

**SOUTH DAKOTA PETROLEUM RELEASE COMPENSATION
BOARD MEETING**

MINUTES OF December 11, 2014

The South Dakota Petroleum Release Compensation Board Meeting was called to order at 1:00 PM on December 11, 2014, and was held in the Foss Building, Matthew Training Center. A quorum was declared with all board members present.

Members Present: Chairman Denny Rowley, David Kallemeyn, Rudy Gerstner, Don Meyers and Bert Olson.

Others Present: Alan Bakeberg; Dan Martin; Larry Headrick; John McVey; Doug Miller; James Feeney; Craig Eichstadt; Tom Harmon and Judy Zeigler.

Denny Rowley requested a motion to approve or disapprove the minutes of the September 23, 2014 meeting. A motion was made by Rudy Gerstner to approve the minutes. Bert Olson seconded the motion. All voted in favor. Motion carried.

Alan Bakeberg reported on the financial status of the fund, a quarterly fund statistics fact sheet for September through November 2014 was provided as a handout.

Chairman Denny Rowley opened the annual public meeting with the insurance industry representatives. SDCL 34-13-48 requires that the Board shall endeavor to integrate private insurance as the primary or secondary risk-takers. The board and insurance industry officials representing pollution coverage who have registered with the board shall meet at least annually to determine the availability, affordability, and progress made to identify potential private companies to provide insurance coverage for resident businesses or individuals for pollution coverage. A report of these findings shall be submitted by the board to the Legislature by January tenth of each year.

Letters were sent in November of this year to those in the insurance industry that expressed interest in the Board's activities; a list of all who received a letter is attached. Written responses were received by the PRCF from Pat Rounds, Petroleum Marketers Management Insurance Company, and Eric Lehrer, Federated Insurance. Discussion followed.

The Board's recommendation to the Governor is to continue the program under the same process that is presently in place. The board finds no reason to change their recommendation from last year. The board sees no advantage to the public or tank owners of going to private insurance to meet the financial assurance requirements for underground petroleum tank owners and to continue the program under the same process that is presently in place.

Doug Miller of the DENR gave the board an update on the UST owner/operator training that is provided under contract with the PRCF. A contract was signed for continued training for 2015. Dawna will send Alan the scheduled.

Election of officers; Rudy Gerstner motioned to have Denny Rowley continue as the Chairman and Dave Kallemeyn as Vice Chair. Motion was seconded by Don Meyers. All voted in favor. Motion carried.

The board set a tentative date of March 19, 2015 for the spring board meeting, and June 11, 2015 for the summer meeting.

Alan informed the board that future meetings will start at 1:30pm

Alan updated the board on the 2015 Legislative session. Alan noted that the Highway Fund Task Force is looking at the fund.

Motion was made by Dave Kallemeyn at 2:35pm to go into executive session to consult with counsel on pending litigation. Don Meyers seconded the motion. All voted in favor. Motioned carried.

The board came out of executive session at 3:38pm.

Meeting was adjourned at 3:39pm.

The meeting was digitally recorded and is available on the DENR website at:
<http://denr.sd.gov/boards/schedule.aspx>.



via

Benny Rowley, Chairman

David Kallemeyn