

PETROLEUM TANK RELEASE COMPENSATION BOARD
MINUTES
November 10, 2025
IN-PERSON AND TELECONFERENCE HYBRID MEETING

Board Members in attendance were John Monahan, Cody O'Connor, Curt Kelley, Calvin Wilson, and Jess Stenzel, with Kristi Kline and Grant Jackson in attendance via Zoom. Also in attendance were Terry Wadsworth, Executive Director; Garnet Pirre and Ann Root, Board Staff; and Stuart Segrest, Board Attorney.

Presiding Officer John Monahan called the meeting to order at 10:00 a.m.

Mr. Monahan introduced the new Board member, Mr. O'Connor, to the Board as a representative of the Petroleum Services industry. Mr. O'Connor presented the Board with his history. He stated that he had worked in the Petroleum industry for over 12 years and had worked with clients to conduct inspections and line tightness tests across the state. He stated that he was glad to be present and working with the Board.

Mr. Monahan asked if he was correct that Mr. O'Connor was from Billings, Montana. Mr. O'Connor answered that he was from Shepherd, Montana.

Mr. Monahan welcomed Mr. O'Connor and stated that his experience in the field would be valuable and was one of the strengths of the Board, as each member was from a different field of expertise that could give input.

Mr. Monahan thanked Mr. Tom Pointer, former Board member, for his service to the Board. He stated that Mr. Pointer did a great job during his time as a member of the Board, and that he appreciated the work he had done for the Board. He added that the Governor had reappointed Mr. Wilson, Mr. Stenzel, and Mr. Monahan himself.

Election of Presiding and Vice-Presiding Officers

Mr. Monahan presented the Board members with the matter of the Election of the Presiding and Vice-Presiding Officers. He stated that first was the election of the Presiding Officer. He stated that if any of the other Board members were interested in the presiding officer's position, they were welcome to raise their hand, and their interest would be taken into consideration.

Mr. Monahan asked if there were any nominations for the presiding officer.

Mr. Kelley moved to nominate Mr. Monahan for Presiding Officer. Mr. Monahan accepted the nomination. Mr. Stenzel seconded. Motion passed unanimously by voice vote.

Mr. Monahan moved to nominate Ms. Kline as Vice-Presiding Officer. Ms. Kline accepted. Mr. Kelley seconded. Motion passed unanimously by voice vote.

Ms. Kline thanked the Board for their support.

Approval of September 15, 2025, Minutes

Mr. Stenzel moved to approve the September 15, 2025 minutes as written. Mr. Kelley seconded. Motion passed unanimously by voice vote with Ms. Kline and Mr. O'Connor abstaining.

Approval of Draft Form 13 – Claim for Reimbursement - Prevention and Compliance

Ms. Pirre presented the Board with the comments received on the Draft Form 13, Claim for Preventative and Compliance Costs (Preventative Claims). She stated that Mr. Brad Longcake, Director, Montana Petroleum Marketers and Convenience Store Association (Petroleum Marketers), had reached out. He had received comments from his constituency on changes they recommended. She believed they would be adopted into the final Form 13. She noted that there were some additional questions that were also asked and answered. The corrections and changes that she believed should be implemented were as follows:

- The part on the form addressing work plans (WP) could be omitted, as preventative claims had no connection to work plans or to active releases. Wording that was not applicable would be removed.

- Section 11 of the draft form would be changed from mentioning a release site to instead referring to an active facility site.
- The mention of proof of payment and assent to audit in sections 10 and 11 would be retained in the final version, as these were requirements in the Board's overall claim law and was what allowed the Fund to reimburse clients.
- She stated that section 12 encompassed owner certification, leaking tanks, and compliance. As this form was not about release, the reference to leaking tanks would be changed to only being about the owner and the tanks' piping at the facility.
- The communication boxes on the first page of the form that were not necessary to a preventative claim have been removed. The only communication boxes necessary for a preventative claim were the owner, the claimant, and the payee. This reduced the form to a two-page document.
- Regarding the Board contact information on the top of the form, which currently includes Ms. Pirre's email address, the Board staff would attempt to obtain a general mailbox for the Board staff. This way, if there was a method of submitting to a mailbox, not to a specific person, a change in personnel would not require a change to the form.

Ms. Pirre noted that, additionally, it had been asked if the notarial act was needed. She stated that all of the forms that entailed obtaining money from the Fund, such as an application for eligibility, included a notarial act. She noted that this was a practice at banks as well, and while most banks had moved to digital signatures, the Boards' forms still required physical signatures and a notary format that indicates the document was signed and sworn before the notary as evidence that there was a comprehension of what the form entailed, as well as the identity of the signor. Thus, the notarial act on the Boards forms was more than just an acknowledgement of who the one submitting the form was. Because of notarial act was not just an acknowledgement, she did not believe the notarial act could be omitted. She wanted to provide this information in case anyone else was asked this question. She stated that the Board staff had been exploring possible alternatives to obtaining physical signatures, but a form of third-party verification such as DocuSign® would be needed. She noted, however, that DocuSign® was not as strict as the Board staff's notarial act, and that she had not yet found an alternative to the notarial act that she felt still encompassed the notarial requirements.

There was discussion about the desire to meet the legal documentary authentication requirements, challenges with the physical signature process, especially during the COVID-19 pandemic, possible language that might satisfy the requirements of the notarial act, that millions of dollars of state money was at stake, having a process that withstands auditing, a process that provides adequate level of security, and having a process that is consistent with other state business practices.

