

PETROLEUM TANK RELEASE COMPENSATION BOARD
MINUTES
September 15, 2025
IN-PERSON AND TELECONFERENCE HYBRID MEETING

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

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

Approval of June 16, 2025, Minutes

Mr. Monahan stated that, upon reviewing the previous Board meeting's minutes, he noted work plans (WP) given to the Board staff had lacked documentation needed to determine the reasonable and necessary costs in response to a release. He stated he believed it was essential that the narrative contained in a WP should match the budget of the WP, and that the WP should incorporate information that led to the proposed work as outlined in the most recently submitted report. He stated that the Board and Board staff needed to have complete documentation that provided justification for the actions being undertaken and the associated costs. This way, it could be understood how each proposed and approved action related to what was reasonable and necessary at the site. Mr. Monahan stated that this was in reference to an occurrence during the June 16, 2025 Board meeting in which the work being done at the site had not actually been included in the WPs. Because of this, the Board staff did not know about some of the tasks that had been conducted and had refused certain costs. He noted, however, that if the Board staff had known what tasks were intended to be conducted at the site, the Board staff would have viewed the WP reimbursement differently.

Mr. Stenzel moved to approve the June 16, 2025 minutes. Mr. Jackson seconded. Motion passed unanimously by voice vote.

Reimbursement Percentage Dispute, Montana City Store, Fac #2201822, Rel #2709 and #206

Mr. Wilson and Mr. Pointer recused themselves from the discussion.

Mr. Wadsworth provided the Board with a summary of the disputed release. He stated that House Bill 189 (HB) had passed the legislature during the 2025 Montana Legislative Session. He stated that this legislation had changed the earliest release discovery date for eligibility to the Fund from April 13, 1989 to January 1, 1984. Because of this, the owner of the Montana City Store release #2709 applied for assistance from the Fund in accordance with the newly established legislative change. Release #2709 was discovered in 1988. The owner had applied for assistance from the Fund but was denied due to the earliest discovery date allowed to be eligible to the Fund at the time of the application was April 13, 1989. Now that the earliest date permissible had been pushed back to January 1, 1984, the Board staff was able to accept and process the re-application for Release #2709. The facility is recommended eligible for the Fund based on HB-189. He stated that, when the staff looked at the compliance of the facility, the staff determined that there had been some noncompliance issues associated with the facility. These noncompliance issues required the suspension of all claims associated with the facility until the owner has returned to compliance. He stated that it was his understanding that the owner had since returned to compliance. Because of this, the Board was now required to render an opinion with regards to the percentage of reimbursement to be applied for the release at the site.

Mr. Wadsworth stated that 75-11-309 (3)(b)(ii) MCA, outlines that:

“upon a determination by the Board that the owner or operator has not complied with this section or rules adopted pursuant to this section, all reimbursement of pending and future claims must be suspended. Upon a determination by the Board that the owner or operator has returned to compliance with this section or rules adopted pursuant to this section, suspended and future claims may be reimbursed according to criteria established by the Board. In establishing the criteria, the Board shall consider the effect and duration of the noncompliance.”

Additionally, per ARM 17.58.336(7)(a), “claims, subject to the provisions of 75-11-309(2), MCA as well as 75.11.309(3)(b)(ii), MCA must be reimbursed according to” the schedule shown in the rule. Mr. Wadsworth stated that what the Board staff did was examine the period of noncompliance, apply the table in statute (*sic*, rule) depicting the schedule, and made a recommendation based on the statute and rules. He stated that when there were missing monthly leak detection records at a facility, that facility could not come into compliance until a year after the month from which the record was missing.

Twelve months of records were needed for a facility to be deemed in compliance. He stated that these types of matters had come before the Board in the past and what the Board had done was to examine the severity of the noncompliance. If an owner was missing twelve months' worth of records, and the tank had been leaking for ten (10) months, the missing amount of records would be a significant factor towards the decisions made about the facility, due to the degree of contamination and amount of financial cost to the Fund.

Mr. Monahan noted that he found when reviewing the site's history, all of the compliance violations had long since been closed, with dates from 2008 and 2016. Mr. Wadsworth stated that, as far as he was aware, all of these past violations had been closed. However, the most recent violation, which was still unresolved, had been missing tank records from the past few months in 2025. He stated that the owner could speak more about this. Mr. Wadsworth added that the Department of Environmental Quality (Department)'s Underground Storage Tank (UST) section usually gave the owner a corrective action plan (CAP) and if corrective action was being done they would then consider the owner back in compliance. This was especially common in circumstances such as the current item of discussion, the missing of several months of tank records. He stated that in this case, it wasn't that the facility's tanks hadn't been monitored, but rather that the paperwork indicating the tanks had been monitored was missing. He stated that the Department had given the owner a CAP with the recognition that the missing records would need to be found and properly files. Mr. Wadsworth stated that it was his understanding that the owner went above and beyond this, and that the owner had performed tests to ensure that the tanks were not leaking. The Board staff's responsibility was to follow the law and present the Board with the facts and the law, while the decision on how to apply the law was at the Board's jurisdiction.

Mr. Wadsworth stated that, in this case, it was worth looking at other similar cases that had come before the Board where the Board had made a decision on similar facts. He noted that per 17.58.336(7)(e) ARM, there were several factors the Board could consider in its determination of the impact of noncompliance on the proposed reimbursement of a release. A couple of those considerations were: (1) determining if the noncompliance presented any significant increase in risk to public health or the environment, and (2) if there was a significant additional cost to the Fund due to the noncompliance. In the case of this noncompliance, there was no additional cost to the Fund. There was also the question in the statute about whether the delays were caused by circumstances outside the control of the owner. Mr. Wadsworth stated that, in this case, the owner had some control, as they performed the tests, but did not record that they had done the tests. One of the last considerations was whether there was an error in the issuing of an administrative order (AO). There had been no AO issued in this case, as the Department had deemed it to be a minor infraction of the compliance. The owner did not realize they had been neglecting these reports, and when the Board staff was reviewing the eligibility application for Release #2709, this was discovered. The owner saw that there were records missing and did what was needed to retrieve the missing information.

Mr. Wadsworth stated that, in this case, the first piece of information that needed to be addressed was the release's eligibility to the Fund. He noted there was no question as to the eligibility. Mr. Wadsworth stated that Mr. Monahan had asked him about this earlier, and that one of the requirements of the law was if the facility was in compliance at the time the releases were discovered. This was so in this case. Therefore, under the statutory changes that were established based on HB-189 at the 2025 Montana Legislative Session, the facility was recommended eligible by the Board staff. However, it was recommended eligible for zero (0) percent reimbursement due to the noncompliance. Because of this, Mr. Wadsworth recommended the Board motion and vote on the eligibility first, and then the reimbursable amount eligible after hearing from the owner.

Mr. Monahan stated the first topic the Board was acknowledging, based on HB-189, was that the facility was eligible for reimbursement from the Fund. Mr. Wadsworth stated that this was correct. Ms. Pirre clarified that this was exclusive to Release #2709.

Mr. Jackson moved to ratify Release #2709 as eligible as recommended by the Board staff. Mr. Stenzel seconded. Motion passed unanimously by voice vote with Mr. Wilson and Mr. Pointer recused.

