MINUTES
ENVIRONMENTAL QUALITY BOARD
June 21, 2005
Roman Nose Resort Park
Watonga, Oklahoma

Notice of Public Meeting  The Environmental Quality Board convened for a regular meeting at 9:30 a.m. June 21, 2005 in the Black Coyote Room, at Roman Nose Resort Park, Watonga, Oklahoma. This meeting was held in accordance with 25 O.S. Sections 301-314, with notice of the meeting given to the Secretary of State on November 24, 2004. The agenda was mailed to interested parties on June 9, 2005 and was posted on June 17, 2005 on the door of the Black Coyote Room at Roman Nose and at the Department of Environmental Quality. Mr. Steve Mason called the meeting to order and welcomed David Griesel to the Board. Roll call was taken and a quorum was confirmed.

MEMBERS PRESENT
Brita Cantrell
Mike Cassidy
Tony Dark
Bob Drake
David Griesel
Jerry Johnston
Steve Mason
Terri Savage
Richard Wuerflein

MEMBERS ABSENT
Jack Coffman
Jennifer Galvin
Sandra Rose
Vacancy

DEQ STAFF PRESENT
Steve Thompson, Executive Director
Craig Kemnamer, Deputy Executive Director
Jimmy Givens, General Counsel
Eddie Terrill, Air Quality Division
Scott Thompson, Land Protection Division
Jon Craig, Water Quality Division
Judy Duncan, Customer Services Division
Gary Collins, ECLS
Wendy Caperton, Office of Executive Director
Ellen Bussett, Administrative Services Division
Jamie Fannin, Administrative Services Division
Myrna Bruce, Secretary, Board & Councils

OTHERS PRESENT
Susan Krug, Assistant Attorney General
Ellen Phillips, Assistant Attorney General
David Branecky, Member, AQC

The Transcript and Attendance Sheet is attached as an official part of these Minutes.

Approval of Minutes  Mr. Mason called for motion to approve the Minutes of the March 4, 2005 Regular Meeting. Mr. Drake made the motion and Mr. Dark made the second.

Roll call.  Yes  Yes  Yes  Yes  Abstain  Yes  Yes  Yes  Yes
Brita Cantrell  Mike Cassidy  Tony Dark  Bob Drake  David Griesel  Jerry Johnston  Terri Savage  Richard Wuerflein  Steve Mason

Motion carried.

AQC 252:100  Air Pollution Control  Mr. David Branecky, Member of the Air Quality Council, stated that proposed amendments to Subchapter 41, Control of Emission of Hazardous Air Pollutants and Toxic Air Contaminants partitions the existing Subchapter 41 into two subchapters. Proposed amendments would clarify and modify the state-only requirements for emissions from stationary sources and relocate those requirements into the new Subchapter 42 and Appendix O. He related that Subchapter 41 would contain the federal requirements for hazardous air pollutants and asbestos and that the new Appendix O would provide a list of toxic air contaminants and set maximum acceptable ambient
concentrations for these substances. Mr. Branecky pointed out that the Air Quality Council held four hearings on this rule and passed the rule for permanent adoption at its April 20, 2005 meeting. He told the Board that since then the legislature had approved funding for the program and that the Council now recommended that the Board approve the proposal for both emergency and permanent adoption so that the program might be instituted more quickly. Mr. Eddie Terrill fielded questions and comments regarding the proposal. Mr. Tony Dark made motion to approve as a permanent and emergency rule. The second was made by Ms. Savage. Ms. Susan Krug, Assistant Attorney General, requested that first there must be a finding of emergency. Mr. Dark amended his motion to reflect the need for emergency adoption and Ms. Savage made that second.

See transcript pages 7 – 22

| Roll call.       |          |          |
| Brita Cantrell  | Yes      |       |
| Mike Cassidy    | Yes      |       |
| Tony Dark       | Yes      | Yes   |
| Bob Drake       | Yes      | Yes   |

Motion carried.

Mr. Dark then made his motion to approve as a permanent rule and Ms. Savage made the second. Following discussion, Ms. Bruce called the roll.

See transcript pages 22-30

| Roll call.       |          |          |
| Brita Cantrell  | Yes      |       |
| Mike Cassidy    | Yes      |       |
| Tony Dark       | Yes      | Yes   |
| Bob Drake       | Yes      | Yes   |

Motion carried.

**Annual Performance Review of the Executive Director** Mr. Steve Thompson provided information to the Board relating to the FOCUS document that sets forth the goals, objectives, priorities, and policies of the Department. Mr. Mason called for a motion to adjourn to Executive Session. Mr. Drake made the motion with Mr. Griesel making the second. At 10:15 a.m. the Board members adjourned to Executive Session in an adjacent room. Ms. Bruce was requested to take the Minutes of the Executive Session.

| Roll call.       |          |          |
| Brita Cantrell  | Yes      |       |
| Mike Cassidy    | Yes      |       |
| Tony Dark       | Yes      | Yes   |
| Bob Drake       | Yes      | Yes   |

Motion carried.

Following initial discussion, Mr. Thompson was called into the room to answer questions. The Public Meeting reconvened at 11:00 a.m. and Mr. Mason called for action by the Board. Ms. Savage expressed that it would be a “win-win” situation to give Mr. Thompson the maximum raise allowable by law. Mr. Jerry Johnston made the motion to raise Mr. Thompson’s salary to the salary cap - $89,450.00 effective July 1, 2005. Mr. Drake made the second.
New Business  Mr. Mason thanked Ellen Bussert for all the arrangements that had been made for the meeting. He also introduced Senator Ron Justice who represents District 23.

Executive Director’s Report  Mr. Thompson called upon Mr. Jimmy Givens for disclosure of certain DEQ employee financial interests as required by statute. Mr. Givens reported that only one staff member had disclosed shares in a regulated company and that employee has been advised that he cannot work on matters related to that facility.

Mr. Thompson thanked the Board members for their willingness to attend Council meetings and Mr. Johnston noted the importance of the Board support of the Councils.

Mr. Thompson provided information regarding the key bills pertaining to the Agency and handed out the DEQ Mission Statement and Major Issues for FY 2006.

He announced that this was Ms. Susan Krug’s last meeting and thanked her for her time serving the Board. Ms. Krug introduced Ms. Ellen Phillips, her replacement with the Attorney General’s Office.

Adjournment  At 11:30 am, Mr. Mason called for adjournment, announcing the Public Forum to follow.

