

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

MEETING OF THE  
UNDERGROUND STORAGE TANK POLICY COMMISSION

Phoenix, Arizona  
December 16, 2009  
9:00 a.m.

Location: 1110 W. Washington  
Room 250  
Phoenix, Arizona

4837  
JAN 20 2010

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COMMITTEE MEMBERS PRESENT:

Catherine Chaberski

Michael Fulton

Tamara Huddleston, Esq.

Jon Findley

Tricia Johnsen

Karen Gaylord

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

2  
3 VICE-CHAIR CHABERSKI: Welcome to the  
4 December 16th UST Policy Commission meeting. Bill Bunch  
09:08 5 was going to chair the meeting. Hopefully he will be  
6 here. He has an agenda item, but as a Vice-chair, I'm  
7 going to start the meeting so we can get going.

8 We may change the agenda item for Bill and hold  
9 that until the end out of place, because he's the one that  
09:08 10 needs to report back on his subcommittee.

11 So, all right. So, call to order, and let's take  
12 attendance.

13 MR. FINDLEY: Jon Findley.

14 MS. GAYLORD: Karen Gaylord.

09:09 15 VICE-CHAIR CHABERSKI: Cathy Chaberski.

16 MR. FULTON: Mike Fulton.

17 MS. HUDDLESTON: Tamara Huddleston.

18 MS. JOHNSEN: Trisha Johnsen.

19 VICE-CHAIR CHABERSKI: Okay. Did everyone  
09:09 20 receive the minutes from the September 23rd, 2009 meeting?

21 I'm going to -- would someone like to move to  
22 approve the minutes? Any questions, comments?

23 MS. HUDDLESTON: Not without a quorum.

24 VICE-CHAIR CHABERSKI: We have six. She said six  
09:09 25 is a quorum.

1 MS. HUDDLESTON: Is it?

2 VICE-CHAIR CHABERSKI: I got a message from Gail.  
3 Six. I checked on that just in case someone didn't show  
4 up for Bill.

09:09 5 MS. HUDDLESTON: I'm sorry, I didn't know what  
6 the quorum was.

7 VICE-CHAIR CHABERSKI: Yeah, six.

8 Okay. Where were we. Minutes of the September  
9 23rd, 2009 meeting.

09:09 10 Any changes, questions, comments on those  
11 minutes?

12 Can I have a motion to approve the  
13 September 23rd, 2009 meeting minutes?

14 MR. FINDLEY: So moved.

09:10 15 VICE-CHAIR CHABERSKI: Second?

16 MS. HUDDLESTON: Second.

17 VICE-CHAIR CHABERSKI: Okay. The September 23rd,  
18 2009 meeting minutes are approved.

09:10 19 Number three on the agenda, I will turn this over  
20 to Mike Fulton and he is going to talk about the ADEQ  
21 updates.

22 MR. FULTON: As we have moved to a quarterly  
23 meeting schedule, I've reminded everyone here, and we've  
24 been trying to send this out to our usual stakeholder  
09:10 25 groups, in lieu of actual in-person meetings, I've been

1 trying to provide brief written updates on our website,  
2 and I'm going to review some of the past ones just here  
3 today real briefly and then talk about a few of them, more  
4 contemporary things here in just a second.

09:11 5           Some of this is going to bleed into our other  
6 discussion today and other agenda topics, so you might  
7 hold some of that discussion for later, because some of  
8 these things that I've provided written updates on are of  
9 interest to everyone here in the room.

09:11 10           I'm going to start with some of our more routine  
11 reports, and this has been provided in the packets here,  
12 the pie chart report, which is giving us a current update  
13 on our weekly Underground Storage Tank statistics in terms  
14 of numbers reported by the month, numbers closed, and  
09:11 15 cumulative numbers.

16           We're still making progress closing sites. It's  
17 not as numerous as in the past. I think that's a  
18 reflection of the sites that are remaining either haven't  
19 been characterized or they are not closeable at this time.  
09:12 20 They might need more work; the groundwater sites mostly.

21           I've been working hard on reducing our corrective  
22 action document review times wherever we can. That's the  
23 second and third table there talking about which documents  
24 we have in front of us and how long we've had them in  
09:12 25 front of us.

1           The big emphasis here was to eliminate things  
2 greater than 90 days and getting them down to less than  
3 30, if we can, and we're making some progress in that  
4 direction as well. We don't have any pending greater than  
09:12 5 120 days any longer.

6           Then the last table on the second page is a  
7 status of our stimulus money spending at this time. It's  
8 just a summary here. We've been awarded \$3.2 million. We  
9 are under contract for about 75 percent of that right now,  
10 2.4.

11           Invoices are now coming in as work gets  
12 completed, almost about \$300,000, and the number of sites  
13 we have under contract, and we've actually done some --  
14 there is a number of different milestones. These are  
09:13 15 projects everywhere from site characterize to well  
16 abandonment to clean closures, and that's reported here as  
17 well.

18           Most of these we're working on, as I'll remind  
19 you, advancing our already ongoing State Lead projects,  
09:13 20 mostly on orphan sites, so that's really the population of  
21 sites that we have under ARRA. And if you want to know  
22 more about that -- I thought we had a link on here to our  
23 ARRA web page. At DEQ's main web page, you can find a  
24 button on the right, which describes our departmentwide  
09:14 25 stimulus monies, if you want to get a better idea of

1 exactly which sites we're working on using stimulus money.

2 VICE-CHAIR CHABERSKI: I have a question on that.

3 I know you had to spend the money. It's like the quick

4 spend, so, are you able to get extensions if you still

09:14 5 need time to spend the stimulus money, do you know?

6 MR. FULTON: I don't know whether we will. I

7 don't know if that's been discussed. Maybe Ron knows if

8 it has, but I don't think in our case we're going to have

9 any trouble at all reaching the deadlines. In fact, we're

09:14 10 probably far ahead of other states in the region for doing

11 this, because we had a well-established State Lead

12 program. The contracting mechanism was already built, so

13 we aren't starting from scratch.

14 VICE-CHAIR CHABERSKI: Okay. Thank you.

15 MR. FULTON: So, I don't think we're going to

16 have any trouble. In fact, we'll probably be positioned,

17 if monies are reallocated within the region or nationally,

18 to get more money if other states can't spend the money,

19 so that credit goes to Ron and Joe getting that stuff out

09:15 20 the door.

21 VICE-CHAIR CHABERSKI: Thank you.

22 MR. FULTON: Any other questions about this

23 summary table? Do you want to talk about those now?

24 Okay.

09:15 25 Also attached in this packet is a bar chart

1 showing our State Assurance Fund claims received and  
2 determinations made by month for the last six months.