Mr. Monahan noted the recommended reimbursement from the Board staff was 0%. He asked if this portion covered both Releases #2709 and #206. Mr. Wadsworth confirmed this was so, as both releases were covered for this portion of the discussion. He stated that this was because the noncompliance at the facility affected the entire facility and therefore all the releases at the facility. In addition, both of these releases were still active. The decision made on the percentage amount of funding eligible would affect both releases at the site. Mr. Monahan stated, for clarity, that the missing reports were automated reports generated out of a tank monitoring system, which was verification that the system was operating correctly. Mr. Wadsworth added that it appeared that the report was generated but not retained.

Mr. Kelley asked for an explanation on how report generation functioned for the operator, and how this functioning could be a factor in missing some of the reports. Mr. Monahan stated that automatic tanks gauge printed reports daily, generally at night when there was no activity on the system. The system would run a pressure check on the lines to ensure that there wasn't a two-tenths reduction in pressure on the line. If there was a reduction in pressure on these lines, it could indicate a release. Mr. Monahan noted that this did not necessarily mean there was a release into the environment, as it could indicate an issue with the check valve or that the line was actually leaking back into the tank. No matter the cause, if a pressure anomaly was detected in these checks, the system would be automatically shut off. This way, the owner would be warned if there was an issue with the system that needed to be investigated. What each facility was required to do was to save one (1) of these printed-out reports for every month of the year. He stated that this was an issue that may be worth having the Board or Department look into, as these reports were printed on three (3) inch strips of thermal paper. He recalled a previous case where an owner had these records for January and March, but not February. During this time, the Department concluded that the system was still likely working, since the system was operational and functioning fine in the months surrounding the month with the missing report. Because of this, Mr. Monahan asked if it was worth penalizing a site from reimbursement if it still had enough evidence that it was operationally sound, while the owner only lost a small piece of paper. He noted that there were other technologies he wanted the Board and Department to look into as far as allowing a facility to be in compliance with their reports. He stated that he understood the Department's interest in the owner having a report for every month, but that there could be more reasonable ways of gathering this data for every month than an easily lost piece of paper. Mr. Monahan stated that the other point he wanted to make was that, if a single month's report was missing, that facility was out of compliance for a year.

Mr. Monahan asked if the owner was available to speak at this time. Mr. David Hunter, co-owner of the Montana City Store Facility along with Mr. Chris Rehor, introduced himself to the Board. He thanked Mr. Wadsworth and the Board for their cooperation with the legislation during a very contentious legislative session. He noted that HB-189 was one of the few bills that passed both houses unanimously and stated that he appreciated the Board's knowledge and Mr. Wadsworth's cooperation with the representative in drafting the bill. He was thankful for their cooperation and help.

He stated that he was requesting the Board's discretion as they considered the noncompliance. He stated that both he and Mr. Rehor believed they were eligible for the Board to grant full reimbursement. He stated that the missing records had not resulted in a release or additional cost to the Fund, and, because of this, they believed the facility could be deemed statutorily compliant. He stated that, when they had discovered there were missing records, they asked the Department to come to the site to perform the line test to ensure that there was no leakage in the line. The Department came to the site, performed the line test, and the system passed the test. He stated that the missing reports were a function of there being a turnover in the facility's managers. They had asked the outgoing manager to ensure that the assistant manager was promoted and up-to-speed on what needed to be done, but that certain aspects of training had fallen through the cracks. He stated that before the Department stepped in to perform the tests, the new manager would gather the report every day but then attach that report to the fuel invoices and give them to the bookkeeper. The bookkeeper then used them to ensure they were paying for the right amount of fuel, but neither the bookkeeper nor manager understood that these records needed to be retained. This is what caused the records to go missing. In this, it wasn't that the company did not look at the test records, but rather that some of the months of records hadn't been retained due to a lapse in training for the new staff. He stated that, in this, he believed that the facility was still in compliance. He expressed his appreciation of the Board's consideration and cooperation and indicated he was open to answer any questions.

Mr. Monahan asked Mr. Wadsworth if the facility was required to perform the line tests to get the facility back into compliance. Mr. Wadsworth said this was not necessary. Mr. Monahan asked if, because of this, it was correct to assume that the owners had gone above and beyond the call of duty to ensure that, before they appeared before the board, the system was working correctly. Mr. Wadsworth said that this was so, and, to go a step further, they had performed the tests before they knew about the 0% reimbursement recommendation. He noted that, as soon as the owners knew they were out of compliance, they performed the tests to ensure that there had not been a release they had missed at the site. He stated that, in terms of going above and beyond with their tests, they had no statutory requirements under the Department's UST program or the Fund to run these tests, but still did everything they could to correct the circumstances.

Mr. Wadsworth stated that Mr. Brett Smith, Underground Storage Specialist, Underground Storage Tank Program, may be present to discuss this case further. Mr. Smith introduced himself to the Board. Mr. Monahan asked if Mr. Smith could provide his input, as he noted that similar circumstances had come up in past meetings. Mr. Smith stated that he agreed that similar circumstances had come up before. Mr. Monahan asked if he had explained it all correctly. Mr. Smith answered that Mr. Monahan had explained it correctly, as had Mr. Wadsworth. He stated that one other thing worth noting as a small nuance which was that, according to the Department's rules, the monthly leak detection records could be provided, or, alternatively, an annual leak detection testing record with a second one being provided 365 days later. He noted that the owners had been missing a few records on the monthly records, but that their annual record was not only complete, but that these records were

being compiled every six (6) months instead of once per year as a backup method. In this, the owners had a backup for the backup method.

Mr. Monahan asked Mr. Smith if he believed the owners were being responsible in this. Mr. Smith stated that he believed this was so.

Mr. Monahan asked if there were any additional questions. Seeing none, Mr. Monahan stated that the next step was to vote on the eligible percentage reimbursable for Releases #2709 and #206.

Mr. Kelley moved to ratify Releases #2709 and #206 eligible for 100% reimbursement. Mr. Stenzel seconded. Motion passed unanimously by voice vote with Mr. Wilson and Mr. Pointer recused.

Final Adoption Approval MAR 2025-195.2

Mr. Monahan stated that no comments had been received either in writing or during the public hearing; therefore, the Board staff did not recommend any changes to the rule package, and recommended approval be given to the final adoptions outlined in the package. Mr. Monahan asked if there were any questions regarding the rule process or the package.

Mr. Monahan asked Ms. Pirre if he was correct that there had been no comments or questions during the public hearing. Ms. Pirre confirmed this was so. She stated that there were some questions received via email and answers were provided, but there were no comments received either in writing or via the meeting.

Ms. Pirre provided the Board with a summary of the effect of the adoption of the rulemaking package. Ms. Pirre stated that she had an inquiry from the attorney for the Environmental Quality Council who had asked about the effective date for the rulemaking package. She stated that the rulemaking package was tied to Senate Bill (SB) 315 – *Generally Revising Laws Related to the Board for Reimbursement of Preventative Measures*, as well as additional changes that were made for clarification. The SB 315 has an effective date of January 1, 2026. As a result, the rule packet would also not be effective until then, as it was not worth taking apart the different components in the package to make effective dates for each section. She stated it was better to make it comport with the statute regarding preventative costs. She stated that, when she submitted the final adoption, she had the option to state the effective date for it, which would be January 1, 2026.

Mr. Jackson moved to ratify the MAR 2025-195.2 rulemaking package as presented. Mr. Wilson 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 Montana City Store previously decided.