The next regular meeting of the Environmental Quality Board will be August 23 at the Mid-America Expo Center, Mid-America Airport, Pryor, Oklahoma.
TRANSCRIPT OF PROCEEDINGS
OF THE REGULAR MEETING
ENVIRONMENTAL QUALITY BOARD
HELD ON JUNE 21, 2005, AT 9:30 A.M.
IN WATONGA, OKLAHOMA

REPORTED BY: Christy A. Myers, CSR

MYERS REPORTING SERVICE
(405) 721-2882
MEMBERS OF THE COUNCIL

BRITA CANTRELL
MIKE CASSIDY
JACK COFFMAN
TONY DARK
BOB DRAKE
JENNIFER GALVIN
DAVID GRIESEL
JERRY JOHNSTON
TERRI SAVAGE
RICHARD WUERFLEIN
STEVE MASON - CHAIRMAN

Christy A. Myers
Certified Shorthand Reporter
PROCEEDINGS

MR. MASON: My name is Steve Mason and I am Chairman of the Environmental Quality Board.

This regular meeting of the Environmental Quality Board has been called according to the Oklahoma Open Meeting Act, Section 311 of Title 25 of the Oklahoma Statutes. Notice was filed with the Secretary of State on November 24, 2004. Agendas were mailed to interested parties on June 9, 2005.

The agenda for this meeting was posted on Friday, June 17, 2005 at this facility and at the Department of Environmental Quality, 707 North Robinson, in Oklahoma City, Oklahoma. Only matters appearing on the posted agenda may be considered.

If this meeting is continued or reconvened, we must announce today the date, time and place of the continued meeting and the agenda for such continuation will remain the same as today's agenda.

Christy A. Myers

Certified Shorthand Reporter
All right, we’re going to do a roll call to see who’s here, please, Myrna.

MS. BRUCE: Good morning.

Ms. Cantrell is absent for now.

Mr. Cassidy.

MR. CASSIDY: Here.

MS. BRUCE: Mr. Dark.

MR. DARK: Here.

MS. BRUCE: Mr. Drake.

MR. DRAKE: Here.

MS. BRUCE: Mr. Griesel.

MR. GRIESEL: Here.

MS. BRUCE: Mr. Johnston.

MR. JOHNSTON: Here.

MS. BRUCE: Ms. Savage.

MS. SAVAGE: Here.

MS. BRUCE: Mr. Wuerflein.

MR. WUERFLEIN: Yes.

MS. BRUCE: Mr. Mason.

MR. MASON: Yes.

MS. BRUCE: And for the record also absent are Mr. Coffman and Ms. Galvin.

MR. MASON: So we have a quorum?

MS. BRUCE: And we do have a quorum.

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MR. MASON: Great. First of all, I'd like to welcome David Griesel who's joining our Board. He was appointed by Governor Henry to fill the Solid Waste Industry position on the Board. He has served as the General Manager of the Canadian County Solid Waste Disposal Authority over near El Reno for approximately 27 years.

When this agency was started back in 1993, he was actually one of the first -- a member of the Solid Waste Advisory Council when it began. Thanks for all of your years down there working on solid waste issues. He's also on the Board of Directors of the Solid Waste Association of North America and he's the General Manager of Griesel Motor Ford in Okarche. Thanks for being here David.

MR. GRIESEL: Thank you, very much.

MR. MASON: Item Three is an approval of Minutes from the previous meeting.

MR. DRAKE: So moved.
MR. DARK:  Second.

MR. MASON:  Is there any discussion?

Can we have a roll call please.

MS. BRUCE:  Mr. Cassidy.

MR. CASSIDY:  Yes.

MS. BRUCE:  Mr. Dark.

MR. DARK:  Yes.

MS. BRUCE:  Mr. Drake.

MR. DRAKE:  Yes.

MS. BRUCE:  Mr. Griesel.

MR. GRIESEL:  Abstain.

MS. BRUCE:  Mr. Johnston.

MR. JOHNSTON:  Yes.

MS. BRUCE:  Ms. Savage.

MS. SAVAGE:  Yes.

MS. BRUCE:  Mr. Wuerflein.

MR. WUERFLEIN:  Yes.

MS. BRUCE:  Mr. Mason.

MR. MASON:  Yes.

MS. BRUCE:  Motion approved.

MR. MASON:  Item Four is rulemaking regarding Air Pollution Control.

Is Dave Branecky here?

MR. BRANECKY:  I'm here. Thank

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you, Mr. Chairman. Good morning Members of the Board. What we have -- what I have to bring to you this morning really has three separate rules. They're all interrelated so I'll address them as one. You can't really pass one without the other foot.

So, I'm not expecting you to.

What the Department proposes is to amend Subchapter 41, of OAC 252:100. Subchapter 41 is Control of Emission of Hazardous Air Pollutants and we want to add, in addition to modifying Subchapter 41, we want to add another new Subchapter 42 and a new Appendix O. What we're trying to do with 41 -- the old Subchapter 41 contains the requirements for both state and federal hazardous air pollutants.

Subchapter 41 contains requirements for state only and federal requirements. What we were trying to do with this rulemaking is to separate the State requirements into one subchapter and Federal requirements into the other subchapter.

Subchapter 41, as proposed to you today, if passed, would contain only the

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Federal requirements. The new Subchapter 42 would be the state-only requirements and Appendix O is associated with Subchapter 42.

What I want to do is kind of briefly step you through how the new Subchapter 42 will work. Because Subchapter 42 and Appendix O is a kind of new approach for controlling Air Toxics in Oklahoma. So, I want to kind of step you through how we envision the new process working.

We believe the new Subchapter 42 will be less burdensome, not only on industry but also on DEQ. Subchapter 41 just -- existing 41 became too unwielding. It was unenforceable and wasn't doing any good. We needed to step back and look and start fresh with a new approach. That's what we're proposing today.

So, here's how the rule is going to work. Appendix O, OAC 252:100 (inaudible) change the list about 21 -- charges 21 air toxins. Which we've identified -- DEQ has identified as being emitted in Oklahoma and have -- we have set the emission levels,
maximum ambient-air concentrations, 24-hour standard, that we feel are necessary to protect public health. Anything above that could endanger public health. But we've set the (inaudible) 21 toxics and a corresponding 24 hour maximum ambient-air concentration. Both in parts per million and (inaudible).

If, based on a complaint from the public or from DEQ's own investigation from emission inventory data or from EPA reports, it is determined that there may be a problem with one of these toxins in Oklahoma, DEQ will initiate ambient monitoring. Actually go out to the suspected area, set up monitoring equipment and see if there is a problem. The list in Appendix O, the toxics were -- only those that have proven monitoring capabilities are listed. In other words, we didn't put a toxic in Appendix O that we didn't go out and monitor. So, those -- we have monitoring capabilities for those 21 listed in Appendix O.

