The meeting of the Storage Tank Committee (STC) was held at the Albuquerque Public Schools Strong-Hurst Room, 120 Woodland, NW, Albuquerque, New Mexico 87107 on May 17, 2006. Chair Jim Norton called the meeting to order at 10:05 a.m.

There was a short interval while the Committee waited for the arrival of Mr. Pynes and Mr. Baca.

**Members Present:**
- Jim Norton, Chair
- Ryan Briggs, STC Member
- Ronnie Pynes, STC Member
- Paul Aguilar, STC Member
- Ruben Baca, STC Member
- Joseph Chavarria, STC Member

**Members Absent:**
- Wilfred Rael, STC Member

**Other Representatives Present:**
- Brad Billings, BAI
- Eileen Shannon
- Michael Hannigan, Basin Engineering, Inc.
- Mike McVey, DBS&A
- Joyce Shearer, NMED/PSTB
- Andy Freeman, Hall Environmental
- Dan Lopez, NMED/PSTB
- Donna Gary, EPD
- Cathy Atencio, NMED/PSTB
- Jim Davis, NMED/PSTB
- John E. Casey, Basin Engineering, Inc.
- Stephen G. Reuter
- Kalvin Martin
- Bill Brown
- C. Tyler Irwin

**Item #1 Roll Call**

The PSTC Administrator took the roll and noted a quorum was present.
Item #2 Approval of the Agenda

Action: Mr. Aguilar moved to approve the Agenda as presented. Mr. Briggs seconded. The motion passed unanimously.

Item #3 Update on Corrective Action Fund
Donna Gary, Manager of the Office of Finance and Budget, presented an update on the Corrective Action Fund (unobligated fund balance) to the Committee for the months of:
March 2006: $4,455,501;
April 2006: $4,830,789
(handout provided; see www.nmenv.state.m.us/pste for entire monthly report).
There was discussion relating to the figures contained in the March and April updates as presented by Ms. Gary.

The Chair pointed out that the fund is very healthy and currently there is $16 million dollars in the bank and $10.2 million in work plans have been signed. He additionally pointed out that the fund is being managed very conservatively and that there would be funds available to deal with the problem of a site requiring major clean-up.

At the Chair’s request, Ms. Gary discussed the timeliness of payments made out of the fund. She pointed out the significant decrease in delinquent payments from 2002 to 2004 and that the record continues to improve. The Chair mentioned accountability issues relating to the fund and further stated how helpful the monthly reports are with respect to maintaining oversight.

Ms. Gary continued her discussions with committee members specifically explaining the financial information, including HB19 funding data, contained in the packets distributed to the members.

A short discussion was held regarding the Responsible Party Outstanding Claims portion of the member information packets.

The Chair mentioned an inquiry made by a committee member at the March 15th meeting relating to a status report on the HB 19 money thus far in fiscal 2006. The Chair introduced the new division Budget Director, Ed Smith, to discuss the FY07 Operating Budget and HB19 funding with the membership.

Item #4 – Update on Status on Remedial Action Sites
Joyce Shearer presented a status report on Remedial Action Sites and provided spreadsheets for March and April, 2006. Ms. Shearer set out current approved work plans and the related dollar amounts referring to monthly activity shown on the Corrective Action Fund handout. Ms. Shearer discussed various areas around the state that are contemplated to require remediation and those currently under remediation.

Item #5 – Update on Prevention and Inspection Program
Kalvin Martin presented an update on the issue of UST jurisdictional matters between the state and some of the Indian tribes.
Personnel Issues:
Mr. Martin noted that Natalie Benavides has been hired to train with Nancy Gutierrez, a long-
time employee with significant institutional knowledge of tank fee invoicing and data base
programs, prior to Ms. Gutierrez’ retirement at the end of June, 2006.

Additionally, there will be an opening for a data entry position on July 1, 2006.

EPA Region 6 Staff Meetings:
Staff has been meeting with EPA staff on an ongoing basis. Mr. Martin mentioned his
attendance at an EPA workshop held with the Indian tribes the week of May 8th. The EPA is
conducting discussions regarding how the amendments to the Act are going to impact the tribes.
They are also providing guidance documents relating to these amendments. The documents are
not currently available but will be distributed in the near future to all parties.

Mr. Martin also mentioned discussions with EPA Region 6 staff regarding a number of privately
owned facilities, primarily in northern New Mexico, within the exterior boundaries of reservation
land. The facilities have been regulated and inspected by NMED since 1989. However, because
of the Energy Policy Act that requires the EPA to employ a strategy to respond to leaking
releases within those boundaries the EPA now has jurisdiction over these facilities. NMED will
continue to work, and correspond, with these facilities in developing an agreement that includes
compliance enforcement and maintaining access to the Corrective Action Fund. The committee
discussed the need for joint inspection coordination by EPA and NMED of the facilities.

Tank Fees and Registration:
The bureau will be mailing invoices for tank fees next week to slightly over 1,000 tank owners
for approximately 5,200 tanks.

Delinquent Tank Fee Collection Project:
Jennifer Pruett has closed 63 cases, collected approximately $85,000 and determined that another
$350,000 is uncollectible. Currently there are four cases assigned to legal and two compliance
orders have been issued in the past two months.

There was Committee discussion regarding whether the bureau had the authority to close down
repeat offenders. Mr. Martin pointed out that it would probably require legislation for the bureau
to have that authority. Discussion continued relating to federal and state oversight issues.

Miscellaneous Matters:
At the request of a committee member, Steve Reuter presented a status report relating to an EPA
meeting he attended in Memphis in late March. Mr. Reuter indicated that discussions would
continue regarding the issue of states using Corrective Action Fund monies for other uses.

There was a lengthy committee and staff discussion relating to bureau budgetary issues and
streamlining the day-to-day operations of financial obligation matters.
Item #6 Approval of March 15, 2006 meeting minutes.

Action: Mr. Chavarria moved to approve the minutes as amended. Mr. Pynes seconded. The motion passed unanimously.

Item #7 Other Business
Mr. Baca discussed upcoming changes in statutes and consequent changes in regulations. He pointed out that there would have to be stakeholder meetings as well as other matters relative to those changes and wanted to know if, at this time, there is a schedule for dealing with those issues. Mr. Davis stated the bureau’s position was “sooner rather than later” in terms of scheduling those items and that legal counsel is currently analyzing the impact of the changes. He was hopeful that scheduling could commence within two months.

Committee discussion continued regarding the importance of the scheduling issue.

Item #9 - Next Meeting is July 19, 2006.
After discussion, the Committee decided the next meeting of the Storage Tank Committee will be held in Santa Fe, New Mexico, on July 19, 2006 at 10:00 a.m.

Item #10 Adjournment
The meeting adjourned at approximately 11:50 am.

Action: Mr. Baca moved to adjourn the Meeting. Mr. Briggs seconded. The motion passed unanimously.

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Petroleum Storage Tank Chairman