

MINUTES
Petroleum Storage Tank Insurance Fund
Board of Trustees Meeting
November 13, 2019

Governor Office Building, Jefferson City, MO
Start Time: 9:30 a.m.

Chairman Greer called the meeting to order. He requested a motion to go into closed session to discuss matters authorized by Subsection (1) of Section 610.021, RSMo. Tom Kolb moved to go into closed session as requested by Chairman Greer. Katie Jo Wheeler seconded. A roll call vote was taken. Motion carried unanimously.

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

Chairman Greer called the open session meeting to order at 10:09 a.m.

Trustees Present:

James Greer, Chairman
Tom Kolb
Nikki Loethen
Ski Mariea
Kristi Naught
Dick Peerson
Katie Jo Wheeler

Trustees Absent:

Jim Ford, Vice Chairman
Bill Abbott
Don McNutt
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:

Troy Howe, Twin Creek Environmental
John Jurgensmeyer, DNR Environmental Remediation Program
Ken Koon, Tanks Section, DNR Environmental Remediation Program
Shannon Larsen/Larry Larsen/Andy Wilson, SLAW Investments
Ron Leone, Missouri Petroleum Marketers and Convenience Store Association
Mike Martin, Tanks Section, DNR Environmental Remediation Program

Others Present (continued):

Steve Mauer, Zerger & Mauer
Brian Pottebaum, Rounds & Associates
Darryl Slade, Tanks Section, DNR Environmental Remediation Program

Claim Appeals

Expressways Food Shop, Claim 62768 – Chairman Greer asked for a motion to start discussion on this claim appeal. Kristi Naught moved to address the timeliness of the appeal. Tom Kolb seconded. Craig Jacobs distributed two letters and explained that the Fund participant was notified in 2010 that 50% of eligible cleanup costs would be reimbursed and failed to appeal that decision within 180 days. Discussion followed.

Ski Mariea amended the motion, moving that the Board deny the claim appeal based on the fact that it was not received within 180-day timeframe specified in the Board's rules. Katie Jo seconded. Motion to amend carried.

Chairman Greer then asked for a vote on the original motion, which carried.

Former Sterling Auto, Claim 52901 – Chairman Greer asked whether anyone was present to present this appeal. Troy Howe introduced himself and said the subcontractor who knew the most about the matter had a family emergency and could not attend the meeting; he asked the Board to postpone its consideration of this appeal.

Katie Jo Wheeler moved to table this appeal until the January Board meeting. Dick Peerson seconded. Motion carried.

Approval of Minutes – September 18, 2019 – Open Session

Ski Mariea moved to approve the minutes as presented. Tom Kolb seconded. Katie Jo Wheeler moved to amend the minutes by removing the text in parentheses on page 5. Nikki Loethen seconded. Amendment and motion carried.

Monthly Reports

Chairman Greer directed Trustees' attention to the October financial statements distributed at the beginning of the meeting; there were no questions. Ms. Eighmey made a few comments about the activity reports. There were no questions on large-loss claims.

FY21 Budget Requests

DNR FY21 Budget Request – Chairman Greer asked for action on the FY21 budget request, noting it is for the same amount as requested for FY20. Tom Kolb moved to approve expenditures up to \$1,485,250, plus actual fringe benefits and any additional cost of living increases, HB13 leases, HB5 telecommunications and software, and cost-

allocation transfer adjustments approved in the FY21 state budget. Ski Mariea seconded. Chairman Greer invited discussion; there was none. Motion carried.

Revised PSTIF Budget Request – James Greer moved to approve Ms. Eighmey's recommendation to withdraw the contingency line on the original PSTIF Budget Request. Dick Peerson seconded. It was clarified that the contingency had been designed for future, not current, staffing. Motion carried.

Chairman Greer then introduced Brian Pottebaum from R & A Risk Professionals (formerly Rounds & Associates) to present the FY19 year-end report on UST/AST inspections, as the auditor had not yet arrived at the meeting.

Report on FY19 Inspections – Rounds & Associates

Mr. Pottebaum showed some slides, which are filed with meeting materials, and discussed R & A's findings; he compared inspection results with prior year's data.

A brief discussion followed, during which there were some questions about how the inspectors report observations of water or debris in sumps.

Other Business

Legislative Proposal – Ms. Eighmey discussed ongoing work by the Board's attorneys to draft a bill for the 2020 legislative session, noting the priority issue is to address the coverage concern raised by DNR and EPA, but the attorneys would likely include some language to address some of the issues the Board is having to litigate.

[Lynn Graves arrived at meeting.]

Katie Jo Wheeler expressed concerns that the deadline for getting the Governor's approval of legislation had passed; Ms. Eighmey said she was unaware of any such deadline but was keeping the Governor's staff informed. Dick Peerson said he had spoken with the Governor's office and they are okay with the Board's decision to seek passage of a bill to address EPA's concern about PSTIF coverage.

Ms. Eighmey emphasized feedback on the bill will be invited from all parties, including Trustees, with the goal of addressing any stakeholders' concerns so the bill can be passed in 2020.

[Tom Kolb briefly left and returned to the meeting during this discussion.]

2020 Board Meetings – Chairman Greer asked if any Trustee wished to propose a different date or location for the Board's 2020 meetings; there were no changes suggested. He asked Ms. James to finalize plans for the following year's meetings.

There were no questions or comments on the billings.

FY19 Financial Audit – Graves and Associates CPAs

Chairman Greer introduced Lynn Graves from Graves and Associates CPAs to present the annual financial audit. Mr. Graves reviewed his report, noting it contains a “clean” opinion.

Ski Mariea moved to accept the FY19 financial audit as presented. Tom Kolb seconded. Chairman Greer asked if there were any other questions/comments; there were none. Motion carried.

Chairman Greer thanked everyone for attending and let them know the next meeting is currently scheduled for Tuesday, January 28, 2020 in Columbia.

Chairman Greer then asked for a motion to go into closed session to:

- Approve the minutes from the previous closed sessions;
- Discuss ongoing and threatened litigation;
- Discuss contract recommendations; and
- Discuss personnel matters.

Tom Kolb moved to go into closed session to discuss matters authorized by Subsections (1), (3), (12) and (13) of Section 610.021. Ski Mariea seconded. A roll call vote was taken; motion carried without dissent.

The meeting was adjourned at 11:38 a.m.

Respectfully submitted:

Approved by:

 /S/
Carol R. Eighmey

 /S/
James Greer, Chairman

 01/29/2020
Date