3           And Tara is here to talk about particulars if  
4 anybody has a question, but we're not seeing a -- we're  
09:15 5 seeing a small drop-off in November in terms of numbers of  
6 claims received. I don't know how that speaks to the size  
7 of the claims that we are receiving. Are they getting  
8 larger, or is there something noticeable about that, Tara?

9           MS. ROSIE: I didn't notice a dramatic increase.  
09:16 10 Earlier in the year, September -- August, September,  
11 October, it seems like we were getting requested amounts  
12 that were a little bit bigger than typical.

13           MR. FULTON: We're seeing some claims for older  
14 work come in as those -- someone might notice the fund is  
09:16 15 supposed to sunset, they are sending in older claims.  
16 There was never a statute of limitations, so to speak, on  
17 claims, so we're seeing work, reverse requests for work  
18 completed years ago, but it hasn't really boosted the  
19 number of claims up.

09:16 20           We're still under 90 days on all of our  
21 administrative, technical and payment processing for  
22 everything from the State Assurance Fund. That doesn't  
23 mean we're not addressing appeals, but we're making  
24 determinations within 90 days.

09:17 25           And the last page shows the appeal status. We

1 still get a good number of -- most of them are resolved  
2 before we get to formal, which is our aim.

09:17 3           Paging through, we see what's a typical State  
4 Assurance Fund status sheet, unchanged from October, which  
5 was unchanged from September, which means that we don't  
6 have any real good information to suggest we should change  
7 our revenue or expenditure projections.

8           Transfers that are shown on here of 15.2,  
9 roughly, were enacted in the first regular session.  
09:18 10 Obviously, and I will talk about it in a second, there are  
11 other transfers contemplated, perhaps, or expenditure  
12 reductions contemplated, and I will cover that as I review  
13 the written report that I have been posting on the  
14 website.

09:18 15           Also included, just for reference, though it's  
16 not an agenda topic for discussion, is the letter that the  
17 Policy Commission did send to Speaker of the House,  
18 President of the Senate, Governor Brewer on behalf of the  
19 Commission, commenting to our -- the Department's  
09:18 20 September 1, 2009 report on the -- on our SAF status  
21 report that we are required to submit as a part of the  
22 sunset legislation in 2004.

23           I just noticed the -- the regarding line is not  
24 correct. This was not commenting to the UST Compliance  
09:19 25 Act. This was commenting to that report.

1           Anyway, the body of the letter describes what it  
2 is, reflecting a discussion we had at the September  
3 meeting.

4           Now I'm going to review some of the past reports  
09:19 5 from October, November, some of the items on there, and  
6 you can go and find these on the website where we usually  
7 post these handouts in lieu of some of our meetings.  
8 These brief written summaries are provided. I didn't give  
9 them to you in your handout. You can go on line and find  
09:20 10 them. I just want to talk about a couple of things that  
11 will, I'm sure, be discussed today at the rest of our  
12 meeting.

13           I think it's been a couple of months. The  
14 Director announced a couple of months ago that the Tank  
09:20 15 Programs Division, the Waste Programs Division would be  
16 consolidated into one, and that's been ongoing for a  
17 couple of months, and we're just about done doing that.

18           So, as a practical matter, the three sections  
19 that were part of the Tanks Programs Division are now part  
09:20 20 of the Waste Programs Division. And since that first  
21 reorg announcement, a few other changes have been  
22 announced, and one is which I'm going to be leaving the  
23 division and heading up to the Water Quality Division  
24 starting in January.

09:21 25           So, just a minor change to that plan will be, I'm

1 moving up to another division. Joe, Ron and Tara will  
2 report directly to Amanda Stone in the Waste Programs and  
3 will carry on from there.

09:21 4 But as a practical matter, it shouldn't be -- it  
5 should be pretty transparent to the regulated community.  
6 That means in the end there will be another -- a different  
7 department representative on the Commission, which we'll  
8 announce shortly. It won't be a surprise. It will be  
9 someone in the Waste Programs Division, and I will be  
09:21 10 around to help with some transitional topics as might be  
11 necessary.

12 On to some of the written update. In both  
13 October and November, I repeated a couple of things, and  
14 one was, if you're aware, all State agencies were asked by  
09:22 15 the Governor to develop a plan for permanent expenditure  
16 reductions that might be enacted in the future up to  
17 15 percent. And that's what is being -- I guess I'll call  
18 it the 15 percent plan. Those plans have been posted for  
19 a month or more on the OSPD website, and you can review  
09:22 20 those if you'd like by looking at the notes. There is a  
21 link on there. The Department's plan we'll talk about  
22 really briefly, and then specifically to the UST portion  
23 of that.

24 Under the 15 percent plan, the Department's share  
09:22 25 of that would be about 15 and a half million dollars as a

1 Departmentwide. And as transfers have occurred over the  
2 past, funds are getting pretty barren in terms of balances  
3 forward. And also it's important to think about this  
4 15 percent plan. It wasn't intended as a one-time sweep.  
09:23 5 It's being talked about as a permanent expenditure  
6 reduction for these funds, a number of which are in the  
7 Department and the UST Fund in particular is talked about  
8 in the Department's proposal.

9           Again, as I say, it is just a proposal. It's  
09:23 10 just out there as an idea. It hasn't been adopted by the  
11 Governor or acted under the legislature. But in the  
12 15 percent permanent reduction expenditure plan for FY10,  
13 the Department's proposal included approximately a \$9  
14 million reduction in UST funds, permanent funding  
09:23 15 reduction to help offset general fund shortfalls elsewhere  
16 in the Department and Statewide. So, if that were to be  
17 enacted, what would that result in is essentially an  
18 automatic regular recurring transfer practically out of  
19 the UST fund, which is really borne mostly by the State  
09:24 20 Assurance Fund, because of the income revenue stream to  
21 the UST Fund of \$9 million.

22           So, if all that was borne by the State Assurance  
23 Fund, income to the fund being about \$29 million a year,  
24 that puts our basis now annually at 20, if this plan was  
09:24 25 to be effective. If it's not, it's a proposal. But

1 that's the kind of ideas that are being put forward for  
2 discussion purposes in the budget cut times.

09:24 3 UST fund isn't immune from these cuts. There are  
4 other funds that are facing by percentage terms even  
5 bigger cuts. WQARF is in that group. So, again, it's a  
6 proposal, it's a plan that's been out there for a couple  
7 of months now, and you can see that online, not just by  
8 DEQ, but every other agency in State government has had to  
9 put together a proposal to address the 15 percent  
09:25 10 permanent funding reduction.

11 So, I think that will be part of our discussion  
12 later on today as Bill -- if Bill comes to talk about part  
13 of what we talked about at the Evaluation Subcommittee  
14 meeting on December 3rd.

