



Janice K. Brewer, Governor
Benjamin H. Grumbles, Director



2010 Director's Annual Report

A Message from the Director...

Fiscal year 2010 was another year of progress at the Arizona Department of Environmental Quality despite funding cutbacks and the agency losing more than 10 percent of its work force because of retirements, attrition and layoffs.

But the department laid the groundwork for solid financial footing in the future as ADEQ was granted authority to revise fees in the Water Quality Division for aquifer protection permits, direct use of reclaimed water permits programs and establish fees for the Arizona Pollutant Discharge Elimination System permits program. Discussions also continued in the Waste Programs Division in an attempt to make the Hazardous Waste Program and the Solid Waste Program generate sufficient revenue to support the costs of the programs

Each of ADEQ's three divisions also brought to fruition significant settlements on long-standing enforcement cases.

The Water Quality Division culminated a \$500,000 penalty case against Far West Water and Sewer, Inc. and H & S Developers, Inc. for numerous water quality violations in Yuma County. The Waste Programs Division finalized a \$400,000 penalty package involving Bell Gas of Arizona, a leaking underground storage tank case involving contamination with petroleum products at numerous sites throughout the state. The Air Quality Division reached a monetary settlement of \$225,000 with Gerald Martin Ltd. for alleged asbestos violations that occurred during the 2007 demolition of the Bureau of Indian Affairs school dormitory in Holbrook.

ADEQ spearheaded the formation of a blue ribbon panel on water sustainability with the Arizona Department of Water Resources and Arizona Corporation Commission, which is a statewide effort to boost water sustainability through increased conservation and recycling.

The department also implemented successful initiatives like the Free Electronic Waste Recycling Program and continued to improve delivery of services and increase focus on the central functions of its mission: to protect and enhance Arizona's environment and the health and safety of the state's citizens.

More detailed information about our department's programs may be found on the agency's Web site at: www.azdeq.gov.

Benjamin H. Grumbles
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 2010 ADEQ had an average of 593 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 contaminated sites 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 2010 Accomplishments...

Pollution Control – Permitting

De Minimis General Permit

On April 27, 2010, ADEQ re-issued the De Minimis General Permit (DGMP) (AZG2010-001). The permit authorizes discharges associated with potable and reclaimed water systems, subterranean dewatering, well development, aquifer testing, and hydrostatic testing of specified types of pipelines to waters of the United States. Authorization is obtained by filing a Notice of Intent to Discharge with ADEQ. The new permit also authorizes discharges from residential cooling water, charitable car washes, building and street washing, and dechlorinated freshwater swimming pool drainage to waters of the U.S. All of these types of discharges, if properly managed, will not have significant impacts on water quality or the environment. DGMP-eligible discharges are generally infrequent, of low volumes, or of short durations (less than 30 consecutive days) and meet surface water quality standards. Permittees must utilize best management practices to minimize pollution. The permit, first issued in 2004, is very popular with municipalities, water companies and well drillers. As an alternative to individual Notices of Intent for specific discharges, the DMGP allows persons to obtain coverage of discharges from multiple locations within defined areas such as service areas, project areas, or municipal boundaries (like fire-hydrant flushing and well flushing).

Concrete Batch Plant General Permit Renewal

The Air Quality Division's permits section put significant effort into renewing the general permit for concrete batch plants. While planning for renewal of the permit, it was determined that a new ambient air dispersion model should be run to ensure that public health and welfare is protected. The modeling effort included significant amounts of communication with the regulated community, including site visits. The permit was strengthened to include more restrictive limits for those sources operating in nonattainment areas.

Environmental Clean Up – Remediation

\$500,000 Settlement in Far West Water and Sewer, Inc. Case

In July 2009, ADEQ and the Attorney General's Office finalized a \$500,000 settlement with Far West Water and Sewer, Inc. and H & S Developers, Inc. for numerous water and air quality violations in Yuma County. The Attorney General's office filed a 50-count lawsuit against Far West and H & S Developers, Inc. in September 2008 alleging violations at their seven wastewater treatment plants and drinking water treatment plant. The violations included operating plants without environmental permits; reusing

reclaimed water for golf course irrigation without proper authorization; failing to monitor and report analytical data for contaminants in both drinking water and wastewater; failing to notify ADEQ about permit violations in a timely manner; and operating the drinking water plant without a certified operator.

