



# Petroleum Underground Storage Tank Release Compensation Board

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## MINUTES OF THE 178th MEETING OF THE PETROLEUM UNDERGROUND STORAGE TANK RELEASE COMPENSATION BOARD January 9, 2019 – 10:00 a.m.

### BOARD MEMBERS IN ATTENDANCE

Jim Rocco  
John Hull  
Steve Bergman  
Robert Cantrell  
Don Bryant  
Ron Falconi  
Scott Fleming  
Stephen Hightower II  
Tom Stephenson

### EX-OFFICIO MEMBERS IN ATTENDANCE

Verne Ord, representing Director Jacqueline Williams, Ohio Department of Commerce  
Donna Waggener, representing Director Craig Butler, Ohio Environmental Protection Agency  
J.D. Pisula, representing Josh Mandel, State Treasurer of Ohio

### OTHERS IN ATTENDANCE

Starr Richmond	Executive Director, PUSTRCB
Madelin Esquivel	Assistant Director, PUSTRCB
Rick Trippel	Claims Supervisor, PUSTRCB
John Hickey	Fiscal Specialist, PUSTRCB
Jonathan Maneval	Executive Assistant, PUSTRCB
Cindy Knight	Senior Accounts Coordinator, PUSTRCB
Val Gatallin	Claims Analyst, PUSTRCB
Leigh Bayer	Assistant Attorney General
Bill Kennedy	Kennedy Cottrell Richards
Craig Schorr	AllianceBernstein L.P.
Dan Adams	ATC Group Services LLC
Doug Darrah	ATC Group Services LLC
Jodi Handlin	BJAAM Environmental, Inc.
Gay Lynn Shipley	1st Stop, Inc.
Robert Shipley	1st Stop, Inc.

Minutes submitted by:

  
Jonathan Maneval  
Executive Assistant

**Call to Order:**

Chairman Rocco convened the one hundred and seventy-eighth meeting of the Petroleum Underground Storage Tank Release Compensation Board on Wednesday, January 9, 2019.

The following members were in attendance: Jim Rocco; John Hull; Steve Bergman; Don Bryant; Robert Cantrell; Ron Falconi; Scott Fleming; Stephen Hightower II; Tom Stephenson; Verne Ord, representing Director Jacqueline Williams, Ohio Department of Commerce; Donna Waggener, representing Director Craig Butler, Ohio Environmental Protection Agency; and J.D. Pisula, representing Josh Mandel, State Treasurer of Ohio.

Chairman Rocco welcomed Robert Cantrell who Governor Kasich appointed to the Board as the representative of retail petroleum dealers. Mr. Cantrell briefly introduced himself and discussed his role with 1<sup>st</sup> Stop, Inc.

**Minutes:**

Chairman Rocco asked if there were any comments or questions regarding the minutes from the November 28, 2018 Board meeting and there were none. Vice-Chairman Hull moved to approve the minutes. Mayor Falconi seconded. A vote was taken and all were in favor. Mr. Bryant was not present for the vote. The minutes were approved as presented.

**BUSTR Report:**

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

Mr. Ord reported that he had been assigned as Interim Bureau Chief effective November 5, 2018. He said that Pat Bulzan was moved into a position as enforcement coordinator in the release prevention and inspection division of the program. He noted the position had been vacant since the passing of Lynne Caughell.

Mr. Ord said that BUSTR is working with three private vendors to gather information to identify the parties responsible for the investigation and cleanup of releases from petroleum underground storage tanks (USTs). He said the U.S. Environmental Protection Agency (U.S. EPA) provided \$65,000 of grant money to perform 65 responsible party searches for the fiscal year and the vendors had completed their research for 13 sites.

Mr. Ord stated that BUSTR continues to work with the Ohio Development Services Agency, in partnership with the Ohio EPA, in administering the Abandoned Gas Station Cleanup Grant Program. The program provides grant funding to local governments and community improvement corporations to be used for the cleanup of abandoned gas station sites. He noted that \$30 million has been allocated for the program and \$12,631,000 of that money has been awarded. He said that 68 of the 82 grant applications submitted have been approved and 14 applications are currently under review. He said that 13 properties have been cleaned up and are ready for redevelopment.

