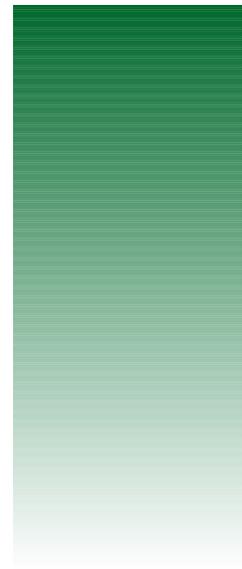




Janet Napolitano, Governor
Stephen A. Owens, ADEQ Director

2007 DIRECTOR'S REPORT



A Message from the Director...

Fiscal year 2007 was another year of great progress at ADEQ. The department implemented several successful initiatives and continued to improve delivery of services and increase focus on the central functions of our mission: to protect and enhance Arizona's environment and the health and safety of our state's citizens.

The department continued to oversee the work of the Arizona Climate Change Advisory Group (CCAG), a 35-member advisory group established by Gov. Janet Napolitano to develop recommendations for reducing greenhouse gas (GHG) emissions in Arizona. As a reflection of Gov. Napolitano's leadership on this issue in the face of inaction by the federal government, I was honored to be selected co-chair of the Western Climate Initiative (WCI), a multistate, international collaboration to reduce GHG emissions in the Western United States, Canada and Mexico.

In a significant victory for air quality, Gov. Napolitano signed a comprehensive air quality bill that includes 23 new pollution fighting measures designed to reduce PM10 emissions and ground-level ozone precursors. The measure will result in an estimated 28,000 fewer tons of various pollutants.

Our Children's Environmental Health Project has continued to draw an enthusiastic response from school officials, children's health experts, parents and educators. The School Bus Idling Project, which began as a pilot effort in 2004 with seven school districts to reduce children's exposure to harmful diesel emissions from buses idling near schools, has grown to more 1,000 schools in 158 districts, benefiting almost 700,000 children riding nearly 5,000 buses throughout the state.

In addition, the reauthorization of the Vehicle Emissions Inspection program guarantees that ADEQ will continue to protect air quality in the Phoenix and Tucson metro areas.

In another measure to protect children's health, ADEQ launched a unique partnership with schools and school districts throughout the state to clean up contamination on school properties caused by leaking underground storage tanks, as well as help schools prevent future leaks from tanks on their property. ADEQ will use money from the state UST remediation fund to clean up contaminated soil and groundwater at school facilities. ADEQ also will provide technical assistance to schools and school districts to ensure that USTs owned and operated by the schools and districts are properly maintained in accordance with the law to prevent future leakage.

Our new Route 66 Asbestos Initiative will help communities along old Route 66 in Northern Arizona deal with asbestos. Many older buildings and structures along the Route 66 corridor were built during an era in which asbestos was used as a fireproofing insulating material. Recent problems with asbestos in Winslow, Holbrook and elsewhere in rural Arizona demonstrated the need for a concerted effort by ADEQ to work with communities to address potential asbestos problems and ensure that asbestos-containing material is handled and disposed of properly to reduce the risk of exposure to cancer-causing asbestos fibers.

The addition of the Iron King Mine and related sites in Dewey-Humboldt to ADEQ's Water Quality Assurance Revolving Fund (WQARF) was a major step forward in cleaning up a decades-old site.

In addition, the department took other big steps to clean up Arizona. In February we hosted an illegal dumping summit to bring together community leaders from throughout the state to address issues relating to cleanup, enforcement, education and funding. Under a partnership with the City of Globe, the Globe Clean and Beautiful Committee, the San Carlos Apache Tribe, Gila County and the EPA, ADEQ worked to properly dispose of an estimated 10,000 old waste tires at a site on the San Carlos Apache Reservation. We launched programs to reduce mercury releases from scrap vehicles and radiator repair shop waste, and began a cleanup of properties in Winslow under a \$50,000 Brownfields grant.

Also in Winslow, ADEQ awarded \$315,000 in grants which cleaned up the "Standin' on the Corner" monument and reopened the park at the site. The Standin' on the Corner park and monument were closed after a fire gutted the former J.C. Penney/Rasco Building in October 2004 and created an environmental hazard. The City of Winslow implemented a cleanup plan with the grant funds provided by ADEQ. In addition to providing the funding, ADEQ will continue to work with the city and provide technical oversight in the aftermath of the cleanup. ADEQ also has awarded thousands of dollars in recycling and water-quality improvement grants to communities and organizations throughout the state. During FY07, ADEQ also undertook several significant enforcement actions. These include a \$500,000 penalty for Honeywell under a consent judgment with ADEQ for hazardous waste violations in Mohave County, a \$45,000 penalty for hazardous waste violations at Clean Harbors Arizona's south Phoenix facility, an \$80,000 penalty for Safety-Kleen for hazardous waste violations in Chandler, a Notice of Violation (NOV) to ASARCO Hayden for water quality violations at the company's mine in Pinal County, and others.

