



Petroleum Underground Storage Tank Release Compensation Board

P.O. Box 163188 • Columbus, Ohio 43216-3188
Phone: (614) 752-8963 • Fax: (614) 752-8397
www.petroboard.org

MINUTES OF THE 146th MEETING OF THE PETROLEUM UNDERGROUND STORAGE TANK RELEASE COMPENSATION BOARD

April 4, 2013

BOARD MEMBERS IN ATTENDANCE

Jim Rocco
John Hull
Brian Epperson
Steve Hightower
Don Kuchta
Tom Stephenson

EX-OFFICIO MEMBERS IN ATTENDANCE

Bill Hills, representing Interim Director Jayme Brown, Ohio Department of Commerce
Tyler Brown, representing Josh Mandel, State Treasurer of Ohio

OTHERS IN ATTENDANCE

Starr Richmond	Executive Director, PUSTRCB
Don Leasor	Chief Fiscal Officer, PUSTRCB
Madelin Esquivel	Assistant Director, PUSTRCB
Donna Kestler	Administrative Assistant, PUSTRCB
Jonathan Maneval	Administrative Coordinator, PUSTRCB
Nicole Waits	Account Examiner, PUSTRCB
John Hickey	Fiscal Specialist, PUSTRCB
Homayoun Sharifi	Environmental Claims Analyst, PUSTRCB
Carla Dowling-Fitzpatrick	Assistant Attorney General
Christie Kuhlmann	Stantec
Doug Darrah	Cardno ATC
Will Latt	Speedway, LLC
Gary Fricke	Lee and Ryan
Brent McPherson	BJAAM Environmental, Inc.

Minutes submitted by:

Jonathan Maneval
Administrative Coordinator

Call to Order:

Chairman Rocco convened the one hundred forty-sixth meeting of the Petroleum Underground Storage Tank Release Compensation Board on Thursday, April 4, 2013. The following members were in attendance: Jim Rocco; John Hull; Brian Epperson; Steve Hightower; Mayor Don Kuchta; Tom Stephenson; Bill Hills, representing Interim Director Jayme Brown, Ohio Department of Commerce; and Tyler Brown, representing Josh Mandel, State Treasurer of Ohio.

Chairman Rocco welcomed Tom Stephenson to the meeting, and said the Governor's office reappointed Mr. Stephenson at the end of February. He noted the Board is still awaiting the reappointment of one member. He said that Robert Field was appointed to represent Josh Mandel, State Treasurer of Ohio. He noted that Mr. Field was unable to attend the meeting, and introduced Tyler Brown, who was attending the meeting in his place. He also introduced the Board's new Assistant Attorney General, Carla Dowling-Fitzpatrick.

Minutes:

Chairman Rocco asked if there were any comments or questions regarding the minutes from the January 9, 2013 Board meeting, and there were none. Mr. Hills moved to approve the minutes. Mayor Kuchta seconded. A vote was taken and the following members voted in the affirmative: Messrs. Rocco, Hull, Kuchta, Hills and Brown. Mr. Stephenson abstained. There were no nays, and the motion passed.

Chairman Rocco reminded members that at the last meeting, a motion was made to approve the November 28, 2012, minutes as amended. Since that time, there was a question as to whether it was appropriate to amend the minutes, since prior to amendment, the minutes reflected what was actually said during the meeting.

Chairman Rocco clarified that the amendment to the minutes pertaining to the recommendation to maintain the per-tank fees for the 2013 program year was a result of a recommendation by the Chairman and Vice-Chairman rather than by the Finance Committee. He said the minutes prior to the amendment were correct, since they reflected what was actually said.

Chairman Rocco requested a motion to rescind the January 9, 2013, motion to approve the November 28, 2012 minutes as amended. Mr. Epperson so moved. Mr. Hills seconded. A vote was taken and all of the members were in favor. Chairman Rocco then requested a motion to approve the November 28, 2012 minutes without amendment. Mr. Hull so moved. Mayor Kuchta seconded. A vote was taken and the following members voted in the affirmative: Messrs. Rocco, Hull, Kuchta, Hills and Brown. Mr. Stephenson abstained. There were no nays, and the motion passed.