Mr. Ord said that BUSTR employees are required to participate in certain training provided by the Department of Commerce Human Resources staff. He said additional training opportunities are offered to the staff such as U.S. EPA webinars with topics including cleanup technologies, new toxicological data, and different ways of calculating risk. He stated that certified installer and certified inspector courses will be offered to fire departments who have delegation of authority from the Fire Marshal in February and March 2019.

Mr. Ord said that all of BUSTR's administrative rules had been through the five-year rule review process except the Revolving Loan Fund rule which is due on February 1, 2019. He said an extension request will be submitted to the Joint Committee on Agency Rule Review prior to the February 1, 2019 filing deadline and the intent is to have the amended rule become effective on August 1, 2019. He said the only change being made is to update a reference to the current codified federal regulations.

Mr. Ord stated that, as of December 29, 2018, a total of 7,030 operational compliance inspections were performed for the three-year inspection cycle. He noted that 130 compliance inspections need to be completed within the next month and half, and the inspectors should easily meet that deadline. He said that a total of 117 NFAs (no further actions) had been generated for the fiscal year.

Mr. Ord stated that, as of December 29, 2018, there were 21,163 registered USTs and 3,544 owners of 7,141 registered facilities. He said there are 2,163 active petroleum releases and 1,369 active UST closures. He explained that the active closures include tank removals where the responsible party has not submitted the closure report as well as closures where the party that removed the tanks is not the responsible party and the closure remains open.

Mr. Ord stated that BUSTR has granted no further action status for 30,474 petroleum release incidents since the inception of the program. He commented that at the origination of the program the federal estimate projected no more than 2,000 cleanups in the State of Ohio. In addition, the BUSTR program was expected to sunset after 10 years.

Chairman Rocco asked if any issues had arisen from the rule change requiring the testing of containment sumps and spill buckets. Mr. Ord responded saying owners having issues with their spill buckets are obtaining permits and replacing them and commented that citations are being issued if the spill buckets cannot hold water. He noted that the staff has been meeting to address permit requirements for the replacement of shear valves. He explained that at fueling stations with no under-dispenser containment there is a question of what triggers an investigation if the impacted shear valves worked properly and no petroleum is released. He said many contractors were obtaining routine maintenance permits in order to repair the damaged shear valves but these repairs are not considered to be routine maintenance. He said they are working through ideas and will consult with others to establish a policy to address the issue until it can be formalized during the next five-year rule review.

### **Financial Reports:**

Chairman Rocco called upon John Hickey, Fiscal Specialist, to present the financial reports.

### ***Audit Report***

Mr. Hickey explained that, as discussed at the November meeting, the audit report was to be filed with the Auditor of State by December 31, 2018. However, because the work being done by the independent actuary took longer than anticipated, the audit could not be filed by the deadline. He explained that the Auditor of State approved an extension of time and the final audit reports and financial statements for fiscal year 2018 were submitted to the Auditor of State's Office on January 8, 2019. Mr. Hickey pointed out that the final reports, including a copy of the independent actuary's report and management's claim liability study, were included with the meeting materials.

Mr. Hickey then introduced Bill Kennedy, a representative from the accounting firm of Kennedy Cottrell Richards, and asked him to discuss the audit report. Mr. Kennedy thanked Mr. Hickey and conveyed his appreciation to the staff for their efforts in answering questions and responding to numerous requests for documentation and information during the audit process. He explained that the Auditor of State's Office will perform a desk review of the audit which could take anywhere from two weeks to two months. He said once their review is complete, they will certify the audit, and it will be publicly released.

