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ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

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MEETING OF THE

4

UNDERGROUND STORAGE TANK POLICY COMMISSION

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Phoenix, Arizona

8

August 25, 2004

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9:00 a.m.

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Location: Arizona Department of

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Environmental Quality

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Conference Room 250

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1110 West Washington

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Phoenix, Arizona

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COMMITTEE MEMBERS PRESENT:

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Hal Gill, Vice Chairperson (Acting Chair)

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Roger Beal

4 Theresa Foster  
5 Tamara Huddleston  
6 Andrea Martincic  
7 Phil McNeely  
8 Myron Smith

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1 P R O C E E D I N G S

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3 MR. GILL: We are a quorum so we'll go ahead and  
4 start the meeting. The first thing on the agenda is the  
5 roll call. Start with Tamara Huddleston.

6 MS. HUDDLESTON: Tamara Huddleston.

7 MR. MCNEELY: Phil McNeely.

8 MR. GILL: Hal Gill.

9 MR. SMITH: Myron Smith.

10 MS. MARTINCIC: Andrea Martincic.

11 MR. BEAL: Roger Beal.

12 MS. FOSTER: Theresa Foster.

13 MR. GILL: Thank you. And because we do have a  
14 quorum, we can go ahead and see if we can approve the  
15 minutes for the June and July 2004 meetings.

16 Has everyone had a chance to read those and approve  
17 them?

18 MR. BEAL: I move we approve the minutes for June  
19 and July.

20 MS. MARTINCIC: Second.

21 MR. GILL: Let's go ahead and approve the minutes  
22 for June and July 2004.

23 All in favor, say aye.

24 (Affirmative response)

25 MR. GILL: All opposed?  
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1 (No response)

2 MR. GILL: They are approved.

3 Also, we have been waiting for a couple months now  
4 for a quorum to approve the Annual Report.

5 Has everyone had a chance to read the Annual  
6 Report? Does anyone have any questions, comments,  
7 discussion on it?

8 Okay. Then let's see if we can approve the Annual  
9 Report for 2003.

10 MS. FOSTER: I motion that we approve the Annual

11 Report for 2003.

12 MR. GILL: Thank you.

13 MR. SMITH: I will second it.

14 MR. GILL: We have a motion and second for  
15 approving the 2003 Policy Commission Annual Report.

16 All in favor, say aye.

17 (Response)

18 MR. GILL: Opposed?

19 None. Motion carries.

20 And, Al, what is the time frame for finalizing, for  
21 getting it out to whoever it gets out to, the annual report?

22 MR. JOHNSON: Since Mike O'Hara is the one who has  
23 to sign the cover letter, we'll just have to wait for Mike  
24 to get back so he can do his duty there and then it'll be  
25 ready to go.

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1 MR. GILL: Okay. Great. Let's go to the DEQ  
2 Updates. And, I guess, Mr. McNeely?

3 MR. MCNEELY: Thank you, Mr. Chairman.

4 As you guys know, Amanda Stone last month talked  
5 about the reorg for waste programs in waste.

6 The director created a new division. It's called  
7 the Tank Programs Division. And I have been appointed as  
8 the division director.

9 The division consists of the State Assurance Fund  
10 Section which is an administrative action section which Joe  
11 is actually the section manager now full time, not acting.  
12 So congratulations to Joe on that.

13 And Ron Kern's group, the UST and division support  
14 section. So those three. Now it's under one direction

15 which is me. And I report directly to Steve Owens.

16 The purpose of the reorg is really to give focus to  
17 the UST program with the Senate Bill 1306. We have a lot of  
18 work to do in the next -- really very soon, but by 2010 we  
19 really have a lot of work to do.

20 So the purpose is to do a lot more outreach to  
21 streamline processes, to implement the senate bill.

22 And the way I'm looking at it, I tell you what I'm  
23 looking at is, right now we have about 2,100 releases. We  
24 have to actually get these sites closed.

25 And if they require remediation, that means  
0006 1 probably by 2008 they should be actively being remediated.

2 So we have about four years to get every site that  
3 needs to be remediated probably system installed and running  
4 probably in the 2008 range, 2009.

5 That's a lot of work to do.

6 So Joe's going to be working hard to streamline  
7 processes and make sure it's very clear what we expect and  
8 push this thing forward.

9 So really closure is going to be getting sites  
10 closed, not just -- you know, we're not just going to go  
11 through this process of reviewing reports.

12 We're really going to try to push for closure and  
13 come up with streamline processes, not necessarily --

14 It's not DEQ. We can't close all these sites  
15 ourselves. The owner-operators have to do it ourselves.

16 But we have to really not stand in the way and make  
17 sure that it's very clear to get closure. We want to push

18 that. It's a huge job. So that's what we're going to be  
19 working on really the next year and in the next few years.

20 So immediately what we're working on right now, as  
21 we speak, the SAF rules, which we'll talk about a little  
22 later.

23 We're trying to brainstorm on the new cost ceilings  
24 because the senate bill, we have one cost ceiling July 1st  
25 next year and we're trying to come up with a more

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1 streamlined process which will be easier for UST/SAF people  
2 to review and easier for the stakeholders to fill out the  
3 information and track it. And that will actually be  
4 incorporated into the SAF rules.

5 And we're trying to do our database. We got a  
6 one-time \$500,000 to re-do our database which will help us  
7 internally manage and track things. We're pushing on that  
8 real hard. So we got a lot of initiatives going on this  
9 year that we have to get done very soon.

10 So that's the focus in terms of -- I think that's  
11 the update. The rest of it will be done by the section  
12 managers.

13 MR. GILL: Thanks, Phil.

14 MR. MCNEELY: You're welcome.

15 MR. GILL: So we'll move on to Judy Navarrete,  
16 State Assurance Fund.

17 MR. NAVARRATE: Did everyone get their packets,  
18 receive their packets and receive the chart for last month?

19 MS. FOSTER: I think we just got them  
20 electronically this time.

21 MS. NAVARRETE: Oh, okay. Last month we did have

22 one preapproval application that looks like it was over 180  
23 days but it was in payment determination so I'm thinking  
24 that that came off of some deficiencies. I did not check on  
25 it but it's out the door now.

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1 And we ended up with a total of 124 in house last  
2 month. And then your backups right behind, if you want to  
3 see where they were located last month in the process.

4 And as far as appeals, we had 13 informal appeals  
5 filed and 10 formals. We had one hearing but it was  
6 dismissed.

7 And for next week we are hoping to get the  
8 application, the new certification statement for the SAF  
9 applications on the web, a little blurb out there for the  
10 Senate Bill 1306 provisions impacting volunteers, and also  
11 the State Assurance Fund Re-evaluation Request Form.

12 And that's a form for the people who had denials  
13 because of 1054(E), 49-1054(E), so that they can resubmit  
14 their applications.

