



# **Yakima Regional Clean Air Agency**

*Yakima Regional Clean Air Agency  
Agencia Regional de Aire Limpio de Yakima*

## **Meeting of the Board of Directors April 2026**

Reunión de la Junta Directiva  
Abril 2026

April 16, 2026

16 de Abril de 2026

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### **Public Comments**

Members of the public may submit comments to the Board by: a) speaking in person or remotely (see below) during the public comment period of any meeting; b) mailing them to 186 Iron Horse Ct. Ste. 101, Yakima, WA 98901; or c) sending them via electronic mail to [admin@yrcaa.org](mailto:admin@yrcaa.org).

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### **Comentarios Públicos**

Los miembros del público pueden enviar comentarios a la Junta por: a) hablando en persona o de forma remota (ver a continuación) durante el período de comentarios públicos de cualquier reunión; b) enviándolos por correo a 186 Iron Horse Ct. Ste. 101, Yakima, WA 98901; o c) enviándolos por correo electrónico a [admin@yrcaa.org](mailto:admin@yrcaa.org).

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## **Special Meeting of the Board of Directors**

**April 16, 2026 – 2:00 P.M.**

Yakima City Hall; 129 N Second Street; Yakima, Wash.

Duration – 1 hour (estimated)

### **AGENDA**

- 1. Call to Order**
- 2. Roll Call**
- 3. Changes to the Agenda**
- 4. Public Comments**  
The public may address any matter relevant to the business of the Board at this time. Please state your name and the item you wish to address. Comments are limited to three (3) minutes per person.
- 5. Large City Representative Introduction**
- 6. Board Meeting Minutes for March 12, 2026**
- 7. Payroll Transfer Authorization for February 2026**
- 8. Vouchers for March 2026**
- 9. Proposed Fiscal Year 2026-27 Budget**
- 10. Executive Director's Report**
- 11. Other Business**
- 12. Adjournment**

Zoom information

URL: <https://us06web.zoom.us/j/6058007569>

Meeting ID: 605 800 7569

Phone number: 253-215-8782 or 253-205-0468

If you wish to attend the YRCAA board meeting and require an accommodation due to a disability or need interpretation or translation services, call 509-834-2050 ext. 100 or send an email to [admin@yrcaa.org](mailto:admin@yrcaa.org).

## **Reunión Extraordinaria de la Junta Directiva**

**16 de Abril de 2026 – 2:00 P.M.**

Ayuntamiento de Yakima; 129 N Second Street; Yakima, Wash.

Duración – 1 hora (estimativo)

### **ORDEN DEL DIA**

- 1. Llamado a Orden**
- 2. Pase de Lista**
- 3. Cambios al Orden del Día**
- 4. Comentarios del Públicos**  
El público puede abordar cualquier asunto relacionado con los asuntos de la Junta en este momento. Indique su nombre y el artículo que desea abordar. Los comentarios están limitados a tres (3) minutos por persona.
- 5. Presentación del Representante de la Gran Ciudad**
- 6. Acta de la Reunión de la Junta del 12 de Marzo de 2026**
- 7. Autorización de Transferencia de Nómina para Febrero de 2026**
- 8. Vales para Marzo de 2026**
- 9. Presupuesto Propuesto para el Año Fiscal 2026-27**
- 10. Informe del Director Ejecutivo**
- 11. Otros Asuntos**
- 12. Conclusión**

Zoom información

URL: <https://us06web.zoom.us/j/6058007569>

ID de reunión: 605 800 7569

Número de teléfono: 253-215-8782 or 253-205-0468

Si desea asistir a la reunión de la junta de YRCAA y requiere una adaptación debido a una discapacidad o necesita servicios de interpretación o traducción, llame al 509-834-2050 ext. 100 o envíe un correo electrónico [admin@yrcaa.org](mailto:admin@yrcaa.org).

1. **Call to Order**

Chairperson DeVaney called the meeting to order at 2:01 p.m. in the council chambers, Yakima City Hall; 129 N Second St.; Yakima, Washington.

2. **Roll Call**

Thornsbury conducted roll call and declared a quorum present.

Board members: Amanda McKinney, County Representative, Absent  
Steven Jones, Ph.D., County Representative, Present  
[vacant], Large City Representative, Absent  
Hilda González, Ed.D., City Representative, Present  
Jon DeVaney, Member-at-Large, Present

Staff present: Marc Thornsbury, Executive Director

3. **Changes to the Agenda**

DeVaney asked if there were any changes to the agenda. None were requested.

4. **Public Comment**

DeVaney asked if there were any public comments.

Jean Mendoza noted McKinney had previously requested the Board begin consideration of the budget earlier in the year and recalled Thornsbury stating that might be possible at the March meeting. She added she did not see the budget on the agenda. DeVaney directed Mendoza to the agenda item “Budget Objectives Discussion”.

Mendoza stated each year she has questions concerning the budget that are not answered and expressed concern Agency staff does not provide the Board with monthly reports concerning their activities such as notices of construction received, permits issues, and inspections conducted. She suggested it is nearly impossible for her—or for the Board—to evaluate how well the Agency is doing its job without that information and that it should be part of evaluating the upcoming budget.

5. **Board Meeting Minutes for February 12, 2026**

DeVaney asked if there were any corrections to the minutes. Thornsbury noted a scrivener's error in the first full paragraph of the second page where the end of the next to the last sentence should have read “until such time as they are received” and the last sentence should have read “such time as funding is restored” instead of “such time and funding is restored”. Jones moved to approve the February 12, 2026, minutes as corrected. González seconded. Motion passed 2-0.

6. **Payroll Transfer Authorization for January 2026**

Jones moved to approve the January 2026 payroll transfer. González seconded. Motion passed 2-0.

7. **Vouchers for January 2026**

Jones inquired regarding the payment to Mr. Zuniga. Thornsbury stated he concluded his work for the Agency before the end of December 2025 and his contract expired at the end of the year. Jones moved to approve the February 2026 vouchers. González seconded. Motion passed 2-0.

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## 8. Budget Objectives Discussion

DeVaney explained this item was included on the agenda to allow time for the Board to discuss budget priorities or concerns before staff began work on the budget. He asked if Thornsbury had any remarks or questions for the board. Thornsbury replied he did not, but cautioned the Board any discussion of priorities that includes adding or increasing in one area must include removing or decreasing in another area as the budgetary “pie” is largely fixed in size. DeVaney acknowledged the limitation.

Jones stated he reviewed the previous budgets adopted for fiscal years 2021-22, 2022-23, 2023-24, and 2024-25 and found it difficult to compare them because each was slightly different from the others. He noted the 2022-23 budget showed “available funds” to be equal to one hundred nineteen thousand dollars (\$119,000), the 2023-24 budget showed this had grown to three hundred thirty-seven thousand dollars (\$337,000), and the 2024-25 budget showed a building fund in the amount of four hundred fifty thousand dollars (\$450,000) with all other reserves covered with increases to several including the legal reserve. Jones stated he did not know the source of these funds.

Thornsbury stated most of the monies that have appeared in the reserves over the last two years have been the result of the lower amount of wages and benefits paid due to open positions at the Agency during that period. He explained if the Agency had been fully staffed with fully trained individuals earning the median wage for their position, those funds would have been consumed and would not have been allocated to reserves.

Jones asked if there was a board resolution establishing a building fund. Thornsbury explained when he came to the Agency, there was some discussion regarding the expense of leasing office space and what would occur at the conclusion of the current lease agreement. He noted that, at the time, there was some cursory discussion as to whether the Agency should consider acquiring space as a way to manage its future expenses. Thornsbury added that, based upon this interest, when additional funds became available as a result of temporary staff reductions, these excess funds were identified for that purpose so they would be available if needed. He stated the various items listed for the reserve funds—with the exception of the operating reserve fund which is set by policy—are suggestions and do not represent a commitment of those funds for any specific purpose.

Thornsbury noted if the Agency had the opportunity to secure monies to fund significant items beneficial to, and needed by, the Agency as a result of savings—the costs of which were borne largely by staff—without the need to increase fees to industry, it seemed prudent to do so and allow the Board to act without the need for future fee increases to cover the expenditures [such as acquiring a building]. He reiterated that under normal circumstances the fees collected would have been consumed and did not represent an added burden on industry. Thornsbury added this simply allowed for special one-time projects to be paid for using special one-time funds without substantially altering the Agency fee structure.

Thornsbury acknowledge the appearance of the budget has changed from year to year. He noted when he arrived at the Agency there were a number of complaints regarding the budget and staff has made incremental improvements to it over a period of several years. Thornsbury stated the current budget incorporated what is expected to be the last substantive change with the addition of prior year actual amounts along with projected current and proposed future amounts. He added the coming proposed budget would retain a similar format and stated his belief staff is now providing the

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information desired by the Board. Thornsby explained that while such changes made it difficult to do an “apples-to-apples” comparison for the recent years, the problem is not expected to continue going forward. Jones stated he has no complaint regarding the current format of the budget, but it is difficult to compare across years.

González asked Jones if the 2024-25 budget had any available funds in addition to the \$450,000 for building acquisition. Jones noted the budgets for prior years did not specifically identify all of the reserve line items that appear in the most recent budgets so it is difficult to tell. Thornsby reiterated all of the amounts shown for various items are unallocated funds—with the exception of the operating reserve—and represent only a suggested use of the funds. He noted the anticipated expenditures are special rather than recurring as the Agency does not frequently purchase vehicles or buildings.

Thornsby explained legal costs have grown significantly and, as a result, non-recurring legal needs are more appropriately funded through reserves rather than operations as was previously done. He added while the reserve percentage has remained the same, total Agency operating expenses have grown over time, necessitating an increase in the amount of the operating reserve. Thornsby stated his recollection the discovery the operating reserve amount had not been increased as needed occurred in 2023-24 and the subsequent increases in the amount were to maintain the percentage required by policy.

González asked Thornsby if the remaining funds each year were reallocated to other line items and if any remaining funds in 2024-25 were absorbed into the building acquisition item. Thornsby explained unallocated funds from a prior year remain and any excess funds from the current year are added to them. He added these funds can be used for any purpose the Board may choose. Thornsby reiterated none of the staff recommendations concerning reserve funds are a commitment by the Board which may do with them as it sees fit. He added the recommendations are based on the anticipated needs of the Agency and discussions with the Board over a period of years.

Thornsby explained that in a year where the Agency, for example, acquired several pieces of equipment, the Board would see a large expenditure in the line item for such expenses that exceeds the budgeted amount and there would be a corresponding reduction in the equipment acquisition reserve amount as these funds were used to cover the overage and bring the budget into balance.

DeVaney suggested the funds earmarked for building acquisition would be better allocated to legal expenses as a need for the former seemed less likely than a need for the latter. He added acquiring a building would relieve the Agency of rent costs, but require maintenance of the building. Thornsby expressed his intent to provide an overview at the next meeting, adding it would not be a deep-dive, but would cover basic elements such as rent and maintenance costs so the Board can engage in a discussion of the financial impacts of various alternatives.