If, based on the results of the

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monitoring data it's determined that there
is a problem in that area, DEQ will make
those what we call an area of concern,
around where the area that's been
monitored. Once that area of concern is
identified, DEQ will work with the industry
in the area, hold info meetings in with the
community leaders and say, hey, we think
there's a problem in this area. After
that, we will actually have a public
meeting to educate the public that after
the monitoring and the investigation, we
think there is a problem. After the public
meeting, after input from industries in the
area, after the input from community
leaders, the DEQ then will make the final
decision to designate that as a true area
of concern. Initially, with the proposed
areas of concern, we'll hold meetings,
we'll hold public hearings and then we'll
make a final determination to make it a
true area of concern. If an area of
concern is decided upon, we'll develop a
control strategy. We'll go out into the
area and say how can we -- what do we need

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to do in these areas to get these levels --
the ambient levels down below those listed
in Appendix O. And that may require
rulemaking. We may have to go back through
the Council to look to requiring stationary
sources in that area, if there is a
problem, if they are the problem, to put on
a control to reduce the toxics in that
area.

Once the levels have been brought
down to those below Appendix O, the
Director will then re-designate that area
as being in compliance. And so that
compliance will be demonstrated through
monitoring -- additional monitoring ()
monitoring or model.

Following the re-designation of the
area by the Director, we ll have another
public meeting and tell everybody who, you
know, we had a problem -- it s been through
the control strategies and now it s down
below the acceptable levels.

So we believe what we ve done in
subchapter 42 is far better than what was
in (inaudible). It s improved. It

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integrates -- it separates federal and
state and we think it's best for Oklahoma.

The Council, when we passed the
rule, realized that this was a new
approach. So we asked the Department to
come back to us in a year, kind of review
and see how it's working and we'll make any
adjustments at that point.

We felt, since it was such a new
program, we wanted to make sure that if we
needed to make any adjustments, that we
could do that at that time.

We held a public meeting on this
rule on July 21st, 2004. We held another
meeting on December 9th, 2004; January
19th, 2005; and finally on April 20, 2005
we passed this rule. So, we had several
public hearings. I know Ms. Cantrell and
Ms. Galvin were there from the Board, at
our Council meetings. We had substantial
input from industry and from the public and
the Department took those comments under
consideration and we came up with this rule
that we want to present to you today.

What we are asking for you today to

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do is to pass this, not only as a permanent rule but also as an emergency rule. We feel that because 41 is not really working well at this point in time, it's a burden on industry, it's a burden on DEQ, so the sooner we get this in place, the better.
The problem is, when the Council passed the rule in May, we passed it as a permanent rule because at the time we did not have funding. And there is being funding being considered by the legislature, but at that point in time when we had the Council meetings, we weren't sure if that funding was going to be there.

If the legislature was not going to give us funding, we were going to come back to the Council at the July meeting and ask for funding. So, what we did, we just passed it as a permanent rule. However, since then, the legislature has provided funding for this rule and that's why we think the Board has the ability to not only pass this as a permanent rule, but as an emergency rule. And that's what we are asking for you guys to do today, is to pass

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this as an emergency rule and a permanent rule.

I have staff here to answer any questions. Eddie, do you want to say anything about that?

MR. TERRILL: Let me just talk just a little bit about the emergency part of this. Another consideration we had in not taking this as an emergency, is that if we didn't get the funding through the legislature appropriations, which we thought was real important because not only -- it was an equity issue really, because toxics are more so than any other pollutant are really directed -- or tied to mobile sources. So, really we didn't feel like it was fair for the stationary sources, the Title V sources, to pay the majority of the funding for a rule that was really tied quite a bit to the mobile source problem that we may or may not have here in Oklahoma.

But if we hadn't got any funding through the legislature, we just didn't have the funds to move forward and if we

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had to go back and ask for the Council and
the industry to approve a fee increase, it
would have taken about 15 months once they
had passed that rule, for us to actually
get the money in. And so that was a lot of
the consideration that we had in not asking
for an emergency on this. I think David is
exactly right. Subchapter 41, even though
we're only looking at probably nine months
of implementation, we've got about 269
permits that are out there pending. All of
them will probably require some form of
analysis under the old subchapter 41, maybe
only two or three toxics, but some sources
may have 50, 60, or 70 toxics but they have
to be analyzed.

Most of the time all that happens is
you do a modeling exercise, you determine
that nothing can be done to control the
toxics, you give them a permit and move on.
But that requires a lot of work on our
part, a lot of work on the industries part
and we anticipate some cases where some of
the sources may have to add control
equipment in order to meet a standard that

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won't exist in about nine months that may
cost two or three hundred thousand dollars
to implement and we just think it is a
waste of money. Plus it really doesn't get
us to the public health issue and that's
really what this issue -- what this rule is
designed to do is to address the public
health issue of toxics in Oklahoma, not
just be an exercise in modeling and
permitting. So, you know, it's a little
bit unusual but our legal folks have done
the research and believe that there is the
ability for you all to pass this as
emergency. We believe there is ample need
both from a financial and practical
standpoint to do that and we would ask your
consideration on it.

MR. MASON: Questions from the
Board?
I have a question. If you look five
years out, where do you think we'll end up
with areas of concern and what do you think
we're going to have to do to fix it?

MR. TERRILL: You know, we don't
know. And that's a lot of the reason that

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we wanted to come back and look at this rule in a year. We designed this rule with what we believe to be the approach that EPA's going to take with their -- they call it the care rule, similar to the interstate transport, but it's a community -- public community based toxic's program. We think that's what this -- our program will allow us to address it like that. It could be that we won't have any areas of concern. Because we will -- our first -- probably first challenge is going to be to take the National Air Toxic Assessment, the second round has been done, and verified that those numbers are correct. That's what we did in the Ponca City area and we found that they had over estimated some of the areas that they thought were concerns, by modeling only, and they actually go out and do the monitoring. So, that would be one of the first things that we would do is try to hone our skills and try to see what the -- what the feds have done with their assessment, see how close they came and go from there.

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But it's really hard to say because this will probably be complaint-driven and EPA-driven more so than anything else. We'll do some analysis of our own through inventories and things like that, but it's just really kind of hard to say what it's going to look like in five years.

But the whole idea here is not to designate areas of concern. The whole idea here is if we've got a problem, work with the community to address that problem and fix it. A lot of this is going to be collaborative effort. This is not a -- really a command and control-type rule that we, you know, we normally have in these situations because we don't think it calls for that. We may even have situations where a community decides that there's nothing that can be done about this particular problem and it's something that is an acceptable risk. But, you've got to remember that there's a safety factor built-in to these ambient levels. And so even though there is concern, there is enough of a factor that it may be an

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acceptable risk for the community, based on all the factors. That's the reason we'll do a lot of -- if we ever have a closed meeting, we'll call a meeting round. Probably have a number of meetings before we leave the affected industry and the community leaders to discuss the (inaudible) and hopefully arrive at a solution without ever having to designate an area. Because that would be the preferable solution, right then, if we have a problem, fix it and go on.

MR. THOMPSON: I think though it's fair to say in the most general sense that where you find some fairly heavy concentrations in this industry -- an industry and where you find fairly heavy concentrations of mobile sources, you can begin to find potential areas of concern in that way. Is that fair to say?