Chairman Rocco requested a motion to rescind the November 28, 2012 motion to accept the Finance Committee's recommendation that the Board not increase tank fees or change deductible amounts for program year 2013. Mr. Hills so moved. Mayor Kuchta seconded. A vote was taken, and the motion passed.

Chairman Rocco requested a motion to accept the Chairman and Vice-Chairman's recommendation that the Board not increase the tank fees or change deductible amounts for

program year 2013. Mayor Kuchta so moved. Mr. Stephenson seconded. A vote was taken, and the motion passed.

(Mr. Hightower was not present for the discussion regarding the minutes.)

BUSTR Report:

Chairman Rocco called upon Bill Hills, Bureau Chief, to present the BUSTR report.

Mr. Hills said there are 95 items to be completed in the OTTER database upgrade project. He said the subcontractor working on the project had hired additional personnel and made a commitment to complete the work by June 30, 2013.

He said that Click Scheduling continues to move forward and is being programmed into OTTER. Click scheduling is a GPS driven computer program that geographically schedules the inspectors to visit facilities that are located in the same geographical area.

Mr. Hills noted the statistical information indicates BUSTR will meet its release prevention and corrective action goals for the current grant cycle ending September 30, 2013. He also noted that the tank count statistics presented on page 2 of the report remain stable. He said BUSTR is not seeing any substantial changes to these numbers.

Mr. Hills said the leaking underground storage tank program (LUST) took a 10% cut in federal funding last year. As a result of the cut, BUSTR lost two full-time personnel in addition to part-time staff who were performing responsible party searches. He noted the LUST program was on the recommended list of programs to receive cuts as a result of the federal sequester.

Mr. Hills said the new federal grant cycle will start on October 1, 2013. He said they are formulating their UST grant recommendation based on last year's numbers.

Mr. Hills said BUSTR is statutorily authorized to issue red tags, which would prohibit delivery of petroleum into a UST system. He said no red tags have formally been issued. Instead, they have implemented a process where owners and operators are notified a potential violation exists that may result in no further deliveries of fuel. He said the notices seem to be productive and they haven't needed to issue a red tag yet.

Mr. Hills said the new executive budget includes a Revolving Loan Fund that will allow governmental type entities to obtain funding to remove tank systems when there is no viable responsible person to perform the removal. He said the proposal is getting a lot of attention and appears to be viewed favorably. Mr. Hills noted that the Fire Marshal currently has a revolving loan program for fire department expenses. He believes if the bill is passed, the UST program will be handled in a similar fashion.

Mr. Hull said that there are some other US EPA Funds available for communities, and noted there might be some opportunity to address projects jointly. Mr. Hull also asked if there was something the Board could do to assist the program if it is implemented.

Chairman Rocco recommended that BUSTR consider using the Board's staff, noting they could assist with overseeing, administering or managing the program.

Financial Report:

Chairman Rocco called upon Don Leasor, Chief Fiscal Officer, to present the financial reports.

Mr. Leasor reported that the Auditor of State released the audit of financial statements on March 12, 2013, and a copy is available on the Board's website.

Mr. Leasor said on February 26, 2013, the Board's Executive Director provided testimony on the biennial budget request before the Finance and Appropriations Subcommittee on Agriculture and Development. He noted the biennial budget request is only for personnel costs, and the amount requested is needed to meet the current staffing levels.

Mr. Hull asked whether the Board has historically gone through the state's biennial budget process and how the annual budget the Board adopts fits in with a biennial budget approved by the legislature. Chairman Rocco confirmed that historically the Board's budget is presented during the biennial budget process and Executive Director Richmond clarified that only the agency's personnel costs are included in this process. She added there are no additional monies for pay increases or increases in staff in the proposed budget for July 1, 2013 through June 30, 2015. The budget will strictly allow the agency to maintain current staffing levels.

Mr. Leasor provided an update on investments, stating the Treasurer of State's Investment Office set up an investment custody account with Huntington National Bank. He noted there is a cost associated with the custody account of 1.45 basis points, which based on a \$6 million investment, is approximately \$870 per year. He noted this cost was not provided when the earnings estimates were created, but the cost is not substantial. He said a meeting is scheduled with the Treasurer's Office to review the available investment options that meet the requirements set forth by the Board.