Jones asked Thornsby the legal entity type of the Agency. Thornsby explained the Agency is a political subdivision of the State of Washington and considered a “municipal corporation”. He noted it is its own separate entity and is authorized under state law to acquire and own assets. Jones asked what would happen if the Agency were dissolved. Thornsby stated his understanding the assets of the Agency would revert to Yakima County, adding he would need to confirm his recollection.

Jones asked if most of the unallocated funds were the result of wage and benefit expenses not incurred by the Agency due to unfilled positions. Thornsbery affirmed. Jones remarked the budget contains funds for those positions. Thornsbery explained that would normally be the case, but this year would the budget will show a reduction in state funding and a corresponding reduction in employee costs for one position that is expected to be left vacant until state funding is restored.

Jones stated the Agency is able to fund that position with the funds it currently holds. Thornsbery concurred, noting an employee could be hired in anticipation that funding will be restored. He added he has tried to present a budget that did not rely on what the future might or might not hold and to ensure the Agency was able to sustain its operations at the level of available funding. Jones noted the Agency had raised fees to cover increases in the cost of wages and benefits and urged the Agency to spend those funds for that purpose, adding he would support setting aside funds for legal expenses, but does support having the Agency own real estate. Thornsbery stated he did not have a position on whether the Agency should or should not own the space it occupies and the matter is one for the Board to decide.

Jones noted the state would be reducing its funding to the agency by approximately \$25,000 per year. Thornsbery stated he recalled the reduction at \$50,000 per year, but could not be certain. DeVaney asked if the funds were for general operations or limited to any specific program. Thornsbery stated they were for a variety of purposes considered part of the core operations of the Agency. He explained that adjusting for reductions in funding is easier in larger organizations—where there may be multiple people assigned to a program and reducing that by one is relatively easy—versus smaller organizations—where a person may be responsible for multiple programs and it is impossible to simply cut them by one-third.

DeVaney expressed his belief that while the future can never be known with certainty, it would seem prudent to utilize some reserve monies to fund the position in question through the biennium. He also expressed concern if the Agency does not have all its positions filled, existing staff will be overworked. Thornsbery noted positions had been left vacant due only to concerns over future funding and not in an attempt to funnel them into reserves. DeVaney stated he was not suggesting they had been left unfilled in order to reallocate the funds for another purpose, but that using funds available in reserves to fully staff the Agency should be considered.

Jones concurred and requested the budget include full staffing. DeVaney expressed support for such a budget and a discussion of the impact of full staffing on the reserve funds. González concurred and asked for confirmation the County would receive the assets of the Agency were it dissolved. Thornsbery affirmed, noting that was his unconfirmed recollection. González asked if the County have any governance with respect to the Agency. Thornsbery explained the Agency is formed and may be dissolved by the County, adding there is little history of an agency being dissolved—though there have been counties that withdrew from an established multi-county agency. He noted while the County has authority to establish the agency, that does not infer governance by the County and the agency is its own independent entity.

González suggested the Agency might be able to partner with the County to secure unused space in a county-owned facility. She asked for confirmation the Agency currently leases from a private entity. Thornsbery affirmed. González stated the use of County space could reduce Agency expenses and the funds made available could be used to ensure the Agency is fully staffed. DeVaney concurred.

**Executive Director's Report**

Thornsbury noted staff has been preparing for the coming residential burn season that will start the following weekend and processing the incoming registrations that were being sent out at the time of the last meeting. He added a substantial number of registrations had been received the prior week and noted the deadline would be coming up the following week with time yet for more to be sent. Thornsbury stated some may be in the mail and have yet to be delivered.

González inquired as to whether the budget included funds for unfunded mandates from the state. Thornsbury stated there is no line item to address potential new state or federal enforcement or other requirements, adding these are not common and there have been few changes to the state or federal clean air acts. He noted the most recent changes were the state statutes related to overburdened communities, but these primarily involved new obligations pertaining to the Dept. of Ecology—though local agencies may have some enforcement obligations that may result in some additional cost. Thornsbury explained the potential impact is unknown until there is greater clarity as to how implementation will take place. He stated his understanding is that Ecology hopes to have completed its work by the end of the year.

**9. Other Business**

None.

**10. Adjournment**

Jones moved to adjourn. González seconded. Motion passed 2-0. DeVaney adjourned the meeting at 2:41 p.m.

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Jon DeVaney, Chairperson

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Marc Thornsbury, Executive Director



**Payroll Reimbursement  
February 2026**

Paid 3/5/2026 For 2/1/2026 Through 2/28/2026

<b>Gross Wages</b>		<b>\$</b>	<b>50,658.37</b>
ER Taxes Paid	\$	711.75	
ER Medical Paid		9,385.49	
Pers 2 ER Paid		2,517.24	
Pers 3 ER Paid		250.41	
PFML		163.57	
SUTA		136.78	
L & I		1,352.01	
<b>Benefits</b>		<b>\$</b>	<b>14,517.25</b>
Bank Charges	\$	-	
Other		-	
<b>Miscellaneous</b>		<b>\$</b>	<b>-</b>
<b>Total Payroll</b>		<b>\$</b>	<b>65,175.62</b>

\_\_\_\_\_  
Amanda Jean (DATE)  
Primary Auditing Officer

\_\_\_\_\_  
Marc Thornsbury (DATE)  
Secondary Auditing Officer

\_\_\_\_\_  
Jon DeVaney (DATE)  
Board Chairperson



186 Iron Horse Court, Suite 101  
Yakima, WA 98901-1468  
509-834-2050  
www.yakimacleanair.org

3/18/2026

### Accounts Payable

YRCAA Fund: 614-6140  
Enterprise Fund: 614-1410

<u>Name</u>	<u>Warrant No.</u>	<u>GL No.</u>	<u>Amount</u>	<u>Date</u>
509 Ductless *	36461	4105	26,629.00	3/20/2026
Alliant Communications	36462	4201	460.65	3/20/2026
Amazon Capital Services	36463	3101	96.42	3/20/2026
Kristin Buckingham *	36464	4105	1,800.00	3/20/2026
Cody Byrd *	36465	4105	4,400.00	3/20/2026
Cascade Natural Gas Corporation	36466	4701	186.49	3/20/2026
Coleman Oil Company LLC	36467	3201	131.69	3/20/2026
Fosseen's Home & Hearth *	36468	4105	12,370.92	3/20/2026
Randel Genz *	36469	4105	2,400.00	3/20/2026
Intermountain Cleaning Service, Inc.	36470	4802	465.00	3/20/2026
Iron Horse Development LLC	36471	4501	5,028.89	3/20/2026
J & K Wood Pellet Stove Installation *	36472	4105	3,000.00	3/20/2026
Rincon Broadcasting Group KCYU *	36473	4105	1,262.00	3/20/2026
La Voz Hispanic Newspaper	36474	4401	98.00	3/20/2026
NFFX, Rincon Broadcasting Group, LLC *	36475	4105	1,445.00	3/20/2026
OIC of Washington *	36476	4105	400.00	3/20/2026
Justin Pitts *	36477	4105	350.00	3/20/2026
Bertha Sanchez *	36478	4105	4,400.00	3/20/2026
Scout Environmental, Inc.	36479	4103	1,884.75	3/20/2026
Stephens Media Group *	36480	4105	3,520.00	3/20/2026
Shane Stonemetz *	36481	4105	3,800.00	3/20/2026
StorageMax **	36482	4506	75.00	3/20/2026
Valley Publishing Co.	36483	4401	76.75	3/20/2026
Yakima County Public Services	36484	4701	24.31	3/20/2026
Yakima Herald-Republic	36485	4401	147.90	3/20/2026

**Total**

**\$74,452.77**

\* Grant Reimbursement

\*\* NOC/Enterprise

I hereby certify the invoices and warrants described above for the Yakima Regional Clean Air Agency have been examined, audited, and approved for payment.

\_\_\_\_\_  
Amanda Jean (DATE)  
Primary Auditing Officer

\_\_\_\_\_  
Marc Thornsby (DATE)  
Secondary Auditing Officer

\_\_\_\_\_  
Jon DeVaney (DATE)  
Board Chairperson

**Yakima Regional Clean Air Agency  
Supplemental Income for CY 2026  
\$0.55 Per Capita (Rounded Amounts)**

as of 03/31/2026

City/Town	CY2025 Past Due	Population	Assessed Amount	Total Due	Last Payment Received	Payments To Date	Balance Due	Notes
Grandview	\$ -	11,680	\$ 6,424	\$ 6,424	1/13/2026	\$ 6,424	\$ -	Paid in full
Granger	-	3,815	2,098	2,098	2/9/2026	525	1,574	
Harrah	-	585	322	322	1/13/2026	322	-	Paid in full
Mabton	-	1,965	1,081	1,081	3/5/2026	270	811	
Moxee	-	4,820	2,651	2,651	1/23/2026	663	1,988	
Naches	-	1,125	619	619	2/3/2026	155	464	
Selah	-	8,620	4,741	4,741	1/15/2026	1,185	3,556	
Sunnyside	-	16,570	9,114	9,114	1/15/2026	9,114	-	Paid in full
Tieton	-	1,600	880	880	12/23/2025	880	-	Paid in full
Toppenish	-	8,915	4,903	4,903	1/15/2026	1,226	3,678	
Union Gap	-	6,660	3,663	3,663	2/2/2026	3,663	-	Paid in full
Wapato	623.00	4,625	2,544	3,167			3,167	3rd Qtr 2025 & 1st Qtr 2026 Past Due
Yakima (city)	-	99,370	54,654	54,654	3/18/2026	13,664	40,990	
Zillah	-	3,215	1,768	1,768	2/10/2026	1,768	-	Paid in full
Yakima (county)	-	89,635	49,299	49,299			49,299	1st Qtr 2026 Past Due
<b>Total</b>	<b>\$ 623</b>		<b>\$ 144,760</b>	<b>\$ 145,383</b>		<b>\$ 39,858</b>	<b>\$ 105,526</b>	

## STAFF REPORT

**Date:** April 9, 2026  
**To:** YRCAA Board of Directors  
**From:** Marc Thornsbury, Executive Director  
**Subject:** FY 2026-27 Budget

### Summary

The draft FY 2026-27 budget includes funding to allow for a maximum three percent (3%) cost-of-living adjustment (COLA) consistent with the expected inflation rate since September 2022 (when the most recent compensation survey was completed) less all subsequent COLAs. The cost of the COLA will be largely offset by a reduction in expected benefit costs.

The proposed budget anticipates full staffing of the Agency, no increase in fees or supplemental income, and the use of reserve funds to address any shortage. The Agency is expected to operate at a deficit in the coming fiscal year under the proposed budget.

### Recommendation

None.

### Background

At the request of the Board, the proposed budget anticipates the Agency will be fully staffed (ten persons) with no increase in fees or supplemental income.

Staff discovered a miscalculation that overstated the cost of employee benefits in the previous 2025-26 budget. This has been corrected in the budget for 2026-27 with these additional funds used to reduce the amount of reserves allocated to operations.