15 But I just want the re-evaluation form submitted.  
16 And everyone on that list that I had talked about last month  
17 I contacted personally and then I sent out -- either I  
18 e-mailed them all the forms or I mailed them out but they  
19 knew they were coming and they knew what they were for.

20 So I got about eight back so far and I think I  
21 mailed out 47. So we'll be working on that this month.

22 MR. GILL: And, Judy, this is the statement you're  
23 talking about that was on the table?

24 MS. NAVARRETE: Yes. That's the new certification

25 statement. It's universal for everyone.

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1 MS. MARTINCIC: Judy, is there a deadline on that  
2 form? They need to get it back to the Agency in a certain  
3 time frame? So if you sent 47 out, you only got eight back.  
4 Was there a date on there?

5 MS. NAVARRETE: December 31st.

6 MS. MARTINCIC: And that form will be made  
7 available on the web too?

8 MS. NAVARRETE: Yes. It should be up next week.

9 MS. FOSTER: Mr. Chairman.

10 MR. GILL: Yes.

11 MS. FOSTER: The current State Assurance Fund  
12 application, you're now required to have management or the  
13 owner sign in two places and be notarized in two places.  
14 Doesn't that seem to be redundant?

15 If I have to have somebody sign this document along  
16 with the original SAF application, there's two signatures  
17 and two notaries.

18 Can we, like, condense that and make it more user  
19 friendly?

20 MS. NAVARRETE: I don't understand.

21 MS. FOSTER: Does this certification statement have  
22 to be submitted with SAF applications?

23 MS. NAVARRETE: Yes.

24 MS. FOSTER: The SAF already has a signature and a  
25 notary on there. There's two signatures and two notary  
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1 stamps.

2 MS. NAVARRETE: That takes the place of the  
3 certification statement that's on there now. I will accept

4 the old ones for owner-operators until this one gets into  
5 circulation for volunteers. I need this one signed, but no,  
6 there won't be two, Theresa. This takes the place of it.

7 MR. GILL: You're saying -- you said you sent out  
8 47. So that means that there's 47 applications that are  
9 going --

10 MS. NAVARRETE: I believe I sent out 47. It could  
11 be more. And some people e-mailed me and requested the form  
12 so I didn't count those.

13 MR. GILL: I guess my question was, I wasn't really  
14 concerned with the number. These are the number of  
15 applications that are pending or that are in the works  
16 because this goes with the applications or with the  
17 preapproval work plan. Is that what you're saying, there's  
18 that many?

19 MS. MARTINCIC: I was just clarifying. The number  
20 that Judy's talking about are the forms related to  
21 resubmittal for folks that were denied based on insurance  
22 rather than the form on certification; right?

23 MS. NAVARRETE: Yes.

24 MR. GILL: I missed that.

25 MS. NAVARRETE: Yes. That's it.

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1 MR. SMITH: Was there anything else, Judy?

2 MS. NAVARRETE: No. That's it.

3 MR. SMITH: Looking at your backup on your claim  
4 and invoice review, I see a lot of zeros, especially in the  
5 180s and 365 and even a good amount of zeros in the 90 days.  
6 Congratulations. I think that's a great win for everybody.

7                   And then also looking at your appeals from April,  
8   good downward trend.  And not many are going to hearing  
9   which you're saying that you're resolving the issue before  
10  they have to go to hearing.

11                   So again, congratulations.  I think that's a great  
12  win for all of us.

13                   MS. NAVARRETE:  People know when we send out a  
14  denial, they know exactly what we need to approve that cost.  
15  So thank you, Myron.

16                   MS. MARTINCIC:  Judy, I had a question about the  
17  description of the denial codes.

18                   When I read the description for the last three on  
19  that chart, they sound the same to me.  I don't know if you  
20  could maybe explain to me what they apply to, different  
21  parts or -- it seems like you've got three different codes  
22  for inadequate support documentation kind of --

23                   MS. NAVARRETE:  Right, but they are all different  
24  kinds of documentation.

25                   MS. MARTINCIC:  Is it more clear -- like, when an  
0012 1   applicant gets that back, does it just say inadequate  
2   support documentation or does it actually give a specific to  
3   their --

4                   MS. NAVARRETE:  This is the denial code.

5                   MS. MARTINCIC:  Right.

6                   MS. NAVARRETE:  But the Attachment II, I think you  
7   were given a printout of one of the Attachment IIs the month  
8   that I was gone in June.  And there's a pretty extensive  
9   explanation of a denial on those Attachment IIs.

10                   MS. MARTINCIC:  So it's not just this description

11 right here?

12 MS. NAVARRETE: No.

13 MS. MARTINCIC: When I read it, it seems like they  
14 all seem to say the same thing.

15 MR. GILL: And this was one of the issues you --  
16 that was addressed. And I think it's a really good way to  
17 do it, but what percentage or do you know what percentage  
18 are actually -- because I'm hearing -- getting comments back  
19 from consultants that they are getting -- what did you call  
20 it -- Attachment IIs and it doesn't necessarily always have  
21 anything in that section.

22 MS. NAVARRETE: They wouldn't unless they had some  
23 denials.

24 MR. GILL: But they wouldn't get an Attachment II.  
25 They are saying they are not always receiving a description  
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1 other than the code. I think the Attachment II is a good  
2 idea but they are getting it without anything written.

3 MS. NAVARRETE: If they could send me those or  
4 contact me with the application number, I could look that  
5 up.

6 MR. GILL: It's after the fact now. They probably  
7 already responded.

8 But the point is is that we would hope that SAF  
9 would always put something there every time they send it  
10 out, because this was what I had brought up dozens of times,  
11 is that these are totally useless, they are meaningless, and  
12 they all say the same thing.

13 And so the Attachment II was a good idea but if you

14 don't put a description of what the code is related to, then  
15 it's not doing its purpose.

16           And that's what I just -- you know, I'm hearing  
17 from a number of consultants, that they are not getting  
18 anything written on the Attachment II.

19           MS. MARTINCIC: Maybe we can find out who they are  
20 and let ADEQ know because maybe there's a situation where  
21 one person's having -- maybe their computer's not printing  
22 it up right. I don't know.

23           But I think we ought to try to find out who, even  
24 if they are. If we find out who they are, then there can be  
25 follow-up to make sure it doesn't continue like that because  
0014 I think it is definitely important.

2           MR. GILL: It is, definitely, and that's a good  
3 idea.

4           MS. MARTINCIC: Do you know who those folks are  
5 now?

6           MR. GILL: I can't remember. It was over the last  
7 month or two when we were discussing the form, the  
8 Attachment II.

9           MS. FOSTER: Mr. Co-chairman, I would think that's  
10 the minority because my documentation coming in, the  
11 Attachment IIs are very well explained and I know exactly  
12 what they are looking for.

13           So I'd go back and investigate it before stating  
14 that a majority of them don't exist.

15           MR. GILL: I just said a number of consultants so I  
16 don't know if that's a majority or minority. It was a  
17 number of consultants.

