

**Dry-Cleaning Solvent Cleanup Act (DSCA) Program
Stakeholder Update
December 2012**

During the March 20, 2012 Stakeholder Work Group meeting, it was proposed and agreed that the Stakeholder meetings be held once every six months. It was also agreed that the Program would continue to provide quarterly updates as a way of keeping the Stakeholder Group informed about the status of the Program between the semi-annual meetings. In September 2012, a Stakeholder Work Group meeting was held at the DENR Green Square facility in Raleigh. The following update covers October - December 2012.

Meeting Minutes

The September 25, 2012 Stakeholder meeting minutes are included as Attachment 1. Please e-mail Pete Doorn (peter.doorn@ncdenr.gov) with any comments or corrections.

Staffing News

On October 31, 2012, Jack Butler joined the ranks of retired employees after more than 31 years of service with the state. Jack was the Superfund Section Chief since January 1996 – nearly 17 years. Effective December 1, 2012, Jim Bateson was promoted to the Section Chief position. Jim has been the Superfund's Site Evaluation and Removal Branch Head for the past eleven years, and also brings a wealth of experience from Land Resources, Solid Waste, and the US Geological Survey as well as from the private sector.

Changes in leadership at the Department of Environment and Natural Resources are also in motion, with John Skvarla being named as the new Secretary. DSCA, along with other DENR programs, is preparing reports and information for the transition.

Fund Statistics

A summary of the fund statistics for July 1, 2012 through September 30, 2012 is included as Attachment 2. Fund receipts for the first quarter of FY 2012-13 were \$2,286,869.26, representing a 0.7% decrease over the previous quarter. This minor decrease is attributed to lower solvent tax receipts from the previous quarter. Disbursements for the first quarter of FY2012-13 were \$1,332,204.32, down nearly 16% from the previous quarter. This specific decrease was due to a substantial delay in contract payments after DENR transitioned to a new contract payment system. The new system was implemented at the beginning of the fiscal year and contractor payments were delayed by up to 2-3 months while start-up issues were resolved.

Remediation Program

Closures

Three additional clean-up sites have been granted "No Further Action" (NFA) status, bringing the total number of closed sites to 30. The NFA letters were issued for Ace Cleaners in

Raleigh (DSCA Site #92-0018), New Hope Cleaners & Tailors in Raleigh (DSCA Site #92-0016), and WMS Cleaners in Salisbury (DSCA Site #80-0003). A complete list of closed DSCA clean-up sites can be found at <http://portal.ncdenr.org/web/wm/dsca-closed-sites>.

Site Work

BB&T, Durham (DSCA Site #32-0013): The large scale excavation of the source property has been completed in accordance with the approved Remedial Action Plan. Monitoring will be underway in the coming months to evaluate the effectiveness of the remediation work to date. The groundwater injection component of the approved remedy is scheduled to be implemented in July 2013. Updates on the remediation activities are available at http://portal.ncdenr.org/web/wm/dsca/bbt_updates.

Smitty's Cleaners, Fayetteville (DSCA Site #26-0003): Construction of the waterline has been completed, and connecting the homes to the municipal water supply is expected to be underway in January 2013.

Prestown Cleaners, Belmont (DSCA Site #36-0005): The assessment of the former cleaners indicates groundwater contamination under two adjacent residential neighborhoods. Since municipal water is supplied to the area, the current focus is on evaluating the potential for vapor intrusion. Information flyers have been mailed to the community and will be distributed door-to-door to help ensure that any questions or concerns are addressed. Additional groundwater assessment is needed to determine if a former mill nearby is contributing to the contamination. If the former mill is a contaminant source, the Inactive Hazardous Sites Program will likely be involved in addressing the contamination from the mill property.

Petitioner Updates

DSCA is in the process of generating and mailing out the petitioner update letters and co-pay invoices.

Contracts

The Program recently received approval to advertise for two new environmental engineering services contracts. The posting is on NC's Interactive Purchasing System website (<https://www.ips.state.nc.us/ips/Default.aspx>).

Next Stakeholder Work Group Meeting

The next meeting is scheduled for 10:00 am on March 19th, 2013, in the 1st Floor Training Room in the DENR Green Square Building located at 217 West Jones Street in Raleigh. An agenda will be distributed prior to the March meeting.

