

**NOTICE OF MEETING OF THE
UNDERGROUND STORAGE TANK POLICY COMMISSION**

Pursuant to Arizona Revised Statutes (A.R.S.) § 38-431.02, notice is hereby given to the members of the Underground Storage Tank (UST) Policy Commission and to the general public that the **UST Policy Commission** will hold a meeting open to the public on **December 16, 2009** from 9:00 a.m. until noon, at ADEQ in room 250 located at 1110 West Washington, Phoenix, Arizona. The Commission may discuss, deliberate or vote on any item listed on the agenda. The Commission may vote to hold an executive session for consultation with its attorney for legal advice pursuant to A.R.S. § 38-431.03 (A) (3) concerning any item on the agenda.

1. Call to Order and Roll Call (Bill Bunch, Evaluation Subcommittee Chairperson)
2. Approval of Minutes from the September 23, 2009 Meeting (Bill Bunch, Evaluation Subcommittee Chairperson)
3. ADEQ Updates (Mike Fulton, TPD)
4. SAF Status (Mike Fulton, TPD)
5. Discussion of Recent Legislation and Rules Affecting the UST Program (Mike Fulton, TPD)
6. Status of New Appointments to the Commission (Mike Fulton, TPD)
7. Reminder: Annual Report Materials Due to Gail Clement February 1, 2010 (Bill Bunch, Evaluation Subcommittee Chairperson)
8. Technical Subcommittee Update (Theresa Kalaghan and Catherine Chaberski, Chairpersons)
9. Evaluation Subcommittee Update (Bill Bunch, Chairperson)
 - a. December 3, 2009 Subcommittee Meeting
 - b. Extension of the SAF Claims Submittal Deadline for Existing SAF Eligible Releases
10. General Call to the Public (Bill Bunch, Evaluation Subcommittee Chairperson)
11. Summary of Meeting Action Items (Bill Bunch, Evaluation Subcommittee Chairperson)
12. Discussion of Agenda Items and Schedule for next Commission Meeting (Bill Bunch, Evaluation Subcommittee Chairperson)
13. Announcements:
 - a. Next Policy Commission meeting is scheduled to be held on January 27, 2010 at 9:00 a.m., in Room 250 at ADEQ located at 1110 W. Washington, Phoenix, AZ.
14. Adjourn

Call to the Public is for consideration and discussion of comments and complaints from the public. Those wishing to address the Commission need not request permission in advance. Action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or rescheduling the matter for further consideration, discussion and decision at a later date.

A copy of the agenda background material provided to commission members (with exception of material relating to possible executive session) is available for public inspection at the ADEQ reception area, 1110 W. Washington Street, Phoenix, Arizona. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting June Schellenberg at (602) 771-4837. Requests should be made as early as possible to allow time to arrange the accommodation.

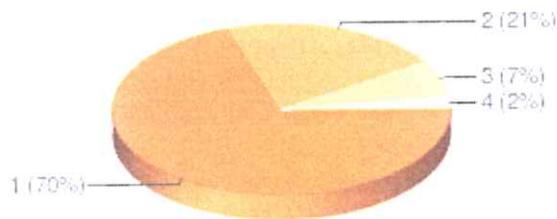
ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY
Waste Programs Division
Corrective Action Section

UST POLICY COMMISSION REPORT

Leaking UST (LUST) Statistics

LUST STATISTIC	AUGUST 2009	SEPTEMBER 2009	OCTOBER 2009	NOVEMBER 2009
Monthly reported	3	1	2	1
Monthly closed	40	9	6	8
Cumulative reported	8,522	8,523	8,525	8526
Cumulative closed	7,547 (89%)	7,557 (89%)	7,563 (89%)	7570 (89%)
Cumulative open	975 (11%)	966 (11%)	962 (11%)	956 (11%)
Total Facilities with Open LUSTs				473

Status of Open LUST Cases



[Status: 1 = groundwater impact, 2 = uncharacterized, 3 = soil only, 4 = potential closure]

Corrective Action Documents Pending Review

DOCUMENT TYPE	SEPTEMBER 2009	OCTOBER 2009	NOVEMBER 2009*	DECEMBER 2009
Site Characterization Rpt (SCR)	3	1	0	1
Revised SCR	1	0	0	0
Corrective Action Plan (CAP)	0	1	2	2
CAP Modification	2	3	1	1
Risk Assessment	2	1	0	0
LUST Case Closure Request	7	6	5	5
SAF Pre-Approval Work Plan	0	0	0	0
Total	15	12	8	9

