

RESOLUTION NO. 2007-11

Resolution to Provide Third Party Liability Petroleum Fund Coverage
for Mike's Gas-A Mart
217 Kingsbury Drive, Stateline, Nevada
Petroleum Fund Case ID No. 1994000122
Facility ID No. 2-000046

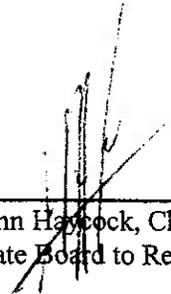
Whereas, the State Board to Review Claims (hereinafter referred to as the Board) Finds:

1. The subject site was previously granted Fund coverage for \$1 million in first liability claims with a \$10,000 deductible.
2. As of the September 6, 2007 meeting, the subject site has been reimbursed \$968,991.06.
3. Despite progress in remediating the site, contamination remains at concentrations in excess of Nevada State Action Levels, has spread off-site, and creates a potential for third party liability.
4. In accordance with Board Resolution No. 2007-10, the owner/operator has acknowledged that using third party liability funds for corrective actions will reduce the remaining funds in the event of a third party lawsuit (Attachment A).

THEREFORE BE IT RESOLVED:

- 1) The owner/operator has acknowledged that using third party liability funds for corrective actions will reduce the remaining funds in the event of a third party lawsuit.
- 2) The Board grants third party liability Fund coverage to Mike's Gas-A-Mart, Petroleum Fund Case ID No. 1994000122 with a \$10,000 deductible.
- 3) The maximum amount that the Board will reimburse for third party liabilities due to the discharge from the underground storage tank system for this case is \$990,000 (maximum cap of \$1,000,000 for the tank less the \$10,000 deductible).

I, John Haycock, Chairperson, do hereby certify that the foregoing is a full, true, and correct copy of a Resolution adopted by the Nevada State Board to Review Claims on December 6, 2007.



John Haycock, Chairperson
State Board to Review Claims

STATE BOARD TO REVIEW CLAIMS

MEETING OF DECEMBER 6, 2007

Summary of Resolution

ITEM

V.B.

SUBJECT:

Proposed Resolution to Provide Third Party Liability Coverage to Mike's Gas-A Mart, 217 Kingsbury Drive, Stateline, Nevada. Facility I.D. No. 2-000046, Petroleum Fund Case ID No. 1994000122

DISCUSSION:

The State Board to Review Claims (Board) previously approved the subject site for \$1 million in State of Nevada Petroleum Fund (Fund) coverage for first party liability claims with a \$10,000 deductible. As of the September 6, 2007 meeting, the subject site has been reimbursed \$968,991.06. Despite progress in remediating the site, contamination remains at concentrations in excess of Nevada State Action Levels. Because the contamination has spread off-site and created a potential for third party liability, third party liability coverage has been requested.

Nevada Division of Environmental Protection (NDEP) therefore, recommends that the subject facility receive third party liability coverage.

RECOMMENDATION:

Adoption of Resolution No. 2007-11 as proposed, granting third party liability Fund coverage to the subject site with a \$10,000 deductible.