



THE ALABAMA DRYCLEANING ENVIRONMENTAL RESPONSE TRUST FUND BOARD

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MINUTES Board Meeting November 21, 2024

The Alabama Drycleaning Environmental Trust Fund Advisory Board met on Thursday, November 21, 2024 at the Board's office located at 2777 Zelda Road, Montgomery, Alabama, to conduct regular business of the Board. The following members were in attendance: Mr. Jason Windham (Board Chair), Mr. Steve McKinnon (Board Vice Chair), Ms. Bonnie Temple (member), Mr. Dan Cooper (member), and Mr. Bubba Dean (member). Two vacancies existed on the Board. Also participating were Mr. Keith Warren (Executive Director), Mr. Robert Tambling (Board Legal Counsel), Mrs. Ashley Cousins (Consulting Engineer), Ms. Ashley Powell and Mr. Steve Cape with ADEM, Ms. Nichelle Norris with the Department of Revenue, Ms. Renee' Reames (recording secretary) and guest, Mr. Jim Massey.

Public notice of this regular business 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.

CALL TO ORDER AND ROLL CALL

Chairman Windham called the meeting to order at 10:00 a.m. Mr. Warren called the Board member roll and reported that a quorum of the members was present to conduct business. Chairman Windham welcomed everyone attending the meeting.

Mr. McKinnon informed the Board about his plans to resign from the Board due to personal reasons. The members offered their condolences to him about the recent passing of his wife. Mr. McKinnon recommended Mr. Jim Massey, who could represent the drycleaning wholesale industry.

APPROVAL OF MINUTES

The Board reviewed the minutes from the August 15, 2024 regular meeting. A copy of the minutes was provided to the members prior to the meeting for their review.

MOTION: Mr. Cooper made the motion to approve the August meeting minutes as presented. The motion was seconded by Mr. McKinnon and unanimously approved by the Board.

ADEM'S REPORT

Ms. Powell reviewed the ADEM reports which included the DERTF list of active participants in the Fund, a list of delinquent accounts, and a list of prioritizations of active accounts. She reported that Riverchase Shopping, former Uptown Cleaners, had a covenant in place. She also reported that Fund payments were outstanding for the AL Hartselle, no work had been performed at the site for a while, and further participation in the Fund was not known.

REVENUE DEPARTMENT'S REPORT

Ms. Norris with the Revenue Department reported on Fund activities as of October 21, 2024, to include the Fund's cash balance as of November 19, 2024. She reported on participating accounts

and payments to the Fund for 2024 tax receipts. A list of delinquent accounts and closed accounts were presented. She reported that Gulfdale Plaza payment was received after the report was prepared.

CONSULTING ENGINEER'S REPORT

Mrs. Cousins presented a list of cost proposals and approved payment requests as a historical record, grouped by sites. She reported that over \$4,056,735.67 had been paid out of the Fund for work performed at sites. Mrs. Cousins reviewed the list of historical Fund activity by site, indicating the (1) delinquent accounts, (2) accounts that had been closed and later reopened as new accounts, and (3) accounts that had resigned from the Fund.

Mrs. Cousins also reviewed the quarterly contributions to the Fund for a period of the second quarter of FY 2016 through a portion of the first quarter of FY 2025. She also provided a graph indicating contributions received annually as a comparative for the same periods.

Mrs. Cousins reported on the Fund's operating account cash balance for the fourth quarter of FY 2024. A list of FY 2024 expenditures was also provided to the Board. She reported a projected cash balance of \$39,924 as of October 31, 2024 in FY 2025. She indicated that, assuming 100% funding of all outstanding Cost Proposal obligations, the Fund had a projected negative balance of \$13,946. She indicated that the payment to ADEM had not yet occurred, which would increase the projected negative balance to \$88,946. She reported an Investment Account balance of \$1,321,596 as of November 5, 2024.

The Board discussed moving funds to the Operating account.

MOTION: Mr. McKinnon made the motion to authorize the Executive Director to move in increments as needed a maximum of \$150,000 from the investment account to the operating account. The motion was seconded by Ms. Temple and unanimously approved by the Board.

Mrs. Cousins presented Cost Proposals on three (3) sites. She recommended an adjusted Cost Proposal amount totaling \$15,111.36 for the three sites. She reported that two other Cost Proposals had been moved to the deferred list.

MOTION: Mr. McKinnon made the motion to approve the adjusted Cost Proposals for the three sites as recommended by Mrs. Cousins. The motion was seconded by Ms. Temple and was unanimously approved by the Board.

Mrs. Cousins presented Payment Requests on two (2) sites. She recommended an adjusted Payment Request amount totaling \$17,551.07 for the two sites.

