



**THE ALABAMA DRYCLEANING
ENVIRONMENTAL RESPONSE TRUST FUND BOARD**

2777 Zelda Road
Montgomery, Alabama 36106
334-240-7239
334-263-6115 Fax

**MINUTES
Board Meeting
November 29, 2018**

The meeting of the Alabama Drycleaning Environmental Trust Fund Advisory Board met on Thursday, November 29, 2018, at the Board Office located at 2777 Zelda Road, Montgomery, Alabama, to conduct business of the Board. Board members in attendance were Mr. Jason Windham (Chair), Mr. Jim Massey, III (Vice Chair), Mr. Steve McKinnon (member), Mr. Cary Spiegel (member) and Mr. Thomas Bass (member, arrived at 10:24 a.m.). Board members absent were Mr. Quincey Banks and Mr. Steve Taylor. Also in attendance were Mr. Keith Warren (Executive Director), Mr. Randy Barrows (Board Administrator), Mr. Robert Tambling (Board Counsel), Mrs. Ashley Cousins (Board Engineer) and Ms. Renee' Reames (recording secretary). The meeting was called to order at 10:12 a.m. by the Board Chairman, Mr. Jason Windham, and a quorum of the members were present.

Public notice of this rescheduled meeting was published on the Secretary of State's web site, www.sos.alabama.gov, in accordance with the Alabama Open Meetings Act, and advertised on the Board's web site at www.drycleaningtrustfund.alabama.gov.

The Board reviewed the minutes from the September 20, 2018 Board meeting. Mr. McKinnon made a motion to approve the February minutes as presented. The motion was seconded by Mr. Spiegel and unanimously approved by the Board.

Ms. Bonnie Temple, with ADEM, presented information on the number of DERTF active participants in the Fund. She reported a change in ownership for Gulfdale Plaza, an abandoned site, and the new owners are Gulfdale Associates, LLC. She reported that three accounts continue as delinquent accounts. She also reported on the current prioritization of active accounts which included 23 sites.

Ms. Nichelle Norris with the Revenue Department, reported on the participating accounts that had submitted Returns and paid into the Fund, and she also reported on the accounts that were delinquent. She reported a Fund cash balance of \$46,441.19 as of November 26, 2018. The Board discussed further the delinquent accounts and agreed to send reminder letters to the three delinquent accounts recommending that they make payment arrangements with the Revenue Department to catch up on delinquent payments and to inquire about their interest to remain or withdraw from the Fund. Mr. Tambling and Mrs. Cousins will consult and review the letters to be sent to the three accounts.

Mrs. Cousins presented a graph indicating quarterly contributions into the Fund since 2008 through 4th Quarter of FY 2018. The Board discussed the lack of contributions in June and September of 2018. Mrs. Cousins commented on the quarterly average of contributions and indicated that the Board would consider this information later in the meeting when discussing the 2019 policy for authorizing expenditures.

Mr. Bass arrived at 10:24 a.m.

She also presented a historical record of funding activity by individual accounts, which included the total amount in payment requests per site and approved cost proposals. The Board reviewed the list by site, noting some sites had not had activity for a long period and remained active.

Mrs. Cousins reported a Fund balance of \$64,791 as of October 31, 2018. Also reported was the projected negative balance of \$76,780 for 4th quarter of 2018, which included all outstanding Cost Proposal obligations. She reported that most of the Fund contributions were received in April each year. Mrs. Cousins reported an investment fund balance of \$1,879,433 as of October 31, 2018. The Board discussed the minimum Fund and Investment account balances and transferring investment funds when necessary, retaining \$1 million in the investment account. Mr. Massey made a motion to withdraw and transfer up to \$100,000 from the investment account to the operating account, if it became necessary based on the Fund activity. The motion was seconded by Mr. McKinnon and unanimously approved by the Board.

