

**STATE OF NEVADA BOARD TO REVIEW CLAIMS
MEETING MINUTES - MARCH 13, 2025**

1. CALL TO ORDER

Chair Tappan called the meeting to order at 10:00 a.m. The meeting was held in the Bonnie B Bryan Boardroom of the Richard Bryan Building located at 901 South Stewart Street, Carson City, NV and video-conferenced to the Red Rock Conference Room of the NDEP Las Vegas located at 375 East Warm Springs Road, Suite 200, Las Vegas, NV. Remote participation was also available via Microsoft Teams.

A. BOARD MEMBERS' PRESENT

Chair, Maureen Tappan – Representative of the General Public
Vice-Chair, Rod Smith – Representative of Petroleum Refiners
LeRoy Perks – Representative of the Independent Retailers of Petroleum
Jason Case – Representative of Independent Petroleum Dealers
Mike Dzyak – State Fire Marshal's Office
Karen Stoll – Department of Motor Vehicles
Jennifer Carr – Nevada Division of Environmental Protection

B. OTHERS PRESENT

Katie Armstrong – Legal Counsel for State of Nevada, Attorney General's Office

Jeff Collins, Jeff Kinder, Megan Slayden, Don Warner, Gregory Johnson, Kandis Harvey, Jonathan McRae, Kim Valdez, Kevin Salls, Xavier Tarango-Castorena, Tristin Alishio, Ben Moan, Ruby Wood, Dean Peterson, Grant Spoering, Alexa Salls, Ally Hernandez, Kelly Gearlds, Michael Mazziotta, and John Karr – Nevada Division of Environmental Protection (NDEP)

Paula Sime – 7-Eleven
Caitlyn Jelle – Universal Engineering Sciences
Jeremy Holst – Broadbent & Associates
Evan Robinson- Broadbent & Associates
Rex Heppe - Broadbent & Associates
Stephanie Holst - Broadbent & Associates
Adrienne Knoblock – Circle K
Anthony Bell – Circle K
Dovie Snyder – Circle K
Bee Bintz – Circle K
Denise Anderson - Circle K
Collin Schaumburg - Encore
Matt Grandjean – Stantec Consulting Services, Inc.
Keith Stewart – Stewart Environmental, Inc.
Lynn Cintron – Southern Nevada Health District (SNHD)
Brittany Lewis - Southern Nevada Health District (SNHD)
Nicholas Pizano - Southern Nevada Health District (SNHD)

In addition to the above-named participants, there were 2 additional guests that called into the meeting by telephone and were not identified by name.

2. **PUBLIC COMMENT**

There were no public comments.

3. **APPROVAL OF DECEMBER 12, 2024 MINUTES**

Chair Tappan called for changes to the minutes. There were no changes requested.

LeRoy Perks moved to approve the December 12, 2024, minutes as presented. Jennifer Carr seconded the motion. Motion carried unanimously.

4. **STATUS OF THE FUND**

Megan Slayden, NDEP provided a summary of revenues into the Fund for State Fiscal Year 2025 thus far, noting that the balance forward from State Fiscal Year 2024 was \$7,500,000. Ms. Slayden indicated that approximately \$406,350 has been received from tank system enrollment fees thus far, approximately \$6,209,695 has been generated by the \$0.0075 Petroleum Fund fee, and that the Fund has earned approximately \$150,972 in interest. As such, Ms. Slayden reported that the total revenue received by the fund this fiscal year is \$14,267,017.32. Ms. Slayden next provided the total expenditures for State Fiscal Year 2025 thus far, noting: Board member salaries equal approximately \$834; in-state travel costs for Board members were approximately \$117; Board meeting operating costs were approximately \$726; money transferred to NDEP for program administration, staff salaries, and ongoing program maintenance was approximately \$667,082; funding for state-led petrochemical cleanups was approximately \$76,217; payment to the Department of Motor Vehicles for assessing the clean-up fee is \$12,714; and reimbursement of Petroleum Fund claims total approximately \$3,024,418, with total expenditures of the Fund thus far equaling \$3,782,108.06. Total funding currently available within the Petroleum Fund for State Fiscal Year 2025 is \$10,484,909.26.

5. **SITE SPECIFIC BOARD DETERMINATION FOR PETROLEUM FUND COVERAGE WITH REDUCTION**

Greg Johnson, NDEP presented Site Specific Board Determination (SSBD) C2025-01, which proposes reduced Petroleum Fund coverage under Board Policy Resolution 94-023 for Circle K store number 2700542, Petroleum Case ID number 2024000001, Facility ID number 8-000130, located at 3500 East Charleston Boulevard, Las Vegas, Nevada. Mr. Johnson indicated that on October 27, 2023, Tank 3, a 10,000 gal, single-walled underground storage tank (UST) containing gasoline failed a tightness test and was taken out of service. November 7, 2023, Tank 3 was drained of gasoline to six inches, and on December 7, 2023, one soil boring was advanced to groundwater, observed at 19 feet below ground surface (bgs). Soil samples and a groundwater sample were collected. Soil and groundwater samples were analyzed for volatile organic compounds (VOC's), polycyclic aromatic hydrocarbons (PAHs), and total petroleum hydrocarbons (TPHs). Several VOCs, including benzene, exceeded the NDEP Reportable Concentrations (RCs) in soil and EPA Maximum Contaminant Levels (MCLs) in groundwater, confirming a release. On December 20, 2023, gasoline within tank number three was measured at 4.5 inches and subsequently drained to 0.75 inches, and that on January 3, 2024, the regulatory agency sent a notice of violation (NOV) to Circle K Stores Inc, which

included violation of 40 CFR 280.70, failure to meet the temporary closure requirements. Documents demonstrating compliance were requested by February 2, 2024, and that the regulatory agency sent additional NOVs on February 7, 2024, and April 17, 2024, regarding the same list of violations along with a request for compliance documentation. On February 26, 2024, during a scheduled inspection, the regulatory agency discovered fuel had been added to Tank 3, which raised the level of fuel in the tank to 39 inches. On February 28, 2024, the regulatory agency sent a letter to Circle K Stores, Inc requiring immediate removal of the fuel to less than one inch; and capping and locking of the failed UST. Between July 3 and July 8, 2024, Tank 3 was repaired and relined. On July 8, 2024, Tank 3 was repaired and relined. On July 10, 2024, Tank 3 passed a precision tank tightness test while empty, and passed a test on July 17, 2024, with product present. The tank was subsequently returned to service. Documentation demonstrating compliance with UST temporary closure requirements has not been received by the regulatory agency or in response to additional requests by NDEP Petroleum Fund.

