

PETROLEUM TANK RELEASE COMPENSATION BOARD
MINUTES
February 3, 2025
IN-PERSON AND TELECONFERENCE HYBRID MEETING

Board Members in attendance were Calvin Wilson, Grant Jackson, John Monahan, Curt Kelley, with Kristi Kline and Jess Stenzel in attendance via Zoom. Tom Pointer was absent. Also in attendance were Terry Wadsworth, Executive Director; Garnet Pirre and Ann Root, Board staff; and Aislinn Brown, Board Attorney.

Presiding Officer John Monahan called the meeting to order at 10:02 a.m.

Mr. Monahan stated that, due to the moving of personnel between State buildings, Room 111 in the Metcalf building where Board meetings were usually held would be unavailable for the remainder of 2025. The Board staff had worked with the Montana Department of Transportation (MDT) to schedule the Board meetings from April 14, 2025 through November 10, 2025 to be held in the MDT conference room. He stated that the address of MDT's conference room was published on the Board's website and would be added to the top of every agenda and meeting invitation. He noted that attendees would need to allow extra time when attending a meeting at this facility, as attendees would need to check in at the front desk of the MDT building to obtain a visitor's badge to be allowed to access the conference room.

Approval of November 18, 2024, Minutes

Mr. Jackson moved to approve November 18, 2024 minutes. Mr. Kelley seconded. Motion passed unanimously by voice vote.

Eligibility Ratification

Mr. Wadsworth presented the Board with a summary of the eligibility recommendations for ratification. He stated that all three (3) sites recommended eligible were Town Pump facilities, and that he was available for questions.

Location	Site Name	Facility ID # TREADS ID	DEQ Rel # Release Year	Eligibility Determination – Staff Recommendation Date
Butte	Town Pump Butte 10	4708687 TID 28458	6653 Nov 2022	Received 5/6/24. Recommended Eligible.
Eureka	Town Pump Inc Eureka	2708699 TID 24240	6674 Aug 2024	Received 11/14/24. Recommended Eligible.
Ronan	Town Pump Inc Ronan	2408718 TID 23067	6675 Sept 2024	Received 11/14/24. Recommended Eligible.

Mr. Monahan recused himself from any matters regarding Hi-Noon Petroleum, Jackson Energy, Noon's Food Stores, and any of their dealer locations or customers. Mr. Stenzel recused himself from any matters regarding Payne West Insurance or any Payne West clients or their parent company Marsh & McLennan. Mr. Wilson recused himself from any matter regarding Valley Farmers Supply. Mr. Kelley recused himself from any matters pertaining to Little Horn State Bank and Little Horn State Bank's customers. Mr. Jackson and Ms. Kline expressed no known conflict of interest.

Ms. Kline moved to ratify the eligible releases. Mr. Wilson seconded. The motion passed unanimously by voice vote.

Weekly Reimbursements

Mr. Wadsworth presented a summary of weekly claim reimbursements for the weeks of November 20, 2024 to December 25, 2024.

WEEKLY CLAIM REIMBURSEMENTS February 3, 2025, BOARD MEETING		
Week of	Number of Claims	Funds Reimbursed
11-20-24	25	\$344,758.87
12-11-24	24	\$159,828.76
12-25-24	9	\$141,976.10
Total	58	\$646,563.73

Included with the weeklies were five (5) denied claims, as shown (see table below.). Mr. Wadsworth stated that the denial of claim 20241028G was due to an incorrect designation of payee on the claim form, and that it was withdrawn and resubmitted later with the proper payee listed. He stated that claim 20241209F had been withdrawn because the interim data submittal costs had been submitted by mistake, which brought the total of the claim to less than \$500, less than the minimum required amount for a claim. Because of this, the claim was withdrawn in its entirety by the environmental consultant. He stated that claim 20241031G included workplan (WP) costs that had already been reimbursed on an earlier claim, and it was also withdrawn in its entirety by the environmental consultant. He stated that claim 20241205D did not meet the minimum requirement established in rule because it was a claim for an amount less than \$500 and was not the last claim in the WP. It was withdrawn by the consultant due to it not reaching the minimum required claimed amount. Finally, he noted that claim 20241216B had been claimed with mathematical errors and had therefore been withdrawn by the consultant. He stated that he anticipated that he would see some of these claims fixed and costs re-submitted in the future.

<i>Denied Claims</i> February 3, 2025 Board Meeting	
Claim ID	Reason Denied
20241028G	Claim withdrawn in its entirety by request of consultant.
20241209F	Claim withdrawn in its entirety per consultant's request.
20241031G	Claim withdrawn in its entirety on consultant's request.
20241205D	Claim withdrawn in its entirety on consultant's request.
20241216B	Consultant withdrew claim due to an error. Corrected costs to be resubmitted on future claim.

Mr. Monahan recused himself from any matters regarding Hi-Noon Petroleum, Jackson Energy, Noon's Food Stores, and any of their dealer locations or customers. Mr. Stenzel recused himself from any matters regarding Payne West Insurance or any Payne West clients or their parent company Marsh & McLennan. Mr. Wilson recused himself from any matter regarding Valley Farmers Supply. Mr. Kelley recused himself from any matters pertaining to Little Horn State Bank and Little Horn State Bank's customers. Mr. Jackson and Ms. Kline expressed no known conflict of interest.

