



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

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

**MINUTES
Board Meeting
February 22, 2024**

The Alabama Drycleaning Environmental Trust Fund Advisory Board met on Thursday, February 22, 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), Mr. Jim Massey, III (member), Ms. Bonnie Temple (member) and Cary Spiegel (member). Also participating were Mr. Keith Warren (Executive Director), Mr. Robert Tambling (Board Legal Counsel attending virtually), Mrs. Ashley Cousins (Consulting Engineer), Ms. Ashley Powell with ADEM, Ms. Nichelle Norris with the Department of Revenue, Ms. Angela Warr (Executive Assistant) and Ms. Renee' Reames (recording secretary).

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 10:12 a.m. and Mr. Warren called Board roll, reporting that a quorum of the members was present to conduct business of the Board. Chairman Windham welcomed members and staff.

APPROVAL OF MINUTES

The Board reviewed the minutes from the November 16, 2023, regular meeting. A copy of the minutes was provided to the members prior to the meeting for their review. Mr. Massey made a motion to approve the November meeting minutes as presented. The motion was seconded by Mr. Spiegel 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 DW Cleaners' site, Utopia Cleaners, was delinquent and considering whether to stay in the Fund, and Riverchase Shopping, former Uptown Cleaners, was not delinquent and was under a covenant. She reported that ADEM would be sending a letter to eligible parties that all permitted sites should maintain current Fund accounts with the Department of Revenue to be eligible for review by ADEM.

REVENUE DEPARTMENT'S REPORT

Ms. Norris with the Revenue Department reported on the participating accounts and the status of payments to the Fund. She reviewed the list of delinquent accounts and reported that Jim Massey Inc. had been removed from the delinquent list. She also reported on the cash balance of the Fund.

CONSULTING ENGINEER'S REPORT

Mrs. Cousins presented a historical record of cost proposals and approved payment requests per site. She reported that the Payment Requests approved by the Board for all sites totaled over \$4 million. The Board discussed that the purpose of the Fund had been effective, and the Board would need to discuss how to wind down the sites' funding as the Fund's existence becomes in jeopardy due to low participation and decline in payments into the Fund. Ms. Powell commented on voluntary clean up programs as another option for sites. Mrs. Cousins reviewed the delinquent accounts, accounts that had resigned from the Fund and accounts that had been closed and later reopened new accounts.

Mrs. Cousins also reviewed the quarterly contributions to the Fund, for a comparative period of the second quarter of FY 2016 through a partial second quarter of FY 2024. Also provided was a graph indicating contributions received annually for this same period.

Mrs. Cousins reported on the Fund's operating account cash balance, with a projected balance of \$55,104 for the second quarter of FY 2024. She indicated that, assuming 100% funding of all outstanding Cost Proposal obligations, the Fund had a projected balance of \$3,975. She reported that there was a transfer of \$100,000 from the investment fund to the operating account in December 2023. She reported an Investment Account balance of \$1,276,527 as of January 31, 2024.

The Board discussed that should the proposed legislative bill not pass this current Legislative Session that required participation into the Fund, if an alternate bill be proposed in an attempt to sustain the Fund a little longer.

Ms. Cousins presented Cost Proposals on four (4) sites. She recommended an adjusted Cost Proposal amount totaling \$27,589.08 for the four sites.

MOTION: Mr. McKinnon made the motion to approve the adjusted Cost Proposals for the four 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 four (4) sites. She recommended an adjusted Payment Request amount totaling \$21,528.32 for the four sites. She reported that the former Parkway site had drums stolen and would be receiving a letter concerning waste control.

MOTION: Mr. Massey made the motion to approve the adjusted Payment Request as recommended by Ms. Cousins. The motion was seconded by Mr. Spiegel and unanimously approved by the Board.

LIST OF ALABAMA DRYCLEANING ENVIRONMENTAL CONSULTANTS

Mrs. Cousins presented a list of Environmental Consultants as of February 2024 for the Board's approval. She reported that the updated list would be posted on the Board's website.

MOTION: Mr. Spiegel made the motion to approve the February 2024 list of Alabama Drycleaning Environmental Consultants (ADEC) as presented by Mrs. Cousins. The motion was seconded by Mr. McKinnon and unanimously approved by the Board.