MR. TERRILL: Sure. And that's probably one of the first things that we'll do is try to find a couple of folks that we believe we'll be able to train to be our toxic expert, if you will. We're going to

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start looking at the mobile source issues
in Oklahoma, Metropolitan Area especially.  
Because we really never have taken a look
at what their impact had on the air quality
in the Metropolitan Area. So, without
getting a handle on that, it's going to be
very difficult to pull out the things that
we can actually do something about, if we
do demonstrate a problem. Understanding
mobile source component of our toxic air shed will be one of the first things that
we'll do.

MR. DARK: Mr. Chairman, I'd move that Item
Number 4 be approved as a permanent rule,
with a designation as an emergency rule.

MR. MASON: All right. Is there
a second?

MR. SAVAGE: Second.

MR. MASON: Second from Terri.

Is there any discussion from the public?
Are we doing this correctly for emergency?

MS. KRUG: I feel like you first
need to make a finding of emergency. And
make that vote first. And then make your
adoption of a permanent rule.
MR. DARK: Have we not already adopted this as a permanent rule as you said earlier?

MR. BRANECKY: The Council has adopted it.

MR. DARK: The Council, okay. All right. I didn’t think the Board had.

MS. KRUG: The Board has not.

MR. BRANECKY: The Board has not. This is the first time to come through.

MS. KRUG: But since that time you -- things have changed, where you feel like you’ve met the emergency criteria and that’s what I would like you to do is make that finding.

MR. DARK: Okay. I’ll amend then my motion to reflect Counsel’s suggestion.

MR. MASON: Are you declaring that an emergency?

MS. KRUG: Yes.

MR. MASON: Do we need to vote on that first and then take a second vote?

MS. KRUG: Yes. That’s what I’d advise you to do.

MR. DARK: I’d make a motion that

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it be applied as an emergency rule.

MS. SAVAGE: Second.

MR. MASON: Terri, second. All right. Let's vote please. Myrna.

MS. BRUCE: Ms. Cantrell.

MS. CANTRELL: Aye.

MS. BRUCE: Mr. Cassidy.

MR. CASSIDY: Yes.

MS. BRUCE: Mr. Dark.

MR. DARK: Yes.

MS. BRUCE: Mr. Drake.

MR. DRAKE: Yes.

MS. BRUCE: Mr. Griesel.

MR. GRIESEL: Yes.

MS. BRUCE: Mr. Johnston.

MR. JOHNSTON: Yes.

MS. BRUCE: Ms. Savage.

MS. SAVAGE: Yes.

MS. BRUCE: Mr. Wuerflein.

MR. WUERFLEIN: Yes.

MS. BRUCE: Mr. Mason.

MR. MASON: Yes.

MS. BRUCE: Motion approved.

MR. DARK: I'd also like to move that it be placed as a permanent rule.

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MS. SAVAGE: Second.

MR. WUERFLEIN: Steve, might I ask a question before we vote?

MR. MASON: Uh-huh.

MR. WUERFLEIN: I didn't get to read through all the comments in the packet and I'm not sure if the comments I read were from an earlier hearing or most recent. But I still come back to, if you declare an area of concern versus what David called a true area of concern, after the studies, what does the scientific basis of the -- what determines an area we're going to study versus what one we're going to increase the regulation of the (inaudible)?

MR. BRANECKY: Initially, we'll do the monitoring. Well, first we'll input the data, if we have a complaint on it. (Inaudible) we have a suspected area, we'll do the monitoring, then we'll propose an area of concern. Before we actually say this is a true area of concern, we'll have some meetings with industries and community leaders and then we'll have some public

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hearings, and after all that, they'll take all that into consideration and if they still feel that it is a true area of concern, then we'll make that (inaudible).

MR. TERRILL: One thing that we need to remember though, is this rule does not require anything additional as far as requirements, on anyone other than what's already in the rules. That's the reason that once we identify them and do have an area of concern -- and part of that discussion period is to verify that the facilities that we believe are truly problems are meeting all of the federal and state requirements. Because if they aren't, then we've got to evaluate it. Is it cost effective, is it the communities wishes that we go beyond that to address this area of concern. And it may be that the community decides that, well, the cost of controls are not -- there's a risk -- it's an acceptable risk not to require additional controls. This is really a community decision. That's really what this is all about is (inaudible), the

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individual communities to be aware of
health issues in their communities and make
an informed decision with us, using the
science that's best for them.

I guess in extreme cases if the
citizens were saying one thing and the
community was saying something else and it
was feasible for us to require additional
control, we may go to Council and do that.
But anything additional beyond what is
already in our rules, would have to go back
through the Council.

So there will be a lot of
opportunity for input from the affected
sources and the citizens. And this is
something we take very seriously because
toxins are a very emotional issue and there
is a lot of discussion on both sides of
what the safety levels are and it's not
something that -- you know, we've been
looking at this for about four years now
and so this is something that -- so this is
the way we've come up to address it.

MR. MASON: Did he answer your
question?
MR. WUERFLEIN: Kind of, sort of.

Who makes that determination -- is it the Council or Eddie or --

MR. TERRILL: It's just me. I'm the one that will actually make the final decision. But that will be through -- after a lot of consultations with the community and the industry and probably the Council too. Because this brings a lot of attention, if you will, to not only the Department but the Council as well. So, it's not something that we would take lightly.

MR. BRANECKY: If there's an effort that this (inaudible) -- if there's any hope that this will be made into a rule, that would definitely be the Council.

(inaudible Conversations)

MR. WUERFLEIN: I can say that, you know, from the public relations standpoint -- if you can get a media blast on the issues and blow it out of proportion in a local area and you got to have a scientific --

MR. TERRILL: Well, that's our.
responsibility.

MR. WUERFLEIN: Where's the scientific levels -- it's all kind of ambiguous, isn't it?

MR. TERRILL: Well, that's where the monitoring comes in. Monitoring of actual monitored data, would be a better tool for evaluating toxins than anything else. But you're exactly right and that's something that we looked at, especially if we get a situation where it's just determined there's nothing that can be done, we got an issue with the toxics and you just can't -- because of the nature of the where the facility is and the nature of the force component or a number of factors, nothing can be done and at that point it is a public relations problem.

But we decided that, one, EPA was moving forward with this community based toxics approach, we felt like for a change we needed to be out in front of this rather than behind it so we can be able to react with our program and be smart about this.

Because my biggest concern -- right now EPA

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is going around with a pot of money trying
to entice folks to -- not government
agencies necessarily but local communities
can apply for this money to go in and see
if they've got a problem. Well, they
monitor the problem but they won't come up
with any solutions, they dump that back on
us to figure it out and that's not the way
to go about this. That's where you get
this uproar of concern with no way to fix
it. Our approach, I think, is if we
identify the problem, work with the
community really before we become public
with this and try to fix it before it
becomes a public relations problem.

MR. BRANECKY: EPA has been
behind and in support of the rule. And in
fact, I think several other states have
inquired to DEQ about this rule that they
like the lengthy approach.