Mr. Kennedy directed the members to the Independent Auditor's Report and briefly explained the scope of the work conducted during the audit process. He said their firm audited the financial statements and also reviewed the management's discussion and analysis section as well as the three supplementary schedules. He said they do not audit this section but performed some limited procedures to check for obvious errors. He noted that any significant deficiencies would have been reported. He pointed out that the opinion is presented in the final paragraph of the first page of the report and explained it expresses a clean opinion; meaning the financial statements are fairly stated in accordance with generally accepted accounting principles.

Mr. Kennedy then referred the members to their second report titled Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by Government Auditing Standards. He explained that this report is required since the Board is a governmental entity. He said that, as part of the audit, management's internal controls over the financial process are reviewed to determine whether the controls are in place and operating. He said there were no control issues found. He explained that if there was a significant deficiency or material weakness, a separate schedule of findings would be reported, but there were no findings. He said that as part of the audit they also test for compliance with material laws and regulations and look for any contracts that could impact the financial statements. He said there were no material instances of noncompliance to report.

Chairman Rocco asked if there were any significant changes to the report from the draft that had been previously sent to the Board members. Mr. Kennedy said there were no significant changes and only a few typographical corrections or minor wording changes were made.

Mr. Hickey explained that the fiscal year 2018 audit was the final year of a five-year contract with Kennedy Cottrell Richards. He said that the Auditor of State has implemented a process where the existing contract with Kennedy Cottrell Richards could be extended for another five-year period if the parties come to an agreement and a reasonable fee is set. He said the alternative would be to solicit

bids through the Auditor of State's request for proposal process for a new five-year audit contract. He explained that the Auditor of State was notified of our interest in extending the contract, and Kennedy Cottrell Richards provided a proposed fee schedule for fiscal years 2019 through 2023 totaling \$222,400. He noted that this is an increase of approximately \$23,000 over the prior five-year contract total of \$199,465. He said given the good working relationship and staff overall satisfaction with Kennedy Cottrell Richards, the recommendation is to extend the contract, and requested the Board approve entering into a contract with Kennedy Cottrell Richards in an amount not to exceed \$222,400 for the audits of fiscal years 2019 through 2023.

Chairman Rocco asked if the existing contract would simply be extended or if there would be new contract language. Executive Director Richmond explained that the contract would remain the same with only the amounts being changed. Chairman Rocco said that, in his opinion, Kennedy Cottrell Richards has done an excellent job and commented that the audit process has gone smoothly the last five years. He asked if there were any questions concerning the proposed contract extension and there were none. He then requested a motion to authorize the Chairman on behalf of the Board to enter into and sign a five-year agreement in an amount not to exceed \$222,400 with Kennedy Cottrell Richards for auditing services for fiscal years 2019 through 2023. Vice-Chairman Hull so moved and Mr. Stephenson seconded. A vote was taken and all were in favor. The motion passed.

#### ***October and November Financials***

Mr. Hickey said the October and November financials were emailed to each member.

Mr. Hickey reported as of January 8, 2019, the unobligated account balance is \$26.5 million. He said this amount includes \$10.5 million in STAR Ohio (State Treasury Asset Reserve of Ohio) and the custodial account, and \$16 million invested in U.S. treasuries and U.S. agency callable bonds. He said at the June Board meeting, \$9 million was obligated for the payment of claims and the obligated account balance as of January 8, 2019, is \$5.7 million.

Mr. Hickey said that as of November 30, 2018, expenses should be around 41.7% of the amount budgeted for the fiscal year. He said, the claims expense for the month of November was about \$529,000, and to date, approximately \$3.3 million had been paid for claims for fiscal year 2019.

Mr. Hickey reported that as of November 30, 2018, approximately 98% of the budgeted revenues, net of refunds, had been collected. He said information on refunds and fee collections would be presented with the compliance and fee assessment report.

Mr. Hickey reported that operating expenses for the month of November were approximately \$205,000. He said that as of November 30, 2018, rent expenses were 49.3% of the amount budgeted. He explained that this amount includes the lease payment for the month of December, which was paid in the month of November. He reported that legal and professional expenses were 53.2% of the amount budgeted. He explained that these expenses include fees for the Assistant Attorney General's services from the fourth quarter of fiscal year 2018 and the first quarter of fiscal year 2019, as well as payments for the annual audit and the services of the actuarial firm used to assist with the development of the unpaid claims liability estimate.