Far West and H & S Developers, Inc. will pay a \$150,000 penalty and perform a supplemental environmental project totaling \$150,000. The supplemental project includes a \$20,000 donation to aid the City of Yuma's East Wetlands riparian restoration project and installation of equipment to remove water from sludge at its Del Oro wastewater treatment plant. Far West must also place \$200,000 in a secured bank account pending successful completion of a multimillion-dollar project within 18 months to upgrade and expand its Del Oro, Section 14 and Seasons treatment facilities as well as its Del Oro and Palm Shadows collection systems. The \$200,000 could be refunded, in full or part, depending on Far West's success with its project. The project involves the use of state-of-the-art membrane bioreactor technology to produce Class A+ reclaimed water at the facilities. It also allows the consolidation of operations by closing the Villa del Rey, Villa Royal and Palm Shadows wastewater treatment plants and directing those flows to the upgraded Del Oro and Section 14 treatment facilities.

WPD Directs Federal Stimulus Funds to Clean Up Contamination at Leaking Underground Storage Tank (LUST) Sites

After the American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law in February 2009, ADEQ received \$3,219,000 in ARRA funding from the U.S. Environmental Protection Agency (EPA) to assist with assessments and cleanups of soil and groundwater contamination at 26 LUST sites throughout Arizona.

Since the July 15, 2009 award date, the WPD, through its State Lead contract, has entered contracts with 11 private vendors to clean up petroleum contamination at the 26 LUST sites in 20 different towns and cities. The majority of these sites have "orphan" or abandoned USTs. The sites are located primarily in rural parts of Arizona, including old gasoline service stations or other businesses in Prescott, Holbrook, Parker, Willcox, Dewey-Humboldt, Coolidge, Safford, Winslow, Globe, Williams, Wellton, Somerton, Greer, Clay Springs, Sonoita, Truxton, and a school in Yuma.

ADEQ has currently obligated over \$3,172,116 (98 percent) and spent more than \$1,433,159 (45 percent) of the ARRA award funds to help the communities with their UST contamination cleanups. To date, the monies have resulted in six site assessments initiated, seven site assessments completed, 20 site cleanups initiated, and four cleanups completed.

WPD Remediation Totals for FY 2010

Through the remedial projects section, the Waste Program Division identifies, assesses and cleans up soil, groundwater and surface water contaminated with hazardous substances. The program conducts these efforts throughout Arizona with support from state and federal funds. The program also oversees privately funded cleanup efforts.

In FY 2010 at state sites, 3,390 million gallons of groundwater were treated, which resulted in the removal of 2,503,448 pounds of metals, and 2,791 pounds of volatile organic compounds.

In FY 2010 at federal sites, 10,466 million gallons of groundwater were treated, which resulted in the removal of 258,656 pounds of volatile organic compounds, 16 gallons of free petroleum product and 42,520 pounds of nitrates from the environment.

Compliance Management – Inspections and Enforcement

Settlement of Asbestos NESHAP Enforcement Action Against Gerald Martin, Ltd.

In January 2010, ADEQ settled an enforcement action against Gerald A. Martin Ltd. ADEQ reached a monetary settlement of \$225,000 for alleged asbestos violations that occurred during the 2007 demolition of the Bureau of Indian Affairs school dormitory in Holbrook. In August 2007, analysis revealed that materials containing asbestos were disturbed during the demolition of the dormitory. On Aug. 29, 2007, ADEQ issued an order of abatement to Gerald A. Martin Ltd, requiring compliance with state and federal asbestos air quality requirements. After consulting with ADEQ on measures to reduce the health risks associated with the removal of the contaminated debris, Gerald A. Martin Ltd. reportedly spent more than \$900,000 handling and disposing the asbestos in the demolition debris in accordance with approved procedures. All of the demolition debris was removed by Nov. 7, 2007.

Settlement of Asbestos Enforcement Action at Marine Corp Air Station in Yuma

In June 2010, ADEQ settled an enforcement action against Hunt Building Company, Ltd., Camp Pendleton and Quantico Housing, LLC and Flores-Sierra Contractors, Inc. ADEQ reached a monetary settlement of \$100,000 for alleged asbestos violations that occurred during housing renovations at the Marine Corps Air Station in Yuma. In 2006, residents living in the on-base housing units complained to ADEQ about the amount of dust being generated by the renovations that were occurring while the families were living in the housing units. ADEQ inspections revealed that the defendants had disturbed regulated quantities of asbestos-containing materials during the renovation activities. In addition to the monetary penalty, the defendants also agreed to reimburse residents living in the housing units in January and February 2006 any uninsured costs of medical screening for asbestos.

