

Transcript of the Testimony of

DEQ HEARING

November 20, 2025



P.O. Box 1554 • Hammond • Louisiana 70404

(Toll Free) 866.870.7233 • 985.542.8685 • (Fax) 985.419.0799

office@amersonwhite.com • www.amersonwhite.com

STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
MOTOR FUELS UNDERGROUND STORAGE TANK TRUST
FUND ADVISORY BOARD

The above-entitled meeting was held, via
ZOOM Conference, at the LDEQ, Galvez
Building, Conference Center, 602 North 5th
Street, Baton Rouge, Louisiana, beginning at
1:00 p.m., on November 20, 2025.

BEFORE:

Lori B. Overland
Certified Court Reporter
In and For the State of
Louisiana

A P P E A R A N C E S

Todd Perry
Chairman
Cy Morin
Jesse Hoppes
Durwood Franklin, via telephone
Gary Fulton
Nick St. Romain
Theresa Delafosse
Lacy Vitteri
Fran Falke
Oscar Magee
Larry Carter
Grady Gaubert
Frank Marcello
Damien Watt
Trey Kemp

Jason Efferson
Jerenie Jackson
Kristine Stanley
Carlye Roussel
Madalyn Marcel
Tad Loupe
Chris Means
Nathan McBride

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I N D E X

EXAMINATION:

PAGE (S) :

None

EXHIBITS:

None

REPORTER'S PAGE

117

REPORTER'S CERTIFICATE

118

* * * * *

1 MR. PERRY:

2 All right. Let's call the meeting
3 to order. I'd like to welcome everybody
4 for our Thursday, November 20th Motor
5 Fuel Trust Fund Advisory Board Meeting.
6 I hope everybody is looking forward to a
7 fantastic Thanksgiving, and we're going
8 to have really good meeting today.

9 All right. So let's get started.
10 The first thing we always like to do is
11 make sure we have a quorum and call roll.
12 And so I will start. Trey, we'll go
13 around. We'll start with you and just
14 work our way this way.

15 MR. KEMP:

16 All right. Trey Kemp, DEQ Trust
17 Fund.

18 MR. MORIN:

19 Cy Morin, DEQ Audit.

20 MR. WATT:

21 Damien Watt, LMOGA.

22 MR. HOPPES:

23 Jesse Hoppes, Leaaf Environmental.

24 MR. MARCELLO:

25 Frank Marcello, Louisiana Oil

1 Marketers and Convenience Store
2 Association.

3 MR. GAUBERT:

4 Grady Gaubert, Louisiana Oil
5 Marketers and Convenience Store
6 Association.

7 MR. PERRY:

8 I'm Todd Perry with PPM Consultants.

9 MR. ST. ROMAIN:

10 Nick St. Romain with Louisiana Oil
11 Marketers and Convenience Store
12 Association.

13 MR. FULTON:

14 Gary Fulton with Louisiana
15 Department of Environmental Quality.

16 MS. FALKE:

17 Fran Falke, DEQ OMF.

18 MS. VITTERI:

19 Lacy Vitteri DEQ Financial Services.

20 MR. CARTER:

21 Larry Carter, DEQ Trust Fund.

22 MR. MAGEE:

23 Oscar Magee, DEQ Legal.

24 MR. PERRY:

25 Thank you, sir. I'll move out here.

1 And I know Ms. Kristine has got a little
2 bit of a sinus drain, so I'm going to
3 say, Kristine Stanley with PPM. So I've
4 got you covered.

5 MR. ITURRALDE:

6 Fernando Iturralde, DEQ.

7 MR. LOUPE:

8 Tad Loupe, DEQ UST Division.

9 MR. MEANS:

10 Chris Means, DEQ UST Division.

11 MR. EFFERSON:

12 Jason Efferson, DEQ Trust Fund.

13 MS. JACKSON:

14 Jerenie Jackson, DEQ Trust Fund.

15 MS. ROUSSEL:

16 Carlye Roussel, DEQ Trust Fund.

17 MS. MARCEL:

18 Madalyn Marcel, Trust Fund.

19 MR. PERRY:

20 All right. So -- oh Gosh. Thank
21 you, Nick. Is anybody on the phone line?

22 MR. FRANKLIN:

23 Durwood Franklin, DEQ Trust Fund.

24 MR. PERRY:

25 Thank you, Durwood. Anyone else?

1 MR. FRANKLIN:

2 No. That's all.

3 MR. PERRY:

4 Okay. Thank you.

5 Well, thank ya'll for making time to
6 come today. We have quorum, and so we're
7 good.

8 So moving to item number three,
9 consideration and adoption of our
10 September 4th, 2025 Board Minutes. They
11 were emailed out to us in invitation, I
12 believe. And then, Danielle also emailed
13 them out to us shortly thereafter the
14 meeting. So hopefully everyone has had a
15 chance to review those. I'll open the
16 floor up for any comments or discussion,
17 or I'll entertain a motion to adopt.