18 MS. FOSTER: Well, I'm receiving them.

19 MR. GILL: Okay. Any more questions, comments on  
20 the monthly update?

21 (No response)

22 MR. GILL: Let's move on to the SAF rule.

23 MR. MCNEELY: It's in your packet. It's a two-page  
24 document. One has -- it's a table. It says Proposed Draft  
25 Time Line. The other one, it's the rule outline. What we  
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1 did is we went through --

2 We want to have these rules written or actually  
3 approved by GRRC by July 1st of next year. So we worked  
4 backwards with the GRRC time line and filled it in.

5 This is starting from now. We'll go forward and  
6 we'll show you what the time line is, try to get a draft  
7 rule out to the stakeholders by early October, October 1st.

8 We're going to get 30 days of informal comment  
9 periods so you can review it, make comments and give them to  
10 us. By November 1st we want to have all the written  
11 comments in. And then that gives us about 30 days to  
12 actually incorporate the comments, make revisions and create  
13 a more final packet by early December.

14 We want to go to publishing it actually with the  
15 Arizona Register and start the formal process.

16 And what's required in the formal process is 30  
17 days but we want to do 45 days to get us over the Christmas  
18 break time frame. So a 45-day review time.

19 The oral proceeding is not required but we assume  
20 that we will probably have enough public interest to have an

21 oral proceeding.

22 We're planning to have that sometime in early  
23 January but have formal written comments by mid January.

24 And then that gives us about a month and a half to  
25 incorporate any formal comments and submit the final rule  
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1 package to GRRC by mid March.

2 And then GRRC has, by rule, 90 days to review it.

3 And we really cannot control them, necessarily.

4 So by mid June they should, by rule, have comments  
5 back. And they may have changes; they may have significant  
6 changes; minor changes. There's no telling.

7 We should have something back from GRRC by mid June  
8 and try to get that rule --

9 And the thing is, once it actually gets approved,  
10 there's still a 60-day time frame for the rule to get  
11 approved unless we can convince GRRC to waive that to get it  
12 by July 1st.

13 So before October 1st, you know.

14 We welcome any comments that you guys have, any  
15 written comments, like, what do you guys want us to do or  
16 input into the rule.

17 And to give you an idea of what we're working on,  
18 we have the outline. This is the rule we're working on now,  
19 the new one. And basically what we're trying to do is, the  
20 old rule is probably, what, a decade old or so. That was  
21 before the corrective action rules.

22 Things have changed significantly, very  
23 significantly over the time of that rule.

24 So what we're trying to do now is reflect what we

25 do now. This new rule, a lot of it is put in the rule, what  
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1 we do now, and also incorporate new senate bill changes like  
2 the one cost ceiling, all the stuff with the Senate Bill  
3 1306, we're going to incorporate that into the new rule.

4 So if you just go down the line, you can see it's  
5 pretty self-explanatory all the way down. We're trying to  
6 simplify the rule.

7 One thing the old rule has is a lot of technical  
8 information because at the time there was no corrective  
9 action rules. It was really our technical guidance.

10 Now we want to pretty much simplify this rule and  
11 refer to the corrective action rules because we spent all  
12 the time getting the corrective action rules written and  
13 approved. Anything technical we're going to refer back to  
14 the corrective action rules.

15 So things are going to be simplified. The one cost  
16 ceiling is going to simplify things. The risk priority  
17 ranking, try to refer back to the corrective action rule.

18 So this rule is not going to be thick documents.  
19 We're going to try to make it as minimal writing as possible  
20 just to cover all the points.

21 But we will refer to the corrective action rules,  
22 incorporate what we're already doing now and incorporate  
23 what Senate Bill 1006 requires.

24 So I'll take any questions.

25 MR. SMITH: Phil, do you plan to have any general  
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1 stakeholder meetings through the process?

2 MR. MCNEELY: Well, let me go back to my schedule.

3 We weren't really planning on --

4 From October 1st to November 1st. We're going to  
5 pass out in October -- we really weren't planning on having  
6 any meetings. We could throw something in that time frame.

7 It may be more of a meeting just to explain what  
8 the rule means. We don't really want to get into the  
9 wordsmithing because we really don't have time.

10 We want you to understand what we're doing. We  
11 want to give you time to actually review it. It is a fast  
12 track but at the same time you guys were concerned we  
13 weren't going to have any stakeholder input at all.

14 We'll take your comments and consider them but at  
15 the same time we are going to try to push it through. But  
16 at the same time we do want you to know what we're doing.

17 So from October 1st to November 1st, that's 30  
18 days, we could probably put a meeting in there, informal  
19 meeting. And then, you know, we'll have a formal meeting  
20 sometime in January. That's a minimum. We could have two.

21 MR. BEAL: Is there any way that you could move the  
22 October 1st date up to the September Policy Commission  
23 meeting, that you could release it then and get it to us?

24 MR. GILL: We don't know what we're commenting on.

25 MR. BEAL: If they gave it to us in September then

0019 1 we would be able to comment at the October meeting. It's  
2 five days difference there.

3 MR. MCNEELY: Well, one thing is, it's five weeks  
4 from now. I don't know if we can make that but I was  
5 thinking this rule will probably be discussed in the  
6 financial subcommittee meeting.

7 MR. GILL: But we have to have something to  
8 discuss.

9 MR. MCNEELY: After October 1st. That might be in  
10 your normal time frame. The first --

11 Well, maybe that will be our public meeting. We  
12 can discuss it during that time frame so you guys would  
13 have, you know, a few weeks to chew on it.

14 And then during your October Policy Commission  
15 meeting you can actually discuss it there.

16 I don't think we want to have a discussion --

17 The first time you look at it shouldn't be the  
18 Policy Commission meeting. You should have it --

19 You know, October is a few weeks before the Policy  
20 Commission meeting. So hopefully we can explain it to you,  
21 and then by the end of October you'll have the Policy  
22 Commission meeting after you've already evaluated it.

23 MR. GILL: Well, I think you're taking a chance,  
24 though, because this is a big deal to everybody.

25 And if there's a lot of people unhappy with it,  
0020 1 then you have -- you know, and it's one meeting, you know.

2 I just remember the one meeting we had in 2000.

3 And, see, that's why I had left a message about, is  
4 there any kind of straw man, you know? What are you working  
5 from, because there was huge issues. And it was way before  
6 the senate bill. We don't know.

7 And that's why I say, trying to make comments on  
8 the basic table of contents, we don't know what is being  
9 changed. And so we'd have to go back to the 2000 straw man

10 and say we didn't like this or this looks great.

11 And none of that might even be in the new one. So  
12 we could be completely wasting our time.

13 MR. MCNEELY: Really, you guys know what we're  
14 doing. We're going to reflect what we're doing today. It's  
15 going to -- all the technical information we have in the old  
16 rule straw man was all technical stuff, work plans.

17 We're taking all that out.

18 We have the corrective action rules. We're going  
19 to refer to the corrective action rules so that it's going  
20 to be a lot simpler than the straw man, the thick straw man.