Mr. Hickey stated that employee expenses are at 54.1% of the amount budgeted. He said these expenses include the catering costs for the Rules Committee meeting and the Ashland mediation. He pointed out that telephone expenses were 47.4% of the amount budgeted. He explained that this amount includes payment made in the month of November for December telephone and internet services.

Mr. Hickey said postage expenses were 60.8% of the amount budgeted. He said this was due to postage fees for the final quarter of fiscal year 2018 being paid in August of fiscal year 2019. He said these charges include fees for the annual fee statement mailing, which is sent by certified mail. He said that other expenses are at or below where they should be at this time in the fiscal year.

Mr. Hickey asked if there were any questions or concerns regarding the reports and there were none. Chairman Rocco commented that it would probably be beneficial to present a summary of the claim liability estimate report to the Board. He pointed out that a lot of information is included in the lengthy report and it would be helpful for the Board members to understand the numbers behind the estimate.

#### **Compliance and Fee Assessment Report:**

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

Ms. Esquivel reported, as of December 31, 2018, refunds totaling \$50,402 have been paid to 44 owners for the 2018 program year. She said there are 2,631 pending refunds totaling \$1,413,146. She said that \$21,060 in refunds was used to offset prior years' outstanding fees. She reported, as of December 31, 2018, the fees collected by the Attorney General's Office and Special Counsel less collection costs totaled \$128,575. She said no accounts have been certified to the Attorney General's Office for collection since July 1, 2018. She said a certification of 16 owners with outstanding fees totaling about \$64,000 will be certified by the end of the month. She said thereafter, the unpaid 2018 program year's fees will be sent to the Attorney General's Office for collection.

Ms. Esquivel said five Orders Pursuant to Law were under appeal and information to support the appeals is expected. She said that one Determination to Deny a Certificate of Coverage was under appeal and a hearing for that appeal was held. The Board upheld the determination, and it was then appealed to the Court of Common Pleas.

Ms. Esquivel stated that three Ability to Pay Applications were currently under 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. Esquivel reported that a total of 2,827 Certificates of Coverage had been issued thus far for program year 2018. She said there were 209 Applications for Certificates of Coverage currently in process. She said a total of 55 notifications of Pending Denial had been issued. She said that as of December, 31, 2018, no Determinations to Deny a Certificate of Coverage had been issued. However, a handful of Determinations were issued on January 8, 2019, and will be included on the report at the March meeting.

Ms. Esquivel stated that there are 42 uncashed refund checks, totaling \$45,923. She said there were nine owners with pending refunds totaling \$13,135 who have been sent letters notifying them that more information is needed before their refunds may be issued. She said there were 35 owners with pending refunds totaling \$66,780 for which information had been requested, but no responses have been received.

Ms. Esquivel stated that the Fiscal and Compliance staff have a goal of processing \$225,000 in refunds this program year. She said the refunds paid and the credits applied to outstanding fees total \$71,462, which is 32% of the refund goal that was set for the program year

### **Claims Reports:**

Chairman Rocco called on Rick Trippel, Claims Supervisor, to present the claims reports.

Mr. Trippel said as of December 31, 2018, the total maximum liability of in-house open claims is just under \$30.4 million. He said that using the historic claim payout ratio of 75%, the actual anticipated claim liability of unpaid in-house claims is about \$22.8 million; or using the more current claim payout ratio of 80%, the actual anticipated claim liability of unpaid in-house claims is about \$24.3 million.

Mr. Trippel reported that, as of December 31, 2018, a total of 1,507 claims with a total face value above the deductible amount were pending review and a total of 11 claim settlement determinations were under appeal. He noted that since November 1, 2018, one new claim settlement appeal was received and two claim settlement appeals were resolved. He reported that the claims staff are currently reviewing claims received in the month of December.