MR. TERRILL: In fact, we're one
of four states that's being considered as a
model state program nationwide. So, the
staff really did a good job with this. I
think they did an excellent job putting

Christy A. Myers
Certified Shorthand Reporter
this together. Again we’ll just have to see how it works. We may be back to the Board in a year or so, fine tuning it, or overhauling it or whatever because this is supposed to be a good tool for the citizens of Oklahoma, not a beat you on the head tool.

MR. WUERFLEIN: Thank you.

MR. MASON: Any questions or input from the public? All right. So I think we have Tony’s motion for permanent rulemaking? I guess we’ll have a roll call vote on that please, Myrna.

MS. BRUCE: Ms. Cantrell.

MS. CANTRELL: Yes.

MS. BRUCE: Mr. Cassidy.

MR. CASSIDY: Yes.

MS. BRUCE: Mr. Dark.

MR. DARK: Yes.

MS. BRUCE: Mr. Drake.

MR. DRAKE: Yes.

MS. BRUCE: Mr. Griesel.

MR. GRIESEL: Yes.

MS. BRUCE: Mr. Johnston.

MR. JOHNSTON: Yes.

Christy A. Myers

Certified Shorthand Reporter
MS. BRUCE: Ms. Savage.

MS. SAVAGE: Yes.

MS. BRUCE: Mr. Wuerflein.

MR. WUERFLEIN: Yes.

MS. BRUCE: Mr. Mason.

MR. MASON: Yes.

MS. BRUCE: Motion approved.

MR. MASON: Thank you. The Senator from District 23, Ron Justice, has joined us and Senator, thank you for being here. Would you like to say a few words?

MR. JUSTICE: I just appreciate the opportunity to be here and again I just came to learn.

MR. MASON: All right. Thank you. And you're from Chickasha? Does this include your District? Are you up this far?

MR. JUSTICE: Yes, it is. This is a portion of my District. District 23 actually goes just north of Hitchcock. So this includes this area and down to a big portion of Blaine County on down into Caddo County, south of Anadarko. So, it includes Hydro, Geary, Watonga, and then south of I-
40 over through Mustang. So, this being a part of it and I learned how they (inaudible), I wanted to come and just get some additional information. So, I appreciate you talking to me.

MR. MASON: Thanks for making the drive. I bet you get some mileage. Item 5 is the annual performance review of Executive Director. Do you want to start this Steve or --

MR. THOMPSON: I can.

MR. MASON: Okay.

MR. THOMPSON: As a -- what we did was provide to the Board a document that is a part of the agency's annual plan, the Focus Document. Every employee in the agency has a piece of that plan, including the Executive Director. What we -- and that document looks like this. What we do as an Agency -- and I think during the Executive Director's Report, I'm going to talk a little bit more about the process by which we set our mission and our goals and some of the activities we want to address for the coming year.

Christy A. Myers
Certified Shorthand Reporter
The Agency really operates off of a set of five goals that have to do with administrative efficiency and work with the federal government.

Our second goal is really about permitting.

The third goal is related to public assistance, customer assistance and clean-up programs.

The fourth is our response program to complaint.

And our fifth goal relates to our enforcement programs. So, what I ve provided to the Board for that evaluation is my piece of our annual plan of my responsibilities and then some comments that were related to some of the things that we believe the agency accomplished this year, some of the things that we really need to work on, some comments on some of the more routine pieces of the agency as a mechanism for that evaluation.

Rather than go through that document, I would be glad to respond to comments. I think it s also fair --

Christy A. Myers
Certified Shorthand Reporter
think that the Board is aware that due to the efforts of you and others, that the legislature did raise the cap for the Executive Director’s salary this year from $83,400.00 to $89,450.00. So the Board has an opportunity to act on that, raising the cap, if that’s their choice.

Over all, I think the Agency runs well. To a huge extent it runs well because of the work and dedication of its Division Director. We are blessed in Oklahoma to have a set of very experienced, very knowledgeable leaders, national leaders, in our Division Directors. I suppose that the very best choice that I made, and also in our — the leader of our legal group. I think that the very best choice that I made last year was the selection of Greg Kennamer as my Deputy Executive Director. I think he has the respect of the Division Directors with — I don’t know about Eddie, but — Eddie respects no one.

MR. TERRILL: That’s right David.

MR. THOMPSON: I think he — I
think he has the respect of the Division
Directors and has done an excellent job and
has allowed me greater latitude to deal
with legislative issues during the
legislative session. I think I ve reported
to you in the past that last year I was
elected president of ECOS, which is the
National Environmental Commissioner s
Association and I reported to you that that
would take some of my time and that has
proven to be the case.

We are at the national level working
very hard on issues related particularly to
public water supply and waste water
infrastructure. We are almost in crisis
mode in this country relative to shoring up
the infrastructures of our communities,
particularly our small communities.

One of the things that I think we
will -- I will talk a little bit more about
this, but one of the things we will
dedicate ourselves to a little bit more in
the coming year is, maybe the
infrastructure funding process in the State
of Oklahoma, makes sense, maybe it does.

Christy A. Myers
Certified Shorthand Reporter
But I'm just not -- I am going to educate myself on that issue.

There are community block development grants or development block grants, excuse me, that are available for infrastructure funding. There's rule development money that is available for infrastructure funding. There are federal and state revolving loan monies that are available for infrastructure funding. The question I have is, are we directing grant and loan money to the places where we get the most bang for the buck. We need to know that. Because if we're going to ask our legislature and if we're going to ask Congress for additional funding for infrastructure, we're going to have to be able to make the case that we're using the money that's provided to us, wisely. And because -- the Department of Environmental Quality really has nothing to do with those funds, other than the fact that we're the ones that write the enforcement orders that send communities scrambling that -- for violations that send communities scrambling.

Christy A. Myers
Certified Shorthand Reporter
for money to fix their problem.  
Dewayne Smith at the Water Board and  
I often have discussions about we re two  
ends of the same horse. I show up with the  
enforcement orders and Dewayne shows up  
with the phone checks to fix the problem.  
So you can imagine what end of the horse I  
represent. It is time for, I think, the  
Department of Environmental Quality to  
understand better infrastructure funding in  
this state and to step up to the plate. So  
that is amongst the many things we intend  
to try to get a little better handle on  
this year. There s others that I ll talk a  
little bit more about in the Executive  
Director s Report.  
I would suggest we ll talk a little  
bit more about legislation this year. I  
would suggest that we had, what I believe  
is the most successful legislative session  
in the Agency s history this year, and I  
would be very happy to take full credit for  
that but that would not be the case.  
What we ve done this year, I think  
better than any other year in my memory --

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and I've been with the Agency from the very beginning -- was get the cooperation of this Board and the people associated with this Board and with industry to take a unified message to the legislature about the needs of the Department and the needs of the public -- for the issues that the Department has authority for. And I think it is that cooperative effort, that team effort that has caused this very successful year. I would have liked to have been more successful but there's always next year.