Monitoring and Assessment

ADEQ Merges Tank Programs Division into Waste Programs Division

In a move to streamline operations and reduce spending, ADEQ's Tanks Program Division was merged into the Waste Programs Division in March 2010. All activities relating to underground storage tanks, leaking underground storage tanks and the State Assurance Fund are now within the realm of the Waste Programs Division.

Public Outreach – Education and Outreach

ADEQ Awards \$1.9 Million in Water Quality Improvement Grants

In its FY 10 cycle, ADEQ's Water Quality Improvement Grant Program (WQIG) awarded \$1.9 million in grants to eight projects to address nonpoint source water pollution throughout the state of Arizona.

All eight grants were awarded to education and implementation projects that will address issues such as erosion and sediment control, mining, stormwater runoff, recreational impacts, grazing and alternative water systems, septic tanks, and watershed improvement plan development. Three of these grants were located in watersheds that were specifically targeted by ADEQ for funding during the FY 10 grant cycle. These watersheds were identified based upon the existence of both a nonpoint source pollution-related water quality impairment and a high level of community interest in working to address the impairment.

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

The following grants were awarded:

- \$595,370 to the Franciscan Friars of California, Inc. for a topsoil cap at the abandoned Gibson Mine site to reduce the leaching of copper into Pinto Creek. About 82,000 tons of topsoil will be laid about two feet deep over about 10 acres of the disturbed surface of the abandoned mine site, located northwest of Miami in Gila County. The soil will be graded in such a way as to slow and dissipate runoff and will be heavily seeded with native plant species. ADEQ awarded a \$570,106 grant to the mine owners in 2005 to remove tailings piles that were leaching copper into Pinto Creek and \$140,171 in 2006 to construct a detention and treatment basin to catch and filter runoff from the Mineral Creek side of the abandoned mine site, limiting copper-laded runoff to the creek.

- \$550,000 to the Lake Havasu City Public Works Department to allow the city to continue to replace septic tanks with new connections to the city's wastewater system in the Chemehuevi, Mockingbird and Trotwood neighborhoods in the southeast part of the city. The grant money will be used to offset the cost of closing 3,100 residential septic tanks, which are being connected to the wastewater system in the ninth year of Lake Havasu City's sewer expansion in Mohave County. The city's wastewater pipes and treatment plant will help to protect the waters of Lake Havasu, which have been polluted by nitrates and other contaminants that leach from septic tanks to groundwater to the lake itself.
- \$265,551 to Coronado Resource Conservation & Development, Inc. to form a watershed improvement council and rectify *E. coli* problems in the San Pedro River near the community of St. David in Cochise County. The project will identify sources of *E. coli* along a 17-mile stretch of the river from the mouth of Babocomari Creek, a tributary of the San Pedro, to Dragoon Wash and develop a comprehensive plan to address the problems. In addition to forming the local oversight watershed council and developing a water quality improvement plan, the grant money will be used to develop a long-term monitoring and implementation strategy and assess water quality.
- \$163,396 to Watershed Management Group to help control pollution from storm water runoff through training and education in two Tucson neighborhoods, Barrio Kroeger Lane, located east of the Santa Cruz River, and Barrio Centro, located in the Upper Tucson Arroyo watershed. The grant money will be used to train community volunteers and develop a plan of action to keep storm water pollutants like automobile grease and oil, landscaping chemicals, fertilizers and pet waste from entering area arroyos.
- \$123,604 to the Little Colorado River Plateau Resource Conservation and Development Area, Inc. for a project to protect water quality in the Coyote Creek area in Apache County, just south of Lyman Lake and between Springerville and St. Johns. The grant money will be used to create a watershed improvement council and establish best management practices in the Coyote Creek subwatershed. It also will establish criteria for selecting sites for projects to reduce sediment and turbidity, developing volunteer water monitoring efforts and setting up monitoring criteria.
- \$100,246 to the Gila Watershed Partnership of Arizona to reduce *E. coli* levels in the San Francisco River in eastern Arizona. The grant money will be used to install the third of four wells away from the river to provide water for livestock owned by the Kaler Ranch. The Kaler family has agreed to remove the cattle year round from the riparian area once the cattle have sufficient water from the alternative drinking water sources. The levels of *E. coli* in the river will be reduced as the grazing habits of cattle disperse in the surrounding land area.

