

US EPA ARCHIVE DOCUMENT

Quarterly Report – October 2007 - December 2007
STATE INOVATION GRANT PROGRAM (SIG)

**A. PROJECT TITLE: MICHIGAN ENVIRONMENTAL RESULTS PROGRAM (MERP) – DRY
CLEANING SECTOR**

B. APPLICANT INFORMATION:

Lead Agency:

Michigan Department of Environmental Quality (MDEQ)
Environmental Science and Services Division (ESSD)
P.O. Box 30457
Lansing, Michigan 48909-7957

Key Contacts in MDEQ - ESSD:

Marcia Horan, Chief, Pollution Prevention and Compliance Assistance (P2CA) Section
E-mail horanm@michigan.gov
Telephone (517) 373-9122
Fax (517) 373-3675

Project Contact:
James Ostrowski, Environmental Quality Analyst, P2CA Section
E-mail ostrowsj@michigan.gov
Telephone (517) 241-8057
Fax (517) 335-4729

Geographic Focus:

Michigan - Statewide

C. FUNDING REQUESTED: \$199,200

D. PROJECT PERIOD: January 2005 through May 2008

I Synopsis of Accomplishments During the Reporting Period

A summary of relevant project milestone/tasks considered to be ongoing and completed during the 4th quarter of 2007 (Oct 1 – Dec 31) are presented below.

Milestone/Task	Status	Completion Date	Comments
<p>Development of ERP software tool <i>Develop and implement an approach to cost-effectively input and manage the MERP data, including primary and secondary data. Primary data consists of data from inspection reports and facility forms (including self-certification forms). Secondary data sources include lists of facilities from regulatory and private-sector databases.</i></p>	Ongoing	<p><u>Original</u> 10/2006</p> <p><u>Projected</u> 5/2007 8/2007 3/2008</p>	A new patch to the software was received by the MDEQ from the contractor in Nov 2007. Extensive testing has taken place and issues have been identified for correction. We continue to work with the contractor to develop a system that will meet the needs specified by the MDEQ Dry Cleaning Program.
<p>Self-Certification <i>Implementation of a voluntary facility self-certification approach. Self -certification refers to the submission of a record of a facility's compliance and beyond compliance practices.</i></p>	Complete	9/2007	Sent thank you letter and certificate to all facilities that completed and returned self-certification forms. I have attached a copy of the letter and sample certificate to this report.
<p>Analysis of Self-Certification Results</p>	Complete	10/2007	<p>323 certification forms were returned by the 9/30 deadline and another 173 were received in the two weeks following the deadline. The final count was 496 self-certification forms returned, which is approximately 58% of the dry cleaners in Michigan.</p> <p>Results were input into a database similar to the one used for the baseline inspections. In addition to data collected pertaining specific to compliance although data is also available regarding facility information, type of form used (Korean v English, hard copy v electronic), when submittal was received etc. Attached to this report is the spread sheet that summarized the results from the self-certification.</p>
<p>Post-Certification Inspections <i>Facilities selected at random from the entire universe of facilities, based upon sample design from statistical methodology.</i></p>	On-Going	10/2008	Worked with Michael Crow of Crow Environmental to Develop a sample that could be used for post-certification inspections that are scheduled from June-October 2008.

II Narrative Discussion

The 4th quarter of 2007 consisted primarily of compiling and analyzing the data that was collected during the self-certification phase and testing the database/inspection software being developed by the contractor. During December we worked extensively with Michael Crow (Crow Environmental) to fix issues associated with our baseline sample and develop a sample for the upcoming post-certification inspections.

Self Certification: When we sent the self-certification packages out to facilities, we told them that we would send them a certificate recognizing their participation in this program if they completed and returned the forms. In October 2007 we sent a thank you letter and certificate to all facilities that completed and returned self-certification forms. I have attached a copy of the letter and sample certificate to this report.