Mr. Jackson moved to ratify the weekly reimbursements and five (5) denied claims as presented. Ms. Kline seconded. The motion passed unanimously by voice vote.

Board Claims

Mr. Wadsworth presented the Board with the three (3) claims for amounts greater than \$25,000. He stated that the Board staff recommended ratifying the reimbursement of these claims over \$25,000.

Facility Name Location	Facility- Release ID#	Claim#	Claimed Amount	Adjustment s	Penalty	Co-pay	**Estimated Reimbursement
Mountain View Cenex St. Ignatius	2410647 6500	20230914A	\$129,140.77	\$59,681.61	-0-	-0-	\$69,459.16
Cromwell's Convenience Scobey	1001223 6662	20241024C	\$66,076.03	\$1,787.00	-0-	\$17,500.00	\$46,789.03
MDT White Sulphur Springs 3 rd Ave	3012376 6522	20241218G	\$33,111.12	\$2,040.00	-0-	\$15,535.56	\$15,535.56
Total			\$228,327.92	\$63,508.61	-0-	\$33,035.56	\$131,783.75

*** In accordance with the 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.**

Ms. Kline asked about the co-pay on the final Board claim on the list, 20241218G, as she noted it was less than the usual \$17,500. She asked if it was because part of the co-pay had been paid previously, or if this had been part of an adjustment to the claim. Mr. Wadsworth answered that she was correct that a part of the co-pay had been met previously, so the co-pay expected did not reflect the total required co-pay.

Mr. Monahan recused himself from any matters regarding Hi-Noon Petroleum, Jackson Energy, Noon's Food Stores, and any of their dealer locations or customers. Mr. Stenzel recused himself from any matters regarding Payne West Insurance or any Payne West clients or their parent company Marsh & McLennan. Mr. Wilson recused himself from any matter regarding Valley Farmers Supply. Mr. Kelley recused himself from any matters pertaining to Little Horn State Bank and Little Horn State Bank's customers. Mr. Jackson and Ms. Kline expressed no known conflict of interest.

Ms. Kline moved to ratify the Board claims as presented. Mr. Wilson seconded. The motion passed unanimously by voice vote.

Threshold discussions for release responses were held in accordance with §75-11-309(1)(d), MCA during the discussion portion of this meeting, as follows.

Release 235, WP 716834863, Farmer's Union Oil, Roundup, Exceeding \$100K in Costs

Ms. Latysa Pankratz, Section Supervisor, Petroleum Tank Cleanup Section (PTCS), Department of Environmental Quality (Department), presented the Board with a summary of the release. She stated that the Musselshell Board of County Commissioners was the responsible party for this release, and that they had retained Tetra Tech as their environmental consultant. The WP proposed a soil-boring investigation, monitoring well installation, and groundwater monitoring to assess site conditions and devise a remediation plan. This release was reported to the Department in 1991 when it failed a tank tightness test. In 1994, the Underground Storage Tanks (UST) were removed, and additional contamination was found.

Mr. Monahan asked if the Musselshell County Commissioners were available to speak as owners of the release. Mr. Mike Geoffina and Mr. Mike Turley, Musselshell County Commissioners, and the responsible parties for the release, introduced themselves to the Board. Mr. Turley indicated that they were not familiar with threshold meetings and were uncertain about what steps would be needed to resolve the release at the Farmer's Union Oil facility. Mr. Monahan indicated that the discussion would include information from Board staff, Mr. Wadsworth, and Farmer's consultant Tetra Tech, which would assist in knowing the next steps towards closing the release. He asked if they had a representative from Tetra Tech present to discuss the release. Mr. Geoffina and Mr. Turley answered that there were no representatives from Tetra Tech present on the call. Mr. Monahan stated to the owners that the next portion of the discussion, then, would be Mr. Wadsworth's presentation of the Board staff's comments.

Mr. Wadsworth stated that he believed what the owners were asking was a question that related to the release's larger picture and stated that he could address this question first before the discussion moved on to the Board staff's comments. Mr. Monahan asked Mr. Geoffina and Mr. Turley if this was acceptable. Mr. Geoffina and Mr. Turley responded affirmatively.

Mr. Wadsworth stated that the reason the threshold discussion was being held for this release was because of the statutory requirement that a discussion be held among the parties on releases in which cleanup costs of the release are expected to exceed \$100,000. He stated that the best resources to ask how the site would proceed to closure would be the site's environmental consultants at Tetra Tech as well as the Case Manager at the Department. He stated that this was the information he could offer to the owners to assist them in determining what might be needed to get the site to closure, and that the threshold meeting was an opportunity for all parties to express their concerns and see what challenges could exist going forward.

Mr. Wadsworth presented the Board staff's comments on the release. It was noted that it was disappointing that a release discovered in 1991 had already had soil excavation activities, had the installation of 25 monitoring wells, and had a significant February 3, 2025

number of groundwater monitoring events, was currently recommending the installation of additional soil borings and two (2) additional wells. He noted that after 35 years and nearly ten (10) WPs, the extent and magnitude of contamination should have been determined. The Board staff question if it was necessary to install 12 additional soil borings in order to have enough data to design a remediation plan. The Board staff had expressed concerns about which wells were proposed to be monitored, as most of the wells had been shown to be below Risk-Based Screening Levels (RBSLs). He noted that, additionally, the WP did not include sampling of two (2) wells that had been previously shown to have high benzene concentrations. The Board staff would be looking for the explanations for the concerns expressed about the proposed activity and wanted to have it documented and contained within the WP, the report, or both.