40 CFR 280.62 (a) states "...Owners and operators must perform the following initial abatement measures: (1) Remove as much of the regulated substance from the UST system as is necessary to prevent further release to the environment." 40 CFR 280.45 states, "All UST system owners and operators must maintain records in accordance with 40 CFR 280.34 demonstrating compliance with all applicable requirements of this subpart." 40 CFR 280.74 states, "Owners and operators must maintain records in accordance with 40 CFR 280.34 that are capable of demonstrating compliance with closure requirements under this subpart." Subpart 40 CFR 280.34, referenced in 40 CFR 280.45 and 40 CFR 280.74 requires, "Owners and operators of UST systems must cooperate fully with inspections, monitoring and testing conducted by the implementing agency, as well as requests for document submission...."

Board Policy Resolution No. 94-023 states: "Non-compliance with certain regulations may not necessarily be proximate cause for a discharge... but may still result in increased costs for site remediation." Resolution 94-023 also states, "When a determination of non-compliance is made, the staff of the Nevada Division of Environmental Protection will recommend to the Board that any reimbursement awarded be reduced in accordance with the Reimbursement Reduction Schedule specified in Attachment A..." "In the case of more than one non-compliance determination, the staff recommendation to the Board will list each as a separate item for the Board's consideration and will recommend to the Board that any reimbursement awarded be reduced by the largest percentage associated with any single item."

In accordance with Board Policy Resolution No. 94-023, reductions for non-compliance with Federal UST regulations are assessed as follows:

LUST.002 - Failure to comply with Release Response and Corrective Action. 40 CFR 280.60-280.65; 280.67: 40% Reduction

UST.003 - Failure to Comply with General Requirements for all UST Systems, Release Detection. 40 CFR 280.40-280.45: 20% Reduction

UST.004 - Failure to Comply with UST Systems and Closure Requirements. 40 CFR 280.72-280.74: 10% Reduction

Therefore, in accordance with Board Policy Resolution 94-023, staff recommend this facility receive coverage with a 40% reduction and a 10% copayment. This would provide a maximum reimbursable cap of \$540,000 in cleanup costs and \$540,000 in third party liability monies. The Board has the authority to provide coverage for this case at a level other than that recommended by Petroleum Fund staff.

Adrienne Knoblock, Circle K Stores, Inc., acknowledged the failure of the tank tightness test for
Board Meeting, March 13, 2025, Page 3 of 20

Tank 3 on October 7, 2023, and explained that the vendor had not notified Circle K for three days. Upon receiving the notification, did send notification out to internal departments, alerting them of the issues and asking to halt deliveries and sales from that tank, as well as to immediately pump out down to one inch. Ms. Knoblock indicated that the lid was then spray painted black and a locking cap was installed. Ms. Knoblock informed the Board that Circle K does not have its own carrier in the state of Nevada, and therefore the third-party carrier pumped out the fuel, but not to under one inch, of which Circle K was not notified until December 20th. Ms. Knoblock indicated that an internal discussion was held in which Circle K representatives were notified of the importance of removing the fuel to less than one inch, the importance of removing the drop tube, and installing the locking cap. Ms. Knoblock indicated her belief that the carrier removed the cap later, sometime between February and July, when the reline was done, and added fuel to the tank, which brought the level to 39 inches. Ms. Knoblock informed the Board of her belief that this was the result of a miscommunication within the company as well as with the third-party carriers. Ms. Knoblock indicated that as a result, Circle K has instituted the locking cap on any tank taken out of service, as well as placement of notes inside the spill buckets noting that the tank is out of service. Ms. Knoblock added that logistics has, in addition, instituted this needing to be approved so that someone in an executive seat is paying closer attention in hopes of avoiding these types of situations in the future. Ms. Knoblock explained that this case was the catalyst that showed areas needing more focus within different departments to make positive changes, and acknowledged the miscommunication on the part of Circle K.

Chair Tappan opened the floor for questions.

Vice-Chair Smith noted that there is no information regarding cleanup.

Megan Slayden explained that for coverage establishment, there is not a focus on cleanup unless the cleanups have not proceeded since the time of the incident.

Michael Mazziotta reported that the first quarter 2025 groundwater monitoring report has been received noting that wells have been installed to help delineate the groundwater plume.

Vice-Chair Smith asked for confirmation that it has been two to three years and nothing else has been done.

Jonathan McRae confirmed the spill report was received November 1, 2023, via the Spill Reporting Hotline.

LeRoy Perks questioned what NDEP does when they receive report of a leak from the customer.

Jonathan McRae indicated that on November 2, 2023, a letter was sent to Circle K requesting immediate completion of actions and documentation to confirm that the tank was drained within one inch, capped and locked, and that the copy of the failed tank tightness testing be forwarded. Mr. McRae further indicated that completion of actions documentation needed to be confirmed by November 29, 2023, along with investigation for environmental release, a report documenting the findings of the investigation, and a timeline indicating future intentions of Tank 3.

LeRoy Perks questioned why the tank was drained to six inches on November 7 and not down to one inch.

Adrienne Knoblock explained that the vac truck was full, and they did come back out, but the way the bill of lading was written up was backwards. As such, Ms. Knoblock indicated that Circle K did not submit it as it did not support what exactly had happened. The tank was drained down to below the inch with the stinger, but they did not have the proper documentation. Logistics and the third-party vendor were unable or unwilling to amend the documentation.

LeRoy Perks asked about the tank gauges and why there was not a report from tank gauges to show documentation that the tank was empty.

Adrienne Knoblock indicated they did, but because the probe was sticking, Circle K did not believe it to be accurate.

LeRoy Perks identified that 39 inches of product was present, what type of product, and what type of tank this was.

Adrienne Knoblock indicated that this was a manifolded tank containing unleaded gasoline.

LeRoy Perks indicated the possibility of the 39 inches being a leak through the manifold rather than a drop.

Adrienne Knoblock indicated that there was no research to support either a leak or a drop.

LeRoy Perks noted concern at the possibility of a fuel drop without a drop tube, as that could be a situation that could be potentially explosive.

Adrienne Knoblock concurred, reiterating the fact that this incident did identify some of the issues Circle K was having with the carriers and, as such, field and logistics departments have been brought into the conversations and training has been instituted to avoid these types of scenarios in the future.

Jennifer Carr noted her concern regarding improper temporary closure following the regulations that potentially caused another inch and a half loss of fuel, indicating this concern supported the reduction in coverage.

Chair Tappan concurred, stating that the 39 inches was approximately 4,000 gallons.

Vice-Chair Smith asked how much was actually put into the tank given that 39 inches was in there, and some was potentially lost into the ground.

LeRoy Perks noted his suspicion that the four-and-a-half inches came from a leak in the manifold.

Megan Slayden clarified that the four-and-a-half inches was part of the six inches that had remained in the tank that Circle K affirmed was left in the tank from the contractor.

LeRoy Perks noted concern that if it had actually been taken down to one inch, then raised again, reiterating his belief of a manifold issue, and indicated that manifold tanks should be able to be isolated.