So, I've really kind of run out of gas here. I'll be glad to answer questions of the Board, or I'll be glad to answer any questions that you have.

MR. MASON: I think as a Board, we can continue in this open session. If we want to go into Executive Session to discuss his performance and employment actions, we can. It's kind of whatever our preference is right now. Yes, ma am.

MS. SAVAGE: We're not having an Executive Session?

MR. MASON: We need to decide
what we want to do.

   MS. KRUG: You may move to do so if you feel like you need to go into --

   MR. DRAKE: I move to go into Executive Session.

   MR. GRIESEL: I'll second.

   MR. MASON: We have a second. Is there any discussion? Public discussion?

   Myrna, are you ready to vote?

   MS. BRUCE: Thank you.

   Ms. Cantrell.

   MS. CANTRELL: Yes.

   MS. BRUCE: Mr. Cassidy.

   MR. CASSIDY: Yes.

   MS. BRUCE: Mr. Dark.

   MR. DARK: Yes.

   MS. BRUCE: Mr. Drake.

   MR. DRAKE: Yes.

   MS. BRUCE: Mr. Griesel.

   MR. GRIESEL: Yes.

   MS. BRUCE: Mr. Johnston.

   MR. JOHNSTON: Yes.

   MS. BRUCE: Ms. Savage.

   MS. SAVAGE: Yes.

   MS. BRUCE: Mr. Wuerflein.

Christy A. Myers
Certified Shorthand Reporter
MR. WUERFLEIN: Yes.

MS. BRUCE: Mr. Mason.

MR. MASON: Yes.

MS. BRUCE: Motion approved.

(Whereupon, the Board went into
Executive Session)

(Whereupon, the Board returned from
Executive Session)

MR. MASON: Okay. We're going to
return from Executive Session under Item 5
Annual Performance Review of the Executive
Director. I think we're at item C, any
discussion by the Board?

MS. SAVAGE: Is this regarding
Steve's salary?

MS. KRUG: Yeah.

MS. SAVAGE: So this would be the
appropriate time if you wanted to make a
statement?

MR. MASON: Yes, ma'am.

MS. SAVAGE: Well, I would just
like to say that I was put on the Board in
1997 and the first call that I got was from
Mark Holman and the second call that I got
was from Steve Thompson. So, I've gotten a

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Certified Shorthand Reporter
chance to work with him since that time and
got to know him and I will tell you that
Steve is an unusual talent and I have
always thought that he was smarter than the
average bear and that we are exceptionally
lucky in the State of Oklahoma to have him.
And I think that had he wanted to move, he
could have moved anytime, anyplace and
anyone would have been just thrilled to
have him. And I just think that we re --
something about the State of Oklahoma,
people don t want to move. But Steve could
have left, he s talented enough that if he
just set his sights on Colgate/Palmolive he
could have done it. And I think that even
when we give him, you know, the salary
that s at the top of the cap, we are still
paying him a pittance of what he is worth
to the Agency and to the State of Oklahoma.
And I am personally very proud and anxious
to give him the maximum rates that we can
and I think that it s -- and I think that
everyone else is -- I think everyone on the
Board shares that and I think that it will
be good for the State, it will be good for

Christy A. Myers
Certified Shorthand Reporter
the Agency, it will be good for everyone.

I think this is win-win for everyone.

MR. JOHNSTON: Following that, I would move that we do that.

MR. DRAKE: And I would second that we do that. I couldn’t beat that speech.

MR. MASON: Your motion is for how much, Jerry?

MR. JOHNSTON: Top of the cap.

MS. SAVAGE: The top of the cap is $89,450.00.

MR. MASON: Okay. That’s your motion?

MR. JOHNSTON: Yes.

MR. DRAKE: And I second that.

MR. MASON: A second from Bob.

Is there any discussion amongst the Board?

MR. CASSIDY: You need to make that effective July 1st. Does that matter?

MS. SAVAGE: Yes. Immediately or July 1st or sooner.

Mr. THOMPSON: The statute would be -- according to statute, July 1st.

MS. SAVAGE: Effective July 1st.

Christy A. Myers

Certified Shorthand Reporter
MR. MASON: Thanks Mike. Is that fine, that amendment? Okay. Any discussion from the public? Any more discussion from the Board? Myrna, can we vote, please.

MS. BRUCE: Ms. Cantrell.

MS. CANTRELL: Yes.

MS. BRUCE: Mr. Cassidy.

MR. CASSIDY: Yes.

MS. BRUCE: Mr. Dark.

MR. DARK: Yes.

MS. BRUCE: Mr. Drake.

MR. DRAKE: Enthusiastic yes.

MS. BRUCE: Mr. Griesel.

MR. GRIESEL: Yes.

MS. BRUCE: Mr. Johnston.

MR. JOHNSTON: Yes.

MS. BRUCE: Ms. Savage.

MS. SAVAGE: Yes.

MS. BRUCE: Mr. Wuerflein.

MR. WUERFLEIN: Yes.

MS. BRUCE: Mr. Mason.

MR. MASON: Yes.

MS. BRUCE: And motion approved.

MR. MASON: Thank you.

Christy A. Myers
Certified Shorthand Reporter
MS. BRUCE: Enthusiastically, I might add.

MR. THOMPSON: Thank you, very much.

MR. MASON: Steve, any comments?

And congratulations.

MR. THOMPSON: Well, thank you very much for the kind words. I will again say what I said earlier, any success that I have is in large part due to an extraordinarily talented staff, and good folks to work with, good folks of the State of Oklahoma and a Board that has always been supportive of the things that the Agency has tried to do when they were right. And I just hope we can continue to have your confidence as we go forward. I look forward to -- I enjoy what I do, I'm having fun except for the times when I have to deal with Don Pendegraft, who you don't know, but -- and it's exciting work when you think you're maybe just a little bit making a difference in folk's lives, that's a pretty good salary too. So, anyway, thank you very much. I appreciate it.

Christy A. Myers
Certified Shorthand Reporter
MR. MASON: Thank you Steve.

Any new business? I want to thank Ellen Bussart for arranging all this.

Thank you Ellen. It's wonderful, all the things you do for us. We appreciate it.

Executive Director's Reports, Steve.

MR. THOMPSON: The first thing that we wanted to do -- want to do is, by statute, we have the responsibility to disclose certain employee financial interest. I'm going to ask Jimmy to provide that to the Board. I'm going to ask Jimmy to provide that information.