Ms. Pirre stated that the last thing that was addressed on the Form 13 was confusion on the requirements for an accompanying proof of payment (Form 6). She stated that there were three (3) ways one could provide proof of payment: a Form 6, a cancelled check that showed that the person was paid and cashed the check at the bank, or a memo from the entity who did the work stating that the costs on the invoice had been paid. She stated that a proof of payment was required because this was a reimbursement program. The Fund reimbursed, by law, actually incurred costs, thus requiring documentation of that someone actually incurred costs and that someone paid said costs. She stated that, for now, this was part of the Board staff's standard claim process as outlined in statute. She stated that the assent to audit form (Form 2), was also firmly outlined in statute, which required the Board staff to have that form on file for any entity that was involved in the claimed costs. This included a contractor or sub-contractor that performed billable labor on-site. Ms. Pirre stated that the system does not allow reimbursement of a claim unless these documents were on file.

Ms. Pirre stated that this was a summary of the input the Board had received, and the Draft Form 13 would be corrected accordingly so long as the Board approved of the changes. She stated that this encompassed what was discussed as well as what the next iteration of the Draft Form 13 would look like. These changes were common sense changes that helped in the processing of the form. Once the Board approved the Draft Form 13, it was understood that the changes discussed today would be made.

Mr. Jackson moved to approve the Draft Form 13 with changes. Mr. Stenzel seconded. Motion passed unanimously by roll call vote.

There was additional discussion about the Department of Motor Vehicles (DMV) requirement of a notarial act, the DMV not being a government reimbursement program, and there was a recognition that the programs had different levels of assurance needed. It was indicated that a fair amount of research into the subject had occurred and additional research into the statutory framework and legal requirements for the Board's notarial act may be warranted. Mr. Monahan confirmed that the Board's attorney and Ms. Pirre were comfortable with going forward on the project. Both indicated that they were fine with proceeding.

Mr. Paul Townsend, Environmental Remediation Technician, Town Pump, Inc. (Town Pump) asked Ms. Pirre about the Form 2 (Assent to Audit), and if one was required individually for every consultant. Ms. Pirre stated that the assent to audit could be filled out to allow a consulting company to have the Form 2 apply to any and all Fund-eligible sites the consultant worked on. Ms. Pirre added that the Form 2 was only required by people that were conducting billable labor on-site. Vendors that delivered materials to the site, for example, would not need to complete a Form 2.

Ms. Kline asked Ms. Pirre if the Draft Form 13 could be reviewed and possibly changed after it was approved at the meeting. Ms. Pirre stated this was so. The purpose of the Draft Form 13 was to coordinate the Board and Board staff with the process that would be rolling out due to the language changes in the laws. She stated that the Board would not be meeting again until February 9, 2026. By contrast, the preventative claims would become law on January 1, 2026. Because of this, the Board staff wanted to give the Board a chance to see the direction being proposed. She stated that page two (2) was based entirely on the language in statute of what was going to be covered. She added that any input that people had that could simplify it would be helpful.

Mr. Wadsworth stated that the Form would be published to the Board's website. Once it was published to the website, the Board staff could send the Board members a link to the form to provide an opportunity for input on the changes discussed. At the February 9, 2026, Board meeting, if there were additional changes that needed to be made, they could still be made at that upcoming meeting. He indicated that it was important to have a form available so owners could submit costs in a form and manner approved by the Board before January 1, 2026, when the preventative claim activity went into effect and for any preventative claims that were obtained once this was in effect. Ms. Kline stated that the information provided had answered her question.

Ms. Pirre stated she was working with the Petroleum Marketers Association through Mr. Longcake on the continued refining of the Draft Form 13, and about the approval process by the Board. The results would then again be provided to Mr. Longcake's constituents for further review and comments, as they were owners of active facilities who would be using the form.

Mr. Longcake introduced himself to the Board and thanked Ms. Pirre for the time she spent to walk him through the form as well as going through the comments and questions his constituents had in regard to streamlining the process. He stated that he believed the Form 13 was a good form, that the comments that were made were helpful, and that they would continue to work on it. He stated he was open to questions, and thanked Ms. Pirre and the Board staff for all of their time and work in putting the Draft Form 13 together.

Mr. Monahan expressed appreciation for Mr. Longcake's group providing input on the Form construction.

Approval of Board Meeting Dates for 2026

Mr. Monahan presented the Board with the proposed Board Meeting Dates for 2026. The proposed dates were February 9, April 20, June 22, September 14 and November 9 of 2026. There were no known conflicts with the proposed dates.

Mr. Wilson moved to approve the Board Meeting Dates for 2026. 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. There were four (4) releases recommended to be eligible, with one (1) Voluntary registration.

<i>Location</i>	<i>Site Name</i>	<i>Facility ID #</i>	<i>DEQ Rel # Release Year</i>	<i>Staff Recommendation Date - Eligibility Determination</i>
Billings	Air Controls Billings	0032601 TID 32601	6739 July 2025	Review 10/2/25. Recommended eligible.
Billings	Rambur Constructions	0032594 TIS 32594	6699 Apr 2025	Review 10/20/25. Recommended eligible.
Glendive	Crossroads Conoco	5613872 TID 30551	3771 August 1999	Received 10/20/25. Recommended eligible.
Miles City	Child and Family Services	0032590 TID 32590	6696 Apr 2025	Reviewed 8/28/25. Recommended eligible.

<i>Location</i>	<i>Site Name</i>	<i>Facility ID #</i>	<i>DEQ Rel # Release Year</i>	<i>Staff Recommendation Date - Eligibility Determination</i>
Informational Only – Not for Ratification				
Superior	Energy Partners Superior	3108916 TID 25094	Voluntary Registration	Reviewed 9/26/25. Recommended potentially eligible if in compliance at time of a release discovery.