Adrienne Knoblock indicated that Circle K did request that the vendor break the manifold but now believe that the vendor did not do that.

LeRoy Perks added his belief that this also could have been a siphon issue.

Megan Slayden noted that the regulations require that the tank be emptied and isolated, and there is no documentation from Circle K demonstrating that these regulations were followed.

Vice-Chair Smith moved to adopt Site Specific Board Determination No. C2025-01 as proposed, granting coverage under the State of Nevada Petroleum Fund to Circle K Store #2700542 for \$540,000.00. This represents 1,000,000.00 in coverage for one gasoline UST system, with a 40% reduction and a 10% copayment. Jennifer Carr seconded the motion. Motion carried unanimously.

6. SITE SPECIFIC BOARD DETERMINATION FOR PETROLEUM FUND COVERAGE WITH REDUCTION

Don Warner, NDEP, presented Site-Specific Board Determination SSBD C2025-02 to propose reduced coverage for Circle K Store #2701365, Petroleum Fund Case ID #2024000022, Facility ID 8-000120.

The subject site, owned by Circle K Stores, Inc., and identified as Circle K Store #2701365, is located at 3200 Fremont Street, Las Vegas, Nevada and includes three underground storage tank (UST) systems. Two USTs contain gasoline and one UST contains diesel.

The coverage application identified the release occurred from Tank 1; a 10,000-gallon single walled fiberglass reinforced plastic tank containing gasoline, due to a failure associated with the tank shell. The tank shell failure of Tank 1 was confirmed by a failing tank tightness test performed on April 22, 2024 (Spill Report #240422-05). The report stated that the tank failed somewhere below the product level portion of the tank detected by acoustic sounding equipment. No documentation was provided demonstrating that the tank was pumped out to less than one inch of product within 24 hours of the failed test. The tank was taken out of service by Circle K Stores, Inc. and reported to NDEP as temporarily closed. Southern Nevada Health District (SNHD) conducted inspections of the facility on April 25 & 29, 2024 and reported that tank was not capped and locked. Documentation provided by Circle K Stores, Inc. indicated that the tank was pumped out on April 27, 2024, and capped and locked on May 10, 2024.

On June 26, 2024, two soil borings were advanced to groundwater northeast and southwest of the tank basin to 30 feet below ground surface. Soil samples were collected in 5-foot intervals and groundwater samples were collected. Soil and groundwater samples were analyzed for volatile organic compounds, and total petroleum hydrocarbons. According to analytical data, benzene exceeded the NDEP Reportable Concentrations in soil and groundwater, confirming a release.

The interior of Tank #1 was relined on July 19, 2024. The initial post-reline tank tightness test was conducted while the tank was empty on July 22, 2024, and reported the tank to be tight. A secondary post-reline tank tightness test was conducted on Tank #1 on August 5, 2024, that reported the tank to be tight. Tank #1 has been active since August 28, 2024. On December 5, 2024, an application for coverage was submitted to NDEP. The application identified the source of the release as a failure of the tank shell.

40 CFR 280.45 states, "All UST system owners and operators must maintain records in accordance with 280.34 demonstrating compliance with all applicable requirements of this subpart." 40 CFR

280.62 (a) states, "...Unless directed to do otherwise by the implementing agency, owners and operators must perform the following abatement measures: (1) Remove as much of the regulated substance from the UST system as is necessary to prevent further release to the environment." 40 CFR 280.74 states, "...Owners and Operators must maintain records in accordance with 280.34 that are capable of demonstrating compliance with closure requirements under this subpart." 40 CFR 280.70 states, "when an UST system is temporarily closed, owners and operators must continue operation and maintenance of corrosion protection in accordance with 280.31, and any release detection in accordance with subpart D. Subparts E and F must be complied with if a release is suspected or confirmed. However, release detection is not required as long as the UST system is empty. The UST system is empty when all materials have been removed using commonly employed practices so that no more than 2.5 cm (one inch) of residue, or 0.3 percent by weight of the total capacity of the UST system, remain in the system."

Board Policy Resolution No. 94-023 states: "Non-compliance with certain regulations may not necessarily be proximate cause for a discharge... but may still result in increased costs for site remediation." Resolution 94-023 also states, "When a determination of non-compliance is made, the staff of the Nevada Division of Environmental Protection will recommend to the Board that any reimbursement awarded be reduced in accordance with the Reimbursement Reduction Schedule specified in Attachment A."

In accordance with Board Policy Resolution No. 94-023, reductions for non-compliance with Federal underground storage tank regulations are assessed as follows:

LUST.002 - Failure to comply with Release Response and Corrective Action. 40 CFR 280.60-280.65; 280.67: 40% Reduction

UST.003 - Failure to comply with General Requirements for all UST Systems, Release Detection. 40 CFR 280.40-280.45: 20% Reduction

UST.004 - Failure to Comply with UST Systems and Closure Requirements. 40 CFR 280.72-280.74: 10% Reduction

Per Board Policy Resolution No. 94-023, if a site is found to have more than one non-compliance determination, Petroleum Fund staff is directed to recommend to the Board that, "any reimbursement be reduced by the largest percentage associated with any single item." In this case a 40% coverage reduction is recommended.

Therefore, in accordance with Board Policy Resolution No. 94-023, NDEP recommends that the subject facility receive Fund coverage with a 40% reduction for violation of Federal regulations associated with the April 2024 release and a 10% copayment, for a total reimbursement cap of \$540,000 in cleanup costs and \$540,000 in third party liability monies. The Board has the authority to provide coverage for this case at a level other than that recommended by Petroleum Fund Staff.

Adrienne Knoblock indicated that all annual testing had passed prior to the failed tank tightness test on April 22, 2024. Ms. Knoblock likened this scenario to that of the previous agenda item. Ms. Knoblock further noted that following this incident, Circle K put into play a template that will be going out upon every first notification on a tank failure or line failure to inform everyone in the department of what steps must be followed per regulation, noting that this has been mandated.

Vice-Chair Smith stated that this appears to be a systemic problem rather than an individual facility problem and noted the need for internal training.

Adrienne Knoblock indicated that training is constant, but there are high turnovers both within

Circle K and with the vendors. Ms. Knoblock discussed the importance of now holding a constant level of communication among all parties concerned.

Jennifer Carr asked for confirmation that when the Southern Nevada Health District went out, the tank was not locked and capped on April 25th despite the spill report that noted the tank was capped and locked on April 22nd.

Jonathan McRae clarified that when the spill was reported on April 22nd, there were two reports made that day. The first report stated that the tank had been taken out of service. The third party vendor also submitted a spill report that day stating that the drop tube had been removed and the tank was capped and locked. SNHD went out for an inspection on April 22nd and found the tank was in service and had a passing CSLD result. SNHD returned on April 25th, the tank had not been emptied to within one inch, had lost eight gallons of fuel since April 22nd, was not capped and locked. Mr. McRae noted that when SNHD went back out on April 29th, the tank had been emptied to within one inch of the product, but the tank was not capped or locked at that time.

