

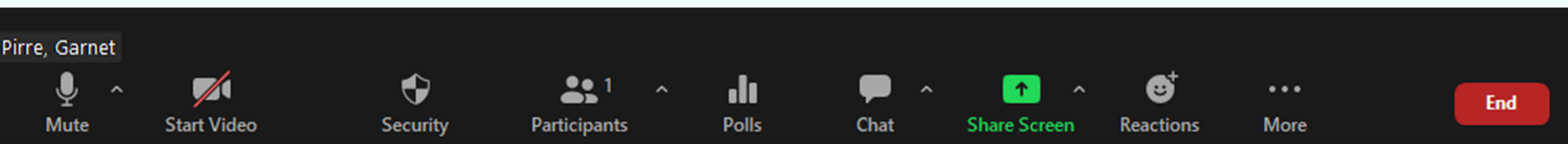
Petroleum Tank Release Compensation Board

Meeting

June 5, 2023

Zoom Controls

- To mute or unmute – use *6 on telephone or
 - Go to participant list in Zoom, right click on yourself and choose “unmute”
- You **must** rename yourself in the participants list, so that there is a sign-in record for this meeting.
 - Right click on your phone number/cb name/etc. and choose “rename”. Please type in your first and last name when you do this.
- To be recognized by Presiding Officer, click the “Reactions Icon” and choose the “raise hand” button. This is part of your Zoom window controls, usually at the top or bottom of your Zoom call window.



Approval of Minutes

April 3, 2023 Board Meeting

•Questions / Comments?

Gilbert Property, Havre

DEQ Fac #32343, DEQ Rel #5338, WP #716834476

Guarantee of Reimbursement, Form 4

- Work Plan #716834476 was briefed to the Board at the November 7, 2022, meeting and obligated on November 8, 2022.
- Claims are to be paid within the normal business process.

Montana City Store, Montana City

DEQ Fac #22-01822, DEQ Rel's #206 (eligible) and #2709 (ineligible)

Memorandum of Agreement (MOA)

- MOA between:
 - Montana City Properties and
 - Petroleum Tank Release Compensation Board
- Sharing Allocation of A, R, & N Costs
 - Release 206 (eligible) 50%, and
 - Release 2907 (ineligible) 50%.

Henry's Hideaway, Trout Creek

DEQ Fac #45-13738, DEQ Rel #6337

Eligibility Dispute

- Failure to be in compliance with 75-11-509, Montana Underground Storage Tank Act, results in an INELIGIBILITY recommendation, instead of being recommended eligible with a reduction to reimbursement.

Henry's Hideaway, Trout Creek

DEQ Fac #45-13738, DEQ Rel #6337

Eligibility Dispute

- Tanks inactive = no operating permit at the time of release discovery.
- Tanks not in compliance:
testing, inspection, recordkeeping and reporting.
- Tanks not considered empty
Less than 1 inch of product.

24th St Cenex, Billings

DEQ Fac #56-05750, DEQ Rel #6280

Reimbursement Adjustment Dispute

- Release 6280 occurred from an underground storage tank that was in compliance at the date the release was discovered.
- That compliance must remain for full reimbursement.
- The noncompliance at this site was greater than 180, resulting in a recommendation of eligible with 0% reimbursement.

June 5, 2023

24th St Cenex, Billings

DEQ Fac #56-05750, DEQ Rel #6280

Reimbursement Adjustment Dispute

Date	Administrative Rules of Montana (ARM)	Violation Description	Violation Issued Date	Violation Closed Date	Non - compliance Day Count	Significance
3/25/2021	Release #6280 is discovered					
11/7/2021	17.56.309	Failure to conduct a compliance inspection on active USTs at least 90 days prior to the expiration of a valid operating permit.	11/7/2021	11/19/2021	12	Major
11/19/2021	17.56.201	Failure to install tank in accordance with accepted codes and standards. Your compliance inspection documents that face covers are missing from your electrical junction boxes, leaving electrical wires exposed. Underground storage tank manways and secondary containment sumps are classified as Class 1, Division 1 environments and any exposed wiring could present an explosion hazard. Electrical connections in your underground storage tank manways must be installed in accordance with the National Electrical Code (NEC), National Fire Protection Association (NFPA) codes, and the automatic tank gauge manufacturer's recommendations. Contact an electrician to repair the electrical junction boxes and electrical connections to ensure they do not present an explosion hazard.	11/19/2021	1/14/2022	56	N/A-required to correct violation without delay
11/19/2021	17.56.408	Failure to program your piping leak detection method in use to temporarily disable the pumping system after a failed leak test. Your compliance inspection documents that your automatic tank gauge is not properly programmed to temporarily disable your pumping system when a 0.2 gallon per hour Electronic Line Leak Detector test fails. Your PLLD Line Leak Setup Shutdown Rate must be programmed for all 0.2 gallon per hour failed test. The Shutdown Rate is currently programmed for 3.0 gallon per hour failed tests.	11/19/2021	1/14/2022	56	Major
11/19/2021	17.56.307	Failure to conduct 30-day walkthrough inspection based on a failure to have 12 months, but missing less than 3 months of inspection records for the latest 12 months. Your compliance inspection documents that you are missing one of your monthly walkthrough inspection records. You are missing the record for October 2021.	11/19/2021	11/21/2022	367	Minor

