

**STATE OF NEW MEXICO ENVIRONMENT DEPARTMENT  
STORAGE TANK COMMITTEE MEETING  
NM State Library, Room 2027, Piñon Room  
1209 Camino Carlos Rey, Santa Fe, NM**

**September 14, 2016 Minutes**

The meeting of the Storage Tank Committee was called to order by Kathryn Roberts, Chair, at 10:04 a.m.

**Members Present:**

Kathryn Roberts, STC Chair  
Benjamin Hodges, STC Member  
Ryan Briggs, STC Member  
Brent Neil, STC Member  
Jeff Scarbrough, STC Member  
Stephen McLin, STC Member

**Member Absent:**

N/A

**Others Present:**

Chip Hughes, Pilot Flying J  
Gundar Peterson, Daniel B. Stephens  
Mike McVey, Daniel B. Stephens  
Eileen Marcillo, Intera  
Tyler Irwin, CDM Smith  
Dana Bahar, NMED/PSTB  
Lorena Goerger, NMED/PSTB  
Kalvin Martin, NMED/PSTB  
Antonette Cordova, NMED/PSTB  
Micaela Fierro, NMED/PSTB  
Bonney Hughes, NMED/PSTB

NMED = New Mexico Environment Department; PSTB = Petroleum Storage Tank Bureau

**Item #1      ROLL CALL**

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

**Item #2      APPROVAL OF THE AGENDA**

The Chair called for a motion to approve the agenda. Mr. Jeff Scarbrough moved to approve the agenda, and Mr. Brent Neil seconded the motion. Approval of the agenda was passed unanimously.

**Item #3      APPROVAL OF THE MINUTES**

The Chair called for a motion to approve the May 11, 2016 minutes. Mr. Stephen McLin moved to approve the minutes and Mr. Benjamin Hodges seconded the motion. Approval of the minutes was passed unanimously.

**Item # 4      REMEDIAL ACTION PROGRAM UPDATE**

Ms. Lorena Goerger, Remedial Action Program Manager, reported on the **January 2016 through June 2016** workplan spreadsheets. Workplan approvals are summarized below by month.

**January 2016**

<u>Responsible Party</u>		<u>State Lead</u>	
42	\$ 821,091.21	3	\$ 72,020.22
<u>Addendums</u>		<u>Addendums</u>	
18	\$ 254.60	5	\$ 109.84
<b>Total</b>	<b>\$ 821,345.81</b>	<b>Total</b>	<b>\$ 72,130.06</b>
<b>GRAND TOTAL</b>		<b>\$ 893,475.87</b>	

Ms. Goerger noted that operations and maintenance continued on a soil vapor extraction system and that addendums are gross receipts tax that may change every 6 months.

**February 2016**

<u>Responsible Party</u>		<u>State Lead</u>	
9	\$ 136,062.07	6	\$ 711,964.52
<u>Addendums</u>		<u>Addendums</u>	
25	\$ 335.10	4	\$ 38.02
<b>Total</b>	<b>\$ 136,397.17</b>	<b>Total</b>	<b>\$ 712,002.54</b>
<b>GRAND TOTAL</b>		<b>\$ 848,399.71</b>	

Ms. Goerger highlighted the expenditures for continued remediation at select sites.

**March 2016**

<u>Responsible Party</u>		<u>State Lead</u>	
12	\$ 718,125.61	0	\$ 0.00
<u>Addendums</u>		<u>Addendums</u>	
18	\$ 274.57	0	\$ 0.00
<b>Total</b>	<b>\$ 718,400.18</b>	<b>Total</b>	<b>\$ 0.00</b>
<b>GRAND TOTAL</b>		<b>\$ 718,400.18</b>	

Ms. Goerger highlighted the expenditures for remediation at select sites.

**April 2016**

<u>Responsible Party</u>		<u>State Lead</u>	
19	\$ 493,376.98	7	\$ 123,214.63
<u>Addendums</u>		<u>Addendums</u>	
18	\$ 480.70	0	\$ 0.00
<b>Total</b>	<b>\$ 493,857.68</b>	<b>Total</b>	<b>\$ 123,214.63</b>
<b>GRAND TOTAL</b>		<b>\$ 617,072.31</b>	

**May 2016**

<u>Responsible Party</u>		<u>State Lead</u>	
19	\$ 691,713.65	8	\$ 128,020.59
<u>Addendums</u>		<u>Addendums</u>	
8	\$ 157.98	0	\$ 0.00
<b>Total</b>	<b>\$ 691,871.63</b>	<b>Total</b>	<b>\$ 128,020.59</b>
<b>GRAND TOTAL</b>		<b>\$ 819,892.22</b>	

Ms. Goerger noted that one of the approved Responsible Party workplans in May was for an expansion of an existing soil vapor extraction system.

