

# Dry Cleaner Program

## Meeting Minutes

Wednesday, April 13, 2016  
Headquarters  
811 SW 6<sup>th</sup> Avenue  
Portland, Oregon 97204



State of Oregon  
Department of  
Environmental  
Quality

### List of Attendees

#### Committee members:

Jim Kincaid, Chair, Cable Huston LLP  
Allan Wright, Oregon Dry Cleaners Association (ODCA)  
Gary Campbell, ODCA  
Guy Tanz, PNG Environmental  
Kathey Butters, ODCA  
Peter Yoo, Korean American Dry Cleaners Association (KADCA)  
Steve Young, ODCA  
Tae-Hwan Kim, KADCA

#### DEQ Staff:

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

#### Others:

Brenda Powell, Mirror Pond Cleaners  
Jay Bleich, Bee Cleaners  
Lee Upperman, Sunshine Cleaners  
Liesel Campbell, Campbell's Cleaners  
Michael Maggard, Five Star Cleaners  
Tara Platt, Kimco Realty

### List of Handouts and Presentation Notes

❖ Fee Proposals Discussed at 3/30/2016 advisory committee meeting

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enhancing the quality of  
Oregon's air, land and  
water.*

**1:00pm** Meeting Commencement Time

## **ITEMS OF DISCUSSION**

The goal of the meeting was for DEQ to be able to determine whether there is enough stakeholder agreement for DEQ to carry a fee increase bill to the 2017 session of the Oregon Legislature.

Joe Westersund stated that from a DEQ perspective, for a fee structure to be viable it needed to result in \$750k/year program revenue, or \$700k/year if it included a 3% annual fee increase. This was based on the current (2016) number of facilities, which is likely to decrease before a change would actually take effect in 2018.

The committee debated several questions related to fee structures:

- Should the fee depend on the number of dry cleaning machines at a site?
- Should the fee for a dry cleaner using Green Earth solvent be different from dry cleaners using petroleum or Rynex solvents?
- Should dry stores (pick-up and drop-off locations that have no on-site dry cleaning) at locations where there has never been a dry cleaner on site be included in the program and fee structure?
- Would it be better for fees to be set as a fixed number in statute, or should fees start lower and increase each year?

The ODCA Board of Directors voted prior to the meeting to support a per-machine fee structure.

Based on data from annual reports submitted by dry cleaners, the DEQ database showed that 24 dry cleaners had two dry cleaning machines on site, and no dry cleaners had more than two. However, based on data Kathey Butters collected by individually calling dry cleaners, 13 of those actually have only one machine, leaving only 11 facilities that have two machines.

Some committee members felt that Green Earth is significantly more environmentally friendly than other alternative solvents and should have a separate, lower fee category. Other committee members felt that the data showing Green Earth was “greener” was inconclusive.

Gary Campbell said that he supported including all dry stores in the fee structure, even those that have never had dry cleaning on site. He pointed out that before the fee structure was last changed in 2003, dry

stores that had never been dry cleaners were subject to a flat fee of \$250.

Joe Westersund said that DEQ prefers that dry stores at locations that have never had dry cleaning on site not be included in the program. Those facilities will never need a DCP cleanup, so they don't benefit from the program. Some of them are very small rural businesses, like a general store that also arranges for dry cleaning to be sent to a bigger city for processing. Those facilities are likely to feel that the fees are unfair.

Peter Yoo stated that he did not support including dry stores that have never had dry cleaning on site in the program.

Committee Chair Jim Kincaid invited comments from members of the audience from 2:00 to 2:15pm.

Jay Bleich said that he felt a fee structure that charged more for dry cleaners that had more than one dry cleaning machine would be unfair. His dry cleaner has two machines, and he said that he would consider removing one in order to avoid the additional fee. He said that he would oppose a bill with those contents if it came before the Legislature.

Michael Maggard said that he felt a per-machine fee was overly complicated. He said that he would support a flat fee per facility because cleanup costs are not affected by how much revenue or how many machines the current business has.

Tara Platt said that Kimco has several sites in the DCP. Kimco as a national organization is only allowing dry cleaners to renew their leases if they use or switch to Green Earth solvent. Tara said that the current fee for a listed inactive site (\$500/year) is very cheap from the perspective of a property owner, and that even the increased numbers under discussion would be a good value.

At the end of the meeting, the committee arrived at this fee structure proposal:

	\$/site/year in 2018*
current dry cleaners that use perc or nPB	\$3,300
current dry cleaners that don't use perc or nPB	\$2,675
dry stores at locations that were dry cleaners at any time	\$2,500
listed inactive sites	\$2,500
* fees would increase by 3% each year after 2018, for 6 years.	

These committee members supported this proposal: Guy Tanz, Kathey Butters, Peter Yoo, and Steve Young.

These committee members did not support this proposal: Allan Wright and Gary Campbell. Gary said that he was “significantly not in favor” and stated that he felt the discussion was too last-minute. He preferred that the DEQ not move towards a 2017 bill to change the fee structure, and instead wait until 2019.

Tae-Hwan Kim left the meeting early for an appointment and was not there at this time.

Though the committee was not in consensus, Abby Boudouris said that she believed there was enough agreement from the committee and other stakeholders in the room for her to move forward with efforts to get DEQ to carry a bill, with the fee structure proposed at the end of the meeting.

Several discussion items were put in a ‘parking lot’ list for discussion at a later meeting.

- Should the dry cleaner program
  - allow facilities to pay more in order to get higher priority for a dry cleaner program-funded cleanup?
  - offer a financial reward for facilities that are able to find a pre-1986 insurance policy for their site?
  - allow quarterly or monthly payments for dry cleaner fees?
  - have a grace period for late payments? DEQ Air Quality’s rules allow 7 days after the deadline before charging a late fee.

### **3:15pm Meeting Adjournment Time**

After the meeting, DEQ asked the ODCA and KADCA by email to make a formal statement as to whether their organizations supported the fee structure proposal developed in this meeting. ODCA responded that they neither formally supported nor formally opposed the proposal. KADCA responded that they did not formally support the proposal. Based on this response DEQ is ending its efforts toward carrying a bill to the 2017 Legislature.