Jennifer Carr questioned why the report to the state agency noted that certain things had been done when, in fact, they had not.

Adrienne Knoblock indicated that she was unsure of how this happened and added that this is how Circle K is identifying the misses and is now requesting photos with its work orders to ensure that requests are followed through. Ms. Knoblock explained that once Circle K discovered the lack of a locking cap, these procedures were put into action with vendors, along with steps to follow the process, after which, the vendors did place the locking cap.

Jennifer Carr indicated her concern that communications began to occur in January or February of 2024 and yet there were still ongoing miscommunications as late as April. Ms. Carr further noted her concern about Ms. Knoblock characterizing these as a “miss” rather than as false reporting to the state. As such, Ms. Carr suggested that this be taken very seriously going forward.

Vice-Chair Smith questioned if there was anybody in the field at the facility that could provide feedback on whether or not steps had been taken.

Adrienne Knoblock indicated that there are people in the field and that now reliance on corporate counterparts have also been put into place. Ms. Knoblock further noted that there are monthly visual inspections now occurring and reiterated the fact that Circle K was relying heavily on vendors to do the right thing in the past. Ms. Knoblock noted that this was not something that Circle K would intentionally misreport but rather has been identified as something that needs to be improved. She acknowledged the issue is fully the responsibility of Circle K Inc.

LeRoy Perks suggested documenting the fuel levels in house with a stick.

Mike Dzyak moved to adopt Site Specific Board Determination No. C2025-02 as proposed, granting coverage under the State of Nevada Petroleum Fund to Circle K Store #2701365 for \$540,000.00. This represents \$1,000,000.00 in coverage for one gasoline UST system, with a 40% reduction and 10% copayment. Rod Smith seconded the motion. Motion carried unanimously.

7. **SITE SPECIFIC BOARD DETERMINATION FOR PETROLEUM FUND COVERAGE WITH REDUCTION**

Greg Johnson with NDEP presented Site-Specific Board Determination No. C2025-03, which proposes reduced Petroleum Fund coverage under Board Policy Resolution 94-023, for Circle K Store #2701791. This is for Petroleum Fund Case ID No. 2024000031, Facility ID No. 8-000329.

The subject site owned by Circle K Store, Inc., identified as Circle K Store #2701791, is located at 3901 E Lake Mead Blvd, Las Vegas, Nevada, and consists of three underground storage tank (UST) systems, two of which contained gasoline, and one which contained diesel at the time of release.

April 2, 2024, during a regulatory agency inspection it was noted that there were active periodic test fail alarms for Tank #1 and Tank #2. A notice of violation (NOV) was sent to Circle K Stores, Inc., which included violation of 40 CFR 280.50(a)-(c) - Failure to report a suspected release within 24 hours to the implementing agency. The regulatory agency sent an additional NOV on May 29, 2024, regarding violation 40 CFR 280.50(a)-(c), requesting compliance documentation by June 28, 2024. April 22, 2024, Tank #2, a 10,000-gallon single walled UST failed a tightness test and was taken out of service, and on May 1, 2024, the drop tube and check valve were removed, lines were blown back, and the tank locked. Documentation demonstrating the tank was pumped to less than one inch, placing it in proper temporary closure was not provided. June 6, 2024, Tank #1, a 10,000-gallon single walled UST, containing gasoline, failed a precision tank tightness test. No documentation was provided to demonstrate proper temporary closure of the tank had been performed. June 26, 2024, two soil borings, SB-1 and SB-2 were advanced to groundwater. Laboratory results demonstrated that soil and groundwater are contaminated.

Between July 20 and July 25, 2024, Tank #1 and Tank #2 were repaired and relined. On August 26, 2024, Tank #1 and Tank #3 passed a tank tightness test and were returned to service. Tank #2 failed the tightness test. December 11, 2024, Tank #2 passed a tank tightness test and was returned to service. Documentation demonstrating compliance with UST temporary closure requirements has not been received by the regulatory agency, or in response to additional requests by the NDEP Petroleum Fund.

40 CFR 280.62 (a) states "...Owners and operators must perform the following initial abatement measures: (1) Remove as much of the regulated substance from the UST system as is necessary to prevent further release to the environment." 40 CFR 280.45 states, "All UST system owners and operators must maintain records in accordance with 40 CFR 280.34 demonstrating compliance with all applicable requirements of this subpart." 40 CFR 280.74 states, "Owners and operators must maintain records in accordance with 40 CFR 280.34 that are capable of demonstrating compliance with closure requirements under this subpart." Subpart 40 CFR 280.34, referenced in 40 CFR 280.45 and 40 CFR 280.74 requires, "Owners and operators of UST systems must cooperate fully with inspections, monitoring and testing conducted by the implementing agency, as well as requests for document submission...."

Board Policy Resolution No. 94-023 (Attachment A), states: "Non-compliance with certain regulations may not necessarily be proximate cause for a discharge... but may still result in increased costs for site remediation." Resolution 94-023 also states, "When a determination of non-compliance is made, the staff of the Nevada Division of Environmental Protection will recommend to the Board that any reimbursement awarded be reduced in accordance with the Reimbursement Reduction Schedule specified in Attachment A. "In the case of more than one non-compliance determination, the staff recommendation to the Board will list each as a separate item for the Board's consideration and will recommend to the Board that any reimbursement awarded be reduced by the

largest percentage associated with any single item.”

In accordance with Board Policy Resolution No. 94-023, reductions for non-compliance with Federal UST regulations are assessed as follows:

LUST.002 - Failure to comply with Release Response and Corrective Action. 40 CFR 280.60-280.65; 280.67: 40% Reduction

UST.003 - Failure to Comply with General Requirements for all UST Systems, Release Detection. 40 CFR 280.40-280.45: 20% Reduction

UST.004 - Failure to Comply with UST Systems and Closure Requirements. 40 CFR 280.72-280.74: 10% Reduction

Therefore, in accordance with Board Policy Resolution 94-023, staff recommend this facility receive coverage for releases from two gasoline systems with a 40% reduction and a 10% copayment. This would provide a maximum reimbursable cap of \$1,080,000 in cleanup costs and \$1,080,000 in third party liability monies. The Board has the authority to provide coverage for this case at a level other than that recommended by Petroleum Fund staff.

Ms. Knoblock reiterated her earlier statements regarding putting new procedures and policies into place, as well as constant communications. Ms. Knoblock noted the suggestion of having the store stick the tank and indicated that this is something Circle K will be adding in their constant work to improve and be better.

Rod Smith asked about the crack in the shell and questioned if it was repaired.

Ms. Knoblock noted that all three tanks were relined, all three are passing testing, and also noted that there were repairs in between.

