

MINUTES
Petroleum Storage Tank Insurance Fund
Board of Trustees Meeting
November 18, 2020 **

In Person and Via Conference Call
Start Time: 9:31 a.m.

Chairman Greer called the meeting to order, with some Trustees/staff participating in person and the other Trustees/staff/others participating by conference call. Roll was called to confirm Trustees' participation. Chairman Greer introduced John Taylor who is the new General Counsel for the PSTIF Board of Trustees. Mr. Taylor said he looked forward to working with everyone. Chairman Greer then asked all members of the audience to identify themselves for the record. He noted that all votes would be taken by roll call.

Trustees Present In Person:

James Greer, Chairman
Jim Ford, Vice Chairman
Chuck Adamson
Tom Kolb
Ski Mariea

Trustees Present by Phone:

Nikki Loethen
Don McNutt
Kristi Naught

Trustees Absent:

Bill Abbott
Danny Opie

Staff Present or Participating by Phone:

Kelly Campbell, Spencer Fane (by phone)
Pat Eriksen, Williams & Company Consulting (by phone)
Craig Jacobs, Assistant Attorney General
Diane James, Executive Assistant
Dorcee Lauen, Williams & Company Consulting (by phone)
Kelley Ogletree, Executive Director
John Taylor, General Counsel

Others Present or Participating by Phone:

Harry Bozoian, Klingner & Associates (by phone)
Justin Buckler, Tanks Section, DNR Environmental Remediation Program (by phone)
Carol Comer, Department of Natural Resources (by phone)
Doug Drouare, U.S. EPA – Region 7 (by phone)
Carol Eighmey, Retired (by phone)
Lindsay Graves, Graves and Associates CPAs (by phone)
John Jurgensmeyer, DNR Environmental Remediation Program (by phone)
Ken Koon, Tanks Section, DNR Environmental Remediation Program
Ron Leone, MO Petroleum Marketers and Convenience Store Association (by phone)
Mike Martin, Tanks Section, DNR Environmental Remediation Program (by phone)
Brian Pottebaum, R&A Risk Professionals (by phone)
Darryl Slade, Tanks Section, DNR Environmental Remediation Program (by phone)
Brian Wiegert, R&A Risk Professionals (by phone)

** Due to the COVID-19 pandemic; this meeting was held with some Trustees/staff in person and some Trustees/staff/others via conference call.

Approval of Minutes – September 16, 2020 – Open Session

Jim Ford moved to approve the minutes as presented. Ski Mariea seconded. A roll call vote was taken. Motion carried unanimously.

Monthly Reports

Chairman Greer directed Trustees' attention to the financial statements; there were no questions on these statements. He then noted the format of the activity reports has changed so all information for each month is on a single page and also provides some additional information. There were no questions or comments on the new monthly activity report information or format. Ms. Ogletree then gave a brief overview of the large-loss claims summary.

FY20 Financial Audit – Graves and Associates CPAs

Chairman Greer introduced Lindsay Graves from Graves and Associates CPAs who was on the phone to present the FY20 audit report.

Chairman Greer thanked Ms. Graves for the audit report and asked Trustees if there were any questions; there were none.

Ski Mariea moved to approve the FY20 financial audit as presented. Tom Kolb seconded. There was no further discussion or comments. A roll call vote was taken. Motion carried unanimously with Trustee Loethen not on the phone during this vote.

Report on FY20 Inspections - Rounds & Associates

Chairman Greer introduced Brian Wiegert from R&A Risk Professionals (formerly Rounds & Associates) who was on the phone to summarize the inspections done for sites participating in the Fund. Mr. Wiegert said Brian Pottebaum was also on the phone with him for this report.

Mr. Wiegert commented how well the regulated community, service personnel, owners/operators, and the Fund work together, which helps immensely to prevent leaks and issues with equipment. Chairman Greer thanked them for their report and for continuing to maintain a strong working relationship with all involved.

2021 PSTIF Legislation

Chairman Greer said next was PSTIF legislation for the upcoming legislative session. He reminded Trustees at the last meeting they approved the purchase of an excess policy for defense cost coverage in third-party claims. He noted all agreed this would be a short-term solution and asked staff to look for a statutory fix to address the EPA and MDNR's concerns. He asked Ms. Ogletree to explain her recommendation, which she did.