In addition, the U.S. Supreme Court upheld the authority of the Arizona Department of Environmental Quality to operate the National Pollutant Discharge Elimination System (NPDES) Permit Program on the state level. Arizona has administered the Arizona Pollutant Discharge Elimination System (AZPDES) program since December 2002 under a delegation agreement with EPA.

As the end of the calendar year draws to a close, ADEQ is joining forces with the National Football League and the Arizona Super Bowl Host Committee to make Super Bowl XLII the greenest Super Bowl ever. Super Bowl XLII will be played on Feb. 3, 2008 in Glendale, Ariz. The partnership is the first of its kind between the NFL, a host committee and a state environmental protection agency. And for the second straight year, ADEQ and the Arizona Cardinals teamed up to conduct a highly successful recycling program for all Cardinals home games at University of Phoenix Stadium and at University of Arizona athletic events.

More detailed information about our department's programs may be found in the appendices to this report and on the department's Web site at: azdeq.gov.

Stephen A. Owens
Director

ADEQ at a Glance...

The Arizona Legislature established ADEQ as the state's environmental regulatory agency under the Environmental Quality Act of 1986. Its mission is to protect and enhance public health and the environment in Arizona. The department achieves this mission by administering our state's environmental laws and delegated federal programs to prevent pollution of our air, water and land, and to clean up such pollution when it occurs.

During FY 2007, ADEQ had an average of 653 employees. The department's organizational structure is composed of four programmatic divisions that fulfill our environmental protection mission in the areas of air quality, water quality, waste programs and tank programs. Those divisions are supported by the director's office and an administrative services division.

Our agency's core functions are vital to public health and safety. The core functions align with the agency mission, strategic plan and performance objectives, which are summarized below.

Pollution Control

Permitting – ADEQ issues permits, approvals and certifications to ensure that facilities are constructed and operated in accordance with the law and that any discharges to the air, water and soil are within healthful standards established by law.

Planning – ADEQ's planning specialists develop management practices and increasingly stringent control strategies in areas where health-based environmental standards are threatened or violated. Arizona's air quality management areas and watershed planning efforts are examples of this activity.

Pollution Prevention – As an alternative to regulatory enforcement, ADEQ offers guidance, assistance and financial incentives to encourage businesses to minimize waste and resulting pollution.

Environmental Clean Up

Remediation – ADEQ investigates and oversees the removal and cleanup of contaminated soil and groundwater to protect public health and the environment.

Emergency Response – ADEQ provides technical support and assistance to emergency response agencies to help them minimize the impacts to public health and the environment in the areas of air quality, water quality and hazardous waste.

Voluntary Remediation Program - Through ADEQ's Voluntary Remediation Program (VRP), property owners, prospective purchasers and other interested parties investigate or clean up a contaminated site in cooperation with ADEQ. VRP results in a streamlined process for program participants who work with a single point of contact at ADEQ to address applicable cross-program remediation efforts. ADEQ reviews these voluntary remedial actions and provides a closure document for successful site remediation that is accepted by all relevant ADEQ programs.

Compliance Management

Compliance Assistance – ADEQ offers a variety of informational resources to help businesses understand and comply with environmental regulatory requirements and promote positive environmental practices.

Inspections – ADEQ inspects facilities on a regular basis and in response to citizen complaints to ensure compliance with environmental laws.

Enforcement – ADEQ ensures compliance with environmental laws by pursuing informal enforcement through notices of opportunity to correct or notices of violation and formal enforcement through administrative orders and judicial enforcement actions in conjunction with the Arizona Attorney General's Office.

Monitoring and Assessment

Monitoring – ADEQ's monitoring personnel collect air, water and soil samples for laboratory analyses to determine the presence or absence of contaminants.

Assessment – ADEQ's assessment staff interpret the data that result from field research to draw conclusions about environmental indicators and trends and form the basis for future planning and policy decisions.

Public Outreach

Education and Outreach – ADEQ offers a variety of seminars, workshops, presentations and publishes information via newsletter and the Internet to inform the public about department programs and activities. ADEQ also supports numerous advisory and stakeholder groups and conducts public hearings and meetings in support of our regulatory and public policy functions.