Mr. Monahan asked Mr. Wadsworth for an explanation of the Voluntary Registration. Mr. Wadsworth stated that the Voluntary Registration was a form submitted to the Board staff to have a determination made with regard to whether or not the facility would be eligible in the event the facility had a release. He stated that Voluntary Registrations were often submitted when there was a property transfer involved. If a new owner is purchasing a property, it was often a concern about whether the tanks would be considered eligible at the time of the sale. The Board staff would process the Voluntary Registration as though it was an application for eligibility for assistance, because the Voluntary Registration is subjected to the same process. The only difference was that there was no release to declare eligible at that time.

Mr. Monahan asked if the site on the table was not in violation and if it would stay eligible so long as it remained in compliance. Mr. Wadsworth stated that this was correct. Because there is no way for the Board staff to determine if the owner was going to remain in compliance, the assessment of the facility's compliance is at the time of application receipt. The Board staff then provided the owner with notification informing them that the facility was eligible for reimbursement in the event of a release.

Mr. Monahan noted that he did not recall the Board seeing many Voluntary Registrations in the past, and asked Mr. Wadsworth if this was a common practice. Mr. Wadsworth answered that the Board and Board staff did not see many of these. He stated that he could provide data at the next Board meeting for how many were encountered during the year. Mr. Monahan stated that this had piqued his interest because there were many businesses that had been changing ownership, and he was surprised that the Board had not seen more of them, as he noted a Voluntary Registration would be a great tool for new owners. Mr. Wadsworth stated that he agreed and that these properties could also benefit from a Phase I or Phase II environmental site assessment, or a Phase 1+ which was somewhere between the two assessments. This was an additional document that he considered helpful with regard to a property transaction, and was often valued by banks in loan process, as it helped with assessing risk. Mr. Wadsworth added that the owner was welcome to send in the Voluntary Registration at any time so that the site could have an assessment of its eligibility.

Mr. Wadsworth had indicated that the Voluntary Registration would be brought before the Board for ratification, but it was later clarified that the Board was being made aware of the Voluntary Registration, however it did not need to be ratified. Ms. Kline asked why the Voluntary Registration did not need to be ratified. Mr. Wadsworth answered that the Voluntary Registration did not require ratification because there was no money that was at stake in the process of the Voluntary Registration. She stated to that, from her understanding, the Voluntary Registration was a great method of communication for new owners, helped keep the facility in compliance as it moved forward, and was a good idea. Ms. Kline thanked Mr. Monahan for his earlier question on the Voluntary Registration and for the clarifying discussion, as she had not understood its purpose prior to the discussion.

Mr. Pirre stated that the Board had not seen many of the Voluntary Registrations in the past because they were not ratified and were only presented to the Board for informational purposes. She indicated that owners should submit Voluntary Registrations early in their assessment process providing sufficient lead time since it takes time for staff to complete the process and for it to be on the table of a Board meeting. It was recognized that, similar to an owner eligibility application, the Board staff reaches out to other programs to obtain information to determine if the site has any compliance issues to determine if it was potentially eligible. The process takes more than 30 days so the owner should consider that in their transaction timeline.

Mr. Monahan asked Mr. Wadsworth if he could describe to the Board what the Voluntary Registration was in statute. Mr. Wadsworth stated that the Voluntary Registration was detailed in ARM 17.58.323 and it stated that the owner and operator may register a petroleum storage tank with the Board for the purposes of determining potential eligibility of a petroleum storage tank for reimbursement under the Petroleum Tank Release Cleanup Fund. The owner and operator may apply for said registration by submitting to the Board a signed and otherwise completed application. He stated that the rule indicates the Board may investigate and consult with other regulatory agencies to confirm accuracy of information and compliance with tank laws. When the Board evaluates an eligibility application or Voluntary Registration, the Board staff checks with organizations such as the Department's Underground Storage Tank (UST) program, the Department's cleanup program, and the state fire

marshal with regards to any known noncompliance with the particular facility. He stated that the information that was on the Voluntary Registration form was required to be true and accurate. The Board had delegated the handling of this process to the Board staff. Since the Board has delegated the processing of a Voluntary Registration it is brought before the Board so that the Board could see what was being done on their behalf. He added that there is a record made of the voluntary registration, and that since it is provided in a table for the Board meeting that the public that reads the minutes which are available on the Board's website, have an opportunity to see that a Voluntary Registration was processed and the results of that activity.

Mr. Monahan recused himself from any matters regarding Jackson Energy, and any of their dealer locations or customers. Mr. Stenzel recused himself from any matters regarding Marsh & McLennan or its legacy company, Payne West. Mr. O'Connor recused himself from any matters related to Tank Management Services. Mr. Kelley recused himself from any matters pertaining to Little Horn State Bank and Little Horn State Bank's customers. Mr. Wilson recused himself from any matter regarding EnergiSystems and customers. Mr. Jackson and Ms. Kline expressed no known conflict of interest.

Ms. Kline moved to ratify the four (4) recommendations of eligibility as provided by the Board staff. Mr. Wilson seconded. Motion passed unanimously by voice vote.

Weekly Reimbursements

Mr. Wadsworth presented a summary of weekly claim reimbursements for the weeks of September 3, 2025 to October 15, 2025.

WEEKLY CLAIM REIMBURSEMENTS November 10, 2025, BOARD MEETING		
Week of	Number of Claims	Funds Reimbursed
9-3-25	14	\$88,726.94
9-10-25	21	\$122,431.08
9-17-25	19	\$157,702.24
9-24-25	6	\$66,246.40
10-8-25	11	\$312,327.65
10-15-25	8	\$34,883.47
Total	79	\$782,317.78

Mr. Wadsworth presented the Board with a summary of the denied claims. There were five (5) denied claims:

<i>Denied Claims</i> November 10, 2025 Board Meeting	
Claim ID	Reason Denied
20250902A	Claim withdrawn at the request of the consultant.
20241015C	Task 2- Project management costs exceed the established standards as set forth in ARM 17.58.341.
20240201L	Task 2- Project management costs exceed the established standards as set forth in ARM 17.58.341.
20240201K	Task 2- Project management costs exceed the established standards as set forth in ARM 17.58.341.
20240201J	Task 2- Project management costs exceed the established standards as set forth in ARM 17.58.341.

