



State of Oregon Department of Environmental Quality

Heating Oil Tanks Rulemaking Advisory Committee Meeting Reference Materials

Senate Bill 40:

Maintain Heating Oil Tank Program

Summary

Senate Bill 40 will provide resources for the Oregon Department of Environmental Quality for overseeing decommissioning and cleanup of underground heating oil tanks. Heating oil tanks store fuel for use as part of a heating system. Most heating oil tanks were installed underground at pre-1960 residential and commercial properties.

The DEQ Heating Oil Tank program is a third-party certification system. DEQ's work includes testing and licensing service providers, keeping records of project data and status, providing guidance and technical assistance, reviewing reports and auditing service provider work.

Threats to human health and environment

Many heating oil tanks have leaked. Underground heating oil tank leaks pollute soil and groundwater. Underground tanks are usually made of steel that corrodes and weakens to the point they can no longer hold fuel. Petroleum vapors can enter buildings and pollute indoor air. Groundwater contamination can ruin drinking water wells or pollute surface water. Heating oil includes a range of petroleum products containing various components that can cause both acute and chronic illnesses, including cancer. Reporting leaking tanks to DEQ is mandatory. DEQ established standards governing decommissioning and cleaning up tanks.



Through 2018, approximately 50,000 heating oil tanks have been reported to DEQ of an estimated 200,000 tanks that were installed underground in Oregon.

Challenges

Revenue from current fees is inadequate for sufficient contractor assistance and auditing. This limits work to ensure projects meet environmental standards, protect homeowners from exposure to pollution, excess project costs and risk of fraud. Current staff levels allow only after-the-work desk reviews of less than half of the

projects, and severely limit guidance updates and outreach.

Solution

SB 40 fully funds the program by increasing report filing fees and creating three fee levels connecting revenue to DEQ labor. Complex projects leave more contamination in place if site assessment shows no risk; intermediate and simple projects leave successively less contamination behind, making cleanup certification easier. Phased license fee increases minimize impact on small businesses. SB 40 adjusts fees set over 10 years ago; license fees were established in 1999, and report filing fees were raised in 2007.



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

Table 1. Current and proposed fees by category.

Fees	Current	Proposed	# Projects in 2018	
Report Filing Fees				
Clean Decommissioning	\$75/project	\$100/project	652	
Cleanup Report	\$200/project	Tiered based on project type:		
		1) Simple: \$250	407	
		2) Intermediate: \$350	287	
		3) Complex: \$450	584	
Total:			1930	
Licensure Fees			# Fee Payers	
Service Provider License	\$750/year	2020	\$800/yr	48
		2021	\$900/yr	
		2022	\$1000/yr	
Service Provider Supervisor License	\$75/year	\$100/year	112	

Consequences of not raising fees

Without a fee increase, DEQ efforts will decrease and Oregonians would experience:

- Decreased oversight of heating oil tank service providers;
- No effective heating oil tank service provider inspections or audits;
- Extended time to review reports.

More about the program

Most tanks are identified and checked during real estate transactions, necessitating quick project completion. A DEQ-licensed service provider completes a cleanup or decommissioning and submits a certification to DEQ. After review, DEQ issues a letter to the tank owner registering the contractor's certification. In calendar year 2018, 48 licensed contractors submitted 1,930 project certifications. Average file closure times are under two weeks and DEQ expedites projects involved in property transactions.

Contact

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Alternative formats

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email deqinfo@deq.state.or.us.

Senate Bill 40

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Kate Brown for Department of Environmental Quality)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Modifies license fees for heating oil tank regulatory program. Modifies heating oil tank decommissioning certification fees and heating oil tank corrective action certification fees.

Applies to fees assessed on and after January 1, 2020.

A BILL FOR AN ACT

1
2 Relating to heating oil tank regulatory program; creating new provisions; and amending ORS 466.868
3 and 466.872.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 466.868 is amended to read:

6 466.868. (1) In order to obtain a license under the program established pursuant to ORS 466.858,
7 a person shall provide to the Department of Environmental Quality:

8 (a) A certificate of insurance in an amount adequate to pay for any additional corrective action
9 necessary as a result of an improper or inadequate decommissioning or corrective action approved
10 by the department.

11 (b) A summary of all projects completed since the applicant last applied for a license, including
12 the costs of those projects.

13 (c) For each individual license, a demonstration of ability, which may consist of written or field
14 examinations.

15 (d) Any other information deemed necessary by the department.

16 (e) An annual license fee. The fee shall be:

17 (A) [~~\$750~~] \$_____ for the business, including but not limited to corporations, limited partnerships
18 and sole proprietorships, engaged in the performance of heating oil tank services; and

19 (B) [~~\$75~~] \$_____ for each individual employed by the business and charged with the supervisory
20 responsibility to direct and oversee the performance of tank services at a facility.

21 (2) The department shall maintain a registry of all persons licensed under this section, including
22 a summary of the project information required in the application.

23 (3) In accordance with ORS chapter 183, the department may revoke a license of any person
24 offering heating oil tank services who commits fraud or deceit in obtaining a license or who dem-
25 onstrates negligence or incompetence in performing the heating oil tank services.

26 **SECTION 2.** ORS 466.872 is amended to read:

27 466.872. (1) In establishing the requirements to certify a voluntary decommissioning or to ap-
28 prove corrective action on the basis of a certification received from a heating oil tank service pro-
29 vider, the Department of Environmental Quality shall include:

30 (a) A process for conducting inspections of sites where a heating oil tank has been decommis-

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 sioned or where a heating oil tank service provider certifies corrective action is complete;

2 (b) The specific information that a person must submit to certify that corrective action is com-
3 plete;

4 (c) Provisions that allow the department to reject certification and require additional corrective
5 action prior to approval by the department that the certification is complete and complies with the
6 standard set forth in ORS 465.315; and

7 (d) Provisions to require additional information about a decommissioning before certifying the
8 decommissioning.