Financial Assistance – ADEQ offers financial assistance for leaking underground storage tank cleanup costs and provides grants to local governments for air quality and water quality programs. Other ADEQ programs also make funding available to eligible applicants for recycling, water quality and pollution prevention projects and activities.

Public Policy

Policy Development – ADEQ works with state and national organizations and stakeholders to shape and influence environmental policy at the state and federal levels. Policies are developed to explain how we interpret statutes and rules to ensure consistent, equitable decisions and to inform the public about how we do business.

Rule Development – ADEQ writes rules, based on science and public policy, to implement the broad statutory language contained in legislation.

FY 2007 Accomplishments...

Pollution Control – Permitting

Phoenix Cement Company, Inc.

On Jan. 31, ADEQ issued a permit to Phoenix Cement Company, Inc., authorizing the operation of the company's new, state-of-the-art kiln. The permit also included the requirement to install continuous emissions monitors for several pollutants.

Phelps Dodge Sierrita, Inc.

On Jun. 29, an Aquifer Protection Permit (APP) was issued for the Phelps Dodge Sierrita, Inc. (PDSI) copper mine near Green Valley in Pima County. The permit protects groundwater from impacts of the mining operations and incorporates the requirements of a precedent-setting sulfate mitigation order that ADEQ issued in June 2006. The mitigation order requires PDSI to protect the community's drinking water supply from sulfate contamination and established a limit in the community's drinking water of 250 mg/L. The APP and mitigation order require PDSI to characterize and mitigate the sulfate plume and ensure drinking water provided to area residents meets all applicable standards, including the sulfate limit. In addition to the 250 mg/L limit for sulfate, the APP includes limits for other pollutants discharged at the mine, including metals, nitrate, volatile organic compounds and radiochemicals.

BHP Copper Pinto Valley Mine in Miami

On Jan. 3, ADEQ issued a water quality permit for the BHP Copper Pinto Valley Operations open pit mine in Miami in Gila County. The permit, which is technically an amendment to BHP's existing aquifer protection permit for the mine, provides for resumption of open pit mining at Pinto Valley with development of the Slice 6 area of the pit. The permit sets discharge limits and groundwater quality standards and reduces the discharge of pollutants by requiring BHP Copper to employ engineering controls and processes at facilities regulated by the permit. The permit also requires BHP Copper to sample seeps and springs located on-site, and to conduct quarterly groundwater monitoring to ensure that water quality has not been affected by operations at the mine.

Bella Terra Wastewater Treatment Plant Near Sedona

On Feb. 2, ADEQ issued a water quality permit for the proposed Bella Terra wastewater treatment plant near Sedona in Yavapai County. This is the toughest water quality permit ever issued for a facility of its size in Arizona. The Aquifer Protection Permit regulates the operation of the wastewater treatment plant currently planned for the Bella Terra on Oak Creek development in Sedona. Based on the number of lots and occupancy figures at the

subdivision, the treatment plant will generate less than 25,000 gallons of treated wastewater per day at maximum capacity. In 2006 the Yavapai County Board of Supervisors approved Bella Terra on Oak Creek as a new subdivision consisting of 106 lots on 53.5 acres bordering Oak Creek. ADEQ was not involved in the county's zoning decision. If the wastewater treatment plant were not built, Bella Terra residents would need to install septic systems, which would expose the groundwater and wash to high risk of contamination.

Pollution Control – Pollution Prevention

Record Year for Water Quality Permits and Plan Review Approvals

The unprecedented growth throughout Arizona resulted in yet another year of record numbers of applications to permit wastewater treatment facilities and drinking water facilities and to conduct plan reviews for installation of these systems and related appurtenances. Despite decreases in staff, the WQD issued 64 individual Aquifer Protection Permits or permit amendments – many for new or expanded sewage treatment facilities. The division also issued 32 Type 2 and two Type 3 general permits and 68 permits for reuse of reclaimed water; and nearly 3,700 drywells were registered.

Despite the slowdown in the housing market midyear, FY07 also saw dramatic increases in construction related approvals issued over the previous record-setting year. In engineering review, 1,400 certificates of approvals to construct and certifications of completion were issued for drinking water facilities, a 12 percent increase from last year. There were 524 construction authorizations (CA) and 467 discharge authorizations (DA) approved for Type 4 general permits, which include sewage collection systems and on-site wastewater treatment systems. These were increases of 85 percent and 250 percent, respectively, over the number of CAs and DAs approved in FY06. Also, more than 400 new subdivisions were approved, a 240 percent increase over the approvals from last year.