- \$70,791 to Tonto Watershed Improvement Group to improve water quality in the Tonto Creek and Christopher Creek areas near Payson. Both creeks in recent times have had elevated levels of *E. coli*, phosphates and nitrates and problems with dissolved oxygen content in the water being too low, which negatively affects many desirable species of fish like trout. The grant money will be used over two years to recruit a volunteer coordinator and train volunteers to become proficient in using water testing equipment, documenting results and developing techniques to improve the watershed.
- \$44,200 to the Gila Watershed Partnership of Arizona to continue its stewardship program in the Upper Gila Watershed. Phase 2 of the Upper Gila Watershed Project will offer four semesters of classes about monitoring and controlling sediment on the river, conducting field surveys, data searching, and developing data so that it can be used in future efforts directed toward receiving a targeted watershed grant to address sedimentation on the Gila River.

WPD Awards Brownfields Grants

A Brownfields site is an abandoned or underused property that suffers from known or perceived environmental contamination. ADEQ awarded \$111,911 this year in Brownfields grants to communities throughout the state.

WPD funded several projects including:

- \$37,100 to the Town of Huachuca City in Cochise County for an asbestos cleanup of one of the old Buffalo Soldiers buildings from Camp Naco that was partly destroyed by fire. This was in response to the potential threat to public health and safety. The town plans to continue the preservation and renovation of Camp Naco as an important historical site in Arizona.
- \$32,424 to the City of Winslow in Navajo County for assessment of a former wood treatment facility. The city is working with the private owner to redevelop the site into a technical trade school for the area that will specialize in teaching welding skills.
- \$7,838 to the City of Globe in Gila County for an asbestos survey to quantify the amount of asbestos-containing materials present in three older buildings before their demolition in preparation for the construction of a new, larger city library.
- \$7,258 to the City of Winslow to conduct an environmental assessment of a former railroad pump house on Clear Creek in order to expand the recreational public use of a hiking trail which extends from Clear Creek Reservoir. The project will include drinking water fountains and restrooms in a new recreational area.

- \$6,225 to the City of Flagstaff in Coconino County for an environmental assessment of four downtown properties that will become part of a major redevelopment project called the Mountain Line Multi-Modal Transfer Center. The redeveloped site will act as a transit hub in which passengers can easily access all primary business, residential, educational, recreational, and retail centers in and around the Flagstaff region. The finished project also will provide an alternative transportation choice to downtown employees for which there will be both an economic and environmental benefit.
- \$4,588 to the Town of Youngtown in Maricopa County for environmental assessment of a former RV repair shop property owned by the town. The town also wants to sell this property for redevelopment purposes to increase revenue.
- \$4,528 to Greenlee County for environmental assessment of vacant land at the county airport property. The environmental assessment will help the county expand and consolidate its facilities and public services on the property.
- \$4,219 to the City of Apache Junction in Maricopa County to complete the environmental assessment of vacant state trust land to be leased in the future for an industrial park to bring new jobs and tax revenue to the city.
- \$4,180 to the City of Flagstaff for an environmental assessment of 40 acres of land used for wastewater biosolid processing at the Wildcat Hill Wastewater Treatment Facility. The city is researching the feasibility of using biosolid-to-energy technology that will reduce the amount of land needed to process the biosolids. The city hopes that both residents and tourists will be able to view renewable energy generation rather than 40 acres of sludge in the future.
- \$3,551 to the Town of Youngtown in Maricopa County for an environmental assessment of the town's public works yard in preparation for possible sale of the property for redevelopment.

Free Electronic Waste Recycling Program Begins

In August 2009, ADEQ co-sponsored its first of 16 free electronic waste recycling events in FY 2010 throughout Arizona and a total of 336,704 pounds of e-waste was collected from 2,459 vehicles during the first fiscal year of the program. The events were held in Show Low, Williams, Payson, Globe (twice), Superior, Nogales, Sun City West, two Whole Foods Markets in Tucson, five Whole Foods Markets in the Phoenix metropolitan area, Lake Havasu City, Casa Grande, Cottonwood, Camp Verde, Thatcher and Winslow.

