

**STATE OF NEVADA BOARD TO REVIEW CLAIMS
BOARD MEETING MINUTES
DECEMBER 18, 2014**

1. CALL TO ORDER

Vice-Chairman George Ross called the meeting to order at 10:00 a.m. from the Las Vegas location. The meeting was conducted via videoconference with locations in Las Vegas, at the Nevada Department of Transportation Building, 123 E. Washington Ave., Building B and in Carson City at the Nevada Department of Transportation Building, 1301 Old Hot Springs Rd., Main Training Room. #121

A. BOARD MEMBERS PRESENT

Vice-Chairman George Ross, Representative of petroleum refiners
Colleen Cripps, Ph.D., Nevada Division of Environmental Protection
Maureen Tappan, Representative of the general public
Michael Cox, Representative of the independent retailers of petroleum
Wayne Seidel, Department of Motor Vehicles
Peter Mulvihill, State Fire Marshal

BOARD MEMBERS ABSENT

Chairman John Haycock, Representative of independent petroleum dealers

OTHERS PRESENT

Rose Marie Reynolds, State Attorney General's Office – Las Vegas
Jeff Collins, Steve Fischenich, Valerie King, Victoria Joncas, Don Warner, Johnathan McRae, Sandi Gotta, Rex Heppe, Todd Croft, Christa Smaling, Chad Schoop – Nevada Division of Environmental Protection (NDEP)
George Hagan – McGinley & Associates
George Goodspeed – Bently Enterprises LLC
Carlo Luri – Bently Enterprises LLC
Keith Stewart – Stewart Environmental Inc.
Brandon Reiff – Broadbent & Associates, Inc.
Stephanie Holst – Broadbent & Associates, Inc.
Scott Edwards – The Westmark Group
Eric Atman – High Desert Petroleum

2. PUBLIC FORUM

There were no requests to speak.

3. APPROVAL OF THE AGENDA

Mr. Seidel moved to approve the agenda. Dr. Cripps seconded the motion. There was no discussion. Motion carried unanimously.

4. **APPROVAL OF THE SEPTEMBER 16, 2014 MINUTES**

Dr. Cripps stated there were two typos in the minutes. She identified them and Ms. King stated they would be corrected in the finalized minutes.

Ms. Tappan moved to approve the minutes with the changes. Mr. Mulvihill seconded the motion.

5. **STATUS OF THE FUND**

Ms. King reported on the status of the State of Nevada Petroleum Fund (Fund). The balance forward for fiscal year 2014 was approximately \$7.5 million. Approximately \$400,000 had been collected for storage tank enrollment. Approximately \$3.4 million was collected from the ¾ cent per gallon fee. The total cumulative revenue was \$11,318,952.71.

Ms. King reported the NDEP expenditures were approximately \$863,000.00. She stated that value is more than normal because we are paying the contractor who is developing the Fund database. The reimbursement for claims was approximately \$3 million.

Ms. King reported the “Estimated Liabilities” are the projected expenditures. The anticipated transfer to the highway fund is \$5 million. The transfer to NDEP is approximately \$1.1 million and the transfer to DMV to administer the Petroleum fee is approximately \$13,000. The estimated Remaining Obligations are just over \$6.1 million. The actual funding available is the cumulative revenue minus the cumulative expenditures, resulting in \$7,451,520.11.

6. **REQUEST FOR RECONSIDERATION OF EXISTING SITE SPECIFIC BOARD DETERMINATION. NDEP RECOMMENDS TO THE BOARD IF IT SHOULD RECONSIDER AN EXISTING DETERMINATION (FOR POSSIBLE ACTION)**

A. Request for Reconsideration of Existing Site Specific Board Determination (SSBD)
Village Shop #2, 4620 S. Boulder Hwy., Las Vegas, NV
Petroleum Fund No. 2013000010, Facility ID No. 8-001827, SSBD No. 2013-01

Mr. Fischenich presented this SSBD and recommended that the Board upholds its original decision to provide reduced coverage for the Village Shop #2 cleanup.