Governor Napolitano Signs Comprehensive Air Quality Bill

Signed into law by Governor Napolitano on July 2, 2007, Senate Bill 1552 is a comprehensive air quality bill that includes 23 new pollution fighting measures designed to reduce PM10 emissions and the ground-level ozone precursors, volatile organic compounds (VOC) and oxides of nitrogen (NOx). Cleaner Burning Gasoline in western Pinal County, which will be required for summer only, substantially reduces volatile organic compounds (VOCs) and oxides of nitrogen (NOx). Estimated pollution reductions are 10,425 tons per year of PM10, 12,243 tons of VOCs, and 5,529 tons of NOx.

Maricopa County's urbanized area has failed to meet the National Ambient Air Quality Standards (NAAQS) for PM10 (particles 10 micrometers across or smaller). It experienced 20 exceedances in 2005 and 23 in 2006. For ozone pollution, no exceedances were measured in 2007, but in 2005, 30 exceedances occurred on 13 days and in 2006, 26 exceedances occurred on 11 days.

Because the region did not attain the PM10 standard by the Dec. 31, 2006, deadline set in the federal Clean Air Act, the region must submit a PM10 Plan to EPA by Dec. 31, 2007 that demonstrates five percent reductions per year in emissions, estimated at more than 14,000 tons per year for the first three years, until the NAAQS is achieved. Other than the Valley, only two other areas have been required to develop such five percent reduction plans, the San Joaquin Valley and Owens Lake areas in California.

Nearly 1,000 Tank Inspections for FY07

ADEQ oversees underground storage tank (UST) owner and operator efforts to meet state and federal requirements related to UST installation, operation and closure. ADEQ also regulates the legal requirement that UST owners and operators have a financial assurance mechanism to help cover the cost of investigating and cleaning up a release, and possible third party liability. Currently, 2,590 UST facilities exist in Arizona, and for FY07, ADEQ's five inspectors carried out 912 inspections.

U.S. Energy Policy Act

The federal Energy Policy Act of 2005 created new petroleum release prevention requirements for underground storage tank (UST) systems. The act requires inspection of each UST facility at least once every three years, secondary containment of new and replaced UST systems, delivery prohibition at facilities with significant UST violations, and operator training. The act does not provide funding for implementation and operation. Currently, ADEQ is in the process of developing statutory language to give ADEQ the authority and resources to implement the Energy Policy Act.

UST School Assistance Initiative

ADEQ created the UST School Initiative to assist Arizona schools with preventing UST releases and cleaning up existing releases. ADEQ anticipates this assistance will expedite cleanup of UST releases at school sites before the State Assurance Fund expires in 2010. This initiative will benefit 43 schools with operating USTs and 17 schools with USTs that have had releases. The initiative is part of ADEQ's Children's Environmental Health Project.

Grants to Fund Low-Emission School Buses in 11 School Districts

On July 2, 11 school districts in Maricopa and Pima counties were awarded \$3,177,000 in grants by ADEQ to improve air quality and reduce children's exposure to harmful diesel emissions from school buses. The grants will enable the districts to obtain less-polluting school buses and new pollution control equipment for their current fleets.

Environmental Clean Up – Remediation

Leaking UST (LUST) Closure Project

Since the beginning of the ADEQ Underground Storage Tank Program in 1987, 8,304 UST releases have been reported. As of July 1, 2007, 84 percent (6,998 releases) of these have been closed (288 releases in FY2007), which is higher than the national average of 76 percent.

SAF Reimbursements

The State Assurance Fund (SAF) was established by the Arizona Legislature in 1993 to assist eligible UST owners; operators and volunteers pay the potentially high costs of investigating and cleaning up UST releases. It is funded by a one cent a gallon tax on petroleum. In 2004, the Arizona Legislature eliminated SAF eligibility for new UST releases reported after June 30, 2006, and set a deadline of June 30, 2010, to apply for reimbursement eligible investigation and cleanup activities. In FY07, ADEQ processed 1,386 applications and reimbursed about \$24 million.

County and Municipal Tank Closure Program

The County and Municipal Tank Closure Program (MTCP) was begun by the Arizona Legislature in 2001. It is a state-funded program to assist residents, businesses and government entities in unincorporated areas of counties or incorporated cities and towns with populations of less than 15,000 people with the removal of abandoned USTs and cleanup of associated contamination. The MTCP promotes community redevelopment by removing unwanted, abandoned USTs. As of July 10, 2007, ADEQ has received a total of 84 applications from 31 cities, towns and counties, and has removed more than 127 abandoned USTs from 65 sites.