9 (2) Any person requesting certification of a heating oil tank decommissioning under subsection
10 (1) of this section shall file a request with the department accompanied by a filing fee of [\$75]
11 \$_____.

12 (3) Any person requesting certification of a heating oil tank corrective action under subsection
13 (1) of this section shall file a request with the department accompanied by a filing fee of [\$200]
14 \$_____.

15 **SECTION 3. The amendments to ORS 466.868 and 466.872 by sections 1 and 2 of this 2019**
16 **Act apply to fees assessed on and after the effective date of this 2019 Act.**

17 _____

Help (https://www.oregonlegislature.gov/OLIS_help/Pages/Measures.aspx#Overview) | Staff Login
(/liz/2019R1/Account/Login)

2019 Regular Session

SB 40 Enrolled (/liz/2019R1/Downloads/MeasureDocument/SB40)

Overview

At the request of: (at the request of Governor Kate Brown for Department of Environmental Quality)

Chief Sponsors:

Regular Sponsors: Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President.

Bill Title: Relating to heating oil tank regulatory program.

Catchline/Summary: Modifies license fees for heating oil tank regulatory program.

Chapter Number: Chapter 457

Fiscal Impact: Fiscal Impact Issued

Revenue Impact: No Revenue Impact

Measure Analysis: Staff Measure Summary / Impact Statements (/liz/2019R1/Measures/Analysis/SB40)

Current Location: Chapter Number Assigned

Current Committee: ()

Current

Subcommittee:

Subsequent

Referral(s):

Potential Conflicts of Interest/Vote Explanations: Potential Conflicts of Interest/Vote Explanation Documents
(<https://www.oregonlegislature.gov/pcive/Forms/Display.aspx?View={55B3C8F7-2A7D440A-970E-9E9C88208AAB}&FilterField1=Session&FilterValue1=2019R1&FilterField2=Measure&FilterValue2=SB4>)

Measure History

1-14 Introduction and first reading. Referred to President's desk.
(S)

1-15 Referred to Environment and Natural Resources, then Ways and Means.
(S)

-
- 2-7** Public Hearing held. (</liz/2019R1/Committees/SENR/2019-02-07-13-00/SB40/Details>)
(S) (</liz/2019R1/Committees/SENR/2019-02-07-13-00>)
-
- 2-19** Work Session held. (</liz/2019R1/Committees/SENR/2019-02-19-13-00/SB40/Details>)
(S) (</liz/2019R1/Committees/SENR/2019-02-19-13-00>)
-
- 2-21** Recommendation: Do pass with amendments and be referred to Ways and Means by prior reference. (Printed A-Eng.)
(S)
-
- 2-21** Referred to Ways and Means by prior reference.
(S)
-
- 5-17** Assigned to Subcommittee On Natural Resources.
(S)
-
- 5-22** Work Session held. (</liz/2019R1/Committees/JWMNR/2019-05-22-13-00/SB40/Details>)
(S) (</liz/2019R1/Committees/JWMNR/2019-05-22-13-00>)
-
- 5-22** Returned to Full Committee.
(S)
-
- 5-24** Work Session held. (</liz/2019R1/Committees/JWM/2019-05-24-09-00/SB40/Details>)
(S) (</liz/2019R1/Committees/JWM/2019-05-24-09-00>)
-
- 5-29** Recommendation: Do pass the A-Eng. bill.
(S)
-
- 5-29** Second reading.
(S)
-
- 5-30** Carried over to 06-03 by unanimous consent.
(S)
-
- 6-3** Third reading. Carried by Frederick. Passed. Ayes, 20; Nays, 8--Baertschiger Jr, Boquist, Girod, Knopp, Linthicum, Olsen, Thatcher, Thomsen; Excused, 1--Taylor.
(S)
-
- 6-4** First reading. Referred to Speaker's desk.
(H)
-
- 6-4** Referred to Ways and Means.
(H)
-
- 6-5** Recommendation: Do pass.
(H)
-
- 6-6** Second reading.
(H)

6-10 (H) Third reading. Carried by Reardon. Passed. Ayes, 40; Nays, 19--Barreto, Boles, Boshart Davis, Drazan, Hayden, Helt, Leif, Lewis, Nearman, Noble, Post, Reschke, Smith DB, Smith G, Sprenger, Stark, Wallan, Wilson, Zika; Excused for Business of the House, 1--Marsh.

6-14 (S) President signed.

6-14 (H) Speaker signed.

6-20 (S) Governor signed.

7-2 (S) Chapter 457, 2019 Laws.

7-2 (S) Effective date, January 1, 2020.

Scheduled Events

Oregon State Legislature

Building Hours: Monday - Friday, 7:00am - 5:30pm
1-800-332-2313 | 900 Court St. NE, Salem Oregon 97301

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| Oregon.Gov (<http://www.oregon.gov/Pages/index.aspx>)