Mr. Monahan recused himself from any matters regarding Jackson Energy, and any of their dealer locations or customers. Mr. Stenzel recused himself from any matters regarding Marsh & McLennan or its legacy company, Payne West. Mr. O'Connor recused himself from any matters related to Tank Management Services. Mr. Kelley recused himself from any matters pertaining to Little Horn State Bank and Little Horn State Bank's customers. Mr. Wilson recused himself from any matter regarding EnergiSystems and customers. Mr. Jackson and Ms. Kline expressed no known conflict of interest.

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

Board Claims

Mr. Wadsworth presented the Board with the one (1) claim for an amount greater than \$25,000. He stated that the Board staff recommended ratifying the reimbursement of this claim over \$25,000.

Facility Name Location	Facility- Release ID#	Claim#	Claimed Amount	Adjustments	Penalty	Co-pay	**Estimated Reimbursement
Town Pump Butte #4	5613911 6274	20221014F	\$177,121.73	\$82,598.97	-0-	-0-	\$94,522.76
Total			\$177,121.73	\$82,598.97	-0-	-0-	\$94,522.76
<p>* 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.</p> <p>**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.</p>							

Mr. Kelly asked for some additional details on the board claim presented. Mr. Wadsworth answered that the Board claim in question was from an emergency response at a facility in Butte. He stated that there was an emergency response where work had been done at the site, and there were a number of problems with the claim submitted related to that work. Because of this, the Board staff ended up breaking the information down into detailed components so that they could assess costs and make any adjustments to the claimed costs. The bulk of these response activities were primarily focused on excavation as well as evaluating the amount of contamination that had entered the storm drain. He noted that the release had been a surface release, and some of the contamination had entered a nearby storm drain and went to a wetland. Because of this, the excavation occurred in the wetland, and there had been some scoping of the storm sewers to examine where the petroleum may have gone. There had also been booms installed in the wetland, the task being referred to as boom management, which were implemented to prevent contamination from flowing into a nearby creek.

Ms. Kline asked about the \$14,454.97 in reduced funds to the claim and asked how it factored into the total adjusted funds. Mr. Wadsworth indicated that, fundamentally, there were costs that went beyond the scope of emergency response work plan, which were adjusted and the number reflects the total considered outside the scope of the emergency response, that are part of a different work plan. He stated that this was why the adjustments had to be categorized in detail. He informed the Board that the staff had a meeting with Town Pump regarding what had happened with the project and its extra expenditure. He noted that the breakdown of the adjustments to each task and the grouping of costs had been a means of communicating with the owner about the adjustments that were being made. During the meeting, negotiations had been held to determine what the final adjustments would look like, and information and graphics were provided to assist the owner in understanding why the Board staff was making certain adjustments to the claim.

Mr. Monahan thanked Mr. Trent Biggers and Mr. Paul Townsend, Town Pump. He stated that this had been a very complicated claim, and that Mr. Biggers and Mr. Townsend had taken the time to sit down at multiple meetings with the Board staff in order to work through the claim and come to an agreement as to what the Fund was responsible for. He stated that he believed that this was an excellent example of corporate citizenship that many companies could look to.

Mr. Townsend thanked Mr. Wadsworth and Ms. Pirre for the time they took to work through the claim with Town Pump. He stated that Town Pump appreciated that they could work to reach an agreement, and that this is how things should be done.

Mr. Monahan recused himself from any matters regarding Jackson Energy, and any of their dealer locations or customers. Mr. Stenzel recused himself from any matters regarding Marsh & McLennan or its legacy company, Payne West. Mr. O'Connor recused himself from any matters related to Tank Management Services. Mr. Kelley recused himself from any matters pertaining to Little Horn State Bank and Little Horn State Bank's customers. Mr. Wilson recused himself from any matter regarding EnergiSystems and customers. Mr. Jackson and Ms. Kline expressed no known conflict of interest.

Mr. Kelley moved to approve the one (1) Board claim as presented. Ms. Kline seconded. The motion passed unanimously by voice vote.

Attorney Report

Mr. Segrest presented the Board with the Board Attorney Report. He stated that the first item was the ongoing *Cascade Cnty v. Mont. Petroleum Tank Release Comp. Bd.* claim which became a legal case that had gone to the Supreme Court. The Supreme Court then remanded it back for the District Court to issue the writ of mandamus that required the Board to consider the request, but not dictating what the Board's answer must be as to whether the request met the requirements of the Board's laws. He stated that District Court, to his knowledge, had yet to take action. Until District Court took action, the Board was not required to do anything. He stated that there had been a new notice put out that indicated Ms. Jackie Papez of Dry Creek Law Firm PLLC was solely representing Cascade County. He stated that she had reached out to him and asked him to have a meeting to discuss the case. He stated that he had agreed to meet with her, but that they had not yet scheduled a time to meet. Because of this, there was no action the Board needed to take at the time, and the report presented had been for informational purposes.