09:25 15 The only other DEQ update here, which I probably  
16 should have led off part of this was at the request of the  
17 Commission, we did in fact hold a risk assessment workshop  
18 November 12th, 2009. A number of you might have gone.  
19 The intent of that was to try to help the regulated  
09:26 20 community understand how we are working to evaluate risk  
21 assessments and what information needs there are for those  
22 risk assessments.

23 I've heard good feedback from that. We're  
24 willing to hold those again on a regular recurring basis  
09:26 25 if we need to.

1 VICE-CHAIR CHABERSKI: How big of a turnout did  
2 you have?

3 MR. FULTON: How many people, Joe?

4 MR. DROSENDAHL: There was about 30 people that  
09:26 5 showed up.

6 MR. FULTON: So, it was a good turnout, and I've  
7 heard positive feedback. I haven't heard any negative  
8 feedback, but sometimes you don't get to hear the negative  
9 feedback in the meetings. So, I heard it was well  
09:26 10 received.

11 That's it for the DEQ updates, and actually the  
12 SAF status I did bury it in there as well.

13 VICE-CHAIR CHABERSKI: Okay. Thank you, Mike.

14 All right. Per Gail, our chairperson, reminder  
09:27 15 that the annual report materials are due to Gail  
16 February 1, 2010. And per her note, she stated that ADEQ  
17 needs to prepare their materials and the subcommittee  
18 chairs need to prepare a summary of dates of topics.

19 So, if possible, could -- I know that in our  
09:27 20 subcommittee group, Joe is kind enough to keep summary  
21 minutes. Could you provide those minutes to the Chair and  
22 Subchair of -- the public record meeting minutes from  
23 those meetings so that we can ensure our records are also  
24 correct?

09:27 25 MR. FULTON: I'm sure we can.

1 VICE-CHAIR CHABERSKI: Thank you. Technical  
2 Subcommittee, we --

3 MR. FULTON: I'm sorry, do you want me to back up  
4 to items 5 and 6.

09:27 5 VICE-CHAIR CHABERSKI: Well, didn't you talk  
6 about the new -- oh, the Commission appointments. Yes,  
7 yes. Okay.

8 MR. FULTON: Well, recent legislation, the  
9 question is often asked to me what's the Department doing  
09:28 10 regarding any legislation. We have a pretty simple  
11 Departmentwide legislative agenda this year. It's to get  
12 a director confirmed. It's kind of important. And the  
13 others are to extend some water-related programs that are  
14 set to sunset, monitoring the MAP program and also the  
09:28 15 TMDL program. That's the sum of our legislative agenda at  
16 this point.

17 VICE-CHAIR CHABERSKI: Is there still a rule on  
18 moratorium statewide?

19 MR. FULTON: There is a rule on moratorium that  
09:28 20 is being -- I wouldn't say lifted on an exception  
21 case-by-case basis. Certain rule packages are moving  
22 forward after review by the Governor's office. The intent  
23 of that moratorium was to take a pause and let the  
24 Governor get up to speed with what rules were on the  
09:29 25 table, in all the departments Statewide and move forward

1 in an organized fashion with those that are most  
2 important.

09:29 3 So, certain rules of the Department are moving  
4 forward, mostly in the solid waste arena, but nothing here  
5 in the UST.

6 MR. FINDLEY: What were the programs that are  
7 being sunsetted?

09:29 8 MR. FULTON: The programs that are set up for  
9 sunset is the MAP, the Monitoring Assistance Program for  
10 drinking water, and the TMDL program and surface water  
11 program.

09:29 12 MS. GAYLORD: Well, on legislation, particularly,  
13 and then I wanted to ask when we could discuss the SAF  
14 status and the transfers and all that. But on the  
09:29 15 legislation in particular, in the Department's 15 percent  
16 plan, they did recommend or did at least identify one  
17 possible solution to the funding crisis that will be  
18 created by these transfers from the fund. The solution  
19 identified was the possibility of extension of the excise  
09:30 20 tax.

21 So, you're saying there is not going to be any  
22 effort to pursue that or any kind of Department led effort  
23 to begin a stakeholder process on that this year?

09:30 24 MR. FULTON: I don't know that the 15 percent  
25 plan talked about extension of the excise tax. I know the

1 UST Policy Commission letter did, talked about that.

2 MS. GAYLORD: In the 15 percent plan, it goes  
3 through the proposed cuts, permanent cuts, and on the back  
4 it identifies the citation for the statute, and then it  
09:30 5 identifies possible alternatives.

6 MR. FULTON: Oh, yes.

7 MS. GAYLORD: And it identifies the extension of  
8 the excise tax as the only alternative.

9 MR. FULTON: That's definitely a possibility.  
09:31 10 It's not the Department led action at this time, so,  
11 that's what our agenda looks like right now. It's not on  
12 our legislative agenda right now. It doesn't mean it's  
13 not on the radar screen in the budget discussions, but  
14 we're not discussing legislative change to extend the tax.  
09:31 15 But, as I've said at the subcommittee meetings, we're  
16 certainly going to be available to discuss those certain  
17 proposals if they come forward.

18 VICE-CHAIR CHABERSKI: Did you want to go back to  
19 the SAF balance?

09:31 20 MS. GAYLORD: Well, my question was, are you  
21 intending to talk about that if Bill gets here during the  
22 items of the subcommittee?

23 VICE-CHAIR CHABERSKI: Yes. Well, if Bill does  
24 not attend, then I guess my plan is to ask DEQ folks for a  
09:32 25 summary. I was not at the meeting, so, we'll comment

1 then, whether he's here or not, do what we can.

2 Karen, is that --

3 Any other comments or questions for Mike? Okay,  
4 Mike.

09:32 5 MR. FULTON: Status of new appointments to the  
6 Commission. I've been trying to recruit new appointments  
7 or solicit reappointments to the Commission for a while,  
8 and we've had some -- a couple of people put their names  
9 forward to try to get them on the Commission or at least  
09:32 10 considered for that, and I'm trying to work with the  
11 Governor's office that supports commissions to see what  
12 happens. It's just moving a lot slower than I hoped it  
13 would.

14 Also trying to get the reappointments done for  
09:32 15 the Technical Appeals Panel, as well, so, some of you  
16 might be in this room that I've talked to about getting on  
17 those panels. I've got your names, and I'm trying to get  
18 those names in front of the boards of commissions, so that  
19 we can move forward with the appointments and  
09:33 20 reappointments.