Heating Oil Tank Program

HOT Service Provider Focus Group

Fee Increase Legislative Concept

Friday, October 12, 2018

9-10:30

601-Lloyd Building

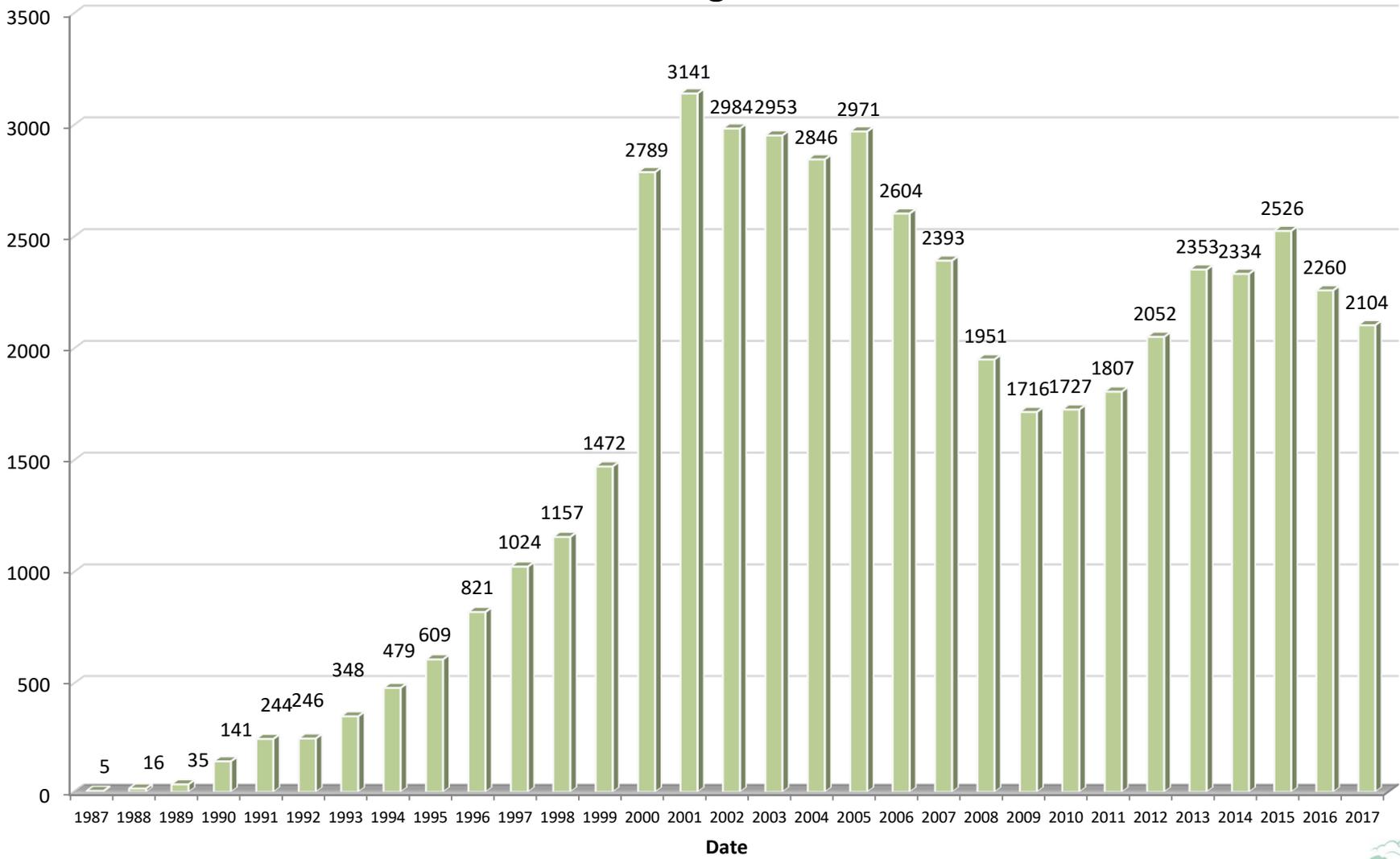
Agenda

- Welcome and Introductions
- HOT Program Workload
- Service Provider Perspective
- Property Owner Survey
- Program Revenue Needs and Fee Impacts
- DEQ Budget Request and Schedule
- Next Steps