Document Review Timeframes *

Document	Pending < 30 Days	Pending > 30 Days	Pending > 60 Days	Pending > 90 Days	Pending > 120 Days	Total Number of Active Reviews
Site Characterization Report	1					1
Revised SCR						
Corrective Action Plan	1		1			2
CAP mod request			1			1
Risk assessment						
LUST case closure request	4		1			5
TOTAL:	6		3			9

* Note: based on document review status as of 12/14/2009

American Recovery & Reinvestment Act of 2009 (ARRA)

Status	NOVEMBER 2009
Total ARRA funding	\$3,219,000
Money obligated	\$2,415,658 (75%)
Money spent	\$289,610 (9%)
Total ARRA sites	24
Site assessment initiated	4
Site assessment completed	5
Clean-up initiated	13
Clean-up completed	2

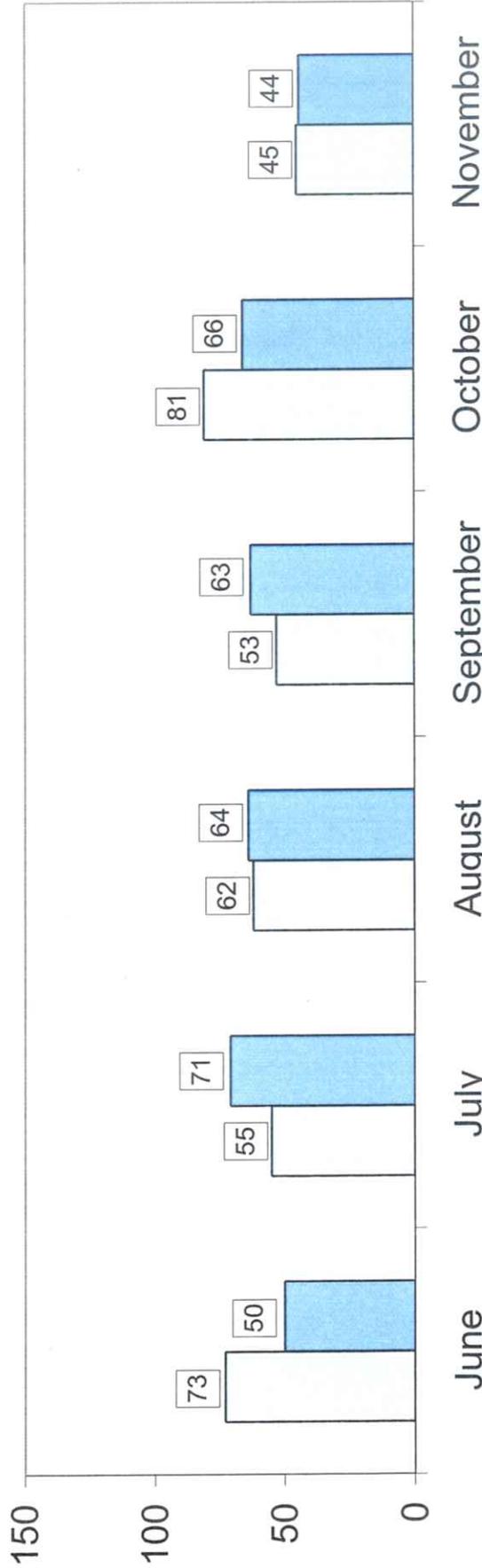
Other Activities

Route 66 Initiative
State Lead Program

School Assistance Initiative
MNA Program implementation

Municipal Tank Closure Program (MTCP)

State Assurance Fund November 2009



Claims Received Interim Determinations

Claim Type	Claims Received This Month	Number of Interim Determinations	Claims Pending Less Than 90 Days	Claims Pending More Than 90 Days	Claims Pending More Than 180 Days	Claims Pending More Than 365 Days	Total Number of Active Claims
Direct Pay	16	13	54	0	0	0	54
Pre Approval	0	0	0	0	0	0	0
Reimbursement	29	31	103	0	0	0	103
Totals	45	44	157	0	0	0	157

State Assurance Fund Work in Process Summary
November 2009

Administrative Review				
	Less than 90 days	Over 90 days	Over 180 days	Over 365 days
Direct Payment	26	0	0	0
Reimbursement	54	0	0	0

Technical Review				
Direct Payment	28	0	0	0
Reimbursement	49	0	0	0

Payment Processing				
Direct Payment	0	0	0	0
Reimbursement	0	0	0	0

Summary				
Direct Payment	54	0	0	0
Reimbursement	103	0	0	0
Total	157	0	0	0

State Assurance Fund

November 2009

Informal Appeal Requests Received

September	October	November
14	21	10

Informal Appeal Determinations

September	October	November
9	18	12

Formal Appeal Requests Received

September	October	November
7	0	5

Formal Appeal Determinations

September	October	November
5	1	5

No Hearings were conducted in November.

