DEQ's Leadership Team is the group within DEQ responsible for strategic direction and management of agency operations. The Leadership Team is where key decisions about DEQ's budget, staffing and operations are made. The Leadership Team is made up of DEQ Headquarters Administrators and key staff, as well as Regional Administrators. The Leadership Team recently updated and reaffirmed its charter.

On June 28th and a part of June 29th, the Leadership Team held an extensive work session addressing what strengths currently exist among team members and how that will change with coming retirements, alternatives for agency organization (beyond the return to air, land and water divisions), and how the agency develops and manages its budget. The team heard from Nancy Hirsch, Deputy Director at the Oregon Department of Forestry, regarding ODF’s experience in building and maintaining leadership, and from Bill Ross, of Ross and Associates, regarding his observations from working with state environmental leaders across the western U.S.

2. DEQ Reorganization

One of the main areas of work that the Leadership Team has been engaged in is DEQ’s pending reorganization. DEQ’s Director has announced that the agency will establish three new divisions at headquarters (Air, Land and Water) by the end of this calendar year. Other key aspects of the new organization are being worked out by the Leadership Team, including: (a) ways to assure coordination across divisions, and between headquarters and the regions; (b) details of the Director’s office and the Office of Policy & Analysis; (c) the allocation of responsibilities between the Director and the Deputy; (d) details of the Central Services division; and (e) membership of the Leadership Team and the Management Team (formerly known as the Headquarters Group). A key aspect of the work is to identify, clearly, who within the agency “owns” particular types of decisions, and who those “owners” are expected to consult with in making decisions.

The Leadership Team will be seeking input from the Environmental Quality Commission, DEQ managers and DEQ staff on aspects of the reorganizations as we work from very high level concepts to more concrete aspects of the future structure. To some degree, this...
work is part of continuous improvement at the agency, and the effort will not stop at the end of the year.

3. DEQ Recruiting

We are seeing a continuing trend of retirements at DEQ (and across the workforce). Three division administrators (the Central Services Division administrator, the administrator for the Office of Policy and Analysis, and the Environmental Solutions administrator) are retiring over the next six months (one third of the Leadership Team). In addition, we are recruiting for a new communications manager, and for a government relations manager. This, combined with the hiring freeze that has been in place for over two months now, has resulted in a substantial wave of new recruiting at the agency – one that is taxing our ability to manage it. As a result, the Leadership Team has had to prioritize recruiting so that we can work through the backlog in the best manner possible. This work will require significant effort from the Leadership Team over the next few months.

4. DEQ Regional Updates

A. Eastern Region

Lost Valley Ranch. Lost Valley Ranch is a new confined animal feeding operation (CAFO) near Hermiston. The new facility is still in the process of acquiring the water necessary for full operation, and the CAFO permit (issued by DEQ and the Oregon Department of Agriculture) is under appeal (request for reconsideration). Concerns raised about the facility include air quality impacts as well as water use. DEQ and ODA recently denied a request to stay the CAFO permit pending a request to reconsider the permit approval.

Klamath River Total Maximum Daily Load (TMDL) and Permitting. There are four water quality permits for discharge into the Klamath River, which are among the longest-standing administrative extensions in the state. To complete new permits for these facilities to discharge into the river, DEQ may need to first complete an updated water quality plan (TMDL) for the river. A draft of that plan is currently out for public comment. In the meantime, the facilities also are exploring wastewater disposal options that would eliminate discharges to the river.

Lower Umatilla Groundwater Management Area. The LUGWMA is one of several groundwater management areas in the state. This area was established 1990 as a result of high nitrate levels. The rate of increase in nitrate levels has slowed over time, but the levels are (in general) not decreasing. DEQ and the Oregon Department of Agriculture are working with a local advisory group to determine next steps necessary to reverse this continuing problem.

AmeriTies (the Dalles). AmeriTies manufactures rail ties in The Dalles. The facility has been the subject of concern regarding air emissions (PAHs and naphthalene). The facility has changed the product used to treat ties, which has appeared to reduce emissions. DEQ is conducting additional monitoring in the vicinity of the facility.
B. Western Region

GNB Battery. GNB Battery is the site of a former battery manufacturer in West Salem. The building now houses a number of retail and commercial uses, including a bakery and a fitness club. DEQ discovered high levels of lead dust in interior recesses of the building, leading to a temporary closure, cleaning, and reopening over the past several months. The building owner and tenants have cooperated fully in this effort, and the building has now been restored to a safe condition. DEQ, the Oregon Health Authority, and the Oregon Health and Safety Agency are examining lessons learned as they apply to the reuse of buildings that house processes that generate high levels of toxic materials.

Jordan Cove Liquefied Liquefied Natural Gas (LNG). DEQ recently completed comments to the Federal Energy Regulatory Commission (FERC) on a Notice of Intent for this proposed LNG export facility, which also includes a natural gas pipeline to Coos Bay from near Malin, Oregon. Jordan Cove submitted updated air modeling for their facility. DEQ has asked EPA for a written opinion on whether the proposed fuel conversion at the facility requires a Prevention of Significant Deterioration (PSD) permit and review as a federal major source. Site visits of the proposed facility and pipeline properties currently scheduled for Aug 1-2.

Entek. Entek manufactures lead battery separators at its facility in Lebanon, Oregon. DEQ has been working with the company on renewal of the air permit for the facility. At DEQ’s request, the company has carried out modeling of its emissions of trichloroethylene. DEQ and the Oregon Health Authority are evaluating whether further investigation of these emissions may be warranted.