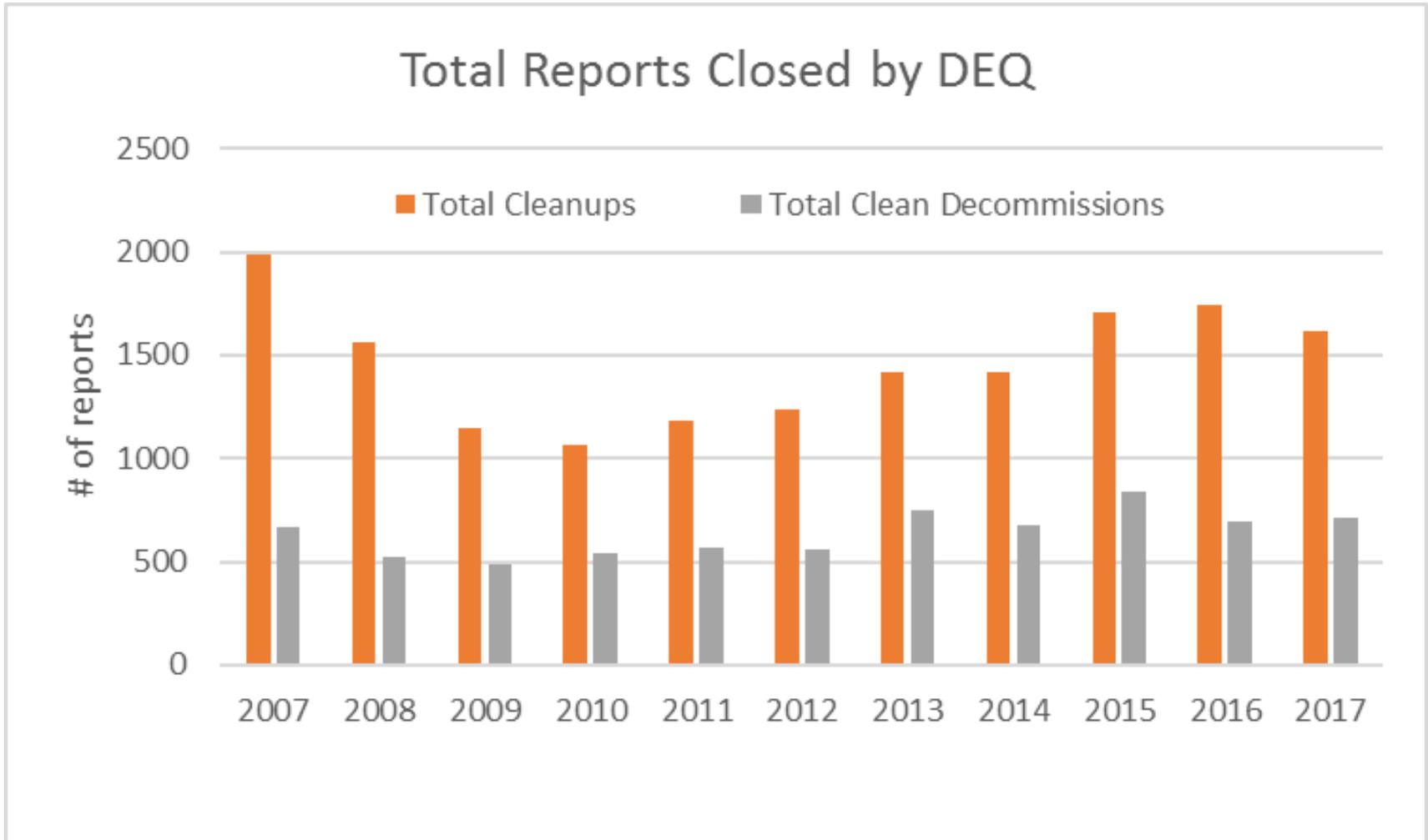


HOT Program Data

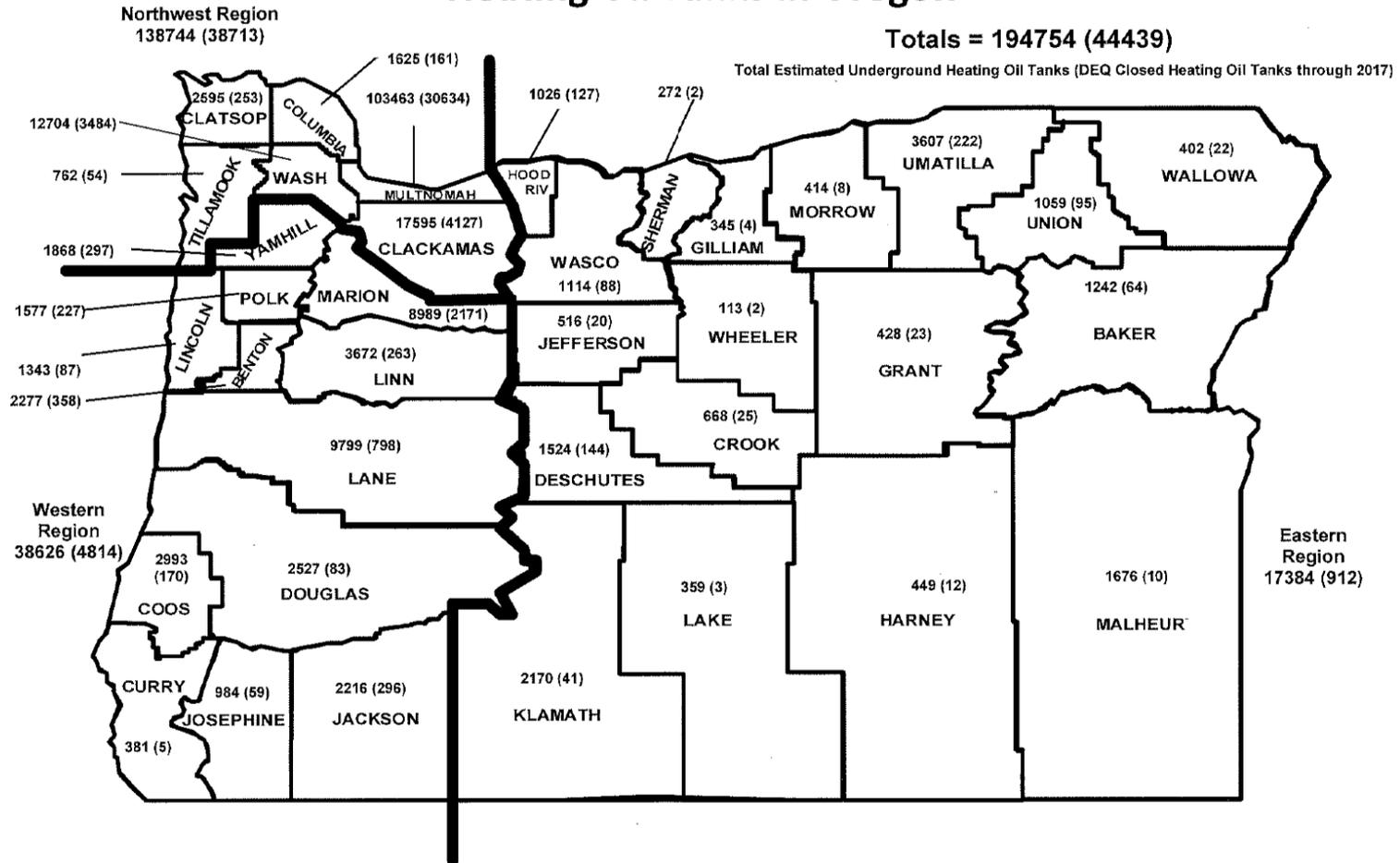
Number Heating Oil Tanks Identified



HOT Program Data



Heating Oil Tanks in Oregon



Data: DEQ databases

HOTMaps.xlsx (LD 10/4/18)

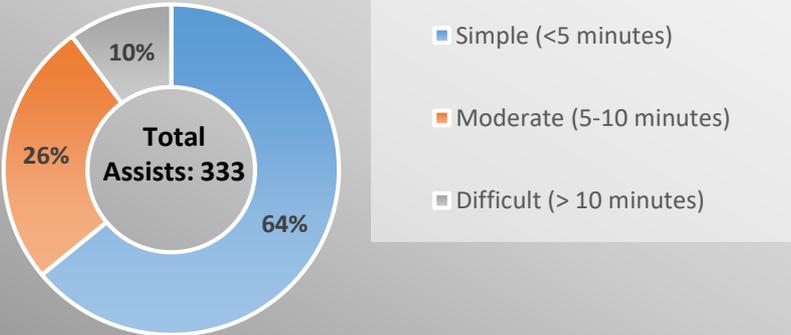
HOT Program Data

Fixed Costs	17-19 FTE
License Issue/Exam	0.1
Licensee Inspection/Audit	-
Database/Web systems	0.3
Records Retention/Requests	0.2
Guidance/Policy	-
TA: outreach	-
TA: closed site inquiries	0.1
Sub-total:	0.7
Variable Costs (project driven)	
Leak report processing	0.4
Cleanup report processing	0.4
Cleanup Report review	1.0
Decom report processing	0.2
Decom report review	-
TA: discovered tanks	0.3
Sub-Total:	2.3
Total:	3.0