State Assurance Fund Appeals

As with any process that involves a decision by one party that affects another, there are disagreements. SAF determinations, as well as many technical decisions, have two processes for appeal. The informal appeal process, provided for in A.R.S. '49-1091, is an opportunity for the applicant to request that ADEQ re-evaluate the decisions or determinations made. It also provides the applicant with an opportunity to provide additional information for ADEQ to review. As provided for in A.R.S. '49-1091(E), this informal appeal process is the opportunity for both the applicant and SAF to explain their position and exchange information related to the matter appealed. This free exchange of information is intended to resolve issues in dispute without the necessity of pursuit of the formal administrative appeal process under A.R.S. Title 41.

State Assurance Fund Status
 FY 2010
 Updated: November 30, 2009

a.) Sources

Beginning Balance (July 1, 2009)	\$19,969,700
Projected Revenue	<u>\$28,882,400</u> ⁽¹⁾
Projected Total Available Funds	\$48,852,100

b.) Uses

Projected Expenditures	\$29,703,900
FY2010 Estimated Transfers	<u>\$15,182,900</u> ⁽²⁾
Total Uses	\$44,886,800

c.) Summary

Projected Total Available Funds	\$48,852,100
Total Uses	<u>-\$44,886,800</u>
Projected Ending Balance	\$3,965,300

NOTES:

- (1) Revenue (taxes, cost recovery, and interest) may vary depending on fuel demand and current cash balances.
- (2) Source: Laws 2009, 49th Legislature, 1st Regular Session, Chapter 12, HB 2643.

ARIZONA UNDERGROUND STORAGE TANK POLICY COMMISSION

November 11, 2009

The Honorable Kirk Adams
Speaker of the Arizona House of Representatives
1700 West Washington Street, Room 221
Phoenix, Arizona 85007

The Honorable Robert Burns
Senate President
Arizona State Senate
1700 West Washington Street, Room 204
Phoenix, Arizona 85007

The Honorable Janice K. Brewer
Governor of Arizona
Office of the Governor
1700 West Washington Street
Phoenix, Arizona 85007

Mr. Benjamin H. Grumbles, Director
Arizona Department of Environmental Quality
1110 West Washington Street
Phoenix, AZ 85007

Re: Arizona Underground Storage Tank Policy Commission
Recommendations on Proposed 2008 UST Compliance Act

Dear Speaker Adams, President Burns, Governor Hull and Director Grumbles:

This letter is written on behalf of the Arizona Underground Storage Tank (UST) Policy Commission (Commission) which is statutorily mandated with making recommendations on Arizona's UST Program to the Speaker of the House, Senate President, Governor, and Director of the Arizona Department of Environmental Quality (Arizona Revised Statutes, Section 49-1092). The Arizona Department of Environmental Quality published its legislatively-mandate report, "Underground Storage Tank Assurance Account Liabilities Report" on September 1, 2009. The following comments regarding this Report are based on unanimous decisions by the voting members of the Commission at the September 23, 2009 Commission meeting.

The Commission recognizes the herculean task of ensuring a balanced state budget during these challenging economic times. It is in this context that the Commission expresses its concern about the short and long term financial capability of the Assurance Fund to meet its current and future financial obligations. Specifically, The Commission does not support additional transfers out of the Assurance Fund for fiscal year 2010, but if additional transfers are necessary the Commission recommends that those transfers be coordinated on a quarterly or end of year schedule to ensure existing obligations are met.

ARIZONA UNDERGROUND STORAGE TANK POLICY COMMISSION

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November 11,, 2009
Letter

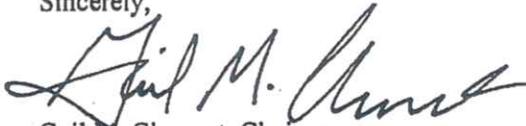
Because of past and proposed transfers out of the Assurance Fund, it is obvious that the Assurance Fund will not be able to meet its future obligations. These obligations include, but are not limited to:

- continued state management of the UST program which is much preferable to federal oversight,
- state-lead cleanup of orphan sites which greatly enhances development potential in areas throughout the state, and
- long term monitoring of groundwater conditions in areas with low concentration but ubiquitous petroleum contamination that may pose challenges for municipal, industrial and irrigation water supplies.