<i>Location</i>	<i>Site Name</i>	<i>Facility ID #</i>	<i>DEQ Rel # Release Year</i>	<i>Staff Recommendation Date - Eligibility Determination</i>
Box Elder	Jitter Bugs	0032592 32592	6697 March 2025	Reviewed 8/8/25. Recommended Eligible.
Bozeman	Blue Basket #4	1613115 TID 21812	6694 April 2025	Reviewed 8/27/25. Recommended Eligible.
Miles City	Town Pump of Miles City	0907081 TID 19460	6705 May 2025	Reviewed 8/27/25. Recommended Eligible.
Montana City	Montana City Store	2201822 TID 22494	2709 Oct 1988	Reviewed 8/27/25. Ratified Eligible with 100% reimbursement.

Mr. Monahan recused himself from any matters regarding Hi-Noon Petroleum, Jackson Energy, and any of their dealer locations or customers. Mr. Pointer recused himself from any matter concerning customers of Tank Management Services. Mr. Stenzel recused himself from any matters regarding Marsh & McLennan or its legacy company, Payne West. 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 expressed no known conflict of interest.

Mr. Jackson moved to ratify the remaining eligibilities as recommended by the Board Staff. Mr. Kelley seconded. Motion passed unanimously by voice vote.

Weekly Reimbursements

Mr. Wadsworth presented a summary of weekly claim reimbursements for the weeks of June 4, 2025 to August 27, 2025.

WEEKLY CLAIM REIMBURSEMENTS September 15, 2025, BOARD MEETING		
Week of	Number of Claims	Funds Reimbursed
6-4-25	23	\$200,812.76
6-18-25	19	\$131,951.45
6-25-25	11	\$31,376.66
7-9-25	12	\$116,894.35
7-23-25	12	\$71,361.05
8-6-25	12	\$57,083.19
8-13-25	17	\$172,231.58
8-27-25	19	\$72,224.93
Total	125	\$853,935.97

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

<i>Denied Claims</i> September 15, 2025 Board Meeting	
Claim ID	Reason Denied
20240528J	Olympus Invoice 16216 costs previously claimed on claim 20200724E.
20250410C	Claimed Work Plan Preparation Costs not associated with 2023 wp 34512. These claimed costs were incurred 2 years after work plan 34512 was approved by DEQ. Likely these costs are related to work plan 34855.
20250407A	Task 9 (Utilities) claimed costs exceed available budget and that was the only costs in claim.
20231218J	Task 2 – Project management costs exceed the established standards set forth in ARM 17.58.341.
20250527B	Claim withdrawn on consultant's request.

A discussion was held concerning the fact that ongoing utility costs are sometimes overlooked when a consultant creates a work plan and that these costs are denied reimbursement. If the system is not operating, it can result in the accumulation of unnecessary utility costs which are not part of an approved work plan. When these costs are not part of a department approved plan the costs are not reimbursable by the Fund. It was noted that the denial can be avoided by submitting a Change Order (Form 8) for the expected utility costs.

Mr. Monahan recused himself from any matters regarding Hi-Noon Petroleum, Jackson Energy, and any of their dealer locations or customers. Mr. Pointer recused himself from any matter concerning customers of Tank Management Services. Mr. Stenzel recused himself from any matters regarding Marsh & McLennan or its legacy company, Payne West. 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 expressed no known conflict of interest.

Mr. Jackson moved to ratify the weekly reimbursements and five (5) denied claim as presented. Mr. Stenzel 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
Gasamat 564 Great Falls	704618 6619	20250804A	\$40,164.09	-0-	-0-	\$17,500	\$22,664.09
Total			\$40,164.09	-0-	-0-	\$17,500	\$22,664.09

*** 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.**

Mr. Monahan recused himself from any matters regarding Hi-Noon Petroleum, Jackson Energy, and any of their dealer locations or customers. Mr. Pointer recused himself from any matter concerning customers of Tank Management Services. Mr. Stenzel recused himself from any matters regarding Marsh & McLennan or its legacy company, Payne West. 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 expressed no known conflict of interest.

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

Discussion Items

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 3606, WP 719834989, Horizon Resources, Fairview, Exceeding \$100K in Costs

Ms. Latysa Pankratz, Section Supervisor, Petroleum Tank Cleanup Section (PTCS), presented the Board with a summary of the release. Horizon Resources Cooperative was the responsible party for the release, and they had chosen WGM Group (WGM) as their consultant. WGM prepared and submitted the WP on behalf of Horizon Resources. The Department-approved WP was for utility location, remedial injection, confirmation soil boring installation, groundwater monitoring, and the disposal of soil cores and purge water. The estimated cost of the WP was \$75,972.32.

The release was discovered in 1998, when contaminated soil and groundwater were detected that exceeded risk-based screening levels (RBSLs). She stated that the Department-approved WP and budget was different from what Mr. Wadsworth would be briefing on next. The WP was a cleanup plan, which the Department approved, and would focus on cleaning up soil and groundwater contamination. The method the Board staff had proposed was discussed during the local government comment period. The Department did not find this to be an acceptable method, and the Department did not approve of putting injectate into the designated compliance monitoring wells.

Mr. Monahan asked if the owner was present to speak about the release or release response. Mr. Chad Ellis, Manager, Horizon Resources, introduced himself to the Board. He stated that Mr. Tyler Etzel, Geologist and Environmental Consultant, WGM, was present to discuss the site.

Mr. Monahan asked if Mr. Etzel would like to address the Board. Mr. Etzel stated that WGM had prepared a release closure plan based on correspondence with the Department. He stated that the most effective method that would bring the site to

closure was chosen, which ended up being the application of PetroFix®. He stated that the Fund (*sic* Board staff) stated that the usage of PetroFix® was too expensive for the concentration levels present at the site. He noted, however, that for the past six (6) years, there had been no noted reductions in benzene concentrations at two (2) wells. Those two wells were the sentinel wells on-site. He noted that, because the site was in Eastern Montana, and therefore further away, it was especially important to get the site cleaned and to closure as quickly and as efficiently as possible. The release had been open since 1999. Because of this, he stated that WGM wanted to get the site to closure. He noted that, instead of PetroFix®, the Board staff had suggested the direct application of nutrients and enzymes into the wells. Mr. Etzel stated that he believed this option would not be very successful, as this method would not treat a large enough area and would not have the desired impact to a larger area. Because of this, Mr. Etzel stated that WGM group wanted to request the approval to use PetroFix® to help in closing the site.

There was a discussion about the work plan being approximately \$76,000 and not a work plan over \$100,000. It was noted that the threshold discussion was occurring because the cumulative reimbursement, plus the co-pay and the addition of the estimated costs of this particular work plan, \$75,927.32, created the expectation of the RELEASE exceeding \$100k. The expectation of exceeding a \$100k threshold was the impetus for the discussion.

Mr. Monahan asked Mr. Etzel if he had anything else he wanted to add to the discussion. Mr. Etzel responded that he was open to answer any questions that others had and would answer them if he could. He stated that WGM was doing the best they could for the responsible party, and that the responsible party had conducted themselves well in terms of doing all that the Department had requested, and that they wanted to see the responsible party helped because of this.

Mr. Monahan asked Mr. Etzel how long it would take to move the site to closure if PetroFix® was injected. Mr. Etzel answered that he believed the PetroFix® would put the contamination below the Department's RBSLs fairly quickly. He noted that there would need to be a minimum of two (2) years of groundwater monitoring, which he believed was what had been recommended. He stated that once the site testing had two (2) years of levels below RBSLs, then the site could be closed.