Mr. Fischenich stated the following:

On October 24, 2014, NDEP received, on behalf of Village Shop #2, a request for the Board to reconsider its decision to provide coverage with a 20% reduction (Attachment A in the Board Packet). The request provides subsequent groundwater monitoring data and references Resolution No. 2012-06 as justification to present this case to the Board. Resolution 2012-06 allows NDEP to recommend that the Board hear an appeal of coverage if relevant new information is available or a Corrective Action Plan has been implemented for five years without any major compliance issues.

The subject site, owned by Slots Unlimited Inc. and identified as Village Shop #2, is located at 4620 South Boulder Highway, Las Vegas, Nevada.

On December 21, 2012, NDEP received an Application for Coverage for a petroleum release that occurred in the piping from one underground storage tank system located at Village Shop #2. The application included groundwater monitoring data, which indicated a relatively low concentration of petroleum constituents. (Benzene at 258 ppb)

During the March 14, 2013 Board meeting, the Fund staff recommended a 40% reduction to the Board pursuant to Policy Resolution 94-023 for failure to investigate and confirm a release as required by federal regulations. Village Shop #2 did not investigate its suspected release for five months despite numerous letters from SNHD. During deliberation, the Board was made aware of the relatively low concentrations of petroleum constituents in groundwater. The Board decided to grant coverage with a reduction of 20% rather than the recommended 40% with a copayment of 10%.

The subsequent groundwater monitoring results provided for this Board meeting do not constitute new information associated with the release that would have changed NDEP's original recommendation. Had NDEP been provided the subsequent monitoring data with the original application, the recommendation to the Board would have been identical, a 40% reduction. The violation which triggered the recommended reduction pursuant to Board Resolution 94-023 remains the same.

There are three additional points. First, Resolution 94-23 states that delays in the remediation of contamination may not be proximate cause of a release but may still result in increased costs for site remediation. At the December 2012 Board meeting, Fund staff pointed out that the five month delay may have led to increased costs. Fund staff still believes that this is the case. Here is an example: If the operator responded on time and excavated the impacted soil prior to the gasoline migrating to groundwater, the groundwater investigation could have been eliminated, maybe saving the Fund over \$40,000. However, we will never know if this could have happened, because the owner was noncompliant.

The second point is that Resolution 94-23 is set up to collect a onetime penalty for noncompliance, for example a \$100,000, which would unfairly hurt operators with small low-dollar amount releases like this case. Instead, it is set up as a percentage, so a small release like that which occurred at Village Shop would pay a relatively smaller amount than an operator with a much larger release.

Finally, if the reduction is eliminated at this Board meeting, it will set a precedent which will encourage owners with reduced coverage to burden the Board with requests for reconsideration, despite the violation which triggered the reduction.

There is a claim included for this case, per Resolution 2012-06, any change enacted by the Board would start after this Board meeting.

In conclusion, NDEP recommends the Board upholds its original determination made on March 14, 2013, continuing to provide coverage with a 20% reduction and a 10% co-payment. The Board does have the authority to eliminate, reduce, or even increase the reduction.

I am here to answer questions and Mr. Stewart is in the Las Vegas venue.

Mr. Stewart, with Stewart Environmental, presented the following:

When I presented this case a year and a half ago, I made the statement that although there was a five month delay in investigation, once the release had been detected the fuel was immediately removed from the tank. It was our statement at that time that this cleanup would be very minimal. In fact, it has become so minimal that it is essentially non-detect, and it will not require any remediation.

What we think is new information is the fact that the resolution presented to the Board at that time, was based on the fact that it may cause additional costs for remediation. He read the following sentence from the minutes of the respective meeting, “the resolution states that the violation may cause an increase in the cost of cleanup which is the case for this situation and is why NDEP is making a 40-percent coverage reduction recommendation.”

It is NDEP’s stance that it could cause an increase in the cleanup cost. The irony of this project is that there will be no cleanup costs. The site will be in clean closure monitoring status because they are in the non-detect state, and they will be for some time. In four more quarters, they are going to have a clean closure. The delay has not caused any additional wells to be installed, any additional action, or any additional cost. One other irony is the general statement made that you could excavate or clean one of these sites up but it is hard to do around active tanks and lines without having significant cost. Had we gone out and done the assessment immediately, the contaminant actually would not have made it to the groundwater yet. It would have taken some time to get there. In fact, NDEP gave me that statement back in March of 2013 that it takes some time to migrate. He said they still would have put the wells in, monitored, and been in this same situation.