Mr. Monahan asked if there were any questions. Mr. Geoffina and Mr. Turley stated that they could not think of any questions but commented on the fact that the release had stayed open for so long.

Mr. Monahan stated to Mr. Geoffina and Mr. Turley that, normally, the consultant would be present with the owners on the call for the meeting, and that usually, when the staff had questions or comments on a WP, the consultant was provided with the opportunity to explain why they had chosen the path detailed in the WP. He stated that, without the consultant present in this call, this discussion could not be had with them, and he recommended their consultant contact Board staff to discuss the WP. He noted that this could open up a conversation with Department staff to determine what the correct path forward would be, and if the WP needed to be modified. He asked Mr. Geoffina and Mr. Turley if this made sense, to which they responded that it did.

Mr. Monahan asked if Mr. Wadsworth had any additional comments. Mr. Wadsworth answered that the consultant could read the executive summaries from both the Department and Board staff for this release which were published on the Board's website as part of the meeting materials. He noted that they could work on addressing these issues either in their WP or provide the information through email. He indicated that there were many options available for the consultant to communicate with the State. Mr. Geoffina stated that they would see if this happened.

Mr. Monahan asked if Ms. Pankratz had any additional comments related to the site and work plan. She stated that she did not, but that PTCS was available to discuss with the Musselshell County Commissioners and the consultant on the WP.

Release 2589, WP 716834916, Friendly Corner, Hysham, Exceeding \$100K in Costs

Ms. Pankratz presented the Board with a summary of the release. She stated that Cross Petroleum Services was the responsible party for the release, and had retained AJM, Inc. as the environmental consultant for the site. The WP, created by the consultant, would further define the extent and magnitude of the release, the contamination in groundwater, and determine the best cleanup strategy to advance the facility to site closure. The release was reported to the Department in 1995 during a piping upgrade. Presently, contamination continues to exceed RBSLs.

Mr. Monahan asked if Mr. Greg Cross, owner of Cross Petroleum Services and the release's facility, or a representative of the owner, was present to speak. Mr. Lars Heinstedt, representative of Mr. Cross and employee of AJM, Inc., introduced himself to the Board. Mr. Heinstedt thanked Ms. Pankratz for her summary. He stated that an initial investigation, which had begun with the installation of monitoring wells and soil borings, had been conducted around a year and a half ago. During this time, the consultants had found useful information that had isolated the release to the area around the facility's dispenser island. He stated that, moving forward, the consultants wanted to study the contaminants in the groundwater by including additional monitoring well installations. He indicated that the plan included the installation of three wells. One well was proposed to be immediately upgradient from the dispensers, one was to be close to the dispensers, and one was to be farther downgradient, although the downgradient edge of the plume that had yet to be identified. He stated that when they had the equipment at the site, they wanted to install five (5) more soil borings underneath or as close to underneath the canopy as possible. He stated that this was the most viable option of assessment, as the soil profile was mostly clay and fine materials. He stated that he was available for questions at this time.

Mr. Monahan asked Mr. Wadsworth if he had any comments from the Board staff. Mr. Wadsworth thanked Mr. Monahan and stated that Mr. Heinstedt had covered most of the information he had planned to present for this release. He stated that the consultant's plan of action based on the site's condition seemed reasonable, and that the Board staff did not have any additional comments.

Release 6662, WP 716834905, Cromwell's Convenience Store, Scobey, Exceeding \$100K in Costs

Ms. Pankratz presented the Board with a summary of the release. She stated that Mr. Shane Cromwell, owner of Cromwell's Convenience Store, was the responsible party for the release, and had retained Environmental Resource Management, LLC (ERM) as the consultant for the site. This was a relatively new release that had been discovered in May 2024. The release had occurred when an Aboveground Storage Tank (AST) failed, and the town of Scobey found red-dyed diesel in their storm sewers. There was an emergency response and cleanup. The WP was for follow-up installation of soil borings and monitoring wells to determine the extent and magnitude of the release.

Mr. Monahan asked if Mr. Cromwell was present to speak. Mr. Cromwell introduced himself to the Board. He stated that he believed everything that had been done so far to address the release had been handled the way it needed to be. He noted that the State and Mr. Bob Waller from ERM, had been there to assess the site. There had been monitoring wells drilled and groundwater monitoring conducted, and what had been performed so far had fallen within approved guidelines.

Mr. Monahan asked Mr. Cromwell if the consultant was available to speak. He stated that he was not, but was supposed to have been.

Mr. Monahan asked again to check if Mr. Waller was available to speak, to which there was no response, as Mr. Waller had not joined the meeting.

Mr. Monahan asked if Mr. Wadsworth had any comments from the Board staff. Mr. Wadsworth presented the Board with the Board staff's comments. He stated that, as Ms. Pankratz had noted before, the release was discovered in May 2024. It had resulted from a perforation in a dyed diesel fuel tank. There were emergency response remedial actions taken when contamination was first discovered. He stated that the Board staff believed that the proposed well installation may have already been performed, as well as the groundwater monitoring, but that they were unsure. Mr. Cromwell confirmed that these tasks had already been performed. Mr. Wadsworth stated that the Board staff had no concerns with this investigative work that had been proposed.

