

**NOTES OF A MEETING WITH DRY CLEANER OPERATORS
AT CDPHE
(MEETING 2)
APRIL 28, 2011**

Meeting began at 7:03 PM.
Introductions of the presenting team.
About 17 dry cleaner representatives attended.
The meeting concluded a little before 9:00 PM

Lauren Evans, Pinyon Environmental

Case Study: West Denver Dry Cleaner at shopping center
Investigation: PERC into groundwater, flowed to east
 Initial ID of source: apparently floor drain
Remediation: peroxide injections, levels dropped, but then rebounded
 After further investigations, found PERC around footers of building (a second source area), thus more injections.
 PERC concentrations dropped from about 5,000 ppb to 15 ppb (state groundwater standard is 5 ppb)
 Now, ongoing monitoring and natural attenuation
Cost: 11 year effort and about \$700,000 in total costs

Robin Freyberger, Sundance Environmental Consultants

Case Study: Mountain area
1996, spill in building and to floor drain during renovation of space
Investigation: 36 wells; highest level near source was 19,000 ppb
 Plume of contamination moved offsite toward river.
Remediation: initial soil excavation of area of spill
 Then dual phase extraction to suck out contaminants in soil and soil gas
 Then potassium permanganate injections (strong oxidizer, purple color)
 12 injection events over 5 years
 Contaminant levels dropped well, and plume contracted
 But problems: after resting some time, contaminant levels rebounded up somewhat
 Is a residual source under foundation that will be hard to get at
 Now monitoring and natural attenuation
Cost: 14 years effort has cost almost \$600,000

Walter Avramenko, State Hazardous Materials Unit, CDPHE

Length of time to remediate: talking about years to decades
There is a difference between PERC and petroleum contaminants
 But, both have carcinogens

Petroleum naturally attenuates more easily than PERC
 The two products are regulated under different state programs

Nicole Abbott, Davis Graham & Stubbs LLP

How other states handle

State Coalition for Remediation of Dry Cleaners

13 states have programs

Great varieties among states

Some funds are financially unstable

Group conclusions

We do not have a concrete program; these are just concepts for discussion

Industry must help create program if is to go forward

Percent of gross fee works better than fixed fee per gallon

If rely solely on PERC usage for funding, likely to decrease over years

Deductible paid by fund applicant

Cap on amount fund would pay to a site

Use ranking and prioritization

Reduce eligibility for fund if non-compliance

Industry can tailor program to desired parameters

Colorado underground tank fund has been successful

Robin Fryberger

Evaluation of financial considerations

Probably use a volunteer advisory committee

Example: straw man calculation of potential fund revenue

Calculate revenue from chemical surcharge			
per shop per year: 2 drums x 55 gal x \$10/gal			\$1,100
all shops for Fund life (400 shops, 30 yrs)			\$13,200,000
Calculate revenue from gross receipts fee			
per shop per year: \$175,000 x 2.5%			\$4,375
all shops for Fund life (400 shops, 30 yrs)			\$52,500,000
Calculate revenue from deductible			
per shop with contamination (one time)			\$10,000
all shops w/contamination (300 shops)			\$3,000,000
==> Total of 3 revenue streams (30 yrs)			\$68,700,000

Discussion Among Attendees

One company attending had a site that was not as bad, remediated more quickly, at a total cost of around \$100,000, with state closure letter

Experience is situational:

- Amount of chemicals released and contaminant levels detected

- Nature of soils

- Location and extent of contaminant plume

Debate about value of a state fund

- Tennessee program growing too big

- Florida fund works better

Tabor issues

- Difference between a tax and a fee

- Only taxes subject to Tabor restriction

- OK: a fee only on operators who will receive benefit of services from fee

Question is what is overall benefit to the industry

- How do we structure message to sell to industry

- Our group will not proceed unless industry wants to go forward

Concern about State raiding the fund for other budgetary needs

- Enterprise fund is fairly good protection

Program and fund would be run by a lay committee

- Industry reps, citizen reps and government reps

- Underground tank fund committee is an example

Question: shouldn't we look at how to stop problems from happening

Question: what can this group do to incentivize operators to improve practices so that problems do not occur now

Key: industry can structure program with great flexibility to meet its desired needs

There are many questions to be resolved

A program may help with the image of the industry

Next: have a more specific meeting

- After cleaners show (Vegas) in early June

What information do we need from them?