.02 to obtain an approved Notice of Construction and Application for Approval is subject to an annual fee for each calendar year, or portion of each calendar year, during which it operates. The owner or operator shall pay the fee, pursuant to the requirements in Section 10.02. Fees received pursuant to the registration program or the operating permit program shall not exceed the actual costs of program administration.
- B. The annual fee for each source required by Article IV, Section 4.01 to be registered and that is not subject to Section 10.06.C. of this Regulation shall be determined by adding all of the applicable fees below:

1.

Registration Fee Categories	Fee	Fee Applicability
Facility Fee ^A	Per the Fee Schedule	Per Source
Emissions Fee ^B	Per the Fee Schedule	Per Ton
Emission Point Fee ^C	Per the Fee Schedule	Per Stack/Point
Synthetic Minor Fee ^D	Per the Fee Schedule	Per Source
((WEDS Fee ^E	Per the Fee Schedule	Per Hour))

A Each source is subject to the fee listed in the fee schedule.

B The additional fee applies to each ton (rounded to the nearest one-tenth of a ton) of each criteria pollutant, volatile organic compound (VOC), and non-VOC toxic air pollutant emitted.

C The additional fee applies to each stack and other emission points, including sources of fugitive emissions (e.g., fugitive dust emissions from crushing operations; storage piles; mixing and clean-up associated with surface coating). For gasoline stations, each gasoline tank vent is an emission point.

D The additional fee applies to each Synthetic Minor.

~~((E. The additional fee applies to each source required by the Agency to submit an annual emissions inventory for entry into the Washington Emission Data System (WEDS). SRCAA staff time spent processing and reviewing WEDS will be tracked in 15 minute increments and charged at the hourly rates provided in the fee schedule.))~~

2. The Board shall periodically review the fee schedule for registered sources and determine if the total projected fee revenue to be collected pursuant to this Section is sufficient to fully recover program costs. Any proposed fee revisions shall include opportunity for public review and comment. Accordingly, the Agency shall account for program costs, including employee costs and overhead. If the Board determines that the total projected fee revenue is either significantly excessive or deficient for this purpose, then the Board may amend the fee schedule to more accurately recover program costs.

- C. The annual fee for each air operating permit source shall be determined as follows:

1. The Board shall periodically review the fees for air operating permit sources and determine if the total projected fee revenue to be collected pursuant to this Section is sufficient to fully recover program costs. Any proposed fee revisions shall include opportunity for public review and comment. Accordingly, the Agency shall account for program costs, including employee costs and overhead. If the Board determines that the total projected fee revenue is either significantly excessive or deficient for this purpose, then the Board shall amend the fees to more accurately recover program costs.

2. For sources that are subject to the air operating permit (AOP) program during any portion of the calendar year, the annual fee shall be determined by adding all of the applicable fees described below
- a. Annual base fee per the Fee Schedule.
 - b. Emission fee per the Fee Schedule.
 - c. SRCAA time fee, as determined per the Fee Schedule.
 - d. AOP Program Cost Correction, as determined per the Fee Schedule.
 - e. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined per the Fee Schedule.

~~((a. Annual base fee of \$3,000;~~

~~b. Emission fee of \$31.11 per ton of actual emissions from the previous calendar year;~~

~~c. SRCAA time fee, as determined by the following formula:~~

$$\text{TF}_I = \frac{(H_I + H_G) \times \text{RPC}}{H_T}$$

~~Where,~~

~~TFI is the SRCAA time fee for AOP source, I;~~

~~HI is the total SRCAA staff hours spent on AOP source, not including time spent on Notice of Construction application reviews, I;~~

~~HG is the total general hours SRCAA staff spent on the AOP program divided by the total number of sources subject to the AOP program during any portion of the calendar year;~~

~~RPC is the remaining SRCAA AOP program cost, calculated by subtracting the sum of the Section 10.06.C.2.a and b. fees from the total SRCAA AOP program costs; and~~

~~HT is the total number of hours SRCAA staff spent on the AOP program, including total time spent on the AOP sources and general hours spent on the AOP program.~~

~~Note: HI, HG, HT, and RPC are for the most recent SRCAA fiscal year.~~

~~Note: HI, HG, and HT are obtained from SRCAA time accounting records.~~

~~d. AOP Program Cost Correction, as determined by the following formula:~~

$$\text{PCCI} = \frac{\text{AOP Program Cumulative Deficit or Surplus} \times \text{FI}}{\text{FT}}$$

~~Where,~~

~~PCCI is the AOP Program Cost Correction assessed to each AOP source, I;~~

~~AOP Program Cumulative Deficit or Surplus is the cumulative financial deficit or surplus for SRCAA's AOP program at the end of the most recent SRCAA fiscal year;~~

~~FI is the total individual fee assessed pursuant to Section 10.06.C.2.a., b., and c., of this Regulation; and~~

~~FT is the sum of all the individual fees assessed pursuant to Sections 10.06.C.2.a., b., and c. of this Regulation.~~

- ~~e. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined by the following formula:—~~

$$\text{—} I = \frac{F_I \times A_E}{F_T}$$

~~Where,~~

~~I is the individual share of the assessment;~~

~~FI is the total individual fee assessed pursuant to Section 10.06.C.2.a., b., and c. of this Regulation;~~

~~AE is the total Ecology assessment pursuant to RCW 70.94.162(3); and~~

~~FT is the sum of all the individual fees assessed pursuant to Sections 10.06.C.2.a., b., and c. of this Regulation.~~

- ~~3. For affected units under Section 404 (Acid Deposition Standards) of the Federal Clean Air Act (42 USC 7401 et seq):~~
- ~~a. For time expended in carrying out the fee eligible activities specified in RCW 70.94, an hourly fee will be assessed pursuant to the fee schedule; and~~
- ~~b. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined by the following formula:—~~

$$\text{—} I = \frac{F_I \times A_E}{F_T}$$

~~Where,~~

~~I is the individual share of the assessment;~~

~~FI is the total individual fee assessed pursuant to Section 10.06.C.3.a. of this Regulation;~~

~~AE is the total Ecology assessment pursuant to RCW 70.94.162(3); and~~

~~FT is the sum of all the individual fees assessed pursuant to Sections 10.06.C.3.a. of this Regulation.)~~

3. For affected units under Section 404 (Acid Deposition Standards) of the Federal Clean Air Act (42 USC 7401 et seq), the air operating permit fee shall be determined by adding all of the applicable fees described below:

:

- a. For time expended in carrying out the fee eligible activities specified in RCW 70.94, an hourly fee will be assessed pursuant to the fee schedule; and
- b. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined per the Fee Schedule.