Route 66 Initiative

U.S. Route 66 was once the nation's pre-eminent east-west highway connecting Chicago to Los Angeles. Over the years, gas stations along the highway leaked fuel into the soil and groundwater. In 2004, ADEQ launched the Route 66 Initiative to assist the communities along the Arizona section of Route 66 in identifying and removing abandoned USTs and expediting clean up of any releases from the USTs. About 75 percent of the 350 sites with reported USTs already have been closed. The remaining 25 percent still need attention, which may include further investigation or cleanup.

ADEQ Stadium and Arena Recycling Programs

The ADEQ Recycling Program provides public education and information to encourage recycling, reuse and source reduction. To further increase recycling opportunities and

diversion rates in Arizona, ADEQ is supporting organizations that implement large public venue recycling programs.

FY 2007 marked the first year of a successful partnership between ADEQ and the Arizona Cardinals to provide recycling at the University of Phoenix Stadium. This effort resulted in the recycling of 691.23 tons of waste that would have otherwise have been disposed of in a landfill. Following the success of the Cardinals recycling program, ADEQ partnered with the University of Arizona to promote and implement recycling at all home UofA football, basketball, softball, baseball, volleyball games and gymnastics events.

ADEQ is promoting recycling awareness through stadium signs, in-stadium video public service announcements, web page advertising and radio show announcements. ADEQ provides recycling bins throughout the University of Phoenix main concourse and Great Lawn, and at the McKale Memorial Center, Arizona Stadium, Hillenbrand Memorial Stadium and Sancet Stadium.

Standin' on the Corner in Winslow, Arizona

The Brownfields Program provides funding and technical assistance to assess and clean up property where reuse is complicated by the presence or potential presence of hazardous substances or pollutants. ADEQ focuses funding assistance in Arizona's rural communities.

In FY 2007, ADEQ was the first agency in the country to work with the U.S. EPA to obtain a special waiver to provide additional Brownfields funds to a rural community so an environmental cleanup could be completed. The City of Winslow in Navajo County received an additional \$115,000 grant to finish the environmental cleanup of the "Standin' on the Corner" city park so it could be reopened. ADEQ previously provided about \$200,000 to Winslow for the cleanup.

The Standin' on the Corner park was closed after a fire gutted the former J.C. Penney/Rasco Building in October 2004 and created an environmental hazard. A mural on an exterior wall of the building is an integral part of the park, but fire damage rendered the wall unstable, making the park unsafe for visitors. Concerns about asbestos contamination in the charred rubble had prevented efforts to remove the debris and reopen the park. The new award brings ADEQ's total funding for the cleanup to \$315,000, which is the largest amount of funding ADEQ has provided to a community under the department's Brownfields State Response Grant program.

ADEQ also awarded a \$50,000 Brownfields grant to Winslow to clean up an 80-acre site where the city plans to build housing and community service facilities. The site is a vacant land parcel on Gorman Avenue, close to Route 66, near the center of Winslow and about one-half mile from the Standin' on the Corner site.

State-Lead Superfund Site Delisted

On Sept. 25, 2006, the 19th Avenue Landfill Superfund Site was delisted from the National Priority List registry. ADEQ was the lead regulating agency at this site. The primary objectives of the cleanup were to keep landfill refuse in place, prevent the landfill from eroding into the Salt River during floods, and to control underground soil gas produced by the degradation of landfill refuse. These objectives have been met. A Declaration of Environmental Use Restriction was recorded on this site before the delisting process could be completed.

A Year of "Firsts" for the WQARF Program

ADEQ uses the Arizona Water Quality Assurance Revolving Fund (WQARF), created under the Environmental Quality Act of 1986, to support hazardous substance cleanup efforts in the state. The fund depends upon legislative appropriations, cost recovery from responsible parties, corporate income tax and special fees. The program identifies sites that are most in need of cleanup and adds them to the WQARF registry. Sites on the registry receive first consideration for distribution of funds.

On March 31, WQARF executed its first lien against the San Juan Spring Co., for \$116,233.81, to recover remedial action costs incurred by the state.

On May 21, WQARF recorded the first engineering control Declaration of Environmental Use Restriction (DEUR) at the East Washington Fluff WQARF site. WQARF removed 5,907 tons of hazardous waste and 819 tons of solid waste and then laid a protective cap of soil on the site to ensure that the remaining waste would be covered. The DEUR ensures that the cap remains in place and will be properly maintained with routine operation and maintenance and yearly reporting to ADEQ. Placement of the DEUR cleared the way for sale of the property and future redevelopment.