Mr. Wadsworth stated that the Board staff did not see the necessity of this particular work. He stated that the release was discovered in 1999. At the time of the discovery, around 80 cubic yards of soil was excavated at the release location. In 2001, about 630 cubic yards of petroleum-contaminated soil was removed. Groundwater monitoring had been conducted at the site since 1999, over a period of 26 years. The two (2) wells Mr. Etzel had mentioned had currently low concentrations of petroleum constituents that had shown a decreasing trend of petroleum constituents. The proposed scope of work included injecting 3,200 pounds of PetroFix® with a direct push probe with over 8,000 gallons of water to address two (2) wells. One (1) well had 13 parts per billion (ppb), while the other had nine (9) ppb. He stated that this was the only contamination that was left.

Mr. Wadsworth stated that the Board staff found the current proposal to be an expensive and excessive approach based on the data they had seen from the site. The best time to administer PetroFix® would have been in 2012 when the benzene concentrations were near 5,000 ppb. The current maximum was 13 ppb. PetroFix® was too expensive, and if the consultants had instead proposed an Oxygen Release Compound (ORC), the Board staff would likely be more favorable to that option. At the current contamination levels, the Board staff did not see the need for remediation treatments greater than nutrient introduction into the subsurface. The maximum contamination level allowed was five (5) ppb, and he stated that it would not take much to bring the 13 ppb down to that minimum level. Alternatively, the Board staff had found that adding nutrients such as nitrogen, sucrose, and enzymes to the well would be a more cost-effective solution at these low concentrations. The nutrients would stimulate the growth of the naturally occurring microbes that would accelerate the breakdown of the remaining benzene to acceptable levels. In fact, if nutrients would have been introduced into the subsurface as part of the 2019 or 2022 work plans, this work plan and the associated costs may not have been necessary.

Mr. Wadsworth stated that the Board staff did not recommend reimbursing the proposed PetroFix® injection, and he stated that instead, the Fund should be used to reimburse a more cost-effective alternative such as amendment introduction. He stated that the Board staff did not see the necessity of a PetroFix® injection when the same closure could be accomplished with nutrients and amendments at a cost savings of \$50,000. He noted that Mr. Etzel had already indicated there would be two (2) years of groundwater monitoring after the proposed injection of PetroFix®. He stated that the Board staff's contention was that the addition of nutrients would still bring the contamination down to the maximum contaminant level allowed after the two (2) years of groundwater monitoring. Because of this, the Board staff was not willing to reimburse the additional \$50,000 on PetroFix®. He stated that, if the owner and consultant had wanted to resolve the release faster, the PetroFix® alternative should have been implemented in 2012, at the height of the contamination. He stated that he was certain that the site could be remediated with a more cost-effective alternative, and being more cost-effective factored into the costs that the Board staff would consider for obligation.

Mr. Wadsworth stated that the owner was welcome to use the PetroFix® at their own expense, but that the Fund would not reimburse for those unnecessary costs. He added that not only did the Board staff recommend nutrient and enzyme usage as the cleanup alternative, but he also wanted the members of the Board staff to be present to observe its implementation at the site's location. Mr. Monahan added the staff's presence would be accomplished at the Board's expense, to which Mr. Wadsworth agreed. Mr. Wadsworth stated that this would be to ensure that the nutrients and enzymes were being administered properly at the wells on-site. Mr. Wadsworth reiterated that it was important to note that one (1) of the wells was at 13 ppb while the other was at nine (9) ppb, and that both concentrations would need to be reduced to five (5) ppb. He stated that the methods to remediate this site did not need to be expensive, and that the small cost of administering enzymes and nutrients would likely be enough.

Mr. Kelley asked Mr. Wadsworth if the consultant had planned to apply the PetroFix® to all of the wells at the site, or only the two (2) where it would be most effective. Mr. Wadsworth stated that what the consultant was planning to do was create injection holes near the wells and place the PetroFix® via the holes. He noted that the injections would be in the vicinity of where the well concentrations of 13 ppb and nine (9) ppb had been observed. He stated that the enzymes could be placed into the specific well themselves or near the wells. He noted that sufficient water would need to be introduced with the enzymes to raise the water levels in the wells to obtain a sufficient radius of influence. If the nutrients and enzymes were placed into the environment, the biological organisms would automatically be drawn to the source mass and would multiply around the source mass. Nutrient injections, meanwhile, would feed the biological organisms and allow them to grow around the contamination, breaking it down as they multiplied. By contrast, PetroFix® needed to be injected into the center of mass of the concentration to be effective. Mr. Wadsworth stated that, from the Board staff's perspective, the application of enzymes was sufficient, as it was an inexpensive alternative due to the affordability of the enzymes which work on low concentrations. He stated that what the consultant was proposing with PetroFix® was an alternative that would have been effective at a high concentration like 5,000 ppb. The use of PetroFix® would require the cost to use and the costs to transport the injection equipment. These costs are not necessary for nutrient and enzyme introduction.

Mr. Monahan asked if what Mr. Wadsworth was recommending was for the consultant to try the implementation of the nutrients first, have the well be tested the year after they were added, see if it was effective, and to continue in that direction if it was; or alternatively return to the PetroFix® plan if it was ineffective. Mr. Wadsworth agreed and added that, alternatively, a less expensive injectate, such as ORC could also be considered if the nutrient plan was ineffective.

Ms. Pankratz stated that she understood that the Board staff was looking at costs when it came to this discussion. She stated that the Department believed the consultant had created an effective WP to address contamination across the site. She stated that although the practice was used sometimes in the past, injecting directly into a compliance monitoring well was not good practice and was not something the Department would approve. She stated that she found the conversation concerning in that the Board staff was telling the owners and consultants to do work that was outside of a Department-approved WP. She noted that the WP was looking at residual soil contamination in the surrounding area as well as groundwater contamination in the wells. She stated that monitoring well number 10 had around the same level of concentrations it had back in 2019. Because of this, she noted that there had not been much reduction in contamination over the past six (6) years in that area, give or take seasonal changes affected by shifts in the groundwater table. She stated she would need further confirmation from Mr. Etzel as well as Mr. Reed Miner, Environmental Project Officer, PTC, but that it was the environmental consultant working in their expertise alongside a vendor and their expertise to address the site, rather than to address a single compliance monitoring well. The Department did not recommend injecting it into a well and that was not something the Department was going to approve.

Mr. Stenzel asked what the concern was with injecting into the compliance monitoring well. Ms. Pankratz answered that the well had a specific purpose - to be a monitoring well. She added that she understood that injecting directly into wells could cause some crystallization in the sand pack. She asked Mr. Miner and Mr. Etzel to provide further clarification if she was incorrect. Additionally, the plan was not just to address the contamination in the well, but also to address the contamination at the site as a whole. She stated that injecting directly into the well was pushing at a pore in the ground, but it would have a hard time moving into the ground, whereas putting it in at different points at the site would better address the smear zone. If the residual soil was addressed, the water in the monitoring wells would also be cleaned by extension.