**June 2016**

<u>Responsible Party</u>		<u>State Lead</u>	
38	\$ 668,182.48	14	\$ 396,935.92
<u>Addendums</u>		<u>Addendums</u>	
10	\$ 273.29	1	\$ 18.11
<b>Total</b>	<b>\$ 668,455.77</b>	<b>Total</b>	<b>\$ 396,954.03</b>
<b>GRAND TOTAL</b>		<b>\$ 1,065,409.80</b>	

Ms. Goerger highlighted the expenditures for remediation at select sites.

(The monthly reports are available at [www.env.nm.gov/ust/ustcom.html](http://www.env.nm.gov/ust/ustcom.html).)

**Item #5      CORRECTIVE ACTION FUND UPDATE**

Ms. Lorena Goerger also presented the Corrective Action Fund (CAF) updates for the months of January 2016 through June 2016.

**January 2016:**

Beginning Cash	\$ 12,718,940.42	Reserve	\$ 1,000,000.00
Loading Fee	\$ 1,644,598.98	Work plan liabilities	\$ 10,707,516.76
Payments	\$ (341,255.23)	Unobligated balance	\$ 1,574,548.63
Overpayment refund	\$ 324.86		
Utilities	\$ (385.64)		
Operating Transfers	\$ (740,158.00)	Ending Cash	\$ 13,282,065.39

**February 2016:**

Beginning Cash	\$ 13,282,065.39	Reserve	\$ 1,000,000.00
Loading Fee	\$ 1,574,429.64	Work plan liabilities	\$ 9,646,546.90
Payments	\$ (1,891,589.34)	Unobligated balance	\$ 1,805,302.87
From Previous Fiscal Year	\$ 227,996.99		
Utilities	\$ (894.91)		
Operating Transfers	\$ (740,158.00)	Ending Cash	\$ 12,451,849.77

**March 2016:**

Beginning Cash	\$ 12,451,849.77	Reserve	\$ 1,000,000.00
Loading Fee	\$ 1,539,843.57	Work plan liabilities	\$ 9,305,267.58
Payments	\$ (816,574.44)	Unobligated balance	\$ 2,134,790.21
CAF Deposit	\$ 5,544.79		
Utilities	\$ (447.90)		
Operating Transfers	\$ (740,158.00)	Ending Cash	\$ 12,440,057.79

**April 2016:**

Beginning Cash	\$ 12,440,057.79	Reserve	\$ 1,000,000.00
Loading Fee	\$ 1,460,573.97	Work plan liabilities	\$ 8,580,602.31
Payments	\$ (1,173,631.73)	Unobligated balance	\$ 2,407,982.12
CAF Deposit	\$ 1,786.96		
Utilities	\$ (44.56)		
Operating Transfers	\$ (740,158.00)	Ending Cash	\$ 11,988,584.43

**May 2016:**

Beginning Cash	\$ 11,988,584.43	Reserve	\$ 1,000,000.00
Loading Fee	\$ 1,630,781.38	Work plan liabilities	\$ 8,734,965.95
Payments	\$ (483,337.23)	Unobligated balance	\$ 2,661,116.94
CAF Deposit	\$ 212.31		
Utilities	\$ (0)		
Operating Transfers	\$ (740,158.00)	Ending Cash	\$ 12,396,082.89

**June 2016:**

Beginning Cash	\$ 12,396,082.89	Reserve	\$ 1,000,000.00
Loading Fee	\$ 1,566,571.35	Work plan liabilities	\$ 8,705,999.11
Payments	\$ (1,030,466.39)	Unobligated balance	\$ 2,486,451.55
Stale Dated Warrants	\$ 424.81		
Utilities	\$ (0)		
Operating Transfers	\$ (740,162.00)	Ending Cash	\$ 12,192,450.66

(The entire monthly reports are available at [www.env.nm.gov/ust/ustcom.html](http://www.env.nm.gov/ust/ustcom.html).)

The Secretary of the Environment Department certified the unobligated balance of the Corrective Action Fund at \$2,486,451.55 as of June 30, 2017. The Petroleum Products Loading Fee will remain at the maximum of \$150 per load for FY17.

Mr. Hodges asked for the current unobligated balance. Ms. Goerger replied that the unobligated balance at the end of August was approximately \$3.5 million.