18 MR. HOPPES:

19 I'll make motion to adopt.

20 MR. WATT:

21 Second.

22 MR. PERRY:

23 All right. I've got first and I've
24 got second. Members, all in favor please
25 say "Aye".

1 (All responded "Aye".)

2 MR. PERRY:

3 All opposed say, "Nay".

4 (No response.)

5 MR. PERRY:

6 All right. So it is adopted.

7 Okay. We are going to postpone item
8 number four. We've got Ms. Fran and Ms.
9 Lacy with us, but Ms. Theresa, I
10 understand, is at the State Capitol, and
11 will hopefully be over shortly, so we
12 will pick that up toward the end of our
13 session. So we'll move to item number
14 five, if that's okay with everyone.

15 Boy, oh, boy, lead off with Cy. So
16 you get to lead us off. So our auditor's
17 status report. Cy, go right ahead, sir.

18 MR. MORIN:

19 Yes, sir. If you turn to the yellow
20 tab in the packet, this will be the
21 status of our active motor fuel delivery
22 fee audits. The first page, it contains
23 21 open motor fuel fee audits that are
24 not in legal.

25 As of September 30th, 2025, one

1 case, which is 3-23-008, was awaiting
2 payment of \$157.53. Payment has since
3 been received and the case has been
4 closed, in October. Therefore, the case
5 -- it will be removed on the next board
6 meeting update.

7 Three cases were awaiting review and
8 represented three potential clean audits.
9 Two of these cases -- two of these three
10 cases, 3-25-006 and 3-25-008, have since
11 been finalized with no assessment and
12 closed in October. These two cases will
13 be removed from the list for the next
14 meeting update.

15 Sixteen cases were still in progress
16 with results to be determined, reviewed
17 and finalized. Since September 30th, one
18 of these cases, 3-26-001, has been turned
19 in and is now awaiting review. One case,
20 the last case on the list, 3-26-002, was
21 in preliminary phase. It was scheduled
22 for October and performed in October.

23 So since the last meeting, two new
24 cases were added for Fiscal Year 26, and
25 four cases were finalized and closed with

1 no assessment and four cases with
2 assessments totaling \$14,541.28 were paid
3 in full and closed. So two new cases
4 added to this, eight removed from the
5 list.

6 All right. Any questions on this
7 page? If not, we'll turn to page two.
8 (No response.)

9 MR. PERRY:

10 We're good. Okay.

11 MR. MORIN:

12 Both legal cases still remain in the
13 Office of Debt Recovery. As of September
14 30th, 2025, we've received no payments
15 from ODR.

16 The status remains the same on the
17 first case, 3-04-003. The judgment was
18 entered against the company and granted
19 on 3/6/17. It's good for ten years.
20 Legal will file a motion to revive the
21 judgment in 27, approximately a month
22 before the deadline, if it remains
23 outstanding. And for case 3-13-008, the
24 judgment was entered against the company
25 and granted on 11/24/2015. For this

1 case, legal has filed a motion to revive
2 the judgment with the court, and once it
3 has been signed by the judge, it will be
4 good for another ten years. So the two
5 remaining cases still represent a total
6 of \$55,542.66 outstanding.

7 All right. That's my report.
8 That's it.

9 MR. PERRY:

10 So, Cy, what are you going to do
11 when you clean this page up? You've
12 cleaned up a good bit.

13 MR. MORIN:

14 Yeah, it's -- yeah. We're cleaning
15 it up and hope to keep seeing that
16 progress. Yeah.

17 MR. PERRY:

18 Looking good, man. Thank you.

19 MR. MORIN:

20 Thank you.

21 MR. PERRY:

22 Any questions for Cy and his report
23 on financial audits?

24 (No response.)

25 MR. PERRY:

1 Okay. Thank you, sir.

2 MR. MORIN:

3 You're welcome.

4 MR. PERRY:

5 Okay. So that completes item number
6 five. We'll move to item number six.

7 So, Larry, we'll get you in the spotlight
8 pretty quick today. Time for our Trust
9 Fund Status Report. And that would be
10 the pink tab.

11 MR. CARTER:

12 You're asking a color blind person.
13 We'll call it next tab; how about that?

14 MR. PERRY:

15 Very good.

16 MR. CARTER:

17 We can also call it page ten --

18 MR. PERRY:

19 Very good.

20 MR. CARTER:

21 -- or page one of eleven. It
22 provides the board with a summary of
23 pertinent information related to the fund
24 as of the end of the first quarter of
25 Fiscal Year 2026.

1 At the top of the page, under the
2 active trust fund eligible site section,
3 the report provides a breakdown of sites
4 in the investigation and corrective
5 action phases. Note that sites currently
6 in corrective action have an average age
7 of 16 years, with the average age of
8 sites in the investigation phase as four
9 years. The overall average is 9.5 years.
10 These ages are determined as the time
11 difference between when the trust fund
12 received the first application for
13 reimbursement and the date of the report.