Chairman Rocco asked Mr. Leasor to remind the Board what the investment objectives were. Mr. Leasor explained that the Board approved the investment of \$6 million from the unobligated STAR Ohio account. He said \$3 million will be invested in U.S. treasuries and \$3 million will be invested in U.S. agency callable bonds. He said the investments will be laddered with one, two and three year terms. As a result, \$2 million will reach maturity each year, and the Board can determine whether to reinvest the money or return it to STAR Ohio.

December and January Financials

Mr. Leasor said as of April 3, 2013, the unobligated balance is approximately \$12.8 million and the obligated account balance is about \$3.4 million. He said the claims expense for January was approximately \$309,000, and as of April 3, 2013, approximately \$5.6 million had been paid for claims this fiscal year.

Mr. Leasor reported approximately 99.3% of the budgeted revenues, net of refunds, were collected as of January 31, 2013. He stated the total operating expenses for the month of January were approximately \$141,000. Mr. Leasor noted as of January 31, 2013, temporary services were 43.4% of the \$15,000 budgeted amount. However, through April 3, 2013, temporary services

expenditures were approximately \$17,000. He noted there is a vacant position which is currently being filled with temporary personnel from an employment staffing agency and until this individual is hired, the Board will continue to accumulate temporary services costs. He pointed out that these costs are offset by reduced costs in the salary expense line item.

Mr. Leasor stated that as of January 31, 2013, postage expenses were approximately 75% of the amount budgeted. He said this falls in line with the Board's prior year experience for the same time period. He noted this is due to the postage fees for the final quarter of fiscal year 2012 being paid in August of this fiscal year. This included the postage costs for the June 2012 newsletter and the annual fee assessment statement mailing, which was sent by certified mail.

Mr. Leasor said all other expenses are where they should be at this time in the fiscal year. He said as of January 31, 2013, we are 58% through the fiscal year, and expenses are currently about 55% of the budgeted operating expenses for fiscal year 2013.

Mr. Leasor said the Board's phone services are currently provided through the Department of Administrative Services (DAS) CENTREX system. He said the state is in the process of moving to a voice over internet protocol (VoIP) system, and as a result, the Board must elect a new phone service option.

Mr. Leasor said the Board has three options available for telephone service. He said the first option is to transition into the new VoIP system managed by OIT and provided by Cincinnati Bell; the second option is to transition into a VoIP system under an alternate service provider; and the last option is to maintain a traditional land line system. He said he had cost estimates for a transition to the state's VoIP system as well as the cost of transitioning to a VoIP system from an alternative provider. The costs of maintaining the landline system are being researched.

Mr. Leasor noted that regardless of the option chosen, there will be costs associated with the transition and a contract will be needed for the services. Mr. Leasor requested a motion authorizing the Chairman and the Executive Director to execute any agreements necessary to facilitate the change in the phone system. Mr. Hull so moved. Mr. Hightower seconded.

Chairman Rocco said if the Board elects to change to a VoIP system, all new equipment must be purchased since the equipment currently used will not work with a VoIP system. He also noted a VoIP system will require increased internet bandwidth.

The Board discussed the benefits of obtaining quotes from a number of VoIP providers. The members recommended choosing a service that is best for the tank owners and will also satisfy the Board's current and future telephone needs. Chairman Rocco said according to preliminary estimates, money is available in the budget to move forward.

The Chairman asked if there were any additional comments. Hearing none, a vote was taken, and all members were in favor. The motion passed.

Compliance/Fee Assessment Report:

Chairman Rocco called on Madelin Esquivel, Assistant Director, to present the compliance and fee assessment report.

Ms. Esquivel reported as of February 28, 2013, \$193,760 has been paid in refunds for the 2012 program year. She said this was an increase of \$106,000 since the January meeting. She said the refund goal for the 2012 program year is to pay out \$275,000, and we're at approximately 70% percent of that goal. She said the refund total represents 465 refunds paid to 141 owners.

Ms. Esquivel reported there are 3,168 refunds pending. She said this number decreased by 263 since the last meeting. She said the decrease in this number means more refunds are being paid and used to offset outstanding fees faster than are being entered.