Total 491

Morton's Cardtrol & Bulk Plant

June 5, 2023

Rel #3249, WP #716834600

Third-Party Review

- Requested an updated third-party review.
- Further documentation was sent to reviewer for consideration.
- Updated 3rd party review is contained in the packet

ACTION ITEM
June 5, 2023

Eligibility Ratification

Location	Site Name	Facility ID #	DEQ Rel # Release Year	Eligibility Determination – Staff Recommendation Date
Billings	24 th St Cenex	5605750 TID 30057	6280 Mar 2021	Reviewed 7/14/22. Recommended Eligible with 0% reimbursement.
St. Ignatius	Mountain View Cenex	2410647 TID 23153	6500 Aug 2022	Reviewed 4/26/23. Recommended Eligible.
Poplar	Ag Land Co- Op Poplar	4310278 TID 27543	5099 Aug 2015	Reviewed 4/17/23. Recommended Ineligible.
Trout Creek	Henry's Hideaway	4513738 TID 27901	6337 Mar 2022	Reviewed 4/14/23. Recommended Ineligible.

ACTION ITEM
June 5, 2023

WEEKLY & DENIED CLAIM REIMBURSEMENTS

WEEKLY CLAIM REIMBURSEMENTS June 5, 2023 - BOARD MEETING		
Week of	Number of Claims	Funds Reimbursed
3-22-23	24	\$110,708.34
3-29-23	21	\$266,193.34
4-12-23	23	\$239,248.46
4-26-23	21	\$108,706.89
5-10-23	23	\$107,520.12
Total	112	\$832,377.15

Denied Claim #20230213C

Claims Over \$25,000.00

Facility Name Location	Facility- Release ID#	Claim#	Claimed Amount	Adjustments	Penalty	Co-pay	**Estimated Reimbursement
Montana Rail Link Columbus	4812059 4036	20221207A	\$42,800.94	\$2,296.56	-0-	\$17,500.00	\$23,004.38
Former Cardinal Hardware Kalispell	1512787 1275	20230320A	\$49,783.61	\$179.77	-0-	-0-	\$49,603.84
MDT Nashua Tank Nashua	6015325 5285	20230109P	\$39,938.78	\$1,840.00	-0-	\$1,995.08	\$36,103.70
Total			\$132,523.33	\$4,316.33		\$19,495.08	\$108,711.92

* In accordance with Board delegation of authority to the Executive Director signed on December 8, 2003, the Board staff will review the claims for the Board. If the dollar amount of the claim is \$25,000.00 or greater, the claim must be approved and ratified by the Board at a regularly scheduled meeting before reimbursement can be made.

**In the event that other non-Board claims are paid in the period between preparation for this Board meeting and payment of the claim listed above, the amount of co-payment remaining may differ from that projected at this time, which may change the estimated reimbursement.

Attorney Report

- **Other**

- *ALSB is continuing research and assessment of the State of Montana's procurement laws as they pertain to Legislative Audit Recommendation #3 - Competitive Bid, and*
- *Monitoring the status of legislative bills*
 - ✓ *Senate Bill 334 ("Revise petroleum storage tank cleanup definitions"). This brings changes to statute.*
 - ✓ *House Bill 868 – has been vetoed by the Governor.*

Fiscal Report

REPORT ITEM

June 5, 2023

Petroleum Tank Release Compensation Fund
Budget Status Report
Operating Statement
April 30, 2023