14 Next, note the total number of 1,583
15 site closures as of the report date, with
16 a total of 349.2 million dollars in
17 reimbursements.

18 Under the CAP budget summary
19 section, note that sites currently in the
20 corrective action phase have approved CAP
21 budgets totaling \$113,768,520, with
22 previous reimbursements of \$92,941,947,
23 leaving \$20,826,573 of approved budget
24 remaining.

25 Under the next section, 26 sites

1 have been determined trust fund eligible
2 over the last three years, but as of the
3 end of this quarter, have not requested
4 reimbursement.

5 At the end of September of 2025, the
6 trust fund had 32 pending applications to
7 process, which had requested amounts
8 totaling \$543,733.

9 Next, to the fiscal year summary
10 section, at the bottom of this report,
11 for the first quarter of Fiscal Year
12 2026, the trust fund received 204
13 applications totaling \$3,432,232. We
14 determined as deficient or returned 13
15 applications for various reasons, and
16 \$174,673 was disallowed as ineligible for
17 reimbursement.

18 During this period, a total of 196
19 applications were processed for payment,
20 recommending \$3,353,550 in
21 reimbursements. Compared to the same
22 quarter last fiscal year, the trust fund
23 received 199 reimbursement applications
24 totaling 5.1 million and processed 172
25 applications recommending 2.8 million for

1 payment.

2 All right. The next report, found
3 on page 11, or two of 11, titled, "Active
4 Trust Fund Sites with Corrective Action
5 Plans". This report breaks down the
6 active sites in the corrective action
7 phase. This provides site-specific
8 information related to application
9 counts, time periods of trust fund
10 reimbursements, site location and various
11 reimbursement data. The column totals at
12 the top of the first page reflect the
13 values for the summary reports.

14 Skip down to page 15 for the next
15 report. You'll see the summary report
16 for the active sites currently in the
17 corrective action phase. This table
18 gives the members an overview of 120 CAP
19 sites with reimbursements by costing
20 category and CAP budget totals. Note the
21 total current reimbursements A of
22 \$122,971.276, includes the values listed
23 above, as well as the total CAP
24 reimbursements.

25 Any questions so far?

1 MR. PERRY:

2 Larry, I'd just point out, on the
3 bottom of our page and say, page six of
4 11, just to make sure everybody is
5 aligned.

6 MR. CARTER:

7 Yes, sir, you are correct.

8 MR. PERRY:

9 Thank you.

10 MR. CARTER:

11 Thank you.

12 Okay. The next report, on page 16,
13 or seven of 11, titled, "Active Trust
14 Fund Sites in the Investigation/
15 Assessment Phase", this report also lists
16 a breakdown of the individual sites under
17 investigation and provides site-specific
18 information related to application
19 counts, the time period of trust fund
20 reimbursements, site location and various
21 reimbursement data. The column totals at
22 the top of the first page reflect the
23 values of the summary report.

24 Moving on, if we look at page 20, or
25 11 of 11, this gives a summary of this

1 data. Note, there would be 143 sites
2 currently under investigation. These
3 sites, many of which are still actively
4 being investigated, have an average
5 expenditure at the end of September 2025
6 of \$91,853. The listed cost and
7 categories associated costs give the
8 board members an overall summary of how
9 the investigation costs are disbursed.

10 The next report, page 21, is
11 labeled, "Incidents Determined as
12 Eligible for the Motor Fuel Trust Fund".
13 This report shows 16 potential trust fund
14 sites that were reviewed and made
15 eligible during the first quarter of
16 2026, which represents 17 active
17 incidents.

18 Finally, if you turn to page 22,
19 labeled, "Trust Fund Sites that had a
20 Release Granted No Further Action
21 Status". Note, in the first quarter of
22 Fiscal Year 2026, eight trust fund active
23 sites have received no further action
24 status. You may note that some of these
25 sites are still listed on our active

1 list. We often continue to receive
2 reimbursement applications for NFA'd
3 sites a couple of quarters after the
4 official closure of the release as the
5 RACs recoup their expenditures.

6 And that's what I've got for you
7 right now. Any questions up to this
8 point?

9 MR. PERRY:

10 Very good report. As an overall
11 comment, as you look at trends of new
12 releases, which I think there was about
13 maybe 16 or 17, I think you said --

14 MR. CARTER:

15 Incidents, yeah.

16 MR. PERRY:

17 -- about \$3.3 million reimbursed
18 fees for the first quarter, which would
19 be July 1st through September 30th.

20 MR. CARTER:

21 Correct.

22 MR. PERRY:

23 Does it all trend out about pretty
24 well in line with what we typically have
25 seen over the last few years?

1 MR. CARTER:

2 I would have to double check that,
3 but I guess from being new to this role,
4 trying to reflect on that --

5 MR. PERRY:

6 Sure.

7 MR. CARTER:

8 -- I would have to say that they're
9 pretty -- pretty much in line with --

10 MR. PERRY:

11 And I think you're right from what I
12 know. I do think that might be, you
13 know, something the board might enjoy is
14 seeing a little bit of maybe some trend
15 analysis. Not a -- just to -- you know,
16 I think a comment is, is making sure we
17 don't have a slug of new releases or
18 expenditures are starting to creep up,
19 you know, from consultants, et cetera. I
20 just think that would be -- you know, it
21 would give just a little overall picture
22 and I -- you know, again, just a comment.