Ms. Esquivel stated thus far in program year 2012, a total of \$31,244 was used to offset outstanding fees. She said this is an increase of \$7,200 since the last reporting cycle. Chairman Rocco asked if the \$31,000 used to offset outstanding fees is included in the \$193,000 refund total. Ms. Esquivel advised the \$193,000 is the amount actually paid to owners and operators. Chairman Rocco added that there was actually a total of \$224,000 refunds issued, of which \$31,000 was used to offset outstanding fees.

Ms. Esquivel stated a total of \$264,000 was collected by the Attorney General's Office and Special Counsel so far this fiscal year. She said after deducting the collection costs, the net amount received by the Board totaled \$187,000. Ms. Esquivel said 333 accounts were recently certified to the Attorney General's office for collection, bringing the total number of accounts certified to 604, for a total of \$1.9 million for the 2012 program year.

Ms. Esquivel said eight Orders Pursuant to Law are currently under appeal, and are being reviewed. She said there are three Determinations to Deny a Certificate of Coverage currently under appeal. Two of these appeals are under review, and one is scheduled for a hearing. She said three Ability to Pay Applications are in review. This program allows former UST owners experiencing financial difficulty to apply for and receive a determination of their ability to pay delinquent fees.

Ms. Esquivel said the Annual Fee Assessment Statements will be sent via certified mail on April 26, 2013. She said last year 3,538 Fee Statements were sent, and she expects the number to be about the same or slightly less this year.

Ms. Esquivel reported that so far this year, 3,140 owners were issued a 2012 Certificate of Coverage. She said the number of owners with Certificate of Coverage Applications currently in process is 146. She said there are 31 unresolved Pending Denials and 87 unresolved Determinations to Deny a Certificate of Coverage.

Ms. Esquivel said the unclaimed monies and refunds pending amounts remain the same as she reported at the January meeting. She said there are 32 uncashed refund checks that total \$27,770. She said there are 66 owners from whom more information was requested. The refunds pending for these 66 owners total \$71,545.

Chairman Rocco asked if the Board's unclaimed monies are part of the unclaimed funds maintained by the state. Ms. Esquivel responded stating the Board's unclaimed monies are handled independently of the state's process. She said that the Revised Code requires the Board's unclaimed monies to be placed into an account specifically designed to hold unclaimed monies. After five years, the money is returned to the agency's unobligated account.

Claims Report:

Chairman Rocco called on Donna Kestler, Claims Administrative Assistant, to present the claims report.

Ms. Kestler said the current total maximum liability of in-house open claims is just under \$27 million. She said using the historical claim payout ratio of 70%, the actual anticipated claim liability of unpaid in-house claims is about \$19 million. She stated, as of March 4, 2013, a total of 2,091 Fund eligible sites had been issued NFAs with an average cleanup cost of \$128,300 per site. She pointed out that sites cleaned up exclusively under BUSTR's risk based corrective action rules have an average cleanup cost of \$66,600 per site.

Ms. Kestler stated there are currently 1,670 open claims pending review; and 19 claim settlement determinations with appeals outstanding.

Ms. Kestler said that since the beginning of the program year, July 1, 2012, the Board received an average of 56 claims per month, and an average of 65 claims per month were settled. As of March 4, 2013, the claim settlement payment offers totaled \$5.2 million. The projected total claim settlement payment for the 2012 program year is \$6.5 million.

Ms. Kestler reported that as of March 4, 2013, 55 eligibility applications were received and 53 eligibility determinations were issued. She said of those determinations, 36 applications were approved, and 17 applications were denied; with an approval ratio of about two-thirds. She said currently there are 17 eligibility applications under review and five eligibility applications under appeal.

Ms. Kestler said as of March 4, 2013, 115 requests for cost pre-approval were received in the 2012 program year, and 151 cost pre-approval notifications were issued. She noted in the past two months, the claims staff's attention has focused on addressing older cost pre-approval requests that were in-house. There are 56 cost pre-approvals currently pending review.

New Business

OIT Email Initiative

Chairman Rocco called upon Executive Director, Starr Richmond, to discuss the Office of Information Technology (OIT) email initiative.