Based on information published by the Bureau of Labor Statistics ([www.bls.gov/cpi](http://www.bls.gov/cpi)), from the September 2022 consumer price index (CPI) of 296.808 (when the most recent compensation survey was completed) through the February 2026 CPI of 326.785 (the most recent month for which data is available), the inflation rate was nine and seventeen hundredths percent (9.17% or  $1 - (296.808 \div 326.785)$ ). A four and one-half percent (4.5%) cost of living adjustment (COLA) was implemented in 2024 and a three percent (3.0%) COLA was implemented in 2025.

On October 30, 2025, the Agency was informed that, “due to a projected shortfall in revenue generated by the Hazardous Substance Tax (HST), which has resulted in a negative fund balance in the Motel Toxics Control Act (MTCA) Operating Account this biennium, [the Dept. of Ecology has] made the difficult decision to reduce the total MTCA match funds available for core grants available to local clean air agencies in Washington.” The amount of the reduction statewide was \$1,672,000 for the biennium. The reduction for the Agency was \$98,608 for the biennium (or \$49,304 per year).

Funds previously held by the federal government have now been released for distribution by the Dept. of Ecology and are included in the proposed budget.

**Analysis**

The inflation rate of 9.17% between September 2022 and February 2026 less the 4.5% and 3.0% COLAs subsequently implemented leaves a difference of one and sixty-seven hundredths percent (1.67% or 9.17% - 4.5% - 3.0%). This does not account for recent increases in consumer prices fueled by world events that are expected to drive inflation upward in the near term (anticipated to be one percent or more in March alone). Based on this, the proposed FY 2026-27 Budget allocates funds for a maximum three percent (3%) cost-of-living adjustment (COLA). However, this figure may need to be updated before adoption of the final budget as additional data becomes available. Barring a significant increase, the cost of this COLA will be largely offset by the reduction in anticipated benefit costs as described above.

The budget does not anticipate an increase in any of the current fees charged by the agency. However, an increase in the Notice of Construction application fee and an increase or change in the method of calculating the fee for synthetic minor sources should be expected in the following budget year (FY 2027-28).

The budget does not anticipate an increase in the current supplemental income rate of \$0.55 per capita (paid by Yakima County and the various cities within it). For comparison, following are the current and estimated per-capita rates for the Agency and the other local air pollution control authorities in Washington state.

<u>Agency</u>	<u>2026</u>	<u>2027*</u>
YRCAA	\$0.55	\$0.55
Benton**	1.00	1.00
Northwest	0.55	0.57
Olympic	0.98	1.01
Puget Sound**	0.97	0.97
Southwest	0.64	0.64
Spokane**	1.99	1.96

\* Estimated

\*\* Half of the supplemental income received is calculated on the rate per capita and the remaining half from a rate per one thousand dollars of assessed value of taxable property within its limits.

As shown above, the Agency remains the least costly of all local air pollution control authorities in the state at fifty-five cents per capita compared to a state average of \$1.02 per capita.

It is expected the Agency will run a deficit in the coming fiscal year under the proposed budget. The position that was expected to be left vacant accounts for up to \$122,062 (64%) of the \$190,464 shortfall in funding and, combined with the other currently vacant position, accounts for up to \$203,430 (107%) of the shortfall.

All other information regarding the budget is contained within the notes to the budget that follow the comparative budget table.



# **Yakima Regional Clean Air Agency**

## **Fiscal Year 2026-27 Budget**

**Proposed**

April 8, 2026

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## YRCAA Proposed FY 2026-27 Budget

The Yakima Regional Clean Air Agency (YRCAA) is required to have an annual budget that “contain[s] adequate funding and provide[s] for staff sufficient to carry out the provisions of all applicable ordinances, resolutions, and local regulations related to the reduction, prevention, and control of air pollution” pursuant to RCW 70A.15.1590. The following budget meets these requirements, aligns all expenditures with their appropriate revenue sources, and contains an itemized accounting of both with respect to the Agency’s base, grant, and enterprise operations.

YRCAA Comparative Budget	Actual FY 2024-25	Budget 2025-26	Projected Actual FY 2025-26	Proposed Budget FY 2026-27
<b><u>REVENUE – Base Operations</u></b>				
<b><u>Stationary Sources</u></b>				
32199001 Minor Sources	\$ 331,865	\$ 373,847	\$ 401,660	\$ 376,674
32199002 New Source Review	13,876	52,000	28,596	30,000
32199005 Synthetic Minor Sources	39,592	38,308	49,700	42,600
32290001 Major / Title V Sources	104,671	95,000	56,697	75,000
<b>Subtotal – Stationary Sources</b>	<b>\$ 490,003</b>	<b>\$ 559,155</b>	<b>\$ 536,653</b>	<b>\$ 524,374</b>
<b><u>Burn Permits</u></b>				
32290005 Residential Burn Permits	\$ 31,115	\$ 46,750	\$ 49,074	\$ 60,500
32290007 Agricultural Burn Permits	16,761	15,500	16,011	16,000
32290011 Conditional Use Burn Permits	2,904	1,500	2,670	2,904
<b>Subtotal – Burn Permits</b>	<b>\$ 50,780</b>	<b>\$ 63,750</b>	<b>\$ 67,755</b>	<b>\$ 79,404</b>
<b><u>Compliance</u></b>				
32199003 Asbestos Removal Fees	\$ 27,620	\$ 26,000	\$ 26,733	\$ 26,000
32199007 Construction Dust Control Fees	8,290	6,500	6,420	6,500
<b>Subtotal – Compliance</b>	<b>\$ 35,910</b>	<b>\$ 32,500</b>	<b>\$ 33,153</b>	<b>\$ 32,500</b>
<b><u>Core Grants (FCAA Section 105)</u></b>				
33366001 EPA Core	\$ 28,319	\$ 113,275	\$ 103,758	\$ 103,758
33403101 Ecology Local Partner Core	18,879	75,516	26,763	26,763
<b>Subtotal – Base Grants</b>	<b>\$ 47,198</b>	<b>\$ 188,791</b>	<b>\$ 130,521</b>	<b>\$ 130,521</b>
<b><u>Settlements and Penalties</u></b>				
35990001 Settlements and Penalties	\$ 28,508	\$ 0	\$ 59,485	\$ 0
<b>Subtotal – Settlements and Penalties</b>	<b>\$ 28,508</b>	<b>\$ 0</b>	<b>\$ 59,485</b>	<b>\$ 0</b>
<b><u>Supplemental Income</u></b>				
36850003 Supplemental Income	\$ 131,036	\$ 142,904	\$ 145,159	\$ 145,159
<b>Subtotal – Supplemental Income</b>	<b>\$ 131,036</b>	<b>\$ 142,904</b>	<b>\$ 145,159</b>	<b>\$ 145,159</b>
<b><u>Other Income</u></b>				
36111001 Interest	\$ 30,492	\$ 19,500	\$ 31,362	\$ 28,000
36991011 Miscellaneous	4,294	0	519	0
<b>Subtotal – Other Income</b>	<b>\$ 34,786</b>	<b>\$ 19,500</b>	<b>\$ 31,881</b>	<b>\$ 28,000</b>
<b>Subtotal – Base Operations</b>	<b>\$ 818,221</b>	<b>\$ 1,006,600</b>	<b>\$ 1,004,606</b>	<b>\$ 939,958</b>
<b><u>REVENUE – Grant Operations</u></b>				
<b><u>Wood Smoke Education</u></b>				
33403105 Wood Smoke Education	\$ 0	\$ 5,129	\$ 4,822	\$ 4,822
<b>Subtotal – Wood Smoke Education</b>	<b>\$ 0</b>	<b>\$ 5,129</b>	<b>\$ 4,822</b>	<b>\$ 4,822</b>
<b><u>Wood Smoke Reduction</u></b>				
33403107 Wood Smoke Reduction	\$ 423,084	\$ 437,500	\$ 573,562	\$ 501,438
<b>Subtotal – Wood Smoke Reduction</b>	<b>\$ 423,084</b>	<b>\$ 437,500</b>	<b>\$ 573,562</b>	<b>\$ 501,438</b>

YRCAA Comparative Budget		Actual FY 2024-25	Budget 2025-26	Projected Actual FY 2025-26	Proposed Budget FY 2026-27
<b>Particulate Matter (FCAA Section 103)</b>					
33403108	Ecology Local Partner PM 2.5	\$ 8,949	\$ 36,000	\$ 36,000	\$ 36,000
	<i>Subtotal – Particulate Matter</i>	<u>\$ 8,949</u>	<u>\$ 36,000</u>	<u>\$ 36,000</u>	<u>\$ 36,000</u>
	<i>Subtotal – Grant Operations</i>	\$ 432,033	\$ 478,629	\$ 614,384	\$ 542,260
<b>REVENUE – Enterprise Operations</b>					
<b>Visible Emission Certification</b>					
34517001	Visible Emission Certification	\$ 70,605	\$ 80,000	\$ 78,525	\$ 77,500
	<i>Subtotal – Visible Emission Cert.</i>	<u>\$ 70,605</u>	<u>\$ 80,000</u>	<u>\$ 78,525</u>	<u>\$ 77,500</u>
	<i>Subtotal – Enterprise Operations</i>	\$ 70,605	\$ 80,000	\$ 78,525	\$ 77,500
<b>Total Revenue</b>		<b>\$ 1,320,859</b>	<b>\$ 1,565,229</b>	<b>\$ 1,697,515</b>	<b>\$ 1,559,718</b>
<b>EXPENSES – Base Operations</b>					
<b>Wages and Benefits</b>					
553701001	Wages and Salaries	\$ 451,832	\$ 659,810	\$ 467,700	\$ 674,787
553702001	Benefits	147,801	275,444	98,000	235,387
553703001	Overtime	0	2,000	0	2,000
	<i>Subtotal – Wages and Benefits</i>	<u>\$ 599,633</u>	<u>\$ 937,254</u>	<u>\$ 565,700</u>	<u>\$ 912,174</u>
<b>Supplies</b>					
533703101	Office Supplies	\$ 3,859	\$ 4,000	\$ 4,390	\$ 4,600
533703102	Safety Equipment	0	1,000	0	1,000
533703201	Vehicles	3,759	4,200	2,060	4,200
533703501	Small Tools and Equipment	808	2,700	190	2,200
533703502	Technology Systems	2,203	5,000	690	5,000
533703503	Office Furnishings	0	750	0	750
	<i>Subtotal – Supplies</i>	<u>\$ 10,629</u>	<u>\$ 17,650</u>	<u>\$ 7,330</u>	<u>\$ 17,750</u>
<b>Services</b>					
553704101	Professional Services	\$ 76,402	\$ 45,000	\$ 87,012	\$ 91,200
553704102	Laboratory Analyses	24	500	0	0
553704192	Yakima County Services	0	0	0	0
553704201	Communications and Technology	11,329	12,700	12,423	12,700
553704202	Postage and Freight	2,6320	1,800	2,169	2,230
553704301	Travel and Related	0	5,000	24	2,500
553704401	Public Notices and Education	1,043	3,500	2,224	2,290
553704501	Rents and Leases	61,600	64,000	60,056	64,500
553704601	Insurance	18,472	18,500	19,029	19,600
553704701	Utilities	5,422	5,600	5,141	5,290
553704801	Maintenance – Vehicles/Equipment	2,181	2,700	1,664	1,710
553704802	Maintenance – Building	4,711	4,500	5,827	6,000
553704901	Miscellaneous	18,129	12,000	18,671	19,230
553704902	Ecology Oversight and Admin. Fee	3,128	3,500	5,283	5,440
	<i>Subtotal – Services</i>	<u>\$ 205,074</u>	<u>\$ 179,300</u>	<u>\$ 219,523</u>	<u>\$ 232,690</u>
<b>Capital Projects/Fixed Assets</b>					
594536401	Capital Projects/Fixed Assets	\$ 0	\$ 0	\$ 0	\$ 0
	<i>Subtotal – Base Operations</i>	<u>\$ 815,337</u>	<u>\$ 1,134,204</u>	<u>\$ 792,553</u>	<u>\$ 1,162,614</u>
<b>EXPENSES – Grant Operations</b>					
<b>Wood Smoke Education</b>					
<b>Wages and Benefits</b>					
553701002	Wages and Salaries	\$ 1,978	\$ 3,028	\$ 4,017	\$ 2,900
553702002	Benefits	964	1,293	1,553	1,160
553703002	Overtime	0	0	0	0

