

MINUTES
Petroleum Storage Tank Insurance Fund
Board of Trustees Meeting
September 18, 2019

Doubletree Hotel, Jefferson City, MO
Start Time: 9:31 a.m.

Chairman Greer called the meeting to order. He requested a motion to go into closed session to discuss matters authorized by Subsections (1) and (11) of Section 610.021, RSMo. Katie Jo Wheeler moved to go into closed session as requested by Chairman Greer. Nikki Loethen seconded. A roll call vote was taken. Motion carried without dissent.

[All persons except the Board of Trustees, its employees, and its counsel left the room for closed session and returned for open session.]

Chairman Greer called the open session meeting to order at 10:57 a.m.

Trustees Present:

James Greer, Chairman
Jim Ford, Vice Chairman
Bill Abbott
Tom Kolb
Nikki Loethen
Ski Mariea
Don McNutt
Kristi Naught
Dick Peerson
Katie Jo Wheeler

Trustees Absent:

Danny Opie

Staff Present:

Jeff Blaylock, Ford, Parshall & Baker
Kelly Campbell, Spencer Fane
Carol R. Eighmey, Executive Director
Pat Eriksen, Williams & Company Consulting
Dan Henry, Williams & Company Consulting
Craig Jacobs, Assistant Attorney General
Diane James, Executive Assistant

Others Present:

Chuck Adamson, DNR, General Counsel
Daryl Bowles, DK Environmental (for Claim 62768 Appeal)
Justin Buckler, DNR Environmental Remediation Program
John Jurgensmeyer, DNR Environmental Remediation Program
Shannon Larsen/Larry Larsen/Andy Wilson, SLAW Investments (for Claim 62768 Appeal)
Ron Leone, Missouri Petroleum Marketers and Convenience Store Association (MPCA)
Daniel Lupton, Taylor & Mulder
Mike Martin, Tanks Section, DNR Environmental Remediation Program
Steve Mauer, Zenger & Mauer (for Claim 62768 Appeal)
Darryl Slade, Tanks Section, DNR Environmental Remediation Program
Jason Smith, Environmental Works, Inc.
Brian Wiegert, Rounds & Associates

Claim Appeal – Expressway Food Shop, Claim 62768

Chairman Greer asked those in attendance for this claim to introduce themselves. Mr. Mauer introduced Larry Larsen, Shannon Larsen, and Andy Wilson; Daryl Bowles also participated in the presentation. Chairman Greer asked Mr. Mauer why there was a court reporter in attendance. He responded she was there to provide a record for this agenda item. Mr. Mauer then made a power point presentation; a copy is filed with the meeting records. Discussion followed.

Mr. Mauer then opined that the Board cannot discuss the claim appeal in closed session and stated that the Trustees could be held personally liable for a violation of the Sunshine Law. He asked whether the Board intended to discuss the matter in closed session; Chairman Greer responded that was yet to be determined.

Chairman Greer then rearranged the agenda to provide time for the actuarial report to be presented as Daniel Lupton needed to get to the airport soon to catch his flight.

Actuarial Report – Taylor & Mulder (see also page 3)

Chairman Greer introduced Daniel Lupton from Taylor & Mulder, who summarized the actuarial report using a power point presentation, which is filed with the meeting records.

Chairman Greer thanked Mr. Lupton for his presentation and the information provided.

Review and Approval of Minutes – May 22, 2019 – Open Session

Dick Peerson moved to approve the minutes as presented. Jim Ford seconded. Chairman Greer asked if there were any corrections or additions. Katie Jo Wheeler moved to amend the minutes by adding the following sentence after the second sentence in the third paragraph under “Legislation” on page 3: “Ms. Wheeler noted the Department has

responded to all questions and concerns posed to date regarding its budget request and brought staff to this meeting to answer any additional questions.” Ski Mariea seconded the motion to amend. A short discussion followed. The motion to amend passed with Nikki Loethen abstaining. The motion to approve the amended minutes also passed with Trustee Loethen again abstaining.

Monthly Reports

Chairman Greer invited questions or comments on the draft August financial statements distributed at the outset of the meeting; there were none.