Mr. Trippel said that, since the program year began on July 1, 2018, a total of 259 claims were received and 213 claims were settled, and an additional seven were closed for releases where the total face value was below the deductible amount when BUSTR issued an NFA determination. He stated that the average payout per claim application was \$11,124. He pointed out that the average claim payout ratio was 84% of the net value (face value - deductible) and on average 13.5% of the claim face value was disallowed. He noted that the claim payout ratio is slightly higher and the percentage of disallowed costs is slightly lower in comparison to the averages for program year 2017.

Mr. Trippel said that, thus far in the 2018 program year, 41 eligibility applications were received with 20 of the applications being received in the month of December. He reported that 25 eligibility determinations were issued and of these eligibility determinations, 21 were approved and four were denied. He said that three applications were denied for no corrective action work being required by BUSTR and one application was denied for out-of-compliance USTs. He said currently, 47 eligibility applications are pending review and four eligibility determinations are under appeal.

Mr. Trippel reported that, during the 2018 program year, 67 requests for cost pre-approval had been received, which includes 11 requests for pre-approval of costs for new remedial action plans, 25 annual cost pre-approval requests, ten notifications of cost exceedances, and nine voluntary submittals. He said as of December 31, 2018, a total of 37 cost pre-approval requests are pending review.

Vice-Chairman Hull asked if \$8 million had been obligated for the payment of claims and Chairman Rocco explained that \$9 million had been obligated for this fiscal year but there have been discussions of obligating only \$8 million for the next fiscal year. Vice-Chairman Hull said he thought he recalled that an accounting of the claims being held from processing due to litigation would be presented separately so the Board would know where those numbers were headed. Chairman Rocco said the claims being held are accounted for in the budget, and if for some reason the claims were to be released, more funds could be obligated for claim payment. He commented that in addition to allocating more money for the payment of claims, there would be an issue of how to process and prioritize them.

**Finance Committee Report:**

Chairman Rocco said that prior to the Board meeting, the Finance Committee met to discuss investment options for the Fund. He said that currently the Fund's money is invested in STAR Ohio and a portion is invested in U.S. treasuries and U.S. agency callable bonds. He said that recently the interest rate for STAR Ohio has been about the same as the other investments. He explained that Mr. Pisula has brought forward an alternative investment option. He then called on Mr. Pisula to provide a summary of the option and how it could be utilized by the Board.

Mr. Pisula explained that the legislature recently amended the STAR Ohio investment statutes to create a new investment product called STAR Separately Managed Accounts (STAR SMA) which he said is available for STAR Ohio participants. He said this option is an actively managed portfolio of bonds which would include U.S. government and agency bonds as well as taxable and tax-exempt municipal bonds and corporate bonds rated at least A- or better by S&P or Moody's bond credit rating. He said that because the Treasurer's Office does not have a deep enough bench of investment professionals to manage an actively managed portfolio, a request for proposal was conducted and AllianceBernstein L.P. was picked from the respondents to manage the investment product on behalf of the Treasurer's Office.

Mr. Pisula said that the Board has a substantial amount invested short term in STAR Ohio that isn't needed for annual operating expenses and recommended the Board consider investing between \$5 to \$7.5 million in the actively managed strategy since it would most likely provide investment returns in excess of STAR Ohio and could adapt with the market. He then introduced Craig Schorr, a representative with AllianceBernstein, and explained that Mr. Schorr would be the account representative for the Board and manage the portfolio if an allocation were to be made.