Mr. Monahan asked if Mr. Etzel or Mr. Miner had any comments to add. Mr. Etzel stated that he could not hear everything Ms. Pankratz was saying, but that he believed she had been talking about the concerns with injection into the monitoring wells, which were also compliance wells, and how it could negatively affect such wells. He stated that he agreed with her assessment as he understood it, as he did not have a history of experience with injecting enzymes or nutrients into wells, as he was not sure it was performed often. He stated that he was unsure whether it would be effective in addressing a large area, as it seemed to him that it would specifically treat the area around the well. He stated that he believed this would produce an initial lowering of concentrations, followed by a rebound effect. He added that he believed one would have to administer nutrient and enzyme

injections multiple times over a long period of time, which in turn would have a large mobilization expense. He stated that, based on his experience, this would make the cost-effectiveness much less achievable. This treatment would likely require multiple trips to the site. Because of this, he stated that he believed nutrient and enzyme injections would not be as effective as PetroFix®. He stated that the administration of PetroFix® would only require one (1) mobilization to the site to inject the compound and address the problem. Afterwards, there would be two (2) more rounds of groundwater monitoring, and then the site would be able to obtain closure. He stated that, if they were to go with nutrient injections, WGM would need to go back and revise their WP, the process of which would cost more time and money to the Petro Fund and the owner.

Ms. Pankratz stated that WGM could work with the Department to discuss this but DEQ could not approve injection into a monitoring well. She stated that there had only been a few consultants that had injected directly into wells long ago, but that she believed doing so was not standard industry practice. She stated that she recognized that this was a cost concern, and that the owner and Department could work to create a new WP, but that the Department would not approve the direct injection into monitoring wells.

Mr. Wadsworth stated that the Board staff had the option to conduct a third-party review of this particular recommendation. He stated that it should be recognized that similar activities of introducing nutrients and enzymes into a few wells that remained above action levels had been conducted both in other states as well as the State of Montana. Additionally, he stated that the Board staff's proposal was not to inject the enzymes, but to introduce them. Because the product being introduced is nutrients and enzymes, no fouling or crystallization of the well occurs. The enzymes and sugars are simply incorporated into the subsurface by allowing it to enter the aquifer through the well. There would be no crystallization at the well because the enzymes and nutrients do not contain minerals such as calcium carbonate and are not injected at high pressures. Rather they are simply introduced. Nutrient introduction had been done in the state of Montana in the past, as well as approved by the Department in the past. Mr. Wadsworth had not noted any change in guidance documentation that would have abolished this option as an alternative to what was being proposed. He noted that the consultant had indicated that he was unfamiliar with the method of enzyme introduction and its effectiveness. Being unfamiliar with a remediation technology was not the Board staff's issue. The staff's issue was that \$50,000 could be saved if a different alternative was implemented. He stated that, from his perspective, the owner and consultant should be allowed the opportunity to consider the alternative to potentially save \$50,000.

Mr. Wadsworth added that the other thing he wanted to have recognized was that the recommendation for the use of the PetroFix® ultimately came from a vendor who was trying to sell a product. Because of this, he stated that the vendor could have recommended an amount beyond what was necessary for the cleanup of the site. There was evidence that they did not need to inject as much PetroFix® as proposed. The proposal included injection of PetroFix® into an area delineated by non-detect. If they reduced their proposed injection area to just the area between five (5) ppb (the mcl) and the high of 9 or 13 ppb, then, the volume of PetroFix® needed would only be half, or potentially a third, the amount proposed in the work plan.

Mr. Wadsworth stated that he did not see the necessity of PetroFix® due to the possibility of more cost-effective alternatives and wanted to see an alternative proposed. He was interested in seeing the evidence that indicated why the Department could not approve the use of nutrients and enzymes when the State of Montana had utilized them in the past. He stated that he wanted to see the evidence that the alternative he described was not viable. He clarified that the owner was not required to do as the Board staff recommended. His objective was to draw attention to the idea that there were remedial alternatives that were not as expensive as what was proposed. He stated that he did not see any harm to the wells or the environment resulting from going down the route he had suggested. He was recommending that the owner and consultant draft a more cost-effective plan to address the contamination at the site that is known to not exceed 13 ppb.

Mr. Stenzel asked for clarification of the following:

- was he correct in noting that around \$21,000 of the costs were the PetroFix® chemical itself,
- could a geoprobe be used to introduce the nutrients, and
- was the equipment cost the same for PetroFix® and nutrient introduction, and
- would the usage of such equipment appease both sides.

Nutrients can be introduced with a geoprobe at about the same cost to inject. However, Mr. Wadsworth clarified that nutrient introduction does not require injection equipment. The costs of the injection equipment can be saved by introducing nutrients into a well rather than injecting via a probe. If you choose the less expensive alternative of nutrient introduction, you don't have the cost of the injection equipment and you have less expensive product. If you are going to go to the expense of using injection equipment, one would likely want the product that worked faster and potentially had a higher degree of probability of success. He indicated that a higher probability of success with injection could consist of the using both nutrients and PetroFix®. The PetroFix® could be used to create a funnel and gate system, reactive wall, or curtain that could address the

contamination plume. A PetroFix® curtain could be placed around the contamination which might cost around a tenth of the expenditure proposed in the WP and the nutrients could be injected inside the area controlled by the curtain.

Mr. Wadsworth indicated that the concentrations are so low that release only needed a little help to fall below action levels. In Mr. Wadsworth's opinion, the consultant and Department were concerned about the fact that something could happen that would damage the monitoring well. Mr. Wadsworth stated that all that would be done was the addition of nutrients and enzymes to the subsurface and there would not be anything done to damage the wells. He stated that the consultant was concerned about the radius of influence for the enzymes, and he stated that introduction of the enzymes and the nutrients to the subsurface had an immediate radius of influence but also had an area of influence that grew larger over time. Over time, the enzymes would spread further into the formation. The nutrients can be placed so they migrate downgradient into the contamination plume. The point Mr. Wadsworth wanted to make was that the plume was not moving. The enzymes would find the contamination, as they would be drawn toward the plume. Once the plume was gone, the enzymes would die off.

Mr. Etzel stated that Mr. Miner was the project manager at the Department for the site and was the Department's lead environmental science specialist. He stated that he had been working with Mr. Miner on the site, and that previous enzyme nutrient injections at other sites in Montana had been attempted, but that, according to Mr. Miner, they either had consultant-acknowledged or results that suggested problems with adequate dispersal. He was unsure how the consultants had attempted this application in the past, but that, according to Mr. Miner, this had been a reoccurring problem with the particular method that Mr. Wadsworth had proposed.

Mr. Wadsworth stated that he had asked Mr. Miner to provide the Board staff with this evidence in the past, and at present, he had not seen any communication from Mr. Miner that provided Mr. Wadsworth with any evidence showing the failure of the particular technology. Mr. Wadsworth stated that he was proposing this idea because he wanted to show a way to save the site \$50,000. He stated that his nutrient introduction alternative did not have to be the solution to save costs, there are other cost-effective remedies. Mr. Wadsworth stated that his main point was that he believed it was not necessary to spend that much funding on a site with very little contamination, and he did not have the scientific evidence to convince him that the proposed alternative would not be successful. He stated that he would like to have the evidence that it cannot be successful, and if it is not there are other alternatives that were more reasonably cost-effective at the site. He felt that the current approach was overkill and he wanted to be provided with the necessary information in order for cost-effective decisions to be made.

Mr. Monahan asked if Mr. Miner was present to speak. Mr. Miner introduced himself to the Board. Mr. Monahan asked if Mr. Miner had any information to offer as to how effective the nutrient introduction process had been in the past, and if this information could be forwarded to the Board staff and then the Board. Mr. Miner stated he could do this.