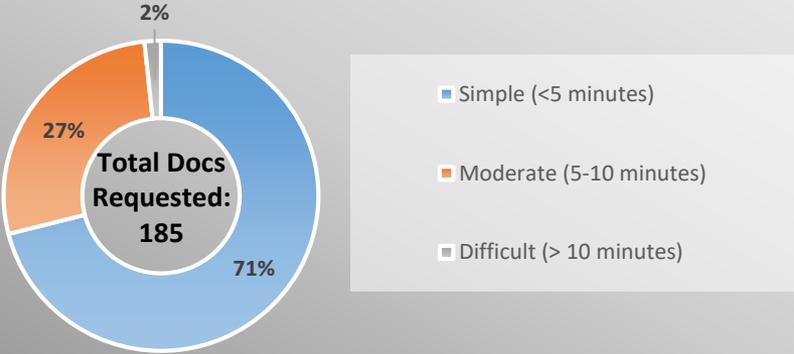
Allocation to activities are estimates; table excludes management and indirect costs

HOT Program Data

Average Monthly HOT Program Technical Assistance: phone calls, emails, walk-ins

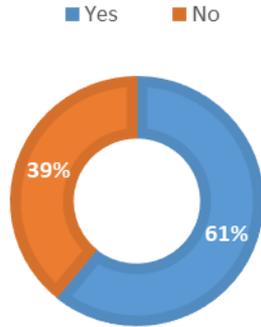


Average Monthly HOT Documentation Requests: administrative, technical

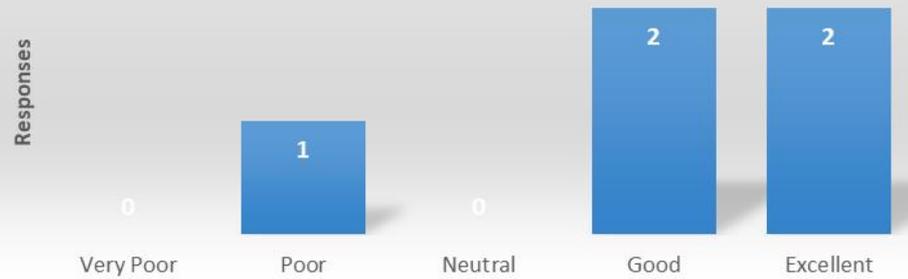


Property Owner Survey

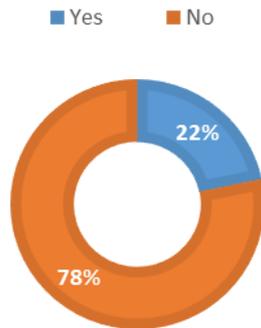
DID YOU HAVE HEATING OIL TANK WORK PERFORMED DUE TO BUYING OR SELLING A PROPERTY?



How would you rate the level of customer service provided by the DEQ representative?

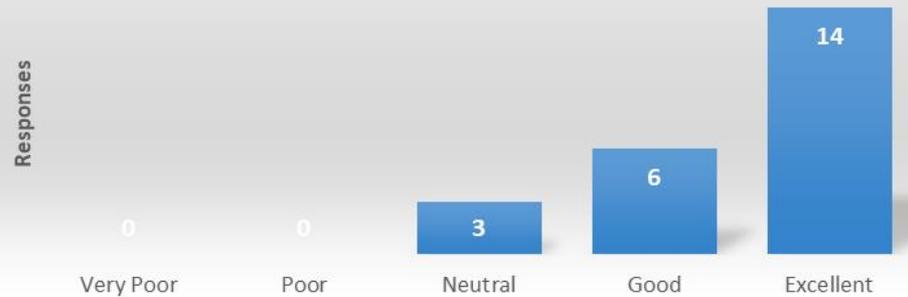


DID YOU SPEAK WITH A DEQ REPRESENTATIVE DURING YOUR HEATING OIL TANK WORK?



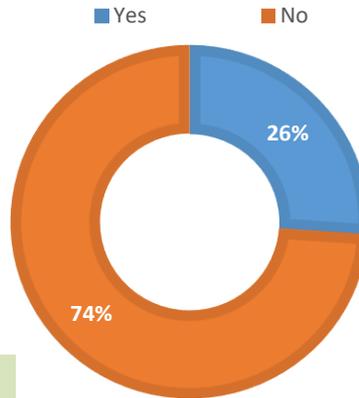
Process/Timeline

How would you rate the quality of service from your heating oil tank service provider?



Property Owner Survey

DEQ IS CONSIDERING OFFERING SITE VISITS THAT WOULD INCLUDE A SITE INSPECTION. IN HINDSIGHT, WOULD YOU HAVE PREFERRED A SITE VISIT?



“No, project was already time consuming and expensive enough.”

“I don't think it would have helped”

“Less government means quicker turnaround”

“It wouldn't have helped in this situation. I wouldn't have wanted to risk slowing down the process.”

“Process out of my control. There were a lack of clear answers from City/contractor.”

“I wouldn't have minded either way. The contractor was very environmentally conscious and knew the rules”

“Service provider did excellent work”

“Wouldn't have hurt”

“As long as contractor doing the work accurately, I don't see the need.”

“Maybe. Not this one, but there are others that need unannounced visits to check for compliance.”

“As an environmental scientist, I definitely think DEQ should be auditing contractors.”

“Maybe. Not this one, but there are others that need unannounced visits to check for compliance.”

“Don't know if I need to interact directly with DEQ. Thought inspection was part of process.”

“Unsure; possibly unnecessary however it could have been helpful for contractor to receive technical assistance”

Service Providers

How does the certification process work for you?

