



## Michigan Underground Storage Tank Authority Board of Directors Meeting Minutes

A meeting of the Michigan Underground Storage Tank Authority (MUSTA) Board (Board) was held on August 16, 2016, at 1:00 p.m. in Constitution Hall, Patriot Conference Room, Atrium Level located at 525 West Allegan Street, Lansing, Michigan 48933.

**MEMBERS PRESENT:** Brian D. Eggers, Sr., Chairman  
John M. Dimmick, Vice Chairman - via telephone  
Juman Doleh-Alomary - via telephone  
Grenetta Thomassey - via telephone  
Robert Wagner  
Greg Gould

**MEMBERS ABSENT:** Bill Saad

### 1. Call to Order/Establishment of a Quorum

Brian D. Eggers, Sr., Chairman, called the meeting to order at 1:00 p.m. with a quorum established.

### 2. Review of Agenda

Brian D. Eggers, Sr., Chairman, asked if there were any recommended changes to the Agenda dated August 16, 2016, as presented. There were no recommended changes.

### 3. Approval of the Tuesday, March 15, 2016, Minutes

Brian D. Eggers, Sr., Chairman, asked if there were any corrections, comments, or additions to the draft of the March 15, 2016, meeting minutes. Hearing no comments, a motion was made by Robert Wagner and supported by Greg Gould to approve the March 15, 2016, minutes. **APPROVED UNANIMOUSLY**

### 4. Introduction of New DEQ Director Heidi Grether (pending availability)

Unfortunately, Director Grether was unavailable to attend.

### 5. Update on Program Implementation and Budget

Bob Reisner provided an update on the budget and scheduled/completed outreach. scheduled/completed outreach.

### 6. Update on Electronic Submittal Forms

Bob Reisner stated that a Pay Place account is set to go on-line by mid-September allowing deductible buy-down payments to be made via credit cards. InfoPath forms have been created and will be posted after it is assured that they are in compliance with the Americans with Disabilities Act of 1990.

**MUSTA Board of Directors Meeting Minutes  
August 16, 2016**

**7. Discussion Regarding the Potential of Lowering the Claim Deductible Amounts to Increase the Use of the Fund**

Bob Reisner presented documentation on the pros and cons of lowering the deductible amounts for Owner/Operators (O/Os). He pointed out that the Underground Storage Tank Cleanup Fund (Fund) has a large balance as a result of very few claim submittals. He explained that based on conversations with O/Os, either on the phone or in person, one contributing factor for the low use of the Fund is the high deductible amounts. Mr. Reisner expressed a desire to have the Board make a recommendation concerning the lowering of the deductible at its meeting on September 20, 2016, so that statutory amendments could be drafted within a timeframe where they could likely be approved before the new legislature takes office in January of 2017. Mr. Reisner also proposed that the requirement for smaller O/Os to buy-down their deductible to lower amounts be removed as it has only resulted in a small amount of revenue when compared to the staff time required to process the requests, and the deadline dates for submittals of buy-down requests has caused confusion.

A lengthy discussion followed on the pros and cons of potentially lowering the deductible amounts. Cliff Knaggs spoke on behalf of the Michigan Petroleum Association/Michigan Association of Convenience Stores in support of lowering the deductible amounts as did Ed Weglarz of the Associated Food and Petroleum Dealers. James Clift from the Michigan Environmental Council and Board member Grenetta Thomassey expressed concern that lowering the deductible amounts too low would in effect be providing low-cost insurance for older underground storage tanks (USTs) and would remove the incentive for O/Os to upgrade or replace these USTs. Mr. Clift noted that other states have low interest loans for UST replacements and that this is something that Michigan may want to look into.

The Board expressed interest in determining the reasons that O/Os of facilities where releases have occurred since December 30, 2014, have not filed claims. The Board also inquired as to whether or not O/Os with potentially eligible releases, were in compliance with Part 213, Leaking Underground Storage Tanks, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Part 213) and whether they have filed a claim or not.

Upon conclusion of the discussion, it was determined that MUSTA staff would send letters to all O/Os with potentially eligible releases who have not filed claims, to identify reasons why the Fund is not being utilized. The results of the inquiry will be provided prior to or at the next Board meeting. MUSTA staff were also directed to conduct research into whether or not the releases discovered and reported since December 30, 2014, were in compliance with Part 213. This information will also be provided to the Board members prior to the September 20, 2016, Board meeting.

**MUSTA Board of Directors Meeting Minutes  
August 16, 2016**

**8. Public Comment**

There were no comments in addition to those described above.

**9. Next Scheduled Meeting**

September 20, 2016, at 1:00 p.m. in the ConCon room of Constitution Hall.

**10. Adjournment**

The meeting was adjourned at 2:00 p.m.

Respectfully submitted,  
Debra Pahl, Secretary  
MUSTA