



Petroleum Underground Storage Tank Release Compensation Board

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MINUTES OF THE 210th MEETING OF THE PETROLEUM UNDERGROUND STORAGE TANK RELEASE COMPENSATION BOARD October 1, 2025 – 10:00 a.m.

BOARD MEMBERS IN ATTENDANCE

Jim Rocco
Jessica Biggs
Scott Fleming
John Gordon
Brett Hillyer
Ben Miller

EX-OFFICIO MEMBERS IN ATTENDANCE

Jessica Langdon, representing Director John Logue, Ohio Environmental Protection Agency
Jason Anthony, representing Director Sheryl Creed Maxfield, Ohio Department of Commerce
Harold Anderson, representing Robert Sprague, State Treasurer of Ohio

OTHERS IN ATTENDANCE

Starr Richmond	Executive Director, PUSTRCB
Jonathan Maneval	Assistant Director, PUSTRCB
Vijetha Deshineni	Chief Fiscal Officer, PUSTRCB
Cindy Stauffer	Compliance Supervisor, PUSTRCB
Hannah Brame	Claims Supervisor, PUSTRCB
Beth Fligner	Assistant Attorney General
Scott Adams	State Treasurer's Office
Dan Adams	Atlas Technical Consultants
Michael Baker	BJAAM Environmental, Inc.

Minutes submitted by:

Jonathan Maneval
Assistant Director

Call to Order:

Chairman Rocco convened the two hundred-tenth meeting of the Petroleum Underground Storage Tank Release Compensation Board on Wednesday, October 1, 2025.

The following members were in attendance: Jim Rocco; Jessica Biggs; Scott Fleming; John Gordon; Ben Miller; Jessica Langdon, representing Director John Logue, Ohio Environmental Protection Agency; Jason Anthony, representing Director Sheryl Creed Maxfield, Ohio Department of Commerce; and Harold Anderson, representing Robert Sprague, State Treasurer of Ohio.

The following members were not in attendance: Steve Bergman, Larry Burks, and Dan Ridi.

Chairman Rocco announced that three Board members had been reappointed for another three-year term. Those members are Jim Rocco, Steve Bergman, and Scott Fleming.

Chairman Rocco announced that Brett Hillyer had been appointed to the Board as the representative of local governments and called on him to briefly introduce himself. Mr. Hillyer said he is an attorney from Tuscarawas County, practicing largely in real estate and has done a fair number of transactions involving gas stations and dealing with the implications of underground tanks. He said he also represents several villages in the area. The chairman welcomed him to the Board and thanked him for agreeing to serve.

Minutes:

Chairman Rocco asked if there were any comments or questions regarding the minutes from the June 11, 2025 Board meeting and there were none. Mr. Anderson moved to approve the minutes and Mr. Gordon seconded. A vote was taken, and all were in favor. The minutes were approved as presented.

Election of Officers and Committee Member Appointments:

Chairman Rocco requested nominations for chairman and vice-chairman for the 2026 fiscal year. Mr. Fleming nominated Jim Rocco as chairman and Mr. Anderson nominated Scott Fleming as vice-chairman. Hearing no other nominations, Mr. Rocco requested a motion for Mr. Fleming and himself to serve as Board vice-chairman and chairman, respectively. Mr. Gordon so moved, and Mr. Miller seconded. A vote was taken, and all were in favor. The motion passed. Mr. Rocco will serve as chairman and Mr. Fleming will serve as vice-chairman.

Finance and Rules Committee Appointments

Chairman Rocco stated that the chairman and vice-chairman serve on both the Finance and Rules Committees. The chairman requested the designee from the State Treasurer's Office serve on the Finance Committee and Mr. Miller volunteered to also serve on the committee. The chairman requested the designee from the Department of Commerce to serve on the Rules Committee and Mr. Hillyer volunteered to also serve on the committee.

2026 Meeting Dates

Chairman Rocco set the following meeting dates: January 14, February 11, March 11, June 10, September 9, and November 18, 2026. All meetings will begin at 10:00 a.m.