Attachment 1

September 25, 2012
DSCA Stakeholder Work Group
Meeting Minutes

Minutes
September 25, 2012

DRY-CLEANING SOLVENT CLEANUP ACT (DSCA) PROGRAM
STAKEHOLDER WORK GROUP MEETING

I. Welcome and Opening Remarks

Pete Doorn opened the meeting with general comments. Attendees introduced themselves and the sign-in roster was circulated. The following individuals were present:

Christopher T. Edwards	A Cleaner World
Rita Foley	White Star Cleaners - NCALC
Rob MacWilliams	URS
Mike Ranck	URS
Laura Powers	Withers & Ravenel
Chan Bryant	Withers & Ravenel
Brian Bellis	Withers & Ravenel
Ross Perry	Withers & Ravenel
Genna Olson	ATC Associates
Kevin Sommers	ATC Associates
Meghan Greiner	ATC Associates
Brian Ray	AECOM
Kathy Roush	AMEC
Katie Watkins	AMEC
Jeff Tyburski	Mid-Atlantic Associates
Christie Zawtock	Hart & Hickman
Henry Jones	Counsel to NCALC
James Joyner	Solutions – IES
Cate Landry	BB&T
Jack Butler	NC Division of Waste Management – Superfund Section
Pete Doorn	NC Division of Waste Management - DSCA Program
Delonda Alexander	NC Division of Waste Management - DSCA Program
Dianne Thomas	NC Division of Waste Management - DSCA Program
Billy Meyer	NC Division of Waste Management - DSCA Program
Jay King	NC Division of Waste Management - DSCA Program
Mike Cunningham	NC Division of Waste Management - DSCA Program
Patrick Watters	NC Division of Waste Management - DSCA Program
Nancy Dunn	NC Attorney General's Office
Tony Pendola	NC DENR EAP

I. Welcome and Opening Remarks

Pete Doorn welcomed everyone to the meeting. The minutes from the March meeting and June update were then brought up and approved.

II. Staff

Mr. Doorn mentioned that Ms. Delonda Alexander had recently accepted the position of DSCA Remediation Unit Supervisor. He also introduced Mr. Patrick Watters and explained that Mr. Watters will be working half-time with the DSCA Remediation Unit managing projects and half-time with the Manufactured Gas Plant (MGP) program.

III. DSCA Fund Statistics

The Fund Statistics handout for fiscal year 2011 – 2012 was passed around and briefly discussed. Mr. Doorn stated that receipts were slightly higher than disbursements. Disbursements are currently approximately \$8 million, and Mr. Doorn explained that the program is waiting for approval to encumber an additional \$1 million. Receipts for the March-June 2012 quarter were down approximately three percent due to less solvent tax and less interest. Mr. Doorn explained that disbursements have increased significantly from the previous quarter (approximately 70 percent) due to a significant increase in the number of sites moving into the remediation phase. Overall, though, through the fiscal year disbursements have been down somewhat which has caused a slight net increase in the fund balance. Mr. Doorn stated that this fiscal year's fund information will be summarized in the DSCA Annual Report which will be submitted to the Legislature.

IV. Site Work

Mr. Doorn stated that the Dan Meigs Cleaners site is the latest site closure, making for a total of twenty-seven (27) sites that have now been closed, with twenty-one (21) more in cue for closure.

Two new DSCA State Lead contracts, which have been in the works, have unfortunately been temporarily delayed by a requirement for electronic submittal. The Section currently does not have the necessary software or training to use the software in order to complete the contract submittal. Mr. Doorn said this hopefully should be sorted out soon.

Construction on the waterline extension for Smitty's Cleaners will soon be underway. This will provide municipal water for approximately fourteen to sixteen residences that had water supply well impacts. The BB&T Cleaners site in Durham has had the Remedial Action Plan (RAP) implemented, which included soil excavation, Daramend emplacement, and stone and soil backfill. Mr. Doorn also indicated that additional information regarding the BB&T site is available online on the DSCA website.

Mr. Doorn then stated that starting with this meeting the stakeholder meetings would now include a brief presentation of a remedial action success story by one of the state lead contractors. He then introduced Ms. Genna Olson, who stated that she would be describing a phyto-remediation project completed at the Pinehurst Hotel Cleaners in the Village of Pinehurst. Ms. Olson went on to describe the contaminant release and the work that they did, part of which

included planting of poplar and willow trees in order to reduce contaminant flux into a nearby stream. The work was done in close cooperation with the municipal government of Village of Pinehurst, who were very pleased with the final results.