	Legislative Approp.	Standard Budget	Rev/Exp through 4/30/2023	Projected Rev/Exp	Total FY23 Projected Rev/Exp	Projected Fiscal Year End Balance
Revenues:						
MDT Fee Revenue Estimate	7,905,000	7,905,000	6,509,240	1,283,914	7,793,154	(111,846)
Estimated STIP Interest earnings	10,000	10,000	145,461	1,380	146,841	136,841
Misc Revenue & Settlements	8,000	8,000	5,200	0	5,200	(2,800)
Total Revenues:	7,923,000	7,923,000	6,659,901	1,285,294	7,945,195	22,195
Expenditures:						
(Includes current year expenses only)						
Board						
Personal Services*	407,273	407,273	381,873	92,500	474,373	(67,100)
Contracted Services	30,500	30,500	8,982	5,500	14,482	16,018
Contingent Contract Services	1,000,000	1,000,000	0	0	0	1,000,000
Operating	295,534	295,534	132,896	35,000	167,896	127,638
Subtotal	1,733,307	1,733,307	523,751	133,000	656,751	1,076,556
DEQ Regulatory						
Personal Services*	1,174,501	1,174,501	931,307	237,500	1,168,807	5,694
Contracted Services	52,500	52,500	16,001	8,000	24,001	28,499
Operating & Transfers	482,841	482,841	340,618	79,500	420,118	62,723
Subtotal	1,709,842	1,709,842	1,287,926	325,000	1,612,926	96,916
Administrative Budget Remaining						1,173,472
Claims/Loan						
Regular Claim Payments	4,750,000	4,750,000	2,724,023	616,630	3,340,653	1,409,347
Accrual - FY23 for use in FY24	500,000	500,000	0	500,000	500,000	0
Subtotal	5,250,000	5,250,000	2,724,023	1,116,630	3,840,653	1,409,347
Total Expenses:	8,693,149	8,693,149	4,535,700	1,574,630	6,110,330	2,582,819

Fiscal Report

REPORT ITEM
June 5, 2023

Cash Flow Analysis - FY23

	July-22	August-22	September-22	October-22	November-22	December-22
					Actual	
Beginning Cash Balance	4,113,922.22	4,676,954.80	5,035,152.86	5,369,991.68	5,500,256.35	5,952,289.09
Revenue						
MDT Revenue (\$.0075/gallon)	642,462.00	695,414.00	731,566.00	784,375.00	703,856.00	698,783.00
STIP Earnings	6,053.27	5,165.79	9,321.34	10,423.20	13,869.96	16,766.61
Settlements						
Other Misc Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	648,515.27	700,579.79	740,887.34	794,798.20	717,725.96	715,549.61
Expenditures						
Petro Board Claims	0.00	74,667.96	183,868.45	390,345.46	0.00	222,195.24
Petro Board Staff	24,450.88	51,314.99	44,989.34	56,100.63	79,420.85	55,564.11
Prior Year Adj & Accrual Adj	2,443.93	80,167.65	49,783.94	97,619.92	0.00	127,245.67
DEQ Regulatory	58,587.88	136,231.13	127,406.79	120,467.52	186,272.37	145,517.28
Total Expenditures	85,482.69	342,381.73	406,048.52	664,533.53	265,693.22	550,522.30
Ending Cash Balance	4,676,954.80	5,035,152.86	5,369,991.68	5,500,256.35	5,952,289.09	6,117,316.40

Fiscal Report

REPORT ITEM
June 5, 2023

Cash Flow Analysis - FY23

	January-23	February-23	March-23	April-23	Projected May-23	Projected June-23
Beginning Cash Balance	6,117,316.40	5,764,418.58	5,737,399.26	5,742,883.20	5,877,124.92	5,907,475.92
Revenue						
MDT Revenue (\$.0075/gallon)	617,073.00	527,423.00	588,889.00	519,399.00	607,226.00	676,688.00
STIP Earnings	19,773.88	21,728.83	20,507.28	21,850.64	690.00	690.00
Settlements						
Other Misc Revenue	0.00	3,700.00	1,500.00	0.00	0.00	0.00
Total Revenue	636,846.88	552,851.83	610,896.28	541,249.64	607,916.00	677,378.00
Expenditures						
Petro Board Claims	804,270.70	436,119.32	397,741.64	214,813.79	308,315.00	308,315.00
Petro Board Staff	54,810.85	40,741.36	61,279.22	55,078.73	78,250.00	54,750.00
Prior Year Adj & Accrual Adj	3,746.15	0.00	0.00	0.00	0.00	0.00
DEQ Regulatory	126,917.00	103,010.47	146,391.48	137,115.40	191,000.00	134,000.00
Total Expenditures	989,744.70	579,871.15	605,412.34	407,007.92	577,565.00	497,065.00
Ending Cash Balance	5,764,418.58	5,737,399.26	5,742,883.20	5,877,124.92	5,907,475.92	6,087,788.92