The irony of this specific project is, I think the cost will be less. This claimant is going to pay about \$25,000.00 on a site that does not even meet the criteria to warranted remediation. The claimant is penalized even though we do not have to remediate. Maybe a 5% reduction would have been in order on this project. I believe there was a motion made during the March meeting for a zero reduction. Obviously that motion did not pass at the time.

Vice-Chairman Ross thanked Mr. Stewart and then asked if there were any comments or questions for Mr. Stewart.

Mr. Fischenich stated he would like to make a point. Maybe the lack of compliance did not increase the actual cleanup cost. However, it may have increased the corrective action cost, which includes installing the wells, site characterization and laboratory testing; however, we do not know because they were non-compliant. We cannot go back in history and say what would have happened. However, we do know what did happen. That is the basis of our recommendation.

Mr. Stewart replied stating that NDEP requested monitoring wells be installed and assessed. The wells had to be installed, regardless, and there was some contamination which was delineated. We had non-detect wells surrounding it. All concentrations have reduced to below detection. So, the wells were required regardless, but we have not put in any additional wells since the original work.

Ms. King asked Mr. Croft if he would verify if that was correct. Had they not delayed five months in the investigation, would you have required the wells to be installed to characterize the site of the extent of the release?

Mr. Croft introduced himself as the supervisor in the Las Vegas office for Remediation and Leaking UST Branch. As Mr. Fischenich indicated, there is a lot that we do not know. What we can say here is that there are several things that are at work. The principle thing is that because of the delay, the contamination that did escape from the UST system was allowed to be present in the soil, migrate through the soil and get into the groundwater.

What did not occur, which routinely should occur in these situations, is with quick action, the impacted area should be sampled, properly assessed, and then in certain circumstances, excavated. None of that occurred here, so we have no samples. Even months later when the piping system was replaced, the owner did not take the opportunity to collect soil samples from the source area, did not do any borings to estimate the extent and did not excavate. As a result, petroleum was left for an extended period of time and it did migrate to groundwater. As Mr. Fischenich indicated, it is difficult now to know exactly what we would have done had actions occurred differently. It is quite possible that if the owner moved diligently and quickly and remediated the soil, that either the amount of groundwater investigation would have been smaller or non-existent. It is just too hard to know.

The thing that works together here, which I think Mr. Fischenich is trying to communicate, is that there are several programs at work. What this Board, through the different resolutions, has tried to do historically, is promote UST compliance. By having a compliant UST system and a compliant operator, corrective action costs are minimized.

Dr. Cripps stated she had questions for either staff or the Board members. She stated it seems that what this reduction was designed to do was in response to the failure to investigate and confirm a release as required by federal regulations. The fact that there was not much contamination was not necessarily even germane to the issue. We made that decision as a Board based on the fact that they did not comply and they did not investigate. I do not know that there would be any sort of change in my position from the position that we initially made because they failed to do what they were supposed to do in federal law.

Mr. Fischenich stated that Dr. Cripps' point was along the lines of his point that he brought up for a smaller release. The percentage of a low-dollar corrective action case results in less out of their pocket with the reduction.

The first letter that goes out, the R-Spill letter, does not require a ground investigation to be done at that point.

Vice-Chairman Ross asked if there was any additional discussion.

Mr. Mulvihill wanted to contribute a time period with what was just said. I remember the discussion, and we were actually very generous with the applicant by lowering the staff's recommendation for a reduction from 40 percent to 20 percent. It was solely based on the failure to properly act and was not based on the scope of contamination. I would not be inclined to change anything at this time.

Mr. Stewart stated they are fine with that. Essentially, it is like a modified resolution because they made it specific to that case. What had them concerned and the reason it came back was NDEP's approach that it would increase cleanup costs. The irony is there are no cleanup costs. There was a delay in assessment. They will be happy to withdraw the resolution and leave it at the 20 percent.

Dr. Cripps stated that it is also her understanding that under that resolution, it is the failure to investigate or confirm the release. It may or may not result in additional cleanup costs. The fact that the investigation was not done is really what the Board is making the decision on. It does not necessarily have to result in additional cleanup costs in order for that to apply.

Ms. King stated the cleanup cost is not necessarily just remediation. Part of the cleanup is the site characterization so you know where to remediate.