Ms. Richmond stated IBM was recently awarded a contract for the reorganization of OIT's computer labs and mainframes. She explained OIT's goal is to consolidate IT functions currently performed in-house by state agencies so they are all under OIT management. She said OIT had reached out to the Board to discuss migration of its in-house email service onto OIT's servers. She added moving the email service is phase one of a much larger OIT project where software and files will presumably be accessed through cloud computing.

Chairman Rocco said the concept is for the state to eliminate all of the servers that are currently located at the various state agencies and consolidate them on cloud based servers. The goal is by eliminating the various servers and consolidating them onto the cloud based server, there will be considerable savings to the state. He noted the Board's budget does not come from the state's general fund, so there will be no savings to the state if the Board's email system or other

applications were moved to OIT. Instead, it would be a source of income to the state, since OIT will charge the Board a fee similar to other contractors who provide services to the Board.

After discussion regarding the logistics of cloud-based computing, Chairman Rocco called upon Chief Fiscal Officer, Don Leasor, to provide a general analysis comparing the costs of the OIT provided email to the in-house email service currently being used. Mr. Leasor explained that keeping the email in-house would save the Board approximately \$1,800 in direct costs over a seven year period. He stated the cost estimate for in-house service was developed using the historical costs of the server hardware, software, installation, and spam filtering service.

Mr. Leasor explained the cost estimate for OIT provided email service is based on certain assumptions including the number of email accounts, the size of the staff's email boxes, and OIT's current service rates staying constant over the next seven years. He noted OIT's rates are based on the size of email boxes and costs would be higher if the size of the email boxes exceed the amount used in the estimate. He noted OIT's future rates are unknown and could increase. He said from the Board's experience, the cost of purchasing and installing new servers has decreased in recent years; therefore, the cost differential could be a little greater.

Mr. Leasor said a pros and cons list of moving email services to OIT was also developed. On the pros side, OIT's consolidation plan is designed to save the state money. The state regularly updates its software, so the Board would likely always have the most recent software. He said on the cons side, migrating email service to OIT may lead to OIT requesting to manage additional servers, like the STARRS database and website servers, that are currently maintained in-house and there would be additional charges for those services as well.

Mr. Leasor said moving the email service to OIT would have a personnel cost as well. He said there would potentially be an increase in staff time spent handling problems through an outside service provider. Mr. Leasor stated this could result in longer than usual down time for email if there is an issue and the Board must rely on an outside contractor to resolve the issue. He said currently with the in-house server, any service related issues are handled quickly by the Board's own staff. Mr. Leasor said the OIT system is unable to restore email except in cases of disaster recovery. Consequently, in order to safely keep a copy of the historical emails, the Board would still need to backup the email on an in-house server.

Chairman Rocco said the issue of whether to move email service to OIT is complex. He said in order to make a decision, the Board must look at what its needs are and whether OIT or any other outside vendor will meet those needs. He noted that the Board must look to the best interest of its customers and, unless there is a significant cost savings, an opportunity to improve the email service or some other value gained by moving the email service to the state operated system, the Board should consider remaining with the current system. In addition, regardless of who provides the service, the Board requires a contract which specifically defines the term, cost, and response times.

After a discussion regarding the added complexities in working with an outside contractor, probable increased response times, potential indirect costs in the form of staff time, and the value gained by moving the email service to the state operated system, the Board was in agreement that the email service should continue to remain in-house.

Legal Update

Chairman Rocco called upon Assistant Attorney General, Carla Dowling-Fitzpatrick, to update the Board on the status of current court actions.

After a short introduction, Ms. Dowling-Fitzpatrick said that there are four types of cases that she would be reporting on. The first type of case is the foreclosure action case. She explained that foreclosure actions occur with regard to promissory notes and liens, especially tax types of liens. She said the Board can intervene in the foreclosure action in order to give notice to any purchaser of the land of outstanding Fund fees. She said there are currently six foreclosure cases that she is currently working on.

Mr. Hull asked whether there is a mechanism to have the Fund fees recognized as a lien comparable to property taxes so they could be settled through a sheriff's sale. Ms. Dowling-Fitzpatrick noted that a judgment lien could be obtained and then a lien can be filed against the property. She also noted that the Board has injunctive authority to shut down the operation of a gas tank.