21 I don't have a lot of progress to report on that,  
22 so, it's not going to be a dropped -- I'm not going to  
23 drop that ball as we transition to a next representative  
24 on the Policy Commission or a new division director. I'm  
09:33 25 going to be handing that off in an organized way or trying

1 to close that out before I leave. So, that's what I have.

2 VICE-CHAIR CHABERSKI: Any comments, questions on  
3 the SAF? Okay. I think I stated that we did not hold a  
4 Technical Subcommittee meeting. We have not received any  
09:33 5 more agenda items, so nothing to report on No. 8 of the  
6 agenda.

7 Let's see. Bill Bunch ran the Evaluation  
8 Subcommittee meeting on December 3rd. I don't know where  
9 Bill is. I haven't heard from Bill.

09:34 10 So, were there any Policy Commission members at  
11 that meeting? Any DEQ staff?

12 MR. FULTON: Yes, I was there. You're going to  
13 have to listen to my report again.

14 VICE-CHAIR CHABERSKI: Well, in lieu of Mr.  
09:34 15 Bunch not being here, and I have no information forwarded  
16 to me, could you summarize the meeting?

17 MR. FULTON: I can try. I didn't take notes to  
18 that point, but I will -- I know there were some people in  
19 the audience as well that were at that meeting. I might  
09:34 20 suggest they could chime in if I'm missing something, but  
21 --

22 VICE-CHAIR CHABERSKI: We'll talk about that then  
23 at the public meeting -- public speaking portion, and if  
24 they want to add additional comments at that time, they  
09:34 25 can.

1 MR. FULTON: Well, by the time this meeting was  
2 held, the UST Policy Commission's letter had gone out to  
3 the Governor, to the House and President of the Senate.  
4 That's the letter that's attached to this information  
09:35 5 packet. That's the letter dated November 11th. That  
6 served as something of the -- part of the agenda for the  
7 meeting was to talk about that.

8 And the intent that Mr. Bunch had, I believe, by  
9 holding the meeting was to talk about the long-term  
09:35 10 funding sustainability for the UST fund, and in general,  
11 the SAF in particular.

12 And the discussion was revolving around trying to  
13 find and create a recommendation to the Commission about  
14 how the Policy Commission might chime into that discussion  
09:35 15 of either extending the tax or extending the tax and  
16 extending the claims eligibility window or extending the  
17 tax and the claim eligibility window and changing the  
18 eligibility scheme altogether, or finding a new way to  
19 talk about how the fund should be sunsetted in the future,  
09:36 20 not necessarily a date certain, but the performance  
21 measures being met would guide the closure of the sunset  
22 of the fund rather than a date or money, in effect. That  
23 was kind of the open discussion we had at the meeting.

24 There -- an observation made that many leaking  
09:36 25 tanks will not be remediated before the close of sunset

1 window. Many of the reasons for sites not being cleaned  
2 up are out of the hands of applicants or responsible  
3 parties.

09:36 4           There was discussion of whether private insurance  
5 was really a practical alternative to this publicly run  
6 State Assurance Fund, for all those reasons that's feeding  
7 into the discussion of extension, the possible extension.

8           Those are roughly the topics that were discussed.  
9 Some discussion was also had requesting some information  
09:37 10 of the Department trying to get some more refined numbers  
11 as to numbers of sites open, small businesses or large  
12 businesses. And then within the regulated community, some  
13 discussion strategies that might be employed to approach  
14 this legislative -- what are the stronger arguments in  
09:37 15 favor of extension of the fund, and one of those being or  
16 some of those being that if the fund isn't available, lots  
17 of -- some property will never come into productive reuse,  
18 especially in rural areas. Insurance isn't working. I  
19 mentioned that already. Some jobs might be lost in terms  
09:38 20 of site restoration and productive reuse categories. And  
21 there's going to be an unanswered risk to many orphan  
22 sites that are out there. I know the Policy Commission  
23 has pointed that out before.

24           Since the fund is supposed to morph into a  
09:38 25 regulated substance fund eventually, its primary purpose

1 was to take care of orphan sites. If that money's not  
2 there, that's a problem.

3 That's my summary of the topics, though there  
4 weren't any formal recommendations that came out of the  
09:39 5 meeting.

6 VICE-CHAIR CHABERSKI: For the audience and for  
7 the record, what deadline, can you specify the deadline  
8 again for the fund?

9 MR. FULTON: The upcoming important dates are --  
09:39 10 the date upcoming that's most important is June 30, 2010,  
11 at which time claims for SAF eligible work need to be into  
12 the Department, that, thereafter, claims that aren't in  
13 will be extinguished, it is not eligible any longer.

14 Thereafter June 30, 2010, as the sunset  
09:39 15 envisioned there would be emptying of the pipeline, so to  
16 speak, of those claims that were in-house, paying them  
17 out. And then revenues coming in through the excise tax  
18 would accumulate into the fund and eventually be  
19 transferred into a regulated substance fund. The excise  
09:40 20 tax would expire on June 30, 2013? No? Right?

21 MR. KERN: Maximum, December 31st, 2013.

22 MR. FULTON: December 31st, 2013, or when \$60  
23 million was made available for transfer to the regulated  
24 substance fund. So those were the two triggers for the  
09:40 25 sunset, whichever occurred earlier, 60 million or December

1 31st. That's how the roadmap for sunset was laid out in  
2 session law attached to -- is it 1306 -- Senate Bill 1306.

3 VICE-CHAIR CHABERSKI: Questions?

4 MS. GAYLORD: Well, the Policy Commission went on  
09:40 5 record with our letter that's in the packet, but the  
6 situation now is significantly changed. There doesn't  
7 seem to be any way to stop significant additional  
8 transfers from the fund in fiscal year 2010/2011. We're  
9 going to probably have to rank claims; is that true?

09:41 10 MR. FULTON: If we actually realize the \$9  
11 million reduction in expenditure, expenditures from UST  
12 fund, I don't see a way at the current level of claims  
13 we're going to be able to avoid ranking, but I'm not ready  
14 to sound that alarm yet because, again, this is still just  
09:41 15 a proposal. The \$9 million is a proposal. So we're still  
16 able to pay claims that are coming in. We have been able  
17 to pay them, but it is rational to look forward at the  
18 possibilities and deeper cuts are going to be hard to  
19 handle without ranking.

09:41 20 MS. GAYLORD: It seems that the only way that we  
21 could conceivably avoid a significant devastating cut in  
22 the future is for a strong stakeholder effort to convince  
23 the legislature and the Governor's office that DEQ has  
24 given more than its fair share. And I believe that's  
09:42 25 true. DEQ has given more than its fair share, more than

1 any other agency to the fund, to the general fund, and to  
2 the effort to balance the budget.