Regarding the monthly reports and accompanying information, Ms. Wheeler asked that, for future meetings, the graph showing the trend in cleanups and claims be printed with a vertical axis starting at zero; Ms. Eighmey agreed to do so.

Report on FY19 Leaks

Ms. Eighmey directed Trustees’ attention to the information in their notebooks, noting the data again shows, as it has for several years, that Missouri tank owners have very few leaks and suggested the Trustees should be pleased with the low loss ratio. She noted the FY19 data again emphasize that human error is the cause of many of the leaks that do occur and confirms the value of having insurance.

She then showed a video of a recent incident at an insured convenience store in Carl Junction where one vehicle crashed into another vehicle while the driver of the second one was refueling; she emphasized the value of MDA’s fire and safety inspections, noting the fact that the dispenser had a functional, well-anchored shear valve probably prevented a claim, as well as serious injuries and property damage, in the Carl Junction incident.

Actuarial Report – Taylor & Mulder (continued)

Vice Chairman Ford then returned to the actuarial report and asked if the board needed to vote to accept it.

Katie Jo Wheeler said she would like to see the complete report before endorsing it. Ms. Eighmey said the board could defer acceptance of the report until its next meeting, but that would delay payment to the vendor; she offered to email the entire report to the Trustees.

Ski Mariea moved to approve payment to the vendor. Tom Kolb seconded. After a brief discussion, the motion and second were amended to reflect that the entire report would be emailed to Trustees, who would be given opportunity to send any additional questions or concerns to Taylor & Mulder within a week or ten days, with the understanding Taylor & Mulder would then provide a final report and be paid. Motion carried.

FY20 PSTIF Budget and DNR Request for Additional Funding

Chairman Greer took up Trustee Wheeler's motion, tabled at the last meeting, to consider DNR's request for additional FY20 funding for a fourth time. After a brief discussion, the motion carried.

Chairman Greer then moved to approve a budget for use on the Income Statements, noting the previous vote indicates the line for DNR expenses in Option B is appropriate; he invited questions or changes to the other figures; there were none.

Jim Ford moved to approve Budget Option B for use on the PSTIF Income Statements. Katie Jo Wheeler seconded. Motion carried.

Review/Approve FY21 Budget Requests

Chairman Greer then asked Trustees to consider the two requests received from state agencies for authority to spend PSTIF money for the fiscal year that will begin July 1, 2020.

Department of Revenue – Don McNutt moved to approve the Department of Revenue's FY21 budget request of \$31,034, plus payroll taxes, fringe benefits and any COLA added by the Legislature. Dick Peerson seconded. Motion carried.

Attorney General's Office – Jim Ford moved to approve the Attorney General's Office FY21 budget request for \$28,904, plus payroll taxes, fringe benefits and any COLA added by the Legislature. Dick Peerson seconded. Motion carried.

Petroleum Storage Tank Insurance Fund – Ms. Eighmey distributed a memo, which is filed with meeting materials, recommending the Board request a "contingency increase" in its appropriation for personnel in case the Board wishes to bring some of the tasks currently contracted to outside vendors "in-house" when its contracts expire on December 31, 2020.

James Greer moved to approve the recommendation as presented. Dick Peerson seconded. After a brief discussion, motion carried with Trustee Wheeler abstaining.

Other Information

Chairman Greer asked if it would be agreeable to change the proposed date for the January board meeting to Tuesday, January 28. There were no objections raised at the meeting. Chairman Greer asked the Trustees to review all the proposed meeting dates and let Diane James know in the next 7-10 days if they have any objections; otherwise, Ms. James will proceed with securing locations for meetings on the dates presented, including January 28.

Chairman Greer invited questions on the billings; there were none.

Chairman Greer thanked everyone for attending and let them know the next meeting is currently scheduled for Wednesday, November 13, 2019 at the Governor Office Building in Jefferson City.

Chairman Greer then asked for a motion to go into closed session. Jim Ford moved to go into closed session to discuss matters authorized by Subsections (1), (2), (3) and (12) of Section 610.021. Tom Kolb seconded. A roll call vote was taken; motion carried without dissent.

The meeting was adjourned at 1:07 p.m.

Respectfully submitted:

Approved by:

 /S/
Carol R. Eighmey

 /S/
James Greer, Chairman

 11/13/2019
Date