BUSTR Report:

Chairman Rocco called upon Jason Anthony, Bureau Chief, to present the Bureau of Underground Storage Tank Regulations' (BUSTR) report.

Mr. Anthony stated that, at the time the BUSTR report was issued, there were two open positions. However, he noted an Environmental Specialist II from ODNR (Ohio Department of Natural Resources) had recently started, and another Environmental Specialist II would be starting later in the month. He remarked that Dave Biskner retired in June 2025 and inspector Dave Davis also retired. He stated that the vacant inspector position is being filled by Brodie Sadowski, a retiree from the Akron Fire Department. He noted that inspector Michael Kelly would be switching to cover the Cleveland area and Mr. Sadowski would be taking over the northeast area.

Mr. Anthony said the fiscal staff started the responsible party search process for the fiscal year. He explained that the U.S. Environmental Protection Agency (U.S. EPA) provides funding for BUSTR to contract with companies to do title and deed searches to identify the responsible parties when there is an old site with a release and the responsible persons or parties are unknown.

Mr. Anthony reported that 37 NFAs (no further action actions) were issued in the month of July 2025, and 348 NFAs had been issued for fiscal year 2025 (October 1, 2024 – September 30, 2025). He stated that 1,416 report reviews were completed in the month of July 2025, and 12,609 report reviews had been completed for fiscal year 2025. He noted that the new fiscal year started October 1, 2025, and the three-year inspection cycle ended July 31, 2025. He explained that the low number of new federal inspections was due to the close out of the inspection cycle. He added that very few sites went to enforcement because of the new BUSTR database.

Mr. Anthony stated that the leaking underground storage tank grant (LUST grant) and underground storage tank grant (UST grant) monies that fund the corrective action and inspection/release prevention sides of the program had been received. He said at the National Tanks Conference they heard zero money was budgeted by the federal government for release prevention for the next year, but he is hopeful congress will allocate some money. He said they had heard it might be a 15% reduction, which would be on par with recent reductions. He said they are getting to a point now that BUSTR is not receiving enough grant money to cover the release prevention field staff and they are starting to heavily draw down on registration money to pay for the field staff. Chairman Rocco said going forward there is a higher probability of losing money than gaining money given the way things are going on the federal side right now, particularly with the government shut down. He commented that a budget has not been approved by the federal government in five or six years and everything has been done through continuing resolutions.

Chairman Rocco said the original federal underground storage tank (UST) regulations went into effect in 1989, a lot of UST installations and work was done in the 1990s, and there is now a big debate of what to do with the aging tank population. Mr. Anthony said close to 50% of all tanks in Ohio were installed prior to 30 years ago. The chairman said the older a tank gets, the higher the likelihood it could have a release. He said it could cost a lot of money to tank owners, the Fund, and BUSTR, and it is something everyone is going to have to look at dealing with. He said release detection is a big issue and commented that bigger companies do a good job of maintaining their systems, but the little

operators may or may not be doing what needs to be done. He said smaller operators do not necessarily have the money to deal with a major release, and they are the ones that are more likely to have a potential release.

Mr. Anthony commented that BUSTR is even finding problems with new installations and the challenge to BUSTR is they do not have enough people to be auditing permit work. He said it is impossible to do with only 10 people for 88 counties. Chairman Rocco said right now the only way for BUSTR to deal with that is through increasing fees, which is another burden on the tank owner. Mr. Anthony said the permit fee was \$25 in 1987 with minimal increases to its current fee of \$100 per tank. He said if federal funding continues to be cut, some decisions will need to be made concerning the release prevention side of the program. Chairman Rocco asked if local fire departments could be doing some of the inspections, and Mr. Anthony said many local fire departments do not have the people to do it. He said it eats up so much of their time for little reward and when there are limited resources the BUSTR delegation is the first thing to go.

Mr. Anthony reported that the number of registered tanks is going up but the number of registered facilities is going down slightly. He said it is a trend similar to that reported by other folks at the National Tanks Conference.