YRCAA Comparative Budget		Actual FY 2024-25	Budget 2025-26	Projected Actual FY 2025-26	Proposed Budget FY 2026-27
<i>Subtotal – Wages and Benefits</i>		\$ 2,943	\$ 4,321	\$ 5,570	\$ 4,060
<b>Supplies</b>					
553703103	Office Supplies	\$ 0	\$ 0	\$ 0	\$ 0
<i>Subtotal – Supplies</i>		\$ 0	\$ 0	\$ 0	\$ 0
<b>Services</b>					
553704139	Professional Services	\$ 750	\$ 750	\$ 1,000	\$ 1,030
553704203	Postage	104	0	0	0
<i>Subtotal – Services</i>		\$ 854	\$ 750	\$ 1,000	\$ 1,030
<i>Subtotal – Wood Smoke Education</i>		\$ 3,796	\$ 5,071	\$ 6,570	\$ 5,090
<b>Particulate Matter</b>					
<b>Wages and Benefits</b>					
553701003	Wages and Salaries	\$ 17,846	\$ 25,054	\$ 10,254	\$ 19,100
553702003	Benefits	6,126	10,941	7,279	8,000
553703003	Overtime	0	0	0	0
<i>Subtotal – Wages and Benefits</i>		\$ 23,972	\$ 35,995	\$ 17,533	\$ 27,100
<b>Supplies</b>					
553703104	Office Supplies	\$ 0	\$ 0	\$ 0	\$ 0
<i>Subtotal – Supplies</i>		\$ 0	\$ 0	\$ 0	\$ 0
<b>Services</b>					
553704104	Professional Services	\$ 0	\$ 0	\$ 0	\$ 0
<i>Subtotal – Services</i>		\$ 0	\$ 0	\$ 0	\$ 0
<i>Subtotal – PM 2.5</i>		\$ 23,972	\$ 35,995	\$ 17,533	\$ 27,100
<b>Wood Smoke Reduction</b>					
<b>Wages and Benefits</b>					
553701004	Wages and Salaries	\$ 80,640	\$ 62,851	\$ 60,696	\$ 64,500
553702004	Benefits	19,295	24,649	20,977	22,900
553703004	Overtime	0	0	0	0
<i>Subtotal – Wages and Benefits</i>		\$ 99,935	\$ 87,500	\$ 81,673	\$ 87,400
<b>Supplies</b>					
553703105	Office Supplies	\$ 0	\$ 0	\$ 0	\$ 0
<i>Subtotal – Supplies</i>		\$ 0	\$ 0	\$ 0	\$ 0
<b>Services</b>					
553704105	Professional Services	\$ 213,498	\$ 350,000	\$ 491,889	\$ 350,000
<i>Subtotal – Services</i>		\$ 213,498	\$ 350,000	\$ 491,889	\$ 350,000
<i>Subtotal – Wood Smoke Reduction</i>		\$ 313,433	\$ 437,500	\$ 573,500	\$ 437,500
<i>Subtotal – Grant Operations</i>		\$ 341,201	\$ 478,566	\$ 453,479	\$ 478,566
<b>EXPENSES – Enterprise Operations</b>					
<b>Visible Emission Certification</b>					
<b>Wages and Benefits</b>					
553701005	Wages and Salaries	\$ 17,105	\$ 38,920	\$ 16,720	\$ 17,580
553702005	Benefits	6,118	15,635	5,670	6,560
553703005	Overtime	0	0	0	0
<i>Subtotal – Wages and Benefits</i>		\$ 23,223	\$ 54,555	\$ 22,390	\$ 24,140
<b>Supplies</b>					
553703106	Office Supplies	\$ 207	\$ 925	\$ 769	\$ 1,000
553703206	Vehicles	446	1,400	1,105	1,500

<b>YRCAA Comparative Budget</b>		<b>Actual FY 2024-25</b>	<b>Budget 2025-26</b>	<b>Projected Actual FY 2025-26</b>	<b>Proposed Budget FY 2026-27</b>
553703506	Small Tools and Equipment	197	100	279	200
	<b>Subtotal – Supplies</b>	<b>\$ 850</b>	<b>\$ 2,425</b>	<b>\$ 2,153</b>	<b>\$ 2,700</b>
<b>Services</b>					
553704106	Professional Services	\$ 404	\$ 1,900	\$ 353	\$ 400
553704206	Postage	0	0	0	0
553704306	Travel and Transportation	5,739	6,000	10,472	10,800
553704506	Rents and Leases	3,161	3,500	3,972	4,100
553704806	Maintenance – Vehicles/Equipment	290	800	4,320	4,500
553704906	Miscellaneous	33	400	7,081	7,300
	<b>Subtotal – Services</b>	<b>\$ 9,626</b>	<b>\$ 12,600</b>	<b>\$ 26,198</b>	<b>\$ 27,100</b>
<b>Capital Projects/Fixed Assets</b>					
553706406	Capital Projects/Fixed Assets	\$ 0	\$ 0	\$ 0	\$ 0
	<b>Subtotal – Capital Proj./Fix. Assets</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
	<b>Subtotal – Enterprise Operations</b>	<b>\$ 33,699</b>	<b>\$ 69,580</b>	<b>\$ 50,741</b>	<b>\$ 53,940</b>
<b>Total Expenses</b>		<b>\$ 1,190,237</b>	<b>\$ 1,682,350</b>	<b>\$ 1,440,959</b>	<b>\$ 1,750,182</b>

### **Summary**

Total Revenue	\$ 1,320,859	\$ 1,565,229	\$ 1,697,515	\$ 1,559,718
Total Expenses	<u>1,190,237</u>	<u>1,682,350</u>	<u>1,440,959</u>	<u>1,750,182</u>
<b>Contribution to Reserves</b>	<b>\$ 130,622</b>	<b>\$ (117,121)</b>	<b>\$ 256,556</b>	<b>\$ (190,464)</b>
Beginning Reserve Balance	\$ 1,941,946	\$ 2,072,568	\$ 2,072,568	\$ 2,329,124
Contribution to Reserves	<u>130,622</u>	<u>(117,121)</u>	<u>256,556</u>	<u>(190,464)</u>
<b>Ending Reserve Balance</b>	<b>\$ 2,072,568</b>	<b>\$ 1,955,447</b>	<b>\$ 2,329,124</b>	<b>\$ 2,138,660</b>

### **Reserve Fund Allocation**

Operating Reserve (min. 25% base operating exp.)	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Legal Reserve (min. \$200,000)	250,000	270,000	270,000	300,000
Capital Reserve (min. 10% asset replacement cost)	30,000	30,000	30,000	30,000
Vehicle Replacement	120,000	140,000	140,000	150,000
Major Vehicle Repairs	0	10,000	10,000	15,000
Equipment Acquisition	5,000	35,000	35,000	50,000
Building Acquisition	500,000	550,000	550,000	550,000
Employee Cash-out Liability	7,000	15,000	15,000	50,000
Unallocated	<u>860,568</u>	<u>605,447</u>	<u>979,142</u>	<u>693,660</u>
<b>Total</b>	<b>\$ 2,072,568</b>	<b>\$ 1,650,776</b>	<b>\$ 2,329,124</b>	<b>\$ 2,138,660</b>

## Revenue - Base Operations

- Stationary Sources
- Burn Permits
- Compliance
- Core Grants
- Supplemental Income
- Other

## Expenses - Base Operations

- Rents/Leases
- Supplies
- Professional Services
- Insurance
- Comm./Technology
- Other
- Overtime
- Benefits
- Wages/Salaries

## Revenue - Total

- Base Operations
- Supplemental Funds
- Grant Operations
- Enterprise Operations

## Expenses - Total

- Base Operations
- Grant Operations
- Enterprise Operations

## ***Budget Notes***

The following notes describe the accounts used by the Agency, the revenues and expenses they represent, and any significant factors affecting, or expected to affect, them during the budget year. Significant changes to the operation of the federal government and the substantial shortfall in State revenues—including actual and potential reductions in funding—were considered in preparing this budget. However, while actual funding reductions have been included in revenue calculations, at the direction of the Board, no other changes in revenue or expenses were planned with reserve funds utilized to cover any shortfall.

The reader should understand the Projected Actual FY 2025-26 figures provided are comprised of actual amounts for the first nine months of the fiscal year (July 1 through March 31) plus a projected amount for the remaining three months (April 1 through June 30). The projected amount may be based on an actual amount if the future revenue/expense is known and not subject to change, a percentage of the prior nine months revenue/expense equal to that of the previous fiscal year if the revenue/expense is seasonal, an estimate if the future revenue/expense is largely known but subject to change, another reasonable basis upon which to anticipate the final revenue/expense for special circumstances, or simply one third of the prior nine months revenue/expense if no other basis for calculation exists.

### **Revenue – Base Operations**

#### **Stationary Sources**

Because minor and synthetic minor source fees are billed on a calendar year basis and due in the first half of the calendar year, this revenue will be realized in the second half of fiscal year (FY) 2026-27. A seven and six tenths percent (7.6%) increase for synthetic minor sources and a two and six-tenths percent (2.6%) increase for all other minor sources were adopted for CY 2026 (the latter being less than the rate of inflation).

#### 32199001 — Minor Sources

Revenue from sources not otherwise classified as Synthetic Minor and collected pursuant to Revised Code of Washington (RCW) 70A.15.2200, Washington Administrative Code (WAC) 173-400-099, and Yakima Regional Clean Air Agency (YRCAA) Regulation 1 Section 4.01. The amount shown reflects a modest increase as described. Additional monies received as the result of work to secure payments of amounts owed and not received accounts for the higher projected revenue. The expected addition of several sources and the planned closure of others resulted in a negligible net increase in future revenue.

