

**STATE OF NEW MEXICO ENVIRONMENT DEPARTMENT
STORAGE TANK COMMITTEE MEETING
Tony Anaya Building
Rio Grande Room
Santa Fe, NM 87505**

December 14, 2012 Minutes

The meeting of the Storage Tank Committee was called to order by Mr. Jim Davis, Chair, at 10:02 a.m.

Members Present:

Jim Davis, Chair
Ryan Briggs, STC Member
Brent Neil, STC Member
Jeff Scarbrough, STC Member
Benjamin Hodges, STC Member
Stephen McLin, STC Member

Others:

Dana Bahar, NMED/PSTB
Lorena Goerger, NMED/PSTB
Joyce Shearer, NMED/PSTB
Kalvin Martin, NMED/PSTB
Jennifer Pruett, NMED/PSTB
Delia Flores, NMED/PSTB
Stephen Reuter, NMED/PSTB
Susan Von Gonten, NMED/PSTB
Marlene Cordova, NMED
Vince Lithgow, NMED
Justin Bobb, Glorieta Geo
Ruben Baca
Eileen Marcillo, INTERA
Scott McKitrick, SMA
Jenice Gallegos, AMEC
Reid Allan, SMA

Item #1 ROLL CALL

Roll call was taken and it was determined a quorum was present.

Item #2 APPROVAL OF THE AGENDA

Mr. Scarbrough moved, to except the agenda and seconded by Mr. Briggs. The agenda was passed unanimously.

Item #3 DUTIES OF THE COMMITTEE

The Chair presented the Committee with a hand out that summarized the Committees Statutory Authority and Responsibilities. (All Attachments will be posted on the Web for reference.)

Item #4 OVERVIEW OF PETROLEUM STORAGE TANK BUREAU

Ms. Dana Bahar, Bureau Chief, spoke briefly about the Bureau's mission and the four programs within the Bureau:

- Prevention /Inspection Program
- Tank Fee, Operator Training and Installer Certification
- Remedial Action Program
- Reimbursement Section

Ms. Bahar also summarized recent activities performed by the Bureau including the revisions to the Petroleum Storage Tank Regulations that were adopted by the Environmental Improvement Board which became effective March 17, 2012; realized deadlines including registration of all emergency generator tanks by June 15, 2012 and compliance with Operator Training requirements by July 1, 2012. Ms. Bahar also identified upcoming deadlines for regulated community including Certified Installer Certification Renewal (applications must be submitted no later than February 16, 2013), and Secondary Containment Requirements for aboveground storage tanks by July 1, 2013.

(All Attachments will be posted on the Web for reference.)

Item # 5 REMEDIAL ACTION SITES UPDATE

Ms. Joyce Shearer, Remedial Action Program Manager, presented October 2012 and November 2012 spreadsheets that list approved remedial action work.

Below are summaries of workplan approvals by month:

October 2012

<u>Responsible Party</u>		<u>State Lead</u>	
20	\$1,315,081.58	6	\$ 308,958.74
<u>Addendums</u>		<u>Addendums</u>	
0	\$.0	0	\$.0
Total	\$ 1,315,081.58	Total	\$ 308,958.74
GRAND TOTAL		\$ 1,624,040.32	

November 2012

<u>Responsible Party</u>		<u>State Lead</u>	
20	\$ 395,407.21	1	\$ 5,772.65
<u>Addendums</u>		<u>Addendums</u>	
1	\$.0	9	\$.0
Total	\$ 395,407.21	Total	\$ 5,772.65
GRAND TOTAL		\$ 401,179.86	

Mr. McLin asked if information about the sites and on-going work is available on the PSTB website. Ms. Shearer stated that the Bureau does not have an electronic document management system, and, the site files are paper. Whatever is not available on the website could be viewed in person by someone by contacting the Bureau and requesting to look at the information.