MR. GIVENS: The Board Members who have been around will recall that we do this once per year. There is a statutory requirement that we disclose financial interest held by employees who are in technical supervisory or administrative positions that relate to the review issuance or enforcement of permits. And the obvious reason for this, first of all it's required to be reported to the Executive Director and then, in turn, to

Christy A. Myers
Certified Shorthand Reporter
the Board. And the obvious reason is that we want to insure anybody in a position where they might have a conflict of interest, that that is recognized. Then we follow-up on that by specifically sending a memo through the Division Director, down the Chain of Command to the manager and the employee himself or herself, that requires that that person not have any involvement in an action that would relate to an enforcement action or permit relating to any entity that they have an ownership or financial interest in.

The only update to that report from the last time we made the report is that Joe Don Willingham, Water Quality Division, has disclosed that he has acquired some shares in General Motors. We have already sent the memo through John Craig to Mr. Willingham, and specified that he will not be working on any matters that relate to General Motors. And that's all I have this year.

MR. THOMPSON: Okay. I think Steve has contacted you all now about

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Certified Shorthand Reporter
attending Council meetings so that you are supportive -- or you can explain issues that come before the Council. I think in conversations with people on the Council and on the Board, they find that to be a very useful mechanism and so we appreciate your willingness to serve in that capacity. Is there anything else I need to say about that.

MR. JOHNSTON: That's very, very important and I've stressed this before. You have to work on something a full year and you set down on that Council and you know what's going on and then if you're not careful -- if you don't do that, then it comes to this Board and half of us second guess the Council -- that's why you do need at least one or two persons from the Board to sit in on the Council. It's very important. The Council is probably one of the best part of DEQ's structure, I think. Because that's where the real information comes from and the people that have to devise those rules and execute them, do the things that they need to do. So, I think

Christy A. Myers
Certified Shorthand Reporter
the Council is very, very important. I think they should get recognized maybe a little more than we recognize them because they do an excellent job.

MR. THOMPSON: Okay. I wanted to talk a little bit about, really the month of June. June is a transition month for the Department each year. I’ve provided a couple of documents that sort of describe that transition.

First of all, you should have in front of you a document that says all Key Bills, 2005 Session. This is the document that we track legislation by, Jimmy prepares it for us and updates it every week. At Tony’s suggestion, at the last meeting, we began to forward this document to all the Board Members so they’d have a simple mechanism to track legislation.

MR. DARK: I appreciate those as well. It’s been helpful.

MR. THOMPSON: Good. Good. June ends a really intensive four month time for the agency in working on legislative issues. I wanted to just highlight a

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couple of issues that were important to us
during the legislative session. If you
look under HUD, Senate Bill 272 was the
mobile source fee on rental cars. That was
an idea that we brought to you at the
November meeting and was, I would suggest
somewhat controversial at the time and
remained controversial throughout the
session. That motion morphed into the
$800,000.00 General Revenue Appropriation
that we received for the Toxic Program and
the Air Quality Program. So, while we
didn't get the fee on rental cars, we did
get the $800,000.00 General Revenue
Appropriation. Which, quite frankly,
represents four times more than any non-
salary general revenue appropriation that
we've ever received as an agency since --
we became an agency in 1993.

MR. DARK: It's a well fought
political battle.

MR. THOMPSON: It was a well
fought political battle joined by many and
the credit for that goes to many. And you
know who you are and we thank you all.

Christy A. Myers
Certified Shorthand Reporter
I did want to say a special thanks to Bud Ground, who tracked that language, and others would work very hard. He probably owes me lunch, but, no, he worked extremely hard on this as did many other people and we want to thank Bud for his work on that. That was House Bill 1114, if you look under DEQ, it became our appropriations bill in which the budget limits were increased. We received full funding for this statutory salary increase, the $800,000.00 for the Air Program and did not -- we had no fee funds taken from the agency this year. And that, from a budget standpoint, is a remarkable year for the agency.

You look down under LPD, House Bill 1606, the issue that we spent the very most time this year on, that should be no surprise to anybody, was tire legislation. I was charged by Representative Don Arms, who was the Chairman of the House Environment Committee, to get all the competing interest in the tire program in a room and come to consensus. Clearly by

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Certified Shorthand Reporter
some act of a higher power, that we were able to accomplish that, that notion became House Bill 1606. It is the Bill that gets money to the people that take waste tires out of the waste stream and did so without a fee increase to the tire-buying public. One of the things that we will be tracking is the implementation of that legislation this year to see how successful we were. I believe we will be, but that remains to be seen.

Also, if you will look under LPD, Senate Bill 599, that is the Request Bill of the agency to align forums at Board meetings so that we have forums every time that we have Board meetings but only at the time that we have Board meetings and that was passed.

House Bill 1238 was our Bill to simplify small, public sewer systems. That Bill was, quite frankly, a pretty easy Bill to pass and we were successful in doing that.

Then, also, under Water Quality, House Bill 1467 was not on our Bill. It

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was the AG-NPDS Bill that provided the
framework for the Department of Agriculture
to seek delegation of the NPDS Capitol
Program. I would have to say that Tina
Gunner with the Department of Agriculture,
was very good, I think Jimmy will support
that, with providing the agency with
information about that Bill, so that we
felt comfortable with the Bill all the way
through. I think she was good with
everybody concerned. It's really none of
our business except that we do support
delegation of program.

We think you get better government
at the local level. That's an obvious
philosophy of the Department of
Environmental Quality because every time a
program is eligible for delegation, we seek
it. Now I have also told the Department of
Agriculture that when it comes to funding
of this program, we expect equity relative
to fees and federal money and state money,
just like the industrial group in Oklahoma
and they've agreed that's a good -- that's
a good solid goal and so we'll see how that

Christy A. Myers
Certified Shorthand Reporter
works. This Bill does not give them delegation, it simply establishes a framework by which they can seek delegation from the Environmental Protection Agency.

The final Bill that I would call to your attention is the last Bill on the list. Senate Joint Resolution 18, which would have disapproved two of our industrial wastewater rules, rules that this Board has established. That popped up early in the session. A number of people had discussions with the author and it went dormant and remained dormant for the end of the session, which is where it should be. So, all-in-all, the things that we were requesting, we got. The things that we didn’t want, died. Pretty successful session.

Are there any questions of the Board related to that?

MR. DARK: Can we just call Jimmy if we want copies of this legislation?

MR. GIVENS: That would be fine.

MR. THOMPSON: Yes. The other

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document that I gave you is a document that
looks like this, a two-page document. The
first page represents the Agency's Mission
Statement. Clean, attractive, prosperous
Oklahoma, we think that's important for our
quality of life for Oklahoma citizens. I
briefly went through our goals -- our
annual goals which remain fairly constant
over time.

First having to do with
efficiencies; second, permitting; third,
assistance; the fourth one, citizen
complaints; the fifth, enforcement program.
That represents the 95 percent that the
Agency does. I think you will -- I hope
you will see in there two values that we
try to incorporate into our goals. The
first being customer service and the second
being problem solving. We view ourself as
problem solvers. And I am sure there are
folks that don't think we always get the
job done but that's how we view ourselves.
And if we -- we always must remain within
statutory and regulatory constraints but to
the extent that we can break with tradition

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Certified Shorthand Reporter
and go solve a problem within those context, that's our intent.