Fiscal Report

REPORT ITEM

June 5, 2023

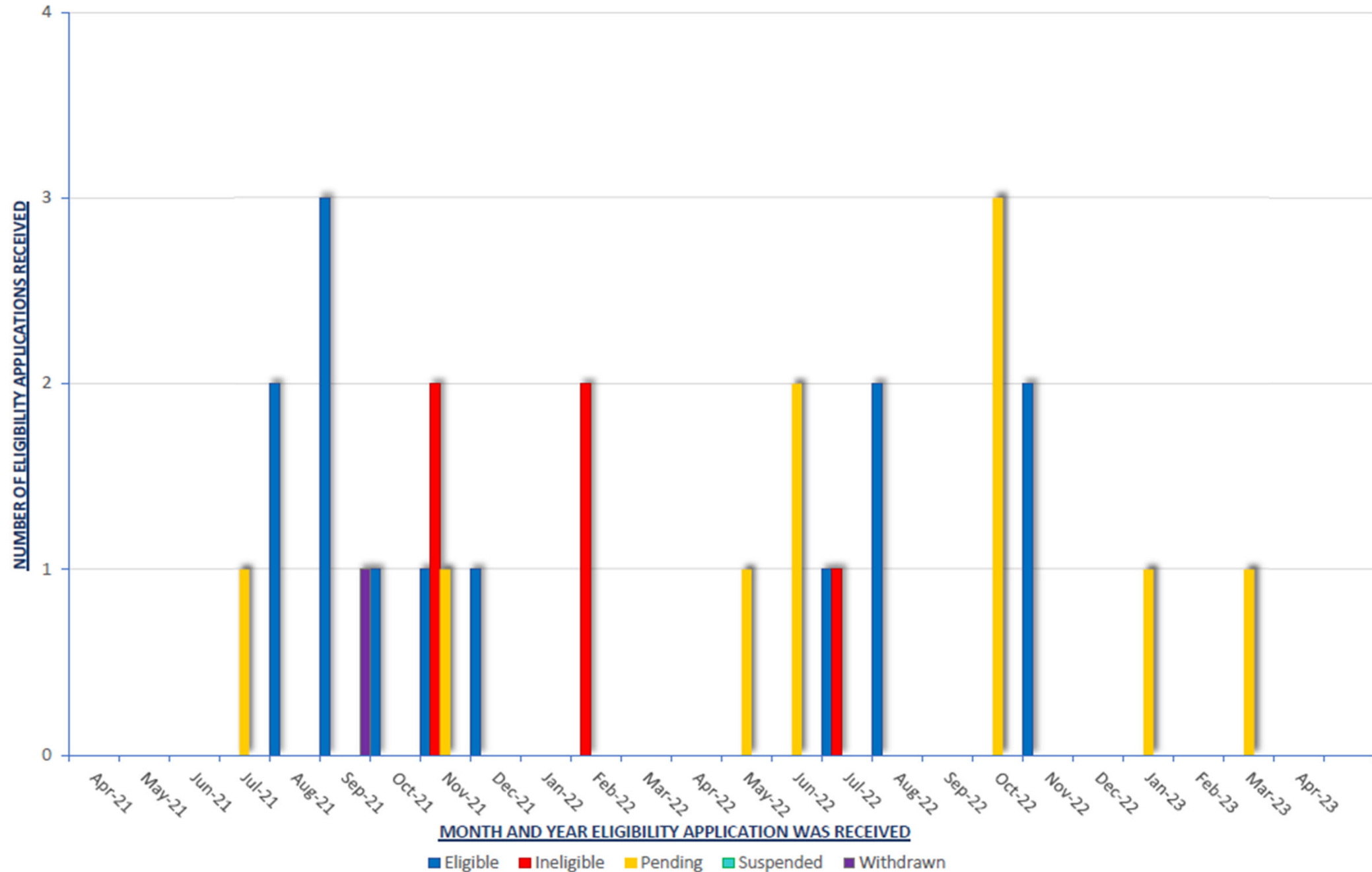
EXPENDITURE SUMMARY		PERIOD ENDING 07/31/22	PERIOD ENDING 08/31/22	PERIOD ENDING 09/30/22	PERIOD ENDING 10/31/22	PERIOD ENDING 11/30/22	PERIOD ENDING 12/31/22	PERIOD ENDING 01/31/23	PERIOD ENDING 02/28/23	PERIOD ENDING 03/31/23	PERIOD ENDING 04/30/23	PERIOD ENDING 05/31/23	PERIOD ENDING 06/30/23	FY23 TOTALS
REVENUE														
	MDT Fees	642,462.00	695,414.00	731,566.00	784,375.00	703,856.00	698,783.00	617,073.00	527,423.00	588,889.00	519,399.00			6,509,240.00
	Stip Earnings	6,053.27	5,165.79	9,321.34	10,423.20	13,869.96	16,766.61	19,773.88	21,728.83	20,507.28	21,850.64			145,460.80
	Misc Revenue								3,700.00	1,500.00				5,200.00
	Total Revenue	648,515.27	700,579.79	740,887.34	794,798.20	717,725.96	715,549.61	636,846.88	552,851.83	610,896.28	541,249.64	0.00	0.00	6,659,900.80
BOARD														
	Personal Services	23,020.27	35,645.63	35,926.62	36,484.81	53,565.41	37,483.86	40,130.37	39,987.33	39,524.43	40,104.32			381,873.05
	Contracted Services			396.40	2,070.87	2,232.80	1,137.90	660.70	12.10	1,250.70	1,190.90			8,982.37
	Contingent Contract Services													0.00
	Operating	1,430.61	15,669.36	8,666.32	17,544.95	23,622.64	16,942.35	13,989.78	741.93	20,504.09	13,783.51			132,895.54
	Subtotal	24,450.88	51,314.99	44,989.34	56,100.63	79,420.85	55,564.11	54,810.85	40,741.36	61,279.22	55,078.73	0.00	0.00	523,750.96
CLAIMS														
	Regular CY Claim Payments	0.00	74,667.96	183,868.45	360,345.46	0.00	222,195.24	804,270.70	436,119.32	397,741.64	214,813.79			2,724,022.56
	Subtotal	0.00	74,667.96	183,868.45	360,345.46	0.00	222,195.24	804,270.70	436,119.32	397,741.64	214,813.79	0.00	0.00	2,724,022.56
DEQ Regulatory														
	Personal Services	56,724.20	91,139.55	92,193.14	88,488.84	131,380.02	95,940.66	95,085.49	89,638.78	94,446.43	96,269.89			931,307.00
	Contracted Services		956.29	5,693.11	1,331.25	2,207.08	1,231.89	0.00	0.00	1,876.02	2,705.67			16,001.31
	Operating	1,863.68	44,135.29	29,529.53	30,647.43	52,685.27	48,344.73	31,831.51	13,371.69	50,069.03	38,139.84			340,618.00
	Subtotal	58,587.88	136,231.13	127,415.78	120,467.52	186,272.37	145,517.28	126,917.00	103,010.47	146,391.48	137,115.40	0.00	0.00	1,287,926.31