#### 32199002 — New Source Reviews

Revenue from stationary sources subject to a New Source Review (NSR) pursuant to Chapter 173-400 WAC, Chapter 173-460 WAC, 40 Code of Federal Regulations (CFR) Part 60, and 40 CFR Part 61. The application fee for a Notice of Construction is due at the time of submission. The actual cost of a New Source Review is billed to the applicant when an Order of Approval or Denial is issued or when the proposed project is abandoned. Because it is dependent upon the applicant and the project (elements outside the control of the Agency), it is difficult to project possible revenues.

#### 32199005 — Synthetic Minor Sources

Revenue from sources that have chosen to avoid classification as a major (aka Title V) source by accepting restrictive operating and permit conditions that limit emissions.

### 32290001 — Title V Sources

Revenue from major sources that directly emit, or have the potential to emit, 100 tons per year (TPY) or more of any air pollutant as defined in 40 CFR Part 70. The Agency currently has three (3) major sources and does not anticipate any change in FY 2026-27.

## **Burn Permits**

### 32290005 — Residential Burn Permits

Revenue from residential burn permits pursuant to RCW 70A.15.5070, Chapter 173-425 WAC, and YRCAA Regulation 1 Section 3.03. The difference between the projected actual and proposed budget amounts is due largely to timing where revenue from the permits sold in May is not received until the new fiscal year (after June 30).

### 32290007 — Agricultural Burn Permits

Revenue from agricultural burn permits pursuant to RCW 70A.15.5090, Chapter 173-430 WAC, and YRCAA Regulation 1 Section 3.03. Rates are established by the Agricultural Burning Practices and Research Task Force pursuant to RCW 70A.15.5090(6) and have not been adjusted for several years. Agricultural burn permit revenue has declined over several years from a high of approx. \$47,000 in FY 2019-20. Following this trend, the figure shown includes a small reduction in revenue. It should be noted the prevalence of agricultural burning from year to year is significantly influenced by the availability and financial feasibility of alternatives and market demand for chipped vegetative material.

### 32290011 — Conditional Use Burn Permits

Revenue from conditional use burn permits issued for burning that is not residential or agricultural in nature (e.g. firefighter training and land clearing).

## **Compliance**

### 32199003 — Asbestos Removal

Revenue from fees required pursuant to the National Emission Standards for Hazardous Air Pollutants (NESHAP) and YRCAA Regulation 1, Section 3.07 used to process notifications and conduct inspections of demolition and renovation activity with the potential to release asbestos fibers.

### 32199007 — Construction Dust Control Plans

Revenue from dust control plans (including master and site plans) pursuant to WAC 173-400-040 and YRCAA Regulation 1 Section 3.08.

## **Core Grants**

### 33366001 — EPA Core

Funds awarded through the federal Performance Partnership Grant (PPG) program pursuant to federal Clean Air Act Section 105. These funds support the Agency's core air quality programs and are distributed through the Wash. Dept. of Ecology on behalf of the U.S. Environmental Protection Agency. This grant is biennial and the figure shown is one-half the amount awarded for the two-year period.

### 33403101 — Ecology Local Partner Core

Funds awarded through the federal Performance Partnership Grant (PPG) program pursuant to federal Clean Air Act Section 105. These funds are a portion of the monies granted to the State of Washington by the U.S. Environmental Protection Agency. The reduction shown is due to the limitation imposed by the Dept. of Ecology as a result of a shortfall in the Model Toxics Control Act (MTCA) account.

## Fines and Penalties

### 35990001 — Civil Penalties

Civil penalties assessed for violations of air pollution regulations with amounts determined on a case-by-case basis depending upon various factors including the type and severity of the violation, culpability of the source, and the potential impact on human health. Although most years see receipts for penalties, the Agency objective is for full compliance resulting in zero civil penalties. As a result, no amount is budgeted for this item. When received, penalties are used to provide additional financial support for compliance, education, outreach, and other one-time expenses.

## Supplemental Income

### 36850003 — Supplemental Income

Assessments paid to YRCAA by cities, towns, and Yakima County pursuant to RCW 70A.15.1590 and RCW 70A.15.1600. The proportionate share of supplemental income for each entity is shown below. The budget includes no change in the \$0.55 per capita rate.

#### YRCAA CY 2025 Supplemental Income Assessments

City / Town	2024 Pop. Estimate	3rd-4th Qtr. 2026 Assessment	2025 Pop. Estimate	1st-2nd Qtr. 2027 Assessment	% of Total
Grandview	11,680	\$ 3,212.00	11,950	\$3,286.25	4.44%
Granger	3,815	1,049.13	3,775	1,038.13	1.45%
Harrah	585	160.88	590	162.25	0.22%
Mabton	1,965	540.38	1,990	547.25	0.75%
Moxee	4,820	1,325.50	4,825	1,326.88	1.83%
Naches	1,125	309.38	1,150	316.25	0.43%
Selah	8,620	2,370.50	8,655	2,380.13	3.28%
Sunnyside	16,570	4,556.75	16,690	4,589.75	6.30%
Tieton	1,600	440.00	1,635	449.63	0.61%
Toppenish	8,915	2,451.63	8,925	2,454.38	3.39%
Union Gap	6,660	1,831.50	6,670	1,834.25	2.53%
Wapato	4,625	1,271.88	4,615	1,269.13	1.76%
Yakima (city)	99,370	27,326.75	100,000	27,500.00	37.75%
Zillah	3,215	884.13	3,225	886.88	1.22%
Unincorporated Yakima County	89,635	24,649.63	89,955	24,737.63	34.06%
<b>Total</b>	<b>263,200</b>	<b>\$ 72,380.00</b>	<b>264,650</b>	<b>\$ 72,778.75</b>	<b>100%</b>

Based on a \$0.55 per capita rate for 2026 and 2027

## Other Income

### 36111001 — Interest

Interest income earned on funds (primarily reserve funds) held by the Agency. The amount shown reflects high interest rates that are expected to remain relatively stable through the fiscal year in tandem with more active investment management of the Agency's reserve funds.

### 36991011 — Miscellaneous

Revenue not otherwise allocated such as tax-deductible donations or fees related to public records requests.

## **Revenue – Grant Operations**

### 33403105 — Wood Smoke Education

Grant funds provided by the Wash. Dept. of Ecology supporting the Agency’s wood smoke education program including advertising and public service announcements concerning the dangers of smoke, fine particulate matter, and alternatives to burning. It is assumed the amount awarded will be received, but a significant shortfall in state revenues could result in cuts to funding for this program.

### 33403107 — Wood Smoke Reduction

Grant funds provided by the Wash. Dept. of Ecology to support the Agency’s Wood Stove Replacement program. The program provides rebates for, or fully funds for low-income persons, replacement of older, polluting wood-burning stoves with new EPA-certified wood stoves or other heating devices. In the FY 2025-27 biennium the Agency was awarded \$1.075 million. The difference between the projected actual and proposed budget amounts is due to the accelerated use of funds to address demand in the first half of the state biennium (FY 2025-26) which results in a lower percentage of funds available in the last half of the biennium (FY 2026-27).

### 33403108 — Ecology Local Partner PM 2.5

Funds awarded through the Wash. Dept. of Ecology pursuant to federal Clean Air Act Section 103 and used to operate and maintain two air quality monitor systems (located in the cities of Yakima and Sunnyside) that measure fine particulate matter equal to or smaller than 2.5 microns (PM<sub>2.5</sub>). A one-time increase in the amount of this grant for the 2024-28 fiscal quadrennium translates into a higher reported revenue in each of these four fiscal years. However, this is currently set to expire in 2028 and it is expected revenue in FY2028-29 will return to a level similar to that in FY 2023-24.

## **Revenue – Enterprise Operations**

### 34517001 — Visible Emissions Certification

Revenue from training and registration fees paid by persons participating in the Agency’s Northwest Opacity Certification (NOC) program. The NOC program provides training, testing, and certification for participants who must be certified to conduct Visible Emission Evaluations in accordance with Method 9 and Method 22 as described in 40 CFR 60. Certification must be renewed every six months. The availability of similar training and certification using virtual reality technology may result in a reduction in future revenues and, if adopted by a majority of Agency participants, eventual shuttering of the program.

### 34517002 — Other Revenue

Revenue from any other enterprise operation.

## **Expenses – Base Operations**

### **Wages and Benefits**

#### 553701001 — Wages and Salaries

Expenses for wages and salaries paid to full-time and part-time employees of the Agency. The amount shown assumes all ten (10) positions within the Agency are filled with employees fully trained and possessing all qualifications for the position held and, therefore, making the target wage for that position.

In practice, employees change so that, in any given year, one or more positions may be vacant for a period of time and/or employees may not have received all the necessary training and/or skills. When, and to the extent, one or both of these conditions exist, the actual wages and benefits expense in a given fiscal year will be lower than the budgeted amount. Were the budget based only on the actual wages and benefits expenses at the beginning of the fiscal year and projected forward, there would be insufficient funds available when, during the budget period, replacement personnel are hired or pay is adjusted for the training and experience gained.

The amount shown includes a three percent (3%) annual cost-of-living-adjustment (COLA) for all positions. The purpose of a COLA is to help ensure wages remain competitive with the general labor market during the period between compensation analyses and to help prevent wages from falling behind over time, resulting in the need for substantial future increases.

The median wages determined by the September 2022 analysis serve as the basis for the proposed wages and benefits. At the time the analysis was completed, the Consumer Price Index—All Urban Consumers (CPI-U) as calculated by the U.S. Bureau of Labor Statistics was 296.808. During the intervening months through February 2026 (the most recent month for which stable data is available) the CPI-U grew to 326.785 (an inflation rate of 9.17%). A four and one-half percent (4.5%) and a three percent (3.0%) COLA were adopted in FY 2024-25 and FY 2025-26.

Continued impacts from the implementation of tariffs on various goods and recent world events indicate a substantial likelihood inflation will grow substantially with current estimates pointing to a one percent (1%) increase in inflation in the month of March alone. The three percent (3%) calculation is based on the current rate of inflation noted above plus an amount anticipated to cover near-term expected increases. Nevertheless, an adjustment may be required before the final budget is adopted.