Jonathan McRae indicated that to repair the interior of the tanks, third party vendors have to follow a national industry standard, which includes investigation and repair of cracks prior to relining the entire tank interior. Mr. McRae further confirmed that the cracks were repaired.

Jennifer Carr moved to adopt Site Specific Board Determination No. C2025-03 as proposed, granting coverage under the State of Nevada Petroleum Fund to Circle K Store #2701791 for \$1,080,000.00. This represents \$2,000,000.00 in coverage for two gasoline UST systems, with a 40% reduction and a 10% copayment. Rod Smith seconded the motion. Motion carried unanimously.

8. SITE SPECIFIC BOARD DETERMINATION FOR PETROLEUM FUND COVERAGE WITH REDUCTION

Kandis Harvey with NDEP presented Site Specific Board Determination C2025-04, which proposes to provide reduced Petroleum Fund coverage for PJ's Food and Gas located at 1455 Cornell Ave., Lovelock, Nevada, and owned by Gurdeep Singh. This is Petroleum Fund Case ID number 2024000033 and Facility ID number 5-000175. At the time of the release the subject site consisted of four single-walled, underground storage tank systems constructed of steel - Two systems contained gasoline, one system contained diesel, and one system contained red dye diesel.

On December 15, 2022, the Nevada Division of Environmental Protection (NDEP) performed an inspection of the facility; and on December 29, 2022, issued a First Notice of Violation stating that the facility was not in compliance. The Notice of Violation requested 12 months of tank leak

detection records, annual line leak detector certification, annual automatic tank gauge and mechanical equipment certification, annual product line tightness test certification, Cathodic Protection voltage and amperage logs, and monthly walk-through forms. The inspector issued a second Notice of Violation on January 18, 2023, and a third Notice of Violation on July 16, 2023, for the same violations.

On October 11, 2023, in response to the notices of violation, precision tank and line tightness testing was conducted on the four tank systems. The two 10,000-gallon gasoline tanks (Tanks #1 and #3) and one 5,000-gallon diesel tank (Tank #4) passed testing. It was noted that the red dye diesel tank (Tank #2) was untestable on this date.

On December 5, 2023 60 Day Inspection Results for Cathodic Protection system showed the system running properly. Documentation demonstrating that the cathodic protection system was being monitored every 60 days between December 2023 and the release date was not available at the time of application.

According to NDEP records, Tank #2 was placed in temporary closure in 2018. However, a monthly monitoring report submitted with the application shows 3,875.3 gallons of product within the red dye diesel tank (Tank #2) on January 14, 2024. Closure documentation was not provided with the application.

On March 1, 2024 a Phase II environmental site assessment was performed that included three borings advanced to groundwater. Soil and groundwater samples collected demonstrated contamination to the environment had occurred. A corresponding Spill Report was submitted on March 6, 2024, number 240306-02. NDEP correspondence issued March 11, 2024, noted the release appeared to have resulted in contamination and exceeded limits or quantities established by Nevada Administrative Code (NAC) 445A.347 or 445A.3473, requiring an evaluation of the release be provided per NAC 459.996 and NAC 459.9972. Documentation demonstrating that additional investigation or remediation has been conducted at the site was not available at the time of application.

On April 8, 2024 NDEP applied Red Tags to all fill ports. Additionally on that date, precision tank tightness testing was performed by a Nevada-certified underground tank tester. This investigation determined the source of the release was the tank shell and turbine of the two gasoline USTs (Tanks #1 and #3). The source of release was not determined for the 5,000-gallon diesel tank (Tank #4). Precision tank tightness testing was also performed on the red dye diesel tank (Tank #2) revealing a leak within the turbine and tank shell. Documentation demonstrating that the tanks were placed in proper temporary closure in accordance with Federal regulations was not available at the time of application. On August 30, 2024, the tank shells of Tanks #1, #3, and #4 were repaired and relined. The relining report includes documentation demonstrating that penetrations were found in the steel shell of all three tanks. Precision tank tightness testing was performed for Tank #1, Tank #3, and Tank #4 on September 6, 2024, all three tanks passed tightness testing. The NDEP UST Compliance Branch issued a letter on November 21, 2024, stating that the facility was in compliance and allowed the tanks to return to service.

On December 18, 2024, an application for coverage was submitted to NDEP. The application identified the source of release as turbine fittings and tank shells for both Tank #1 and Tank #3 and the source for Tank #4 as the tank shell. The application for coverage did not include information for Tank #2. Documentation demonstrating that the cathodic protection system for the tanks was monitored every 60 days, in accordance with 40 CFR280.31 was not provided with the application. The most recent monitoring of the cathodic protection system occurred on December 5, 2023.

Documentation demonstrating that the tanks and lines were monitored for releases, in accordance with 40 CFR 280.41 was not available at the time of application. This documentation is required by 40 CFR 280.34.

40 CFR 280.34 (b) states, "Owners and operators must maintain the following information:... (2) Documentation of operation of corrosion protection equipment... (7) Documentation of compliance with release detection requirements..." 40 CFR 280.45 states, "All UST system owners and operators must maintain records in accordance with 40 CFR 280.34 demonstrating compliance with all applicable requirements of this subpart." 40 CFR 280.62(a) states "...Owners and Operators must perform the following initial abatement measures: (1) Remove as much of the regulated substance from the UST system as is necessary to prevent further release to the environment." 40 CFR 280.62(a) states "...Owners and Operators must perform the following initial abatement measures: (1) Remove as much of the regulated substance from the UST system as is necessary to prevent further release to the environment."

40 CFR 280.62(b) states "Within 20 days after release confirmation, or within another reasonable period of time determined by the implementing agency, owners and operators must submit a report to the implementing agency summarizing the initial abatement steps taken under paragraph (a) of this section and any resulting information or data." 40 CFR 280.70(a) states, "...The UST system is empty when all materials have been removed using commonly employed practices so that no more than 2.5 centimeters (one inch) of residue, or 0.3 percent by weight of the total capacity of the UST system, remain in the system..." 40 CFR 280.74 states, "Owners and operators must maintain records in accordance with 40 CFR 280.34 that are capable of demonstrating compliance with closure requirements under this subpart."

