

**STATE OF NEW MEXICO ENVIRONMENT DEPARTMENT
STORAGE TANK COMMITTEE
HAROLD RUNNELS BUILDING
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**Approved September 21, 2006
Minutes of the July 19, 2006 Meeting**

The meeting of the Storage Tank Committee (STC) was held at the New Mexico State Capital, Room 311, Corner of Paseo de Peralta and Old Santa Fe Trail, Santa Fe, New Mexico 87101 on July 19, 2006. Chair Jim Norton called the meeting to order at 10:05 A.M.

Members Present:

Jim Norton, Chair
Ryan Briggs, STC Member
Paul Aguilar, STC Member
Ruben Baca, STC Member

Members Absent:

Wilfred Rael, STC Member
Ronnie Pynes, STC Member
Joseph Chavarria, STC Member

Other Representatives Present:

Donna Gary, EPD	Andy Freeman, Hall Environmental
Jim Davis, NMED/PSTB	Brad Billings, BAI
Joyce Shearer, NMED/PSTB	Eileen Shannon, City of Albuquerque
Cathy Atencio, NMED/PSTB	Phillip Goetze
Jeff Mills, NMED/PSTB	R J Dally,
John Kovacs, NMED/PSTB	Robert Moss
Phyllis Martinez, NMED/PSTB	Michelle Aubel, NM LFC
Lorena Goerger, NMED/PSTB	Connie Faith
Cynthia Ardito	Stuart Faith
David G. Griffin	Robert K. Stewart

Item #1 Roll Call

The PSTC Administrator took the roll and noted a quorum was present.

Item #2 Approval of the Agenda

Action: Mr. Briggs moved to approve the Agenda as presented. Mr. Aguilar seconded. The motion passed unanimously.

Item #3 Update on Corrective Action Fund

Donna Gary, Manager of the Office of Finance and Budget, presented an update on the Corrective Action Fund to the Committee for FY06:

Annual Work plan approvals: \$16,014,578 (an average increase of ½ million for past three years);

Annual Payments: \$ 17,012,593

(handout provided; see www.nmenv.state.m.us/pstc for entire report).

For the upcoming fiscal year, we are anticipating to go back to the average payments of about 12 to 14 million for clean ups.

June has not been closed and there may be a few adjustments made from ASD but should not material and the unobligated fund balance should be under six million dollars. Once the June books are closed, Cabinet Secretary Ron Curry will certify the funds and the certification will be sent to the Cabinet Secretary of Taxation and Revenue to set the Petroleum Products Loading Fee, which will remain at \$150 per load.

Ms. Gary will format a report to have the operating transfers broken down between HB19 and CAF administration, per the Committee’s request.

The Chair pointed out the comparisons of the work plan approvals and payments for the past three fiscal years and indicated that the fund is a robust program and continues to do the important work it does for clean ups.

A short discussion was held regarding the spending authority being cut by LFC from 18 to 15 million.

The chair asked Ms. Gary if new Share Program will affect us meeting the 60-day deadline for payments. Per Ms. Gary, she is optimistic that the current problems we are facing with Share will be resolved due to the efforts that ASD is making to let People Soft know of the problems we are having.

Item #4 – Update on Status on Remedial Action Sites

Joyce Shearer presented a status report on Remedial Action Sites and provided spreadsheets for approved work plans.

Work plan approvals May 2006;	Work plan approvals June 2006;
RP Claims: \$1,407,463.69	RP Claims: \$1,272,382.84
SL Claims: \$ 383,097.21	SL Claims: \$ 695,762.70
Totaling: \$1,790,560.90	Totaling: \$1,968,145.54

The State Lead claims for the month of June had a big leap from previous months for clean ups.

Ms. Shearer indicated that we picked up many additional sites, most are relatively small. We approved eight new State Lead Contracts to do monitoring at old sites with on going investigations.

In FY06, PSTB had 31 releases reported, 25 were classified as no further action or closed out. There was a total of 657 work plans for both RP & SL. PSTB began clean ups at 22 sites, and has 15 additional sites in progress.

The Chair asked if, out of the 31 leaks reported, is there any sense of how many were above ground & underground ground tanks. Ms. Shearer indicated that she will work on obtaining this information, but estimates 50%. Roughly 10% of the work plan approvals were above ground tanks.