V. Compliance

Mr. Doorn stated that there is currently one enforcement action for \$13,000 against Piedmont Cleaners in Catawba County. The penalty is for lack of spill containment for the machine and solvent storage area (despite several warnings from DSCA), as well as NESHAP violations. Rita Foley asked if they were still out of compliance and Mr. Doorn responded that their current compliance status has not been investigated but that they have 60 days to come into compliance, at which point they will be re-checked.

VI. Other Issues

Jeff Tyburski asked about where the DSCA State Lead contracts would be announced and if it would be on the DSCA website. Mr. Doorn stated that it would be through the usual E-Procurement route, but that they would see about the possibility of putting an announcement on the DSCA website also.

Delonda Alexander then mentioned that the site prioritization scheme was being revamped in order to make it more accurate and representative. Additionally, she stated that the DSCA risk assessment procedure was also being re-done due to changes in toxicity values and to make it more streamlined.

Someone then asked about the Alternative Solvent Study Workgroup and Jack Butler stated that due to other higher priority items it is in essentially the same place as it was at the last meeting. Chris Edwards then went on to briefly discuss some of the impetus behind the study and what the current state of affairs in industry is with various alternative solvents. He also stated that sales of new perc machines have very significantly declined, and overall the industry is moving away from perc based dry-cleaning.

Kevin Summers then mentioned a hotel he saw in Chicago that still did their own dry-cleaning onsite and asked about how common that is. Mr. Edwards stated that it used to be more prevalent but now it is fairly rare.

Ms. Alexander then asked Mr. Edwards about spotting agents and if they still commonly contain perc. Mr. Edwards stated that in general the industry is moving away from the use of perc based spotting agents as well.

VII. Next Work Group Meeting

The next stakeholder meeting was set for Tuesday, March 19th at 10:00 am and the meeting was then adjourned.

Attachment 2

DSCA Fund Statistics

Dry-Cleaning Solvent Cleanup Act (DSCA) Fund Statistics

FY 2012-13 (Through 9/30/12)

Receipts:

Solvent Tax Revenue:	\$ 78,515
Sales Tax Revenue:	\$ 2,180,845
Petitioner Payments (fee/copay):	\$ 8,926
Miscellaneous (file copying):	\$ -
Rebate:	\$ -
Interest:	\$ 18,584
Total Receipts:	\$ 2,286,869

Disbursements:

Dept. of Revenue Admin:	\$ -
Reimbursements/Payments:	\$ 58,425
Contracts:	\$ 905,377
Haz Waste Fees:	\$ 63,350
County Well Permit Fees:	\$ 6,360
Transfer to Inactive Haz Sites:	\$ -
Transfer to Green Square Proj:	\$ -
Transfer - Budget Shortfall:	\$ -
DENR Admin:	\$ 298,693
Total Disbursements:	\$ 1,332,204

Duration of Program (Through 9/30/12)

Receipts:

Solvent Tax Revenue:	\$ 10,705,340
Sales Tax Revenue:	\$ 73,968,185
Petitioner Payments (fee/copay):	\$ 1,069,139
Miscellaneous (file copying):	\$ 372
Rebate:	\$ 28,794
Interest:	\$ 7,429,481
Total Receipts:	\$ 93,201,311

Disbursements:

Dept. of Revenue Admin:	\$ 57,272
Reimbursements/Payments:	\$ 1,963,992
Contracts:	\$ 57,214,634
Haz Waste Fees:	\$ 940,354
County Well Permit Fees:	\$ 152,010
Transfer to Inactive Haz Sites:	\$ 400,000
Transfer to Green Square Proj:	\$ 1,291,035
Transfer - Budget Shortfall:	\$ 6,475,813
DENR Admin:	\$ 9,891,670
Total Disbursements:	\$ 78,386,780

Current Status (as of 12/4/12)

Fund Balance: \$ 13,365,872
Encumbered in Contracts*: \$ 11,440,865

*includes pending encumbrances of \$4,500,000

DSCA Site Statistics (through 12/18/12)

Identified Contaminated Dry-cleaning Sites:	377
Sites Certified:	304
Sites Determined Ineligible:	22
Sites Not Certified:	51
Sites Pending Closure:	24
Sites Closed:	30

Estimated Contaminated Sites:	~1200
(contamination not yet identified)	
Known Currently Operating Facilities:	705
(includes 62 facilities inspected for intermittent operations)	