Ms. Dowling-Fitzpatrick said the second category of cases are joint enforcement actions. She said in these cases, the Petroleum Board joins the Environmental Enforcement division of the Attorney General's office to jointly file complaints with the goal of cleaning up the site and collecting the outstanding Fund fees. She said there are currently four joint enforcement actions.

Ms. Dowling-Fitzpatrick said the third category of cases are third party claim cases. She said a third party complaint arises when a release occurs and a third party is able to demonstrate harm and files a complaint against the tank owner. She said if the tank owner is granted eligibility under the Fund, the Fund will cover the loss as provided for in the Board's rules and statutes. She said there are currently two third party claim cases.

Ms. Dowling-Fitzpatrick said the last category of cases are subrogation cases. She explained that these cases occur when a third party, such as a contractor performing work on a UST system, causes or contributes to the release of petroleum. She said in these cases the tank owner is entitled to seek reimbursement from the third party for any costs incurred for the loss of business, bodily injury, property damage and cleanup of the release. If the owner is deemed eligible to claim reimbursement for corrective action costs under the Fund, the Board has the statutory right to recover any costs that have been or will be reimbursed to the owner out of the Fund.

Ms. Dowling-Fitzpatrick said the Board has already intervened and filed the necessary pleadings in one third party case, M & A & Sons, LLC versus Santmyer Oil Company, Inc. She said in this case there was a tank overflow which resulted in a large release.

Chairman Rocco requested a motion to ratify the filing of the motion to intervene as co-plaintiff on February 18, 2013, and the filing of the complaint of the co-plaintiff on March 18, 2013, in the matter of M & A & Sons, LLC et al vs. Santmyer Oil Company Inc. et al in Summit County, Ohio. Mr. Hull so moved. Mr. Brown seconded.

Chairman Rocco asked if there were any questions. Hearing none, a vote was taken. All were in favor. The motion passed.

Chairman Rocco said the next step in this case will be to work through to a settlement agreement. He requested a motion to authorize the Chairman and the Executive Director in consultation with the Assistant Attorney General, to make any and all decisions necessary for the Board's subrogation claim against Santmyer Oil Incorporated / SOCI Petroleum Incorporated for the release of petroleum at the M & A & Sons, LLC site located at 10485 Northfield Road, Northfield Village, in Summit County, Ohio. Mr. Hull so moved. Mr. Epperson seconded. Chairman Rocco asked if there were any questions. Hearing none, a vote was taken. All were in favor. The motion passed.

Ms. Dowling-Fitzpatrick said the second subrogation case is Main Street Marathon versus Maximus Consulting, Maximus Tank Management, Liberty Mutual and Liberty Underwriters. She said that Main Street Marathon hired Maximus to perform upgrade work on the gasoline dispensers at the site. The work was not performed properly, which resulted in customers dispensing gasoline fuel for diesel operated engines. She said the faulty work also resulted in gasoline and diesel fuel to leak onto the ground surface at the Main Street location.

Chairman Rocco asked if Fund eligibility had been determined for the site. Executive Director Richmond confirmed that eligibility was granted to the owner. She said the insurer was initially working with the consultant at the site, and paying the consultant directly. However, the insurer is now refusing to pay any additional costs.

Mr. Hull asked if both environmental cleanup costs and third party claims count toward the Fund deductible. Chairman Rocco confirmed that that they both count toward the deductible, and the Fund is exposed only after the deductible is met. Mr. Hull asked if the Fund pays for lost business portions of claims. Chairman Rocco said the Fund only pays for corrective action costs and third party damages.

Chairman Rocco asked if there were any other questions. Hearing none, he requested a motion to authorize the Chairman and Executive Director, in consultation with the Assistant Attorney General, to make any and all decisions necessary for the Board's subrogation claim against Maximus Consulting LLC for the release of petroleum at the Main Street Petroleum, LLC site located at 8 North Union Avenue, Alliance, in Stark County, Ohio. Mr. Hull so moved. Mr. Hightower seconded. A vote was taken, and all were in favor. The motion passed.