In addition to the many municipal and county co-sponsors, ADEQ collaborated with a number of other entities to stage the events including Wal-Mart, Grand Canyon Railway, Freeport-McMoran Copper and Gold, Resolution Copper Mining, *Nogales International*, Friends of Santa Cruz River, Fresh Produce Association of the Americas, PORA,

Recreation Centers of Sun City West, Whole Foods Markets, World Care, Society of St. Vincent DePaul, Keep Havasu Beautiful, Larsen Baker, Cartridge World, Stewards of Public Lands, UniSource Energy, Camp Verde Chamber of Commerce, Yavapai-Apache Nation, Gila Watershed Partnership, Volvo Rents, Bashas, Napa, Safeway, Little Colorado Resource and Conservation District and Hopi Economic Development Corporation. The electronic waste recycling companies E-Waste Harvesters, Westech Recyclers and Green-Tech Assets of Phoenix all partnered with ADEQ in the events.

The program was started because of serious problems created by the improper disposal of e-waste, including possible soil and water contamination from toxic substances like lead and cadmium. Electronic waste also takes up large amounts of valuable landfill space.

Greening Water and Wastewater Infrastructure Workshop

On Jan. 12, 2010, the Water Quality Division and Maricopa Association of Governments co-sponsored a “Greening Water and Wastewater Infrastructure Workshop.” The workshop was funded by a grant from the Environmental Protection Agency to ADEQ under the American Recovery and Reinvestment Act of 2009.

The workshop was attended by about 150 people representing public and private utilities, consulting firms, academia, as well as state and federal agencies and highlighted strategies for integrating green technologies into water and wastewater treatment and funding opportunities that are available. With about 80 percent of municipal water and wastewater processing and distribution costs being for electricity, many of the presentations focused on the water/energy nexus and methods for eliminating energy waste. In addition, opportunities were discussed for capturing energy from water and wastewater infrastructure using solar, methane, biofuel, hydroturbines, and other technologies.

The workshop provided water and wastewater professionals with valuable resources and contacts and provided EPA and the U.S. Department of Energy an opportunity to become more acquainted with some of the challenges and progress being made in Arizona. This workshop served as an important step to a more sustainable future. Following the workshop, a menu of ideas was developed for making water and wastewater treatment plants more sustainable. To assist utilities with implementing the ideas, links to resources and contacts were also provided. In addition, potential next steps for greening water and wastewater infrastructure in the region have been included.

Certified Operator Workshops

ADEQ’s Safe Drinking Water Program continued its outreach and continuing education efforts by holding training workshops aimed primarily at certified operators of small public water systems, which serve less than 3,300 people. In FY 2010, the Water Quality Division played host to 22 workshops throughout the state which were attended by nearly

1,500 people. The workshops covered industry related topics including the understanding and operations of pumps and motors, water chemistry, math, backflow and cross connection, workplace safety, emerging treatment technologies, emergency preparedness/response, well construction and performance and regulatory requirements. Most of the classes incorporated hands-on learning exercises relevant to the day-to-day operation of a public water system. The events consistently received excellent reviews from the attendees. Through a special grant from the U.S. Environmental Protection Agency, more than 230 eligible, certified operators were able to attend the trainings and received reimbursement for expenses.

Public Policy – Policy Development

Blue Ribbon Panel on Water Sustainability Formed

In August 2009, the formation of a blue ribbon panel on water sustainability was announced. ADEQ Director Ben Grumbles, Arizona Department of Water Resources Director Herb Guenther and Arizona Corporation Commission Chairman Kris Mayes will direct the statewide effort to boost water sustainability through increased conservation and recycling.

Gov. Jan Brewer, during an April 2009 Earth Day speech in Phoenix, highlighted water conservation and recycling as priorities for the state. She directed ADEQ and ADWR to work together and formulate a plan of action to achieve water sustainability. The panel will have a number of tools at hand involving technology, innovation, and collaboration to reduce water waste and inefficiency, recycle water, and restore watersheds.