Mr. Monahan asked if the information could be assembled and the Department, the consultant and the Board staff could meet to discuss and come to a consensus on. Mr. Wadsworth stated he hopeful that a consensus could be reached. Mr. Etzel stated he was happy to do what was best for his client, as well as what the Department and Board staff agreed to.

Proposed Meeting Dates 2026

Mr. Monahan presented the Board with the proposed calendar of Board meeting dates for 2026, which would be an action item at the November 10, 2025 Board meeting, along with the annual election of presiding officers. He stated the listing of proposed meeting dates for 2026 listed included their appropriate close of agenda and packet mailing dates. Ms. Pirre added that if anyone had a scheduling conflict with the proposed meeting dates, to let her, Mr. Monahan, or Mr. Wadsworth know so that the dates could be adjusted.

Legal Report

Mr. Stuart Segrest introduced himself to the Board and provided the Board with a Summary of the Legal Report. He stated that he was a University of Montana graduate, and that he spent the first 14 to 15 years of his career working at the Montana Attorney General's office representing the State and State agencies. He stated that, since 2021, he had been in private practice, but a large portion of his clients were still State agencies and local government entities, which included other boards and commissions. He stated that he was looking forward to working with the Board and asked forgiveness for any potential technical errors on his part as he presented information.

The current status of *Cascade Cnty v. Mont. Petroleum Tank Release Comp. Bd.* was left with the Montana Supreme Court's opinion which granted the mandamus action to the District Court. He stated that the mandamus action was when a court stated to an agency to take an administrative action. However, in this case, the demand to the agency was to make a decision, which

was a unique statement to give an entity. He stated that the court, as he understood the case, was not directing the Board how to decide, but rather to make a decision as far as the Cascade County request. He noted that, at the last Board meeting, Mr. Wadsworth had indicated this matter could be ready for a Board decision, but Mr. Segrest stated that it was not currently ready. He stated, however, that the Board may be ready to make a decision by the November 10, 2025 Board meeting. He noted that the court had stated that the Board had previously not approved or denied the costs claimed, and that the Board had stated the claims could not be approved or denied until the costs were sorted into their respective releases. Because of this, he stated that this was the decision that needed to be made, which was the initial denial or approval of claimed costs.

Mr. Segrest asked if Mr. Wadsworth had any comments to add. Mr. Wadsworth indicated that if the court instructs the Board to make a decision between the present meeting and the November 10, 2025 Board meeting, that the staff will need a chance to see what the court had provided and work with the Board attorney for guidance as to what the Board staff should do with the Cascade County claims, there would be a recommendation in the packet and the Board staff would be asking the Board to approve the recommendation.

Mr. Segrest added, as a follow-up, that the Montana Supreme Court did not issue the mandate. Rather, they told the District Court to issue the mandate to the Board to make the decision. He noted that there was an additional issue, as the Montana Supreme Court's remand order was placed into the wrong file, as there was more than one file for Cascade County versus the Board. The error was later recognized at the District Court clerk's office, and the documents were now in the correct file awaiting action.

Mr. Wadsworth stated that this was the status of the Cascade County Case. Mr. Monahan stated that the current action was to wait for a response from the District Court. Mr. Wadsworth stated this was correct.

Mr. Segrest stated that the other legal issue with an update was the communications between the Northern Cheyenne tribe regarding a potential claim. He stated that, from his understanding, since the last meeting, there had not been further communications between Mr. Brian Chestnut of Ziontz Chestnut LLP, Attorneys at Law, who were the attorneys for the Northern Cheyenne Tribe, and either the Board's attorney or Executive Director. Mr. Segrest noted that it appeared that the Board staff was awaiting a response.

Fiscal Report June FYE25 and July FY26

Mr. Wadsworth presented the Board with a summary of the Fiscal Report. He stated that, of note in the report for fiscal year end 2025, the total revenue collected ended up being \$7,752,248. He stated that this could be compared to the budget for financial year 2026, which had a total projected revenue of \$7,860,548. He stated that the projected revenue for financial year 2026 was close to what the Fund had received for financial year 2025. He stated that he believed the final projected revenue total for financial year 2026 would be slightly higher than what was shown currently.

Board Staff Report

Mr. Wadsworth presented the Board with a summary of the Board staff report. He noted there had been five (5) eligibility applications received from June 2025 to the end of July 2025, as well as the one (1) eligibility received in May 2025. He stated that the eligibility application received in May 2025 was the Montana City Store facility that had been an action item earlier in the meeting. He noted that the owners had originally applied early on before the statute changed with HB-189. He stated that, because of HB-189 as well as the ratifications made at this Board meeting, the eligibility would be updated from ineligible to eligible. He stated that included in the eligibilities for June and July 2025 were for the Jitter Bugs', Town Pump of Miles City, and Blue Basket #4 facilities, which had all been ratified earlier in the meeting. He stated he was available for questions at this time. There were no questions.

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, between June 2, 2025 and September 2, 2025, there had been two (2) suspect releases, three (3) confirmed releases, and 13 resolved releases. As for all release activity up to September 2, 2025, there had been a total of 4,844 releases confirmed, 3980 releases resolved, and 904 releases that remained open. She stated that, of those releases, PTCS managed a total of 851 open releases, 578 releases were eligible for the Fund, and 273 had been categorized as "other".

Mr. Monahan noted the 13 releases that had been closed and expressed that this was nice work.

Circle K Store 2746272 (Former Holiday Stationstore 272), Facility #21-08068, TID 22350, Rel #3537 & #5212, WP #716835042 & #716835043, Havre, Priority 3.0

Ms. Pankratz presented the Board with a summary of the WP over \$100,000. She stated that Circle K Stores, Inc. (Circle K) was the responsible party for releases #3537 and #5212, and they had retained Tetra Tech, Inc. (Tetra Tech) as their environmental consultants. Tetra Tech had submitted the WPs 716835042 and 716835043 on behalf of Circle K to remediate the petroleum-contaminated soil and groundwater along with decreasing the threat of soil and vapor intrusion in the nearby buildings. The WP proposed a pilot test of a trap-and-treat injection into the area around the Marden's Trailer Sales facility, along with continued operation and maintenance of the soil vapor extraction system (SVE), free product recovery, groundwater monitoring, vapor sampling, and reporting. The total cost estimate combined for the two (2) WPs was \$164,070.65.

Ms. Pankratz provided the Board with a summary of the history of the releases. Release #3537 was discovered in October 1998 when diesel-contaminated soil that exceeded RBSLs was encountered during equipment upgrades. Release #5212 was discovered in April 2017 when gasoline was observed to be leaking from fittings above the submersible turbine pump for the premium gasoline UST.

Mr. Monahan asked Mr. Wadsworth if he had any comments from the Board staff. Mr. Wadsworth stated that the Board staff did not have much to offer on this brief, other than that this was a carbon injectate WP with groundwater monitoring, as well as the operation and maintenance of the existing SVE system at the site. He noted that, in the WP, Task 5, which was for the carbon injections, was the highest cost in the WP. He stated that the Board staff had recommended a competitive bid process on the injections. The cost estimate had since arrived, which allowed the Board staff to verify that they had a reasonable cost estimate for the product.