Vice-Chairman Ross said Dr. Cripps hit the nail on the head. A lot of our work is to encourage responsible behavior. He stated that he was present during the creation of the program in 1989. He still finds it astounding that people do not take it seriously. Even if they do, they are willing to gamble a little bit. He said you never know which discharge is going to be a lot bigger than this particular incident. He said he definitely agrees with Dr. Cripps.

Vice-Chairman Ross asked if they even need a motion because Mr. Stewart withdrew his motion.

Mr. Stewart stated he withdrew the motion.

Ms. Reynolds stated a motion was not necessary.

Vice-Chairman Ross stated the Agenda Item #6 was closed.

7. **ADOPTION OF CONSENT ITEMS**

The Board will review all items as a consent calendar item, unless the item is marked by an asterisk (*), or a member of the public wishes to speak in regards to the item.

A dagger (†) indicates previously disallowed monies have been appealed where the requested amount is less than the recommended amount.

**STATE BOARD TO REVIEW CLAIMS
REQUESTED/RECOMMENDED AMOUNTS – DECEMBER 18, 2014**

HEATING OIL

			<u>REQUESTED</u>	<u>RECOMMENDED</u>
FOR POSSIBLE ACTION	1.	1992000102H Lyon County School District: Yerington Elementary	\$5,421.32	\$5,016.10
FOR POSSIBLE ACTION	2.	2007000013H Churchill County School District: Bus Barn	\$15,155.65	\$15,155.65
FOR POSSIBLE ACTION	3.	2012000017H Churchill Co. School District: Old High School	\$20,623.16	\$19,888.16
FOR POSSIBLE ACTION	4.	2013000012H Roger & Gemma Mateossian: Mateossian Residence	\$4,327.85	\$4,327.85
FOR POSSIBLE ACTION	5.	2013000015H Gary Cornwall: Gary Cornwall Property	\$2,266.35	\$2,266.35
FOR POSSIBLE ACTION	6.	2014000019H JEF Enterprises: Next Generation Day Care	\$6,699.50	\$6,699.50
FOR POSSIBLE ACTION	7.	2014000021H Town of Gardnerville: Former Eagle Gas - Gardnerville	\$770.00	\$770.00
FOR POSSIBLE ACTION	8.	2014000022H Sanders Winnemucca, LLC: Ace Hardware	\$14,162.89	\$10,170.24
FOR POSSIBLE ACTION	9.	2014000031H Larry Tuntland: Tuntland Property	\$6,204.39	\$6,204.39
FOR POSSIBLE ACTION	10.	2014000035H Jay Olcott: Olcott Residence	\$23,507.93	\$23,257.93
FOR POSSIBLE ACTION	11.	2014000036H Charlene Merle Herman: Former Herman Residence	\$9,551.55	\$9,301.55
FOR POSSIBLE ACTION	12.	2014000037H D. Buhrmann: Buhrmann Residence	\$29,506.94	\$29,256.94
FOR POSSIBLE ACTION	13.	2014000038H Charlene Merle Herman: Charlene Herman Residence	\$5,973.60	\$5,723.60
FOR POSSIBLE ACTION	14.	2014000039H University of Nevada: UNR Humanities Dept.	\$28,993.50	\$27,945.00
FOR POSSIBLE ACTION	15.	2014000040H Patricia Clock: Nozu Residence	\$11,615.81	\$11,365.81
HEATING OIL SUB TOTAL:			<u>\$184,780.44</u>	<u>\$177,349.07</u>

NEW CASES, OTHER PRODUCTS

			<u>REQUESTED</u>	<u>RECOMMENDED</u>	
FOR POSSIBLE ACTION	1.	2013000003	7-Eleven, Inc.: 7-Eleven #25586	\$1,000.00	\$900.00
FOR POSSIBLE ACTION	2.	2014000001	The Primadonna Company, LLC: Whiskey Pete's	\$154,264.92	\$94,117.55
FOR POSSIBLE ACTION	3. †	2014000002	Chapmans Las Vegas Dodge: Chapman Dodge	\$0.00	\$20,238.49
FOR POSSIBLE ACTION	4.	2014000026	7-Eleven, Inc.: 7-Eleven #26637	\$43,273.27	\$38,945.94