~~((as determined by the following formula:—~~

$$\text{—} I = \frac{F_I \times A_E}{F_T}$$

~~Where,~~

~~I is the individual share of the assessment;~~

~~FI is the total individual fee assessed pursuant to Section 10.06.C.3.a. of this Regulation;~~

~~AE is the total Ecology assessment pursuant to RCW 70.94.162(3); and~~

~~FT is the sum of all the individual fees assessed pursuant to Sections 10.06.C.3.a. of this Regulation.)~~

Attachment A

AMENDATORY SECTION

REGULATION I, ARTICLE X, SECTION 10.06

SECTION 10.06 REGISTRATION AND OPERATING PERMIT FEES FOR AIR CONTAMINANT SOURCES

- A. Each source required by Article IV, Section 4.01 to be registered, each air operating permit source, and each source required by Article V, Section 5.02 to obtain an approved Notice of Construction and Application for Approval is subject to an annual fee for each calendar year, or portion of each calendar year, during which it operates. The owner or operator shall pay the fee, pursuant to the requirements in Section 10.02. Fees received pursuant to the registration program or the operating permit program shall not exceed the actual costs of program administration.
- B. The annual fee for each source required by Article IV, Section 4.01 to be registered and that is not subject to Section 10.06.C. of this Regulation shall be determined by adding all of the applicable fees below:

1.

Registration Fee Categories	Fee	Fee Applicability
Facility Fee ^A	Per the Fee Schedule	Per Source
Emissions Fee ^B	Per the Fee Schedule	Per Ton
Emission Point Fee ^C	Per the Fee Schedule	Per Stack/Point
Synthetic Minor Fee ^D	Per the Fee Schedule	Per Source
((WEDS Fee ^E	Per the Fee Schedule	Per Hour))

- ^A Each source is subject to the fee listed in the fee schedule.
- ^B The additional fee applies to each ton (rounded to the nearest one-tenth of a ton) of each criteria pollutant, volatile organic compound (VOC), and non-VOC toxic air pollutant emitted.
- ^C The additional fee applies to each stack and other emission points, including sources of fugitive emissions (e.g., fugitive dust emissions from crushing operations; storage piles; mixing and clean-up associated with surface coating). For gasoline stations, each gasoline tank vent is an emission point.
- ^D The additional fee applies to each Synthetic Minor.
- ~~((^E The additional fee applies to each source required by the Agency to submit an annual emissions inventory for entry into the Washington Emission Data System (WEDS). SRCAA staff time spent processing and reviewing WEDS will be tracked in 15 minute increments and charged at the hourly rates provided in the fee schedule.))~~

- 2. The Board shall periodically review the fee schedule for registered sources and determine if the total projected fee revenue to be collected pursuant to this Section is sufficient to fully recover program costs. Any proposed fee revisions shall include opportunity for public review and comment. Accordingly, the Agency shall account for program costs, including employee costs and overhead. If the Board determines that the

total projected fee revenue is either significantly excessive or deficient for this purpose, then the Board may amend the fee schedule to more accurately recover program costs.

C. The annual fee for each air operating permit source shall be determined as follows:

1. The Board shall periodically review the fees for air operating permit sources and determine if the total projected fee revenue to be collected pursuant to this Section is sufficient to fully recover program costs. Any proposed fee revisions shall include opportunity for public review and comment. Accordingly, the Agency shall account for program costs, including employee costs and overhead. If the Board determines that the total projected fee revenue is either significantly excessive or deficient for this purpose, then the Board shall amend the fees to more accurately recover program costs.
2. For sources that are subject to the air operating permit (AOP) program during any portion of the calendar year, the annual fee shall be determined by adding all of the applicable fees described below
 - a. Annual base fee per the Fee Schedule.
 - b. Emission fee per the Fee Schedule.
 - c. SRCAA time fee, as determined per the Fee Schedule.
 - d. AOP Program Cost Correction, as determined per the Fee Schedule.
 - e. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined per the Fee Schedule.

~~((a. Annual base fee of \$3,000;~~

~~b. Emission fee of \$31.11 per ton of actual emissions from the previous calendar year;~~

~~c. SRCAA time fee, as determined by the following formula:~~

$$\text{TF}_I = \frac{(H_I + H_G) \times \text{RPC}}{H_T}$$

~~Where,~~

~~TFI is the SRCAA time fee for AOP source, I;~~

~~HI is the total SRCAA staff hours spent on AOP source, not including time spent on Notice of Construction application reviews, I;~~

~~HG is the total general hours SRCAA staff spent on the AOP program divided by the total number of sources subject to the AOP program during any portion of the calendar year;~~

~~RPC is the remaining SRCAA AOP program cost, calculated by subtracting the sum of the Section 10.06.C.2.a and b. fees from the total SRCAA AOP program costs; and~~

~~HT is the total number of hours SRCAA staff spent on the AOP program, including total time spent on the AOP sources and general hours spent on the AOP program.~~

~~Note: HI, HG, HT, and RPC are for the most recent SRCAA fiscal year.~~

~~Note: HI, HG, and HT are obtained from SRCAA time accounting records.~~

~~d. AOP Program Cost Correction, as determined by the following formula:~~

$$\frac{\text{PCCI} = \text{AOP Program Cumulative Deficit or Surplus} \times \text{FI}}{\text{FT}}$$

