

Dry Cleaner Program

Meeting Minutes

Friday, January 29, 2016
Northwest Region - Portland
700 NE Multnomah Street
Portland, Oregon 97232



State of Oregon
Department of
Environmental
Quality

List of Attendees

Committee members:

Jim Kincaid, Chair, Cable Huston Benedict & Haagensen
Brad Berggren, PNG Environmental
Gary Campbell, Oregon Dry Cleaners Association (ODCA)
Guy Tanz, PNG Environmental
Kathey Butters, ODCA
Peter Yoo, Korean American Dry Cleaners Association (KADCA)
Steve Young, ODCA

DEQ Staff:

Abby Boudouris, Office of Policy & Analysis
Bruce Gilles, Manager, Cleanup and Emergency Response
Ed Patnode, Dry Cleaner Program Staff
Joe Westersund, Dry Cleaner Program Coordinator

Others:

Jay Bleich, Bee Cleaners
Liesel Campbell, Campbell's Cleaners
Roy Berg, Riverside Cleaners

List of Handouts and Presentation Notes

❖ No materials were handed out.

Dry Cleaner Program
811 SW 6th Avenue
Portland, OR 97204
Phone: 503-229-5696
800-452-4011
Fax: 503-229-5850
Contact: Joe Westersund
www.oregon.gov/DEQ

*DEQ is a leader in
restoring, maintaining and
enhancing the quality of
Oregon's air, land and
water.*

1:00pm Meeting Commencement Time

ITEMS OF DISCUSSION

DEQ response to December fee scenario proposals

At the previous advisory committee meeting in December 2015, the ODCA proposed a 'tiered flat fee' structure and the KADCA proposed a 'flat fee' structure. The ODCA proposal also included a statutory cap that would prevent DEQ from spending more than 10% of program revenue on administering the program.

It currently costs DEQ \$200k to \$250k/year to administer the dry cleaner program, including fee collection, inspections and enforcement. The cap proposal would limit that to \$60-80k, or less depending on total program revenue.

Bruce Gilles responded to these proposals on behalf of DEQ. Either the 'tiered flat' or 'flat' fee structures would be acceptable to DEQ. However, the proposed cap on administrative spending would not be acceptable to DEQ. The proposed cap would reduce the funding to administer the program to 1/3 to 1/4 of current spending, and DEQ does not believe it could run a fair and effective program for that cost.

The 'tiered flat' and 'flat' fee structures do present opportunities for administrative cost savings through streamlined fee collection. DEQ believes either proposal would allow the program to be run about 15% more efficiently, by eliminating the need for fee return data entry and fee audits. The savings would be used on the cleanup side of the program to clean up dry cleaner sites.

DEQ would like fee rates set to target \$800k/year in program revenue. ODCA proposals have targeted \$625k to \$650k/year.

Bruce offered for the program to produce an annual report to the Legislature and the public, to document how DEQ is using the program's fee revenue. A possible model would be the DEQ Oil Spill Contingency Planning program, which is required by ORS 468b.412 to publish an annual report, posted [here](#).

ODCA fee proposal for owners of multiple sites

At this meeting Kathey Butters introduced a new fee proposal on behalf of the ODCA:

Facility Type	Proposed Annual Fee
Current perc dry cleaner	\$3,000
Current non-perc dry cleaner	\$2,500
Dry store at the site of a former dry cleaner	\$2,500
Listed inactive site	\$2,500

Dry stores at a site that was never a dry cleaner would not have to pay fees, but also would not be eligible for dry cleaner program cleanup funding.

Kathey proposed that the owner of a dry cleaning business would not have to pay for dry stores. So, for example a dry cleaning business that had a perc dry cleaner and one or more dry stores that were former dry cleaners would get eligibility for DCP cleanup funding for all sites for a total of \$3,000 per year, the same as a business that only had one perc dry cleaner.

Fees for listed inactive sites are usually paid by the property owner since, by definition, an inactive site does not have a current dry cleaning business. To DEQ's knowledge there are three listed inactive sites (all owned by advisory committee members) for which the former dry cleaning business owner is paying the fees. Kathey's proposal would also charge no fee for DCP coverage of those sites.

In clarification phone calls after the meeting, Kathey said that under her proposal this multifacility fee exemption would not apply to property owners. A property owner that owned multiple listed inactive sites would have to pay fees for each one.

Other legislative ideas

Currently DEQ rules [[OAR 340-124-0080\(2\)\(b\)](#)] state that once a dry cleaner or dry store closes, the site only has 180 days to submit a listed inactive site application. Otherwise the site loses cleanup coverage eligibility.

However, DEQ often doesn't learn a facility has closed until after that 180 day deadline has passed. (We often learn a facility has closed when our annual mailing is returned by the post office. But that only happens once a year.) So, DEQ loses the opportunity to tell the property owner about the program and the deadline. And the property owner misses the chance to keep their cleanup liability protection. Changing the 180 day limit to 365 days could help property owners keep coverage and the DCP to retain sites in the program.

Next Steps

DEQ will respond to the 'multifacility exemption' proposal before the next advisory committee meeting.

3:00pm Meeting Adjournment Time

Next meeting to be scheduled for mid-March 2016, in the same location.