Release 3529, WP 716834783, Brake Time 253722 (former Loaf N Jug 768), Great Falls, Exceeding \$100K in Costs

Ms. Pankratz provided the Board with a summary of the release. She stated that Mini Mart was the responsible party for the release, and that they had retained Air Water Soil, LLC (AWS) as their consultant. The WP proposed to assess free product conditions and implement a pilot scale test to recover free product from on-site recovery wells, as well as a groundwater monitoring event. This release was reported in 1998 when visual and olfactory indications of petroleum-contaminated soils were found during piping upgrades at the facility.

Mr. Monahan asked if Mr. Matt Young on behalf of EG Retail America, LLC or if the owner was present. Mr. Young introduced himself to the Board.

Mr. Monahan asked Mr. Young if he had any comments. Mr. Young said that he did not, but that he would let Mr. Alan Frohberg, of AWS, address any details or questions that concerned the site.

Mr. Monahan asked if Mr. Frohberg was available to speak. Mr. Frohberg introduced himself to the Board. He stated that this was a long-standing release, and noted that since the release's discovery in 1998, there had been a significant amount of investigative work that had occurred at the site. The source materials associated with the release had been removed through excavation at the site. He stated that what was being dealt with at present was free product that had shown up in a monitoring well. He stated that a recovery well had been installed a few years ago to try and remove the product. However, the well did not perform as the consultants had hoped. Because of this, the goal of the current WP was to ascertain what the actual state of free product at the site was. He stated that there had been no activity at the site since 2020, and because of this, the current state of the product would need to be determined. It was noted that not all the costs had been included in the work plan, which was unusual and had been noticed by Board staff. He indicated that it was because they were dealing with tight soils at the site. The soil at the site had shale-rich, limestone bedrock that somehow had water within it. He stated that he believed they were dealing with fracture flow. He stated that, as a result, the product had moved well below the soil and into the bedrock. The soil at the site stopped at ten (10) feet below ground surface, where the shale mudstone material was, and progressed down into what he believed was full shale. Groundwater started at 30 feet below ground surface, and then into the bedrock. He stated that they were still trying to define a pathway for how the product had entered the groundwater tables. Because of this, the WP was a pilot scale study to determine how the product could be recovered in the state it was in. He stated that he was open to questions at this time.

Mr. Monahan asked if Mr. Wadsworth had any comments from the Board staff. Mr. Wadsworth thanked Mr. Frohberg for his discussion on the release and presented the Board with the Board staff's comments. He noted that the release had been discovered in 1998, and that there were still many to-be determined costs for the upcoming pilot test that would need to be filled in. He stated that the Board staff was also concerned with a WP modification, otherwise known as a Form 8, being added to the WP with regards to the full-fledged system. He wanted to emphasize that a Form 8 in this case likely represented a significant change to the scope of work, which local government would not have the opportunity to review or comment on. The Board staff would consider the best practice to ensure that the statutorily required public review process and comment process occurred would be for the consultant to create an additional WP specific to the remediation system once they obtained the data from the pilot test. This would then allow the WP to go through the statutorily required review process, especially as it would be a significant scope of work that would be defining the remediation strategy for the site. He stated that the Board staff recognized that geology consisted of tight shale, and that the Board staff was unsure what results would emerge from the research conducted, but that it was also possible that the application of negative pressure alone could still not be sufficient. In other words, the pilot test might not yield a result, after which the remediation strategies could change direction. He added that it was also important for the Board to note that, with this release, the owner had insurance for cleanup of the release. However, they had a \$500,000 deductible. Therefore, insurance would be involved in the cleanup once the \$500,000 cost was reached.

Mr. Monahan asked Mr. Wadsworth about the insurance. He asked if he understood correctly that insurance would be involved once the \$500,000 threshold was reached, and if this meant that the site was eligible for Fund reimbursement up to \$500,000. Mr. Wadsworth stated this was correct, as the site had insurance, but the insurance would not become active until after \$500,000 of the owner's funding had been used towards the cleanup of the release. Because of this, the Fund would reimburse the owner for the insurance deductible, after which the insurance would take over. Mr. Monahan asked if this meant the deductible minus what had already been reimbursed for the release. Mr. Wadsworth answered that this was correct, and that if the owner managed his claimed amounts as efficiently as possible, he could possibly avoid bearing the costs of co-pay himself.

Mr. Monahan asked Mr. Frohberg if he agreed with Mr. Wadsworth's comments. Mr. Frohberg stated, to clarify, that the WP represented the five (5) potential options of how petroleum product could exist below the site. He stated that he did not have the time to go over all of them but noted that the extent of contamination was still unknown. It was possible that they could still find contamination in one well, none of them, or multiple. He stated that this was the reason they had not yet been able to assess the cost of the pilot scale test until they arrived at the site and performed an initial assessment of what was there. Because of this, it would be difficult to assess if the negative pressure was the ideal remediation method to use until the extent of the contamination was known. He stated that this was the clarification he wanted to make.

Ms. Kline asked Mr. Frohberg if there were any other gas stations or former gas stations that surrounded the affected area that could have also affected the release. Mr. Frohberg answered that he had been involved with the release since its discovery in 1998. He stated that, in this time, he had checked all of the surrounding areas before for potential additional sources, and there were none. He noted that the site was somewhat unusual, as it sat on a high knoll at the end of an avenue, while all surrounding elevation dropped away from it. Because of this, anywhere there could have been other gas stations, such as one that used to be across the street and to the south of the site, had monitoring wells by them that had never picked up or contained any contamination. He stated that they had done their due diligence to identify other surrounding sources, but that he believed that they did not have any data that showed surrounding sites would have been a potential impact.