NEW CASES, OTHER PRODUCTS SUB TOTAL: \$198,538.19 \$154,201.98

ONGOING CASES/OTHER PRODUCTS

				<u>REQUESTED</u>	<u>RECOMMENDED</u>
FOR POSSIBLE ACTION	1.	1991000039	7-Eleven, Inc.: 7-Eleven #29643	\$22,356.15	\$22,356.15
FOR POSSIBLE ACTION	2.	1993000102	Rebel Oil Company: Rebel #8	\$44,582.88	\$43,282.88
FOR POSSIBLE ACTION	3.	1993000103	Russell Yardley: Charlie Brown Construction	\$4,314.20	\$4,227.92
FOR POSSIBLE ACTION	4.	1993000115	City of Fallon: Former Bootlegger Texaco	\$5,901.78	\$5,901.78
FOR POSSIBLE ACTION	5.	1994000003	Allied Washoe: Allied Petroleum	\$8,158.85	\$8,158.85
FOR POSSIBLE ACTION	6.	1994000065	Avis Rent A Car Systems: Avis Rent A Car	\$31,094.88	\$10,619.65
FOR POSSIBLE ACTION	7.	1994000067	Peppermill, Inc.: Former Peppermill Truckstop	\$3,397.36	\$3,285.53
FOR POSSIBLE ACTION	8. †	1994000113	Pilot Travel Centers, LLC: Former Unocal Truck Stop	\$27,161.96	\$27,193.94
FOR POSSIBLE ACTION	9.	1994000122	Mike's Gas-A-Mart: Mike's Gas-A-Mart	\$6,140.56	\$6,140.56
FOR POSSIBLE ACTION	10.	1995000012	N Nevada Asset Holdings LLC: Parker's Model T	\$26,190.52	\$20,743.45
FOR POSSIBLE ACTION	11.	1995000039	Al Park Petroleum, Inc.: Crescent Valley Market	\$19,929.52	\$17,936.57
FOR POSSIBLE ACTION	12.	1995000042	FBF Inc. dba Gas For Less: Gas For Less	\$52,669.33	\$36,649.71
FOR POSSIBLE ACTION	13.	1995000074	Vera Hester: Glendale Service Facility	\$54,875.96	\$48,713.36
FOR POSSIBLE ACTION	14.	1995000105	Redman Petroleum Corp.: Redman Petroleum	\$12,381.88	\$11,143.69
FOR POSSIBLE ACTION	15.	1995000142	7-Eleven, Inc.: 7-Eleven #29644	\$16,076.97	\$14,469.27
FOR POSSIBLE ACTION	16.	1996000063	Joan Pennachio: V&V Automotive	\$1,423.04	\$1,280.73
FOR POSSIBLE ACTION	17.	1996000101	Phillips 66 Company: Circle K #695	\$24,843.20	\$22,358.88
FOR POSSIBLE ACTION	18.	1996000102	Phillips 66 Company: Circle K #542	\$2,758.44	\$1,986.08
FOR POSSIBLE ACTION	19.	1997000008	Ewing Brothers, Inc.: Ewing Brothers Facility	\$2,855.00	\$2,569.50
FOR POSSIBLE ACTION	20.	1997000071	7-Eleven, Inc.: 7-Eleven #25586	\$262,357.75	\$240,276.73
FOR POSSIBLE ACTION	21.	1998000046	Willdens Automotive Holdings: Frmr Allstate Rent A Car	\$93,705.01	\$84,334.51
FOR POSSIBLE ACTION	22.	1998000068	Phillips 66 Company; Conoco #28003	\$28,880.28	\$23,742.26
FOR POSSIBLE ACTION	23.	1999000014	Al Park Petroleum: Conoco Pit Stop #7	\$32,958.51	\$29,662.66
FOR POSSIBLE ACTION	24.	1999000022	Terrible Herbst: Terrible Herbst #129	\$11,276.91	\$6,812.48
FOR POSSIBLE ACTION	25.	1999000029	Terrible Herbst Oil Company: Terrible Herbst #136	\$6,578.30	\$5,920.47
FOR POSSIBLE ACTION	26.	1999000048	Estate of Robert Cowan: Former Lightning Lube	\$5,568.53	\$5,568.53