Board Policy Resolution No. 94-023 states: "non-compliance to certain regulations may not necessarily be proximate cause for a discharge...but may still result in increased costs for remediation." Resolution 94-023 also states, "When a determination of non-compliance is made, the staff of the Nevada Division of Environmental Protection will recommend to the Board that any reimbursement awarded be reduced in accordance with the Reimbursement Reduction Schedule specified in Attachment A." In accordance with Board Policy Resolution 94-023, reductions for non-compliance with the Leaking UST regulations for preventing petroleum releases will be assessed as follows:

LUST.002 – Failure to comply with Release Response and Corrective Action 40 CFR 280.60 – 280.65; 280.67: 40% Reduction

UST.001 – Failure to Comply with UST Design, Construction, Installation, Notification, or Change in Service 40 CFR 280.20 – 280.21; 280.70 – 280.71: 10% Reduction

UST.002 – Failure to Comply with UST General Operating Requirements 40 CFR 280.30-280.34: 20% Reduction

UST.003 - Failure to Comply with General Requirements for all UST Systems, Release Detection 40 CFR 280.40-280.45: 20% Reduction

UST.004 – Failure to comply with Out-Of-Service UST Systems and Closure Requirements 40 CFR 280.72 – 280.74: 10% Reduction

In addition, Tank #2 failed precision tank tightness testing on April 8, 2024. The application for coverage did not include information for Tank #2 and documentation demonstrating that the tank was in proper temporary closure at the time of the release could not be provided. Therefore, some of the releases identified may have contributed to the contamination that is being remediated and are not eligible for Fund coverage.

Board Policy Resolution No. 99-022 states, "Fund staff may recommend to the Board a 20%

coverage reduction for sites at which contamination resulting from Fund eligible petroleum storage tank system release and from non-Fund eligible release events from the same site has been discovered coincidentally, and where the percentage of non-Fund eligible contribution is unknown or cannot otherwise be readily identified,” and, “If coverage for the Fund eligible release is reduced pursuant to Board Policy Resolution 94-023 due to non-compliance issues, that reduction will be added to any coverage reduction recommended pursuant to Resolution 99-022.”

Therefore, in accordance with Board Policy Resolutions No. 94-023 and 99-022, NDEP recommends that the Board provide coverage in the amount of \$1,080,000, which represents \$3,000,000 in Fund coverage, minus a 60 percent reduction and a 10 percent copayment. The Board has the authority to provide coverage for this case at a level other than that recommended by Fund staff.

Vice-Chair Smith noted that it appeared that item 14 was skipped and asked for clarification.

Megan Slayden explained that when the application was received, coverage for Tank 2 was not requested, and as such, NDEP has limited documentation regarding Tank 2 and has not received information demonstrating that fuel was removed or that the tank was repaired or relined. Ms. Slayden explained that NDEP is not able to evaluate coverage if not provided the requested documentation, making this an ineligible release, hence the additional 20 percent reduction regarding Tank 2. Ms. Slayden noted that NDEP did request additional information but was not provided any during application review.

Chair Tappan noted that this is a large reduction with the recommendation of 60 percent.

LeRoy Perks recused himself from voting given his familiarity with the site.

Jennifer Carr noted that the beginning of this case appears to have started with records violations in 2022.

Jonathan McRae concurred, noting that at the time of the inspection, the operator was not able to provide any of the required documentation.

Jennifer Carr requested clarification regarding the cathodic protection documentation that was received with the application.

Jonathan McRae confirmed that cathodic protection documentation was available for 2023.

Vice-Chair Smith noted that although item 5 states that Tank #2 was placed in temporary closure, the monthly reports indicated it was in use.

Caitlyn Jelle clarified that the liquid in tank two may not be fuel and might be water, but that this investigation is currently ongoing, and added that the tank itself was not physically pumping fuel or tied to any system—it just showed liquid in the tank.

Chair Tappan indicated that the goal is obviously to get the site cleaned up and expressed her concern with this being possible after such a large reduction. She questioned if once the cleanup has begun, if the company can return to the Board to ask for a reconsideration of the reduction. Chair Tappan asked Ms. Jelle to expand upon the cleanup efforts.

Caitlyn Jelle noted that the owner was focused on getting the tanks relined, added that initial

characterization was done, and noted that groundwater contamination was found. Ms. Jelle indicated that there are plans to investigate groundwater contamination, as well as the liquid in Tank #2. Ms. Jelle noted that based on the groundwater contamination results, remediation may be necessary.

LeRoy Perks questioned the volume of sales for this business.

Jonathan McRae noted that it is a small station in Lovelock without a lot of throughput.

Chair Tappan questioned the ability of the company to designate themselves as a small business.

Megan Slayden noted that at this time, NDEP has not received an application for evaluation of small business, but staff has provided that information to their CEM in hopes that they may choose to pursue that avenue.

Mike Dzyak indicated that the Board has good success sticking with staff recommendations in the past.

Rod Smith questioned if the company were to return as a proposed small business, would this be an administrative determination or would it need to come before the Board.

Megan Slayden indicated that all documentation would need to be turned into NDEP, a determination would be made administratively, and they would not need to come before the Board.

Vice-Chair Smith moved to adopt Site Specific Board Determination No. C2025-04 as proposed, granting coverage under the State of Nevada Petroleum Fund to PJ's Food and Gas for \$1,080,000.00. This represents \$3,000,000.00 in coverage for two gasoline UST systems and one diesel UST system, with a 60% reduction and a 10% copayment. Jason Case seconded the motion. LeRoy Perks recused himself from the vote. Motion carried.

9. **SITE SPECIFIC BOARD DETERMINATION FOR ADDITIONAL CLEANUP ALLOTMENT**

Don Warner with NDEP presented Site Specific Board Determination number C2025-05, which proposed to provide an additional allotment of funding to 7-Eleven Store #27607. This is for Petroleum Fund case 1999000243, Facility ID 8-001149.

The subject site, identified as 7-Eleven Store #27607, and located at 600 Las Vegas Boulevard North in Las Vegas, Nevada was previously awarded coverage for one release from one storage tank system with a 10% copayment. The operator has requested an additional allotment of funding in accordance with Policy Resolution 2023-01, which is provided as Appendix A in your binders. Petroleum Fund staff have reviewed this request and prepared this SSBD to help the Board determine eligibility.

On October 29, 2024, the Nevada Division of Environmental Protection case officer concurred with the recommendation to continue post-remediation groundwater monitoring through Fourth Quarter 2024. The NDEP case officer letter is included as an attachment in the request for additional funding allotment document.

On December 18, 2024, the operator submitted a request for an additional allotment of funding, in accordance with Policy Resolution 2023-01, which addressed each item listed in statute. The request

is provided in Appendix B. NDEP case officer concurrence that the operator is in compliance with the requirements of the Division concerning cleanup directives at the 7-Eleven Store #27607 facility is an attachment to the request.

On January 13, 2025, the NDEP case officer concurred with the plan, schedule, and cost estimate proposed by the operator's certified environmental manager (Appendix C). Claim #80733 was approved for payment at the September 12, 2024, Board meeting, which exhausted all available cleanup funding for the case. A review of case records indicates that the operator is not liable pursuant to NRS 445C.390 and has not received money for damages pursuant to NRS 445C.380(1).

Based on a review of the documentation provided with the request for an additional allotment of cleanup funding, staff recommend that the Board approve the allotment of funding in the amount of \$900,000 for 7-Eleven Store #27607. This represents \$1,000,000 in funding, minus a 10% copayment. The Board has the authority to approve a value of not greater than \$1,000,000 for this allotment.