23 MR. CARTER:

24 Yeah.

25 MR. PERRY:

1 To the rest of the group, any other
2 comments for Mr. Larry?

3 MR. GAUBERT:

4 Just a question, and it's not
5 related to the report. But the red tags,
6 you know, I haven't seen a report on how
7 many tanks around the State have red
8 tags.

9 MR. CARTER:

10 Yeah.

11 MR. FULTON:

12 I'll have to get you that. I can
13 get you that information.

14 MR. CARTER:

15 Right.

16 MR. FULTON:

17 We -- since it's not in corrective
18 action, that's a prevention function,
19 those numbers don't usually get reported
20 in this meeting, but I'll be glad to
21 provide those.

22 MR. CARTER:

23 Yeah. That's easy to track there.
24 That's more on prevention side there for
25 Gary.

1 MR. GAUBERT:

2 Right.

3 MR. FULTON:

4 And I'll be glad to do that.

5 MR. PERRY:

6 And I actually looked at that list
7 last week. It seems like there is around
8 two or three dozen.

9 MR. FULTON:

10 Yeah. That's about right. I don't
11 want to speak because I haven't looked at
12 it in a while.

13 MR. PERRY:

14 Right. Well, I'm crazy enough to
15 speak. But I think that, you know, as --
16 as, you know, UST markers, Grady, I know
17 there was a discussion about trying to be
18 a little bit more public with that data
19 to the marketers so that the mistake is
20 not made.

21 MR. GAUBERT:

22 Maybe putting some material into --

23 MR. PERRY:

24 Yeah, exactly.

25 MR. GAUBERT:

1 -- red tag --

2 MR. PERRY:

3 Yeah. Exactly.

4 MR. CARTER:

5 Yeah. You're going to have red tag
6 tanks due to compliance issues, or as a
7 precaution not to have fuel dumped in
8 there. It may be a failed tank in the
9 active tank hole, so --

10 MR. ST. ROMAIN:

11 Well, right. And I think what Todd
12 is referring to is, right now, we're
13 relying on the driver to not make that
14 delivery. If there was some kind of
15 proactive communication, you know, to the
16 community that, "Hey, just an alert that
17 this site is red tag tanks, you might not
18 want to deliver there".

19 MR. FULTON:

20 Got you. Right.

21 MR. GAUBERT:

22 It's not part of the trust fund
23 program --

24 MR. ST. ROMAIN:

25 Right.

1 MR. GAUBERT:

2 -- but it's under the trust fund
3 guidance.

4 MR. ST. ROMAIN:

5 If it's a busted tank that's red
6 tagged, it could be a trust fund --

7 MR. FULTON:

8 Yeah, we can do that, for sure.
9 That's not a problem. I just --

10 MR. GAUBERT:

11 We also do business in Mississippi
12 just as a -- for FYI, they periodically,
13 on a -- a set time frame, send out all of
14 the red tag notices to every marketer in
15 the state so it -- you know, you have
16 knowledge of it and can prevent --

17 MR. CARTER:

18 Sure.

19 MR. GAUBERT:

20 -- somebody putting some material
21 into a red tag tank.

22 MR. CARTER:

23 Okay. I'm not certain but when, I
24 believe, we red tag a tank and put it
25 into our system, I believe the

1 distributors are notified.

2 MR. FULTON:

3 Well, they -- well, they -- it gets
4 on the list --

5 MR. CARTER:

6 Okay.

7 MR. FULTON:

8 -- so -- but the problem is, is
9 you've got to go to the list. But we
10 have -- we do have that information
11 publicly available but it's not as
12 convenient.

13 MR. GAUBERT:

14 Yeah. You have to, you know --

15 MR. FULTON:

16 You've got to go to the list and
17 check.

18 MR. GAUBERT:

19 Yeah.

20 MR. FULTON:

21 Yeah, so as long -- however ya'll
22 want that done, I'm sure we can deliver
23 it by email but we have to have -- we'd
24 have to monitor that and we'd have to
25 have all the correct emails, because

1 that's one of the biggest problems we
2 have, is getting correct email addresses.

3 MR. PERRY:

4 That's right. And on that note,
5 Gary, I think it's a great topic. Grady,
6 thanks for bringing it up.

7 MR. ST. ROMAIN:

8 It might be something you can sign
9 up for --

10 MR. PERRY:

11 Yeah, yeah.

12 MR. ST. ROMAIN:

13 -- you know, that we could pass out
14 at events, hey, you want to be on the
15 list to receive this notification.