The Chairman recommended that at the next meeting the Bureau present the Remediation Program process with emphasis on the remedy selection process and highlight the remediation technologies that are deployed.

Item #6 CORRECTIVE ACTION FUND UPDATE

Ms. Bahar and Ms. Delia Flores, the Acting Reimbursement Section Manager presented the Corrective Action Fund Updates for months of October 2012 and November 2012.

October:

Beginning Cash	\$ 14,434,088	Reserve	\$ 1,000,000
Loading Fee	1,647,050	Work plan liabilities	10,890,650
*Salvage Deposit	1,505		
Payment	(1,095,481)	Un-obligated	2,400,937
Operating Transfer	(695,575)		
Ending Cash	\$ 14,291,587		

- A deposit was made from the sale of remediation equipment as salvage as it was no longer functional and could not be used by the department.

November:

Beginning Cash	\$ 14,291,587	Reserve	\$ 1,000,000
Loading Fee	1,560,518	Work plan liabilities	10,645,519
Payment	(466,039)	Un-obligated	3,044,972
Operating Transfer	(695,575)		
Ending Cash	\$ 14,690,491		

Mr. Hodges asked if the loading fee stays at the same amount every month

Dr. Davis replied that it does fluctuate from month to month but typically stays at 1.5 or 1.6 million.

Mr. McLin wanted some clarification on the 30% and its uses.

Dr. Davis replied that a budget request from agencies is submitted in the August/September time frame each year and is submitted to the Legislature for approval for the following year's budget. The dollar amount that represents 30% is projected from revenues from two years prior and is available to the agency to match federal grants in accordance with the statute.

Mr. Ruben Baca suggested that the Committee request information on how the 30% is distributed.

(The Corrective Action Fund monthly updates reports are available at www.nmenv.state.nm.us/pstc)

Item # 7 PREVENTION AND INSPECTION UPDATE

Mr. Calvin Martin, Prevention Inspection Program Manager, summarized the responsibilities of the Prevention and Inspection Program which include conducting inspections to ensure regulatory compliance with performance standards for system equipment. The program has been in place since 1989 and educates owner/operators of regulatory compliance and ensures facilities are compliant to prevent releases and ensure early detection of threats to environment. The Program has eleven inspectors

throughout the state. Two positions are currently vacant. A Compliance Assistance Coordinator is located in Santa Fe and his role is to coordinate with inspectors in implementing the Delivery Prohibition Program.

This Program has undergone significant changes in the past year many of which are in response to the federal Energy Policy Act of 2005. The main provisions of the Energy Policy pertain to Secondary Containment, Operator Training, Delivery Prohibition and 3 year inspection frequency. The program is moving towards electronic inspections and to that end the program developed electronic inspection forms, and equipped Inspectors with laptops and printers to allow them to perform inspections and complete related reports in the field. Over the past year, the Program inspected 790 Underground Storage Tank facilities in 2012 and 705 were in compliance. Upcoming activities in the program include secondary containment requirements for above ground storage tanks.

Mr. Scarbrough had a question on EPA oversight for the Bureau and measures they look at regarding performance.

Mr. Martin responded that the regulations governing Underground Storage Tanks are in accordance with federal regulations and regulations for Above Ground Storage Tanks are a state initiative. Ms. Bahar stated the Bureau reports to EPA semiannually how many violations have been issued and if they are in significant operational compliance. In addition, Mr. Martin noted the state must certify that it meets the requirements to inspect underground storage tanks every three years and reports the number of violations issued including the number of facilities that have been red-tagged.

Mr. Hodges had a question on the electronic line leak detection test for functionality and wanted to know if this was a State or Federal requirement telling owners they needed to do this.

Mr. Martin stated it was a state and federal annual requirement.

Mr. McLin asked if a summary of the statistics regarding tanks and the areas they are in could be presented to the Committee at the next meeting.