09:42 3 But if you look at any requirement for DEQ to  
4 give similarly to other agencies, you don't have anywhere  
5 else within the agency left to give that money from except  
6 the orphaned and UST, so I can't, outside of some  
7 Herculean effort to immunize DEQ, it doesn't seem possible  
8 that we are going to be able to avoid devastating cuts and  
9 ranking of claims.

09:42 10 When we set up the UST fund, certainly one goal  
11 was to take care of orphaned tanks and sites where owners  
12 couldn't pay their fair share, small businesses. Thank  
13 heavens for the stimulus money. We've got some money  
14 going into State Lead today, but for that, the fund would  
09:43 15 be -- we'd have no hope of meeting any of our goals. So  
16 that's good, we got the stimulus money. But in terms of  
17 the fund itself, outside of that, the question we have is  
18 can we meet the goals without an extension of the tax.

09:43 19 Frankly, I wouldn't -- two years ago wouldn't  
20 have supported extension of the tax for the sole purpose  
21 of reimbursement, but I am personally supportive of  
22 extension of the tax in order to have the carryover that's  
23 necessary to meet the MNA related obligations of the  
24 Department.

09:43 25 So, I feel strongly that we need to be starting

1 some kind of effort, and I know that there are folks in  
2 the audience who already have begun efforts to get  
3 stakeholders together to talk about the possibility of  
4 extension, and other alternatives. But it seems that the  
09:44 5 Department -- maybe you don't want to lead the charge, but  
6 it seems like the Department needs to be involved in some  
7 kind of conversations about the subject.

8           The really devastating impact to the -- that  
9 could occur in the fund would be the implementation of the  
09:44 10 permanent cuts that are discussed in the 15 percent plan.  
11 I don't -- I really can't imagine that any stakeholder  
12 would support extension of the UST tax to fund the general  
13 fund of this state. That was never the goal. And so a  
14 continuing transfer of \$9 million to the general fund from  
09:44 15 the UST fund I think significantly undermines the  
16 possibility that we will get an extension of the excise  
17 tax, and I'm very concerned about that.

18           I think that to date the Policy Commission and  
19 the stakeholders have been very low-key. I would  
09:45 20 characterize the Policy Commission perhaps as being as  
21 maybe under-reacting to the impending crisis, and I think  
22 that was appropriate because we wanted all the information  
23 we could get. I think at this point we probably need to  
24 get very involved in this issue and get any additional  
09:45 25 information we need and begin actively putting ourselves

1 on record for whatever position the Policy Commission  
2 agrees to with respect to sunset, carryover, extension of  
3 the tax, permanent versus temporary transfers. I think  
4 there is a certain vacuum here that's allowing the state  
09:45 5 legislature to continue to take these transfers without  
6 understanding the pain it's going to cause for the  
7 regulated community.

8 So, for today's meeting, I guess I would like for  
9 us to discuss what our next step is, how the timing is  
09:46 10 critical, all of this is happening now. It doesn't look  
11 like there's going to be any relief for us before 2013,  
12 and I guess I'm interested in having us discuss how we get  
13 on record and whether it's through the subcommittee or  
14 through the Policy Commission.

09:46 15 VICE-CHAIR CHABERSKI: Well, two key members are  
16 missing today. So, that's a good question. I think the  
17 one thing we definitely should have, and, you know, Bill's  
18 not here and Gail's not here. We have -- I was looking at  
19 our calendar -- Evaluation Subcommittee meeting  
09:46 20 January 7th, so I would hope that we would hold that  
21 meeting again, because it sounded, Mike, is that  
22 confirmed, there was a lot of brainstorming going on, but  
23 clear recommendations didn't really come out from the  
24 meeting. It was more of a brainstorming session?

09:47 25 MR. FULTON: Correct.

1 VICE-CHAIR CHABERSKI: Okay. I would hope, and  
2 we will have to talk with Bill, that on January 7th, that  
3 we hold another stakeholder meeting with that topic, and  
4 get some clear ideas and definition of what the  
09:47 5 stakeholders would recommend. That's one step we could  
6 take, because I think we need that information.

7 And do you keep formal notes somewhere in DEQ so  
8 that -- like action items and follow-up? Can we make sure  
9 that we get those minutes of the meeting?

09:47 10 MR. FULTON: We'll have to get them from Mr.  
11 Bunch. He was the one taking these notes.

12 VICE-CHAIR CHABERSKI: Okay. Well -- so, you  
13 don't use the same form we do? I think that would be  
14 critical to make sure that we get those documented and  
09:48 15 distributed so we can see what the stakeholders are  
16 recommending.

17 MS. GAYLORD: And I guess specifically, maybe we  
18 could ask Mr. Bunch to get some reading on specific  
19 issues. I sense a lot of support for the extension of the  
09:48 20 tax, but I sense that folks are going to support that only  
21 if there's an extension of eligibility and if there is  
22 some assurance that the money will actually be used for  
23 UST cleanup.

24 So, I'd like -- on those three issues, I would  
09:48 25 like to find out whether I'm completely off base, whether

1 that is in fact what the stakeholders are thinking at this  
2 point, and then further than that, I guess I'd also like  
3 to hear from the stakeholders whether there's been any  
4 change in the general view regarding MNA related  
09:49 5 obligations, the MNA Rule, the Department role with  
6 respect to those sites after sunseting the fund, and  
7 whether there are any particular -- I'd just like to know,  
8 was there any concerns that we haven't heard about  
9 regarding the State Lead program, whether they're just  
09:49 10 doing fine with the federal stimulus money, whether  
11 there's plenty there to cover these orphan sites and small  
12 business financial hardship kinds of things.

13 VICE-CHAIR CHABERSKI: Okay. Since Bill or Gail  
14 aren't here, could you summarize that and send that to the  
09:49 15 Chair --

16 MS. GAYLORD: Yes.

17 VICE-CHAIR CHABERSKI: -- so that when Bill --  
18 since he's not here, I just want to make sure that those  
19 questions are addressed? We will go through that channel,  
09:49 20 proper channel.

21 MR. PEARCE: I'm sorry, can I just get a call out  
22 of order here? I am getting e-mails from Bill Bunch.

23 VICE-CHAIR CHABERSKI: Oh. Is that okay, Tamara?

24 MS. HUDDLESTON: Sure.

25 VICE-CHAIR CHABERSKI: Okay.

1 MR. PEARCE: My name is John Pearce. I just  
2 wanted to let you guys know, Bill thought the meeting was  
3 tomorrow, so he's deeply apologetic he isn't here.

4 Gail isn't here either, which is compounding the  
09:50 5 problem of his. Just a second, I'm reading, which I can  
6 try to get you all somehow.