Development of ERP Software Tool: We continued to work with our contractor to develop a dry cleaning database and inspection software tool. Unfortunately, the primary programmer left the company we are working with, which has caused a lot of delay. A new patch that corrected some of the issues we identified previously was provided to us in November and we continued testing and submitting issues throughout the quarter. We are finding several problems with the tool they have given to us to test so far and we hope that the issues can be resolved with future patches.

Self Certification Data Analysis: All data that was collected from facilities was entered into a database system by two staff members. I have attached the spreadsheet that shows the results. I can provide the actual database we used for collection if requested. Below are some of the main data points from the results:

- A total of 496 self-certification forms were returned, which is approximately 58% of the dry cleaners in Michigan.
- As can be seen from the data, the vast majority of sources feel they are in compliance with all or most of the air and waste requirements they are subject to. This is in direct contrast to the data that was gathered during the baseline inspections. Further analysis of this will occur in our final report.
- 200 Return-to-Compliance Plans were received.
- 27 sources used the Korean version of the self-audit

Post Certification Inspections: In November several issues with are baseline survey that was conducted the previous year were discovered. Essentially, the issues pertained to some inconsistencies of when certain inspections were carried out, some inspections were conducted outside of the baseline inspection window. This was discovered while reviewing the data with Mike Crow, while compiling data for the ERP States Produce Results Report. Ultimately, we decided to remove a significant amount of data from the baseline sample to ensure statistical validity. We now have sound data from 262 sources as opposed to 300 sources as a result of this mishap. Fortunately, the problem was discovered soon enough so we could make the necessary adjustments to our data and better prepare our inspectors for the post certification inspections.

Working with Michael Crow, it was decided that it would be best to conduct the post-certification inspections as close to the time that we conducted the baseline inspections as possible, which

would be summer/fall 2008. We decided that an inspection window of June-October 2008 would be sufficient. Since our dry cleaning inspectors set their inspection schedule for the year by December 31, it was necessary that we develop the random sample by December 31 so that we could provide the inspectors with a list of sources they should and should not visit prior to the post-certification window. Developing the sampling methodology for the post-cert inspections was somewhat complicated due to several factors including: a significant reduction in the number of dry cleaners since the baseline sample, one less inspector, and the reassignment of the remaining three inspectors to territories different than what they covered during the baseline sample. Taking all these factors into consideration we were able to develop a good sample of 250 sources, which were then divided up amongst the inspectors. The basic sampling table is shown below.

2008 inspector	2006 inspector	number of inspections	switched inspections	inspector subtotal switched	switched/inspector total	08 by 06 proportional sample	Sample Size Recommended, by Stratum
Jack	Jack	106	0			35	35
Jack	Karl	75	75	75	41%	24	24
Joe	Joe	220	0			72	72
Joe	Jong	74	74	74	25%	24	24
Jong	Jong	193	0			63	50
Jong	Jack	10	10	99	34%	3	10
Jong	Joe	60	60			20	20
Jong	Karl	29	29			9	15
		767	248		32%	250	250

I met with the inspectors to explain the sampling methodology and provided them each with a list of all these sources including those that were to be included in the sample. I stressed the importance of waiting to visit the facilities identified as part of the sample until between June-October. We are anticipating that we will be able to use our new inspection software tool being developed by the contractor under the SIG to collect the post-certification inspection data.

III Projection of Activities, Accomplishments, and Major expenditures for Next Quarter Report

Due to the fact that we are delaying the post-certification inspections until June 2008 the only activity we anticipate to occur in the first quarter of 2008 (Jan 1 - March 31) is continued testing of the software tool as well as the submittal of a grant extension request.

IV Financial Summary

The table on page 5 provides a summary of the total expenditures to-date. Very little financial activity occurred during this quarter since no payments were made to the contractor developing the software. Almost all funds expended went to salary and fringe benefits.

As of 9/30/07, \$245,792.09 or 82% of the total funds available for this project have been spent. We have met the state match requirement of \$100,000 (34% of the total funding).

**DETAILED ITEMIZED BUDGET:
MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY
COOPERATIVE AGREEMENT BUDGET DETAIL 01/01/05 - 12/31/07**

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