Old Business:

Special Counsel Contract

Chairman Rocco noted that a special counsel contract motion is on the agenda. However, since he and Mr. Epperson were in a position that they needed to recuse themselves from the discussions and decisions involving special counsel, there would not be a quorum. He said the motion would be moved to the agenda for the June meeting.

Certificates of Coverage – Ratifications:

Chairman Rocco called upon Starr Richmond, Executive Director, to present the lists of owners who had either been issued or denied a Certificate of Coverage for ratification by the Board.

Ms. Richmond said that behind Tabs 6 and 7 are listings of facilities that, since the January Board meeting, had been issued or denied a program year 2011 or 2012 Certificate of Coverage.

Ms. Richmond said that the process used to review the fee applications and issue or deny a Certificate of Coverage includes a review for completeness to determine full payment has been received; financial responsibility for the deductible has been demonstrated; and, the owner has certified with his signature that he is in compliance with the State Fire Marshal's rules for the operation and maintenance of petroleum underground storage tanks. She said if these requirements are met and if the tanks existed in previous years, a certificate for the subject tanks had been issued to the owner in at least one of the prior two years, then a Certificate of Coverage is issued.

Ms. Richmond explained that if deficiencies or compliance issues are discovered, notice is provided to the owner in accordance with the Board's rules. The owner is provided 30 days to respond to the notice with information to correct the deficiency or compliance issue. If correcting information is not received within this time, a determination denying the Certificate of Coverage is issued to the owner.

She said the Board's rules and the Revised Code make provisions for an appeal of the determination. Ms. Richmond said that throughout this process the Board's staff works with the owner to correct the fee statement record and/or refers the owner to BUSTR to correct the registration record.

Ms. Richmond requested the Board ratify her actions with respect to the issuance of the 2011 program year Certificates of Coverage for the four owners of 18 facilities included on the list behind Tab 6.

Mr. Hull moved to ratify the issuance of the 2011 Certificates of Coverage for the facilities listed. Mr. Epperson seconded. A vote was taken and all of the members were in favor. The motion passed.

Ms. Richmond requested the Board ratify her actions with respect to the denial of the Certificate of Coverage for the 2011 program year for the one facility included on the list behind the Tab 6 blue divider page.

Mr. Hull moved to ratify the denial of the 2011 Certificate of Coverage for the facility listed. Mr. Epperson seconded. A vote was taken and all of the members were in favor. The motion passed.

Ms. Richmond requested the Board ratify her actions with respect to the issuance of the 2012 program year Certificates of Coverage for the 99 owners of the 444 facilities included on the list behind Tab 7.

Mr. Hull moved to ratify the issuance of the 2012 Certificates of Coverage for the facilities listed. Mayor Kuchta seconded. A vote was taken and all of the members were in favor. The motion passed.

Ms. Richmond requested the Board ratify her actions with respect to the denial of the 2012 program year Certificates of Coverage for the 48 owners of 57 facilities included on the list behind the Tab 7 blue divider page.

Mayor Kuchta moved to ratify the denial of the 2012 Certificates of Coverage that were listed. Mr. Hills seconded. A vote was taken and all of the members were in favor. The motion passed.

Executive Session:

Chairman Rocco requested a motion to go into executive session with counsel pursuant to O.R.C. 121.22(G)(3) to discuss matters of pending or imminent court action. Mr. Hull so moved. Mr. Brown seconded. Chairman Rocco called for a roll call. The following members voted in the affirmative: Messrs. Hull, Hightower, Kuchta, Stephenson, Hills and Brown. Chairman Rocco and Mr. Epperson abstained. There were no nays and the motion passed.

Prior to moving into executive session, Chairman Rocco and Mr. Epperson requested to be recused from the executive session. Chairman Rocco turned the meeting over to Vice-Chairman Hull.

Confirm Next Meeting and Adjourn:

Chairman Rocco stated that the next Board meeting will be on Wednesday, June 12, 2013, at 10:00 a.m.

Chairman Rocco reminded members that Financial Disclosure Statements must be filed by May 15, 2013. Chairman Rocco noted that the statements can be mailed in or filed online.

Mayor Kuchta made a motion to adjourn the meeting and Mr. Hills seconded. All were in favor.