Financial Reports:

Chairman Rocco called upon Vijetha Deshineni, Chief Fiscal Officer, to present the financial reports.

Audit Update

Ms. Deshineni said the audit entrance meeting with the auditors is scheduled for October 6, 2025, and she anticipates the in-house portion of the audit to begin in the last week of October. She commented that the audited financial statements are due to the Auditor of State by December 31, 2025.

May, June, July, and August Financials

Ms. Deshineni said the May, June, July, and August financials were emailed to each member. She said she would be discussing the August 2025 financial report.

Ms. Deshineni reported that, as of September 30, 2025, the unobligated account balance was \$22.02 million. She said this amount includes \$5.36 million in STAR Ohio (State Treasury Asset Reserve of Ohio) and \$740,000 in the custodial account, and \$15.92 million invested in U.S. treasuries and U.S. agency callable bonds. She said the obligated account balance for the payment of claims is \$7.05 million.

Ms. Deshineni said tank revenues would be discussed as part of her fee statement statistics report.

Ms. Deshineni said the claims expense for the month of August was \$660,000. She said since July 1, 2025, a total of \$1.26 million had been paid for claims for fiscal year 2026. She noted this amount is 15.75% of the \$8 million obligated by the Board for the payment of claims for fiscal year 2026.

Ms. Deshineni said as of August 31, expenses should be about 16.67% of the amounts budgeted for the fiscal year and reported all expenses are at or below where they should be at this time, except for

postage expenses, which are at 58.73% of the budgeted amount. She explained this is due to postage fees for the final quarter of fiscal year 2025 being paid in July 2025. She said this includes fees for the annual fee statement mailing, which is sent by certified mail, as required by statute. She pointed out that legal and professional expenses were high in July and said this was due to the Assistant Attorney General services' fees for the final quarter of fiscal year 2025 being paid in July 2025.

Ms. Deshineni reported that total operating expenses for August were approximately \$165,000.

Fee Statement Statistics

Ms. Deshineni said as of August 31, 2025, the per-tank fees collected for the current program year 2025 were \$8.07 million, which represents 97% of the billed amount. She said between July 1 and August 31, 2025, approximately \$180,000 was collected for prior years' fees, net of refunds of \$7,500. She said for the same period in the previous fiscal year, \$8 million in tank fees for program year 2024 were collected, and \$46,000 in prior year fees were collected net of refunds of \$7,000.

Ms. Deshineni said between the fee statement mailing in April 2024 and August 31, 2025, \$8.6 million was collected for program year 2024 fees and approximately \$126,000 was collected for prior year fees net of refunds paid of \$102,000. She said, for program year 2025, a total of 15,822 tanks were billed at the standard deductible (\$55,000) per-tank fee and 5,099 tanks were billed at the reduced deductible (\$11,000) per-tank fee. Ms. Deshineni said as of August 31, 2025, fees had been paid at the standard deductible rate for 14,886 tanks and at the reduced deductible rate for 4,978 tanks. She said fees for a total of 19,864 tanks had been paid by 2,790 owners.

She said this compares to fees being paid for 19,748 tanks by 2,813 owners for the same prior year period.

Chairman Rocco said 95% of the tanks paid is a pretty good response for fees this year. He pointed out that 20,921 tanks were billed and 19,864 were paid and commented that some of those sites with unpaid tanks are probably no longer active.

Compliance and Fee Assessment Report:

Chairman Rocco called on Cindy Stauffer, Compliance Supervisor, to present the compliance and fee assessment report.

Ms. Stauffer stated that the information being reported reflects numbers as of August 31, 2025, unless otherwise noted. She reported that refunds totaling \$7,138 had been paid since July 1, 2025. She said there are currently 2,641 pending refunds, which total \$1,513,711. She said \$8,500 of pending refunds had been used to offset outstanding fees during this program year. She said since July 1, 2025, the fees collected by the Attorney General's Office and Special Counsel less collection costs total \$29,022. She said the staff is in the process of finalizing the next certification and hopes to submit it to the Attorney General's Office soon.