~~Where,~~

~~PCCI is the AOP Program Cost Correction assessed to each AOP source, I;~~

~~AOP Program Cumulative Deficit or Surplus is the cumulative financial deficit or surplus for SRCAA's AOP program at the end of the most recent SRCAA fiscal year;~~

~~FI is the total individual fee assessed pursuant to Section 10.06.C.2.a., b., and c., of this Regulation; and~~

~~FT is the sum of all the individual fees assessed pursuant to Sections 10.06.C.2.a., b., and c. of this Regulation.~~

~~e. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined by the following formula:~~

$$I = \frac{F_I \times A_E}{F_T}$$

~~Where,~~

~~I is the individual share of the assessment;~~

~~FI is the total individual fee assessed pursuant to Section 10.06.C.2.a., b., and c. of this Regulation;~~

~~AE is the total Ecology assessment pursuant to RCW 70.94.162(3); and~~

~~FT is the sum of all the individual fees assessed pursuant to Sections 10.06.C.2.a., b., and c. of this Regulation.~~

~~3. For affected units under Section 404 (Acid Deposition Standards) of the Federal Clean Air Act (42 USC 7401 et seq):~~

~~a. For time expended in carrying out the fee eligible activities specified in RCW 70.94, an hourly fee will be assessed pursuant to the fee schedule; and~~

~~b. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined by the following formula:~~

$$I = \frac{F_I \times A_E}{F_T}$$

Where,

~~I is the individual share of the assessment;~~

~~FI is the total individual fee assessed pursuant to Section 10.06.C.3.a. of this Regulation;~~

~~AE is the total Ecology assessment pursuant to RCW 70.94.162(3); and~~

~~FT is the sum of all the individual fees assessed pursuant to Sections 10.06.C.3.a. of this Regulation.)~~

3. For affected units under Section 404 (Acid Deposition Standards) of the Federal Clean Air Act (42 USC 7401 et seq), the air operating permit fee shall be determined by adding all of the applicable fees described below:

:

- a. For time expended in carrying out the fee eligible activities specified in RCW 70.94, an hourly fee will be assessed pursuant to the fee schedule; and
- b. A share of the assessment by Ecology pursuant to RCW 70.94.162(3), as determined per the Fee Schedule.

((as determined by the following formula:

$$I = \frac{F_I \times A_E}{F_T}$$

Where,

~~I is the individual share of the assessment;~~

~~FI is the total individual fee assessed pursuant to Section 10.06.C.3.a. of this Regulation;~~

~~AE is the total Ecology assessment pursuant to RCW 70.94.162(3); and~~

~~FT is the sum of all the individual fees assessed pursuant to Sections 10.06.C.3.a. of this Regulation.)~~



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A RESOLUTION AMENDING THE CONSOLIDATED FEE)
SCHEDULE TO ADD THE AIR OPERATING FEES PURSUANT) RESOLUTION 13-20
REGULATION I, ARTICLE X, SECTION 10.06)

WHEREAS, pursuant to the provisions of the Washington Clean Air Act, Chapter 70.94 RCW, the Spokane Regional Clean Air Agency was created as a municipal corporation of the State of Washington; and

WHEREAS, RCW 70.94.141 authorizes the Board of an activated authority to adopt, amend and repeal its own rules and regulations - Spokane Regional Clean Air Agency Regulation I is approved and in place; and

WHEREAS, RCW 70.94.152 authorizes Spokane Regional Clean Air Agency to establish and assess fees and SRCAA has a Consolidated Fee Schedule in place; and

WHEREAS, adding the Air Operating Permit (AOP) Fees to the Consolidated Fee Schedule provides a single document containing fees; and

WHEREAS, increasing SRCAA Regulation I, Section 10.06.C.2b emission fee from \$31.11 to \$58 per ton will give a greater weighting on the emission component in determining a source's annual AOP fee and is the same as the current emission fee for registered sources; and

WHEREAS, the Board has considered all verbal testimony submitted at the public hearing on October 3, 2013 and written comments submitted, and determined that the proposal is reasonable;

NOW THEREFORE, BE IT RESOLVED the Board of Directors of Spokane Regional Clean Air Agency amends the Consolidated Fee Schedule adding 10.06C Air Operating Permit Fees as shown in the attachment, effective November 12, 2013.

DATED THIS 3rd DAY OF OCTOBER 2013. SPOKANE REGIONAL CLEAN AIR AGENCY

Commissioner Al French, Chair

Mayor Patrick Rushing, Vice Chair

Jeff Corkill

ATTEST:

Tom Brattebo

William Dameworth, Director

Mayor Tom Towey

Attachment to Resolution 13-20

Spokane Regional Clean Air Agency (SRCAA) Fee Schedule

Listed in chronological order by Section number as referenced in SRCAA Regulation I

9.09.C - Asbestos-Containing Waste Material Temporary Storage Permit

Asbestos-Containing Waste Material Temporary Storage Permit application fee: \$65

10.06.B - Annual Registration Fees

Registration Fee Categories	Fee Effective Dates				Fee Applicability
	7/1/09	1/1/14	1/1/15	1/1/16	
Facility Fee	\$201	\$220	\$241	\$264	Per Source
Emissions Fee	\$58	\$69	\$76	\$83	Per Ton
Emission Point Fee	\$63	\$69	\$76	\$83	Per Stack/Point
Synthetic Minor Fee	\$1,394	\$1,658	\$1,815	\$1,988	Per Source

10.06.C - Operating Permit Fees

10.06.C.2.a. Annual base fee: \$3,000

10.06.C.2.b. Emission fee: \$58 per ton of actual emissions from the previous calendar year;

10.06.C.2.c. SRCAA time fee: The time fee is determined by the following formula:

$$TF_I = \frac{(H_I + H_G) \times RPC}{H_T}$$

Where,

TF_I is the SRCAA time fee for AOP source, I;

H_I is the total SRCAA staff hours spent on AOP source, not including time spent on Notice of Construction application reviews, I;

H_G is the total general hours SRCAA staff spent on the AOP program divided by the total number of sources subject to the AOP program during any portion of the calendar year;

RPC is the remaining SRCAA AOP program cost, calculated by subtracting the sum of the Section 10.06.C.2.a and b. fees from the total SRCAA AOP program costs; and

H_T is the total number of hours SRCAA staff spent on the AOP program, including total time spent on the AOP sources and general hours spent on the AOP program.