7 Bill sent topic points that were borne out of the  
8 meeting on December 3rd, that Mike mentioned, regarding  
9 the -- his thought process of some of the thoughts that  
09:50 10 came out of the stakeholder meeting. Many people here  
11 were in attendance on December 3rd.

12 Apparently there is nothing in print here on  
13 this, which I think Bill dropped the ball on that, and  
14 also he feels bad about that. But if Gail was here, she  
09:50 15 would have them, but she's not here either, so again we  
16 don't have that. It's a disconnect.

17 I can hold some further comments and suggestions  
18 until the public comment, whatever you all think is  
19 appropriate. I just -- you know, there is some  
09:51 20 recommended action here today.

21 MS. GAYLORD: I would like to request that we go  
22 ahead and move to call the public up now, because I'd  
23 really like to have the discussion of the stakeholders.

24 VICE-CHAIR CHABERSKI: Well, why don't we move  
09:51 25 the whole call to the public up at this point.

1 Mr. Pearce.

2 MR. PEARCE: This is the e-mail that Bill  
3 forwarded to Gail as a UST Policy Commission action item.  
4 It was a series of bullet points that were borne out of  
09:51 5 this meeting. I could just read it if you'd like.

6 The first bullet reads as follows: "Although the  
7 deadline for submission of SAF eligible claims  
8 memorialized in SB1306 appeared reasonable at the time,  
9 unforeseen economic and bureaucratic obstacles have put  
09:51 10 some owner/operators in a position where they will not be  
11 able to complete remedial activities, and submit eligible  
12 claims prior to the current deadline.

13 "The intent of SB1306 was to provide adequate  
14 time for all eligible releases to be remediated to  
09:52 15 completion and corresponding claims submitted.

16 "The responsible parties for most of the current  
17 SAF eligible releases that are at risk of not being  
18 remediated prior to the deadline are small businesses.  
19 Many will face economic hardship or bankruptcy if the  
09:52 20 deadline for claim submittal is not extended. This  
21 creates a public policy concern for both the economic  
22 impact to these small businesses and the increase of  
23 contaminated sites that fall to ADEQ and the orphan  
24 program for remediation.

09:53 25 "If the excise tax were not to sunset as

1 previously recommended by the UST Policy Commission, this  
2 would further support the extension of the deadline for  
3 submission of SAF eligible claims for a time that, at  
4 minimum, corresponds to the extension of the excise tax."

09:53

5 So, the upshot is that it would be within the  
6 intent of the legislation to allow the folks that  
7 submitted claims prior to the July 1st, 2006 cutoff, to be  
8 allowed additional time to complete at least the active  
9 remediation component of their projects and get those  
10 claims submitted so that there is not going to be a lot of  
11 hardship to those owner/operators. The analysis that Bill  
12 is conveying is that most of those that would suffer the  
13 hardship are people that are small business owners.

09:53

14 I don't think anybody is saying that the deadline  
15 to submit these releases that had lapsed July 1st, 2006  
16 ought to be extended. I think the focus is very much on,  
17 okay, the people that did make that deadline and despite  
18 rejections or in best intentions got when the legislation  
19 are formed are not at the point where they hoped they'd be  
20 by July 1, 2010 with their projects. Let those folks have  
21 sufficient time to get their claims in, and that's to  
22 avoid a lot of hardship. That would go hand in hand with  
23 the tax being extended, you know, possible part of the  
24 same legislation.

09:54

09:54

25 I think the idea was to get the letter sent out

1 from the Policy Commission to the legislature in time to  
2 get out the tax extension, but not talking about any  
3 extension of this claim submittal deadline, that a letter  
4 from the Policy Commission to the legislature conveying  
09:55 5 that would be desirable as soon as possible.

6 VICE-CHAIR CHABERSKI: Any other comments?

7 Thank you, Mr. Pearce.

8 Would you state your name?

9 MR. KEC: Yes, ma'am. My name is Bob Kec, and  
09:55 10 I'm the owner of Western States Petroleum. I'm a small  
11 business owner of a small distributorship here just down  
12 the street. And I fall into that category that John just  
13 addressed.

14 We did our due diligence work in 2006, and we  
09:55 15 found out that we had two sites that needed to be  
16 implemented with remediation, and to this date we haven't  
17 been able to get anything underway, so, we really need to  
18 have that extension so that we can complete our projects,  
19 which may take another year or year and a half to  
09:56 20 complete. We're still fighting with the Department a  
21 little bit on the site characterization, which means more  
22 drilling and more stuff to get before the board -- before  
23 the ADEQ.

24 But from a small business standpoint, I can only  
09:56 25 tell you it's critical that those of us who went the extra

1 mile to get the -- to investigate our sites and then to  
2 have it sunsetted, we realize that, and we tried  
3 diligently to get everything done by 2010, June 30, but  
4 it's just not going to happen, because we haven't -- we're  
09:57 5 90 percent there on our site characterization with you,  
6 but we still have a little more to go, according to the  
7 Department, and that's -- and every site I've been  
8 associated with has taken about a year, year and a half to  
9 complete that process.

09:57 10 And I can just tell you it's super critical to a  
11 small business owner like ourselves that employ probably  
12 35 -- 25 to 35, depending on the time of year, and I don't  
13 know what we would do, how we would be able to complete  
14 that project.

09:57 15 So, I wholeheartedly concurred with your comments  
16 and support what you have said, and if you'd like anything  
17 else, I can answer any questions about our particular  
18 project.

19 VICE-CHAIR CHABERSKI: Thank you.

09:58 20 Any other comments from the audience at this  
21 time?

22 Yes. And can you state your name for the record?

23 MR. TREMBLY: Jeff Trembly, Mogollon  
24 Environmental Services.

09:58 25 I would suggest that if the claims date is

1 extended, that it be done on a case-by-case basis rather  
2 than just a blanket extension. I mean, there are some  
3 people who just have not done the work and it doesn't seem  
4 appropriate for them to be rewarded by giving them extra  
09:58 5 time.

6 There are others who certainly had individual  
7 problems with their site that could use additional time,  
8 so I think there is some sort of site specific  
9 case-by-case evaluation be conducted.

09:58 10 VICE-CHAIR CHABERSKI: Thank you. Any other  
11 comments from the audience?

12 Yes. Could you state your name for the record?

13 MS. ROXLO: Katherine Roxlo. I know of some  
14 facilities and owners also who are, you know, small  
09:59 15 businesses and having trouble. They're, you know, on the  
16 edge of bankruptcy. Even with the SAF, they're putting in  
17 on their own money, you know, hundreds and hundreds of  
18 thousands of dollars, which is taxing their business, so  
19 it's not like they're getting away scot-free. They don't  
09:59 20 feel that way at all. They feel that they're very much  
21 contributing. Every penny that they have of their  
22 business is going into this, you know, to keep their  
23 responsibilities intact, and they very much could use an  
24 extension. They take it very seriously and could use the  
09:59 25 help of the extension, 'cause, you know, one I'm thinking

1 of is in ongoing remediation.