On May 17, ADEQ executed the first Consent Order under the WQARF program with Air Liquide, located within the West Van Buren WQARF site. Under the order, Air Liquide will conduct remedial investigation concerning the extent of soil and groundwater contamination.

On June 19, ADEQ signed the first record of decision (ROD) under the new WQARF Program for the Payson WQARF site. The ROD identifies the final remedy for the site, a groundwater pump and treatment that provides drinking water to the town of Payson.

New Soil Remediation Standards Adopted

During fiscal year 2007, ADEQ updated and revised the soil remediation standards rules to be consistent with current scientific data and statute. The revised rule became effective on May 5 following more than two years of research, drafting and public involvement.

The product was a collaborative effort with input from a diverse group of stakeholders including the U.S. EPA, other state agencies, industry, academia, environmental groups and the public. The rule establishes a more protective remediation standard for sites with a current or anticipated future use as a school or child care facility where children are reasonably expected to be in frequent contact with the soil.

Upgraded Treatment System at South Shannon Water Facility

On Feb. 13, ADEQ and officials from the Tucson Metropolitan Domestic Water Improvement District hosted a dedication ceremony for the upgraded South Shannon water facility. The upgrades will ensure that the treated water continues to meet federal and state safe drinking water standards. The new 750 gallon-a-minute treatment system, which has been operating since June 2006, removes contaminants when water flows through a bed of granular carbon. To guarantee an uninterrupted flow of safe drinking water, the system includes two filter vessels, each holding 20,000 pounds of granular carbon. Metro Water District also must report drinking water samples to ADEQ monthly. ADEQ paid the \$1,017,000 cost for the design and construction of the new treatment system through its WQARF program funds.

Compliance Management – Compliance Assistance

SmartNOI Electronic Signature

Under the Arizona Pollutant Discharge Elimination System (AZPDES), Arizona's program to protect the state's surface waters from pollution, a Notice of Intent (NOI) to comply with the state Construction General Permit is necessary for construction projects disturbing one or more acres of land that may discharge pollutants in stormwater. ADEQ's online Smart NOI system, launched in 2003, gives construction site operators the ability to submit an NOI over the Internet.

This year's improved Smart NOI system is completely paperless, giving users the ability to include an electronic signature, thus eliminating the need for most applicants to print, sign and mail completed NOI applications to ADEQ. In addition, Smart NOI works with ADEQ's Geographic Information System (GIS) to identify applicants who can receive immediate approval to begin construction activities, and highlights those who need additional review because their projects are located near unique or impaired waters or endangered species habitats. The system also includes an online application form that is easier to fill out, and now has the ability to save an application in progress to be completed later. Smart NOI can be found online at <http://az.gov/app/noi>

Newest Members of Arizona Performance Track

On March 8, Xanterra South Rim, LLC joined ADEQ's Arizona Performance Track, a voluntary partnership between ADEQ, businesses and other regulated entities that recognizes and rewards environmental leadership for going above and beyond the minimum requirements of the law. Xanterra, which operates lodging and food services for the National Park Service at the Grand Canyon, was selected to join the program for reducing water used, solid waste sent to landfill, and greenhouse gas emissions, as well as increasing the amount of recycled content in products it uses and sells. Xanterra also committed to a 50 percent waste diversion from landfills and zero hazardous waste generation by 2015, and to a preferred "green" vendor program. The Arizona Performance Track is modeled after a national EPA program.

Initiative to Prevent Contamination from Radiator Repair Shop Waste

On March 19, ADEQ announced an initiative to ensure that radiator repair shops in Arizona comply with hazardous waste rules and prevent contamination from repair shop wastes. The major contaminant from radiator shops is lead, which can threaten the health and safety of shop employees and the public. Many radiator shops inspected recently by ADEQ were not in compliance with the law because of lead contamination from poor waste management.

Compliance Management – Inspections and Enforcement

WPD Made Seven Penalty Settlements Totaling \$742,560 in FY07

The Hazardous Waste Inspections and Compliance Unit and the Solid Waste Inspections and Compliance Unit responded to 266 citizen complaints and conducted more than 259 inspections. WPD also aggressively pursued enforcement actions when compliance assistance activities failed to bring facilities back into compliance. These enforcement activities resulted in the settlement of seven penalty cases totaling \$742,560.