ONGOING CASES/OTHER PRODUCTS: CONTINUED

			<u>REQUESTED</u>	<u>RECOMMENDED</u>	
FOR POSSIBLE ACTION	27.	1999000052	Estate of Martin T Wessel: Ted's Chevron	\$13,490.36	\$12,141.32
FOR POSSIBLE ACTION	28.	1999000064	Al Park Petroleum, Inc.: Conoco Pit Stop	\$24,721.93	\$22,249.74
FOR POSSIBLE ACTION	29.	1999000066	HP Management LLC: Former Haycock Petroleum	\$13,130.36	\$11,817.32
FOR POSSIBLE ACTION	30.	1999000086	Terrible Herbst Oil Company: Terrible Herbst #126	\$36,053.08	\$28,982.90
FOR POSSIBLE ACTION	31.	1999000090	HP Management LLC: Former Haycock Petroleum	\$39,417.03	\$34,638.33
FOR POSSIBLE ACTION	32.	1999000104	Terrible Herbst Oil Company: Terrible Herbst #118	\$109,312.08	\$97,897.86
FOR POSSIBLE ACTION	33.	1999000114	City of Fallon: Fallon Maintenance Yard	\$6,092.78	\$5,483.50
FOR POSSIBLE ACTION	34.	1999000135	Terrible Herbst Oil Company: Terrible Herbst #106	\$9,331.90	\$8,398.71
FOR POSSIBLE ACTION	35.	1999000137	Terrible Herbst Oil Company: Terrible Herbst #152	\$12,382.65	\$11,144.38
FOR POSSIBLE ACTION	36.	1999000186	Gloria Gayle Pilger: Former D&G Oil Facility	\$45,326.72	\$40,054.10
FOR POSSIBLE ACTION	37.	1999000199	Mary Ann Ferguson: Lakeshore Orbit Station	\$48,532.35	\$48,532.35
FOR POSSIBLE ACTION	38.	1999000243	7-Eleven, Inc.: 7-Eleven #27607	\$15,274.21	\$13,746.79
FOR POSSIBLE ACTION	39.	1999000257	University of Nevada: Newlands Agriculture	\$4,420.35	\$4,420.35
FOR POSSIBLE ACTION	40.	1999000273	V.K. Leavitt: The Waterhole	\$44,105.19	\$39,694.67
FOR POSSIBLE ACTION	41.	2004000011	TA Operating LLC: Four Way Truck Stop	\$22,591.30	\$20,000.97
FOR POSSIBLE ACTION	42.	2004000039	Clark Co. Dept. of Aviation: Former National Car Rental	\$28,817.92	\$28,817.92
FOR POSSIBLE ACTION	43.	2005000002	Carson Valley Oil Co., Inc.: Carson Valley Oil	\$6,863.83	\$6,177.45
FOR POSSIBLE ACTION	44.	2005000025	Bordertown, Inc.: Winner's Corner	\$10,864.38	\$9,777.94
FOR POSSIBLE ACTION	45.	2005000036	Phillips 66 Company; Circle K #1791	\$2,675.29	\$1,926.21
FOR POSSIBLE ACTION	46.	2005000044	Ewing Brothers, Inc.: Ewing Brothers Facility	\$52,810.76	\$42,416.77
FOR POSSIBLE ACTION	47.	2007000014	Ace Cab Company: Ace Cab Company	\$25,639.05	\$21,922.88
FOR POSSIBLE ACTION	48.	2008000005	Avis Rent A Car Systems: Former Avis Rent A Car	\$4,762.40	\$4,215.29
FOR POSSIBLE ACTION	49.	2008000017	Francois Alvandi: Flamingo AM/PM #82153	\$24,372.47	\$13,161.14
FOR POSSIBLE ACTION	50.	2008000018	Jacksons Food Stores, Inc.: Former Terrible's #830	\$15,480.18	\$13,928.79
FOR POSSIBLE ACTION	51.	2008000019	One Panou, LLC: Stop N Shop #2	\$12,227.77	\$11,004.99
FOR POSSIBLE ACTION	52.	2009000017	D&J Holdings, LLC: Convenience Corner Shell	\$22,714.97	\$20,443.47
FOR POSSIBLE ACTION	53.	2009000028	Vegas Rainbows, Inc.: Mick & Mac's Food Mart	\$16,702.23	\$15,128.92
FOR POSSIBLE ACTION	54.	2010000001	Smitten Oil & Tire Company: The Gas Store	\$7,105.10	\$6,394.59
FOR POSSIBLE ACTION	55.	2010000003	SIRA Truck Holdings LLP: Big Wheel Travel Center	\$600.00	\$540.00
FOR POSSIBLE ACTION	56.	2010000007	Pecos Express, Inc.: Pecos Express	\$12,845.45	\$11,560.90
FOR POSSIBLE ACTION	57.	2010000010	Pacific Convenience & Fuel: Victorian Food Mart	\$4,055.95	\$3,650.35
FOR POSSIBLE ACTION	58.	2011000006	7-Eleven, Inc.: 7-Eleven #29384	\$7,511.38	\$6,760.24
FOR POSSIBLE ACTION	59.	2011000007	Echo Bay Marina, LLC: Echo Bay Marina	\$28,008.80	\$25,207.92
FOR POSSIBLE ACTION	60.	2011000009	Cimarron West: Cimarron West	\$55,634.68	\$50,071.21
FOR POSSIBLE ACTION	61.	2012000004	7-Eleven, Inc.: 7-Eleven #15426	\$23,416.75	\$20,379.83