Mr. Young stated that, as a representative of the organization that owned the facility, they had only owned Mini Mart as of late 2019 at the earliest. He stated that he had not been aware of the location having any insurance claims filed for it. He asked if it was indicated at the time of the initial claim. Mr. Wadsworth answered that he would need to look into the documentation on file and would email his findings to Mr. Young for which a follow-up email was provided on Feb 21, 2025.

Mr. Frohberg asked Mr. Wadsworth to include him in the email on these findings, as he had historical data for the site that could also be helpful to Mr. Young's question.

Release 4397, WP 716834917, Cenex Zip Trip #72, Butte, Exceeding \$100K in Costs

Ms. Pankratz presented the Board with a summary of the release. She stated that Cenex Zip Trip was the responsible party for this release, with Tetra Tech as their environmental consultant. The WP was for two (2) semi-annual groundwater monitoring events. The release was reported to the Department in February 2005 when a fuel line leak was reported at the pump island.

Mr. Monahan asked if Mr. Jim Alford, owner of Cenex Zip Trip, was available to speak. Mr. Alford introduced himself to the Board. He stated that Mr. Jeff Rice, Senior Project Manager, Tetra Tech, was also present on the call to discuss the release. Mr. Rice introduced himself to the Board.

Mr. Monahan asked Mr. Rice if he wanted to discuss the release response. Mr. Rice stated that Tetra Tech had conducted investigations and had been able to isolate the contaminated soil and groundwater around the dispenser island area as the area of contamination, and it appeared that nothing above RBSL had gone off-site. He noted, however, that for monitored natural attenuation, they would need to monitor the groundwater for some time to see how the site fared. He stated that the low benzene concentrations would seem to put the release as being closer to closure, but that it would still take some time attenuate.

Mr. Monahan asked if Mr. Wadsworth had any comments to provide. Mr. Wadsworth provided the Board with the Board staff comments. He stated that it was important to recognize that it had been twenty years since the release was discovered, and that there was still no recommended cleanup strategy. He stated that it appeared the consultants were filling in data gaps, and that the current WP appeared to be designed to fill the data gaps adequately to be able to propose a strategy. He noted that, because the benzene levels were at a place that put the release near closure, monitored natural attenuation would be the most likely strategy. He stated that there was a Remedial Alternatives Analysis (RAA) that had been prepared in 2018 after the installation of soil borings and monitoring wells. The list of options presented in the RAA at the time were: no action, excavation, excavation with oxygen release compound (ORC), and soil vapor extraction with air sparging. He stated that if the current benzene contamination levels are found to be close to acceptable levels, then monitored natural attenuation might be the only cost-effective solution.

Release 3624, WP 716834962, Pro Lube 1, Great Falls, Exceeding \$100K in Costs

Ms. Pankratz provided the Board with a summary of the release. She stated that Mr. Nicholas Lines from Valvoline Oil was the responsible party for this release, with AWS as the environmental consultant for the release. The WP proposed the design and implementation of a pilot test for in-situ remediation. The release was reported to the Department in 1998 when petroleum-contaminated soil was encountered during tank removal.

Mr. Monahan asked if Mr. Lines was available to speak. Mr. Lines introduced himself to the Board and stated for the purpose of clarification that he was, at one point, a franchisee of Valvoline Oil, but that the site was currently a Valvoline Oil store franchised by others. He was currently only the landowner in relation to the release but no longer owned the facility. He stated that he had no current affiliation with Valvoline Oil. He stated that AWS was still the consultant for the site and Mr. Frohberg was available to discuss it.

Mr. Monahan asked if Mr. Frohberg could provide the Board with a summary of the WP. Mr. Frohberg directed the Board's attention to a site map that addressed the extent and magnitude of the contaminant plume. He stated that AWS intended to perform a pilot-scale injection to remediate the subsurface materials present. This would be done with the intention that contamination would naturally degrade over time by stimulating the native bacteria present in the soil. He stated that this was a similar idea to what AWS had implemented at the Brake Time 253722 facility. He noted that the deployment of media at the other site had proven to be effective, and that they hoped there would be similar positive results with this site and a similar type of media.

Mr. Monahan asked if Mr. Wadsworth had any comments. Mr. Wadsworth presented the Board with the Board staff's comments. Mr. Wadsworth stated that the release was discovered in December 1998, and the release was still being worked on at present. He stated that there had been one well installed in 2001. Then, four (4) additional wells were installed twelve years later in 2013. He stated that this showed how there was a delay between the time the release was discovered and the time that the initial investigation was conducted. He stated that the sampling of the wells indicated that groundwater contamination had existed in all five (5) wells, but only the monitoring well installed in 2001 had benzenes above the Department's guidelines. Groundwater monitoring continued to occur from 2015 to 2017, during which contaminants above Department guidelines were found in three (3) of the monitoring wells. Finally, the 2017 report contained a remedial alternatives analysis, which proposed bioremediation as a preferred strategy. He stated that investigation had been done since 2019, with an additional monitoring well having been installed in 2023 to define the western limits of the plume. He stated that part of his point in presenting this information was the fact that work had been being conducted on this site for a long time. He stated that although AWS was proposing a bioremediation pilot study, they had also mentioned the injection of a solution. The Board staff had noted that neither the WP nor the report indicated what the expected advantages of the injectate were relative to other possible solutions. He stated that, for the benefit of those reading the WP and the report, the Board staff would like to see the information included in such documents. He stated that the WP did not contain any possible costs for scaling up the pilot tests, and because of this, the Board staff could need to review additional information after they received the results of the pilot test.