Note: H_i , H_G , H_T , and RPC are for the most recent SRCAA fiscal year.

Note: H_i , H_G , and H_T are obtained from SRCAA time accounting records.

10.06.C.2.d. AOP Program Cost Correction: Cost Correction is determined by the following formula:

$$PCC_i = \text{AOP Program Cumulative Deficit or Surplus} \times \frac{F_i}{F_T}$$

Where,

PCC_i is the AOP Program Cost Correction assessed to each AOP source, i ;

AOP Program Cumulative Deficit or Surplus is the cumulative financial deficit or surplus for SRCAA's AOP program at the end of the most recent SRCAA fiscal year;

F_i is the total individual fee assessed pursuant to Section 10.06.C.2.a., b., and c., of this Regulation; and

F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.C.2.a., b., and c. of this Regulation.

10.06.C.2.e. Share of the assessment by Ecology pursuant to RCW 70.94.162(3): The share of Ecology assessment is determined by the following formula:

$$I = \frac{F_i \times A_E}{F_T}$$

Where,

I is the individual share of the assessment;

F_i is the total individual fee assessed pursuant to Section 10.06.C.2.a., b., and c. of this Regulation;

A_E is the total Ecology assessment pursuant to RCW 70.94.162(3); and

F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.C.2.a., b., and c. of this Regulation.

10.6.C.3.a For time expended in carrying out the fee eligible activities specified in RCW 70.94, an hourly fee of \$67 will be assessed.

10.6.C.3.b Share of the assessment by Ecology pursuant to RCW 70.94.162(3): The share of the Ecology assessment is determined by the following formula:

$$I = \frac{F_I \times A_E}{F_T}$$

Where,

I is the individual share of the assessment;

F_I is the total individual fee assessed pursuant to Section 10.06.C.3.a. of this Regulation;

A_E is the total Ecology assessment pursuant to RCW 70.94.162(3); and

F_T is the sum of all the individual fees assessed pursuant to Section 10.06.C.3.a. of the fee schedule.

10.07 - Notice of Construction (NOC) and Notice of Intent (NOI) Fees

A. Base Fee		
Class I – Notice of Intent Permit (Section 5.08.A.2)		
<u>Includes</u>	<u>Exhibit R Category</u>	<u>Fees</u>
Asphalt plant	15	\$1,000
Concrete batch plant / ready mix plant	22	\$1,000
Rock crusher	36	\$1,000
Class II – Simple Notice of Construction Permit (conforms to template, minimal off-site impact evaluation)		
<u>Includes</u>	<u>Exhibit R Category</u>	<u>Fees</u>
Boiler and other fuel burning equipment	27	\$2,290
Coffee Roaster	20	\$2,290
Concrete batch plant / ready mix plant (for first time operation of temporary / portable sources as referenced in Section 5.08.A.1)	22	\$1,250
Concrete batch plant / ready mix plant	22	\$2,290
Dry cleaner	23	\$2,290
Emergency generator	52	\$2,290
Gasoline station	28	\$2,290
Lithographic printing / screen printing	9.e.5	\$2,290
Material handling / transfer that exhausts >1,000 acfm	24	\$2,290
Rock crusher (for first time operation of temporary / portable sources as referenced in Section 5.08.A.1)	36	\$1,250
Rock crusher	36	\$2,290
Spray booth / surface coating operation	57	\$2,290
Stationary internal combustion engine	53	\$2,290
Sterilizer	9.e.8	\$2,290
Stump / wood-waste grinder	54	\$2,290
Class III – Standard Notice of Construction Permit		

(no template, minimal off-site impact evaluation)		
<u>Includes</u>	<u>Exhibit R Category</u>	<u>Fees</u>
Soil and groundwater remediation operation	9.e.7	\$3,525
Burn-out oven	43	\$3,525
Chrome plating	35	\$3,525
Incinerator / crematory	31	\$3,525
Class IV – Complex Notice of Construction Permit (no template, more complex off-site impact evaluation)		
<u>Includes</u>	<u>Exhibit R Category</u>	<u>Fees</u>
Asphalt plant (for first time operation of temporary / portable sources as referenced in Section 5.08.A.1)	15	\$1,250
Asphalt plant	15	\$5,700
Composting	21	\$5,700
Refuse systems	48	\$5,700
Rendering	49	\$5,700
Sewerage systems	50	\$5,700
For sources not listed above, the Control Officer will assign a Class at his/her discretion.		

B. Modification / Revision Fee	
<u>Description</u>	<u>Fees</u>
Equipment modification ¹	½ regular fee
Permit condition revision	\$700
Complex permit condition revision ²	\$1200
¹ The fee shall be one-half the current fees for a Notice of Construction and Application of Approval or a Notice of Intent to Install and Operate a Temporary Stationary Source for that type of source, including the base fee and additional fees set	
² Applied when dispersion modeling, impact analysis or emission calculations are required that are not covered under C. Additional Fees	

C. Additional Fees (added to the Base Fee and Modification / Revision Fee, if applicable)		
<u>Description</u>		<u>Fees</u>
SEPA review		\$500
Toxics review	SQER	\$620
	Dispersion modeling	\$1,250
	Advanced modeling	\$1,900
NSPS review	40 CFR 60, Subpart 000 ³	\$450
	Other ⁴	\$600
NESHAP review	40 CFR 63, Subpart M, N & T ⁵	\$1,250
	Other	\$2,525

BACT review	Generic	\$175
	Non-generic	\$625
	Top-down	\$3,200

³ Non-metallic mineral processing (e.g., rock crusher)

⁴ Other (e.g., boiler, hot mix asphalt plant, volatile organic liquid storage)