Mr. McLin asked why the operating transfers changed between May and June. Ms. Goerger and Ms. Bahar explained that it was because the Administrative Services Division disburses 1/12 of funds due to other programs in accordance with the statute, and at the end of the year an adjustment is made to correct any difference resulting from rounding discrepancies.

Ms. Bahar advised the Committee that the Reimbursement Program Manager has resigned her position and the Bureau will be advertising the position.

**Item # 6            PREVENTION AND INSPECTION UPDATE**

Mr. Kalvin Martin, Prevention Inspection Program Manager, presented the program summary to the Committee as follows.

Facility/Tank Statistics

UST Facilities	1,238*	Active USTs	3,227
AST Facilities	585*	Active ASTs	1,284
<b>Total Facilities</b>	<b>1,797*</b>	<b>Total tanks</b>	<b>4,511</b>

\*Figures do not add up, because some facilities have both ASTs and USTs

Number of tanks that were closed between April 1, 2016 and September 12, 2016: **34**.

**Inspection and Compliance Statistics April 1, 2016 – September 12, 2016**

	Number of Facilities
UST Inspections	252
AST Inspections	140

**Compliance rate at inspection with respect to SOC violations:**

Trends for FY16 (July 1 2015 through June 30, 2016) that were reported for the state performance measures show a 77% compliance rate for UST facilities that were inspected. State performance measures consider facilities that are in compliance at the time of the inspection as well as those that correct violations after they have been identified during an inspection. The compliance rate that is reported to EPA only counts facilities in compliance at the time of inspection and was reported at 67% as of March 31, 2016, which is consistent with the national average.

<u>Common Violations for UST Facilities</u>	<u>Common Violations for AST Facilities</u>
No functionality test for automatic line leak detectors (ALLD)	No monthly monitoring
No line tightness test No monthly monitoring	No functionality test for automatic line leak detectors (ALLD) No line tightness test
Failure to test Corrosion Protection every 3 years	Failure to operate and maintain overfill prevention (alarm disabled or gauges not operating correctly)
Broken spill bucket	No overfill alarm

### **Delivery Prohibition**

Violations related to failure to operate & maintain required equipment or lack of required equipment are considered significant violations are subject to the delivery prohibition provisions of the regulations and can result in red tags/delivery prohibition.

### Number of Red Tagged Facilities

	Cumulative since 2/16/2012	April 1, 2016 – September 12, 2016
UST	33	8
AST	10	0

In response to a question about how many of the 33 red tagged sites are active, Mr. Martin indicated that a large majority of red tagged facilities were not in use and have been in temporary closure for a long time. Ms. Bahar noted that there have been a few cases where facilities have come back into compliance after we've red tagged them, and we have removed the red tags.

Discussion regarding potential strategies to improve and encourage compliance followed.

### **Summary of Regulation Revision Process**

The state of New Mexico has until October 2018 to adopt the changes in federal underground storage tank regulations and apply for state primacy approval in accordance with the federal regulations that became effective in October 2015.

Stakeholder meetings were held in Albuquerque on August 2, 2016 and in Roswell on August 4, 2016 to discuss proposed changes to Part 4 and Part 5 of the current regulations.

Redline strikeout versions are available on the Petroleum Storage Tank website at <https://www.env.nm.gov/ust/draftregs.html>. Anyone may sign up for notices of meetings about the

update of NM's Petroleum Storage Tank regulations and other information (sent out infrequently) by clicking the button near the top of the page at <https://www.env.nm.gov/ust/ustbtop.html>.

The bureau is currently working on proposed changes to Parts 6 and 7 and is working towards having stakeholder meetings in the Spring of 2017.

**Item # 7      TANK FEE AND CERTIFICATION PROGRAM UPDATE**

Ms. Antonette Cordova, the Tank Fees and Certification Program Manager, provided the following summary.

Tank Fees:

There are 795 tank owners. Tank Fees for FY17 were assessed and invoices were mailed out on June 1, 2016. Subsequently, second invoices were mailed on September 2, 2016 to 300 tank owners who did not submit their payments by the July 1, 2016 deadline that included the assessed late fee.

Tank Installer Certification:

Since the last meeting in May 2016, the Program has certified one new UST Installer and received one application for certified AST installer, which is under review.

A/B Operator Training:

Compliance with the A/B Operator training requirement is measured at 53%.

**Item # 8      OTHER BUSINESS**

There was no other business.

**Item # 9      NEXT MEETING**

The next meeting is tentatively scheduled for May 10.

**Item #10      ADJOURNMENT**

Mr. McLin moved to adjourn the meeting. Mr. Scarbrough seconded the motion. The motion passed unanimously.

The meeting adjourned at approximately 10:52 a.m.