CURRENT YEAR EXPENDITURE TOTALS		83,038.76	262,214.08	356,273.57	566,913.61	265,693.22	423,276.63	985,998.55	579,871.15	605,412.34	407,007.92	0.00	0.00	4,535,699.83
PRIOR YEAR EXPENDITURES		567.51	-8.99	-558.52										0.00
TOTAL EXPENDITURES		83,606.27	262,205.09	355,715.05	566,913.61	265,693.22	423,276.63	985,998.55	579,871.15	605,412.34	407,007.92	0.00	0.00	4,535,699.83
Board & DEQ Non-Claim costs		83,038.76	187,546.12	172,405.12	176,568.15	265,693.22	201,081.39	181,727.85	143,751.83	207,670.70	192,194.13	0.00	0.00	1,811,677.27
Claims Accrual Payments			80,176.64	50,342.46	97,619.92		127,245.67	3,746.15						359,130.84
Guarantee of Reimbursement (A Accruals)														0.00
PROJECTION SUMMARY		PERIOD ENDING 07/31/22	PERIOD ENDING 08/31/22	PERIOD ENDING 09/30/22	PERIOD ENDING 10/31/22	PERIOD ENDING 11/30/22	PERIOD ENDING 12/31/22	PERIOD ENDING 01/31/23	PERIOD ENDING 02/28/23	PERIOD ENDING 03/31/23	PERIOD ENDING 04/30/23	PERIOD ENDING 05/31/23	PERIOD ENDING 06/30/23	FY23 TOTALS
REVENUE														
	MDT Fees											607,226.00	676,688.00	1,283,914.00
	Stip Earnings											690.00	690.00	1,380.00
	TOTAL REVENUE PROJECTED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	607,916.00	677,378.00	1,285,294.00
BOARD														
	Personal Services											55,500.00	37,000.00	92,500.00
	Contracted Services											2,750.00	2,750.00	5,500.00
	Contingent Contract Services													0.00
	Operating											20,000.00	15,000.00	35,000.00
	Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	78,250.00	54,750.00	133,000.00
CLAIMS														
	Regular CY Claim Payments											308,315.00	308,315.00	616,630.00
	FYE23 Accrual												500,000.00	500,000.00
	Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	308,315.00	808,315.00	1,116,630.00
DEQ Regulatory														
	Personal Services											142,500.00	95,000.00	237,500.00
	Contracted Services											4,000.00	4,000.00	8,000.00
	Operating											44,500.00	35,000.00	79,500.00
	Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	191,000.00	134,000.00	325,000.00
PROJECTION TOTALS		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	577,565.00	997,065.00	1,574,630.00