Mr. Monahan asked Mr. Frohberg about how the same approach proposed for this release had been used at the other location, and if it was correct that he had success using the pilot test at the previous location. Mr. Frohberg stated that this was so, as another property owned by Mr. Lines had undergone a similar experience in trying to treat subsurface contaminants. He noted that with both sites, excavation was not an option, especially at the Pro Lube 1 site where the plume closely bordered the road. He noted, however, that at the Pro Lube 2 site, they had been able to deploy media that was successful and resulted in a significant amount of contaminant reduction. This included a reduction in substances that were a concern for the stakeholders. He stated that there had been a large mass reduction in contaminants using the injectate they had created for this and hoped that a similar result would occur when it was used at this site.

Mr. Monahan asked Mr. Wadsworth if he had any comments. Mr. Wadsworth stated that the information provided by Mr. Frohberg would be helpful to have in the documents for this facility.

Mr. Jackson asked if there were other essential nutrients that could be added to the injectate agent to further benefit cleanup. Mr. Frohberg asked what Mr. Jackson was suggesting. Mr. Jackson clarified that he was interested to know if there were other ingredients that could be added to the solution to make it more effective. He noted that magnesium and sulfur were present in the current solution, and asked if there was anything else that the affected area might need.

Mr. Frohberg answered that what AWS had done on all the sites in the past was used laboratory analysis and intrinsic biological indicators to determine what the bacteria were utilizing in the soil. He stated that, in the past, they always looked at oxygen content in the soil and would address contamination by adding more oxygen to the soil. However, the issue found with this method was that working with oxygen only allowed them to work with aerobic bacteria. He stated that it was the anaerobic bacteria that was what was truly effective in breaking down contamination in long-term cleanups. He stated that the anaerobic bacteria under the Pro Lube site were under what was called a sulfur reduction. The sulfur that was naturally in the soil would get depleted, causing the bacteria to not have enough sulfur to work with in the breakdown and thus it was added to the injectate mixture to enhance the presence of sulfur in the soil. He added that in addition to this, other components would be added to aid the bacteria in the soil, and this was why the nutrients needed were added to the solution. He stated that these items worked together in a way that produced cleanup results, as they stimulated the anaerobic bacteria in the soil. He noted that there was not an individual ingredient that could be injected into the soil and still produce the same results. He stated that he could discuss this further with Mr. Jackson if he wished.

Mr. Jackson stated that this was interesting to him and that he wanted to know what else was in the mixture being used, as he stated that there were surely other components outside of carbon and oxygen. Mr. Frohberg responded that the mixture was not carbon, rather, it was a different form of injectate used. He stated that the real purpose of the carbon was to trap contamination and then add the nutrients to aid the bacteria in breaking down the contamination. Because of the soil composition in the Great Falls area where the sites were, nothing needed to be trapped because nothing flowed. He stated that the groundwater was contained in tight sediments and because there was generally no flow, carbon was not being considered as an additive for the solution at this site. Instead, the solution would stimulate the existing bacteria in the soil so that they could better break down the contamination. The nutrients and sulfate were the most effective components they had seen so far in accomplishing this, as had been seen at the Pro Lube 2 site. He stated that bacteria indicators would continue to be monitored, and that this could change in the future based on the sampling results, as there was no perfect solution for such things. However, he stated that AWS was confident the mixture proposed would be an effective tool in remediating the Pro Lube 1 site.

Ms. Kline stated that the information Mr. Frohberg provided was interesting and asked if pH levels were something that was monitored in the monitoring wells and if the levels ever changed over the process of the remediation. Mr. Frohberg answered that pH levels were indeed monitored during groundwater sampling. He stated that they had not seen the expected change in pH levels for the groundwater at this site. He stated that another thing that AWS always monitored was alkalinity when they were determining shifts in pH levels. He stated that these levels have not proven to be a useful tool when monitoring sites. Alkalinity and pH levels could be used to measure some degradation, but it overall was not a universal indicator for assessing contaminant levels. He added that the groundwater flow was so low in the area being monitored that this also made monitoring such levels extraneous, and that the tests performed indicated that the real issue was the lack of sulfates. Ms. Kline stated that pH levels and alkalinity went hand-in-hand, and that his point about the tight soils showed how the contamination and bacteria were trapped, but needed the nutrients so that the bacteria could break down the contamination.

Ms. Kline asked Mr. Frohberg if the Pro Lube 2 site was near closure. Mr. Frohberg stated that AWS had performed a pilot scale test at Pro Lube 2, and it had been recommended to move a full-scale test. The full-scale test had yet to be implemented, as the Department had not requested the WP yet, although he stated that he believed it was forthcoming.

Board Attorney Report

Ms. Brown presented the Board with the Board attorney report. She stated that the *Cascade County v. Petro Board* case had been fully briefed. The case was awaiting the next steps, during which the court would either assign it to a panel of five (5) justices, or *en banc*. She stated that, usually, a case would only proceed *en banc* if there was going to be dissent. She stated that, once the case was assigned, she would be there to advise the Board. She added that her team was working to potentially supplement the record, as the record had been given back to the Board previously. She stated that she was now looking into taking the supplemented record to the Supreme Court.