Vice-Chair Smith noted his concern with providing \$1,000,000 for under \$200,000 of cleanup.

Chair Tappan concurred and noted that the amount could be reduced.

Jennifer Carr concurred with the Chair, noting that it should not be trimmed too close and added that she would support less than a million.

Chair Tappan suggested \$200,000.

Vice-Chair Smith asked if it was an easy process for the company to get more should the \$200,000 not be enough.

Megan Slayden indicated that the process would be exactly the same as the one used for this request.

Vice-Chair Smith indicated his preference to allocate \$250,000 so as not to have the company need to go through the process again.

LeRoy Perks moved to adopt Site Specific Board Determination No. C2025-05 as proposed to grant additional cleanup funding in accordance with Board Policy Resolution 2023-01 under the State of Nevada Petroleum Fund to 7-Eleven Store #27607 for \$225,000. This represents \$250,000 in coverage, minus a 10% copayment. Rod Smith seconded the motion. Motion carried unanimously.

10. PROPOSED AMENDMENTS TO BOARD POLICY RESOLUTION 2015-01 (BID POLICY)

Megan Slayden presented the draft of the proposed amendments to Board Policy Resolution 2015-01. This is NDEP's bid policy and defines how NDEP expects bid packets and bids to be received in order for them to be evaluated effectively. Ms. Slayden explained that the policy was originally passed in September of 2015, with the regulation updates in 2016 and 2018, and now requires Fund staff to annually update the bid trigger value by March 1 of each year. Ms. Slayden indicated that the value was raised to \$8,000 in 2025 and that the policy language will reflect the current value and the language requiring the annual update. Ms. Slayden added that the second bid trigger that is

established in the policy defines when NDEP must approve of the selected bidder before work can proceed or the item may be purchased. Ms. Slayden explained that NDEP is seeking to raise this value to \$35,000. Ms. Slayden added that further updates include clarifying requirements and forms for bidding, incorporating rules that have been set in the Cost Guidelines, and providing clarifying language for processes that have historically caused confusion for the regulated public and their CEMs. Ms. Slayden indicated that the number of forms has been reduced to curb some of this confusion. Ms. Slayden next indicated that the previously approved ineligible contractor costs have been moved to a separate attachment within the policy for easy reference and added that the proposed revisions to the policy will be made available online for public review, as well as discussed with the CEMs and the regulated public in the upcoming quarter. Ms. Slayden concluded by noting that Fund staff intends to bring this policy with those suggestions to the June 2025 meeting as an action item.

Chair Tappan opened the floor to questions.

LeRoy Perks asked about the business license on the Contractor/Vendor Certification Form, noting that a business license and a contractor's license are two separate things, and suggested listing contractor's license as an applicable, and to add the words "in the state of Nevada" under licensed to conduct this work.

11. ADOPTION OF CONSENT ITEMS

The Board reviewed all items as a consent agenda item. There was no discussion regarding an individual item.

HEATING OIL

FOR POSSIBLE ACTION	1.	2012000017; 80792	Churchill County School District: Old High School	<u>REQUESTED</u>	<u>RECOMMENDED</u>
FOR POSSIBLE ACTION	2.	2025000001; 80857	Scott Douglass: Residence Of 2795 W. Plumb Lane	\$5,882.43	\$5,879.75
				\$20,275.36	\$19,887.36

SUB TOTAL:

\$26,157.79 **\$25,767.11**

ONGOING CASES

FOR POSSIBLE ACTION	1.	1992000126; 80876	Clark County School District: RC White (Arville) Transportation Satellite	<u>REQUESTED</u>	<u>RECOMMENDED</u>
FOR POSSIBLE ACTION	2.	1993000102; 80861	Rebel Oil Company: Rebel Store #2008	\$22,352.70	\$22,352.70
FOR POSSIBLE ACTION	3.	1995000039; 80862	Al Park Petroleum, Inc.: Crescent Valley Market	\$233,011.71	\$195,729.04
FOR POSSIBLE ACTION	4.	1995000042; 80839	FBF, Inc.: Gas 4 Less	\$10,660.39	\$9,594.35
FOR POSSIBLE ACTION	5.	2007000014; 80874	Raiders Oz Business, Llc: Former Ace Cab/Frias Transportation	\$25,670.45	\$24,386.93
FOR POSSIBLE ACTION	6.	2007000016; 80863	Golden Gate Petroleum Of Nevada Llc: Golden Gate Petroleum #43 - Sun Valley	\$58,385.52	\$51,691.97
FOR POSSIBLE ACTION	7.	2009000024; 80848	SJK Investments, Llc: Chuck's Circle C	\$13,394.86	\$12,055.37
FOR POSSIBLE ACTION	8.	2011000009; 80864	Cimarron West: Cimarron West	\$26,089.30	\$22,988.73
FOR POSSIBLE ACTION	9.	2013000019; 80865	Hardy Enterprises, Inc.: Elko Sinclair #53	\$12,010.60	\$10,809.54
FOR POSSIBLE ACTION	10.	2014000025; 80868	Superior Campgrounds Of America, Llc: Silver City RV Resort	\$32,046.20	\$28,276.08
FOR POSSIBLE ACTION	11.	2016000009; 80835	7-Eleven, Inc: 7-Eleven #13685	\$11,219.72	\$9,895.25
FOR POSSIBLE ACTION	12.	2016000023; 80869	Al Park Petroleum, Inc.: Pit Stop #1	\$35,659.63	\$32,074.54
FOR POSSIBLE ACTION	13.	2016000027; 80836	Terrible Herbst, Inc.: Terrible Herbst #272	\$32,034.96	\$23,016.21
FOR POSSIBLE ACTION	14.	2017000015; 80847	Ellen 5, Llc: Auto Center (green Valley Grocery #63)	\$16,889.50	\$13,680.49
FOR POSSIBLE ACTION	15.	2017000035; 80852	Rebel Oil Company: Rebel Store #2177	\$13,237.76	\$11,913.98
FOR POSSIBLE ACTION	16.	2018000005; 80844	Rebel Oil Company: Rebel Store # 2153	\$93,197.00	\$83,877.30
FOR POSSIBLE ACTION	17.	2018000009; 80870	Reed Incorporated: Pacific Pride	\$20,814.90	\$18,733.41
FOR POSSIBLE ACTION	18.	2019000044; 80833	7-Eleven, Inc: 7-Eleven #15829	\$36,249.63	\$32,447.92
FOR POSSIBLE ACTION	19.	2020000015; 80849	Canyon Plaza, Llc: Gas 2 Go	\$24,138.30	\$21,724.47
FOR POSSIBLE ACTION	20.	2021000014; 80854	Pilot Travel Centers Llc: Pilot Travel Centers LLC #341	\$29,467.16	\$15,360.42
FOR POSSIBLE ACTION	21.	2021000026; 80829	7-Eleven, Inc: 7-Eleven #25578	\$16,277.38	\$14,646.25
FOR POSSIBLE ACTION	22.	2022000015; 80851	Rebel Oil Company: Rebel Store #2197	\$16,876.60	\$15,188.94
FOR POSSIBLE ACTION	23.	2022000018; 80855	Pilot Travel Centers Llc: Pilot Travel Centers LLC #341	\$26,959.22	\$19,410.64
FOR POSSIBLE ACTION	24.	2022000035; 80834	7-Eleven, Inc: 7-Eleven #29407	\$53,509.94	\$35,829.05
FOR POSSIBLE ACTION	25.	2023000018; 80878	Reed Incorporated: R Place #1	\$18,977.39	\$17,079.65
FOR POSSIBLE ACTION	26.	2023000028; 80845	Anderson Dairy, Inc.: Anderson Dairy INC	\$18,534.62	\$16,681.16
				\$5,816.00	\$5,234.40