21 We're going to cut probably two-thirds of that out  
22 and so think of what we're doing now. Think about --

23 That's what the rule's going to reflect in the  
24 senate bill and it's going to be a one cost ceiling, say,  
25 that this is going to be a one cost-ceiling type of thing.

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1 So it's not anything new. We're not turning over SAF.

2 We're doing what we're doing now.

3 And you're saying we may take a chance.

4 We're trying to get the rule done. We're trying to  
5 do it quickly. Really, the things that we're looking at,  
6 I'm just looking through this.

7 This is really all the stuff that I'm -- just  
8 everything what we're doing, what we're doing. You'll get  
9 it in five weeks. You'll get a chance to look at it.

10 MR. BEAL: On the 1st you're going to mail us all a  
11 copy of this and then we're ready for the financial  
12 subcommittee meeting to have a discussion about it.

13 MR. MCNEELY: Either e-mail it or mail it.

14 MS. MARTINCIC: E-mail it so we get it quickly.

15 MR. GILL: What day is the 1st?

16 MR. MCNEELY: Thursday.

17 MR. SMITH: The 1st is a Friday.

18 MS. MARTINCIC: The next Thursday to be the  
19 financial subcommittee.

20 MR. JOHNSON: It will be Thursday, the 7th.

21 MR. GILL: Well, we could have two discussions, the  
22 technical subcommittee as well which will be the Wednesday  
23 after yours.

24 MS. MARTINCIC: But hopefully there wouldn't be any  
25 technical issues.

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1 MR. GILL: There's always technical issues.

2 MS. NAVARRETE: What we might do is get an update  
3 from our rule writers, you know, about the middle of  
4 September, and then let's schedule the meetings and we'll  
5 know when we can get that mailed out instead of committing  
6 to the 1st of October today.

7 Because, you know, you hate committing and then  
8 saying, well, we can't make that.

9 So I would rather let everybody know by the middle  
10 of September the time that we can get it out, if we can get  
11 it out the first week of October.

12 MS. MARTINCIC: If we don't have it to discuss by  
13 October, your time line's blown.

14 MR. MCNEELY: It's an aggressive schedule  
15 considering how long it took.

16 MS. MARTINCIC: If it's not ready to discuss

17 October 7th, then I'll move the financial subcommittee  
18 meeting.

19 MR. MCNEELY: It's not like we're going to cut out  
20 your 30-day comment period.

21 We're going to do everything we can to meet this.  
22 But you'll have your time to talk about it.

23 MR. GILL: Any more comments?

24 Okay. Let's move on to the UST Corrective Action  
25 Monthly Update. Joe Drosendahl.

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1 MR. DROSENDAHL: Yes. My name is Joe Drosendahl.

2 I'm the section manager of the Corrective Actions Section.

3 In your packet is the normal graphs that we usually  
4 give out. We are in the process of looking at the graphs  
5 and trying to make them clearer and more useful and more  
6 precise.

7 So if you see any, you know, things that aren't  
8 exactly right with these, you know, we're working on making  
9 them, you know, more clear.

10 You know, it's just a standard, you know, graphs  
11 and everything. One thing I want to talk about is the risk  
12 assessment graph and I think it's the first one.

13 If you compare this with the graph we gave out last  
14 month, you'll see that it's different.

15 The numbers are different and everything. And I  
16 just wanted to explain why the numbers are different.

17 One is, just looking at, you know, the data and  
18 everything, we, you know, noticed some things in the  
19 numbers. So those were fixed. Plus there is a change in  
20 the way we were counting risk assessments.

21           In the past if a risk assessment -- if a risk  
22 assessment was approved but it did not yet result in a LUST  
23 case closure, it wasn't counted as approved.

24           That's why there was so many risk assessments owed  
25 that were, you know, just sitting there that are just still  
0024  
1   under review and not approved yet.

2           That's why the total number of risk assessments  
3 that have not been approved yet is a lot lower.

4           And we're going to continue to, you know, make sure  
5 we, you know, give better numbers and everything.

6           MR. GILL: Excuse me, Joe. Reiterate what you just  
7 said.

8           MS. MARTINCIC: I'm confused too.

9           MR. GILL: They are not approved but not closed.  
10          You mean with a DEUR?

11          MR. DROSENDAHL: That could be part of it too or  
12 that we approved the risk assessment but, you know, the  
13 site, this wasn't ready for closure yet.

14          MR. GILL: So there's something else in another  
15 section --

16          MR. DROSENDAHL: But, you know, with this graph  
17 treating risk assessments like an SCR or a CAP as just an  
18 entity of itself. What happens after the risk assessment is  
19 approved, that doesn't matter with the graph.

20          So, you know, that's been changed.

21          We're going to continue to tweak the graphs to make  
22 sure that they are accurate and give, you know, a complete  
23 picture of what's going on.

24           That way we can, you know, definitely show, you  
25 know, our productivity, that we're doing great things or  
0025  
1   that we definitely have room to improve.

2           If, from what, you know, has been submitted to DEQ,  
3 you know, hasn't been reflected here, it's like, well, I  
4 submitted, you know, five risk assessments but it doesn't  
5 appear that they have been counted, on the sign-in table I  
6 have this sheet that if anybody needs to find out the status  
7 of any report, just put the LUST file number and, you know,  
8 what kind of report and who to contact.

9           And I'll have someone look into the status of that  
10 report and get back to you on where it is, definitely to  
11 make sure that we're counting it as an SCR or LUST case  
12 closure. Any questions right now?

13           MR. GILL: Joe, my understanding is that Jeanene is  
14 heading up this group or section or whatever they are  
15 calling it.

16           MR. DROSENDAHL: Basically she's a group of one.  
17 Jeanene Hanley now is in my section and she, you know,  
18 works, you know, directly for me.

19           MR. GILL: And the new risk assessment person that  
20 was brought on two months ago is staying over with Ren.

21           And I guess that's where my concern is because I  
22 brought this up last time, is that, I understand that she's  
23 going to be, like, a floater between helping the UST section  
24 and working with Ren as well.

25           That's the way it was explained to me last time.

0026  
1           MR. DROSENDAHL: Cynthia is still helping Jeanene,  
2 you know, with what she was doing before, keeping track of

3 what's coming in, where it is and, you know, getting it out.

4 So until we get risk assessments definitely, you  
5 know, more regulated, you know, I'm sure that'll continue.

6 MR. GILL: I guess my concern is that I see her  
7 hovering over in the WQARFs, the Superfund, because those  
8 are much more complicated risk assessments.

9 And I think she's going to be spending all of her  
10 time there. So I don't know how she's going to be able to  
11 help Jeanene.

12 MR. MCNEELY: Her primary duties are SAF and UST.  
13 And she'd be focused. That'll be her main duty. She can be  
14 used to help Cynthia. We'll make sure the work gets done.  
15 You don't have to worry about -- if we need Cynthia to come  
16 and help Jeanene. Jeanene really is the main risk assessor.

