

**Board of Boiler Rules Meeting Minutes**  
**One Day Meeting – August 18, 2021**  
**Department of Labor & Industries, Virtual Meeting**

**Board Members:**

Terry Chapin, Chair  
Tim Barker  
Stephanie Gross  
Steve Pacheco  
Mike Carlson, Secretary

**Other Attendees:**

Steve Osterbur, State of Washington  
Jamie Brown, State of Washington  
Don Sage, State of Washington  
Alicia Curry, State of Washington  
Annette Taylor, State of Washington  
Doug Barkley, US Oil & Refinery  
Brennan Nelson, Cole Industrial  
Brian Mallynn, XL Insurance

- \* Attended Study Session only
- \*\* Attended Board Meeting only
- \*\*\* Attended Public Hearing only

This was a one-day study session & meeting, held on August 28, 2021. Board member Lisa Hawkins was not in attendance for this meeting.

The Board of Boiler Rules meeting was called to order by the Chair at 10:03 am.

**Agenda Item 1.**

Tim motioned to approve agenda as written. Steve seconded. All voted aye, agenda approved.

**Agenda Item 2.**

Steve motioned to approve minutes as written. Stephanie seconded. All voted aye, minutes approved.

**Agenda Item 3**

**WAC 296-104-700 – What are the inspection fees – Examination fees – Certificate fees – Expenses?**

This was presented by Mike Carlson. The department is proposing a fee increase of 5.58% for fiscal year 2023. The 5.58% increase is the maximum allowable fiscal growth factor established by the Office of Financial Management (OFM).

There is a financial impact to stakeholders, but it is a necessary increase to maintain boiler program work. The only other option is to reduce work and inspections performed to compensate for expenses, which increases the safety risk to the public. Tim Barker requested that the timing of all of the most recent fee increases go on record. The last approved fee increase went into effect July 2, 2021, for FY 2022. This next increase will align with the 2023 fiscal year and take

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effect July 2022. Alicia commented that the program is starting the rulemaking process early to stay in accordance with the Boiler Board schedule throughout the process. Tim had questions regarding how the Covid pandemic had impacted the program's revenue and Mike Carlson confirmed that there has been a reduction in inspections, and therefore revenue as well. Brian Mallynn asked if the fee increase of 5.58% is from the last cycle or the current one, and Alicia confirmed that the fee increase that took effect July 2, 2021 was 5.79%. Tim also questioned if the plan was to continually ask for the maximum allowed increase each year. Mike stated that the current plan is ask for the next cycle and evaluate the growth at that point in time with the fiscal/budget office. Tim also asked whether or not fees would be reduced if the board approves an increase of 5.58% but the OFM changes the fiscal growth factor after the board has approved it. Alicia said that it can possibly change, but has never seen a growth factor rate for the year go down. This is a legal question that she will need to follow up and get some clarification on. Tim motioned to approve, Steve seconded. All voted aye. Motion carries, item approved.

**Agenda Item 4**

**Authorize filing of CR-101 for fee increase**

Approval from the board is needed to formally start the rule-making process. Rulemaking can take about a year to complete due to the board meeting schedule and because the board needs to authorize each stage of the process. The CR-101 will be filed in October, and a notice to the public informing them of the program's request for a fee increase will be sent at that time. The board will be asked to authorize filing of the CR-102 at the November meeting, which will be filed in December. A public hearing in February may need to be considered to take testimony on the proposed rules. At the February meeting, the board will vote to authorize filing the CR-103 to formally adopt the rule change. Rules would take effect July 1, 2022. The entire rulemaking process takes anywhere from 9 months to a full year, which is why the Boiler Program is requesting the increase now. Stephanie motioned to authorize the filing of the CR-101. Tim and Steve both seconded. No further discussion, all voted aye. Motion carries, item approved.

**Department Notes:**

Mike Carlson provided quarterly program reports.

**Inspections completed May 1 – July 31, 2021, for 130 commissioned inspectors:**

435 Internal boiler inspections  
+ 2,466 External boiler inspections  
+ 12,314 Pressure vessel inspections  
= 15,215 Total inspections

**New objects:**

599 Boilers

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+ 3,241 Pressure Vessels  
= 3,840 New objects

Current total of objects is 116,629.

Statewide overdue rate is 10.3%, with about 12,022 objects (60 days or more overdue) without a valid certificate.

**Violations:**

There were 397 violations opened, 422 violations closed.

215 boiler and 984 pressure vessels with open violations for a total of 1,199.

3 red tag violations opened.

Tim asked if Mike had concerns anywhere. Mike said the inspectors are continuing to work on the overdues, and are hoping in the fall when it slows down a little that they can continue to do so. Insurance companies have been bringing help in to get the workload taken care of, but there is still a concern. Currently at around 10% overdue and normally closer to 4.5%.

There are 4 fees that were incorrectly labeled on the last fee increase. The program had to do an expedited adoption rule due to the typographical error. The fees were mistakenly labeled \$10.00 more than they should be. The JO database has the correct fee, but the LNI website shows the incorrect fee. Program will not be charging \$48.00, they will only charge the appropriate \$38.40. Public notice CR-105 was sent out as a notification to stakeholders. Terry took responsibility for the clerical error and regretted the oversight.

Terry's position on the board has been open for a year now, but no replacement has been found. The program is very thankful that Terry continues to service until his position is filled.

Alicia introduced Kimmie Stringfellow to the board. Kimmie will be assisting with rulemaking and will be taking the lead on some of the processes. Alicia is not leaving, but the amount of work for FSPS rulemaking requires help.

Steve motioned to adjourn meeting, Tim seconded. All voted aye, motion carries. Meeting adjourned at 10:46am.