Farmers Union Oil Co. Circle, Facility #29-06376, TID 24902 & 32428, Rel #3689 & #3803, WP #716835040 & #716835041, Circle, Priority 3.0

Ms. Pankratz presented the Board with a summary of the WP over \$100,000. She stated that the Farmers Union Oil Co. Circle (Farmers Union) was the responsible party for releases #3689 and #3803, and that they had retained West Central Environmental Consultants (WCEC) as the environmental consultant. WCEC had prepared and submitted WPs 716835040 and 716835041 on behalf of Farmers Union. The Department-approved WP was for in situ treatment of the petroleum-contaminated soil and groundwater; and the identification of what work is needed to resolve the releases. The estimated cost of the WP was \$109,914.47.

Ms. Pankratz provided the Board with a summary of the history of the releases. She stated that release #3803 was reported in July 1999, when contaminated soil was encountered during the removal and closure of the USTs, piping, and dispenser islands at the former service station. Release #3803 was reopened in 2020 after review of the Department file and the 2016 Laser-Induced Fluorescence (LIF) investigation, which identified petroleum contamination that persisted in the former dispenser island, piping, and UST locations at the former service station. Release #3689 was reported to the Department in March 1999 when approximately 100-200 gallons of dyed diesel was released during fuel delivery into the above ground storage tank (AST).

Mr. Monahan asked what an LIF investigation was. Ms. Pankratz answered that it was laser-induced fluorescence (LIF). The LIF investigation had been performed for release #3689, during which it was found that #3803 still had contamination, though it had been closed. An old bulk facility had also been identified in the area that also operated under Farmers Union and had a contaminated area.

Mr. Monahan asked Mr. Wadsworth if he had any comments from the Board staff. Mr. Wadsworth stated that the Board staff did not have many comments to offer for this WP. He stated that the WP was mostly split evenly between the two releases, but that, because of the allocation with regards to the land farming task, the split was respectively closer to 55% and 45% rather than 50% and 50%. He stated that, other than this, the Board staff was obligating for the monitoring of the 14 wells proposed in the WP; however, he noted that the number of wells sampled once the plan was enacted might be reduced from 14 to a smaller number.

Ms. Pankratz presented the Board with a summary of the WP over \$100,000. FJ Management, Inc. was the responsible party for release #4365. The owner had retained Johnston Leigh, Inc. as their environmental consultant. The Department approved the WP for in situ treatment of the remaining petroleum-contaminated soil and groundwater, as well as the identification of work that would be needed to resolve the release. The estimated cost for the WP was \$134,060.50.

Ms. Pankratz provided the Board with a summary of the history of the release. She stated that the facility had been in operation since the 1960s, with release #4365 having been reported in 1999 when a leak was found in an underground distribution pipe near the dispensers on the south side of the facility. Since its discovery, there had been a consistent history of remediation work performed at the site.

Mr. Monahan asked if, with all the remediation work that had been performed at the site, the contamination levels reported had been coming down. Ms. Pankratz stated that she did not have the data related to this at present. Mr. Monahan stated that the reason he had asked was because he noticed that the summary stated that groundwater results indicated residual results of additional hydrocarbons.

Mr. Monahan asked if Mr. Wadsworth had any comments from the Board staff. Mr. Wadsworth stated that the scope of work included the injection of BOS 200®, which was a carbon injectate similar to PetroFix®. He noted that this injection would be performed by a subcontractor rather than a consultant and would be followed by two (2) rounds of groundwater monitoring. He stated that the WP, for the most part, looked reasonable. He noted that the release had been discovered in October 1999, but that the Board staff had no record of activity at the site until the soil borings in 2005. He stated that, based on the information available, it appeared there was no activity on the site until six (6) years after release discovery. He noted that the site's history also indicated the use of an SVE air sparging system that had been installed at the site in October 2008 and was in use until 2013, which indicated that this system had operated for around five (5) years. He stated that the site history section also indicated that excavation occurred in 2015. However, he also noted that what it did not indicate was that the excavation conducted in 2015 removed the soils that the SVE air sparging system had been remediating for five (5) years. This was not known by the Board staff in 2015, and nearly \$250,000 had been reimbursed for the installation, operation, and management of the SVE air sparging system when the excavation costs were reimbursed. He stated that the expenses for the SVE system were cast to the wind when the excavation occurred. He stated that it would have been more appropriate to have chosen the excavation alternative in 2008 rather than implementing an SVE air sparging system and operate it for five (5) years. He noted that while this was now an incident long since passed, it could still pose a problem for the owner in the coming years. He stated that the Board staff did not see a problem with the proposed scope of work. The main reductions to the WP were due to markup on the vendor-supplied product being used, which was not allowed by Board rule. He stated that it was noteworthy, given the earlier decision about the proposed activated carbon product; the concentrations at this site were still fairly high at some spots. Some concentrations were as high as 1,830 ppb compared to the 13 ppb in the release that had been part of the threshold discussion earlier in the meeting. He stated that, regarding potential future problems for the owner, it would be important for the consultant to implement the plan in a cost-effective manner and conduct any additional activities on the release in a cost-effective manner given that the cumulative reimbursement at the site so far was at \$723,335.67. The proposed costs of the WP, which were \$134,060.50, would mean the release would have only a little over \$100,000 of reimbursement still available from the Fund to assist the owner in moving the site to closure. He stated that, if the remaining costs to get the site to closure exceeded the available coverage from the Fund, those extra costs would be the responsibility of the owner. This is an example of how remediation choices can affect available funding. Because of the extra money that was used up when the SVE air sparging system was taken out and replaced with excavation, the owner was at risk of having to cover future costs without aid from the Fund. The Board staff wanted to help the owner move the site to closure before the maximum limit for funding was reached. Mr. Wadsworth wanted owners and Board staff to work together to prevent any extra costs from being incurred.

Mr. Monahan asked Mr. Wadsworth about notifications sent to the owner that provided a summary of cumulative funds reimbursed to date on their release. Mr. Wadsworth stated that this was done at certain thresholds, such as at \$600,000 total reimbursed. He stated that, in this case, he was stating to the owner and consultant through the Board meeting that they were coming close to the maximum amount of funds reimbursable and would need to be cost effective in the choices going forward. He stated that he felt it would be difficult to close this particular release without reaching the maximum amount reimbursable.

Mr. Monahan asked Mr. Wadsworth if it was the same consultant for this WP that had performed the work in 2008. Mr. Wadsworth stated that he did not have the answer to this question at the time, and that he was unsure whether it was the same consultant. He noted, however, that this was a similar case to other facilities in the area. He stated that this facility was near Miles City, and that other facilities near this had similar issues with having had an SVE air sparging system and later switching to excavation in hopes of moving the site to closure faster so that the property could be sold. These sites were close to the

Bakken Oil fields and there was demand for property. Excavation had a faster remediation timeline than an SVE air sparging system but was far more costly and meant that all of the costs already accumulated from the original plan would be thrown away. Mr. Wadsworth stated that he was not opposed to such a plan, but that he was opposed to doing it if the owner was not willing to pick up some of the costs. He noted it was the choice that was made by the owner and the consultant to originally implement the system. He stated that, in this, the owner and consultant needed to be conscious of the costs incurred, as the release was reaching its limit for the maximum amount reimbursable.

MDT Nashua UST Facility, Facility #60-15325, TID 31022, Rel #5285, WP #71835074, Nashua, Priority 2.0

Ms. Pankratz provided the Board with a summary of the WP over \$100,000. She stated that the Montana Department of Transportation (MDT) was the responsible party for the release and had chosen Water & Environmental Technologies (WET) as the environmental consultant. The Department-approved cleanup WP was for utility location, well abandonment, soil excavation, soil disposal, soil boring/well installation, tap water sampling, groundwater monitoring, and the identification of work needed to resolve the release. The estimated cost for the WP was \$186,289.36.