Mr. Gene Atencio, a member of the public, wanted to know if information on red tagged facilities is going to be put on the web so carriers were aware of them. Mr. Gene Atencio also asked how Bureau is reaching out to with carriers and educating them on Delivery Prohibition and how it works.

Mr. Martin responded yes, red tagged facilities are listed on the web so carriers were aware of them. Ms. Jennifer Pruett added that as the Bureau was developing the Delivery Prohibition Rules, the Bureau did reach out to all the common carriers and invited them to all the Stakeholder meetings and added them to the Stakeholder list. Once the rules became final, notices were sent out to them. The Program pointed them in the direction of the Executive Summary. The Program summarized the requirements for them. In October when the Bureau initiated the list server they sent out another round of notices about the new rules and upgraded requirements.

Item # 8 REGULATION PROCESS UPDATE

Ms. Jennifer Pruett, Manager of the Tank Fee and Certification Program, reported on all four programs in her section.

Tank Registration and Fee Collection (accounts receivable FY13 invoices): The program sent out 103 notices to delinquent tank owners for the fiscal year. About 900 invoices were sent out in May, with 800 active owners and 100 miscellaneous owners with past due accounts. The program has about 3000 underground tanks and about 1500 above ground tanks. With about 800 owners, this is the regular invoicing process. Collection efforts began in mid- October and as of yesterday 71% has been collected,

6% error and 29% outstanding which is down from the program's usual 10%. This was attributable to the bad economy. The program has completed, since they started about eight years ago, 443 cases, many of these have resulted in permanently closing tanks and owners accounts. A total of \$300,003.00 has been collected and over 2 million dollars has been declared uncollectable. 13% collected 87% uncollected on old collectable accounts.

Rule Revisions: The new Petroleum Storage Tank Regulations became effective March 17, 2012. The main features of these rules are bringing emergency generators back in to the program's regulatory authority in accordance with federal law. The deadline for above ground storage tank secondary containment was due July 1, 2011. These rules formally extended the policy to July 1, 2013. The program added a lot more secondary containment options for above ground storage tanks to meet that upgrade. The program added additional options for owners and operators to give them more choice in meeting this upgrade requirement. Last, the rules implemented for Delivery Prohibition that was a requirement for the Bureau to come into compliance with all elements of the Energy Policy Act in 2005.

A recent reminder of these rule changes is on the Bureau's webpage and notices were also sent out to stakeholders in October 2012. Notices were sent to all tank owners with their 2013 invoices in May 2012. An Executive Summary of the changes is posted on the Bureau's webpage.

Tank Installer Certification: the Bureau has identified about 35 certified tank installers whose certification will expire March 16, 2013. The program sent reminder letters yesterday. The Rules require the program to remind those 90 days prior to the expiration. The letters explained the renewal process and requirements. The program is in the process of revising the laws and rules test to reflect all the new rule changes. These tests are available at all the field offices; these tests are a major requirement for renewal. New application forms are on the Bureau webpage.

Operator Training: On July 1, 2012 all facilities should have a trained operator in place operating their tank facilities. The program has approved two providers, an online provider and a classroom provider these vendors have trained a total of 1,656 operators since courses started in January 2010.

Item # 9 OTHER BUISNESS

At the next meeting the Committee requested that Mr. Martin provide a summary of UST (and AST if possible) tank compliance and inspector area maps. Also the Committee asked Ms. Shearer to walk the committee through the remediation process and as appropriate use site specific examples, and provide a summary of the different technology used to clean us sites. The Committee also requested a breakdown of how the 30% is used in the agency budget from the Department's Administrative Services Department representatives, Mr. Vince Lithgow and Ms. Marlene Cordova.

Item # 10 NEXT MEETING

The next meeting is scheduled to be held on March 27, 2013

Item #11 ADJOURNMENTS

Mr. McLin moved to adjourn the Meeting. Mr. Hodges seconded. The motion passed unanimously.

The meeting adjourned at approximately 12:58 p.m.