Mr. Segrest stated that the second item to discuss was the request that had been made by the Northern Cheyenne Tribe, as represented by Mr. Brian Chestnut, Ziontz Chestnut LLP, Attorneys at Law. He had stated there had been communications at the time the Board meeting packet went out on October 22, 2025. He stated that they were awaiting a response from them, and on October 27, 2025, a letter was received from Mr. Chestnut on behalf of the Northern Cheyenne Tribe. He stated that the letter also contained an attachment from the Environmental Protection Agency (EPA) grant coordinator that the tribe was working with that explained that the funding in question was an EPA grant. The funds, if reimbursed by the Fund, would then be available to use on other projects that the Tribe is working on. He noted that there was a statute that prohibited the Board from reimbursing an owner for a grant, as well as other things such as insurance, if they had already been paid by a third-party and those funds had been used for release cleanup. He stated that he and the Board staff had been working on a response letter that was near-finalized and ready and would likely be sent out sometime during the week. He stated that this was the current state of this item, and that there would be more news to come at the February 9, 2026 Board meeting.

Fiscal Report SeptFY26

Mr. Wadsworth presented the Board with a summary of the Fiscal Report. He stated that there had been some interest expressed by the stakeholders about the balance in the Fund, and that the report shows a beginning balance of \$7,290,919.00.

Mr. Monahan asked Mr. Wadsworth if he was correct in assuming that fiscal year 2026 had begun in July 2025. Mr. Wadsworth stated that this was correct, fiscal year 2026 had started July 1, 2025. Mr. Monahan asked if the claims paid in FY 2026 meant that the Fund had only paid out \$482,136 since July. Ms. Pirre stated that this was not so, and that the amount he referred to was for accruals. She noted that the weekly claims that had been ratified at this meeting had been paid and had a higher total payout than the amount Mr. Monahan was referring to. Mr. Wadsworth stated that the accruals, like any business, were claimed costs expenses that were to close out for 2025 and then paid out in 2026. This process was part of the state's financial accounting process related to the Fund. He stated that at the end of the year there are claims still in processing and claims that are suspended, awaiting information from the owner or consultant. In this case, these were claims that had come in the 2025 financial year and were not paid by the end of the fiscal year. These types of claims usually end up being accrued and then paid in the month (or two) following the end of the fiscal year. Some would be paid for in July, while others were in August, etc.

Mr. Monahan noted that the revenue had been calculated based on 298.8 million gallons sold and asked if this was flat compared to the year before. Mr. Wadsworth answered that there was a continued small increase on fuel use. Mr. Monahan asked if this meant that it could be expected, then, for the revenues in the coming years to remain somewhat consistent. Mr. Wadsworth answered that he expected the revenue to stay strong. Mr. Wadsworth noted that the proposed legislative appropriation for budgeted revenues was \$8,350,000.00. Mr. Monahan asked if that was the amount of funding that would be expected to be generated. Mr. Wadsworth answered this was correct, and that he suspected, due to the strong economy, the Fund would receive the full \$8,350,000.00, with the lowest estimated total being about \$8,100,000.00. Mr. Wadsworth stated that the Board staff had been looking at the data for factors that would affect the revenue, such as electric car usage. He stated that other state Funds had seen an impact based on electric car usage, but Montana has not, as electric cars did not appear to be a preferred mode of transportation in this state.

Mr. Monahan stated that it appeared there was a balance in the Fund's account that continued to grow. Mr. Wadsworth agreed. Mr. Monahan asked if, because of this, if there was a way to increase the number of WPs in process so that these funds could be used and not allocated to something else within the government. He stated that while he realized there was no legislative session coming in the next year, there were always parties within the legislature that were interested in repurposing the money available in the Fund. In this, he asked how it could be accomplished that the number of WPs be increased, thus also increasing the work performed on open release sites. Mr. Wadsworth stated that the Board staff were not in control of the volume of WPs that came to the table, as the Department was the agency responsible for making the request for work to be done at a site. He stated that, because of this, the number of requests the Department made for work translated into more WPs, which translated into more work, which translated into more funding expenditures. Mr. Wadsworth stated that, because of this, the answer to Mr. Monahan's question was that the Board staff could encourage the Department to increase the amount of work that they had planned for eligible sites.

Mr. Monahan stated that he believed Town Pump was a great example of this, as he noted that there had been a meeting a few years ago with the Petroleum Marketers, and that there had been a discussion at that time that if there was a site with an open release, a WP needed to be made. He stated that during his time working at Hi-Noon Petroleum, they had also had a problem with there being ten open release sites and only one (1) had a WP. Because of this, Mr. Monahan asked how it could be better communicated to owners and operators about the need to draft WPs, especially for sites with legacy releases that may no longer be dispensing fuel. He asked if there could be outreach to other owners to learn to draft WPs like Town Pump had, and how sites with releases could be moved into more cleanup activity and eventual closure. Mr. Wadsworth answered that he recalled a great concerted effort that had come out of the June 2025 Petroleum Marketers meeting which was focused on the owners requesting the Department to move forward on more WP-requests for their sites. The objective was to get cleanup to move forward on a number of sites. He added that he did not know how successful the results were but stated that Mr. Townsend could potentially provide information on how successful Town Pump had been with their part in the initiative, as he was aware that Town Pump had sent in a number of appeals for WP requests to the Department.

Mr. Townsend stated that Town Pump had approximately 52 or less open releases, two (2) of which were not eligible. He stated that, throughout this time, it was suggested to reach out and submit appeals for WP requests. Two (2) of the releases were not actually active at present. He stated that these past meetings had been important, and that he believed Consultant's Day was approaching, from which the outreach obtained would also be beneficial. He stated that Town Pump previously had a meeting with the Department, along with Mr. Longcake, about how the WPs and work on open releases could continue to be pushed forward. He stated that Mr. Longcake had offered suggestions at the time, such as sending anniversary cards or letters to owners reminding them of their open releases and that they needed to move forward on them. In this, they had been considering how to better reach out to owners regarding work on their sites. He noted that sometimes owners did not realize they had an open release or knew what they needed to do next, and because of this, they wanted to encourage the Department to send letters and reach out to owners more regarding WP-requests for their sites.