Ms. Brown added that the other main task she had been working on, which had been alongside Mr. Wadsworth, was legislation that had been proposed. She stated that she had been working through the proposed legislation to ensure that the Board's interests were protected in this process. Ms. Brown added that the legislation was to add a provision that site owners and operators could receive up to \$2,000 back in inspection costs and for other preventative measures from the Fund. She noted that this was not in statute currently. She stated that she and the rest of Agency Legal Services were continuing to monitor the status of any proposed legislation.

Mr. Monahan asked Mr. Wadsworth if this proposed legislation was what he had been discussing with Mr. Longcake in terms of using the Fund for preventative measures. Mr. Wadsworth stated that this was correct, and that Ms. Brown was also reviewing other legislation that the Board staff was concerned about, and was working to ensure it was consistent with the Board's legal framework.

Mr. Monahan asked if Mr. Longcake was present to speak. Mr. Longcake was not present.

Fiscal Report Dec FY25

Mr. Wadsworth presented the Board with a summary of the Fiscal Report. He stated that he had not found any information in this report that was worth highlighting and bringing to the Board's attention, but that he would answer any questions.

Mr. Monahan asked Mr. Wadsworth about the data in the Fiscal Report from July 2024 to August 2024, as he noted that there had been zero Board claims in July and only \$18,000 worth of them in August. He asked if this was an anomaly. Mr. Wadsworth explained that during the first two (2) weeks of July, the Department was working to close the books for the end of the prior fiscal year, as the fiscal year ended on June 30th. He stated that it was likely that the Board staff had a number of weekly claims that had stacked up during this time but were likely not able to be processed by the DEQ Fiscal office until early August. He stated that he believed that this was likely what the numbers reflected.

Board Staff Report

Mr. Wadsworth presented the Board with a summary of the Board staff report. He stated that it was important to discuss the current activity with the legislative session as part of the Board staff reporting. The Board staff were tracking a number of bills, with three (3) main bills that were of major importance to the Board. Mr. Wadsworth stated that the three (3) bills could be categorized as "prevention," "extension," and "annihilation."

Mr. Wadsworth stated that the "prevention" category was associated with LC-3849 (SB 315) and was the bill that Ms. Brown had discussed with regards to working with the Petroleum marketers, Department, and other stakeholders to create a law that would reimburse inspection activity in order to prevent releases in a way that was consistent with the Board's legal framework.

Mr. Wadsworth stated that the "extension" bill was HB-189. This bill had recommended that the earliest discovery date allowed for releases to be eligible to the Fund was proposed to be changed from April 13, 1989, which was the current date, to January 1, 1984. This meant that releases that had been discovered before April 13, 1989 could now apply to the Fund and possibly receive eligibility. Mr. Wadsworth stated that he had testified as an informational witness on this bill, and that he had mentioned to the committee that the April 13, 1989 date had been originally put into statute as the beginning of eligibility considerations, because that was when the original legislation for the Fund had become effective. The discovery and eligibility date matched the date that the Board and Fund had been initially instituted. He stated it was being proposed that the effective date to be moved back to January 1, 1984 so that releases that had occurred between 1984 to April 13, 1989 could also be eligible for the Fund. He stated that he believed the goal of the sponsor of the bill was to allow more legacy releases to obtain closure, as there were ones from before April 13, 1989 that had currently been unable to obtain assistance from the Fund. He stated that he believed the sponsor of the bill had chosen January 1, 1984 because this was the date when the laws for USTs had become effective in Montana. He stated that he believed about 17 releases could become eligible with the ratification of

this bill. The Board staff had provided a fiscal note to the legislature that estimated what the cleanup costs of the new releases would be.

Mr. Wadsworth stated that the third major bill draft being monitored, the “annihilation”, was LC-0138. This bill proposed to abolish the Board. Its draft was ready for delivery, but it had not been delivered. Mr. Monahan asked Mr. Wadsworth which legislator was carrying the draft bill L-0138 and if there was a sponsor for it yet. Mr. Wadsworth answered that the bill was mostly the work of Senator Willis Curdy, but that he believed he was still looking for someone to carry the bill to the committee.

Mr. Wadsworth added that HB-189 was being overseen by Representative Marta Bertoglio, and LC-3849 was being sponsored by Senator John Esp.

DEQ Petroleum Tank Cleanup Section Report (PTCS)

Summary of Confirmed and Resolved Petroleum Releases

Ms. Pankratz presented the Board with the Summary of Confirmed and Resolved Releases. She stated that, since the November 18, 2024 Board meeting, there had been nine (9) suspect releases reported, two (2) releases confirmed, and zero (0) releases resolved. She noted, however, that there were nearly two (2) dozen releases that were nearing the closure process. Several of these releases were approved for closure and were only awaiting well abandonment work to be completed before the No Further Corrective Action letter could be issued. As of January 22, 2025, the total of open releases was 909, and of those, 856 were managed by PTCS. She stated she was open to questions at this time.

