

Petroleum Tank Release Compensation Board

Regular Meeting Minutes

Date: 17 July, 2025
Location: Summit Conference Room, Golden Rule Building, 85 – 7th Place East, St. Paul, Minnesota
Participants could also attend remotely in accordance with Minn. Stat. §13D.015.

Board Members

Present

- Chair Frank Orton, Petroleum industry representative.
- Vice-Chair Sarah Larsen, Commissioner of the Minnesota Pollution Control Agency (MPCA) designee
- Peter Bratsch, Commissioner of the Minnesota Department of Commerce (Commerce) designee
- Julie Quinn, Public member representative (Virtual)

Not in Attendance:

- Charles Blixt, Experience in claims adjustment representative

Call to Order

Mr. Orton called the meeting to order at 10:30 a.m.

Introductions

Mr. Frank Orton reads the Remote Mtg opening statement.

Approval of the May 21, 2025 Board Regular Meeting Minutes

Ms. Larsen moved, Mr. Bratsch seconded, to approve the May 21, 2025 Board regular meeting minutes. The motion passed 4-0.

Consideration of Appeal for Lk# 21024, Soldi Investments, LLC

Mr. Hawks provides a summary of Leak information and reasons for determination. Discussion with applicant and Petrofund staff was provided. There was a request to table the appeal for review at next Board Meeting to allow the applicant a final opportunity to provide required documentation.

Ms. Larsen makes a motion to table final review of appeal until next board meeting in SEP 2025, and Mr. Bratsch seconds the motion. The motion passes 4-0.

Consideration of Appeal for Lk# 21929, Patty's, Inc; dba Palisades One Stop

Mr. Hawks provides a summary of the case and appeal. The appeal is related to an MPCA 15% tank regulation reduction and a late notification reduction of \$1000 that has been imposed.

The applicant provided background information. MPCA provides background information. Discussion occurred.

Mr. Orton makes a motion that Petrofund reduce the violation reduction from 15% to \$1000 and maintain the \$1000 reduction for failure to notify, and Mr. Bratsch seconds the motion. The motion passes 4-0.

Minnesota Pollution Control Agency Staff Report and Fund-Financed Summary Report

MPCA Program Administrator Amy Miller reports PRP is fully staffed. Ms. Miller reported that the MPCA had 2 reports that were not actioned within the statutory requirement of 120 days. These were due to staffing issues and leaves. Ms. Miller reports that for FY25 PRP had invoices totaling approximately 55% of the work order amount.

Ms. Miller presented and discussed the consultant performance report. This report will be public facing and has been developed based on recommendations from the MPCA Legislative audit recently conducted.

Mr. Weich Environmental Consultant Safety and Emergency Management reported that MPCA ER has encumbered \$555k and expended \$485k. There are 3 over 100K Lonsdale food and Fuel, Thompson Property, and the Brookstone leak.

Mr. Bratsch moved, Ms. Quinn seconded, to approve the MPCA staff report and fund-financed summary report. The motion passed 4-0.

Minnesota Department of Commerce Staff Report and Fund Report

Petrofund Director Scott Hawks notified the Board that Petrofund staff was reviewing initial and supplemental reimbursement applications within 60 and 120 days, respectively, as required by statute.

Mr. Hawks noted that as of 15 July, 2025, initial applications were being reviewed within 20 days of their receipt and supplemental applications were being reviewed within 59 days of their receipt

Mr. Hawks reported that the following number of applications had been received since his last report to the Board: 24 in May, 29 in Jun, and 10 so far in July for a total of 63 Applications. In that same time 84 applications have been processed for payment

Mr. Hawks indicated that in FY2025, a total of 272 applications were processed for payment in for \$4,657,119. This number represents the most applications paid since prior to 2020.

In FY2026 we have paid out 12 applications for \$200,058.

Regarding the Fund Report, Mr Hawks informed the Board that as of 26 JUN 2025 the unencumbered balance of the Petro-fund was \$16,313,754 and the cash balance was \$29,715,167. This number is a bit deceptive, as the \$16 million represents some grow back at fiscal yearend that is/will be accounted for in the 2026 transition.

The Post July 1 2025 numbers show \$1,827, 092 unencumbered, with a cash balance of \$29,715,167.

The Petrofund has hired a new staff member, Maalik Hussein. Additionally, we plan to hire 1 additional person to provide redundancy for our Abandoned Tank program and to also assist with application re-view in early FY 2026.

Ms. Larsen moved, Ms. Quinn seconded, to approve the Commerce staff report and fund report. The motion passed 4-0.

Mr. Hawks requested an adjustment to the 2026 Calander. From 3rd Wed to 2nd Wed to relieve a conflict.

Mr. Orton moved, Mr. Bratsch seconded, to approve to calendar for 2026. The motion passed 4-0.

Open Discussion

Mr. Orton brings up an item regarding an issue with the Elgin case and the Attorney General's office that is being considered/litigated. Mr Oliver Larson was introduced from the Attorney General's Office. Mr. Orton has concerns that this case could adversely affect the Petroleum industry and the Petrofund. He believes it is a reach to assume the "jobbers" would have the information to be fairly considered an RP. Mr Larson has recommended that industry should contact the MPCA and the AG's office for further query. Ultimately the MPCA is the deciding authority regarding further pursuit of litigation through the Attorney General's office and he also defined that MERLA is at the crux of the issue being litigated.

Adjournment

Ms. Larsen moved, Mr. Bratsch seconded, to adjourn the meeting. The motion passed 4-0.

Mr. Orton adjourned the meeting at 11:49 a.m.

Minutes prepared by: Petrofund Director Scott Hawks