### 533702001 — Benefits

Expenses for employment benefits including employer contributions for medical and dental insurance, unemployment insurance, Medicare, Social Security or similar program, industrial insurance (aka Workers' Compensation), and Public Employees Retirement System (PERS). On average, plan premiums increased seven and seven-tenths percent (7.7%) over CY 2025. The amounts appearing in the budget include an estimated five percent (5%) increase in health insurance premiums expected to be effective January 1, 2027 (for the last half of FY 2026-27). The figures below show the actual CY 2025 and CY 2026 premiums (not taking into account the projected CY 2027 rates):

Plan / Monthly Premium	Employee Only		Employee +Spouse		Employee +Children		Full Family	
	2025	2026	2025	2026	2025	2026	2024	2025
Kaiser Permanente WA Classic	\$1,058.89	\$1,152.64	\$1,946.17	\$2,125.64	\$1,724.35	\$1,882.39	\$2,611.64	\$2,611.64
Kaiser Permanente WA Value	1,049.17	1,161.56	1,926.73	2,143.48	1,707.34	1,898.00	2,584.91	2,584.91
Kaiser Permanente WA CDHP	960.86	1,041.73	1,748.76	1,902.56	1,566.37	1,701.94	2,295.94	2,295.94
Uniform Medical Plan Classic	1,064.01	1,156.32	1,956.42	2,133.00	1,733.32	1,888.83	2,625.73	2,625.73
Uniform Medical Plan Select	1,013.41	1,093.39	1,855.22	2,007.14	1,644.77	1,778.70	2,486.58	2,486.58
Uniform Medical Plan Plus*	1,088.86	-	2,006.12	-	1,776.81	-	2,694.07	-
Uniform Medical Plan CDHP	981.90	1,073.72	1,790.86	1,966.54	1,603.21	1,757.92	2,353.83	2,353.83
<i>Maximum</i>	<i>\$1,088.86</i>	<i>\$1,161.56</i>	<i>\$2,006.12</i>	<i>\$2,143.48</i>	<i>\$1,801.40</i>	<i>\$1,898.00</i>	<i>\$2,741.00</i>	<i>\$2,625.73</i>
<i>Average</i>	<i>\$1,031.01</i>	<i>\$1,113.23</i>	<i>\$1,890.04</i>	<i>\$2,046.39</i>	<i>\$1,679.45</i>	<i>\$1,817.96</i>	<i>\$2,521.81</i>	<i>\$2,731.69</i>

\* No longer available in 2026

The monthly amount paid by the Agency is shown below:

CY 2026 Actual Rates	Enrolled Employees	Maximum Premium	Agency Percentage	Agency Contribution
Employee (only)	8	\$1,161.56	95%	\$1,103.48
Employee and spouse	1	\$2,143.48	65%	\$1,393.26
Employee and child(ren)	1	\$1,898.00	70%	\$1,328.60
Employee full family	0	\$2,625.73	55%	\$1,444.15
<i>Agency Monthly Cost (at CY 2026 rates)</i>				\$12,885.06
<i>Agency Annual Cost (at CY 2026 rates)</i>				\$154,620.72

### 533703001 — Overtime

Expenses for overtime (or time worked in excess of 40 hours in a work week). The Agency typically limits overtime to urgent and special situations. The amount shown reflects potential overtime costs resulting from unexpected events (e.g. compliance, enforcement, and complaint response) occurring during non-working hours.

### **Supplies**

#### 533703101 — Office Supplies

Expenses for consumables and other supplies valued at less than \$5,000 and not otherwise allocated to the capital asset account including toilet paper, light bulbs, toner, writing instruments, paper, etc. The amount shown supports continuing work on paper file organization (e.g. hanging files, file folders, labels, etc.).

#### 533703102 — Safety Equipment

Expenses for safety equipment such as boots, eye protection, safety vests, etc. used for compliance inspections and other field work.

#### 533703201 — Vehicles

Expenses for consumables related to vehicle operation such as gasoline, wiper blades, wiper fluid, etc. Increased permitting and inspection activity has increased fuel costs and other consumables linked to miles traveled.

#### 533703501 — Small Tools and Equipment

Expenses for small tools and equipment not otherwise allocated to another account. The amount shown reflects costs for the potential acquisition of equipment that may be needed to support the Agency's compliance, inspection, and enforcement efforts.

#### 533703502 — Technology Systems

Expenses for computer software (such as applications, upgrades, user licenses, etc.), computer hardware (such as computers, monitors, keyboards, network, devices, printers, etc.), printers, scanners, phone system equipment (such as desksets, software, blades, etc.), and other similar equipment. The amount shown reflects the need to acquire portable computing for use in monitoring and inspection work.

#### 533703503 — Office Furnishings

Expenses for office and conference room furnishings (such as task chairs, desks, file cabinets, chair mats, guest seating, tables, white boards, projection screens, etc.). Work has started on improvements to the Agency paper filing system and future years will likely require funds to acquire new or additional cabinets and related items.

## Services

### 553704101 — Professional Services

Expenses for all professional services including legal services, technical support, janitorial services, engineering review, and other similar services. A majority of the expenses incurred in the prior year were related to legal costs associated with one appeal to the Pollution Control Hearings Board. The budgeted amount anticipates the possibility the Agency may need to address two other appeals.

### 553704102 — Laboratory Analyses

Expenses for laboratory analyses of various samples as needed. Costs have typically involved analysis of potential asbestos containing materials (PACM).

### 553704192 — Yakima County Services

Expenses for any service provided to the Agency by Yakima County, typically through an intergovernmental agreement. No need for such services is anticipated at this time.

### 553704201 — Communications and Technology

Expenses (typically recurring) for communications services including telephone service, Internet service, web site hosting, e-mail hosting, anti-virus, consulting, and other similar services.

### 553704202 — Postage and Freight

Expenses for stamps, postage, express mail, freight carrier (UPS, FedEx) services, etc.

### 553704301 — Travel and Related

Expenses for transportation including travel costs (e.g. meals and lodging), private vehicle use reimbursement, and other travel costs except where they are more appropriately included as part of another charge allocated elsewhere.

### 553704401 — Public Notices and Education

Expenses for required publication of notices, announcements, or reports (including public notices concerning board and administrative meetings as well as public hearings) and public education (such as flyers, guides, and various advertisements).

### 553704501 — Rents and Leases

Expenses related to the rent or lease of (primarily office) equipment not otherwise allocated to another account (e.g. copiers, binding machines, postage machines, etc.) and office space including fire insurance, property taxes, and common area and certain landscape maintenance costs.

### 553704601 — Insurance

Expenses for public liability, property and casualty, errors and omissions, and money insurance policies. Coverage protects and Agency from loss due to accident, fire, theft, burglary, vandalism, auto accident, theft of funds, mistakes, and negligence. The amount shown reflects a modest increase consistent with the trend for annual insurance rates.

### 553704701 — Utilities

Expenses for utilities including water, sewer, electric power, natural gas, and garbage disposal. The amount shown reflects a modest increase consistent with expected rate increases for these services.

553704801 — Maintenance – Vehicles/Equipment

Expenses for maintaining and repairing vehicles, field equipment, technology systems, and other office equipment not allocated to another maintenance account (e.g, office furnishings, copy machines, etc.).

553704802 — Maintenance – Building

Expenses for carpet cleaning, electrical, mechanical, and other maintenance and repair work on the office building.

533704901 — Miscellaneous

Expenses for Agency membership in regulatory, professional, and other associations and organizations; staff education, training, seminars, and other professional development; bank service charges, interest charges, etc.; and other miscellaneous expenses. The amount shown reflects the expectation of additional training expenses related to (relatively) new staff and continuing inspection efforts.

533704902 — Ecology Oversight and Admin. Fee

Expenses for the Ecology oversight and administration fee for Air Operating Permit (aka Title V) sources.

**Capital Projects/Fixed Assets**

594536401 — Capital Projects/Fixed Assets

Expenses for the acquisition of tangible property valued at \$5,000 or more with a useful life of at least two years. Assets are depreciated over the useful life of the asset.

**Expenses – Grant Operations**

**Wood Smoke Education**

553701002 — Wages and Salaries

Expenses for wages and salaries paid to full-time and part-time employees of the Agency as permitted under the terms of the grant.

553702002 — Benefits

Expenses for employment benefits including employer contributions for employee health insurance, unemployment insurance, Medicare, Social Security or other supplemental retirement savings, industrial insurance (aka Workers' Compensation), and Public Employees Retirement System (PERS) as permitted under the terms of the grant.

553703002 — Overtime

Expenses for overtime (or time worked in excess of 40 hours in a work week) as permitted under the terms of the grant.

553703103 — Office Supplies

Expenses for office supplies. These are typically used in such small quantities as to make tracking and cost allocation impractical.

553704139 — Professional Services

Expenses for various professional or special services as permitted under the terms of the grant.

#### 553704203 — Postage

Expenses for stamps, postage, and similar delivery costs as permitted under the terms of the grant.

### **PM 2.5**

#### 553701003 — Wages and Salaries

Expenses for wages and salaries paid to full-time and part-time employees of the Agency as permitted under the terms of the grant.

#### 553702003 — Benefits

Expenses for employment benefits including employer contributions for employee health insurance, unemployment insurance, Medicare, Social Security or other supplemental retirement savings, industrial insurance (aka Workers' Compensation), and Public Employees Retirement System (PERS) as permitted under the terms of the grant.

#### 553703003 — Overtime

Expenses for overtime (or time worked in excess of 40 hours in a work week) as permitted under the terms of the grant.

#### 553703104 — Office Supplies

Expenses for office supplies. These are typically used in such small quantities as to make tracking and cost allocation impractical.

#### 553704104 — Professional Services

Expenses for various professional or special services as permitted under the terms of the grant.

### **Wood Smoke Reduction**

#### 553701004 — Wages and Salaries

Expenses for wages and salaries paid to full-time and part-time employees of the Agency as permitted under the terms of the grant.

#### 553702004 — Benefits

Expenses for employment benefits including employer contributions for employee health insurance, unemployment insurance, Medicare, Social Security or other supplemental retirement savings, industrial insurance (aka Workers' Compensation), and Public Employees Retirement System (PERS) as permitted under the terms of the grant.

#### 553703004 — Overtime

Expenses for overtime (or time worked in excess of 40 hours in a work week) as permitted under the terms of the grant.

#### 553703105 — Office Supplies

Expenses for office supplies. These are typically used in such small quantities as to make tracking and cost allocation impractical.

#### 553704105 — Professional Services

Expenses for various professional or special services as permitted under the terms of the grant. This is comprised primarily of payments to third-party vendors for the replacement or conversion of older wood burning devices (including acquisition, permitting, and installation) under the low-income wood stove change-out program.

## Expenses – Enterprise Operations

### **Visible Emission Certification**

#### 553701005 — Wages and Salaries

Expenses for wages and salaries paid to full-time and part-time employees of the Agency. Training of a new staff member to replace a retiring one in FY2024-25 resulted in a one-time increase in this cost during that period and is expected to return to normal in FY2025-26

#### 553702005 — Benefits

Expenses for employment benefits including employer contributions for employee health insurance, unemployment insurance, Medicare, Social Security or other supplemental retirement savings, industrial insurance (aka Workers' Compensation), and Public Employees Retirement System (PERS).

#### 553703005 — Overtime

Expenses for overtime (or time worked in excess of 40 hours in a work week).

#### 553703106 — Office Supplies

Expenses for office supplies.

#### 533703206 — Vehicles

Expenses for consumables related to vehicle operation such as gasoline, wiper blades, wiper fluid, etc.

#### 533703506 — Small Tools and Equipment

Expenses for small tools and equipment needed to operate the mobile testing facility.

#### 553704106 — Professional Services

Expenses for various professional or special services.

#### 553704206 — Postage

Expenses for stamps, postage, and similar delivery costs.

#### 553704306 — Travel and Transportation

Expenses for travel (e.g. meals and lodging) incurred as a result of providing training and testing.

#### 533704506 — Rents and Leases

Expenses related to the rent or lease of space to conduct training and testing in various locations throughout Washington and Oregon as well as storage space for the mobile testing equipment.

#### 553704806 — Maintenance – Vehicles/Equipment

Expenses for maintaining and repairing vehicles and equipment related to, and used in, the Visible Emissions Certification program.