Mr. Monahan asked if the idea of sending postcards as outreach emerged from the meeting with the Petroleum Marketers, or with Town Pump. Mr. Townsend answered that the idea had emerged from both meetings, and that while owners could be intimidated or unfamiliar with receiving postcards about open releases on their property, having a greeting card regarding the release would help spread awareness. Mr. Monahan stated that he agreed that this would at least begin a conversation between the owners and the Department. Mr. Townsend added that the postcard could have resources detailing who to reach out to if the owner had questions.

Mr. Wadsworth stated that the Board staff produces a biennial report and one is due at the end of June 2026. In the 2024 biennial report there was a list of facilities that had releases and the releases were categorized by their status. He stated that, if a release was in MNA, then the contamination was being watched as it declined below actionable levels and the release had a schedule for when each monitoring event was expected to occur, but there was no additional cleanup activity planned. He stated that there were a number of sites within this category, and that these releases were ones that were not expecting any additional work. He stated that the other releases contained in the report were ones that were currently under investigation. Releases that were under an investigative WP were ones that knew what work needed to be done. He indicated that other releases contained in the report were ones that had sat for some time that needed to have cleanup work done and would most likely need the outreach cards that Mr. Townsend had discussed. He stated that this kind of outreach was a discussion the Board staff had been having with the Department as well as the stakeholder community in an attempt to have release owners to get more work on the ground at these sites.

Mr. Wadsworth stated that the other item that would create demand on the Fund is coming up, starting January 1, 2026. This would be that the Board staff would start reimbursing preventative claims. He stated that he believed the preventative claims would pull an additional million dollars out of the Fund in the following year. With the preventative claims, the owners would

be paid to conduct preventative activity. He indicated he did not know how quickly preventative claims would start coming in, but he was hopeful the reimbursement for preventative activity would happen before the 2027 Montana Legislative Session.

Mr. O' Connor asked what kind of preventive claims Mr. Wadsworth was referring to. Mr. Wadsworth stated that most of them would be using the Form 13, the draft of which had been discussed and ratified earlier during the meeting. He stated that this form existed in order to allow claims for preventative activity to be reimbursed. He stated that the legislature had passed Senate Bill 315 (SB-315), and that this bill allowed the Board to assist owners with preventative costs up to \$2,000 every three (3) years or 1,000 days. He stated the 1,000 days was considered three (3) years minus the 90-day grace period an owner had to have a site inspection, and that every 1,000 days was the period within which a preventative claim could be submitted. He stated that 1,000 days were considered because it was an easy interval of time for the Board staff to track, and the UST program preferred inspections to be submitted 90 days ahead of time instead of the owner waiting until the last day to inspect and for work. Because of this, it was recommended that a preventative claim could be reimbursed every 1,000 days, which was approximately three (3) years minus 90 days. He stated that, if the Board staff could get every owner to submit a request for their \$2,000 of reimbursable preventative work that was eligible, it would be close to a million dollars that would be paid out by the Fund.

Mr. Monahan asked if the intent of this expenditure was to detect potential problems before they became an issue. Mr. Wadsworth confirmed this was so and stated that the purpose of the Fund was supposed to cover the costs of cleanup and was to provide tank owners with incentives to improve petroleum storage tank facilities in order to minimize the likelihood of accidental releases. Once the new preventative claim program begins on January 1, 2026, it could be anticipated that the owners would begin submitting their claims. The message that the opportunity would be available for submission of the preventative claims would need to be spread further to the community, installers, owners, and inspectors. The preventative claims would not only benefit the financial balance of the Fund but also assist with release prevention.

Mr. Monahan asked if Ms. Latysha Pankratz, Section Supervisor, Petroleum Tank Cleanup Section (PTCS), had a comment. Ms. Pankratz stated that she had comments on what PTCS had been conducting in order to increase the number of active WPs. She stated that there had been just over a 20% increase in active WPs from 2024 to 2025. She stated that PTCS had also been considering for some time the reminder postcard idea Mr. Townsend had described. She stated that PTCS currently had a letter that was in review. She stated that she believed that all facilities that had a release confirmed before November 2025 would be receiving a copy of this letter before the end of December 2025. She stated that it was yet to be seen what kind of response this would elicit, but that the intention was to send them out for the rest of the year to ensure all of the facilities were reminded that they had a petroleum release.

Mr. Monahan asked if the releases that would be receiving this letter included all releases, whether they were Fund-eligible or not. Ms. Pankratz confirmed this was so, as they had other funding, and wanted to get as many releases cleaned up and closed as possible.

Mr. Wadsworth stated that one additional piece was that, during the 2025 Montana Legislative Session, House Bill 189 (HB-189) was passed, which made releases that occurred or were discovered prior to April 13, 1989 potentially eligible for the Fund. He stated that one example this applied to had been a recent eligibility application submitted for Montana City Store, which had an application for eligibility for their release that had occurred before April 13, 1989. He stated that there had also been an application for the Gilligan's Island facility that was being processed. He stated that there was the possibility for additional expenditures being used for releases that had not been eligible prior.

Board Staff Report

Mr. Wadsworth presented the Board with a summary of the Board staff report. He stated that the most recent Board staff graph contained data for the eligibilities that had just been ratified earlier in the meeting, and that because of this, some of the eligibilities will change categories in the next Board Staff Report. He noted that the entry for September 2025 was the Gilligan's Island facility that he had discussed previously. Similarly, the pending entry for November 2024 was RY Timber, to which the Form 1-R was returned due to some issues with the form. The owner had never responded with a corrected form. He stated that the pending eligibility from February 2024 was for the Generational Properties facility, and that this was another Form 1-R that had been returned to the owner for missing information. He stated that, because of this, there were two (2) eligibilities that were still pending due to the owners having incomplete applications for eligibility. He stated that, other than these, there was an eligibility application received in September 2025 that needed to be processed, and a few eligibilities that had been withdrawn.