⁵ Dry cleaner, chrome plater, halogenated solvents

D. Compliance Investigation Fee	
<u>Description</u>	<u>Fees</u>
Compliance investigation fee	\$385

10.08 - Miscellaneous Fees

A. Miscellaneous Fees		
<u>Description</u>		<u>Fees</u>
Miscellaneous	Emission reduction credit	\$67/hour
	Variance request	\$67/hour
	Alternate opacity	\$67/hour
	Other	\$67/hour

10.09 - Asbestos Fees

Asbestos Project and Demolition Notification Waiting Period and Fee Schedule

Owner-occupied, single-family residence	Waiting Period	Notification Fee
≥ 0 ln ft and/or ≥ 0 sq ft asbestos performed by residing owner	Notification Not Required	Not Applicable
< 10 ln ft and/or < 48 sq ft asbestos NOT performed by residing owner	Notification Not Required	Not Applicable
≥ 10 ln ft and/or ≥ 48 sq ft asbestos NOT performed by residing owner	Prior Notice	\$0
All Demolition	3 Days	\$30

Not owner-occupied, single-family residence	Waiting Period	Notification Fee
< 10 ln ft and/or < 48 sq ft asbestos	Notification Not Required	Not Applicable
10-259 ln ft and/or 48-159 sq ft asbestos	3 Days	\$250 ^A
260-999 ln ft and/or 160-4,999 sq ft asbestos	10 Days	\$500 ^A
≥ 1,000 ln ft and/or ≥ 5,000 sq ft asbestos	10 Days	\$1,250 ^{A, B}
All Demolition	10 Days	\$250

Additional categories	Waiting Period	Notification Fee
Emergency	Prior Notice	Twice the Regular Fee
Amendment	Prior Notice	\$0
Annual Notification (≤ 259 ln ft and/or ≤ 159 sq ft)	Prior Notice	\$750
Alternate Asbestos Project Work Practices	10 days	Twice the Regular Fee
Demolition with Nonfriable Roofing	10 days	Twice the Regular Fee
Exception for Hazardous Conditions	10 days	Regular Fee

^A Includes demolition fee, if applicable, provided the asbestos removal project and demolition project are submitted to the Agency on one notification.

^B When removing ≥ 2,000 ln ft and/or ≥ 10,000 sq ft, an additional fee of \$250 shall be paid for each increment of up to 1,000 ln ft beginning at 2,000 ln ft and/or each increment of up to 10,000 sq ft beginning at 10,000 sq ft.

10.13 - Outdoor Burning Permit Fees

Type of Outdoor Burning	Advance Application Period	Fee
Residential Land Clearing	10 working days	\$200
Social Event Fires	3 working days	\$50
Storm or Flood Debris	5 working days	\$200
Other Outdoor Burning as defined in Chapter 173-425 WAC	10 working days	\$55/hr

10.14 - Paving Waiver Fees

Filing Fee... \$50
Hourly Fee... \$55/hr

Attachment to Resolution 13-20

Spokane Regional Clean Air Agency (SRCAA) Fee Schedule

Listed in chronological order by Section number as referenced in SRCAA Regulation I

9.09.C - Asbestos-Containing Waste Material Temporary Storage Permit

Asbestos-Containing Waste Material Temporary Storage Permit application fee: \$65

10.06.B - Annual Registration Fees

Registration Fee Categories	Fee Effective Dates				Fee Applicability
	7/1/09	1/1/14	1/1/15	1/1/16	
Facility Fee	\$201	\$220	\$241	\$264	Per Source
Emissions Fee	\$58	\$69	\$76	\$83	Per Ton
Emission Point Fee	\$63	\$69	\$76	\$83	Per Stack/Point
Synthetic Minor Fee	\$1,394	\$1,658	\$1,815	\$1,988	Per Source

10.06.C - Operating Permit Fees

10.06.C.2.a. Annual base fee: \$3,000

10.06.C.2.b. Emission fee: \$58 per ton of actual emissions from the previous calendar year;

10.06.C.2.c. SRCAA time fee: The time fee is determined by the following formula:

$$TF_I = \frac{(H_I + H_G) \times RPC}{H_T}$$

Where,

TF_I is the SRCAA time fee for AOP source, I;

H_I is the total SRCAA staff hours spent on AOP source, not including time spent on Notice of Construction application reviews, I;

H_G is the total general hours SRCAA staff spent on the AOP program divided by the total number of sources subject to the AOP program during any portion of the calendar year;

RPC is the remaining SRCAA AOP program cost, calculated by subtracting the sum of the Section 10.06.C.2.a and b. fees from the total SRCAA AOP program costs; and

H_T is the total number of hours SRCAA staff spent on the AOP program, including total time spent on the AOP sources and general hours spent on the AOP program.

Note: H_i , H_G , H_T , and RPC are for the most recent SRCAA fiscal year.

Note: H_i , H_G , and H_T are obtained from SRCAA time accounting records.

10.06.C.2.d. AOP Program Cost Correction: Cost Correction is determined by the following formula:

$$PCC_i = \text{AOP Program Cumulative Deficit or Surplus} \times \frac{F_i}{F_T}$$

Where,

PCC_i is the AOP Program Cost Correction assessed to each AOP source, i ;

AOP Program Cumulative Deficit or Surplus is the cumulative financial deficit or surplus for SRCAA's AOP program at the end of the most recent SRCAA fiscal year;

F_i is the total individual fee assessed pursuant to Section 10.06.C.2.a., b., and c., of this Regulation; and

F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.C.2.a., b., and c. of this Regulation.

10.06.C.2.e. Share of the assessment by Ecology pursuant to RCW 70.94.162(3): The share of Ecology assessment is determined by the following formula:

$$I = \frac{F_i \times A_E}{F_T}$$

Where,

I is the individual share of the assessment;

F_i is the total individual fee assessed pursuant to Section 10.06.C.2.a., b., and c. of this Regulation;

A_E is the total Ecology assessment pursuant to RCW 70.94.162(3); and

F_T is the sum of all the individual fees assessed pursuant to Sections 10.06.C.2.a., b., and c. of this Regulation.