- Documentation requirements?
- Reporting schedules?
- Access to/obtaining technical assistance?
- Approval for deviations from rule?
- Homeowner communication?
- Guidance and webpage information adequate?



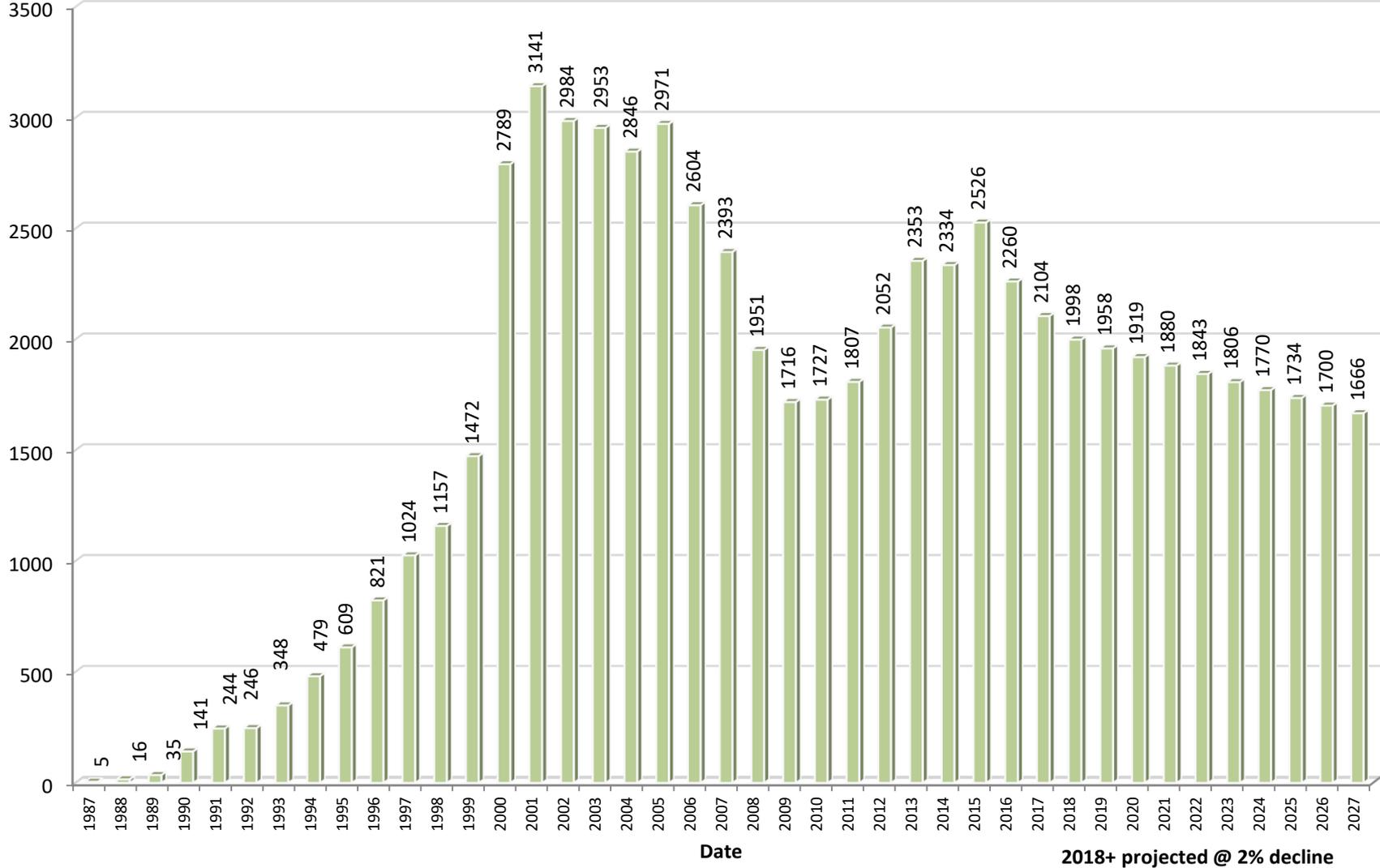
Budget Proposal

DEQ Activity	FTE		
	17-19 Estimated	19-21 Current fees	19-21 Proposed
Fixed			
License Issue/Exam	0.1	0.1	0.1
Licensee Inspection/Audit	-	0.2	0.5
Database/Web systems	0.3	0.4	0.5
Records Retention/Requests	0.2	0.2	0.2
Guidance/Policy	-		0.3
TA: outreach	-		0.3
TA: closed site inquiries	0.1	0.1	0.1
Sub-total:	0.7	1.0	2.0
Variable (project driven)			
Leak report processing	0.4	0.4	0.4
Cleanup report processing	0.4	0.4	0.4
Cleanup Report review	1.0	0.8	0.5
Decom report processing	0.2	0.2	0.2
Decom report review	-	0.1	0.1
TA: discovered tanks	0.3	0.3	0.4
Sub-Total:	2.3	2.2	2.0
Total:	3.0	3.2	4.0

Allocations to activities are estimates; table excludes management and indirect costs

Workload Projection

Number Heating Oil Tanks Identified



2018+ projected @ 2% decline

HOT Program Revenue Needs/Fee Impacts

DEQ proposal for individual fee changes to be completed January 2019

Fee Revenue 2017-19: \$843,000

Revenue Estimate 2019-2021: \$871,700

Cost 4.4 FTE 2019-21: \$1,296,700

Revenue Gap: \$425,000

	Transactions CY2017	Enacted	Current	Inflation Alone (CPI)	55% increase if all fees are increased equally
Business License Fee	48	June 1999	\$750	\$1,112	\$1163
Supervisor Fee	112	June 1999	\$75	\$112	\$117
HOT Cert Fee ("Clean Decomm")	714	June 2007	\$75	\$90	\$117
Corrective Action Cert Fee	1633	June 2007	\$200	\$240	\$310

Cost Recovery revenue could reduce license or report fees

Estimate: 15 projects/yr x 5 hrs/project x \$200/hr billed = \$15,000/yr

Service Providers

- 1) What do you hear from your customers about the HOT Program?
- 2) Do you have workload projections/goals?
- 3) Is phasing in license fee increases important?
- 4) Do you think the technical rules should be reviewed for possible revisions?
- 5) What percentage of tanks that you test leak?
- 6) How many clean decommissionings (voluntary reporting) do you perform that are not reported to DEQ?
- 7) On average, what is the residual volume of heating oil in tanks prior to decommissioning?
- 8) Are you a member of any trade associations?