Mr. Monahan stated that he was confused as to why the owners would never have returned a corrected Form 1-R and asked if it

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was because the owners were not interested in participating in the Fund and what the cause would be. Mr. Wadsworth stated that this was a good question, and that he believed it sometimes had to do with the fact that the owners were looking to see what the scale of the release was and how large the cost was that they were going to incur. He added that another factor was the potential concern of eligibility. In these cases, where funding was uncertain, owners would sometimes let the release rest.

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 Petroleum Releases. She stated that, since the September 15, 2025 Board meeting, there had been zero (0) suspect releases, one (1) confirmed release, and nine (9) resolved releases. She stated that there was a cumulative total of 4887 confirmed releases, 3991 total resolved releases, and a remaining 897 total open releases. Of the 897 open releases, 583 were Fund eligible, with 313 having not been determined eligible or otherwise.

Former Pehrson's Exxon, Facility #03-06475, TID 17903, Rel #3824, WP #716835059, Chinook, Priority 3.0

Ms. Pankratz presented the Board with a summary of the WP over \$100,000. Mr. Frank Pherson was the party responsible for Release 3842, with Olympus Technical Services Inc. (Olympus) having been retained as the environmental consultant. The consultant submitted this WP on behalf of the owner. The WP proposed PetroFix® injections, groundwater monitoring, soil vapor assessment, and reporting. The estimated cost for the cleanup WP was \$161,063.83. The WP was proposed in a Release Closure Plan (RCP) from Olympus on behalf of Mr. Pherson where they had evaluated a few remediation options and had ultimately determined that the in-situ reagent injection of PetroFix® be conducted to remediate the site. The release was a legacy release that was reported to the Department on October 28, 1999 when contaminated soil was found during tank closure and removal.

Mr. Monahan asked Mr. Wadsworth if the Board staff had any comments on the WP over \$100,000. Mr. Wadsworth answered that the consultant had provided a release closure plan (RCP) to the Department in December 2024. This RCP had contained an evaluation of the cleanup alternatives. There were six (6) alternative site cleanup methods that were proposed, which ranged from a zero (0) dollar cost to over \$300,000. He stated that he believed, however, the WP being discussed was not cost effective for the low concentrations of contamination seen at the site, which was an expensive approach proposing the use of PetroFix®, a carbon injectate. He believed the data suggested that MNA was the least expensive or a cheaper alternative, and the low concentrations at the site did not warrant the use of the expensive in-situ carbon injectate proposed. He stated that, of all of the remaining active wells on-site, only one (1) of them had not been below the action level. At that well the concentrations had been close to the threshold, but not below. He stated that there remained only one (1) chemical of concern at the site, and this was benzene. He stated that the last groundwater sampling at the site had been conducted more than two (2) years ago in July 2023. At the time, one of the wells had Benzene at 5.1 parts per billion (PPB), with the Maximum Contaminate Level (MCL) for water being five (5 PPB). Because of this, the contamination levels near that well would not need to drop much before they were at a level where they weren't a concern. He stated that an event prior to this had shown the well below actionable concentrations, below MCL levels. He stated it was not surprising to see oscillation in contaminant levels within a well, and this oscillation could happen as contamination declined. He added that the oscillation could occur due to the geophysical and hydrological environment, such as changes in the water table, and could affect the magnitude of the concentration. Fundamentally, because one of the wells was oscillating near the MCL, there remained one (1) well present that was showing chemistry of some concern, and this well was showing chemistry in 2023 which had a concentration around the mid-90s PPB. He stated that the consultants were proposing to inject around the well that was in the mid-90s PPB and also inject beyond the well that was oscillating near the MCLs. He noted that the Fund could not pay for work done to remediate in excess of state standards (75-11-307(2)(j)), and the Fund could not pay for carbon to be injected into an area that was likely already below actionable MCLs. He stated for that reason alone, the Board staff could not recommend the use of the proposed carbon injectate. He stated that the low concentrations at the site indicated that the proposed carbon injections were not warranted and were not considered a cost-effective approach. He added that, from the information available to the Board staff, it appeared that there were proposed injection areas where the concentrations were not above the state standards, and the owner could not be reimbursed for corrective actions costs to remediate that area. He noted that, without the carbon injectate, the WP would only cost a total of \$15,184.55. Also of note was the excavation that had occurred at the site in 1999, as well as the excavation that had occurred in 2013, indicated that a portion of the area had been excavated twice as a result of both of these excavation events. Which was a practice that the Fund did not prefer to reimburse for or to be conducted. He stated that, because of this, the Board staff recommended that the consultant and the owner present a more cost-effective approach to the cleanup at the site. He added that the Board staff would still prefer to see a groundwater monitoring event occur so that the current concentration levels could be determined.

Mr. Monahan noted that the last monitoring event had occurred back in July 2023, and that the concentrations had been at 5.1 PPB. Mr. Wadsworth clarified that the 5.1 concentration was related to one (1) well, and that the sampling that had occurred at that well at the prior groundwater monitoring event (May 2021) had been at .78 PPB. Mr. Monahan asked if the other well was in the 90s PPB. Mr. Wadsworth indicated that one other well at the site had contamination above actions levels and the concentrations, at the last round were in the 90's and a duplicate was taken, that was at 93 PPB with the average of the samples at 94 PPB.

