

**Part 127 Revision Stakeholder Meeting
Friday October 25, 2013
9:30am-3:00pm**

Minutes

Present:

Dan Cameron
Deb Cardiff
George Carr
Michelle Crook
Greg DeWind
Tony Drautz
Casey Elliott
Edward Evertt
Paul Humes
Glenn Jandernoa

Richard Layman

Dan Milan
David Schulenberg
Mike Mattson

MDEQ Staff:

Joe Crigier
Dana DeBruyn
Carolyn Kreiger
Anita Ladouceur
Jim McEwan
Liane Shekter Smith

Not Present:

Joel Annable
Majed Ghussanini
Butch Henry
David Lusch
Cynthia Maher
Leon Moore
Gerry Neubecker
Adam Wygant

I. Agenda review

II. Review minutes from previous meeting

A couple of changes are needed to the minutes from last meeting. The date was incorrect, Dan Cameron would like to add a specific statement that he made regarding unregistered well drillers and item V should read "the last two meetings".

III. DEQ progress report since the last meeting in July

Liane: Our initial goal was to update the statute and rules and look at policies. DEQ wanted to have input from this stakeholder group prior to setting forth draft statute language. DEQ does not consider today's document a final work product, but it is a starting point for the conversation. There are places where we may not reach consensus and that's ok. We would like to be able to talk through all the issues even if there is no consensus.

IV. Action Items from Previous meetings

- **DEQ will report the number of individuals that took/passed the exam each year for the last five years.**

Year	Number of Applicants	Number that Passed Exam
2013	9	7
2012	4	5
2011	7	8
2010	17	15
2009	8	9

Note: Some applicants are exam repeats.

- **DEQ will report on status of irrigation well permitting programs at LHD, and any correlation between this and violations.**

13 counties in 7 LHDs do not issue permits for irrigation wells. The LHD has little communication between the property owner, farmer and driller to insure these wells are installed to Part 127 requirements including meeting isolation from potential contamination sources.

- **MGWA has a list of items that will be discussed at the special board meeting and will report back on those items.**

George: good discussion with some legislators that showed up to the executive board meeting. MGWA take issue with some of the statements of DEQ. Well drillers are the only stakeholders whose livelihood is at stake. Fee increase is not productive when other issues are not resolved in the draft package. MGWA took survey of members and there was no one that didn't already own insurance. Unless you can show a particular incidence, board does not want to go to mandatory insurance. Members have different levels of insurance and would like to keep the diversity of choice.

- **NGWA will provide a list of the states that use the NGWA testing modules and how they use it.**

Paul: Report of the 18-19 states that use NGWA , some use it for just testing and others use it for licensing. Some level of customization for each state. 19 different modules. Emailed link to Dana with specific detail.

http://info.ngwa.org/servicecenter/states/State_map.cfm?uid=Nm

Exams are rigorous, pass rate below 70%.

- Cost to state and industry. Average testing fees around \$75 per module.
- New Jersey came to NGWA to save money. Paying NGWA substantially less than the cost of them doing it themselves.
- Complete library of training materials available to exam takers. All self-study courses. Available for purchase at the NGWA bookstore.
- Michigan would have a module specific to the code.
- Because of the limited number of individuals that take the exam, it may be cost prohibitive to have NGWA take over the program.

- **Future of Industry and where is the industry headed in five years?**

Paul: Nationally, there is going to be contraction of the well drilling industry. Larger firms in smaller numbers. Higher level of professionalism. More college graduates with geology degrees. More emphasis on watershed protection and management.

1. Re-urbanization of downtown (less new residential wells).
2. Downsizing of second/vacation homes, function of economy.
3. Regulations will expand.
4. Growing interest in well systems with water withdrawal limits in a watershed.
5. Water disparity issues on the forefront. "Geopolitics" and rumblings of nationalization of water because the water is not where the people are located.

Ed: Proper well development and well completion is needed to achieve the capacity and efficiency that is need in the non-residential installations. More education and experience is needed, including those of construction site managers. Michigan needs to tout its water resources to a greater degree.

Discussion on Geothermal. NGWA is developing ANSI standards for Geothermal Installations including grouting.

V. Statute Discussion Items

a. *Definitions 12701*

Supervision: George: broad definition, ability to work on definition. Want to come back to when the enforcement discussions commence.

Group discussion on the definition of well, specifically on monitoring wells and geothermal wells.

- b. *Well owner installed wells and well owner plugging of wells 12703*
Group: consensus this is acceptable with some language clarification.
- c. *Permit required 12703*
Discussion mainly focused on irrigation permits. MDARD and Farm Bureau will be included in future discussion.
- d. *Registration 12704, 12705*
There is currently a bill in the Senate (SB 92) regarding licensing of pharmacy techs that MGWA would like to use as a model for licensure if it passes. If licensure goes to DLARA, it will only be a paper program and the enforcement will still be with DEQ.
Page 6 Line 32-36 was to address unregistered individuals. DEQ can clean up this language. Still need to add a separate fine for unregistered drillers in Michigan.
- e. *Registration fees 12704*
- f. *Well Records 12707*
MGWA will not support the required use of electronic well record submittal. DEQ would like to set a date in the future to require it, if not immediately.
- g. *Advisory Council 12711*
MGWA questions why we need an advisory board and a licensing board.
DEQ views the advisory board as the group used for setting policy and addressing changing conditions. We need broad stakeholder involvement for any rule promulgation processes. The DEQ should be responsible for rule making related to well construction.
The licensing board is purely for the act of licensing.
George: Licensing board should have rule promulgation. DEQ can choose to use an advisory board to talk, but the license and rules will be done by the licensing board.
- h. *Violations 12709, 12715*
Need further clarification of wording on enforcement/penalties for non-registered/licensed contractors.
- i. *Continuing Education 12716, 12717*
Consensus that CE is important, but the details may hinge on licensing verse registration
- j. *Bonding 12718*
MGWA does not want to pursue bonding. DEQ would like to see surety bonds.
DEQ views the well drilling "trade" as very different from other professions due to the complexity of groundwater as a resource for all the people of the state.
- k. *What has been overlooked? (DEQ policy/procedure items)*
Page 2 line 20 needs to be re-worked.
No additional items were mentioned in regards to the Statute.

VI. Where do we go from here? Discussion of future topic agenda items and future meetings.

George: complaint about the lack of financial resources put toward public health and more resources protecting fish. MGWA is having a presentation from hydrogeology firms on the WWAT at a board meeting tomorrow. DEQ needs to justify reasonable professional level of budget. Throwing \$200K at a study in Ottawa County, but a basic well inspection is not done in most areas of the state. Looking at the threat to the aquifer is clearly on geothermal side. Need to justify need for fees. MGWA members took it to oil and gas, not the ODWMA. Need value added to the resources as we move forward.

Liane: Internal DEQ meeting to determine: 1) Include geothermal? 2) Follow up with MDARD regarding irrigation permitting and farmer plugging wells.

Geothermal: George: we should move forward with geothermal rules, either in this document or in a separate document before revisions to Part 127. MGWA will support a statutory change laid out in the existing Best Practices Guide for Geothermal.

Liane: DEQ cannot move the existing guidance forward as statute without bringing it to a stakeholder group. George: Right now the most pressing contamination issue is geothermal. If you are truly interested in groundwater protection, move forward with geothermal legislation.

VII. Determine next meeting date(s) and propose location

DEQ will edit the statute draft and email a copy to the stakeholders in a few weeks. The next meeting will be determined via email at a late date. George: MGWA would like the location of the meeting to be somewhere other than Lansing.