2 It would really help to have some names and  
3 addresses of who they should contact if -- you know, as a  
4 result of this meeting, you could put some lists of, you  
09:59 5 know -- if it would help for them to write a letter, or  
6 whatever, who should they write it to, and I think it  
7 would help so that, you know, they can make a response.

8 VICE-CHAIR CHABERSKI: Thank you. Any other  
9 comments or questions from the audience? Yes, Mr. Pearce.

10:00 10 MR. PEARCE: Let me just add something that's  
11 from my personal experience. I've been working in the UST  
12 arena for over 20 years, as a lawyer and representing  
13 owner/operators all over the state, large and small. And,  
14 looking back, I think one thing that we're dealing with  
10:00 15 now is the consequences of setting a window of opportunity  
16 to get a site done that began in many instances right  
17 around July 1st of 2006, when there was a huge rush of  
18 people finding releases and reporting them to the  
19 Department, and ending right now on July 1st, 2010, four  
10:00 20 years later, so it's essentially creating a four-year  
21 window of opportunity from the date of release report of  
22 an underground storage tank facility to theoretical  
23 completion of the project before you are timed out as far  
24 as submitting a claim for reimbursement.

10:01 25 And if you are going to get a site open and shut

1 within that time frame, in my experience, it better either  
2 be a site that is a fairly routine bang-bang site, where  
3 you have a finite body of contamination, normally just  
4 soil contamination that could be addressed relatively  
10:01 5 quickly, or you're remarkably efficient, very  
6 sophisticated owner/operator that knows and has the  
7 resources to get a site done extremely efficiently and  
8 quickly.

9 Most owner/operators aren't like that, and many  
10:01 10 sites aren't like the category I described either. Many  
11 owner/operators I've found have to pursue a site  
12 differently. They have to get a phase of work done, and  
13 then submit a claim for reimbursement for that phase of  
14 work and wait for that reimbursement claim to get paid  
10:02 15 back to them so they can fund the next phase of work. And  
16 it kind of proceeds because they can't afford to bankroll  
17 the remediation of a site, you know, altogether, and they  
18 rely on the State Assurance Fund to give them money back  
19 so they can continue to proceed with the process if that  
10:02 20 makes sense.

21 Unfortunately, that takes time because by  
22 assessing, the Department has to have the time to review  
23 the claim, assess it, administer it and pay it before the  
24 next step can be taken for these smaller owner/operators  
10:02 25 that don't just plow ahead and work the site to completion

1 before they get paid.

2           So, those are some of the considerations that,  
3 you know, perhaps in retrospect, you know, those that are  
4 involved in legislation should have been more realistic  
10:03 5 about assessing the proper window of opportunity for some  
6 of these claims.

7           Another suggestion I have is that if there's  
8 going to be a string on some of these -- restrictions on  
9 some of these claims as far as the, you know, the  
10:03 10 extension, maybe, you know, getting to a point where  
11 you're at MNA, where you would be eligible for  
12 participation in the MNA fund, should it be found dead,  
13 would be a good benchmark for the point where a claim  
14 would perhaps no longer be handled by the State Assurance  
10:03 15 Fund, but at least getting to that point where you are at  
16 a monitored attenuation phase would be a good point of  
17 limiting further funding eligibility if there is going to  
18 be an extension on the claim.

19           Just a thought that might segue nicely to the MNA  
10:03 20 fund that was intended, by the way, the intent originally  
21 was that certainly the groundwater sites were going to  
22 take longer than four years to complete. Those sites,  
23 however, maybe will be in the monitoring stage at the time  
24 of July 1st, 2010, and maybe they will be involved in MNA.

10:04 25           VICE-CHAIR CHABERSKI: Thank you.

1 Any other comments or questions from the  
2 audience?

3 Commission Members, comments, questions?

4 MS. GAYLORD: Just one last comment. It's hard  
10:04 5 when the State's cutting Kids Care, and cutting every  
6 popular program that there is, it's hard to go forth and  
7 do battle and argue that UST is more important than all of  
8 those programs.

9 And so a lot of folks who are down at the  
10:04 10 legislature have been fairly moderate in their objections  
11 to these thefts. But for heaven's sake, at some point I  
12 don't sense outrage from the stakeholders. I'm feeling  
13 outrage at this point. This is just craziness, and when  
14 -- there is a certain sensitivity about new taxes. But I  
10:05 15 frankly see this as a much more outrageous method of  
16 getting money to the general fund than a new tax, because  
17 this was a situation where this money was dedicated to UST  
18 cleanup and it was simply taken.

19 In a time of great need, like I said, you have to  
10:05 20 always remind yourself that there are very serious needs  
21 out there that aren't being met. But I think at least in  
22 making these decisions, the legislature needs to hear  
23 every side of the story, and to the extent that the side  
24 of the UST community and folks who really have problems,  
10:05 25 contamination that needs to be addressed, to the extent

1 that that side of the story isn't being heard, I think it  
2 needs to be heard.

3 VICE-CHAIR CHABERSKI: Any other comments,  
4 questions?

10:06 5 All right. I'm going to propose these next steps  
6 and then I'll take comments if you think we should go a  
7 different direction.

8 I think it's really imperative that the  
9 Evaluation Subcommittee meets on January 7th, or whenever,  
10:06 10 in the next few weeks, to really net out the  
11 recommendations. It's clear in the audience that we've  
12 heard a lot of comments.

13 If you can't attend, I would get those comments  
14 to Gail and/or Bill for discussion, because we do have a  
10:06 15 full policy meeting on January 27th, and I would think at  
16 that time we'd have enough written recommendations, our  
17 data from our stakeholders, from the Evaluation Committee  
18 meeting on January 7th to discuss this in more detail and  
19 get some semblance from all the Members. I think it's an  
10:06 20 important meeting for all of us to attend, if possible, in  
21 January, and that's what my proposal would be.

22 Comments, questions from the other Members? I  
23 think that's just the logical next step at this point.

24 MR. PEARCE: I'm sorry to interrupt you. I know  
10:07 25 the other thing that Bill wanted to do today was to

1 introduce a letter that I understood he worked on. I  
2 don't know if he sent that to Gail or not.

3 VICE-CHAIR CHABERSKI: I received nothing from  
4 Gail, and I've received nothing from Bill, and Gail had  
10:07 5 not sent me anything Bill had sent her, so actually there  
6 is nothing really I have at this point or can do. We can  
7 ensure that this communication gets a little bit more  
8 stable to ensure we have this for the January meeting and  
9 have the written data from the next Evaluation Committee  
10:07 10 but...