Ms. Stauffer said three Orders Pursuant to Law and one Determination to Deny a Certificate of Coverage are currently under appeal and information to support those appeals is expected. She said since the June meeting, one Determination to Deny a Certificate of Coverage appeal had been closed.

Ms. Stauffer stated that currently there are no Ability to Pay Applications pending review. The Ability to Pay program allows former UST owners experiencing financial difficulty to apply for and receive a determination of their ability to pay delinquent fees.

Ms. Stauffer reported that, as of September 2, 2025, Certificates of Coverage had been issued to 2,188 owners for program year 2025. She said there are 585 Applications for Certificates of Coverage currently being processed. She said for program year 2025, there are 17 owners with unresolved Pending Denials. She noted that, as of September 2, 2025, no Determinations to Deny a Certificate of Coverage had been issued for program year 2025.

Ms. Stauffer stated that there are 35 owners with uncashed refund checks totaling \$43,326. She said there are 14 owners with potential refunds totaling \$83,246 to whom more information request letters had been sent notifying them that additional information is needed before the refund may be issued. She said a second more information request letter will be issued to these owners. She said 43 owners with possible refunds totaling \$70,095 have not responded to the final more information request letters.

Claims Reports:

Chairman Rocco called on Hannah Brame, Claims Supervisor, to present the claims reports.

Ms. Brame reported that a Claims Analyst, Val Gatallin, had recently retired and commented that, in the 12 years he worked for the Board, he settled \$30 million worth of claims. She said candidates to fill the vacancy will be interviewed in the next couple of weeks.

Ms. Brame reported, as of September 2, 2025, the total maximum liability of in-house open claims is approximately \$7.63 million. She said using the claim payout ratio of 74%, which is the average ratio over the past five years, the anticipated payout of unpaid in-house claims is about \$5.65 million.

Ms. Brame reported, as of September 2, 2025, a total of 429 claims with face values above the deductible amount were pending review and noted that review of eight claims is being held pending receipt of requested information. She reported that the claims staff are currently reviewing claims received prior to January 2025. She stated that, as of September 2, 2025, 11 claim determinations were under appeal and noted that these appeals pertain to only seven release sites, as there are multiple appeals for two of the sites. She said the staff is awaiting supporting information for 10 appeals and one appeal had been closed since September 2, 2025.

Ms. Brame reported that, during program year 2024, a total of 577 claim determinations were issued for a total face value of \$12.7 million. She said, on average, 48 claim determinations were issued per month with an average payment of \$11,793 per claim. She noted a settlement agreement was executed in November of 2024 with a \$0 payout, which resulted in a higher than typical percentage of disallowed costs for that program year. She stated that, as of September 2, 2025, a total of 64 claim applications were received, and 106 claim determinations were issued for program year 2025. She said the average payout per claim application for program year 2025 is \$8,310, and the average claim payout is 51.4% of the net claim value (face value – deductible). She said the average percentage of the claim face value that was disallowed was 39%. She said of the \$833,844 disallowed as not reimbursable, approximately \$108,000 was for non-reimbursable closure costs or for disposal of a stockpile generated during UST

system removal that did not exceed the action levels, about \$195,000 was for late-filed costs, and \$249,000 was for costs not associated with an eligible release. She said these major issues account for approximately \$552,000 or 26% of the face value that was disallowed and the remaining 13% was disallowed for other reasons, such as non-reimbursable markup, costs exceeding what are typical, undocumented costs, and other reasons. She said the staff will continue to monitor the percentage of disallowed costs.

Ms. Biggs asked how the deductibles work, and Ms. Brame explained that the deductible amount depends on the fees that are paid. She said the standard deductible is \$55,000. Responsible persons owning, or owning or operating, a total of six or fewer tanks can elect to pay a higher fee for a reduced deductible of \$11,000. Chairman Rocco said the fee and deductible structure was designed to help smaller tank owners, so they can have the lower \$11,000 deductible for a higher fee.