And the second page, briefly, are some of the things that, for the coming year, that we think are going to be important for the Agency. You've heard at the last Board meeting, our discussion of the effort to set a mercury standard. You will hear at this forum about the process by which we set that standard and how we intend to implement it. I did take a chance that you would pass the toxic's program -- toxic's rule this time and listed the evolution of the Air Toxics Program.

As you listened to David and Eddie's explanation of that program, it is an evolution, it's an evolutionary process by which we try to protect public health but do it in a common sense manner and that will require lots of input and lots -- and probably some changes and refinement over time and so we will be watching that.

I also mentioned earlier our need to understand the infrastructure needs across

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the state. I have a meeting with the
Director of the Water Resources Board, in
mid-July, to begin that process. We have
got to know where our infrastructure money
is going. We have to know, as a State,
that it's being used wisely and then if we
identify real needs, we need to go to
public policy makers to seek funding for
that. Not only at the State level but at
the Congressional level and as both, the
Director of the DEQ and the President of
ECOS -- and I picked this up just so you
guys will know I am not operating under
false colors. There's the President's
Corner for ECOS, in their magazine. But we
need to work on that. Again, we're going
to have to review the progress with the new
waste tire legislation. Something that we
had talked about at some length in the
Agency, since the session was over, and
that was our concern that with communities,
and particularly with small communities, we
have become that thing which we dread the
most and that is bureaucratic paper
shufflers.

Christy A. Myers
Certified Shorthand Reporter
We allowed Consent Orders to municipalities who have no capacity to solve the problems that are addressed and scheduled in most Consent Orders. What I think we want to try to do is get back to what I call, "In my facility philosophy." To ingrain within the employees -- and John is all over this thing -- of the Water Quality Division and the Customer Services Division and the Environmental Complaints and Local Services Division, the notion that a water -- public water supply or waste water facility is their facility. And they have the responsibility to provide good sound technical advice to that facility to the extent that we can, to provide them avenues to seek funding, to seek those problems, to really take those facilities as our own. Now, quite frankly when you have a facility that doesn't respond to that, I am less patient with them from an enforcement standpoint than I am otherwise. But we want to -- we're shuffling too much paper and we're not solving a lot of problems in that area, and

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Certified Shorthand Reporter
we need to really think about what we are
doing. And we've begun that process.

One of the things that will always
-- that seems to always take a lot of our
time in the last two or three years are
tribal issues. We continue to try to
negotiate agreements with the 39 individual
tribes in the State of Oklahoma that are
good for us all. But that is a very time
consuming issue. I visited with you
briefly in Executive Session about this
notion of consistent enforcement across the
States. While I was at the legislature, I
have to tell you that Craig Kinnamer and
Wendy Caperton took -- the yeoman's work
and are moving that process forward and I
hope to be able to spend a little bit more
time with that as the session has ended.

And finally, over the past two
years, it historically, as federal funding
for State programs has risen or been flat,
so has EPA's. They've been generally on
the same track. And we've always relied on
the Environmental Protection Agency to
negotiate what is called the STAG Grants,
State and Tribal Assistance Grants, which is the federal money that we received off of (inaudible).

Over the last two years, while the EPA budget has gone like this, the money for State programs and State infrastructure programs has gone like this. And as the President for ECOS, I am not any longer confident that I can rely on the Environmental Protection Agency to negotiate my budgets.

I think ECOS is going to have to step to the plate and negotiate our needs directly with Congress. And I think that many of my peers in State Agencies across the country are beginning to agree with me. That will take more work. When you let them negotiate your deal for you, it doesn’t take any work at all. When you are negotiating your own deal, it takes a lot of work. It’s something that we think is important.

Eighty percent of the programs that are eligible to be delegated in this country, have been delegated over the last

Christy A. Myers
Certified Shorthand Reporter
15 years. That means that the state environmental agencies in this country are doing almost all of the day-to-day work on environmental protection. That is a message that I understand and that my peers understand, it's not a message that I think Congress and OMB and CEQ and all that alphabet soup of folks that we deal with, do understand. We got to do a better job of that. So those are the kinds of issues that we'll be working on in the future. I think -- first I'll take questions on any of that.

Okay, I think we have -- yes.

W: How many tribes have been designated as states or (inaudible)?

MR. THOMPSON: Only the Pawnee.

w: Pawnee. I knew we have a couple of (inaudible).

MR. THOMPSON: That was issued and withdrawn, then issued. The Department filed suit in Circuit Court to block that. We did it as an exercise because there were time limits to do that to continue the...
negotiations with the Pawnee about getting a state -- compact or state agreement. And our intent is to continue to negotiate. But only -- now there is an application for the Cherokee's for air that is in EPA. We've commented on that. There's some that the Quapahs have developed water quality standards but have not developed treatment of state application as far as I know. Those are the three that we know that are (inaudible).

I think we have one presentation, Mr. Chairman. Any other questions of that report? Thank you.

MR. MASON: As you know, we have -- always have an attorney from the Attorney General's Office that helps us work through these meetings and Susan has been our attorney for four years. I think you are leaving us to go to greener pastures.

MS. KRUG: Well, some would say, maybe not. But I am staying with the Attorney General's Office. I'm going to be Chief of the Victim Services Unit. We are

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inheriting some of those duties from the Department of Mental Health, beginning July 1.

MR. MASON: God bless you. I think that’s harder than what we do.

MS. KRUG: Thank you.

MR. MASON: We have a card for you. If you’d like to say a few words and I think your replacement is here if you want to introduce her.

MS. KRUG: Yes. I want to introduce Ellen Phillips. She comes to us most recently from the House, has a vast experience with administrative rules, that’s what she did for the House staff. I think she’s going to be a wonderful fit for this Board.

And I have appreciated working with each and every one of you. I know it’s been challenging at times but I also have found it very rewarding, and I appreciate it. Thank you, very much.

MR. MASON: Thank you Susan.

If there is no other business, we will adjourn and start our public forum.

Christy A. Myers
Certified Shorthand Reporter
(Meeting Concluded)
CERTIFICATE

STATE OF OKLAHOMA   )  ) ss:
COUNTY OF OKLAHOMA   )

I, CHRISTY A. MYERS, Certified Shorthand Reporter in and for the State of Oklahoma, do hereby certify that the above proceedings is the truth, the whole truth, and nothing but the truth; that the foregoing proceedings were tape recorded by me, taken in shorthand and thereafter transcribed under my direction; that said proceedings were taken on the 21st day of June, 2005, at Watonga, Oklahoma; and that I am neither attorney for nor relative of any of said parties, nor otherwise interested in said action.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on this, the 16th day of July, 2005.

__________________________
CHRISTY A. MYERS, C.S.R.
Certificate No. 00310

Christy A. Myers
Certified Shorthand Reporter