Tom Kolb moved to authorize staff to pursue sponsors for the provided legislation as drafted and to seek support from legislators and other interested parties for its passage. Jim Ford seconded. A brief discussion ensued which included comments of support from Trustee Adamson. After discussion, a roll call vote was taken. Motion carried unanimously.

Tom Kolb left the meeting room.

UST Operator Training

Chairman Greer directed Trustees to this next item regarding UST Operator Training. He said the platform this training runs on will be obsolete soon so a decision needs to be made about whether money will be invested to move the training to a different platform or whether the program will be discontinued.

Ski Mariea moved to continue to provide this operator training at no cost to Missouri tank owners and authorize staff to contract for the existing program to be moved to a new platform with ongoing technical support and hosting. Jim Ford seconded. A clarification on the table provided to Trustees was made.

Tom Kolb returned to the meeting room.

A roll call vote was taken. Motion carried with Tom Kolb abstaining as he was not present when the motion was made.

FY22 DNR Budget Request

Chairman Greer reminded Trustees that the discussion of DNR's request for funds from PSTIF for FY22 were tabled at our last meeting. He thanked the Department for providing the additional information requested and for being available at this meeting for discussion of their budget request and asked Ms. Ogletree to review her memo and findings. Ms. Ogletree noted two specific items; one being that the MDNR Tanks Section budget increases every year in spite of the number of new releases and completed cleanups decreasing each year, and that the use of federal funds has decreased over the years, particularly in FY20.

Trustee Adamson and Ken Koon answered a number of questions from trustees. Trustee Adamson informed the trustees that a significant factor in the decrease of federal funds spent in FY20 was due to staff vacancies and contractors that were not hired due to COVID-19 restrictions. Mr. Koon noted that the federal dollars spent in FY20 including fringe expenses was approximately \$1 million.

James Greer moved to approve DNR's FY22 funding request as presented in the memo to the Board of Trustees dated October 13, 2020. Tom Kolb seconded. After a few brief comments commending all involved with this request, Trustee Mariea asked the department to comment on Ms. Ogletree's statement in her memo that with the decreasing number of cleanups, future budget requests should reflect this downward

trend. Mr. Koon responded that additional staff was requested to get the backlog of cleanups down and that at some point in the future when the work isn't there, there will have to be some downsizing or transfer of the workload from cleanups to administrative rolls. A roll call vote was taken. Motion carried unanimously.

Other Information and Administrative Items

Chairman Greer commented that mostly these items are informational. However, at this meeting there are a few action items. He said first is a resolution to name Kelley Ogletree as the Executive Director of PSTIF, the Fund's Custodian of Records as well as to establish our Sunshine Law Policy as required by law.

James Greer moved to approve the resolution naming Kelley Ogletree as the Executive Director of PSTIF, the Fund's Custodian of Records and establishing the PSTIF's Sunshine Law Policy as required by law. Tom Kolb seconded. After a brief discussion about whether a name should be included and designated or only the position itself be designated as Custodian of Records, James Greer amended the original motion as follows: Amend original motion to approve the position of Executive Director of PSTIF as the Fund's Custodian of Records and establish the PSTIF's Sunshine Law Policy as required by law. Tom Kolb seconded the amended motion. There was no further discussion or comments. A roll call vote was taken; motion carried unanimously.

Chairman Greer commented that the contracts with Williams & Company for accounting and IT services expire at the end of 2020 and that staff have requested the contracts be extended to coincide with the expiration of the other Williams & Company contracts. Jim Ford moved that the contracts for accounting services and information technology services be extended to June 30, 2021. Ski Mariea seconded. A roll call vote was taken. Motion passed unanimously.

Chairman Greer asked if there were any comments or changes regarding the dates and locations of 2021 Board of Trustees meetings before contracting for the dates and locations provided; there were none. He asked Ms. James to secure these dates and locations for their 2021 meetings.

There were no questions or comments on any of the billings.

Chairman Greer thanked everyone for attending and announced the next meeting is scheduled for Wednesday, January 20, 2021 at this same location.

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

- Approve the minutes from our previous closed sessions; and
- Discuss ongoing and threatened litigation.