The Commission recommends consideration of extension of the current excise tax which is to be sunset in December 31, 2013, or alternative funding mechanisms to ensure the Assurance Fund can meet its ongoing financial obligations. The Commission emphasizes that extension of the excise tax is not a new tax, but extension of an existing funding mechanism to meet obligations incurred or to be incurred by the state.

If you have any questions, please contact me (928-282-3630). Thank you for your consideration of our recommendations.

Sincerely,



Gail M. Clement, Chairperson
Underground Storage Tank Policy Commission

cc. Underground Storage Tank Policy Commission

UST POLICY COMMISSION MEMBERS 2009

Member Name/Representing	Organization /E-mail	Address	Phone	Fax	Term expires
William (Bill) Bunch (Owners/Operators with 100 or more USTs)	Circle K Stores, Inc.	Circle K Stores, Inc. 1130 W. Warner Rd., Bldg. B Tempe, AZ 85281	(602) 728- 6639	(602) 307- 6639	May 27, 2010
Tricia Johnsen (Owners/Operators with 10 - 99 USTs)	Safeway, Inc.	Safeway, Inc. 2750 S. Priest Tempe, AZ 85282	(480) 894- 4202	(480) 894- 4230	
Vacant (Owners/Operators with less than 10 USTs)					
Gail Clement (Chair) (Public w/ Environmental Experience)	G.M. Clement and Associates, Inc.	G.M. Clement and Associates, Inc. 301 Baron Drive Sedona, AZ 86336	(928) 282- 3630	(928) 268- 3402	May 27, 2010
Catherine Chaberski (City or Town that Owns/Operates USTs)	City of Glendale	City of Glendale 5850 W. Glendale Avenue Environmental Resources Glendale, AZ 85301	(623) 930- 2582		May 27, 2010
Jon Findley (Environmental Organization)	Sierra Club, Palo Verde Group	Sierra Club, Palo Verde Group 1030 E. Baseline Road Suite #105987 Tempe, AZ 85283	(480) 756- 2916		May 27, 2009
Vacant (Public w/experience in financial or insurance matters)					
Karen Gaylord (Environmental Attorney)	Salmon, Lewis & Weldon, PLC	Salmon, Lewis & Weldon, PLC 2850 E. Camelback Road Suite 200 Phoenix, AZ 85016	(602) 801- 9075	602) 801- 9070	May 27, 2009

Member Name/Representing	Organization /E-mail	Address	Phone	Fax	Term expires
Theresa Kalaghan (Environmental Consultant)	Stantec	Stantec 8211 S. 48th Street Phoenix, AZ 85044-5355	(602) 707- 4623	(602) 431- 9562	May 27, 2010
Michael Fulton (ADEQ)	Arizona Dept. of Environ. Quality	Arizona Dept. of Environ. Quality 1110 W. Washington St. Phoenix, AZ 85007	(602) 771- 4837	(602) 771- 4900	Indefinite
Tamara Huddleston (Attorney General's Office)	Attorney General's Office	Arizona Attorney General's Office 1275 W. Washington St. Phoenix, AZ 85007	(602) 542- 8528	(602) 542- 7798	Indefinite

UNDERGROUND STORAGE TANK POLICY COMMISSION/SUBCOMMITTEE MEETINGS 2010

The UST Policy Commission meetings are quarterly and have been scheduled as follows on the 4th Wednesday of the following months in Room 250 from 9:00 a.m. to 12:00 p.m.

January 27
March 24
June 23
September 22
December 16*

*The third Wednesday of the month.

The Evaluation Subcommittee Meetings have been scheduled in Room 4001B the 1st Thursday of each month from 2:00 p.m. – 4:00 p.m.

January 7	July 1
February 4	August 5
March 4	September 2
April 1	October 7
May 6	November 4
June 3	December 2

The Technical Subcommittee Meetings have been scheduled in Room 4001B the 2nd Wednesday of each month from 10:00 a.m. – 12:00 p.m.

January 13	July 14
February 10	August 11
March 10	September 8
April 14	October 13
May 12	November 10
June 9	December 8