#### 533704906 — Miscellaneous

Expenses for other various expenses related to the Visible Emissions Certification program and not otherwise allocated.

## **Capital Projects/Fixed Assets**

### 553706406 — Capital Projects/Fixed Assets

Expenses for the acquisition of tangible property valued at \$5,000 or more with a useful life of at least two years. Assets are depreciated over the useful life of the asset.

## **Contribution to Reserves**

In years with higher revenues, this amount increases the reserves held by the Agency while in years with higher expenses, this amount is drawn from reserves. In FY 2025-26 funds were added to the reserves. However, the deficit anticipated in the proposed budget will require some reserves to be withdrawn in FY 2026-27.

## **Reserve Fund Allocation**

With the exception of the operating reserve (which is set forth in policy adopted by the Board), the allocation of reserve funds as described in the budget is a recommendation by staff and does not constitute a commitment of these funds to the purposes described nor does it constrain the Board from using any of the reserve funds available as it sees fit.

### Operating Reserve

The Board has set a minimum operating reserve equal to 25% of the Agency's base operating expenses. The amount shown meets this requirement. These funds are used to cover Agency operating expenses during periods of significant, unanticipated economic impact such as the loss of grant funds or reduced revenues.

### Legal Reserve

These funds are held to pay unanticipated legal service fees such as those related to an appeal regarding an order of approval, a lawsuit regarding an enforcement action, or to compel compliance with Agency regulations.

### Capital Reserve

The Board has set a minimum capital reserve equal to 10% of the Agency's asset replacement cost. The amount shown meets that requirement. These funds are used to replace capital items (e.g. desks, file cabinets, and other capitalized assets) lost or destroyed and not otherwise covered by insurance or at the end of their useful life.

### Vehicle Replacement

Plans call for replacement of the Agency's aging vehicles in the near future. It is expected these new vehicles will be fuel-efficient, plug-in hybrid models that meet the statutory requirements pertaining to public agency vehicles and are better able to operate in areas without paved roads and (particularly) in winter weather conditions. These funds are held to pay for acquisition of these vehicles and any related items (such as markings, safety equipment, charging infrastructure, etc.).

### Major Vehicle Repairs

These funds are held to pay for major vehicle repairs if needed for existing vehicles. Upon replacement of the Agency fleet (see above), these funds will not be required until the vehicles have aged and are no longer under warranty.

### Equipment Acquisition

These funds are held to acquire specialized equipment and clothing necessary to carry out the mission of the Agency.

### Building Acquisition

These funds are held to acquire the building the agency occupies or another building in the event the Board elects to do so (at a future date).

### Employee Cash-out Liability

Under Agency policy, departing employees may be entitled to cash-out a defined portion of the unused sick and vacation leave they have accrued. Employee departures are not typically planned sufficiently in advance to allow for inclusion in the budget and these funds assist in meeting what can be a sudden and unexpected demand for funds to meet the Agency's obligation.

### Unallocated

Any funds held in reserve and not otherwise allocated for a specific purpose. These funds may be used, in tandem with other allocated reserve funds, to take advantage of unique opportunities, provide match funds in support of grant applications, address emergency circumstances (such as theft or vandalism), or provide additional monies to other budget line items or for any other purpose approved by the Board.

## STAFF REPORT

**Date:** April 2, 2026  
**To:** YRCAA Board of Directors  
**From:** Marc Thornsbery, Executive Director  
**Subject:** Building Lease

### Summary

The Agency currently occupies approximately 2,696 square feet of office space under a lease with just over three years remaining of its initial term and one option to extend the term for ten years. The base rent is currently \$43,637 per year with a one percent (1%) annual escalator. The Agency also pays a portion of common area maintenance costs. Because Chapter 70A.15 Revised Code of Washington (RCW) allows the Agency to own real estate, it may elect to own (rather than lease) its office space.

Based on the space currently occupied by the Agency, the acquisition of a twenty-year-old building, an estimated life of sixty years (i.e. a useful life of forty years), an average construction cost of \$307 per square foot, and an acquisition cost of \$135 per square foot, it is estimated the Agency could acquire a building for \$363,960 and replace its base annual rent with \$6,240 in additional maintenance and repair and \$20,692 in depreciation costs, reducing its annual expense by approximately \$16,705.

### Recommendation

No board action required.

### Background

In July 2018, the Agency entered into a lease agreement with Terrace Heights Development (THD) for the space it currently occupies. The total usable area of the building is approximately 4,824 square feet (sf) divided into two tenant spaces. Of that area, the Agency leases an estimated 2,696 sf (or 55.89%). The remaining space is occupied by the Terrace Heights Sewer District which purchased the space it occupies from THD. The lease term is ten (10) years beginning on February 1, 2019, and terminating on January 31, 2029. A single ten-year extension (that retains the current terms of the lease) is available—the execution of which is at the discretion of the Agency.

Under the terms of the lease, the Agency is responsible for reimbursing the landlord for a portion of applicable property taxes; all expenses related to the maintenance of the common areas including licenses and permits; repairing, resurfacing, repaving, maintaining, painting, lighting, cleaning, refuse removal, snow removal, security, and similar items; property insurance; other appropriate reserves; and a reasonable allowance for the landlord's supervision of the common areas (not to exceed five percent of the annual gross rent). The landlord is responsible for the maintenance and repair of the facility (e.g. HVAC systems, fixtures, appliances provided by the

landlord. The Agency is responsible for its own liability insurance, utility costs, consumable items (restroom supplies, light bulbs, etc.), and any improvements/alterations to the premises.

Due to the long-term costs associated with leasing space, members of the board—at various times—have expressed interest in considering whether the Agency should acquire office space as a way to manage its future expenses. Based on this interest, when funds have become available (largely due to temporary staff reductions), these excess funds were placed in the Agency reserve and identified for potential use in purchasing space.

Pursuant to RCW 70A.15.1560, “An activated authority...may receive, account for, and disburse funds, employ personnel, and acquire or dispose of any interest in real or personal property within or without the authority in furtherance of its purposes.”

Under Generally Accepted Accounting Principles (GAAP), a building typically has a useful life of twenty (20) to fifty (50) years. Public buildings tend to be kept in service longer than buildings in the private sector (for example, the Yakima County Courthouse is eighty-five (85) years old and the “new” addition—the facade was reconstructed fifteen years ago—is sixty-four (64) years old).

When a public agency having a service area located within one county is dissolved, its assets (including any real estate) revert to that county as set forth in Chapter 36.96 RCW. Pursuant to RCW 70A.15.1560, “An activated [air pollution control] authority shall be deemed a municipal corporation...” and RCW 36.96.010 defines a “special purpose district” as “every municipal and quasi-municipal corporation other than counties, cities, and towns.” Under RCW 36.96.070, “Any moneys or funds of the dissolved special purpose district and any moneys or funds received by the board of trustees from the sale or other disposition of any property of the dissolved special purpose district shall be used, to the extent necessary, for the payment or settlement of any outstanding obligations of the dissolved special purpose district” and “thereafter, any remaining moneys, funds, or property shall become that of the county in which the dissolved special purpose district was located.”

### **Analysis**

Given the preliminary nature of the discussion regarding future office space for the Agency, this report is intended as an overview and not an in-depth analysis. The following is based on broad assumptions so as to provide the Board with a general understanding rather than a basis for a final decision (where additional research and detail would be required). The purpose is to provide factual information (where available) or reasonable assumptions the Board may use as a foundation for further discussion and general direction to staff so Agency resources are used efficiently.

For nearly three years, there has been a need to modify the space occupied by the Agency to better support its operations. However, this has not been pursued due to the expected cost of such improvements, the uncertainty regarding the length of time the Agency will occupy its present space, and the ability—or inability—to secure an acceptable return on the expense required.

Costs to the Agency for the space it currently occupies are divided into a base rent amount that increases annually at a rate of one percent (1%) and a common areas maintenance amount based on an estimate (and subsequent reconciliation) of the out-of-pocket maintenance and repair costs incurred by the landlord. The actual costs for the first seven years of the initial lease term and the projected costs for the last three years of the initial term and the ten-year extension (if exercised) are shown below.

<u>Actual</u>	<u>Base Rent</u>	<u>Common Areas</u>
Year 1	\$41,107.56	\$12,232.28
Year 2	41,518.68	14,211.38
Year 3	41,933.88	16,724.12
Year 4	42,353.16	15,382.78
Year 5	42,776.64	18,488.07
Year 6	43,205.40	16,982.31
Year 7	43,637.40	17,778.93
<u>Projected</u>	<u>Base Rent</u>	<u>Common Areas</u>
Year 8	44,073.72	16,272.96
Year 9	44,514.48	17,043.85
Year 10	44,959.68	17,851.26
Total–Term 1	\$430,080.60	\$163,067.94
Year 11	\$45,409.20	\$18,696.91
Year 12	45,863.29	19,582.63
Year 13	46,321.92	20,510.31
Year 14	46,785.14	21,481.93
Year 15	47,252.99	22,499.58
Year 16	47,725.52	23,565.44
Year 17	48,202.78	24,681.79
Year 18	48,684.81	25,851.03
Year 19	49,171.65	27,075.65
Year 20	49,663.37	28,358.29
Total–Term 2	\$475,080.68	\$232,303.58
Combined	\$905,161.28	\$395,371.52

Because there is limited commercial office space available for sale in the Yakima market, there are few comparables upon which to calculate an average cost per square foot. Based on a figure of \$135 per square foot, it is estimated the cost of purchasing space equivalent in size to that currently occupied by the Agency would be \$363,960 (though it should be noted finding the same quantity of space available for purchase is highly unlikely). For comparison, 5,631 square feet of office space in Yakima is currently listed for sale at \$635,000 (\$113 per square foot). It should be assumed any space purchased would require modification/renovation to accommodate the needs of the Agency. This would vary depending on the premises, but is estimated at \$25 per square foot.

Maintenance and repair costs for major elements such as the HVAC system, roof, and carpet (excluding the costs for elements associated with common areas) are estimated at \$6,240 annually. Common area maintenance costs were not considered as these are already paid and would be incurred by the Agency to maintain any facility it owned (and therefore would not represent either an added cost or a future savings).

As noted above, a building has a limited useful life. The useful life of a building owned by the Agency is estimated at sixty (60) years at which time it would likely need to be replaced or substantially renovated. The construction cost for single-story, commercial office space in Yakima is estimated at \$307 per square foot for a total cost of \$827,672 ( $\$307 \times 2,696$ ).

It is assumed increases in maintenance and repair costs as well as construction cost (over the remaining useful life) will be addressed through a two percent (2%) annual increase in funds set aside each year for both (plus the interest earned on the depreciation funds set aside in reserves in the case of the latter (on average, since 1982, interest rates and inflation rates have generally tracked each other). Assuming a building was twenty (20) years old with a remaining useful life of forty (40) years, depreciation based on a value of \$827,672 (using a straight-line method) would start at \$20,692 per year.