ONGOING CASES/OTHER PRODUCTS: CONTINUED

			<u>REQUESTED</u>	<u>RECOMMENDED</u>	
FOR POSSIBLE ACTION	62.	2012000005	ARAMARK Corporation: Zephyr Cove Resort	\$190,753.83	\$130,574.91
FOR POSSIBLE ACTION	63.	2012000011	Golden Gate Petroleum: Baldini's Grand Pavilion	\$4,059.13	\$3,653.21
FOR POSSIBLE ACTION	64.	2012000020	Francois Alvandi: Charleston AM/PM #85155	\$4,682.25	\$4,214.02
FOR POSSIBLE ACTION	65.	2012000022	7-Eleven, Inc.: 7-Eleven #26873	\$7,601.78	\$6,841.61
FOR POSSIBLE ACTION	66.	2012000023	Bently Enterprises, LLC: Former Cowboys Corner	\$9,116.16	\$8,204.55
FOR POSSIBLE ACTION	67.	2013000009	Western Petroleum: Western Petroleum	\$14,807.25	\$13,326.52
FOR POSSIBLE ACTION	68.*	2013000010	Slots Unlimited, LLC, Village Shop #2	\$3,921.25	\$2,823.30
FOR POSSIBLE ACTION	69.	2013000011	Slots Unlimited, LLC, Village Shop #4	\$93,287.40	\$81,361.26
FOR POSSIBLE ACTION	70.	2013000019	Hardy Enterprises, Inc.: Sinclair Mini-Mart	\$1,762.50	\$1,586.25
FOR POSSIBLE ACTION	71.	2013000021	7-Eleven, Inc.: 7-Eleven #27700	\$28,412.73	\$25,571.46
FOR POSSIBLE ACTION	72.	2014000003	Sterling-UN Reno, LLC: Former Luce & Sons	\$11,594.94	\$6,738.75
FOR POSSIBLE ACTION	73.	2014000004	Alsaker Corporation: Broadway Colt Service Center	\$4,251.92	\$3,826.72
FOR POSSIBLE ACTION	74.	2014000007	7-Eleven, Inc.: 7-Eleven #29658	\$17,015.16	\$15,313.64
FOR POSSIBLE ACTION	75.	2014000008	Highland Store Inc.: Bi Rite Market	\$1,890.50	\$1,361.16
FOR POSSIBLE ACTION	76.	2014000014	7-Eleven, Inc.: 7-Eleven #27904	\$18,819.85	\$16,937.87
FOR POSSIBLE ACTION	77.	2014000016	Fran Smitten: Smedley's Chevron	\$27,656.16	\$24,890.54
FOR POSSIBLE ACTION	78.	2014000029	Red Lion Hotel & Casino: Red Lion Chevron	\$40,593.30	\$36,533.97

ONGOING CASES/OTHER PRODUCTS SUB TOTAL: \$2,095,955.53 \$1,801,785.98

REQUESTED RECOMMENDED
CLAIMS TOTAL: \$2,479,274.16 \$2,133,337.03

Mr. Seidel moved for approval of the consent items, Heating Oil, 1 through 15, New Cases/Other Products, 1 through 4, Ongoing Cases/Other Products, 1 through 78. Ms. Tappan seconded the motion. Motion carried unanimously.