16 MR. FULTON:

17 That would be a good way to do it.

18 MR. PERRY:

19 That's right. And I think Natalie
20 and her team will work with you too on
21 that. So I think that's a -- Nick, to
22 your point, and Grady's point, that's a
23 great idea.

24 MR. ST. ROMAIN:

25 Yeah.

1 MR. PERRY:

2 Anything else for Mr. Larry?

3 (No response.)

4 MR. PERRY:

5 Larry, the other comment I'll give
6 you is, great job. Because things seem
7 to be pretty steady, that means that you
8 and your team are doing a steady good
9 job, so thank you for that.

10 MR. CARTER:

11 Okay. Well, I'm trying to keep my
12 feet from shaking.

13 MR. PERRY:

14 Hey, get this guy up here's chair.
15 Then you -- Frank and Wes Loflin will
16 make you really nervous.

17 Okay. So that gets us through six.
18 Oscar, thank you for joining us. Let's
19 do item seven, third party claim status.

20 MR. MAGEE:

21 Yeah. So no new claims. We still
22 have the case that's pending in the New
23 Orleans area, CDC, Civil District Court.
24 We filed an exception. I think we
25 discussed that last time. The exception

1 that we filed was not favorable. The
2 court was not persuaded by our arguments.
3 She denied the exceptions. We've taken a
4 writ to the Fourth Circuit down in New
5 Orleans regarding that. That's pending.

6 Just so you know, the court seemed
7 to be persuaded by this one little word
8 that's identified in the statutes,
9 indemnification. And so we were arguing
10 that that word is basically not what it
11 means in that statute, in that body. And
12 so, you know, when the word is there,
13 it's kind of hard to overcome that, but
14 that's where we were. So we are trying
15 to let the Court of Appeals take a look
16 at that and see where we can go with
17 that. That's still pending.

18 There has been some other actions,
19 some motions that we were -- we filed
20 one. The original plaintiff, who should
21 have sued in the first place, is asking
22 the Court to amend their petition so that
23 they could add DEQ. We'll have an
24 objection for that. Right now, that's
25 kind of pending until we can kind of get

1 some idea of what the Court of Appeal is
2 going to do.

3 So that's the report I have.

4 MR. PERRY:

5 It's a complex matter for sure.

6 MR. MAGEE:

7 It's not easy.

8 MR. PERRY:

9 It never is. It never is. So,
10 Oscar, thank you for that.

11 To our board members, any questions
12 for Oscar?

13 (No response.)

14 MR. PERRY:

15 I'll ask one and will repeat this
16 for Theresa. And it goes, I guess,
17 general to our friends at the department.
18 Are we aware of any legislation that's
19 being discussed that would effect
20 underground storage tank owners? It's
21 just a general, have ya'll see anything
22 come across your desk?

23 MR. MAGEE:

24 I heard something, but I haven't
25 seen it.

1 MR. PERRY:

2 Okay. Well, we'll wait until we
3 know. And we have some, too, that, you
4 know, we would like to work with, so
5 we'll get to that in other business, if
6 that's okay.

7 MR. MAGEE:

8 Yeah.

9 MR. PERRY:

10 Okay. All right. That gets --
11 okay. Everybody is good with Mr. Oscar,
12 so we will move there.

13 All right. We're waiting for
14 Theresa. And do you know if she's moving
15 yet?

16 MS. FALKE:

17 She's -- we'll go ahead and do the
18 financial second part.

19 MR. PERRY:

20 Okay. Ya'll okay with that?

21 MS. FALKE:

22 The presentation part, she'll do
23 that.

24 I do have one thing that the
25 legislative auditor asked me to mention.

1 She's going to be sending out the related
2 party letters today or tomorrow. She
3 just asked for ya'll to check your emails
4 and to get them back to her as soon as
5 you can.

6 MS. VITTERI:

7 She said, I'll be there in five.

8 MS. FALKE:

9 Okay. I guess you can go ahead and
10 start.

11 MS. VITTERI:

12 Okay. I'll start with the, just
13 presenting the financial statements in
14 the packet, and then, when she gets here,
15 we have a power point as well.

16 MR. PERRY:

17 Awesome. Thank you.

18 MS. VITTERI:

19 Again, I'm Lacy Vitteri, accountant
20 in Financial Services. Today, I'll be
21 discussing the results from the first
22 quarter of Fiscal Year 26. So that's in
23 the packet, the first tab, the blue one.

24 As always, this is our standard,
25 multiple column comparative presentation.

1 The left-hand column is the final for
2 Fiscal Year 25. The middle column is
3 the first quarter of 25, and the right
4 is the first quarter of 26. And all of
5 these are prepared on the cash basis.

6 As of September -- I'll be focusing
7 on the last column. As of September
8 30th, 2025, we deposited approximately
9 7.6 million into the fund. This is the
10 total of both the motor fuel column and -
11 - plus the interest column. Bulk
12 distribution fees are roughly about
13 400,000 less than at this time last year,
14 but we still anticipate them at year-end
15 to be around 22 million.