Ms. Brame reported that, during program year 2024, a total of 100 eligibility applications were received, and 74 eligibility determinations were issued, averaging eight received and six determined per month. She said as of September 2, 2025, a total of nine eligibility applications were received, and eight eligibility determinations were issued for this program year. She said the reasons for denial included two for late filing of the application, one for lack of a valid Certificate of Coverage, one for tanks being out of compliance with BUSTR's rules at the time of the release, and two for no corrective action being required by BUSTR. She reported that, as of September 2, 2025, a total of 156 eligibility applications were open. She noted that 19 applications were unreviewable until the necessary reports are received, and more information has been requested for 18 applications. She noted that, as of September 2, 2025, six eligibility determinations were under appeal. She said additional information is expected for two appeals, information for three appeals has been received and is under review, and a hearing has been scheduled for one appeal.

Mr. Gordon questioned what is meant by "unreviewable" and how it is different than "more information requested." Ms. Brame explained that "unreviewable" means the eligibility application was submitted without a report or enough information to demonstrate whether a release is confirmed or not. She said typically an application will start in unreviewable status until a more information request letter is sent. She said sometimes information suggests that the report needed to evaluate the application is not available yet. Chairman Rocco said people are encouraged to file an eligibility application as soon as a release is suspected, but depending on where they are at in the investigation, they may not have enough information to know whether corrective actions are required, or additional work needs to be done. He said the application may just sit until the information comes out and they are not being held to a timeline. He said when a letter goes out requesting information, there is a timeframe for the requested information to be submitted.

Ms. Biggs asked if there had ever been any consideration to give older tanks a higher deductible. Chairman Rocco said it had not been considered but it might need to be considered at some point. He said a challenge with the aging tank population is that many tanks came with a 30-year warranty and are at the end of that warranty. He said the aging tank question will be a challenge to address. He said it could be a matter of enhanced release detection or mandating the replacement of tanks. He remarked that tank replacement could cost between \$250,000 and \$1 million depending on the number and size of the tanks and it is a tough decision for a tank owner to make when the tanks become 30 years old.

He pointed out that most tank replacements are tied to facility remodeling. Ms. Biggs said in the insurance industry, the older the tank, the higher the retention, and when the tanks reach 30 plus years, the retentions get quite sizable. Chairman Rocco said it is a great question, and one that everybody is wrestling with at the moment. He said ASTM is working on a standard dealing with aging tanks and the U.S. EPA is looking at it as well, and hopefully some guidance will come out. Mr. Anthony said they really need to sunset tank systems, and no one wants to do that. The chairman said if there is forced replacement it would mean a lot of small owners would be going out of business. He said close to 50% of all tank owners closed between 1990 and 2000, and there continues to be a reduction of about 15 to 20% of tank owners since then due to consolidations - larger jobbers buying up smaller jobbers. He said another challenging problem is older fiberglass tanks and non-compatible fuels, such as high ethanol fuels and biodiesel. He said internal corrosion is the new issue, where external corrosion was the primary failure mechanism earlier.

Ms. Brame reported that, during program year 2024, a total of 127 cost pre-approval requests were received and 158 cost pre-approval notifications were issued. She said as of September 2, 2025, a total of 23 cost pre-approval requests were received. She said the cost pre-approval requests include four requests for new remedial action plans; eight requests for annual costs for remedial action plans or free product recovery; one request for an interim response action requiring BUSTR approval; seven requests for either Tier 3, monitoring or calibration plans; one cost exceedance notification; and two voluntary requests for cost pre-approval. She said as of September 2, 2025, a total of five cost pre-approval notifications had been issued and 42 cost pre-approval requests were pending review. She said as of October 1, 2025, an additional 22 cost pre-approval notifications had been issued.

New Business:

Custody Asset Change

Chairman Rocco called on Scott Adams, Director of Investments, with the State Treasurer's Office to discuss a change to the custody of the Board's investments.

