

**Minutes of PSTIF Advisory Committee Meeting
July 6, 2021**

Chairman Jordan called the meeting/conference call to order at 11:30 a.m. Roll call was initiated to determine attendance for those participating by phone. He also noted roll call would be taken for voting at this meeting. Other attendees introduced themselves after roll call was taken.

Members Present:

Mark Jordan, Wallis Oil Co., CHAIRMAN
Sonny Underwood, Mid-South Steel Products, Inc., VICE CHAIRMAN
John Albert, MDA/Weights, Measures, and Consumer Protection Division
Steve Ayers, Ayers Oil Co.
Daryl Bowles, DK Environmental, LLC
Todd Burkhardt, Neumayer Equipment Co.
Phil Farrell, Double Check Co. (via phone)
Ken Koon, MO DNR/HWP/Tanks Section
Ron Leone, MO Petroleum and Convenience Association (via phone)
Ron Morton, Town & Country Supermarket
Brian Wiegert, PMMIC Insurance/Rounds & Associates (R&A Risk Professionals)

Members Absent:

Mark Abel, Abel Oil Co.
Ron Bachman, St. Joe Petroleum
Wayne Baker, Warrenton Oil Co.
Bruce Barnes, Santie Oil Co.
Tracy Barth, MFA Petroleum Co.
Gary Bemboom, Bemboom Enterprises d/b/a BeeLine Snack Shops
Paul Cox, Cox Oil Co.
Zarar "Bobby" Lodhi, Lion Petroleum
David Mangelsdorf, Home Service Oil Co.
Stewart McIntyre, Big River Oil
John Roark, Roark and Sutton
Ryan Rowden, The Rowden Group
Jack Sachs, Hocker Oil Co.
Jason Smith, Environmental Works, Inc.
Adam Troutwine, Polsinelli

Staff Present:

Dan Henry, Williams & Company Consulting
Diane James, PSTIF Executive Assistant
Dorcee Lauen, PSTIF Compliance/Underwriting Manager
Kelley Ogletree, Executive Director, PSTIF
John Taylor, General Counsel, PSTIF

Others Present:

Vicki Cason, Wallis Oil Co.
Carol Eighmey, Retired
Darryl Slade, Tanks Section, MoDNR Environmental Remediation Program

Review/Approval of Minutes – January 27, 2021 Meeting

Sonny Underwood moved that the minutes be approved as presented. Steve Ayers seconded. A roll call vote was taken. Motion carried with John Albert abstaining.

Review Financial Information

Chairman Jordan asked Ms. Ogletree to take them through this information. Ms. Ogletree did so; there were no questions or comments on this information.

2021 Legislative Report

Chairman Jordan asked Ms. Ogletree to give them an overview of the 2021 legislation that had been passed. Ms. Ogletree reported that the legislature only passed a small number of bills, but that the change to the PSTIF statutes supported by the Board of Trustees was in one of them. This change authorizes the Board to modify the PSTIF Participation Agreement to move defense costs outside the coverage limit of \$1 million required in statute. Ms. Ogletree reminded the committee that this change is necessary to ensure PSTIF's Participation Agreement continues to be recognized by MoDNR as a full financial assurance mechanism for tank owners and operators to meet the financial responsibility requirements.

Ms. Ogletree also reported that MoDNR's efforts to modify the statute such that a portion of the Transport Load Fee would go directly to them, which was discussed in detail at the last committee meeting, was introduced but did not pass this session.

Discussion of Participation Agreement Changes

Chairman Jordan commented that at the last Committee meeting a subcommittee was formed to work with PSTIF's General Counsel to examine the current Participant Agreement and some of the language included. Chairman Jordan reported that the subcommittee considered several options, including whether or not to put a limit on the defense costs and if so, how much that limit should be.

Chairman Jordan explained that ultimately the subcommittee determined that it would be in the best interest of both the participants and the PSTIF Board of Trustees to have no limit on defense costs.

Some discussion regarding the history of defense costs in third-party claims took place, as well as a comparison of PSTIF's Participation Agreement to commercial insurance policies.

Sonny Underwood moved to approve the recommendation to the Board of Trustees for amending both the declaration page and Participation Agreement to reflect defense costs without any defined limits. John Albert seconded. A discussion ensued regarding the specific changes recommended. Ken Koon notified the committee that he would be abstaining due to the fact that MoDNR legal counsel has not yet made a determination as to whether these changes meet the requirements of the financial responsibility regulations. A roll call vote was taken. Motion carried with Ken Koon abstaining.

Chairman Jordan asked Ms. Ogletree to explain the next steps in this process. Ms. Ogletree stated that the Advisory Committee's recommendation would be considered at the next meeting of the Board of Trustees. It is anticipated that the Board will take action at the next meeting and that any changes to the Participation Agreement and Declarations Page will be effective August 28, 2021 to coincide with the change in statute.

Mr. Taylor then commented more generally about the Participation Agreement and noted the last time it had been reviewed was 2005. He said it would be worth looking at again regarding the language included due to new regulatory or statutory provisions not currently reflected in the Participation Agreement as some may need to be changed or updated.

Chairman Jordan dissolved the subcommittee that met regarding defense costs and asked for volunteers to serve on a new subcommittee to look at other potential changes to the Participation Agreement.

The following members volunteered: Mark Jordan, Ron Morton, Sonny Underwood, and Brian Wiegert.

Other Business

There being no other business to discuss, Sonny Underwood moved that the meeting be adjourned. Ron Morton seconded. A roll call vote was taken. Motion carried.

Chairman Jordan thanked everyone for attending and adjourned the meeting at 12:08 p.m.

Respectfully submitted:

 /S/
Kelley J. Ogletree

 5/12/2022
Date