Hollingsworth and Vose. This company manufactures specialty glass fiber products from sand and other materials using electric furnaces and other equipment that result in glass melting and shaping of the glass into long, very thin fibers. Glass fiber produced at this facility is a raw material used in air and liquid filtration media and specialty battery separator media. The company is seeking two new air permits after it was discovered that the facility is emitting more pollutants than it had reported.

In connection with the permitting for this company, DEQ has deployed five portable, battery-operated, particulate samplers at four locations around the facility. The first samples were collected last week and additional sampling will continue for particulates and glass fibers.

In the meantime, the company has constructed and initiated the first four of 18 ceramic filtration particle control devices which will replace the wet scrubbers they currently use to control emissions. Once fully constructed, the new filtration system should significantly reduce air and wastewater emissions.

Riverbend Landfill. DEQ approved and issued a permit modification allowing Waste Management to modify the final slopes of a 20-acre portion Riverbend Landfill, located approximately 3 miles southwest of McMinnville.
The proposal involves construction of a 5-foot tall berm uphill from the existing perimeter berm. A portion of this area is already capped with an impermeable geomembrane. The uncapped portion will also be capped as part of this work. Approximately 490,000 cubic yards of waste will be placed over this liner (which serves as a liner beneath new waste and a cover over existing waste). The additional waste will be placed at a maximum slope of 3 to 1 (horizontal to vertical).

Riverbend also has a pending application to DEQ (for a major modification to its solid waste permit) to expand this landfill (horizontally). The county land use decision approving the landfill expansion is still on appeal, and the Oregon Supreme Court recently accepted review of that case.

C. Northwestern Region

River Street Warehouse Fire. The Oregon Department of Environmental Quality and the U.S. Environmental Protection Agency are wrapping up the asbestos assessment and removal phase of the May 14 River Street Warehouse Fire response, and transitioning to cleanup and management of the warehouse site. Since May 16, survey and recovery crews have combed the downtown plume footprint looking for and removing asbestos-containing debris in parks, sidewalks and other public areas. Fire debris were identified along the west bank of the Willamette River between the Fremont and Ross Island Bridges and extended up to a half-mile inland. Some pieces of debris were also identified and cleaned up on the east side of the river.

A total of 252 pounds of asbestos contaminated debris have been recovered to date. DEQ, EPA and community volunteers also helped perform outreach to affected neighborhoods with safety tips and information about the cleanup effort. Outreach was also performed with homeless individuals in the survey and recovery area with city and county agencies assisting in the effort.

Air samples collected throughout Portland's neighborhoods remain below action thresholds for asbestos. DEQ and EPA have concluded that in all survey and recovery areas down-wind from the warehouse, risks from warehouse-related asbestos have been reduced to below levels of concern for both people and the environment. DEQ and EPA are identifying resources to complete the cleanup at the fire site, as a substantial debris pile remains. More information on this cooperative effort involving EPA, DEQ, Multnomah County and the City of Portland is available at:

https://epa.maps.arcgis.com/apps/MapSeries/index.html?appid=6ed5c0183f4249bd8098d859f1950222

APES. American Petroleum Environmental Services, Inc. is located in North Portland. It operates a used oil re-refinery also known as a used oil processing facility. APES’ initial processing heats used oil to remove water and light ends. Lights ends are the more volatile products of petroleum refining, such as butane, propane and ethane. After the water and light ends are removed, the used oil is processed through the distillation portion of the plant, further refining the product into different grades of fuel products. Once the re-refining is complete, APES sells the re-refined oil as a usable product.
Residents in North Portland, particularly in the Hayden Island area, have experienced health impacts that are alleged to have originated from the APES facility. The predecessor to APES removed air pollution control equipment (a thermal oxidizer) at the facility. In addition, the air permit for the facility contained gaps in terms of what it required. The permit for the facility is proposed to be modified and renewed. In addition, DEQ has in the meantime entered into a Mutual Agreement and Order with APES, that (among other things) required the company to install and operate a thermal oxidizer beginning in June of this year.

The public comment period on the proposed permit modification is now closed. DEQ held a public hearing on the modification on June 21st. DEQ is now evaluating the comments received before taking action on the proposed modification and renewal.

**ORRCO.** The Oil Re-refining Company (ORRCO) operates a facility in North Portland that re-refines used oil into fuel and reusable oil. Residents in North Portland, particularly in the Hayden Island area, have experienced health impacts that are alleged to have originated from the ORRCO facility.

ORRCO’s air quality permit expired on March 1, 2013. ORRCO submitted a timely renewal application allowing DEQ to administratively extend its permit until DEQ renews the permit. DEQ is in the process of determining if ORRCO has the correct pollution control equipment to minimize odors and emissions. In addition, ORRCO proposes to modify their air permit by removing and modifying existing processes, adding new processes, upgrading existing control technology, and adding new control technology. If additional air pollution control equipment is required, DEQ will incorporate those requirements into the permit renewal.

DEQ held an informational meeting on the ORRCO facility and permit on Hayden Island in June. Once the proposed permit changes are incorporated into a draft renewal permit, DEQ will issue a public notice seeking public comment and announcing a hearing, at a convenient time and location, offering people a chance to comment on the draft permit in person.

**City of Molalla.** The Director and the Northwest Region Administrator met recently with city staff to discuss ongoing issues with the city’s wastewater treatment system and unpermitted discharges to the Molalla River. DEQ and the city are working to determine whether they can develop a Mutual Agreement and Order that would specify how the city will define and implement the necessary changes in its wastewater system.

**Bulleseye Glass: ** DEQ recently completed analysis of stack testing from Bulleseye Glass to determine whether emissions controls are functioning such that the facility may proceed to re-start its use of chromium. The company was allowed to re-start its usage, although at a somewhat lower level than requested. This signals a significant milestone in the work to control emissions at this facility under the EQC’s art glass rules.