Mr. Bergman asked what the current return is on the money in the STAR Ohio account. Mr. Pisula stated that right now STAR Ohio yields about 2.5% and explained that the rate fluctuates with the federal funds rate. Mr. Bergman asked if there is a projected return on SMA funds and Mr. Schorr explained that since it is an actively managed portfolio, there is no guarantee, but the assumption is the returns on this type of strategy would be somewhere in the range of 3.6% to 4% going forward. Mr. Cantrell asked what the fee would be for the actively managed portfolio and Mr. Pisula explained that the fee is about 0.2% and Vice-Chairman Hull commented that the 20 basis points includes all management fees including advisors, administrators, and the treasury staff and the committee felt this rate was reasonable. Mr. Cantrell asked how long the funds would be tied up and Mr. Pisula said the target average duration of all holdings would be between three and four years.



Following some discussion concerning the history of the Board's investments, the Chairman stated that the Finance Committee's recommendation is to pursue STAR SMA as a potential investment option. He explained that because the Board is a quasi-state agency, the Committee felt it necessary to obtain an opinion from the Attorney General's Office to establish whether STAR SMA is a permissible investment option for the Board. The Board's legal counsel, Leigh Bayer, explained that any request for an informal opinion would need to be presented to the Attorney General's Office in writing, and Chairman Rocco asked the Board's Executive Director, Starr Richmond, to submit the request on behalf of the Board.

Chairman Rocco then explained that a portion of the Board's investments in treasuries and bonds will mature in January, and the Committee is recommending that the Board authorize the reinvestment of those funds at the discretion of the State Treasurer's Office and the Board's Executive Director with a restriction that the investment not exceed three years. After some discussion, he then requested a motion to authorize the reinvestment of the U.S. treasuries and agency callable bonds at the discretion of the Treasurer of State and the Executive Director of the Petroleum Underground Storage Tank Release Compensation Board so long as the duration of the buy and hold portfolio does not exceed three years. Mr. Pisula so moved and Mayor Falconi seconded. Vice-Chairman Hull clarified that the money would be coming from previous investments that reach maturity and not a new allocation of money. The Chairman asked if there were any questions or further discussion and there was none. A vote was taken and all were in favor. The motion passed.

### **New Business:**

#### ***Hardship Application***

Chairman Rocco called upon John Hickey, Fiscal Specialist, to present the hardship application.

Mr. Hickey stated that the Board's rule 3737-1-08 provides for an owner experiencing financial hardship to apply for hardship status with the Fund. He said granting hardship status allows for the acceleration of the review of the claims submitted by the owner. Mr. Hickey noted that granting hardship status does not increase the amount of reimbursement to the tank owner. He stated that accelerating the review of the claim application reduces the financial burden the owner would experience if the claims were reviewed and settled in the normal course of business. He said, once granted, hardship status remains in effect for a two-year period and, at that time, the owner may reapply for hardship status.

Mr. Hickey stated that, in determining hardship status, the application and a minimum of two years of income tax records are reviewed. He said, in addition, a U.S. EPA financial capacity test is used to evaluate the owner's cash flow and determine whether the owner is able to carry debt, in which case, the owner could finance the costs of corrective actions over time.

#### **Claim # 20240-0001/05/28/08, Owner – Amanda Carryout Inc.**

Mr. Hickey said Amanda Carryout Inc. is the responsible party for a 2008 release that was discovered at 145 East Main Street in Amanda, Ohio. He explained that, as the incorporator, Mr. Allen Frank is requesting the Board grant hardship status to Amanda Carryout Inc. and noted that it is the Carryout's ninth request for hardship status.

Mr. Hickey said, to date, the Fund has reimbursed \$404,000 for corrective actions for this release and there is one claim totaling \$20,000 for which payment is pending. Additionally, the estimated cost of corrective action work expected to take place over the next 12 months is \$93,000.

Mr. Hickey said based on Amanda Carryout's income tax records, the U.S. EPA ABEL model for corporations estimates a 70% probability that Amanda Carryout can afford \$13,000 in corrective action costs over the next three years, which is an average of \$4,650 a year. He explained that given the costs over the next year are estimated to be \$93,000 and it is anticipated that additional costs will be incurred in the following two years, Amanda Carryout does not have sufficient cash flow to carry the projected costs of corrective action. He then recommended that the Board approve the application and grant hardship status to Amanda Carryout, Inc. Vice-Chairman Hull so moved and Mr. Fleming seconded. A vote was taken and all members voted in the affirmative. The motion passed.