MOTION: Mr. McKinnon made the motion to approve the adjusted Payment Requests for the two sites as recommended by Mrs. Cousins. The motion was seconded by Ms. Temple and approved by the Board.

Mrs. Cousins reviewed the two Cost Proposal that were deferred, as previously mentioned.

MOTION: Ms. Temple made the motion to approve the deferral of Theodore Cleaners due to delinquency in the Fund. The motion was seconded by Mr. Cooper and was unanimously approved by the Board.

MOTION: Mr. McKinnon made the motion to approve the deferral of Gulfdale Plaza due to late submission. The motion was seconded by Ms. Temple and unanimously approved by the Board.

APPROVAL OF QUARTERLY EXPENDITURE LIMIT

The Board considered establishing a limit on the quarterly expenditures in FY 2025. Mrs. Cousins presented comparative information on annual receipts and quarterly averages for FY 2015 through FY 2024.

MOTION: Mr. Dean made the motion to authorize quarterly expenditures for FY 2025 not greater than 75% of the average quarterly income from the prior year, FY 2024. The motion was seconded by Ms. Temple and unanimously approved by the Board. A Policy Resolution was signed by the members present.

UPDATE ON THE BOARD'S PROPOSED LEGISLATION

The Board discussed the proposed legislation of reducing the Fund baseline from \$1 million to \$250,000 and remove proposed mandatory participation in the Drycleaning Fund. Mr. Warren reported that the proposed legislation also included the changes discussed at a previous Board meeting with Mr. Cobb with ADEM. The Board discussed the benefits of the proposed legislation in continuing the Fund. Chairman Windham indicated that he would follow-up with legislators about sponsorship.

REVIEW OF PROPOSED RESPONSES FOR CONSULTING ENGINEER CONTRACT

Mr. Tambling reported that an emergency contract for Consulting Engineer services was approved for a period of October 1, 2024 through January 31, 2025. He indicated that a special meeting of the Board may be necessary to consider RFP responses and approve the Consulting Engineer contract.

APPROVAL OF ADMINISTRATIVE SERVICES CONTRACT

Mr. Tambling recommended that an emergency contract for Administrative Services be considered, which would cover the period that the current contract would expire on December 19, 2024, and the new contract was approved. He reported that the contract would expire prior to the Contract Review Committee's review, based on the Committee deadlines and meeting dates. He explained that the Administrative Services RFP would need to be released and an emergency contract would be for the gap in time between contracts. He reported that a special meeting of the Board would be needed after the Administrative Services RFP responses were received.

MOTION: Mr. Dean made the motion to authorize the Board's Legal Counsel to request approval from the Office of Procurement of an emergency contract for Administrative Services and the Board Chairman authorized to sign the contract for the period through January 31, 2025, and the RFP specifications be submitted for release. The motion was seconded by Mr. McKinnon and unanimously approved by the Board.

2025 PROPOSED MEETING CALENDAR

Chairman Windham presented a list of 2025 dates for the Board to meeting, with consideration to the special meetings discussed by the Board. The Board agreed that deadlines to submit cost proposals and payment requests were due five (5) weeks prior to the Board meeting.

MOTION: Mr. Cooper made the motion to approve the Board to meet in 2025 on March 6, May 29th, August 28 and November 20, 2025 and adjust the deadlines as discussed. The motion was seconded by Ms. Temple and unanimously approved by the Board.

ANNUAL ELECTION OF BOARD OFFICERS

Chairman Windham reported that the annual election of Board officers was due. The Board discussed whether to defer the elections until a full Board was appointed.

MOTION: Mr. McKinnon made the motion that the Board officers remain the same: Mr. Windham as Board chair and Mr. McKinnon as Board Vice Chair. The motion was seconded by Ms. Temple and unanimously approved by the Board.

BOARD TERMS

The Board discussed recommendations to fill the vacancies on the Board, to include Mr. Massey filling the wholesale or drycleaners employing 25 individuals or more. The members commented on their continued interest to serve on the Board and to Governor Ivey's office of their interest.

NEXT MEETING:

Chairman Windham reminded the members that the next regular meeting of the Board on March 6, 2025, and a special meeting anticipated in January 2025. He indicated that the members would be notified of the date of the special meeting.

TRAVEL REPORTS SUBMITTED

The Board members attending the meeting submitted travel expense forms, which the Board approved by acclamation.

ADJOURNMENT:

Chairman Windham called for other business of the Board and there were none.

MOTION: Mr. Dean made the motion to adjourn the meeting. The motion was seconded by Ms. Temple, and Chairman Windham adjourned the meeting at 10:55 a.m.

Respectfully Submitted,

Jason Windham
Board Chair

Keith E. Warren
Executive Director

Approved by the Board on _____/rr_____