Roadway Express

Roadway Express paid a \$65,000 civil penalty for hazardous waste violations at its facility in Phoenix. Violations included illegal storage of hazardous waste and storage of hazardous waste for more than one year in an undivided tractor-trailer without ventilation or means of separating incompatible materials.

L.A. Chemical

L.A. Chemical paid \$10,000 in civil penalties under a consent judgment for a February 2005 spill of nearly 300 gallons of hydrofluorosilicic acid. The spill occurred when a container of the acid leaked inside a semi-truck operated by L.A. Chemical that was traveling through downtown Phoenix.

Trendwood, Inc.

After two fires at its south Phoenix facility, Trendwood, Inc., a furniture manufacturer, paid a \$40,000 penalty for hazardous waste violations. Violations included failure to perform waste determinations, failure to prevent fires and disposal of hazardous waste without a permit.

Clean Harbors

Clean Harbors Arizona, LLC, a hazardous waste treatment, storage and disposal facility in south Phoenix, paid a \$45,000 penalty for hazardous waste violations including failure to conduct daily tank inspections, failure to transfer hazardous waste from a leaking or compromised container, failure to amend the contingency plan and failure to minimize the possibility of fire, explosion or release of hazardous waste.

The Carioca Company

The Carioca Company paid an \$80,000 penalty for illegally disposing of gasoline-contaminated soil on residential properties near a Carioca gas station in Prescott.

Short's Grading and Disposal, Inc.

Short's Grading and Disposal, Inc. will pay \$2,560 under a consent judgment for solid waste violations in Queen Creek resulting from the improper storage of more than 500 used tires and more than 3,000 cubic yards of solid waste, which had allowed debris to become windblown.

Honeywell Aircraft Landing Systems

Honeywell Aircraft Landing Systems in Kingman paid a \$500,000 penalty for operating two hazardous waste thermal treatment units without a permit, failing to submit signed manifests, failing to properly label hazardous waste containers and tanks, failing to inform employees of proper handling and emergency procedures and failing to comply with personnel training requirements.

ASARCO to Pay \$77,500 Penalty

ASARCO, Inc. will pay a \$77,500 penalty under a consent judgment with ADEQ for air quality violations in Gila County. In September 2005, ADEQ inspectors discovered that loose tailing dust had collected throughout the mine's tailing pond area and witnessed fugitive dust emissions from the Hayden Mill facility, a violation of ASARCO's air quality permit. ADEQ issued a Notice of Violation (NOV) to ASARCO in October 2005, which required the company to keep the tailing pond area damp or encrusted to minimize fugitive dust emissions. Under the NOV, ASARCO has applied a dust suppressant designed to control future dust problems at the site.

Monitoring and Assessment

ADEQ and EPA Recognize Cleaner Air in Arizona

One of ADEQ's highest priorities is to control sources that make local air quality unhealthy so that areas have air quality that meets the health-based National Ambient Air Quality Standards (NAAQS). Once an area has achieved the NAAQS, ADEQ develops and submits to U.S. EPA a redesignation request and a plan demonstrating that permanent and enforceable control measures are in place that will maintain the health standards for the upcoming decade.

No sulfur dioxide exceedances were measured at any of the monitoring sites in the Miami Sulfur Dioxide (SO₂) Planning Area from 1988 to 2005. EPA found that control over the smelter's SO₂ emissions has been made permanent and enforceable through EPA approval of State rules limiting such emissions and through ADEQ's issuance of an operating permit for the Miami smelter. EPA redesignated the area to attainment status on March 26 and also corrected errors in the listing of the townships that comprise the Miami area.

No violations of the PM₁₀ NAAQS have been monitored at any of the seven monitoring sites in the Miami area since 1987. Effective Oct. 10, 2006, EPA also found that the Rillito area recorded no exceedances of the PM₁₀ standard for the 1992–1994 period and that Rillito attained the 24-hour PM₁₀ NAAQS by the applicable attainment date (1994). Since 1994, no exceedances of the 24-hour PM₁₀ standard have been recorded at the Rillito monitoring station and the area has continued to attain the standard. ADEQ is developing a maintenance plan to enable official redesignation to attainment status.