10.6.C.3.a For time expended in carrying out the fee eligible activities specified in RCW 70.94, an hourly fee of \$67 will be assessed.

10.6.C.3.b Share of the assessment by Ecology pursuant to RCW 70.94.162(3): The share of the Ecology assessment is determined by the following formula:

$$I = \frac{F_I \times A_E}{F_T}$$

Where,

I is the individual share of the assessment;

F_I is the total individual fee assessed pursuant to Section 10.06.C.3.a. of this Regulation;

A_E is the total Ecology assessment pursuant to RCW 70.94.162(3); and

F_T is the sum of all the individual fees assessed pursuant to Section 10.06.C.3.a. of the fee schedule.

10.07 - Notice of Construction (NOC) and Notice of Intent (NOI) Fees

A. Base Fee		
Class I – Notice of Intent Permit (Section 5.08.A.2)		
<u>Includes</u>	<u>Exhibit R Category</u>	<u>Fees</u>
Asphalt plant	15	\$1,000
Concrete batch plant / ready mix plant	22	\$1,000
Rock crusher	36	\$1,000
Class II – Simple Notice of Construction Permit (conforms to template, minimal off-site impact evaluation)		
<u>Includes</u>	<u>Exhibit R Category</u>	<u>Fees</u>
Boiler and other fuel burning equipment	27	\$2,290
Coffee Roaster	20	\$2,290
Concrete batch plant / ready mix plant (for first time operation of temporary / portable sources as referenced in Section 5.08.A.1)	22	\$1,250
Concrete batch plant / ready mix plant	22	\$2,290
Dry cleaner	23	\$2,290
Emergency generator	52	\$2,290
Gasoline station	28	\$2,290
Lithographic printing / screen printing	9.e.5	\$2,290
Material handling / transfer that exhausts >1,000 acfm	24	\$2,290
Rock crusher (for first time operation of temporary / portable sources as referenced in Section 5.08.A.1)	36	\$1,250
Rock crusher	36	\$2,290
Spray booth / surface coating operation	57	\$2,290
Stationary internal combustion engine	53	\$2,290
Sterilizer	9.e.8	\$2,290
Stump / wood-waste grinder	54	\$2,290
Class III – Standard Notice of Construction Permit		

(no template, minimal off-site impact evaluation)		
<u>Includes</u>	<u>Exhibit R Category</u>	<u>Fees</u>
Soil and groundwater remediation operation	9.e.7	\$3,525
Burn-out oven	43	\$3,525
Chrome plating	35	\$3,525
Incinerator / crematory	31	\$3,525
Class IV – Complex Notice of Construction Permit (no template, more complex off-site impact evaluation)		
<u>Includes</u>	<u>Exhibit R Category</u>	<u>Fees</u>
Asphalt plant (for first time operation of temporary / portable sources as referenced in Section 5.08.A.1)	15	\$1,250
Asphalt plant	15	\$5,700
Composting	21	\$5,700
Refuse systems	48	\$5,700
Rendering	49	\$5,700
Sewerage systems	50	\$5,700
For sources not listed above, the Control Officer will assign a Class at his/her discretion.		

B. Modification / Revision Fee	
<u>Description</u>	<u>Fees</u>
Equipment modification ¹	½ regular fee
Permit condition revision	\$700
Complex permit condition revision ²	\$1200
¹ The fee shall be one-half the current fees for a Notice of Construction and Application of Approval or a Notice of Intent to Install and Operate a Temporary Stationary Source for that type of source, including the base fee and additional fees set	
² Applied when dispersion modeling, impact analysis or emission calculations are required that are not covered under C. Additional Fees	

C. Additional Fees (added to the Base Fee and Modification / Revision Fee, if applicable)		
<u>Description</u>		<u>Fees</u>
SEPA review		\$500
Toxics review	SQER	\$620
	Dispersion modeling	\$1,250
	Advanced modeling	\$1,900
NSPS review	40 CFR 60, Subpart 000 ³	\$450
	Other ⁴	\$600
NESHAP review	40 CFR 63, Subpart M, N & T ⁵	\$1,250
	Other	\$2,525

BACT review	Generic	\$175
	Non-generic	\$625
	Top-down	\$3,200

³ Non-metallic mineral processing (e.g., rock crusher)

⁴ Other (e.g., boiler, hot mix asphalt plant, volatile organic liquid storage)

⁵ Dry cleaner, chrome plater, halogenated solvents

D. Compliance Investigation Fee	
<u>Description</u>	<u>Fees</u>
Compliance investigation fee	\$385

10.08 - Miscellaneous Fees

A. Miscellaneous Fees		
<u>Description</u>		<u>Fees</u>
Miscellaneous	Emission reduction credit	\$67/hour
	Variance request	\$67/hour
	Alternate opacity	\$67/hour
	Other	\$67/hour

10.09 - Asbestos Fees

Asbestos Project and Demolition Notification Waiting Period and Fee Schedule

Owner-occupied, single-family residence	Waiting Period	Notification Fee
≥ 0 ln ft and/or ≥ 0 sq ft asbestos performed by residing owner	Notification Not Required	Not Applicable
< 10 ln ft and/or < 48 sq ft asbestos NOT performed by residing owner	Notification Not Required	Not Applicable
≥ 10 ln ft and/or ≥ 48 sq ft asbestos NOT performed by residing owner	Prior Notice	\$0
All Demolition	3 Days	\$30

Not owner-occupied, single-family residence	Waiting Period	Notification Fee
< 10 ln ft and/or < 48 sq ft asbestos	Notification Not Required	Not Applicable
10-259 ln ft and/or 48-159 sq ft asbestos	3 Days	\$250 ^A
260-999 ln ft and/or 160-4,999 sq ft asbestos	10 Days	\$500 ^A
≥ 1,000 ln ft and/or ≥ 5,000 sq ft asbestos	10 Days	\$1,250 ^{A, B}
All Demolition	10 Days	\$250

Additional categories	Waiting Period	Notification Fee
Emergency	Prior Notice	Twice the Regular Fee
Amendment	Prior Notice	\$0
Annual Notification (≤ 259 ln ft and/or ≤ 159 sq ft)	Prior Notice	\$750
Alternate Asbestos Project Work Practices	10 days	Twice the Regular Fee
Demolition with Nonfriable Roofing	10 days	Twice the Regular Fee
Exception for Hazardous Conditions	10 days	Regular Fee

^A Includes demolition fee, if applicable, provided the asbestos removal project and demolition project are submitted to the Agency on one notification.