11 MR. PEARCE: The point is this: It's going to be  
12 some time after January 27th where the Policy Commission  
13 would be in a position to supplement its prior letter of  
14 November 11th, which I think a lot of stakeholders have  
10:08 15 some problems with.

16 VICE-CHAIR CHABERSKI: I'm sorry?

17 MR. PEARCE: I know that a lot of stakeholders  
18 have a problem with that November 11 letter going out that  
19 talks about we're in support of extending the fund. So  
10:08 20 all I'm saying is that I believe that there has been a lot  
21 of discussion since then. It's a real shame that Bill's  
22 not here today and Gail's not here today. But if the idea  
23 is that the Policy Commission would come up with something  
24 to give the legislature after meeting on January 27,  
10:08 25 that's going to be too late.

1 VICE-CHAIR CHABERSKI: I'm not sure -- well,  
2 there's nothing we can do today, and there is not enough  
3 information for this group. I have no written information  
4 or can't make any recommendations. We have no formal  
10:08 5 recommendations from the last meeting. January 27th is,  
6 you know, five weeks away, and I'm hoping that when these  
7 steps are taken, we have enough to make a decision about  
8 what the policy members need to do. There is nothing else  
9 we can do at this point.

10:09 10 It's unfortunate Mr. Bunch isn't here, and we  
11 don't have any of his data.

12 Comments or questions?

13 MR. KEC: Can you move up the 27th meeting?

14 VICE-CHAIR CHABERSKI: Yes.

15 MS. GAYLORD: To that point, when we moved to  
16 quarterly meetings, we did give the Chair of the Policy  
17 Commission and the Subcommittee Chairs the authority to  
18 call meetings --

19 VICE-CHAIR CHABERSKI: Right.

10:09 20 MS. GAYLORD: -- based on need. So, we have a  
21 standing January 7th meeting, and Mr. Bunch is aware of  
22 that authority and can call a special meeting if  
23 necessary. We also have some authority under the open  
24 meetings law to have a report from the subcommittee go out  
10:09 25 to the Commission prior to a meeting.

1 VICE-CHAIR CHABERSKI: That's correct.

2 MS. GAYLORD: So there could certainly be a  
3 meeting where we vote on action items immediately, and it  
4 could take place before January 27th.

10:10 5 VICE-CHAIR CHABERSKI: That's correct.

6 MS. GAYLORD: It is true that this is all  
7 happening right now, and there is some need to move  
8 quickly.

9 VICE-CHAIR CHABERSKI: Well, then, I would still  
10:10 10 say, and I said Mr. Bunch isn't here, we have a scheduled  
11 January 7th meeting. If he changes that date -- we also  
12 want to make sure the stakeholders have enough notice to  
13 attend the meeting or get their comments. Today is  
14 December 15th -- 16th. So, in reality, personally, I  
10:10 15 think that's not a whole lot of time. I mean, if we  
16 shorten that, we are gone for holidays. I want to make  
17 sure the stakeholders also have a chance.

18 So, for right now I'm going to leave it at the  
19 schedule. If Mr. Bunch, and we have discussions, wants to  
10:10 20 move that up, then so be it. After the meeting is hosted,  
21 and as Karen said, we can communicate and even up the  
22 January 27th meeting, if need be. So, absolutely.

23 MR. FINDLEY: So, is the concern that the  
24 legislature is coming back into session, is that the  
10:11 25 concern?

1 VICE-CHAIR CHABERSKI: And maybe I'm wrong, but I  
2 just read in the paper that they are coming back today to  
3 discuss three items. They seem to be coming back to  
4 discuss priority items.

10:11 5 I don't know if anyone else has more insight into  
6 this. I can't quite figure out what's going on, except  
7 they keep coming back for three items today, and two weeks  
8 maybe they will come back again, I have no idea.

9 Maybe someone else can shed a light on what's  
10:11 10 going on at the legislature.

11 MR. FULTON: Tomorrow is the fourth special  
12 session of this legislature, and it was to talk about  
13 further budget adjustments for 2010, and also to discuss  
14 the referral of the tax increase, temporary sales tax  
10:12 15 increase to the voters and also some other adjustments to  
16 Prop 104, extending limitations that have been in place.  
17 The legislature wants to have some flexibility to spend  
18 money outside of those bounds.

19 So that's my limited knowledge from reading AZ  
10:12 20 Central, so, I don't have any inside track. But the  
21 regular session, the next regular session starts  
22 January 11th, 2010, Monday.

23 We've been watching bills. We can now see bills  
24 as introduced online. You can watch them yourself. We  
10:12 25 always do look and see what bills are out there. We're

1 not seeing anything related to the UST State Assurance  
2 Fund to be proposed yet. But as the session gets started,  
3 that gets more intense.

4 VICE-CHAIR CHABERSKI: Thank you. Any other  
10:13 5 comments or questions? Okay.

6 I'm going to summarize, I guess, some of the  
7 things we've talked about and comments, if I miss  
8 something.

9 We're going to keep the January 7th Evaluation  
10:13 10 Subcommittee meeting on the calendar.

11 We're going to communicate with Mr. Bunch and  
12 Gail Clement, and if that's going to be moved up, then  
13 they will move that up, and that's going to be announced  
14 on the DEQ website, a change in meeting as soon as  
10:13 15 possible; correct?

16 Let's see. There is just -- it's just so  
17 nebulous here.

18 After we get those results, we do have the  
19 opportunity to push up that January 27th date, and that  
10:13 20 will also be noticed on the DEQ website. Stakeholders who  
21 are interested who cannot make the meeting can forward  
22 their comments, questions, summary, including yours,  
23 Karen, to Bill Bunch and/or Gail, so that you're heard and  
24 that that makes the discussion at the meeting.

10:14 25 And just everyone else, if you -- it looks like

1 we're going to make some substantial decisions in January  
2 based on stakeholder input and get some guidance and other  
3 important information, so if you can please make sure you  
4 make those meetings, that would be appreciated.

10:14

5 Is that it? I think those are the action items,  
6 and I will do that today. I will send out those notes to  
7 Gail and Bill and communicate to all of us.

8 Okay. Last call? All right. The meeting today  
9 is adjourned.

10:14

10 Thank you all. Thanks for the comments from the  
11 audience.

12 (10:14 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 hearing are contained in the shorthand record made by me thereof and that the foregoing 46 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 16th day of December, 2009.

  
Deborah J. Worsley Girard  
Certified Reporter  
Certificate No. 50477