Western Arizona/Sonora Border Air Quality Study

This study will determine the sources and movement of air pollutants and assess their health impacts on residents of far southwestern Arizona and adjacent regions of Mexico. The air quality monitoring phase of the Western Arizona/Sonora Border Air Quality Study was completed in 2007. Eight meteorological stations were used to acquire data on wind, temperature, relative humidity, solar radiation, atmospheric pressure and lapse rate, five in Arizona and three in Mexico. Continuous and filter-based air quality monitors were deployed at two "super sites" with a full complement of gaseous and particulate monitors, one in San Luis, Rio Colorado, Sonora, and the other in the northeastern part of Yuma. An emission inventory was also completed concurrently of the entire study area. For 2008, ADEQ will be reviewing the inventory and sample data to perform modeling and begin preparations for a risk assessment in Yuma and San Luis Rio Colorado, Sonora.

Public Outreach – Education and Outreach

ADEQ Awards \$1.2 Million in Water Quality Improvement Grants

In February, ADEQ awarded \$1.2 million in grants to mitigate nonpoint source pollution to help improve water quality throughout the state. Eight individual grants were awarded to projects throughout Arizona as part of ADEQ's Water Quality Improvement Grant Program. Grant awards included projects to address erosion and sediment control, stormwater, dumping in watercourses, impacts due to grazing, nutrient enrichment in lakes and stream course restoration.

Nonpoint source pollution remains a top priority for ADEQ in its effort to protect public health and the environment in Arizona. Nonpoint source pollution is caused by pollutants that are carried into lakes, streams or groundwater resources through overland runoff and is considered one of the most significant threats to water quality nationwide.

Video Promotes School Bus Idling Program

The School Bus Idling Project, which began as a pilot effort in 2004 with seven school districts to reduce children's exposure to harmful diesel emissions from buses idling near schools, has grown to more than 1,000 schools, benefiting almost 700,000 children throughout the state. ADEQ recently worked with the University of Arizona College of Medicine and the Arizona Asthma Coalition to produce a video promoting the program. The video includes the viewpoints of parents, school officials and medical personnel, and urges schools that have not yet adopted this voluntary program to do so. It can be viewed online at <http://www.azdeq.gov/function/about/bus.html>.

Public Policy

U.S. Supreme Court Decision Upholding Arizona's Water Quality Permitting Program

On June 25, the U.S. Supreme Court upheld the authority of ADEQ to operate the National Pollutant Discharge Elimination System (NPDES) Permit Program at the state level. The U.S. Environmental Protection Agency delegated the program to Arizona in December 2002. Arizona's authority to administer the Arizona Pollutant Discharge Elimination System (AZPDES) program was challenged in early 2003 under the Endangered Species Act. The AZPDES program is highly protective of both water quality and listed species in Arizona.

Public Outreach

E-Government Applications

ADEQ rolled out two new e-government applications this year for use by the public in obtaining permit coverage. In October, the agency deployed a major upgrade to its web-based system for construction stormwater discharge authorization. Under the Arizona Pollutant Discharge Elimination System, the state program to protect the surface waters from pollution, a Notice of Intent (NOI) to comply with the state Stormwater Construction General Permit is necessary for construction projects disturbing one or more acres of land that may discharge pollutants in stormwater. ADEQ's online Smart NOI system, launched in 2003, gives construction site operators the ability to submit an NOI over the Internet. Of the nearly 3,500 NOIs filed in FY07, more than 55 percent were filed through Smart NOI.

The new, improved Smart NOI system is now paperless, giving users the ability to include an electronic signature and eliminating the need for most applicants to print, sign and mail completed NOI applications to ADEQ. In addition, Smart NOI works with ADEQ's Geographic Information System (GIS) to identify applicants who can receive immediate approval to begin construction activities, and highlights those who need additional review because their projects are located near unique or impaired waters or endangered species habitats. Smart NOI can be found online at <http://az.gov/app/noi>

ADEQ also deployed a new electronic filing web site for the Notice of Transfer program for the transfer of permit coverage for individual onsite wastewater treatment (septic) systems. ADEQ's new web-based system, called OWN (Onsite Wastewater Notice of Transfer System), was designed to make the process as paperless and simple as possible. The OWN system is state of the art and will allow ADEQ to collect data on the estimated 500,000 septic systems throughout Arizona. This data can be used to predict the impact of onsite wastewater treatment systems on water quality. ADEQ anticipates 35,000-40,000 transactions per year. The OWN system can be found online at <http://az.gov/app/own/>

Conclusion...

Despite challenges presented by budget limitations and reduced staffing levels, ADEQ continued to make progress in FY07 in protecting Arizona's environment and the health and safety of the people of this state. Through innovative efforts like the asbestos initiative and the schools underground storage tanks cleanup program and a lengthy, intense effort to secure a monumental clean air act, ADEQ is committed to ensuring clean air, clean water and a healthy environment for all Arizonans.