Ms. Pankratz provided the Board with a summary of the release. She stated that the release was first reported in 2018, when MDT encountered and removed an unknown UST within the right-of-way during the reconstruction of Front Street. The UST was corroded, perforated, and partially filled with water from an unknown source.

Mr. Monahan asked Mr. Wadsworth if he had any comments from the Board staff. Mr. Wadsworth stated that this WP included soil excavation that would go as deep as eight (8) feet, and that the Board staff was uncertain that this volume of soil removal would be necessary. He stated that not many of the soil samples collected in 2024 exceeded RBSLs. There was only one (1) soil boring sample that exceeded RBSLs, along with one (1) area that had exceedances in groundwater. Mr. Wadsworth stated that there were areas that the Board staff recognized as high concentrations, such as the one at the center of the proposed excavation. The highest concentration was at 1,650 ppb benzene in 2023. He stated that there were also readings that detected exceedances of 100 Parts per Million (ppm). He believed the consultants should be diligent about only removing soil with significant contamination levels that translated to either dermal contact exceedances, or exceedances in groundwater. In other words, the exceedances need to be considered in relation to the volume of soil needed to be removed. He added that the consultants would possibly need to replace waterlines depending on concentration levels once the excavation got as deep as eight (8) feet. Near the waterline, the consultants would be able to utilize field equipment to discern the soil concentrations, and whether or not the waterline needed to be replaced. He stated that the Board staff understood this was a possibility, and that it would require a Form 8 in the event that this needed to happen. There were two (2) wells that needed to be abandoned, which were nested wells that needed to be removed because they were in the way of the excavation. The consultant proposed to combine 1,500 of calcium peroxide with clean backfill, which would then be placed in the base of the excavation. The amendment of the backfill, along with the application of an ORC product prior to the placement of the backfill was intended to reduce the overall time required to achieve closure. However, the mixing of the calcium peroxide should be limited to the base of the excavation, as opposed to mixing with all of the backfill. Mr. Wadsworth noted that it was only necessary to get the peroxide adjacent to the areas with high concentrations. This would include the bottom and sides of the excavation as opposed to mixing with all of the backfill.

MDOT Swan Lake Site, Facility #24-08739, TID 23068, Rel #6494, WP #71835076, Swan Lake, Priority 3.0

Ms. Pankratz provided the Board with a summary of the WP over \$100,000. MDT was the responsible party for the release and had retained Olympus Technical Services (Olympus) as their environmental consultant. Olympus prepared and submitted the WP on behalf of MDT. The Department-approved WP was for excavation of petroleum-contaminated soil, the addition of oxygen enhancement amendment to the excavation, backfilling, compaction, landfarming, monitoring well replacement, and soil groundwater sampling. The estimated cost for the WP was \$119,452.22.

Ms. Pankratz provided the Board with a summary of the release. The facility was first established in the 1960s. The facility's USTs were installed in 1966 and were then removed and replaced in 1992. The USTs installed in 1992 were removed in 2000. There were also ASTs that were in operation from 2000 to 2010. Release #6494 was reported to the Department on April 19, 2022 when soil with elevated field screening results was observed during the installation of soil borings as part of an environmental site assessment. Analytical data confirmed the release.

Mr. Monahan asked Mr. Wadsworth if he had any comments from the Board staff. Mr. Wadsworth stated that the consultant was planning to remove some soils, land farm the excavated soil, destroy a well, and then replace said well. The Board staff had questions if this work was necessary, as the highest concentrations the Board staff had found in the data was 29 ppb benzene which had occurred in 2022. The consultants should monitor groundwater concentrations before conducting the work

proposed in the WP, as the concentrations could be much lower today (09/2025). There is a chance that concentration could be higher, but the concentration will dictate what should be done at the site, so the data is needed. There were significant errors in the consultant's budget, where subtotals were included that were not factored into the main total, which made it difficult to assess costs. Some estimated costs were reduced to or listed as zero (0) because of this issue. This made it difficult to give them a budget estimate, as there were certain tasks that did not have a cost listed in their budget, which made it hard to tell if the consultant wanted reimbursement for these tasks or what the total estimated cost for the WP was.

Mr. Wadsworth noted instead of the proposed mixing of ORC with the backfill, the consultant should be placing the ORC into the base of the excavation. He stated that the backfill was not contaminated and would not benefit from mixing with ORC. He stated that placing the ORC in the bottom of the excavation would reduce any remaining contamination that may be present in the soils that were not excavated. The cost of the ORC was not included in the total or subtotal contained in the WP budget or revised WP budget. It appeared to be an error, but the Board staff could not determine this for certain. It is expected that the consultant will need to correct the budget amount given that the placement of the ORC would be in the base of the excavation and not mixed with the backfill. Therefore, there would be less ORC used. Additionally, some ORC could be placed against the excavation's side walls, but the Board staff did not see the necessity of mixing the ORC with the backfill material. He stated that the Board staff had found a number of errors in the budget, and that it would be interesting to see the actual cost estimate of the backfill mixing once it was available.

There was no further discussion.

Public Forum

BL is Brad Longcake, JM is John Monahan

BL: [*Unintelligible*]

JM: Oh- Hang on- Hang on- we-

BL: [*Unintelligible*]

JM: Okay- I'm sorry- we couldn't- we couldn't hear Brad- Is that you, Longcake, that's speaking?

BL: Yeah, Mr. Chair-

JM: Who is-

BL: Mr. Chairman, this is Brad Longcake. Can you hear me okay?

JM: Yeah, I can now, Brad.

BL: Yeah, I just want to take a quick moment, uh, I guess for the record. This is Brad Longcake, director for the Montana Petroleum Marketers. I just want to take a quick moment and thank, ah, the PTR [*sic* PTRCB] staff, as well as the entire Board, DEQ, and all the members who participated during the legislative session. As many people indicated, it was quite a unique session this year. And so, you know, I'm happy to report that we, the Petroleum Marketers, worked on several bills with, uh, the Department and other key stakeholders and had a very productive session this year, including some of the topics that were discussed today. The Department's done a very good job trying to expand their relationship with the Marketers by attending our convention as well as one-on-one meetings that I'll actually have this afternoon with a few individuals as well. So, just wanted to say, great job to everybody involved. I know this is often times- can be sometimes frustrating and often times very emotional, but, um, everybody I think's doing a great job and again, from the marketer's perspective, we really appreciate, um, the candor that we've been able to get from everyone, and- and all the participation and support. So with that Mr. Chairman just wanted to say kudos to everybody, and, uh, thank you for the good meeting today.

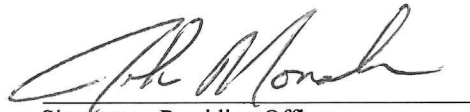
JM: Thank you, Brad! We appreciate everything you did with the legislature as well. We appreciate the teamwork. It was awesome to have the Director of DEQ, Sonja, at our convention, this year. It really showed the public the fact that we're all working together for a common goal. So that- that is really encouraging to see, so- Um, I believe there was someone trying to make a comment before Mr. Longcake, however, we could not hear you. Are there any other comments?

There were no further comments at the Public Forum.

September 15, 2025

The next meeting is scheduled for November 10, 2025. The place of the meeting will be sent out to all parties and published on the website.

The meeting was adjourned at 12:20 p.m.



Signature - Presiding Officer