8. EXECUTIVE SUMMARY

Ms. King presented the Executive summary. She informed the Board that since the inception of the Fund, 1,472 applications have been received for reimbursement. Of those, 124 cases were denied coverage and a total of 1,096 cases have been closed. Nine applications are in pending status awaiting staff review or additional information. Forty-six cases have expired. There are currently 197 active remediation sites. The State Fiscal Year 2015 began on July 1, 2014, and since that time 14 new cases have been received by NDEP for evaluation of Fund coverage.

With today's Board authorization, approximately \$2.13 million has been reimbursed. The cumulative Fund expenditure is approximately \$187.5 million.

The invoicing for storage tank Fund enrollment for Federal fiscal year 2015, which runs from October 1, 2014 through September 30, 2015, commenced mid-August, 2014. 1,395 facilities have been invoiced at \$100 per storage tank system. As of December 10, 2014, 1,308 facilities, or approximately (~94%) have submitted the required fees.

Ms. King gave the Board a status update regarding the interactive database that was previously discussed during the September and December 2013 Board meetings. She stated the database contractor has been working since June of this year and is making great progress.

Ms. King updated the Board about large oil companies who have, in other states, had discharges to the environment and used their private insurance to pay for the cleanup. Simultaneously, they accessed the state's Petroleum Fund and receive money from the Fund to cover the same cleanup costs. That is known as double-dipping. Some of these large oil companies have facilities in Nevada.

She stated that the Nevada Attorney General's office, in recognition of that, has contracted with outside counsel, Lewis Roca Rothgerber. This firm is will evaluate Nevada's records to determine if double-dipping has occurred in Nevada, and if so, to what extent. Based upon the information they find, the AG's office will seek damages as appropriate. Ms. King stated that the contract with outside counsel will be implemented at no cost to the Fund.

Mr. Mulvihill asked how long the evaluation of Nevada's records will take and when the Board will be provided the information.

Ms. King stated a kickoff meeting had taken place where they identified to NDEP what they will be looking for and an idea of the records they may be reviewing. They are going to start in late January or early February. She stated she did not know how long it would take.

Dr. Cripps said she does not think they are anticipating that it is going to take that long. She said Ms. King may be able to report something back at the next Board meeting.

Ms. King stated they will be sure to keep the Board updated. She then introduced Mr. Jon McRae, the UST/LUST program supervisor, who will give an update on the cleanup status for Eagle Gas North.

Mr. McRae said he is the UST/LUST supervisor for BCA located in Carson City. He was hired in June of this year. He came from the Bureau of Air Pollution Control where he was the miner source supervisor for the Nevada mercury program. He was also a chemical accident prevention program inspector.

Mr. McRae stated that at the Eagle Gas North facility, following the September Board meeting, the NDEP LUST trust contractor completed the installation of the remediation system early to mid-October with the air sparge SVE system. The system was turned on and adjustments were made for nearly a month to increase the system's effectiveness. Additional system modifications are being considered. The air sparge vapor extraction system is pulling up groundwater. One modification will be to contain the groundwater, polish it and dispose of it at the Carson City sanitary sewer. Other modifications are being made and some fencing needs to be expanded. NDEP expects the system will then run at peak efficiency on a continuous basis.

Mr. McRae said they are hoping, by the first quarterly report, for changes in both the groundwater quality and mass removal and to update the Board during the March 2015 meeting.

Ms. King stated the Executive summary was concluded.

Vice-Chairman Ross thanked Ms. King and Mr. McRae. He said that it is very interesting. He then asked if there was any more business to come before the Board.

There was none.

9. PUBLIC FORM

There were no requests to speak.

10. CONFIRMATION OF NEXT BOARD MEETING DATE

It was confirmed the next meeting date would be Thursday, March 12, 2015 at 10:00 am.

11. ADJOURNMENT

There being no further business, the meeting adjourned at 10:36 am.