17 Once we get this Tier-II stuff out, it's going to  
18 be a lot more streamlined. We only have a handful of risk  
19 assessors out there. We're going to manage it.

20 You don't have to worry that we're going to be  
21 under staffed with risk assessment. We're also hiring a  
22 contractor too. The agency overload, we can send those to a  
23 contractor.

24 MR. DROSENDAHL: And like Phil said, the Tier-II  
25 software, I just kind of want to give an update on that.

0027  
1 Basically, the alpha version of the software was delivered  
2 to the department on August 6th. That's been under review.

3 The Beta version, which is the version that has all  
4 the bells and whistles and everything, is to be submitted by  
5 early September. And that will go through internal testing

6 and work out some of the remaining bugs.

7 And then it's anticipated that late October it'll  
8 be ready for distribution to the public along with the user  
9 manual that goes with it.

10 And then I'm going to be having Jeanene schedule  
11 some internal and external training sessions starting in  
12 November. And, you know, the software is still going to be  
13 free to the public.

14 MR. GILL: I hate to keep harping on this.

15 But I just can't -- it looks to me like Jeanene has  
16 an awful lot to do with these things.

17 How is she going to be reviewing risk assessments  
18 at the same time? I can't envision how we're going to get  
19 any risk assessments out the door.

20 She's got to do everything involved with it which  
21 means all of this stuff. And, you know, I turned in six of  
22 them in December and January. And from talking with a  
23 client, all they got is a letter saying we received them.

24 So nothing's moving. And I can't imagine how this  
25 is going to make it better. This is great but I just have a  
0028  
1 problem with one person. We had one person in that section  
2 for how long? And it was a huge issue and nothing moved.

3 MR. DROSENDAHL: Well, there was other things going  
4 on at the same time. There was a soil rule, corrective  
5 action rule, corrective action guidance.

6 MR. GILL: But do you think all of that's going to  
7 stop?

8 MR. DROSENDAHL: There is no corrective action rule  
9 any more. Now the Tier-II software is coming down to an end

10 so she's not doing that as much any more.

11 She's not doing as much with the other risk  
12 assessments any more and, you know, we are going to the risk  
13 assessments. And yes, if you see that a risk assessment  
14 that you submitted has not yet been responded to, then let  
15 me know, you know. Let me know that you want me to find out  
16 the status of that, you know, and we'll go forward.

17 And as Phil said, it's like, you know, if we find  
18 that yes, you know, one person can't do everything, then,  
19 you know, we'll have the resources to, you know, increase  
20 that.

21 MR. GILL: Well, I wish her luck.

22 MS. FOSTER: If you turned in six risk assessments  
23 in January, why does DEQ say they only received two?

24 MR. GILL: I can't remember now. It was within  
25 December-January. And so I was looking back there between  
0029  
1 December, January, February, in there somewhere, because it  
2 was in a three-month period.

3 MS. FOSTER: And the graph shows that the last risk  
4 assessments that were closed was sometime in either late  
5 March or early April and the line doesn't continue to June  
6 or July but the chart down below says that they approved two  
7 in July. So it's confusing.

8 MR. DROSENDAHL: Yes. I see some things on here  
9 that we need to change. So hopefully by next month we'll  
10 have it where it's not confusing and it's just real clear on  
11 exactly what our workload is and the trend of, you know,  
12 getting things out and in --

13 MS. FOSTER: And I still have some concerns with  
14 risk assessments that are four years old. They are out  
15 there and no comments, nothing for a long time. Letters  
16 have been received.

17 MR. DROSENDAHL: Next Policy Commission, what I'll  
18 do is I'll provide a list of all the risk assessments, UST  
19 risk assessments that we know of, just to make sure that we  
20 do know of everything.

21 I'm not saying that, you know, documents don't  
22 sometimes slip between the cracks. And just to make sure  
23 that doesn't happen, I'll provide a list and then also, you  
24 know, the table on the back table --

25 Let me know if you want me to check on a specific  
0030 risk assessment and find out where it is or that we actually  
1 have it.

3 MS. FOSTER: Okay.

4 MR. GILL: Any more questions on risk assessments?  
5 You haven't gone through the rest of the update; have you?

6 MR. DROSENDAHL: Pretty much. Oh, there is one  
7 other thing. We were asked to provide information on the  
8 QAQC issues regarding risk assessments.

9 I have had Jeanene put together a table describing,  
10 you know, the QAQC issues regarding risk assessments, why  
11 they are there and what they are.

12 That's under management review right now. That'll  
13 be ready for distribution either by the next Policy  
14 Commission or, you know, in the next week or so.

15 And we'll e-mail that to people.

16 MR. MCNEELY: I'd like to talk about that before we

17 send anything to the Policy Commission. I don't really want  
18 to give --

19 MR. GILL: Let me know when it's available and I'll  
20 put it on the agenda for the subcommittee meeting.

21 MR. DROSENDAHL: Okay.

22 MR. GILL: Okay. Any questions from the Commission  
23 on the UST tables? If there is no more questions for DEQ,  
24 we'll move on to the technical subcommittee update.

25 Basically what we discussed, it was a pretty good  
0031 meeting. We discussed that the subcommittee meeting was --  
1 the issues relate to Senate Bill 1306 and -- the first  
2 thing -- as well as the release confirmation policy.

3 And on the back table is a copy of the draft  
4 policy. And also there was a letter with comments related  
5 to the policy that I e-mailed to the Commission members last  
6 night. And you should have a copy that was delivered to you  
7 today as well, a hard copy.

8 And the big issues, the release confirmation policy  
9 is -- again, is that in so many cases it's subjective and  
10 that's where the problems have always been.

11 The number one issue to me is that -- I was looking  
12 back at the statute, and the biggest problem is that when  
13 this first started with -- the UST program first started, we  
14 had no rule or guidance in place.

15 And basically we were all following the federal  
16 rules which, as everyone knows, are completely wide open.

17 But basically we were following suspected release  
18 and confirmed released to do testing and the statute is set  
19

20 up that day for a suspected release. The only thing that is  
21 mentioned in statute is, you have to test your pumps, your  
22 tanks or your pumps or your leak detection equipment.

23 That's all there for suspected.

24 If you had a sample, if you had taken a sample that  
25 had nothing to do with what you were testing or thought --  
0032  
1 and you had a confirmed concentration, that was a release  
2 and it went on that way for a long time.

3 And that's where I find the problem now is that  
4 suspected release doesn't really cover concentrations, I  
5 mean, an annual sample with a concentration in statute still  
6 today. And that's where the problem always comes up.

7 And that's the problem with the policy or that's  
8 where we're running into problems with the issue is when we  
9 find concentrations in the soil.