What do you think?

Are there DEQ activities to add or drop?

Do you have comments about allocating the fee increase?

How do we communicate this information to all Service Providers?

- **Contractor Day?**
- **Service Provider Bulletin?**

Do you have an interest in testifying before the legislature in support of the fee increase?



Next Steps

- Service Provider Outreach - TBD
- Realtor Webinar – November 14
- Fee proposal – Jan 2019
- Legislative Session – Feb 2019



Heating Oil Tank Program: Fee Increase

HOT Service Provider Focus Group Meeting Notes



State of Oregon
Department of
Environmental
Quality

Land Quality
Heating Oil Tank
Cleanup Program

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

10/12/2018

Location

Oregon Department of Environmental Quality
700 NE Multnomah St., Suite 600
Portland, OR 97232

List of attendees

- Mike Kortenhof, DEQ
- Rebecca Wells-Albers, DEQ
- Ash Desmond, DEQ
- Lauren Dimock, DEQ
- Corin Salnave, DEQ
- Mindy Cobb, DEQ
- Ingrid Gaffney, DEQ
- Darren Blaine, Soil Solutions
- Tess Chadil, Soil Solutions
- John Harding, Xavier Environmental
- Bill Knudsen, K&S Environmental

Presentation

- Heating Oil Tank Program Service Provider Focus Group: Fee Increase Legislative Concept

Time Topic

9:00 a.m. Presentation
10:30 a.m. Adjourn

Alternative formats

For questions about accessibility or to request an accommodation, please call 503-229-5696, or toll-free in Oregon at 1-800-452-4011, ext. 5696. Requests should be made at least 48 hours prior to the event. Documents can be provided upon request in an alternate format for individuals with disabilities or in a language other than English for people with limited English skills. To request a document in another format or language, call DEQ in Portland at 503-229-5696, or toll-free in Oregon at 1-800-452-4011, ext. 5696; or email <mailto:deqinfo@deq.state.or.us>

1. Welcome, introductions, & agenda
 - a. Fee proposal not widely known outside of DEQ, feel free to share info from this meeting
 - i. DEQ will request feedback regarding how to reach out to all Service Providers (SPs)
2. HOT Program Data (1) – total # tank sites identified per year (Leaks reported and clean decommissions)
 - a. Graph shows rise in HOT work (2000's), correlation to real estate transactions, recession (2009), etc.
 - i. Current and future trends: are there less tanks to be found?
3. HOT Program Data (2) – # of clean decommission reports and # of cleanup reports closed by DEQ 2007-17.
 - a. Suggestion to provide better information on the HOT assessment/decommissioning process (flowchart?). This would assist Service Providers when they explain the process to realtors and property owners.
4. Heating Oil Tanks in Oregon – map shows **estimate** of tanks in each county, and DEQ data on tanks closed in each county
 - a. 35,962 active tanks (UST and AST) in Oregon (Census data 2016)
 - b. Service Providers (SPs): Don't handle many ASTs.
 - c. SPs: Rural areas do not have many in general.
 - d. SPs: Clean Decommissions are registered with DEQ for ~50% of sites
 - i. SPs: In 2010 there were many clean decommissions that were not registered, but that has changed. Realtors are registering more clean decommissions with DEQ.
 - e. SPs: We register all tanks that decommission with DEQ license.
 - i. *DEQ to look this up
 - f. SPs: Why is it voluntary to register Clean Decommissions? Mandatory registration could give DEQ more revenue.
 - i. DEQ: Agency cannot make this mandatory; SPs could go to legislature and make request to make amendment to bill.
 - ii. SPs: Unsure that fees should be raised for clean decommissions because homeowners already don't register their tanks due to the \$75 fee.
5. HOT Program Data: Current Full Time Employees (FTE)
 - a. 3.0 FTE – No license inspection/audit, guidance/policy, Technical Assistance (TA): outreach, Decom report processing
 - i. What's happening as a result: serious database problems, public records request, very limited TA, leak reports and setting up files (admin tasks), cleanup report review (Ash reviewing alone for 3+ years)
 1. What we are currently doing is functional, but minimal and undesirable; DEQ wants to do more by bringing on 4.0 FTE (additional project manager)
6. HOT Program Data (5) – Staff Survey Results
 - a. Monthly technical assistance (phone, emails, walk-ins) complexity: 64% simple (under 5 minutes), 36% more complex (over 5 minutes)
 - i. Estimated 80% on realtors, 20% on homeowners, SPs, etc.
 - ii. Suggestions to reduce technical assistance:
 1. DEQ could make an app for site searches, as the excel spreadsheet is antiquated.
 2. Re-doing the HOT webpage is a possibility.
 - b. Monthly HOT documentation requests (administrative and technical): 71% simple (under 5 minutes), 29% more complex (over 5 minutes)

- i. Public Records Requests: Between 2014 and 2017, DEQ spent \$8,000 just pulling files from Iron Mountain (not including time spent by DEQ)—this cost is not captured in the program budget.
 - 1. SPs: Why aren't files digitized? It would clearly be cheaper to pull the files.
 - a. DEQ: Not enough funding to do previous reports. In the future, it is possible to digitize reports as they are closed, but DEQ likely won't be able to do it for old files.
 - i. HOT could pilot program of electronic report submission.