Board Staff Report

REPORT ITEM

June 5, 2023

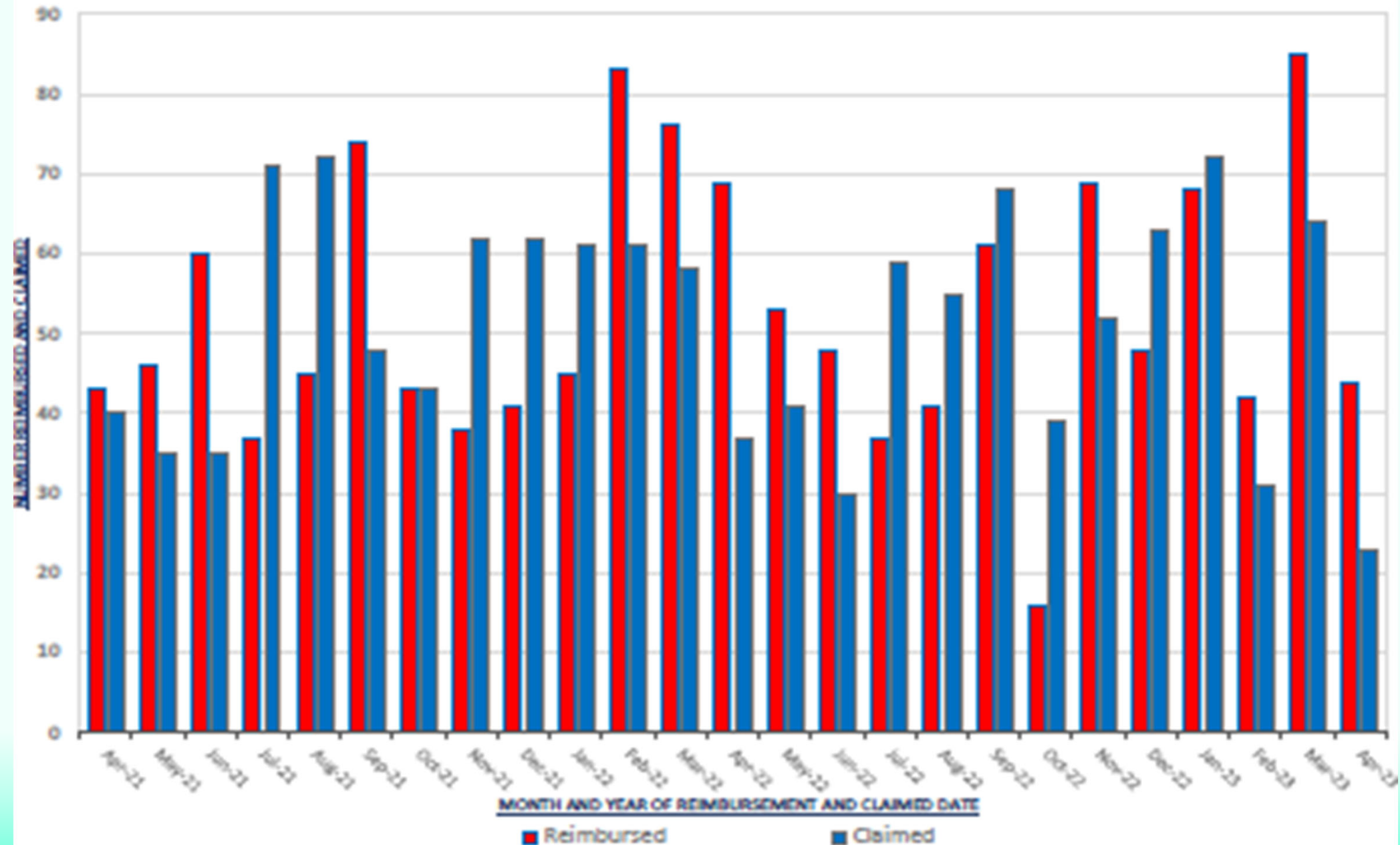
Board Staff Eligibility Graph



Board Staff Report

REPORT ITEM
June 5, 2023

Board Staff Claim Count Graph



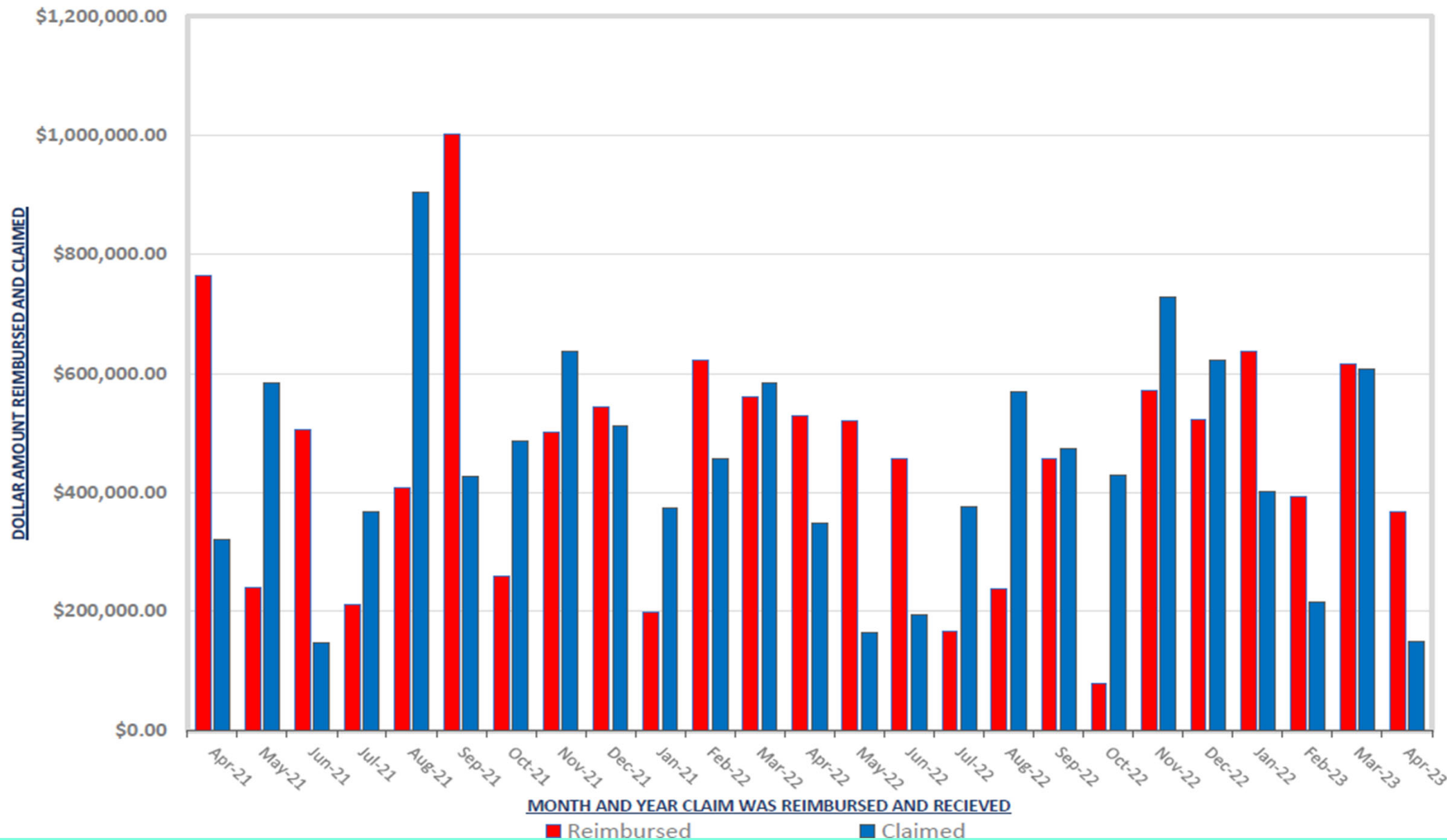
Board Staff Report

REPORT ITEM
June 5, 2023

XXXXXXXXXX

The average time to reimburse an unsuspended claim associated with a completed corrective action plan is 35 days.

Board Staff Claim Value Graph



Board Staff Report

Work Plan Activity Report

REPORT ITEM
June 5, 2023

Summary of work plans requested and approved by the Department of Environmental Quality for all Petroleum Tank Cleanup Fund eligible releases from January 1, 2000 through May 1, 2023.

Total number of work plans tracked by the Petroleum Tank Release Compensation Board: 4,812

Of those tracked, the number that is now considered (marked as) complete: 4,532

The number of work plans that are considered active (not complete): 279

The number of active work plans that have funds obligated: 254

Total obligated amount	\$13,747,733.65
Spent	\$ 6,132,588.67
Outstanding	\$ 7,613,185.01

The remaining number of work plans that are active and not yet obligated: 25

- Subset of the 25 that are suspended waiting on eligibility determination, insurance or remedial alternatives analysis clarification. 10
- Subset of the 25 that are waiting on Board Briefing of work plans over \$100K. 4
- Subset of the 25 that are in normal process awaiting review and obligation. 16
25