10 And so that's what the policy's trying to cover and  
11 I think there's just going to be --

12 It's difficult to discuss because it's always a  
13 site-specific issue and it's always subjective and --

14 But it's a huge issue with the regulated public  
15 because now they have got a deadline to do these  
16 investigations. And if they can't even get a LUST number,  
17 they are stuck with a much shorter time period.

18 So that was a huge issue. I don't know if the  
19 Commission members have had time to review the policy or if  
20 they have any questions and comments on it.

21 As was stated in the subcommittee, I don't have any  
22 problems with the policy the way it's written. It seems to  
23 cover all the points.

24           It's, how is it going to work in practice?

25           And we won't know until, you know, it's used and we  
0033  
1   see how it's going to work out. So we hope that there's not  
2   lots of problems.

3           But is there any comments, questions from the  
4   Commission members?

5           Okay. The issues on Senate Bill 1306 that we  
6   addressed in the subcommittee meeting were basically --

7           Well, the first one was 2-A under the original list  
8   with no further action letters and reopener clause. And the  
9   discussion was, DEQ will continue to apply its current  
10  process for reviewing sites for reopening.

11          And from what we have been told is that basically  
12  it's only if they find that a receptor is affected by a  
13  particular site that it may be reopened, because the clause  
14  in the closure, it's always there, that any of these sites  
15  can be reopened.

16          But that was the only time that DEQ maintained that  
17  they would probably open something is if a well showed up  
18  with concentrations and it could be traced back to your  
19  facility.

20          The other issue that is still always on the table  
21  and that's, what if no money is left in the SAF?

22          That to me is only an issue if it's a newly  
23  regulated constituency like MTBE.

24          So that one will likely be discussed but it's not  
25  necessarily part of this senate bill.

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1           The next one was Monitored Natural Attenuation,

2 fund payment, guidance, and implementation, including source  
3 control and removal.

4 The action item on this was DEQ would put together  
5 on source control and removal, DEQ will clarify who conducts  
6 the MNA.

7 That's a really confusing thing in the senate bill  
8 is, when is the MNA, which is the Monitored Natural  
9 Attenuation, when is that handed over to state lead?

10 Changes to the state assurance fund SAF cost  
11 ceilings. The biggest issue that came out of this, because  
12 there was -- if DEQ's going to conduct a cost ceiling  
13 survey, the big question -- and what's the schedule for cost  
14 ceilings and discussion of the proposed cost ceiling?

15 So, Phil, Judy, what is the process for this  
16 survey?

17 MR. MCNEELY: Mr. Chairman, we have not developed a  
18 process yet. We are still looking at it. The national bill  
19 says one cost ceiling but we're evaluating.

20 We have current cost ceilings. Do we want to use  
21 something like that? Do we want to revamp it? Make it more  
22 in line with corrective action rules? That's something  
23 we're looking at right now.

24 And whatever we come up with, we want to make it  
25 simple. So we don't really even have -- we have ideas  
0035  
1 floating around. So I have nothing to pass on to you.

2 We're going to be pushing this fall to try to come  
3 up with, definitely by January, because January we're going  
4 to have to either use the current ones or have some new  
5 ones. That's the time frame. It's still up in the air.

6 MR. GILL: Well, what about a survey?

7 MR. MCNEELY: We're looking at that too. We  
8 haven't decided anything yet.

9 MR. GILL: Okay. Another issue was the SAF payment  
10 for technical reports not required by rule.

11 And the issue was is that there are a number of  
12 reports that are required during remediation from different  
13 entities like the County Health Department.

14 If you're in Pima or Pinal or Maricopa and if  
15 you've got some kind of air quality issue, they require a  
16 report for their permit. And those were being denied  
17 because they are not a DEQ report. So that issue is being  
18 researched. The issue that was raised with the --

19 That was one of the last issues with regard to  
20 Senate Bill 1306. We're waiting for the action items on  
21 those.

22 In line with the reports back to the release  
23 confirmation policy, initially that was what was raised in  
24 the letter to everybody that we need to take forward.

25 And I'm asking if we should take this forward to  
0036 the subcommittee.

2 This has been raised once before with the issues of  
3 the 90-day report because the problem with the LUST  
4 confirmation policy or the problem with getting a LUST  
5 number is that once --

6 The statute states that a 90-day report is required  
7 90 days from the date that release is reported.

8 And there could be a lot of information required

9 and collected for that 90-day report but you still don't  
10 have a LUST number but a report is required. And so we need  
11 to discuss what can be done.

12 And I guess the letter addressed that and posed a  
13 couple of different options.

14 Plus, there's a 90-day report required for the  
15 suspected release as well which I didn't even remember.

16 But the issue here and the issue in the letter is a  
17 lot of money could be spent to meet the requirements of the  
18 statute and then find out that you didn't even get a LUST  
19 number. And it's all site specific.

20 It depends on the issues on the site. But that is  
21 something I think we need to move forward to figure out how  
22 we can address because it's in statute and rule.

23 Does the Commission think we should move that  
24 forward to the subcommittee?

25 MR. MCNEELY: When we passed out this policy a  
0037  
1 month ago in your technical subcommittee meeting and we had  
2 comments last, I guess there was no written comments at the  
3 meeting a month later and we discussed it. And we're ready  
4 to move this thing forward through our process and be done  
5 with it. It doesn't mean interpreting it.

6 And what you're saying is, how are we going to  
7 interpret it or site-specific stuff.

8 That's always going to be the case. We can't put  
9 every detail in every situation in a policy.

10 And what we're trying to do is we have a huge  
11 agenda this year to get things done. And I don't want to  
12 recycle policies that we have already discussed in your

13 committee again.

14           If there's comments that come after the 30-day  
15 comment period, I would propose not to set it back because  
16 we're planning on sending this through our process.

17           But there's always a process. We can always talk  
18 about that. But we don't want to start rewriting our policy  
19 time and time again because this has been on the table a  
20 long time.

21           MR. GILL: This -- really, to me, this has nothing  
22 to do with the policy. I mean, I have no problem with  
23 raising the policy for a vote. This is an issue that is  
24 outside the policy. I mean, this is an issue that's in  
25 statute and/or rule and it needs to be addressed because it  
0038  
1 ties into that policy but it is not --

2           It isn't addressed in the policy.

3           I mean, the policy is saying this is how we're  
4 going to assign LUST numbers.

5           MR. MCNEELY: And we can always talk about that  
6 stuff in your committee.

7           MR. GILL: I don't have a problem with moving the  
8 draft policy for LUST number confirmation, or it has a title  
9 about that long. I don't have a problem moving that forward  
10 for a vote. And why don't we go ahead and do that before I  
11 raise this issue again.

12           MS. MARTINCIC: Could I ask a point of  
13 clarification? After that last technical subcommittee  
14 meeting there was some discussion about sort of revising  
15 some of the language that you captured here in the notes

16 from the meeting. Joe, do you know if you guys made that?