Considering the above, and with the funds currently at its disposal, there exists a prima facie basis to conclude the Agency would be able to purchase office space for itself, continue paying for maintenance as it currently does plus \$6,240 per year (for additional maintenance and repairs), set aside a minimum of \$20,692 per year for eventual replacement of the building (both at a growth rate of two percent), and reduce its expense by approximately \$16,705 per year (equivalent to \$217,165 over the remaining lease term and extension or \$668,200 over a forty-year useful life) compared to the annual rent paid under the current lease and extension.

The City Selection Committee was convened as required pursuant to RCW 70A.15.2010-2020. Meeting announcements were published in the Yakima Herald-Republic, Sunnyside Sun, Grandview Herald, La Voz, and El Sol, a press release was provided to television and radio station outlets, and the agenda was posted to the Agency web site. The meeting was open to the public and accessible via video-conference (with details provided in the posted agenda).

**1. Call to Order**

Thornsbury called the meeting to order at 6:06 p.m. in the conference room, Yakima Regional Clean Air Agency; 186 Iron Horse Ct. Ste. 101; Yakima, Washington. The start of the meeting was delayed until a quorum was achieved. Thornsbury welcomed the mayors present and thanked mayor Roger Bell for his assistance in arranging the meeting. He explained the statutory duty to convene the committee when a vacancy in one of the city representative positions occurs and noted the requirement to appoint a representative for the city with the largest population in the county—the City of Yakima—under RCW 70A.15.2000(2)(a).

Thornsbury added the term of service for the appointee is four (4) years pursuant to RCW 70A.15.2000(4) and offered a summary of the agenda. Gonzalez asked Thornsbury to repeat the size of the city referred to in RCW 70A.15.2000. Thornsbury stated the figure was 400,000 and Yakima County is currently estimated at 260,000 to 270,000 [by the Office of Financial Management] and this required the Committee to appoint a representative for the city with the largest population.

Frausto inquired as to the current composition of the board. Thornsbury explained there are two appointees of Yakima County, Dr. Steven Jones and Commissioner Amanda McKinney, two appointees of the City Selection Committee (with one currently vacant), Dr. Hilda Gonzalez, and when there is an even number of members, a fifth appointed by the other four members as a tie-breaker, Jon DeVaney (and the director for the Washington State Tree Fruit Association).

**2. Roll Call**

All members of the committee present stated their name and the city for which they serve as mayor. Quorum was established with the presence of nine out of fourteen mayors.

Mayors:                Roger Bell, City of Selah  
                              Hilda Gonzalez Ed.D., City of Granger  
                              Pat Kruger, Town of Harrah  
                              Vicky Frausto, City of Sunnyside  
                              Rob Adams, City of Tieton  
                              John Hodkinson, City of Union Gap  
                              Margaret Estrada, City of Wapato  
                              Matt Brown, City of Yakima  
                              Scott Carmack, City of Zillah

Staff present:        Marc Thornsbury, Executive Director

**3. Introduction**

Thornsbury briefly explained the process of accepting nominations and appointing a representative to the Board. He added the group would need to select a chairperson for the committee.

**4. Selection of Chairperson**

Hodkinson nominated Roger Bell. There were no other nominations for chairperson. By consensus, the committee selected Bell as chairperson.

**5. Public Comment**

No members of the public were in attendance.

**6. Nominations**

Bell opened the floor to nominations for a city representative to the YRCAA Board of Directors and reminded committee members anyone nominated would need to be an elected councilor of the City of Yakima. Brown nominated Juliet Potrykus. Gonzales asked if there was a way to know the people serving as councilors for the City of Yakima. Thornsbery stated that information was available on the City of Yakima web site and could be printed. Gonzalez explained she was unfamiliar with the current city council. Brown noted the council is comprised of Leo Roy, Felisa Gonzalez, Patricia Byers, Juliet Potrykus, Rick Glenn, Reedy Berg, and himself. Gonzalez asked who Brown was nominating. Brown stated it was Juliet Potrykus.

Frausto asked if any other persons could be nominated. Thornsbery affirmed, adding the Committee—not the City of Yakima—determined nominees, but the City was free to offer up a nominee. Hodkinson asked if Potrykus would accept the appointment. Brown confirmed. Gonzalez stated her interest in gaining some perspective regarding the nominee and expressed concern it appeared a selection had been determined prior to the meeting of the Committee. Hodkinson noted the nomination was made by the City of Yakima, not by any of the other members of the Committee.

Gonzalez stated her belief this constituted a predetermined and biased decision and it is the responsibility of the committee to make a selection. Brown stated the Yakima City Council had directed him to offer Juliet Potrykus as a nominee, adding none of the other council members indicated a willingness to serve. Gonzalez noted she would have preferred to have had the committee make that determination for itself so she could have some context and knowledge regarding the nominee and explained she was not aware other council members had been asked to serve and had declined to do so. She stated some discussion before nominations were accepted would have been helpful. Brown noted the committee chairperson had called for nominations and he had simply put forth the name given to him by the Yakima City Council.

Frausto stated she is new to her position as mayor, the committee, and the process of appointing a representative to the board, adding she had asked about the composition of the board to have a better understanding. She explained she did not have previous knowledge regarding how nominations were handled and, had that been the case, she would likely have sought to know more about the councilors serving the City of Yakima in order to make a more informed decision. Frausto expressed her concern without such information she would be unable to do so. She concurred with Gonzalez there appeared to have been a predetermination and asked Bell if the floor remained open for the nomination of other persons.

Bell stated nominations could still be made. He noted that if a person were appointed that refused to accept the appointment and serve, the Committee would have to reconvene. Bell reminded the committee members the person nominated by Brown had agreed to serve. Frausto stated her opinion

the nominee offered by the City of Yakima should have been present at the meeting so more information about them could be obtained.

Bell asked if there were any other nominations, adding one nomination had been presented. Thornsbury noted one nominee, Juliet Potrykus, had been offered and the floor remained open for additional nominations. Bell asked for any other nominations. None were offered.

**7. Selection of Appointee**

Bell called for a vote to appoint the sole nominee, Juliet Potrykus. Potrykus appointed on six (6) aye (yes) votes, three (3) nay (no) votes, and no abstentions.

Frausto reiterated her belief nominees should be present at the meeting. Brown explained he had been asked to attend the meeting himself as the mayor of the City of Yakima and Potrykus was neither asked to attend nor was she aware of any expectation she would attend. Gonzalez noted the Committee is comprised of mayors responsible for nominating for a vacant position and suggested when persons are nominated for that position the process should include the presence of those persons so they can explain to the members of the Committee why they wish to serve on the board, their understanding of service on the board, and that they would accept appointment to the board.

Bell asked if there were any other items to be addressed. None were presented.

**8. Adjournment**

Bell adjourned the meeting at 6:28 p.m.

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Roger Bell, Chairperson

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Marc Thornsbury, Executive Director

## Asset Disposal Report

The Agency Board of Directors is hereby notified the following items owned by the Agency have been declared by the Executive Director to be "surplus" and no longer needed for Agency operations in conformance with the delegation of authority adopted by the Board in Resolution 2024-01. The items identified below were disposed on the date set forth, in the manner described, and for the reason(s) specified.

<b>Desk Chair - Brown High-back Executive</b>		Asset Type: Furnishings	Tag No.: 0160
Manufacturer:	Model Name/No.:	Serial No.:	
Purchased by (unknown)	Purchase Amount: \$	Expected Life: (unknown)	
Disposed 3/16/2026 by Marc Thornsbury	Salvage Value: \$0	Receiver: Yakima Waste Systems	
Disposal Method: Discarded	Notes: Damaged, limited functionality, not ergonomic		

Declared By: Marc Thornsbury, Exec. Dir.

Acknowledged By: Jon DeVaney, Board Chair.

\_\_\_\_\_  
(SIGNATURE)

\_\_\_\_\_  
(DATE)

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(SIGNATURE)

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(DATE)

## STAFF REPORT

**Date:** April 7, 2026  
**To:** YRCAA Board of Directors  
**From:** Marc Thornsbery, Executive Director  
**Subject:** Agency Environmental Impact

### Summary

Having completed a review of its office supply needs in 2024, the Agency replaced just over a dozen regularly used items with alternatives that reduce its environmental impact without substantially increasing costs. After over a year of use, the transition has resulted in no problems and is considered a success. In addition, the Agency recycles as many of the various paper products it uses as is reasonably possible.

Future efforts will seek to increase the recycling of glass, steel, aluminum, and other reusable materials. Furthermore, as the current fleet of aging vehicles is replaced, the Agency intends to acquire plug-in hybrid vehicles that will be able to function given the breadth of the Agency service area while reducing air emissions from fossil fuel combustion.

### Recommendation

No board action required.

### Background

In 2024, the Agency undertook a review of its office supply needs and made adjustments as needed. While doing so, staff sought opportunities—to the extent reasonably possible—to utilize products that would reduce the environmental impact of Agency operations. Over time the agency made over a dozen changes including moving from:

- Plastic utensils (knife/fork/spoon), paper plates, and napkins to alternatives made from bamboo (bamboo is bio-degradable in municipal solid waste landfills, an efficient carbon sink, and renewable/sustainable without deforestation).
- Single-use AA and AAA alkaline batteries to alternative rechargeable batteries (one rechargeable battery can replace an estimated 2,100 alkaline batteries).
- Plastic trash can liners to an alternative made of corn and vegetable starch that is bio-degradable in municipal solid waste landfills.
- Typical facial tissues to alternative made from 100% recycled fiber (80% post-consumer recycled fiber).
- Typical letter-size printer/copier paper to an alternative manufactured in the U.S. (to reduce impacts from transportation) and made from 100% post-consumer recycled fiber.
- Typical repositionable notes to an alternative made from 100% recycled fiber (30%+ post-consumer recycled fiber) using a water-based adhesive.
- Standard notepads to an alternative made from 100% recycled fiber (50% post-consumer recycled fiber).

- Typical hanging files to an alternative made from 100% recycled fiber.
- Restroom hand soap in plastic packaging to alternative using 90% plastic-free packaging.
- Bleached restroom paper hand towels to a non-bleached alternative made from 100% recycled fiber (50% post-consumer recycled fiber).
- Typical toilet paper to an alternative made from 100% recycled fiber (20%+ post-consumer recycled fiber).
- Bleached kitchen paper towels to a non-bleached alternative made from 100% recycled fiber (80% post-consumer recycled fiber).
- Disposable single-use pens to an alternative using ink refills.
- Typical cellophane tape to an alternative using 53% plant-based material.

### **Analysis**

This effort has reduced the environmental footprint of the Agency and demonstrated the use of everyday products that support cleaner air and reduced carbon emissions is possible without requiring major changes, inconvenience, or substantial expense. After over a year of use, the transition has resulted in no problems and is considered a success.

While the Agency has increased the quantity of paper materials being recycled, work will continue to increase the amount of other materials such as glass, steel, and aluminum that are recycled and diverted from disposal in a landfill.

As has been previously noted, the fleet of Agency vehicles is aging and will need to be replaced in the coming years. When this occurs, plug-in hybrid vehicles that can function given the breadth of the Agency service area and still deliver reductions in air emissions from fossil fuel combustion will be a particular focus.