### **Certificates of Coverage – Ratifications:**

Chairman Rocco called upon Ms. Esquivel to present the lists of owners who have either been issued or denied a Certificate of Coverage for ratification by the Board.

Ms. Esquivel said the lists behind Tabs 7, 8, and 9 are listings of facilities that, since the November Board meeting, had been issued or denied a program year 2016, 2017, or 2018 Certificate of Coverage.

Ms. Esquivel 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 underground storage tanks. She said, if these requirements are met 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, then a Certificate of Coverage is issued.

Ms. Esquivel explained that if deficiencies or compliance issues are identified, 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.

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

Ms. Esquivel requested the Board ratify the issuance of the 2016 program year Certificates of Coverage for the 16 facilities included on the list behind Tab 7.

Mr. Ord moved to ratify the issuance of the 2016 Certificates of Coverage for the facilities listed. Mr. Bryant seconded. A vote was taken and all members were in favor. The motion passed.

Ms. Esquivel requested the Board ratify the denial of the 2016 program year Certificates of Coverage for the 15 tanks located at the five facilities included on the list behind the Tab 7 green divider page.

Vice-Chairman Hull moved to ratify the denial of the 2016 Certificates of Coverage that were listed. Mr. Fleming seconded. A vote was taken and all members were in favor. The motion passed.

Ms. Esquivel requested the Board ratify the issuance of the 2017 program year Certificates of Coverage for the five owners of the 18 facilities included on the list behind Tab 8.

Vice-Chairman Hull moved to ratify the issuance of the 2017 Certificates of Coverage that were listed. Mayor Falconi seconded. A vote was taken and all members were in favor. The motion passed.

Ms. Esquivel requested the Board ratify the denial of the 2017 program year Certificates of Coverage for the 18 tanks located at the seven facilities included on the list behind the Tab 8 green divider page.

Vice-Chairman Hull moved to ratify the denial of the 2017 Certificates of Coverage that were listed. Ms. Waggener seconded. A vote was taken and all members were in favor. The motion passed.

Ms. Esquivel requested the Board ratify the issuance of the 2018 program year Certificates of Coverage for the 89 owners of the 184 facilities included on the list behind Tab 9.

Vice-Chairman Hull moved to ratify the issuance of the 2018 Certificates of Coverage for the facilities listed. Mayor Falconi seconded. A vote was taken and all members were in favor. The motion passed.

Ms. Esquivel requested the Board ratify the denial of the 2018 program year Certificates of Coverage for the 22 tanks located at the seven facilities included on the list behind the Tab 9 green divider page.

Mr. Fleming moved to ratify the denial of the 2018 Certificates of Coverage that were listed. Mr. Bergman seconded. A vote was taken and all members were in favor. The motion passed.

**Executive Session:**

Chairman Rocco requested a motion to enter into executive session with counsel pursuant to Ohio Revised Code 121.22(G)(3) to discuss matters of pending or imminent court action. Vice-Chairman Hull so moved. Mayor Falconi seconded. The Chairman called for a roll call. The following members voted in the affirmative: Ms. Waggener and Messrs. Bergman, Bryant, Cantrell, Falconi, Fleming, Hightower, Hull, Ord, Pisula, Stephenson, and Rocco. There were no nays. The motion passed.

Chairman Rocco and Mr. Fleming stated they would recuse themselves from the executive session. The meeting was turned over to Vice-Chairman Hull.

***Reconvene Meeting***

The Board adjourned from executive session and reconvened the public meeting.

**Confirm Next Meeting and Adjourn:**

Chairman Rocco said that the next Board meeting will be held on Wednesday, March 13, 2019, at 10:00 a.m. The Finance Committee will be meeting at 9:00 a.m. prior to the Board meeting to discuss the Board's investments. The Rules Committee will be meeting immediately following the Board meeting.

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