17 MR. DROSENDAHL: That's been incorporated in the  
18 copy on the table.

19 MS. MARTINCIC: I just wondered. That seemed to be  
20 a consensus-type issue. Thank you.

21 MR. GILL: I think we reached consensus, for the  
22 most part, in the subcommittee meeting.

23 And primarily where we left it, as I said early on,  
24 and Phil just reiterated, is that it is subjective on every  
25 site. But we have to see how it's going to work. And so  
0039

1 that's why I think we have reached grudging consent in some  
2 cases to move forward with it and see how it was going to  
3 work and how the department and the regulated public was  
4 going to be able to work together on it.

5 So any more discussion on the policy itself?

6 And if not, I wondered if I could get a motion to  
7 approve it to go forward.

8 MR. JOHNSON: I'll refer to Tamara. It wasn't  
9 specifically stated in the agenda that we were going to vote  
10 on this particular issue.

11 MR. GILL: The beginning of the agenda says we can  
12 vote on anything at any time.

13 MR. JOHNSON: I'll defer.

14 MS. HUDDLESTON: It's not listed in the agenda.

15 MR. GILL: I don't know that we really have to vote  
16 on it anyway. Let's take a break right now and then we'll  
17 discuss it and decide whether or not it's something we have  
18 to put off for another month.

19 (Meeting break)

20 MR. GILL: Okay. Let's go ahead and start.

21 We agreed that we can't vote on it because it  
22 wasn't put on the agenda. Do we need to vote on this?

23 There's a number of issues that we have sent to the  
24 bulletin which were basically policies and guidance that we  
25 did not vote on. And if we vote on it, do we have to send a  
0040  
1 letter to the director saying, you know, we approve of this  
2 policy?

3 Because that's what we do on all the other things  
4 like the guidance document, the cost ceilings, we have  
5 actually sent a letter to the director saying we voted on  
6 this and we approved or recommend this alternative or  
7 whatever. But is this an issue we have to vote on or can we  
8 just accept it and move forward?

9 MR. SMITH: Mr. Chairman, I would say if it's gone  
10 through the technical subcommittee and had the general  
11 acceptance of the members that come to that, and written  
12 comments, and et cetera, et cetera, I would think that's a  
13 good enough thumbs up to have the policy go ahead.

14 I mean, it's a living, working document.

15 And as Phil said, there are always tweaks. You can  
16 never capture everything any one time. So it's going to  
17 continue to be tweaked and modified as the program goes.

18 MR. GILL: I hate to hold it up for another month.  
19 I'd like to get it in the works and see how it works.

20 Any other discussion?

21 Okay. Then we just recommend that it moves forward  
22 and be put on the bulletin as well. And if you can --

23 Can you e-mail that, Joe?

24 MR. DROSENDAHL: The policy?

25 MR. GILL: The policy.

0041

1 MR. DROSENDAHL: There's a problem with that  
2 because the flow chart's done in a software where, if you  
3 don't have that software, you can't open it.

4 MS. FOSTER: Mr. Chairman, there's technology where  
5 you can make it a PDF.

6 MR. GILL: I can also send it out to all the  
7 consultants as well.

8 MR. MCNEELY: We haven't gone through our Policy  
9 Review Committee internally and director approval. So we're  
10 trying to push this through our system. So I'm not sure if  
11 it's ready to be implemented. This is a first step. We do  
12 have internal things we have to do.

13 MS. MARTINCIC: Would you know by next Policy  
14 Commission meeting? Can DEQ come back next month and at  
15 that point the Commission could --

16 MR. MCNEELY: I'll tell you it may not be approved  
17 by the Policy Review Committee but, at the same time, by  
18 then I'll get -- I'll know if we can start implementing it.

19 MR. GILL: If you remember back in the statute when  
20 the Commission was set up, the purpose of the Commission is  
21 to make sure that all policies, changes in policies got out  
22 to the regulated public before rather than just show up in a  
23 denial or disapproval of a report or something like that.

24 That was the whole idea of the Policy Commission  
25 is, we wanted the regulated public to hear about rules  
0042  
1 before it affects them adversely. So I think if you can --

2 I think that sounds good to just, you know, move  
3 forward, whatever needs to be done. And I think it would be  
4 important to find out, as you just said, from the director,  
5 how soon could you start implementing it, because I'd hate  
6 to have to wait for the PRC to meet for a final approval  
7 before it can be implemented.

8 Okay. That's all for the technical subcommittee.

9 The next subcommittee meeting is the second  
10 Wednesday in September, whatever date that is. And I'll  
11 send out an agenda before.

12 Well, I guess the other issue, before moving  
13 forward, was whether or not the Policy Commission felt we  
14 should move forward the issue of the reports and the LUST  
15 number to discussion on the subcommittee because it looks to  
16 me that it's --

17 Well, it is an issue too because people are being  
18 denied costs for work required in statute or rule but prior  
19 to the LUST number being assigned. So I think something  
20 needs to be done somewhere.

21 MR. MCNEELY: I don't understand exactly what the  
22 issue is, so maybe that's something we can discuss, but if  
23 you can get more clarification before the next meeting so we  
24 can do research on it.

25 MR. GILL: All right. So do we want to move it  
0043  
1 forward for discussion?

2 MR. BEAL: You aren't going to need to -- if Phil  
3 doesn't understand your question, you're going to have to  
4 discuss it at the next technical subcommittee.

5 MR. GILL: As issues come to me, I need to bring  
6 them to the Policy Commission to see if the Policy  
7 Commission wants to send it forward to technical discussion.

8 MR. SMITH: It should go to the technical  
9 subcommittee.

10 MR. BEAL: Yes. It has to.

11 MR. GILL: I can't just say, well, this is an issue  
12 that needs to go on there.

13 MR. BEAL: Okay. It's there.

14 MR. GILL: And I'll make sure you have all the  
15 information. That's all for the technical subcommittee.

16 MS. MARTINCIC: I'm going to move that the  
17 financial subcommittee meeting -- I think we said it was  
18 October 7th. I need to move that to the 14th. I'm not  
19 going to be in town on the 7th.

20 Is that the following Thursday?

21 MR. SMITH: Yes.

22 MS. MARTINCIC: Maybe should I do it the same day  
23 as the -- I'm open to suggestions. If it's easier for folks  
24 to just stay after the technical subcommittee meeting for  
25 the financial one and do them in one day, or we can do it on  
0044 that Thursday. What do you think?

2 MR. JOHNSON: You want to do that on the 14th?

3 MS. MARTINCIC: I can't do it on the 7th. If we  
4 wanted to combine it --

5 MR. SMITH: I would suggest, since hopefully the  
6 SAF rule is coming out at that point in time, that we  
7 combine the meetings, especially for those who have to  
8 travel a long ways, that we combine the meetings on one day.

9 MS. MARTINCIC: So do it on the 13th?

10 MR. SMITH: Yes.

11 MS. MARTINCIC: I'm fine with that.

12 MR. GILL: We can decide, based on the comments at  
13 the meeting, after we have had a few days to review it.  
14 That would be about a week and a half that people will have  
15 time to look at the draft rule.

