



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

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**MINUTES
Board Meeting
May 23, 2022**

The Alabama Drycleaning Environmental Trust Fund Advisory Board met on Monday, May 23, 2022, 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) and Ms. Bonnie Temple (new member). Board members absent were Mr. Cary Spiegel (member) and Mr. Steve Taylor (member). Also participating was Mr. Robert Tambling (Board Legal Counsel), Mrs. Ashley Cousins (Consulting Engineer), Ms. Ashley Powell (attending virtually) with ADEM and Mr. Richard Hamner with ADEM, 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 10:05 a.m. and Ms. Reames called Board roll, reporting that a quorum of the members was present to conduct business of the Board. Chairman Windham welcomed members and guests.

APPROVAL OF MINUTES

The Board reviewed the minutes from the February 24, 2022 regular meeting. A copy of the minutes was provided to the members prior to the meeting for their review. Mr. McKinnon made a motion to approve the February meeting minutes as presented. The motion was seconded by Mr. Massey and unanimously approved by the Board.

ADEM'S REPORT

Ms. Ashley Powell, with ADEM, reviewed the DERTF list of active participants in the Fund, along with a list of delinquent accounts and list of prioritizations of active accounts.

REVENUE DEPARTMENT'S REPORT

Mrs. Cousins presented the Revenue Department report on behalf of Ms. Nichelle Norris, who could not attend. She reported on the participating accounts and the status of payments into the Fund. She reviewed adjustments to the report since some payments were received late after the report had been prepared. She reviewed the delinquent accounts and reminded the Board that Cost Proposals and Payment Request could not be authorized while an account was unpaid. Mrs. Cousins reported a cash balance of \$60,827 as of April 21, 2022.

Mrs. Cousins reported that Newman Cleaners and Theodore Cleaners had both rejoined the Fund, after resigning, which resulted in a new deductible for each as a new account. She reported that both sites were on the prioritization list. Ms. Powell indicated that she would follow-up with the owner of Newman Cleaners about registering with ADEM.

The Board discussed the registration of the GWTI site (Northington Cleaners). The \$5,000 had been paid by the prior owner (15th East II, LLC) however, they no longer own the property, thus, GWTI will have to register the site in their name, and the Department of Revenue will transfer the \$5,000 paid by 15th East II to the GWTI site. GWTI will be subject to a \$10,000 deductible.

CONSULTING ENGINEER'S REPORT

Mrs. Cousins presented a historical record of payment requests and approved cost proposals per site. She reviewed the status of these accounts by identifying delinquent accounts, closed accounts, and accounts that had received conditional letters from ADEM. The Payment Requests approved by the Board for all sites totaled \$3,901,522.57. Mrs. Cousins reported that delinquent letters were sent in October, with a December 31, 2021 deadline to respond, and no responses were received. The Board discussed referring the delinquent accounts to ADEM to determine if sites intended to continue work at the site through another program. Ms. Powell reported that the delinquent sites will be further evaluated by the Department to determine if they no longer meet the criteria to be included in the Fund. If delinquent sites indicate they are no longer able to participate in the Fund, the Department will notify them that they are no longer covered under the Fund. The Department will notify the Board of any changes to the delinquent status of sites.

Mrs. Cousins reviewed the quarterly contributions into the Fund, for a comparative period of the second quarter of FY 2016 through the partial third quarter of FY 2022. She reported a decline in funds for the first three-quarters of the current fiscal year compared to funds received in the same period in FY 2020 and FY 2021.

Mrs. Cousins also reported on the Fund's operating account cash balance, with a projected balance of \$71,498 for third quarter of FY 2022, which did not include the outstanding payments to ADEM and Revenue. She also reported that, assuming 100% funding of all outstanding Cost Proposal obligations, the Fund had a projected deficit of \$92,636 overall. Mrs. Cousins also reported an Investment Account balance of \$1,482,746 as of April 25, 2022. Mrs. Cousins told the Board that at the current rate of expenditures, the fund will reach the \$1,000,000 limit in the next 3 to 5 years, which will suspend reimbursements until the balance rebuilds.

Mrs. Cousins presented the Cost Proposals report for the Board's review and approval. She presented one Cost Proposal at an adjustment total cost of \$4,833.15. Mr. Massey made the motion to approve the Cost Proposal as recommended by Mrs. Cousins. The motion was seconded by Mr. McKinnon and was unanimously approved by the Board.

Mrs. Cousins recommended denying the Cost Proposal for 8410 Whitesburg since ADEM had not required the work. Mr. McKinnon made the motion to deny the Cost Proposal as presented. The motion was seconded by Ms. Temple and unanimously approved by the Board.

Mrs. Cousins recommended that the Cost Proposal from Former One Hour Martinizing be deferred since it was not time to have the work done. Mr. Massey made the motion to defer the Cost Proposal as recommended by Mrs. Cousins. The motion was seconded by Mr. McKinnon

and unanimously approved by the Board. Mrs. Cousins presented the Payment Requests Report. She recommended an adjusted Payment Request amount for four (4) sites totaling \$17,503.92. Mr. McKinnon made a motion to approve the Payment Requests as recommended by Mrs. Cousins. The motion was seconded by Ms. Temple and unanimously approved by the Board.

2022 PROPOSED LEGISLATION

Mr. McKinnon led discussion about a proposed special legislative session in August. Mr. McKinnon made the motion to update the dates in the proposed legislative bill for introduction of the proposed bill at the upcoming special session. The motion was seconded by Mr. Massey and unanimously approved by the Board.

BOARD TERMS AND RECOMMENDATIONS

The Board discussed recommending two new board members to the Governor, which would also require Senate confirmation.

ANNUAL RENEWAL OF ADMINISTRATIVE SERVICES CONTRACT

Chairman Windham presented the annual renewal of the Administrative Services Contract with Warren & Company, Inc. Mr. McKinnon made the motion to renew the Administrative Services Contract for another year. The motion was seconded by Mr. Massey and unanimously approved by the Board.

ANNOUNCEMENTS

Chairman Windham reminded the members that the next regular meeting of the Board was scheduled August 25, 2022. The Board discussed moving the date due to a conflict and unanimously agreed to meet on September 8, 2022, at 10:00 a.m.


ADJOURNMENT

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. Chairman Windham adjourned the meeting at 11:17 a.m.

Respectfully Submitted,



Jason Windham
Board Chair



Keith E. Warren
Executive Director

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