^B When removing ≥ 2,000 ln ft and/or ≥ 10,000 sq ft, an additional fee of \$250 shall be paid for each increment of up to 1,000 ln ft beginning at 2,000 ln ft and/or each increment of up to 10,000 sq ft beginning at 10,000 sq ft.

10.13 - Outdoor Burning Permit Fees

Type of Outdoor Burning	Advance Application Period	Fee
Residential Land Clearing	10 working days	\$200
Social Event Fires	3 working days	\$50
Storm or Flood Debris	5 working days	\$200
Other Outdoor Burning as defined in Chapter 173-425 WAC	10 working days	\$55/hr

10.14 - Paving Waiver Fees

Filing Fee... \$50
Hourly Fee... \$55/hr

Semiannual Title V Permit Data Report

This information request is authorized pursuant to the Information Collection Request for Part 70 Operating Permit Regulations, EPA Number 1587.06, OMB Number 2060-0243; April 2004.

Permitting Authority:	Spokane Regional Clean Air Agency	
Report Date:	7/10/18	
Reporting Period:	<input checked="" type="checkbox"/> January 01 – June 30, 2018 *Report due July 31*	<input type="checkbox"/> July 01 – December 31, 2017 *Report due January 31*

Data Element	Reported Value	Information
1. Outstanding Permit Issuance	a) Number of final actions: n/a	<ul style="list-style-type: none"> • Total final actions on Permitting Authority-specific permit issuance commitments (i.e., agreements by the Permitting Authority to complete action on initial permits within a specified time-frame, such as agreements related to the 2001 citizen comments). • If the Permitting Authority does not have a commitment, enter "not applicable" in 1(a) and 1(b).
	b) Total commitment universe: n/a	
	c) Date commitment completed (if applicable):	
2. Total Current Part 70 Source Universe and Permit Universe	a) Number of active part 70 <u>sources</u> that have obtained part 70 permits, plus the number of active part 70 <u>sources</u> that have not yet obtained part 70 permits: 8	<ul style="list-style-type: none"> • The total current part 70 <u>source</u> universe includes all sources subject to the Permitting Authority's part 70 program applicability requirements (i.e., provisions comparable to §70.3). • In 2.a), count all active sources that either have obtained or will obtain a part 70 permit. EPA expects that this data will be primarily based on the Permitting Authority's application and permit tracking information. If, however, the Permitting Authority is aware of part 70 sources that are not yet captured by application or permit information, count those sources as well. • Do <u>not</u> count sources that are no longer subject to part 70, such as sources that have shut down, or become natural minors or synthetic minors, and do not have an active part 70 permit. • Do <u>not</u> double count sources included in 2.b).

<p>Total Current Part 70 Source Universe and Permit Universe</p> <p>(Continued)</p>	<p>b) Number of part 70 <u>sources</u> that have applied to obtain a synthetic minor restriction in lieu of a part 70 permit, and the part 70 program's permit application due dates for those sources have passed:</p> <p>0</p>	<ul style="list-style-type: none"> Element 2.b) is intended to capture the universe of part 70 sources that are seeking synthetic minor restrictions in lieu of part 70 permits, but haven't received those restrictions before becoming subject to the part 70 program's permit application requirements. If the part 70 applications don't readily identify sources seeking such restrictions, the Permitting Authority may include those sources in 2.a), and need not break them out here. However, EPA expects Permitting Authorities to consider pending synthetic minor requests <u>not</u> addressed in part 70 applications to calculate this portion of the part 70 source universe. Count sources that currently meet the part 70 program's applicability requirements, their part 70 application due dates have passed, and they have requested but not yet received synthetic minor restrictions in lieu of a part 70 permit (or permit renewal). Also count active sources whose synthetic minor restrictions have expired (i.e., no synthetic minor restrictions are currently in place, even though they may be eligible for such restrictions) and are past their part 70 program's application due date. Do <u>not</u> count sources that have active synthetic minor restrictions and are no longer subject to part 70. Do <u>not</u> double count sources included in 2(a).
	<p>c) Total number of current part 70 <u>sources</u> (a+b):</p> <p>8</p>	
	<p>d) <i>For permitting authorities that issue multiple part 70 permits to a single source:</i> total number of active part 70 <u>permits</u> issued, plus part 70 <u>permits</u> applied for:</p> <p>n/a</p>	<ul style="list-style-type: none"> For Permitting Authorities that issue multiple part 70 permits to a single source, and these permits are issued and tracked separately, report the total permit universe, including # of active part 70 permits issued (element 3 below), plus permits applied for (based on pending applications). This information is for correlating data when the Permitting Authority's part 70 <u>permit</u> universe may be greater than the part 70 <u>source</u> universe. For Permitting Authorities that do not issue multiple permits to a single source, or for those that issue and track multiple permits issued to a source on a source-wide basis, enter "not applicable" in 2.d).