16 And if there is a bunch of comments, a bunch of  
17 concerns and questions, that we might schedule another  
18 meeting the following week or something prior to the next  
19 Policy Commission meeting.

20 Okay. So you want to try to combine them, then?

21 MS. MARTINCIC: It might make it easier for folks  
22 that want to come to be there one day.

23 Is that all right, Al?

24 MR. JOHNSON: To summarize, the meeting will be  
25 held on October 13th, Wednesday, from 9:00 o'clock till  
0045  
1 noon?

2 MR. SMITH: And 1:00 to 4:00.

3 MS. MARTINCIC: I don't think we're going to need  
4 seven hours. I don't know that I want to be there from 9:00  
5 to 4:00. I don't think we're going to need seven hours.

6 I mean, I would think four hours is plenty. Say  
7 9:00 to 1:00 or something.

8 MR. GILL: We can put: Following the technical  
9 subcommittee meeting.

10 The technical committee meetings have gone about  
11 two to three hours rather than four. The last one was an

12 hour and a half to two hours.

13 MR. SMITH: Let's start at 8:00 and go to 1:00.

14 MS. MARTINCIC: In your technical meeting you're  
15 planning on dealing with your technical -- not really. It's  
16 just, they are going to meet concurrently. That's fine. I  
17 thought it was a combined thing.

18 MR. MCNEELY: A combined meeting would get everyone  
19 together to talk about -- not do technical stuff. That's  
20 not really pertinent to the rule. I think the rule should  
21 be the focus of the meeting. It should be combined.

22 MR. SMITH: I would agree with a combined agenda.

23 MR. BEAL: From when to when?

24 MR. SMITH: 8:00 to 1:00.

25 MR. GILL: Is there any comments from the public on  
0046  
1 the two meetings, the subcommittee meetings?

2 MR. KELLY: Dan Kelly, for the record.

3 Why don't we combine them because we do need people  
4 that will show up to both meetings to be looking at this  
5 rule. And put the SAF rule as the first agenda item of the  
6 meeting. And if you don't want to deal with the other  
7 issues of suspected releases and confirmed releases, then  
8 you can get up and leave.

9 You know what I'm saying? They won't be hung down  
10 with arguing over whether it's suspected release versus a  
11 90-day report.

12 MR. GILL: We'll combine the meetings and I'll work  
13 with Al and Andrea to come up with the appropriate agenda.

14 Okay. Is that the only issue for the financial?

15 MS. MARTINCIC: We're just on hold port waiting for

16 the rule. So until we get that, I don't see a reason to  
17 have a meeting in September unless anyone else feels that  
18 there's a pressing need. I think the main issues are  
19 related to the SAF rule. So October 13th.

20 MR. GILL: Okay. Let's move on to Item Number  
21 Seven, discussion of agenda items for next Commission  
22 meeting.

23 Well, actually there was one issue because there  
24 was something that I was going to discuss in this meeting  
25 that we were going to move forward to the subcommittee  
0047  
1 related to risk assessments, Joe.

2 And I was going to bring it up during the risk  
3 assessment section and decided to wait for the -- and that  
4 deals with the issue that has been brought up a number of  
5 times about whether or not we're required to do Tier-II risk  
6 assessments. And we found a number of things in statute.

7 I don't know how we can get out of it.

8 So this is another issue that needs to be brought  
9 forward, to figure out how we can get out of it because  
10 right now I have to agree. To me it doesn't look like you  
11 have the option.

12 So I wanted to move that forward to the  
13 subcommittee. Now I don't know if we're necessarily going  
14 to have time to discuss it. I'll go ahead and put it on the  
15 agenda as well as the confirmation policy issues. If we're  
16 able to get to it, we get to it.

17 Any other items for the next Commission meeting?

18 Actually, it won't be until the October meeting that we

19 bring forward the issues from the subcommittee and financial  
20 subcommittee meetings. I guess one thing, that if there  
21 are -- were these documents available from the back, Phil?

22 MR. MCNEELY: We e-mailed this out too; didn't we,  
23 the schedule for the SAF?

24 MR. DROSENDAHL: Yes.

25 MR. MCNEELY: And they are back there also.

0048

1 MR. GILL: For people in the audience, the proposed  
2 draft rule time line and the outline for the draft rule are  
3 on the back table.

4 And as Phil has said, we can still be looking at  
5 the outline, send in comments, and we can potentially have a  
6 discussion at the next Policy Commission if enough comments  
7 came in or enough questions or concerns.

8 Because the issue that Phil raised, and going along  
9 with the issue that was raised by the Commission earlier, is  
10 that the formal discussion of issues of concern that we can  
11 get to DEQ prior to them finalizing the draft would be  
12 helpful too.

13 So we might be able to have a discussion on any  
14 issues that come forward by the next meeting as well.

15 MR. MCNEELY: If you don't like the way we do  
16 business now, if you have a new way or better way.

17 So that's an opportunity for you guys to write in a  
18 letter. And we'll evaluate it. I'm not saying -- but  
19 reflect what we're doing today in the senate bill.

20 MR. GILL: I guess a huge issue, along with the SAF  
21 rule and with the cost ceilings and things that you're  
22 trying to make things simpler, we thought the cost ceilings

23 would be simple because that was the whole purpose of moving  
24 to them was that here's the cost ceiling. You don't need a  
25 whole bunch of review. And they weren't simple.

0049

1 So I'm at a dilemma to figure out how that's going  
2 to get settled because it isn't simple. It's accurate but  
3 it's really going to be a pain.

4 But again, I don't know how to write, you know,  
5 questions other than this is the concern, how can we handle  
6 this? And we can't really until we see how it's going to be  
7 done. Okay. General call to the public. Al.

8 MR. JOHNSON: I'd like to announce to everybody  
9 that our e-mail addresses have changed if you haven't  
10 noticed. It is now azdeq.gov. So it would be whoever  
11 you're trying to reach --

12 Like, for example, johnson.al@azdeq.gov.

13 MR. GILL: So that nothing's changed as far as the  
14 very end?

15 MR. DROSENDAHL: There is no dot between az and  
16 deq. It's all one word.

17 MR. GILL: Okay. Any more discussion from the  
18 public? Okay. The announcements.

19 The date on the next Policy Commission meeting is  
20 incorrect. It should be the 22nd, not the 25th, unless you  
21 want to come on a Saturday.

22 Okay. Thanks for your time.

23 (Meeting concluded at or about 10:25 a.m.)

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C E R T I F I C A T E

I HEREBY CERTIFY that the proceedings had upon the foregoing meeting are contained in the shorthand record made by me thereof and that the foregoing pages constitute a full true and correct transcript of said shorthand record all done to the best of my skill and ability

DATED at Phoenix, Arizona this 10th day of September, 2004.

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Clark L. Edwards  
Certified Court Reporter  
Certificate No. 50425