7. Property Owner Survey

- a. DEQ only receives property owner phone #s in 13% of reports
 - i. SPs: We often don't have phone numbers for the homeowner. The realtor or buyer is often organizing the work, many times we only see signatures from homeowners.
- b. DEQ called over 100 homeowners. 25% of calls to homeowners with a cleanup made in each of the four groups: Multnomah County, Washington County, Clackamas County, and Other Counties. Also called 25 homeowners with a clean decommission.
 - i. 23 responses to date
 - ii. Currently including a mailer in DEQ closure letters
- c. Findings:
 - i. Majority of people doing tank work due to property transaction
 - 1. SPs: The survey doesn't seem representative of the actual percentage of cleanups/decommissions done because of a property transaction—the actual percentage is likely higher.
 - ii. Majority of people not interacting with DEQ
 - iii. Level of service from DEQ: Poor, Good & Excellent
 - iv. Level of service from SPs: Neutral, Good & Excellent
 - v. Possibility of site visit from DEQ: Majority selected no; homeowner comments show variety of ideas and opinions
 - 1. SPs: What is DEQ hoping to get out of site visits?
 - a. DEQ:
 - i. Prevent fraud (i.e. Neil Shaw), increase amount of DEQ interactions with homeowner/SPs.
 - ii. We receive calls from homeowners asking “how do you know the contractors are collecting samples correctly?” Perspective of homeowners is that DEQ should be doing due diligence to ensure rules are being followed.
 - iii. DEQ envisions “spot checking” sites while work is being done. This process would not be “permit-like”—DEQ does not intend to slow or alter the field work schedule of SPs. However it is still unknown what site visits could look like. DEQ hopes to improve consistency among service providers.
 - 2. SPs: At this point, fraud has been weeded out. We do not want our field work schedules to be slowed down. Doesn't the certification take care of any need for DEQ to visit a site?
 - a. DEQ: Reviewing reports alone is not enough, because i.e. Neil Shaw created good looking reports that were false. General feedback that the process was intimidating to property owners.

8. Budget Proposal – currently at 3.0 FTE, 2019-20 with no fee increase would be 3.2 FTE, 2019-20 with the fee increase would be 4.0 FTE
 - a. SPs: Does having 4 staff members mean that you would review all reports?
 - i. DEQ: Unlikely that all reports would be reviewed.
9. Workload Projection – # HOTs identified through 2027, predict 2% decline
 - a. Outreach and communication could change these projections; people could find and decommission tanks at a quicker rate
 - i. SPs: There must be 1,000s of sites with open files. DEQ could use that as driver to increase number of report closure fees.
 1. DEQ has ~5,000 open HOT files. We have to inch towards closing these files due to responses DEQ has gotten in the past when they have reached out to properties with open files.
 - a. Pre-2002 there are many open files that have actual reports in them that could potentially be closed. Recent years have a small number of open files.
 - b. *DEQ pull data on number of open files per year
10. HOT Program Revenue Needs/Fee Impacts – Need \$425,000 additional funds
 - a. 55% fee increase across the board **example**, not necessarily what DEQ will propose in January
 - i. DEQ estimate: 15 sites of cost recovery per year will equal ~\$15,000/year.
 1. SPs: We would like the opportunity to sign a cost recovery agreement with complex sites to get more DEQ assistance.
 - b. Estimated 10% of funding coming from license fees, 90% from project fees
 - i. SPs: It's not right if the business license fee is increased, as some contractors only do 20 projects—it is difficult to pass on the extra cost to only 20 clients.
 1. Of 50 SPs, approximately 6 SPs doing ~90% of the work.
 - ii. SPs: Our business has been unable to raise prices from 10 years ago because clients “feel like they're being taken for a ride”, but equipment/labor costs are rising, so we are ultimately making less money than we used to.
 1. *DEQ conduct cost analysis
 - iii. SPs: Is it possible to charge a different fee for Soil Matrix, Generic Remedy, and Risk Based reports? More time is spent reviewing and scrutinizing Risk Based reports, therefore it makes sense that the filing fee would be higher for these reports.
 1. Possibly in DEQ's scope to make this amendment now.
11. Next Steps
 - a. Realtor Webinar (interactive)—November 14
 - i. This could also be a good format to communicate with all SPs.
 - b. Fee Proposal—January, 2019
 - c. Legislative Session—February, 2019
12. Other Questions
 - a. SPs: Are DEQ forms really necessary? They are repetitive.
 - i. DEQ: Yes, they are necessary for report check-in. DEQ Admin staff doesn't have time to go through the whole report to find information to check it in.
 1. Maybe we could consolidate checklists into one form.
 - a. *DEQ look into this
 - b. DEQ: How does the certification process work for you?

- i. SP Comment: Instead of time consuming site visits, maybe it would be better to provide more (and regular) technical guidance to increase consistency between personnel/companies.
 - 1. For example, some contractors take soil gas samples outside of house because homeowners didn't want holes drilled into the floor/foundation. Tim Brown was adamant that soil gas samples had to be taken inside house, but some have not been doing that and reports are approved by DEQ. This is a lack of consistency from DEQ. Curious how this extends to issues with approaching low-level groundwater hits.
 - 2. Site visits should last all day to see anything worthwhile, but then that staff person isn't available by phone to answer our questions during that time.
 - 3. Who does DEQ want us to approach with questions? HOTInfo email, Ash, Corin, etc.? What is the timeline we can expect for a response?
 - 4. DEQ: DEQ could do more contractor bulletins.
- ii. SP Comment: The DEQ supervisor test is very antiquated, not updated, we have issues training people because the test doesn't reflect today's standard.
 - 1. DEQ: DEQ reviews the questions every 5 or 10 years. DEQ just did one 3 years ago.
 - a. Please ask questions/send incorrect info to Ash or Lauren so we know what to look for the next time the test is updated.
- c. DEQ: How do we communicate this information to all Service Providers?
 - i. Contractor Day?
 - 1. DEQ: May do one in the spring/summer after dust settles on the fee proposal.
 - 2. SP suggestion: Video conference.
 - ii. Service Provider Bulletin?
 - 1. Do whatever is more cost effective—SP Bulletin.