16 Interest is still looking good. We
17 project to collect around 6 million again
18 this year. Total claims for
19 reimbursement, as of September 30th,
20 2025, were 3.6 million, which is around
21 600,000 more than at this time last year.
22 And the interest-only expenditure you can
23 see had increased, which, a lot of this
24 increase is because of our new grant
25 program.

1 Now, I'm going to the bottom of the
2 page. The total cash in the fund, not
3 including the interest, is 128.4 million,
4 and then, once you deduct the liability
5 of 181.8 million, that leaves us with a
6 negative unobligated balance of 53.5
7 million.

8 And then, onto the next page, that
9 includes our projection of the transfer
10 from the trust fund to the ETF to cover
11 those administrative expenses. We expect
12 this year's transfer --

13 MR. PERRY:

14 Lacy, can I ask a quick question.

15 MS. VITTERI:

16 Oh, sure.

17 MR. PERRY:

18 Sorry to interrupt.

19 MS. VITTERI:

20 No, that's fine.

21 MR. PERRY:

22 But real quick, back on page one --

23 MS. VITTERI:

24 Okay.

25 MR. PERRY:

1 -- if we look at the bottom of the
2 column of the Fiscal Year 2026 --

3 MS. VITTERI:

4 Okay.

5 MR. PERRY:

6 -- you mentioned that we have cash
7 balance of \$128,000,000 --

8 MS. VITTERI:

9 Yes.

10 MR. PERRY:

11 -- and then, on top of that, you
12 have interest money which would bump it
13 up to the 146.

14 MS. VITTERI:

15 Yes. That is correct.

16 MR. PERRY:

17 So the difference between that
18 number and the 128 would be the interest
19 dollars we have in --

20 MS. VITTERI:

21 Right.

22 MR. PERRY:

23 -- set aside for the -- okay.

24 MS. VITTERI:

25 Right.

1 MR. PERRY:

2 Okay.

3 MS. VITTERI:

4 Right. Which is the 18.5.

5 MR. PERRY:

6 Okay.

7 MS. VITTERI:

8 Which is the interest.

9 MR. PERRY:

10 Awesome. Thank you. Okay. Sorry
11 to interrupt.

12 MS. VITTERI:

13 That's okay.

14 So the next page is our projection
15 of the amount that we'll spend for the
16 administrative expenses. We expect this
17 year to be the 5.5 million, and then, the
18 following year to be roughly the same,
19 right around 5.7 million.

20 Do ya'll have any questions?

21 MR. PERRY:

22 So to the board, any questions for
23 Ms. Lacy?

24 MS. VITTERI:

25 We have a power point that's going

1 to explain a lot of these numbers in more
2 detail.

3 MR. PERRY:

4 And so we're probably waiting to --

5 MR. GAUBERT:

6 Okay.

7 MR. PERRY:

8 Yeah.

9 MR. GAUBERT:

10 No, that's Frank's baby. You know,
11 he's a -- he --

12 MR. PERRY:

13 He's our money man.

14 MS. VITTERI:

15 He's in that number stack.

16 MR. PERRY:

17 Okay. Fran, do you have anything
18 you want to add to the conversation?

19 MS. FALKE:

20 No, other than, that -- I mean, I do
21 -- I did talk to Andy earlier today and,
22 I mean, our -- the grant program is about
23 the same as last time. It did -- it had
24 18 in 2024, 19 in 2025, and we've paid
25 four total so far.

1 MR. PERRY:

2 Okay. Four total?

3 MS. FALKE:

4 Yes. And he has one that he is in
5 the process of doing right now, so --

6 MR. PERRY:

7 Very good. So we know the grant
8 window, we will be opening it up January
9 1st for 2026. One thing that we
10 discussed with the board, I'm thinking --
11 starting to kind of pick up a few items,
12 waiting for Theresa to come in, and I
13 think on the other side of the
14 presentation, I think that will be good
15 for us to see -- but we think that maybe
16 there should be a standing grant, UST
17 grant program report, so that might be
18 item number eight, before other business
19 --

20 MS. FALKE:

21 Okay.

22 MR. PERRY:

23 -- because it is of interest. And,
24 I think, moving forward, we'd like to
25 just see a standing, you know, report

1 there just so we can get a sense of how
2 we're doing --

3 MS. FALKE:

4 Okay.

5 MR. PERRY:

6 -- on the grant program.

7 MR. ST. ROMAIN:

8 And that would be forever, just like
9 a permanent report.

10 MR. FULTON:

11 Yeah. Yeah. That's not a problem.

12 MS. FALKE:

13 So is -- will there ever be any talk
14 of change in the window for the grant
15 applications or --

16 MR. WATT:

17 Funny you asked.

18 MR. PERRY:

19 Yeah. We would like to.

20 MR. ST. ROMAIN:

21 It would take legislation.

22 MR. FULTON:

23 It would take legislation. Yeah.

24 MR. ST. ROMAIN:

25 We'd like to work with ya'll on that

1 for this spring.