The Board discussed proposing legislative changes in the Board's statute to include dropping the threshold in the investment fund from \$1 million to \$500,000. The Board discussed recommending adding a Drycleaning Fund tax for drycleaners and distributions to maintain the Fund. Supporters of the legislation and legislative sponsors of the proposed legislative bill was discussed. Also discussed was establishing a Board committee to review and recommend changes to the Board's statute. The Board agreed for the Committee, comprised of the Board's legal counsel, consulting engineer, Mr. Windham, Mr. McKinnon and Mr. Massey, to meet in January, for the Board to consider their recommendation at the February Board meeting. A special/called meeting of the Board on January 10, 2019 was discussed by the Board and the members would be polled about attendance. Mr. McKinnon made the motion to have a special/called meeting of the Board on January 10, 2019 at 10:00 a.m. to discuss proposed legislative changes. The motion was seconded by Mr. Massey and unanimously approved by the Board.

Mrs. Cousins presented for the Board's annual review and approval of the policy to determine prioritization of sites that had requested authorization for funding. Mr. McKinnon made the motion to approve the policy to authorize expenditures not greater than 75% of the prior year's average quarterly income. The motion was seconded by Mr. Massey and unanimously approved by the Board. This Resolution for Review and Approval of Claims was presented for the Board members' signature.

Mrs. Cousins presented the Cost Proposals for the Board's approval and recommended an adjusted total of \$32,771.76 for seven (7) sites. She explained that this recommendation corresponds with ADEM new rates. Following a discussion of the sites, Mr. McKinnon made the motion to approve the Cost Proposals as recommended by Mrs. Cousins. The motion was seconded by Mr. Spiegel and approved by the majority of the Board, with Mr. Massey abstaining to vote.

Mrs. Cousins presented the Payment Requests for the Board's approval. She recommended an adjusted amount of \$77,888.79 be approved for fifteen (15) sites. Following a discussion of the sites, Mr. McKinnon made the motion to approve the Payment Requests as recommended by Mrs. Cousins. The motion was seconded by Mr. Massey and unanimously approved by the Board.

Mrs. Cousins recommended an extension for Master Cleaners for their Saraland site (2 requests) and Springhill site (one request). Mr. McKinnon made a motion to grant the extensions. The motion was seconded by Mr. Massey and unanimously approved by the Board.

Mrs. Cousins also reported that request from former Mountain Brook Cleaner held until the next quarter and explained the circumstances for the delays concerning these sites. She recommended an extension for Master Cleaners-Saraland. Mr. Spiegel made the motion to approve the extension as recommended by Mrs. Cousins. The motion was seconded by Mr. McKinnon and unanimously approved by the Board.

Ms. Temple reported that on Waugh Property and asked the Board for direction concerning their non-compliance. She explained about their 2 covenants and indicated that no payments had been paid on their environmental covenant fees (with ADEM) and are not in compliance with Fund participation requirements. She reported that they are making payments into the Fund, in the meantime. The Board acknowledged the situation resulting in the site being in non-compliance with DERTF and agreed that they should be notified that they are no longer in the Fund, without the option to reapply into the Fund, and the letter should include cc: to the Board Chairman, Board Vice Chairman, Board Counsel and Board Engineer.

Chairman Windham presented the proposed 2019 Board meeting schedule. Mr. McKinnon made the motion to approve the meeting dates as amended with the January special/called meeting date: January 10, 2019, February 28, 2019, May 30, 2019, August 29, 2019, and November 21, 2019. The motion was seconded by Mr. Massey and unanimously approved by the Board.

Mr. Warren reported that the annual election of officers was due. Mr. Massey nominated Mr. Windham as Board Chair and Mr. McKinnon as Board Vice Chair. The nomination was seconded by Mr. Spiegel. There were no other nominations from the Board. The nomination was unanimously approved by the Board.


Mr. Windham announced that the next meeting of the Alabama Drycleaning Environmental Trust Fund Advisory Board was scheduled January 10, 2019 at 10:00 a.m. to discuss legislation.

There being no further business of the Board, Mr. Massey made a motion to adjourn the meeting. The motion was seconded by Mr. McKinnon and unanimously approved by the Board. Mr. Windham adjourned the meeting at 11:45 a.m.

Respectfully Submitted,



Jason Windham
Chair



Keith E. Warren
Executive Director

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