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ARPA Member Blast February 27, 2009

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## Interim DEQ Director Visits ARPA

Interim Department of Environmental Quality Director Pat Cunningham spoke at the last ARPA Environmental Committee meeting and expressed concerns about proposed cuts to the Department's budget. Here is a list of his concerns.

Analysis of Appropriation Chairmen's Options (CO) dated January 15, 2009 and Other Issues- FY 2010



ADEQ has already contributed \$138.5 million (\$41.6 in FY 2008 and \$96.9 million in FY 2009) toward reducing the budget deficit. Further, ADEQ has 66 fewer employees as of December 31, 2008 than it had on December 31, 2002.

### Budget Concerns

#### 1. \$3,000,000 Lump Sum General Fund Reduction of Operating Budget

ADEQ opposes the \$3,000,000 in budget authority that would be reduced across ADEQ general funded programs.

Impact: The cut of \$2.0 million from the ADEQ operating budget in January of 2009 required ADEQ to move all employee health and dental insurance costs, rent and computer costs to the Indirect Fund. The additional \$1 million dollar FY 10 reduction will require additional agency-wide furloughs/or reductions of existing staff that are required in many core human health programs which include hazardous waste inspections that protect neighborhoods, landfill inspections, regulation that protects Arizona's groundwater, and drinking water permitting which safeguards the drinking water for 6 million Arizona citizens.

#### 2. \$1,524,700 Elimination of the Arizona Pollution Discharge Elimination System [AZPDES]

ADEQ opposes the General Fund reduction of the AZPDES program in FY 2010 as the legislature already implemented this reduction in June of 2008 in HB 2209, Chapter 285, pg 59, line 28. There is no General Fund money left in this program. AZPDES is now funded from the WIFA non-program fees under an Intended Use Plan (IUP) with EPA. The AZPDES surface water permitting program is a delegated program from the United States Environmental Protection Agency in San Francisco California, and has strong support from the Arizona business community.

Impact: This reduction can not be implemented because there is no General Fund to reduce for the AZPDES program for FY 2010.

#### 3. \$588,300 Hazardous Waste Program Reduction; Return of Program to EPA San Francisco

Impact: A \$588,300 reduction in the Hazardous Waste General Fund allocation will cause the loss of the EPA-delegated RCRA Hazardous Waste Program and approximately \$1.6 million in state matched federal dollars. This \$588,300 is the GF support for the Hazardous Waste match requirement for Arizona's EPA grant which generates \$1.6 million in federal dollars. If the General Fund is cut, Arizona may tender the program to EPA Region 9 in San Francisco.

#### 4. Reversal of WIFA Drinking Water and Clean Water Revolving Funds transfers

EPA has already advised ADEQ that they believe the \$15.7 M transfer from the state revolving funds for FY 2009, authorized under Ch. 285, 48th Legislature, Second Regular Session, HB 2209, Section 24, A., p 62 lines 37-38, is illegal under the Clean Water Act (CWA) and Safe Drinking Water Act, and federal appropriations law as well.

The Next Executive Meeting is March 4th  
And the next Board Meeting is Wednesday March 18th.

Here are a few issues we are following.

### BACT To the Future

As many of you know due to current County interpretation of Rule 241 there have been concerns regarding permit renewals triggering BACT which would result in reductions in production allowances or a BACT Analysis which in some cases has resulted in costly changes to operating scenarios. This week, Roger Ferland presented information to the County Director of MCQAD, permit writers and a representative from the County Attorney's Office regarding why the current implementation is illegal, not cost effective in terms of emissions reduced, companies can't afford the cost for a BACT analysis in these tough economic times and it will disallow anyone to expand production keeping companies from meeting demand once the market changes. We will keep you posted on any developments.

### MCDES - Stormwater Permit:

Steve talked to Stan Snitzer at Maricopa County regarding Maricopa County's new Stormwater Rule. They discussed the exemption for "existing mining" under the County Permit, that ARPA is submitting comments and Steve will be meeting with Stan to discuss "new mining" operations and the possibility of an exemption from the additional submittal requirements and fees as a result of the new rule.

### County Appoints Ombudsman

Maricopa County has appointed Dennis Dickerson as an Ombudsman. He will work to ensure that all stakeholders have a voice in the process as well as providing an unbiased source of

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