
**SOUTH DAKOTA
PETROLEUM RELEASE COMPENSATION BOARD MEETING
Conference Call Agenda – June 14, 2018
Foss Building, Matthew Training Center
Pierre, South Dakota**

Live audio of the meeting and the full board packet can be found on the South Dakota Boards and Commissions Portal at: <http://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=73>

Thursday, June 14, 2018 1:30 PM

- I. Call to Order and Declare Quorum
- II. Review and Approve/Disapprove Minutes of March 22, 2018, Board Meeting
- III. Report on the Financial Status of the Fund
- IV. Draft Actuarial Report
- V. Owner/Operator Training Update
- VI. Other Business
- VII. Schedule Future Meetings
- VIII. Adjourn

A limited number of phone lines are available for this call. Interested parties who wish to participate in the telephone conference call should contact DENR at 605.773.3769 before 3:00 p.m. CDT on Wednesday, June 13, 2018.

Interested parties may also participate at the following location:

Department of Environment and Natural Resources
Matthew Training Center
523 East Capitol Avenue
Pierre, South Dakota

Notice is given to individuals with disabilities that this meeting is being held in a physically accessible location. Please notify the Department of Environment and Natural Resources at 605.773.3769 at least 48 hours before the meeting if you have a disability for which special arrangements must be made.

MINUTES OF THE
SOUTH DAKOTA PETROLEUM RELEASE COMPENSATION
CONFERENCE CALL BOARD MEETING

March 22, 2018

The South Dakota Petroleum Release Compensation Board Meeting was called to order by Chairman Dennis Rowley at 1:30 P.M. on March 22, 2018, and was held in the Foss Building, Matthew Training Center via conference call. A quorum was declared with four board members present.

Members Present: David Kallemeyn, Don Meyers, Dennis Rowley and Bert Olson.

Others Present: Alan Bakeberg, John McVey, Doug Miller, James Feeney and Vickie Maberry, DENR; and, Dawna Leitzke, South Dakota Petroleum & Propane Marketers Association;

Chairman Dennis Rowley requested a motion to approve or disapprove the minutes of the December 14, 2017, meeting. A motion was made by Dave Kallemeyn to approve the minutes, and seconded by Bert Olson. A roll call vote was taken, and the motion carried unanimously.

John McVey reported on the financial status of the fund from the February 2018 fund statistics report in the Board packet.

The board was briefed on House Bill 1044 and Senate Bill 183. House Bill 1044 transfers \$1.3 million from the Petroleum Release Compensation Fund to the General Fund at the end of state fiscal year 2018. Senate Bill 183 changes the distribution percentages of the Tank Inspection Fee and establishes minimum and maximum balances of the Fund at \$2 Million and \$6 Million, respectively. Dawna Leitzke gave the board some background on how Senate Bill 183 came about and the benefits she anticipates to the Fund. Discussion followed.

Petroleum Release Compensation Board
March 22, 2018, Meeting Minutes

The actuarial study proposal was discussed. The cost is approximately \$19,000, plus expenses. Staff is working on getting the study approved and the draft report should be available by the June 2018 board meeting.

Doug Miller advised the board that a hearing on the proposed UST rule changes is scheduled for May 2, 2018, in front of the Board of Water Management. The proposed changes will be posted on the department web page the first week of April, and advertised in various newspapers the week of April 10, 2018.

The board was informed that Jim Feeney, Director of Finance and Technical Assistance is retiring effective Friday, March 30, 2018.

Dawna Leitzke informed the board that the Petroleum & Propane Marketers Association convention is scheduled for September 18 and 19, 2018, at The Lodge at Deadwood.

The board set a tentative date of June 14, 2018, for the next meeting.

A motion to adjourn was made by Dave Kallemeyn and seconded by Bert Olson. A roll call vote was taken, and the motion carried unanimously. Meeting was adjourned at 2:00 pm.

The meeting was digitally recorded, and is available along with the documents referenced above on the Boards and Commissions website at:

<http://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=73>.

Dennis Rowley, Chairman

**South Dakota
Petroleum Release Compensation Fund
April 2018 Fund Statistics**

PRCF
523 E Capitol Ave
Pierre SD 57501
(605) 773-3769
www.sd.gov/prcf

Total Tank Inspection Fee Revenue Collected in April 2018	\$1,251,673
Amount of April 2018 Tank Inspection Fee Distributed to PRCF	\$131,970
PRCF Balance (May 1, 2018)	\$3,303,619
Average Payment Per Site - Regular Program Only	\$51,363
Average Payment Per Site- Abandoned Tank Program	\$3,415
 <u>Current Involvement - Regular Program (Does not include Abandoned Tank Program Sites)</u>	
Active Cases	33 Sites
Active/Monitoring Cases	22 Sites
Pending Cases (spill report not yet filed)	1 Sites
TOTAL	<u>56 Sites</u>
 <u>Past Involvement - Regular Program (Does not include Abandoned Tank Program Sites)</u>	
Closed-Active Cases	42 Sites
Closed-Inactive Cases (sites closed and all claims settled)	1,489 Sites
Closed-No Pymt Cases (sites opened, but closed without PRCF payment)	<u>2,517 Sites</u>
TOTAL	<u>4,048 Sites</u>
 <u>Abandoned Tank Removal Program</u>	
Total Applications (includes 265 applications that have been withdrawn)	3,488 Sites
Completed Sites (tanks removed)	3,204 Sites
Total Paid to Date	\$10.9 million
 <u>Projected Future Obligations</u>	
Amount of Claims in Office Pending Review (2 claims)	\$3,910
Cost Remaining for Sites that have Received at Least One PRCF Payment	\$432,900
Projected Costs for Release Sites Where No Payment Has Yet Been Made	\$1,800,000
Estimated Remaining Costs for Abandoned Tank Removal Program	\$600,000
 <u>This Past Month's Activity</u>	
Claims Received During Month (4 pay requests)	\$17,488
Claims Processed by Staff (3 pay requests)	\$17,488
Avg. Days in Office for Claims Processed in Past Month	8 Days
Amount Paid Since Fund Began (4729 sites)	\$89.3 million

Breakdown of Payments Made to Date

Type of Facility	No. of Sites Receiving Payments to Date	Cleanup Payments Made to Date
Abandoned Sites (Includes ATP Sites)	3,379	\$18,626,240
Commercial, Co-op	150	\$9,888,504
Commercial, Petroleum	621	\$39,809,944
Commercial, End User	321	\$11,377,174
Farmers	4	\$65,977
Federal Government	9	\$121,519
Local Government	151	\$5,282,996
State Government	79	\$3,792,140
Non-Profit	13	\$285,117
Residential	2	\$21,878
	<u>4,729</u>	<u>\$89,271,487</u>