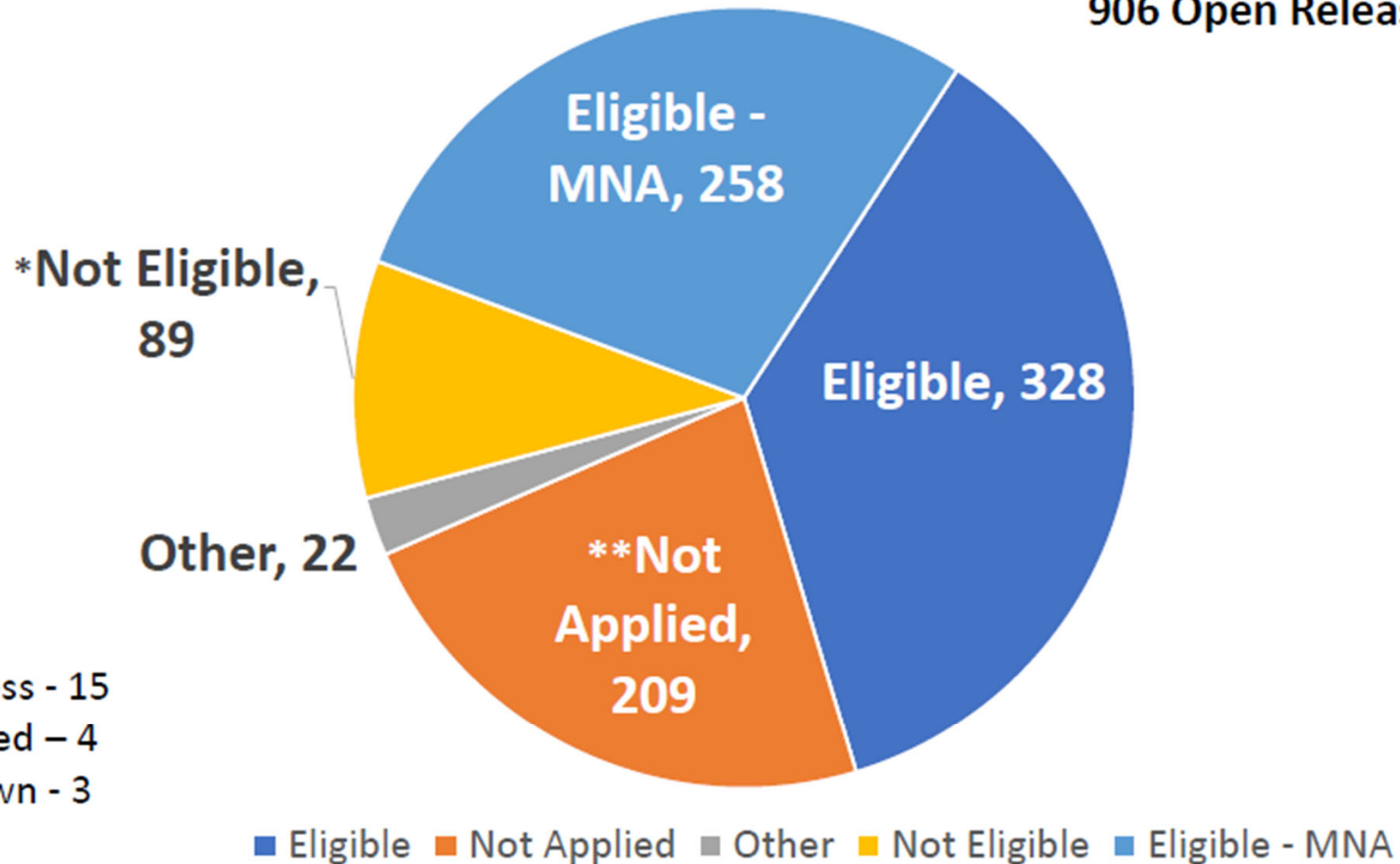
Board Staff Report

REPORT ITEM
June 5, 2023

From data through June 30, 2022 – Biennial Report

Categories of Open Releases

906 Open Releases



OTHER:

In Progress - 15
Suspended - 4
Withdrawn - 3

*Determined not eligible, therefore the Board is not involved in the cleanup process.
**No Application has been received, therefore the Board is not involved in the cleanup process.

PTCS Report

REPORT ITEM

June 5, 2023

Petroleum Release Activity since Last Report – March 21, 2023, to April 30, 2023

Release Status	Activity
Confirmed Releases	3
Releases Resolved (Closed)	4

Petroleum Release Activity from – January 1, 2023, to April 30, 2023

Release Status	Activity
Confirmed Releases	8
Releases Resolved (Closed)	9

Summary of All Petroleum Release Activity to April 30, 2023

Total Confirmed Releases	4826
Total Resolved Releases	3920
Total Open Releases	905

WPs Over \$100,000

Form 8 – Change of Scope

☐ ***Stockton Oil Bulk Plant, Billings***

☐ ***Fac #56-04839 Rel #1154***

WP#716834641

- *Cleanup – Excavation*
- *Extent of contamination not determined before cleanup began*
- *Original WP Cost \$248,184.02*
- *Form 8 Additional Costs \$407,743.25*

WPs Over \$100,000

☐ ***Oelkers Inc Bulk Plant, Culbertson***

☐ ***Facility #99-95090 Rel #4712 WP#716834298***

- *Opportunistic Excavation – ASTs removed*
- *Est. \$322,258.10 – Est Allowed \$187,667.96*
- *The final allowed budget has not been calculated due to missing bids for Task 7 -Soil Removal, Task 9 – Miscellaneous (dewatering) and Task 12 - Well Installation.*
- *Task 10 - Miscellaneous is for Reagent activity*

WPs Over \$100,000

☐ *Farmers Union Oil Co, Terry*

☐ *2 Work Plans – 1 Facility*

☐ *Fac #40-02755, Rel #2619 & #4948, WP#716834647
and WP #716834648*

- *Cleanup – Excavation and additional air-sparging wells*
- *Est. \$174,092.08 split between releases*

Public Forum

Next Scheduled Board Meeting
is
September 11, 2023