Mr. Monahan asked if the number of open and eligible releases would be affected by the ratification of HB 189, or if, alternatively, the legacy release owners would have to apply for the Fund first after these releases became eligible. He asked if the only reasons these releases had been ineligible was because of the discovery date. Mr. Wadsworth answered that it was uncertain why these releases had previously denied eligibility, but that some of the releases in the date window had not applied because the owners knew that their release was statutorily ineligible. This could potentially be the only obstacle to those releases becoming eligible. However, there was no guarantee that all of these releases would become eligible with the passing of HB-189. He stated that he knew of at least three (3) releases that fall into a category that would still be ineligible with the passing of the bill, two (2) of the releases were related to the railroad, and one (1) belonged to the Federal Government. He stated that he believed that these three (3) releases would not be eligible. However, there were about 17 releases that still had the possibility of becoming eligible. He stated that Mr. Monahan was correct that the release owners would still need to apply for the Fund. He added that it was still unknown as to how many of these legacy releases were near closure and how many would apply. This would result in an additional impact to the Fund, but the Board staff could only estimate how much work was left to conduct on those who would apply. This would be incorporated into the Board’s current activity, and it appeared that the Fund would be able to take on the additional expenses that came in as a result of these releases. He stated that the Board staff would process the applications as normal to see what would end up becoming eligible for the Fund.

Mr. Monahan asked Mr. Wadsworth if the releases Mr. Wadsworth was referring to were already counted as part of the 909 total open releases. Mr. Wadsworth confirmed that the releases impacted by HB-189 are part of the existing 909 open release.

Valier Co-op Supply Center, Facility #37-10231, TID 26503, Rel #4383, WP #716834898, Valier, Priority 3.0

Ms. Pankratz presented the Board with a summary of the WP over \$100,000. She stated that City Service Valcon was the responsible party for the release, and that they had retained West Central Environmental Consultants (WCEC) as the environmental consultant. WCEC had submitted the WP for excavation with an estimated cost of \$147,121.06. The release was reported to the Department in December 2004 when petroleum-contaminated soil was encountered during the removal of a piping run from the AST to the dispensers. Based on the soil at the facility, which was tight clay, excavation was determined to be the best option for remediation at the facility.

Mr. Monahan asked if the owner or consultants were present to discuss the WP over \$100,000. The owner and consultant were unavailable to speak at this time.

Mr. Wadsworth stated that there had been an excavation conducted in 2021 at the site. This WP was for an additional excavation of soils, with the excavation primarily being on the east and northeast corner of the previous excavation. He noted that there were utility lines for the on-site buildings that were expected to be in the vicinity of the proposed excavation. Groundwater monitoring would be conducted following the excavation, so there would likely be additional work proposed at

the site in the future. He stated that there would be adjustments to the proposed costs, which would be based on the Board staff's statistical analysis related to reasonable costs. He stated that these were the only comments he had at this time for the corrective action plan.

Public Forum

Mr. Wadsworth presented comments during the Public Forum. TW is Terry Wadsworth, JM is John Monahan, LP is Latysha Pankratz, and PE is Paxton Ellis, Senior Engineer, Big Sky Civil Engineering.

TW: The only comment I would have is a reminder that we will be having these Board meetings at the Montana Department of Transportation, just as a reminder.

JM: Terry's stealing my thunder, cause that's in my notes next. We're not there yet. My comment for the public forum is, I would like to compliment Latysha Pankratz because Latysha, I've noticed that you are bringing a lot of aged releases that seem to have not had much work done on them in the last- some as many as 25, 26 years. I appreciate that you are going back through the records and getting some of these sites back into the- back into the mix, um, where we can move some of these sites towards closure. I just wanted to throw that into our public meeting notes, because, uh, you're doin' a great job there and we appreciate that.

LP: Thank you, Mr. Chairman.

JM: Absolutely. And then as Terry stated, our next Board meeting is April 14, 2025, and as he said, remember to come early. We will be required to check in at the Department of Transportation offices and receive visitor passes. Any other comments or questions? Alright the meeting is adj-

PE: I-

JM: Some- someone? Oh, okay.

PE: I- *laughs* I do have a question. This is Paxton Ellis with Big Sky Civil and Environmental in Great Falls.

JM: Okay, Paxton, go ahead.

PE: Um, I noticed on the cash flow analysis for fiscal year 25 that, in July, the revenue was listed as negative six hundred ninety-seven thousand dollars. And I was curious why the revenue's listed as negative in that month. That would be on-

JM: Mr. Wadsworth, do you want to address it?

PE: -page seventy-eight-

JM: -seventy-eight-

PE: -of the Board packet.

JM: Correct. Mr. Wadsworth?

TW: Yes, uh, I think we might have had a comment like this or a question like this in the last minutes, at the last meeting. But, um, the answer to your question, Paxton, is the fact that the revenues are transferred from the Department of Transportation into our State special revenue account. When that's transferred, they transfer an estimated value, um, -and then they come back, and they refine that value. Generally speaking, we have revenues in the month of July. And so, you don't see the negative because of the fact that it just takes away from what the revenue- the positive revenue is for that month. If you noticed for this 2025 season starting in July, um, the timing on the claims and the timing on the revenues was a little bit off. I would tell you there was a lot of activity that the state government was trying to do during the month of July that was causing difficulty for the financial information to get in within a timely manner. And so that's why you see the revenue's so high on August and not distributed in both July and August.

PE: Understood, thanks Terry.

JM: Okay. Thank you for noticing that Paxton. We appreciate your input. 'Kay. Any other comments? Alright! Meeting's adjourned!

There was no further discussion.

The next meeting is scheduled for April 14, 2025.

The meeting was adjourned at 11:13 a.m.



Signature - Presiding Officer