REASONABLE RATE SCHEDULE

Mrs. Cousins also presented a modified rate schedule and guidance on preparing cost proposals and payment requests for owners or operators and ADEC. In addition to the February 2024 Maximum Allowable Rates, a comparison rate schedule effective October 2022 was provided for the Board's review.

MOTION: Mr. McKinnon made the motion to approve the Rate Schedule effective March 1, 2024 and guidance information as recommended by Ms. Cousins. The motion was seconded by Mr. Spiegel and unanimously approved by the Board.

Mrs. Cousins reported that this information would be mailed and posted on the Board's website.

GOVERNOR'S EFFICIENCY STUDY GROUP

Mr. Warren reported that he had no additional information regarding the Final Report of the Governor's Study Group on Efficiency in State Government, and had not seen any legislation to move the Board.

BOARD TERMS

Mr. Warren reported that Board member appointments were pending before the Senate Confirmation committee in the current Legislative Session.

REVIEW OF PROPOSED LEGISLATION

Mr. Warren presented a copy of the proposed legislation concerning the Drycleaning Trust Fund. The Board reviewed the draft legislation contents:

Page 2, Abandoned Drycleaning Facility – remove reference to elected not to be covered (beginning line 47).

Page 2, Adjacent Land Owner – remove reference to elected not to be covered (beginning line 56).

Page 3, Contamination – inclusion of any drycleaning agents in soil, groundwater, surface water, or any other medium at or on a drycleaning facility, etc.

Page 3, Drycleaning agent – inclusion of any products used or to be used as cleaning agent, etc.

Page 11, Otherwise – edit comma after storage, or disposal facility, etc. (line 297).

Page 21, edit effective dates to reflect January 1, 2025 on page 20 line 549, page 21 line 572 and line 583, page 22 line 597 and line 608, page 27 line 733 and line 738, page 28 line 784.

Page 27 to continue the proposed change from \$10,000 deductible amount to \$25,000 (beginning line 733).

Page 29 to continue the proposed change from \$1,000,000 in Fund balance to \$500,000 (beginning line 791).

Page 33 and forward, proposed changes in the payment of administrative expenses and to add the previous proposed language for payments to ADEM at \$75,000 annually and to Department of Revenue at \$50,000 annually.

MOTION: Mr. McKinnon made the motion to accept the proposed legislation with the modifications as discussed and submit to LSA to present to the Legislature at this current session. The motion was seconded by Mr. Massey and unanimously approved by the Board.

The Board discussed sponsor of the bill.

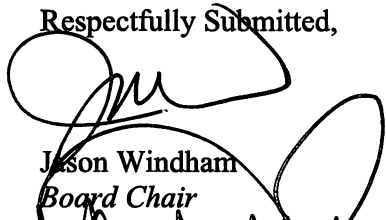
NEXT MEETING:

Chairman Windham reminded the members that the next meeting of the Board was scheduled for May 23, 2024. Ms. Temple and Mr. Spiegel indicated that they had a conflict in schedules.

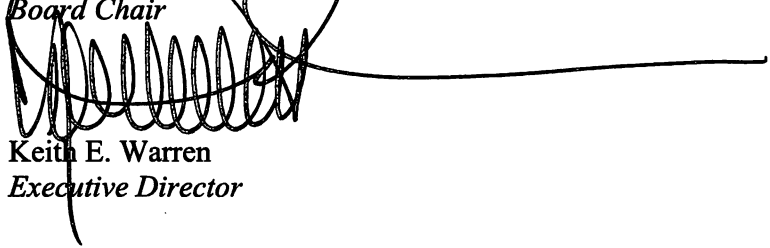
ADJOURNMENT

There being no further business of the Board, Mr. Massey made a motion to adjourn the meeting. The motion was seconded by Ms. Temple and unanimously approved by the Board. Chairman Windham adjourned the meeting at 11:14 a.m.

Respectfully Submitted,



Jason Windham
Board Chair



Keith E. Warren
Executive Director

Approved by the Board on May 23, 2024 /rr (RR)