FOR POSSIBLE ACTION	27.	2024000008; 80867	Midjit Market, Inc.: Green Valley Grocery #58	\$59,763.83	\$43,029.95
SUB TOTAL:				<u>\$963,245.27</u>	<u>\$807,708.74</u>
RECOMMENDED CLAIMS TOTAL:				<u>\$989,403.06</u>	<u>\$833,475.85</u>

LeRoy Perks moved to approve the consent items as proposed. Rod Smith seconded the motion. Jason Case recused himself from numbers 2, 15, 16, and 22. Motion carried.

12. **DIRECT PAYMENT OF UNCONTESTED CLAIMS MADE PER POLICY RESOLUTION 2017-02**

The Board to Review Claims authorizes NDEP to make claim payments prior to a Board meeting when the recommended payment value is uncontested. This authorized delegation is consistent with the findings in the memorandum from the Attorney General's Office dated August 3, 2017 (Attachment A of Policy Resolution 2017-02). Below is a list of all quarterly claim payments made on the Board's behalf in accordance with Policy Resolution No. 2017-02.

HEATING OIL

			<u>REQUESTED</u>	<u>PAID</u>
FOR DISCUSSION	1.	2024000027; 80828 3655 Warren Way Llc: Residence Of 3655 Warren Way	\$19,974.38	\$19,724.38
FOR DISCUSSION	2.	2024000028; 80830 No California Llc: Residence Of 1053 Washington Street	\$54,203.25	\$53,453.25
FOR DISCUSSION	3.	2024000029; 80831 No California Llc: Residence Of 1045 Washington Street	\$27,993.08	\$27,743.08
FOR DISCUSSION	4.	2024000030; 80832 601 N Carson Llc: Northern Nevada Coin Shop	\$34,689.39	\$34,439.39
FOR DISCUSSION	5.	2024000034; 80838 Perry Intervivos Trust: Residence Of 449 Games Drive	\$25,958.67	\$25,708.67
FOR DISCUSSION	6.	2024000035; 80837 Pechnik Trust Robert & Linda: Residence Of 801 Pine Ridge Drive	\$28,498.98	\$28,248.98
FOR DISCUSSION	7.	2024000036; 80842 Emerald Bay Properties Llc: Residence Of 3522 Arcadia Drive	\$30,867.29	\$30,617.29
FOR DISCUSSION	8.	2025000002; 80858 Sara Miller: Residence Of 360 Sunset Drive	\$32,372.35	\$32,122.35
FOR DISCUSSION	9.	2025000003; 80850 Harvey Lambert: Residence Of 445 Games Drive	\$27,054.07	\$26,804.07
SUB TOTAL:			<u>\$281,611.46</u>	<u>\$278,861.46</u>

ONGOING CASES

			<u>REQUESTED</u>	<u>PAID</u>
FOR DISCUSSION	1.	1999000023; 80846 Nevada Ready Mix Corp: Nevada Ready Mix	\$27,795.38	\$24,295.84
FOR DISCUSSION	2.	1999000066; 80856 HP Management, Llc: Former Haycock Petroleum	\$19,000.00	\$17,076.89
FOR DISCUSSION	3.	2019000014; 80843 Western Cab Co: Western Cab CO	\$7,709.50	\$6,938.55
FOR DISCUSSION	4.	2022000012; 80859 Neissan Koroghli: City C-Store (7-11)	\$6,357.00	\$5,721.30
SUB TOTAL:			<u>\$60,861.88</u>	<u>\$54,032.58</u>
DIRECT PAYMENT CLAIMS TOTAL:			<u>\$342,473.34</u>	<u>\$332,894.04</u>

BOARD MEETING CLAIMS TOTAL: **\$1,331,876.40** **\$1,166,369.89**

13. EXECUTIVE SUMMARY

Megan Slayden provided the Board with the quarterly executive summary report for the Petroleum Fund, noting that tank enrollment fees are tracked pursuant to the Federal fiscal year, which runs from October 1st through September 30th. Ms. Slayden indicated that the annual invoices for enrollment year 2025 were issued August 14, 2024, and a total of 1,305 facilities have been invoiced as of February 25, 2025. Approximately 1,286, or approximately 99 percent, of the invoiced facilities having submitted the required tank enrollment fees. Ms. Slayden next provided a summary of facilities eligible for Fund coverage and those that have received reimbursement payments from the Fund following a release. Ms. Slayden noted that since the inception of the Fund, a total of 1,863 remediation cases have applied for Petroleum Fund coverage, 174 have been denied, 1,615 of them have closed and no longer receive Fund reimbursement, and there are currently 70 active Fund cases. Ms. Slayden added that since January 1, NDEP has received four new applications for Fund coverage, and four applications received coverage determinations during today's meeting. Ms. Slayden reported that prior to today's meeting, the Board approved a cumulative total of \$264,961,613.83 for reimbursement to petroleum storage tank operators throughout Nevada for cleanup expenses. This number includes \$332,894.04 for claims paid using the direct payment method since the December 2024 Board meeting. Ms. Slayden reported that with today's approval of \$833,475.85, the cumulative Fund expenditure will increase to \$265,795,089.68. Ms. Slayden concluded by noting that there were no UST upgrade grants issued for this quarter.

14. PUBLIC COMMENT

Chief Mike Dzyak announced that he will be retiring September 12, 2025. However, he will be in attendance for the June 12, 2025, meeting.

15. CONFIRMATION OF NEXT BOARD MEETING DATE: JUNE 12, 2025 (THURSDAY) AT 10:00 AM

Jennifer Carr stated that she will not be in attendance, Jeff Kinder, Deputy Administrator, NDEP will be her alternate.

16. ADJOURNMENT

Chair Tappan adjourned the meeting at 12:12 pm.