2 MR. PERRY:

3 So on that, and we discussed it in
4 the last meeting, but we would like to,
5 you know, create a work group and discuss
6 the UST grant program, you know, the
7 funding mechanisms where the grants stand
8 today, and then, moving from an annual to
9 a quarterly system. And I -- but I think
10 there was definitely an intention of a
11 piece of legislation coming out of that
12 work group, so --

13 MR. FULTON:

14 I'd like to make a recommendation
15 that we include some other subjects --

16 MR. PERRY:

17 Sure.

18 MR. FULTON:

19 Yeah. Create a work group where we
20 can discuss, you know, pretty much any
21 issue to bring recommendations back to
22 the board.

23 MR. PERRY:

24 I agree with that, Gary. That would
25 bring me to another piece I was going to

1 catch under other business, if I can --

2 MR. GAUBERT:

3 Could it be a standing work group --

4 MR. FULTON:

5 We could, yeah. Why not?

6 MR. GAUBERT:

7 -- that, you know, any -- any issue
8 of the -- you know, at that time could be
9 --

10 MR. FULTON:

11 Yes.

12 MR. GAUBERT:

13 So it would be a subgroup and
14 standing subgroup.

15 MR. FULTON:

16 Yes.

17 MR. GAUBERT:

18 It would be a standing subgroup, so
19 you know, if it's legislative, if it's
20 other issues --

21 MR. FULTON:

22 If it's program related --

23 MR. GAUBERT:

24 Program related.

25 MR. FULTON:

1 Yeah. Anything. Yeah. I think
2 that's a great idea.

3 MR. GAUBERT:

4 Because we talked about, you know,
5 subgroups on multiple occasions but, you
6 know, it's hard to formalize it.

7 MR. FULTON:

8 Right.

9 MR. GAUBERT:

10 But if you maybe approach it in a
11 way that you have a standing subgroup --

12 MR. FULTON:

13 Yeah.

14 MR. GAUBERT:

15 -- a formalized standing subgroup,
16 any issue from this board, you know, that
17 could be referred to that standing group
18 at any time --

19 MR. FULTON:

20 Yeah.

21 MR. GAUBERT:

22 -- at any board meeting.

23 MR. FULTON:

24 Yeah. I don't see why not.

25 MR. PERRY:

1 And where would need to be a little
2 careful would be to make sure we create a
3 forum.

4 MR. FULTON:

5 Exactly. Yeah, exactly.

6 MR. PERRY:

7 So, Theresa, I'm going to catch you
8 up to where we are, if that's okay.

9 MS. DELAFOSSE:

10 Sure. Thank you. Yes.

11 MR. PERRY:

12 And, again, thank you for being
13 here.

14 MS. DELAFOSSE:

15 Yes.

16 MR. PERRY:

17 It's much appreciated. We were in
18 item number four. We held that toward
19 the end.

20 MS. DELAFOSSE:

21 Okay.

22 MR. PERRY:

23 And I think Fran and Lacy indicated
24 you have a power point you'd like to do
25 with us.

1 MS. DELAFOSSE:

2 Yes.

3 MR. PERRY:

4 And then, the one piece of other
5 business we mentioned was having a
6 standing line item for the grant program
7 kind of moving forward just --

8 MS. DELAFOSSE:

9 Oh, good idea, yeah. I like that.

10 MR. PERRY:

11 -- just to have that, that we can go
12 to.

13 MS. DELAFOSSE:

14 Yes.

15 MR. PERRY:

16 And then, the desire to create a
17 work group to discuss legislation on the
18 grant program --

19 MS. DELAFOSSE:

20 Sure.

21 MR. PERRY:

22 -- to move from annual to quarterly
23 and look at those. So anyway, that --

24 MS. DELAFOSSE:

25 Right.

1 MR. PERRY:

2 -- that's where we're at waiting for
3 you, so now, we're ready for you.

4 MS. DELAFOSSE:

5 Okay. I wanted to start first by a
6 different kind of other business moment,
7 but I wanted to introduce our Deputy
8 Secretary, Nathan McBride. I'm sure some
9 of ya'll know Nathan, or all of ya'll
10 know Nathan. Yeah, he used to sit on
11 this board, and he joined us on Monday,
12 so he has had an interesting first week,
13 I think. He came over to the Joint
14 Legislative Committee on the budget with
15 me so that was a long sit there at the
16 Capitol and they made it colder and
17 colder. I think they were trying to get
18 people to quit talking, and it didn't
19 work so -- but we're here now, so I
20 wanted to introduce Nathan. We're glad
21 to have him here. He's going to be
22 helping with legislative affairs and
23 other related matters.