Mr. Adams said, as was mentioned earlier in the meeting, the Board has about \$15 million invested in a ladder bond portfolio, which has been in the custody of Huntington Bank. He said Huntington Bank sold its institutional custody business to a firm out of Florida that is not licensed to do business in Ohio. He explained that the State Treasurer's Office made the decision to move any custody assets in Huntington Bank to other banks, and as a result, the Board's bond ladder portfolio will be moved to Fifth Third Bank, effective December 1, 2025. He said the good news is that the fees will go down from about one and a quarter basis points to one basis point. In addition, it will be more efficient in terms of trading operations because the Treasurer's Office will be able to use SWIFT messaging, which is something they use for other state investments. Chairman Rocco asked if STAR Ohio will also be at Fifth Third Bank and Mr. Adams confirmed that STAR Ohio is in the custody of Fifth Third Bank and commented that it has been with Fifth Third Bank for a while now. The chairman asked if there were any changes in the investments, and Mr. Adams explained that the only difference is the staff will go to the Fifth Third Bank website to get information they had previously gotten from a Huntington Bank website.

Certificates of Coverage – Ratifications:

Chairman Rocco called on Cindy Stauffer, Compliance Supervisor, to present the lists of owners who have been issued or denied a Certificate of Coverage for ratification by the Board.

Ms. Stauffer said 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 was 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 USTs; and, if the tanks existed in previous years, a Certificate for the subject tanks has been issued to the owner in at least one of the prior two years. She said if a Certificate has not been issued in one of the prior two years and the tanks existed during those years, the owner must comply with rule 3737-1-04.1 by demonstrating the tanks are in compliance with the State Fire Marshal's rules for the operation and maintenance of USTs.

Ms. Stauffer stated that, if the requirements are met, a Certificate is issued. She said if the requirements are not met, the Certificate is denied. She explained that if the Certificate is denied, the owner is provided with an opportunity to appeal the denial. She said that, throughout the denial process, the Board's staff works closely with the owner to resolve any deficiencies. She stated that all processes within the Board's rules and Revised Code were followed to make a determination to issue or deny the Certificates of Coverage.

Ms. Stauffer requested the Board ratify the Director's actions with respect to the issuance of the program year 2024 Certificates of Coverage for the 27 owners of the 68 facilities included on the program year 2024 Certificates issued list.

Mr. Gordon moved to ratify the issuance of the 2024 Certificates of Coverage for the facilities listed. Mr. Miller seconded. A vote was taken, and all members were in favor. The motion passed.

Ms. Stauffer requested the Board ratify the Director's actions with respect to the denial of the program year 2024 Certificates of Coverage for the 136 USTs located at the 47 facilities included on the program year 2024 Certificates denied list.

Mr. Gordon moved to ratify the denial of the 2024 Certificates of Coverage that were listed. Mr. Anderson seconded. A vote was taken, and all members were in favor. The motion passed.

Ms. Stauffer requested the Board ratify the Director's actions with respect to the issuance of the program year 2025 Certificates of Coverage for the 2,111 owners of the 4,113 facilities included on the program year 2025 Certificates issued list.

Vice-Chairman Fleming moved to ratify the issuance of the 2025 Certificates of Coverage for the facilities listed. Mr. Gordon seconded. A vote was taken, and all members were in favor. The motion passed.

Ms. Stauffer requested the Board ratify the Director's actions with respect to the denial of the program year 2025 Certificates of Coverage for the 18 USTs located at the five facilities included on the program year 2025 Certificates denied list.

Vice-Chairman Fleming moved to ratify the denial of the 2025 Certificates of Coverage that were listed, and Mr. Anderson seconded. A vote was taken, and all members were in favor. The motion passed.

Confirm Next Meeting and Adjourn:

Chairman Rocco said the next Board meeting will be held on Wednesday, November 19, 2025, at 10:00 a.m. He said the Finance Committee would be meeting at 9:00 a.m. prior to the Board meeting.

Mr. Anderson made a motion to adjourn the meeting and Vice-Chairman Fleming seconded. All members were in favor.