Item #5 –Update on Prevention and Inspection Program

In Kalvin Martin's absence, Jim Davis presented a memo from Mr. Martin on his behalf on the Implementation of Provisions of the 2005 Federal Energy Policy Act.

Mr. Davis – In respect to the Energy Policy Act, PSTB has replied to two draft comments in regards to the grant guidance document on Secondary Containment, Financial Responsibility, Delivery Prohibition, and Public Record provisions of the Federal Act. (refer to memo for summary of guidance documents from EPA & PSTB's response) PSTB anticipates additional guidance documents to be distributed in the future.

Personnel Issues:

Mr. Davis noted that Felicia Martinez was hired in June for the tank registration program working along with Natalie Benavidez.

Tank Fees and Registration:

The bureau mailed out the tank registration invoices in May. As of July 13, 2006, the bureau has received approximately \$381,000, which represents 73% of what was invoiced. The bureau has started the printing the tank registration certificates, estimate of 1,300 certificates to be distributed.

Delinquent Tank Fee Collection Project:

As of last Friday, the delinquent tank fee project has collected a little over \$88,000 out of the estimated amount of half a million dollars.

NM Petroleum Marketers Association Board of Directors Meeting:

Kal Martin and Jim Davis attend this meeting and updated the board on the 2005 Energy Policy Act and on the issue of EPA inspections on facilities that are within the exterior boundaries of Indian Reservations. This was discussed with the PSTC previously. EPA is being directed by the Federal Act to exercise its responsibility for facilities on the Reservations. We are in the process of negotiating with EPA to arrange a joint effort for those facilities historically have been inspected by the program that pays into the Petroleum Products Loading Fee. Accordingly they are eligible for the Corrective Action Fund as long as they are in compliance with the state regulations.

Mr. Ruben Baca stated that with regards to the Energy Policy Act, PSTB will have to make changes to the regulations & probably a legislation change of statute. Mr. Baca strongly suggested that the bureau should start working on these changes and offered his assistance.

The Chair asked if EPA will be far enough along that PSTB would be doing this in FY07 or pushing it to FY08. Mr. Ruben Baca has indicated that his office has been in contact with EPA on a weekly basis and they do not know how to go about it. Best thing for PSTB is to wait and see what EPA does and we are probably looking at FY08. Mr. Jim Davis is in agreement with Mr. Baca being that there will be legislative issues to be addressed in the 08 session. PSTB is pushing this forward; however they have not sent out letters or announced any stakeholder meetings and anticipates that this should get started up with in the next couple of months. Mr. Davis will keep the PSTC updated.

Miscellaneous Matters:

The Chair wanted to know if we had an update in regards to the March PSTC meeting regarding EPA looking into 'when the states use the Corrective Action Fund for other purpose' there is the possibility of the Federal Grant being taken away. Per Mr. Davis, as of to date there has been no change. The update was that EPA is going to back away because the loading fee is in effect and the distribution of the revenues from that fund are administered by state action and the fund provides the financial assurance. However there is no guarantees.

The Chair also wanted to know if the Delivery Prohibition under federal law require some sort of mechanism to stop deliveries for facilities that out of compliance and can we do some red tagging. Per Mr. Davis 'yes on both', one of the issues is whether it is on a facility basis or a tank basis. It will be a challenge and will require careful & accurate record keeping.

Item #6 Approval of March 15, 2006 meeting minutes.

Action: Mr. Baca moved to approve the minutes as amended. Mr. Aguilar seconded. The motion passed unanimously.

Item #7 Other Business

Mr. Baca has been getting a lot of calls from facility owners and operators on the lack of qualified technicians to do the required work, especially on the above ground facility tanks and wants to know if there is the possibility of granting extensions in writing. Per Mr. Davis, a few years back when the AST requirements went into effect, PSTB held public meetings in Clovis and Roswell because of the number of AST systems. The public was informed that as long as they are working towards meeting the requirements and communicate with PSTB, they will work with the owner/operator on their deadlines.

Item #9 - Next Meeting is September 21, 2006.

After discussion, the Committee decided the next meeting of the Storage Tank Committee will be held in Santa Fe, New Mexico, on September 21, 2006 at 10:00 a.m.

Item #10 Adjournment

The meeting adjourned at approximately 11:30 am.

Action: Mr. Briggs moved to adjourn the Meeting. Mr. Aguilar seconded. The motion passed unanimously.

Petroleum Storage Tank Chairman