Mr. Monahan asked if Mr. Wadsworth was suggesting that, before the Fund spent another \$100,000 or more, it would be wiser to perform another round of sampling to see if anything truly needed to be done. Mr. Wadsworth stated that he agreed the statement, and that this was why, out of the tasks on the Board staff's cost adjustment recommendations to the WP, the tasks that had not been zeroed out included groundwater monitoring events and related laboratory costs. The problem the Board staff had with the WP was that the consultant was proposing injection that was in a larger area than was necessary because the concentrations in the surrounding area appeared to have dropped below MCLs. He added that two (2) years had passed since the last groundwater monitoring event, and the chemistry may have been reduced by half. Because the area was below MCLs, the Board staff did not recommend injection in that area. He stated that concerns still remained regarding the well that was in the mid-90s PPB. He believed monitoring could help identify the current degree of contamination and whether the PetroFix® injection would be cost-effective.

Mr. Monahan asked which well was at 5 PPB and which was in the 90s PPB. Mr. Wadsworth answered that the well at 5.1 PPB was labeled M-2, while the one in the 90s was labeled M-1R. He added that M-1R was in the middle of the location where the two (2) previous excavations had occurred. He added that there was potentially additional chemistry that could have come from the facility across the street. It is also possible that they had not previously excavated into the street and the chemistry in M-1R increased because contamination had come back from soil that was not removed from under the street. He suspected that when they had excavated the soil and the hole was open that the consultant didn't put any reagent against the side wall to prevent re-contamination of the backfill.

Mr. Kelly stated that the building was likely never removed, meaning there could have been contamination under it. Mr. Wadsworth stated that he agreed, as the groundwater flow direction indicated that contamination could have come from the street or from underneath the building. Mr. Wadsworth stated that there had been discussion in some of the documents that he reviewed about the possibility of removing the building. He stated that if they decided to remove the building, and there was contamination beneath it, the Fund could assist with excavating that. He added that he believed the PetroFix® was unnecessary for what was present at the site, but that he was concerned about if concentrations were increasing at M-1R. He noted, however, that the concentration at M-2 was not of concern.

Mr. Kelly asked if the third monitoring well (M-3) was at low levels of contamination. Mr. Wadsworth confirmed this was so.

Mr. O'Connor asked if there were any neighboring facilities that could have potentially contributed to the contamination at the site. Mr. Wadsworth stated that he did not look deep enough into the data to know for certain, as he had been focused on this particular scope of work rather than what was in the surrounding area, but he stated that he would be interested to see if this was a factor. He noted that the concentrations in M-1R dropped after the excavation, to around 11 PPB, which was close to the contamination threshold. However, after the excavation and decrease in contamination levels, the levels then rose again. He stated that he was concerned about this, as one would normally expect only a decrease in contamination levels following an excavation, especially as the upsurge in contamination had been so significant. He stated that he wouldn't expect a rebound in contamination that significant unless there was something else that was causing it. He stated that, if there was a neighboring facility that was causing an increase of contamination found in the monitoring well, then PetroFix® would be better used at that facility instead.

Ms. Pankratz stated that the high benzene concentration found in well M1-R was from the 2023 monitoring. Mr. Monahan asked if the well had not been sampled since 2023. Ms. Pankratz stated this was correct, but that she was not sure if she had heard Mr. Wadsworth mention if the sampling was from 2023 or an earlier date. She stated that she also wanted to clarify that there had been a well with levels recorded that were that much higher than 5.1 PPB benzene. She added that she did not have the Project Manager or documentation at hand for this WP, nor did she know if any of these comments or concerns had come in during the sanitarian review period where the Department would have an opportunity to address them with the consultant.

Mr. Wadsworth stated that a number of these comments had went through the sanitarian review process, and that the high concentrations that were recorded did occur in 2023, over two (2) years ago.

Ms. Pankratz presented the Board with a summary of the WP over \$100,000. Town Pump was the responsible party for the release and had retained AJM, Inc. (AJM) as their environmental consultant, who prepared and submitted the WP on behalf of the owner. It was a cleanup WP for excavation and disposal of petroleum-contaminated soil with an estimated cost of \$107,963. This facility was under an active construction project. The release was initially reported as a suspect release when there was a leak in a diesel product line near the diesel USTs. During construction activities, the release was confirmed, and these cleanup activities took place during the construction activities. She stated that there had been nine (9) releases total across this particular facility, with many of them having been resolved since, with only the discussed release and a few others still active.

Mr. Monahan noted that it appeared there were still two (2) open releases on the site, with one (1) that was being evaluated for closure. Ms. Pankratz confirmed this was so.

Mr. Monahan asked Mr. Wadsworth if the Board staff had any comments. Mr. Wadsworth stated that, for context, this release was ratified eligible by the Board at the September 15, 2025 Board meeting. He stated that the original proposed scope of work at the site included the removal of 200 gallons of free product diesel on the shallow water table and excavation of 500 bank cubic yards of contaminated soil. He stated that this was being done as part of an underground Storage Tank (UST) removal. The UST was going to be removed, and then the soil would be excavated around it. He stated that, while this was being performed, the consultants also installed some slotted PVC which was a way that nutrients and other reagents could be put into the hole around where the tank had been removed. He noted, the estimated budget and the obligated budget shown on the work plan task cost sheet shows a higher obligated cost because there was a change-order that was submitted after the approval of the original work plan. The change-order accounts for the increased obligated amount. Much of the work at this site was done in June 2025 during the tank removal process..

Mr. Monahan thanked Ms. Pankratz for PTC's outreach to owners, increased work plan requests and the closures that had taken place. He stated this activity would benefit all of us.

Public Forum

There was no discussion at the Public Forum.

The next meeting is scheduled for February 9, 2026. The place of the meeting will be sent out to all parties and published on the website.

The meeting was adjourned at 11:35 p.m.



Signature - Presiding Officer