<p>3. Total Active Part 70 Permits</p>	<p>Total number of active part 70 permits:</p> <p>8</p>	<ul style="list-style-type: none"> • This element includes all <u>active</u> initial and renewal part 70 permits issued by the permitting authority. Do <u>not</u> count inactive permits, i.e., permits that are no longer in effect due to source shutdown, synthetic minor restrictions, etc. Note: the procedures for rendering part 70 permits no longer effective may vary, depending on the part 70 program. • Do <u>not</u> count both initial and renewal permits (or prior renewal and current renewal permits) issued to the same source; i.e., do not double count. • Count permits that have been extended (see 6.b. below), but do <u>not</u> count permits that have expired, or have been voided, revoked, etc. • Count each source covered by a general permit separately for this data element. If a single source has several general permits and/or source specific permits, refer to the information for permitting authorities that issue multiple part 70 permits to a single source. • For permitting authorities that issue multiple part 70 permits to a single source and included information in element 2(d), count each permitted portion of the source separately for this element. This distinction is for correlating this data element with the permit universe information in element #2(d).
<p>4. Timeliness of Initial Permits (PART element)</p>	<p>a) Total number of initial part 70 permits issued during 6 month reporting period:</p> <p>0</p>	<ul style="list-style-type: none"> • This data element tracks the initial part 70 permits issued as final (e.g., not draft or proposed) during the 6 month reporting period covered by this report, and whether they were issued within 18 months of receipt of an administratively complete application. • For TOPS purposes, initial permits are permits that are issued to any source that has become subject to part 70 for the first time, or any source that comes back into the part 70 program after a period of not being subject. • If no initial permits were issued during the 6 month reporting period, report "zero" in 4(b), and "not applicable" in 4(a).
	<p>b) Number of initial part 70 permits finalized during 6 month reporting period that were issued within 18 months:</p> <p>n/a</p>	<ul style="list-style-type: none"> • Start the 18-month clock on the submittal date of an administratively complete application. For purposes of this data element, do not stop or restart the 18 month clock for additional information submitted after the application is deemed administratively complete. • For permitting authorities that issue multiple part 70 permits to a single source and included information in 2(d), count each permitted portion of the source separately for this element. This distinction is for determining individual permit timeliness.

<p>5. Total Outstanding Initial Part 70 Applications</p>	<p>The number of active initial part 70 applications older than 18 months:</p> <p>0</p>	<ul style="list-style-type: none"> • This element tracks <u>all</u> active, administratively complete <u>initial</u> part 70 permit applications that the permitting authority has not taken final action on within 18 months of receipt of the administratively complete application. Do not stop or restart the 18 month clock for additional information submitted after the application is deemed administratively complete. • For TOPS purposes, initial part 70 applications are applications for sources that are subject to title V for the first time, or for any source that comes back into the title V program after a period of not being subject. Do <u>not</u> include renewal applications. • Include all current outstanding initial applications, including those that may also be tracked in data element #1. • Do <u>not</u> count initial applications the Permitting Authority has taken final action on.
<p>6. Outstanding Renewal Permit Actions</p>	<p>a) Total number of expired permits for active part 70 sources:</p> <p>0</p>	<ul style="list-style-type: none"> • This data element tracks the total number of expired permits for active part 70 sources. Part 70 permits expire after 5 years if the sources do not submit timely and complete renewal applications, or if they have lost their application shield by not timely responding to additional requests for information. • Include expired permits that have been addressed through consent orders or other enforcement mechanisms. Expired permits can be further addressed in the "Additional Information" element. • Do <u>not</u> include permits that have expired because the source is no longer subject to Title V; i.e., they have shutdown or have received synthetic minor restrictions. <p>For permitting authorities that issue multiple part 70 permits to a single source and included information in 2(d), count each expired permit separately.</p>

<p>Outstanding Renewal Permit Actions</p> <p>(Continued)</p>	<p>b) Total number of active permits with terms extended past 5 years:</p> <p>1</p> <p>City of Spokane Waste-to-Energy facility permit expired on 5/27/18</p>	<ul style="list-style-type: none"> • This data element tracks the total number of active permits that have been extended past the original 5 year permit term. Part 70 permits or permit conditions are extended beyond the original 5 year term when sources submit a timely and complete renewal application (and any timely and complete additional information requested by the permitting authority), but the permitting authority has not yet issued a renewal permit. • Count all extended permits, including extended permits for sources that submitted timely and complete renewal applications within the last 18 months. Pending applications that are less than 18 months old can be further addressed in the "Additional Information" element. • Do <u>not</u> include inactive extended permits, i.e., when a subsequent permit renewal has been issued or a source is no longer subject to part 70. • Do <u>not</u> include "expired part 70 permits" that have been addressed through consent orders or other enforcement mechanisms. Count expired permits in 6(a). • For permitting authorities that issue multiple part 70 permits to a single source and included information in 2(d), count each extended permit separately.
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<p>7. Timeliness of Significant Modifications (PART element - a and b only)</p>	<p>a) Total number of significant modifications issued during 6 month reporting period:</p> <p>0</p>	<ul style="list-style-type: none"> This data element tracks the number of significant modifications issued as final (e.g., not draft or proposed) during the 6 month reporting period. It also tracks the number of those modifications that were issued within 18 months of receipt of an administratively complete significant modification application, and also the number that were issued within 9 months. Note that 7(c) is a subset of 7(b). If no significant modifications were issued during the 6 month reporting period, report "zero" in 7(a) and "not applicable" in 7(b) and 7(c). Start the application clock on the submittal date of an administratively complete significant modification application. Do not restart the clock for additional information submissions.
<p>b) Number of significant modifications finalized during 6 month reporting period that were issued within 18 months:</p> <p>n/a</p>		
<p>c) Number of significant modifications finalized during 6 month reporting period that were issued within 9 months:</p> <p>n/a</p>		
<p>8. Outstanding Significant Permit Modifications</p>	<p>Total number of active significant modification applications older than 18 months:</p> <p>1</p> <p>City of Spokane Waste-to-Energy facility - modifications will be rolled into next renewal permit</p>	<ul style="list-style-type: none"> This element tracks all active, administratively complete significant permit modification applications that the permitting authority has not taken final action on within 18 months of receipt of the administratively complete application. Do not stop or restart the 18 month clock for additional information submitted after the application is deemed administratively complete. Do <u>not</u> count significant modification applications the Permitting Authority has taken final action on.
<p>9. Comments and Additional Information</p>		<p>Permitting authorities may provide any additional information in this section. For example, a permitting authority may address data changes, data management issues, general permits, multiple permits issued to single stationary sources, synthetic minor information, additional relevant data, etc.</p>