Among the ideas being considered include the importance of water efficient technologies and practices, the need to recognize the nexus of water and energy, additional conservation incentives and the assistance of the Water Infrastructure Finance Authority of Arizona. The three-agency group will look to identify and overcome obstacles to increased water sustainability. Of particular interest will be suggestions and concerns of cities, towns, and other water providers involved in implementing new strategies. A key part of the multi-agency collaboration will be a focus on water reuse. The blue ribbon panel will provide advice on the technical, legal, and policy aspects of promoting recycling of wastewater, graywater, industrial process water, and stormwater and is expected to have a report concluded by the end of 2010.

Technical Support for the 5% Annual Reasonable Further Progress for Metropolitan Phoenix Serious PM10 Nonattainment Area Plan Revision

EPA's exceptional event rule allows states to document that an exceedance of a national air quality standard was due to circumstances that overwhelmed reasonable controls. If EPA is satisfied with a state's demonstration of an exceptional event, that exceedance

would not be counted as an exceedance of the standard. Historically, ADEQ has worked with Maricopa and Pinal County to ensure the submission of exceptional event documentation.

In late 2009 and early 2010, ADEQ submitted information to EPA documenting that all but one of the measured PM-10 exceedances in the Maricopa County area during 2008 was the result of exceptional events. On May 21, 2010, EPA Region 9 Administrator Jared Blumenfeld chose not to concur with exceptional event demonstrations for four days in 2008, stating that the “flawed” exceptional events rule left them few alternatives. All four events occurred at a single monitor which led EPA to propose a finding that the Maricopa County area did not attain the PM-10 national air quality standard.

From June through the end of September 2010, ADEQ and the Maricopa Association of Governments (MAG) are scheduled to revise the 2008 exceptional event documents to address the concerns that EPA identified and rekindle the collaborative consultation process that was envisioned when the exceptional event rule was written. ADEQ, MAG and the Maricopa County Air Quality Department also submitted the revised documents to EPA as comments on the proposed partial approval and partial disapproval of the Maricopa County Area 5% Plan. ADEQ is also working in conjunction with the Western States Air Resources (WESTAR) Council to achieve changes to the exceptional event rule to fix the flaws in the rule and ensure that exceedances caused by events that overwhelm reasonable controls are not accounted when considering whether an area has achieved compliance with the national air quality standard.

Public Policy - Rule Development

WPD School Chemical Cleanout Supplemental Environmental Project

As part of a hazardous waste settlement in response to a fire occurring at Heritage Environmental Services in Coolidge Ariz., Heritage agreed to perform a supplemental environmental project (SEP) funding \$50,000 to K-12 school hazardous chemical cleanouts. The SEP focuses on safely identifying, packaging, removing, and disposing of dangerous chemicals from school grounds. In FY 2010 more than \$14,000 was utilized to inventory and clean 12 schools and two school districts of hazardous laboratory and other chemicals. The total amount of hazardous waste removed in FY 2010 was 9,821 pounds. The SEP will continue through FY 2011, and ADEQ continues to seek schools wishing to participate in the project.

WPD Enforcement Settlements

The WPD Inspections and Compliance Section (ICS) consists of the Hazardous Waste, Solid Waste, Underground Storage Tank, and Leaking Underground Storage tank programs. In FY 2010, the ICS settled 14 cases for a penalty package total of \$951,500. Some of the more significant cases include:

- Bell Gas of Arizona, a leaking underground storage tank case involving contamination with petroleum products resulted in a \$400,000 penalty package.
- Heritage Environmental, a hazardous waste case involving a fire at a treatment facility resulted in a \$125,000 penalty package.
- Super Radiator Coils, a hazardous waste case involving the treatment of tetrachloroethylene through volatilization to the atmosphere resulted in an \$85,000 penalty.
- Plantation Park, a leaking underground storage tank case involving contamination with petroleum products resulted in an \$80,000 penalty package.
- Sure-Way Systems, a solid waste case involving the improper storage of biohazardous medical waste resulted in a \$39,000 monetary penalty.
- Cottman Transmission, a solid waste case involving the disposal of used oil into the City of Mesa's sewage system resulted in a \$30,000 monetary penalty.

Conclusion...

Despite challenges presented by budget limitations and reduced staffing levels, ADEQ continued to make progress in FY 2010 in protecting Arizona's environment and the health and safety of the people of this state. Through innovative permitting and cleanup efforts and strict enforcement, ADEQ is committed to ensuring clean air, clean water and a healthy environment for all Arizonans.