24 MR. PERRY:

25 Great talent. Well done.

1 MS. DELAFOSSE:

2 Yes. And Lacy and Fran put all this
3 together, and I know this is going to be
4 a familiar presentation that we've had
5 previously. I did ask if we could
6 postpone this from the August meeting
7 because time kind of got away from us
8 then. The truth of it is, time got away
9 from us this time, too, but we managed to
10 squeak out some time, so I'm thankful to
11 Lacy and Fran for the time invested in
12 preparing for this presentation. So --
13 and it -- you'll note that it is the
14 final numbers for Fiscal Year 2025, so
15 this does not include any of the first
16 quarter information that I believe Fran
17 and Lacy shared with ya'll already. So
18 it's just as of June 30, 2025. I thought
19 -- we kind of thought about doing some
20 first quarter numbers and comparative,
21 but I think it would have been too much
22 and too much to look at all at once, so
23 just let me caveat with that.

24 So if you want to advance the slide,
25 Durwood. Okay. The first slide is the

1 analysis, or display, of our bulk
2 distribution fee revenues. So you'll
3 recall that last year was our first year
4 under -- or Fiscal Year 24 was our first
5 year under 22 million since 06, and that
6 trend continued into Fiscal Year 25. It
7 was a slight uptick of three percent from
8 Fiscal Year 24 but, of course, you'll
9 note the huge success of recent history
10 is that interest income there. So we
11 collected almost six million, which has
12 allowed us to continue those
13 conversations about expanding the grant
14 program and, you know, doing other
15 valuable things with those earnings. So
16 we're really excited about where we are
17 with that.

18 Next slide, Durwood. This is a
19 little more detail on the interest
20 history, so you'll see where we were
21 throughout the year in Fiscal Year 2025.
22 And I think there is a -- and Lacy may
23 have to answer this, or if ya'll are
24 curious about this. I think there is a
25 lag between the month when you earn and

1 the month it's deposited, so that's why
2 you'll see, we didn't start getting those
3 higher amounts until September. So we
4 should -- and I think they had some
5 issues with their bank and getting things
6 going until maybe the second -- it may
7 have been August before they started. So
8 Fiscal Year 2026 will be our first year
9 with 12 months of the higher earning
10 numbers, so we're excited about that.

11 Next one, Durwood.

12 MR. GAUBERT:

13 Theresa?

14 MS. DELAFOSSE:

15 Yes.

16 MR. GAUBERT:

17 I don't mean to interrupt you, but

18 --

19 MS. DELAFOSSE:

20 No. Go ahead, please.

21 MR. GAUBERT:

22 -- according to this separate -- the
23 5.8 is not included in that 22; is that
24 correct? Is it --

25 MS. DELAFOSSE:

1 It's not. It's separate. That's
2 correct. Yes, sir.

3 MR. GAUBERT:

4 Okay.

5 MS. DELAFOSSE:

6 Okay. This is a summary of the
7 inactive and abandoned expenditures. So
8 you see, we have worked with three
9 vendors for that program; two with the
10 site investigation, and then, the one
11 tank removal contract that we have. So
12 we've spent just over \$700,000. And I
13 don't know if Gary has any other
14 information to share about where we are
15 with that program. I think just, you
16 know, plugging along.

17 MR. FULTON:

18 Tad?

19 MS. DELAFOSSE:

20 Anything, Tad?

21 MR. LOUPE:

22 We have an increase this fiscal
23 year.

24 MS. DELAFOSSE:

25 Okay. So what --

1 MR. LOUPE:

2 We have two or three corrective
3 actions sites, so we should have an
4 increase.

5 MR. DELAFOSSE:

6 Okay. Okay.

7 MR. ST. ROMAIN:

8 Is that a total of just three sites,
9 or is that the only three vendors?

10 MR. LOUPE:

11 No. It's about nine or ten sites.

12 MR. ST. ROMAIN:

13 In this list. Okay.

14 MS. DELAFOSSE:

15 Yes. And if we want some additional
16 information on the sites and, you know,
17 what we've worked on each fiscal year, we
18 can look to provide that information.

19 MR. MARCELLO:

20 So how is an abandoned site
21 identified? I mean, you have a property
22 owner --

23 MR. LOUPE:

24 For a tank removal or remediation?

25 MR. MARCELLO:

1 For a tank removal.

2 MR. LOUPE:

3 It's identified through our CI
4 program, compliance inspection program.
5 It's identified if they can find an owner
6 or if they cannot locate an owner or if
7 there is an enforcement action against
8 the owner that he can't afford to comply,
9 then we can review their financial
10 records to make them eligible for the
11 program.

12 MR. MARCELLO:

13 So at the end of the day, the tank
14 has to be on someone's property. We can
15 -- you can always identify a property
16 owner. And when you can't identify a
17 tank owner, is it because the property
18 owner says, "Hey, they're not mine" and
19 -- simple as that? I mean, how do we --

20 MR. LOUPE:

21 It's not --

22 MR. MARCELLO:

23 -- how do we take that that step for
24 forward -- or further?

25 MR. LOUPE:

1 It's not in that scenario. It's,
2 you cannot locate them at all, well --

3 MR. MARCELLO:

4 Okay.

5 MR. LOUPE:

6 -- the Enforcement Division will
7 issue them compliance orders --

8 MR. MARCELLO:

9 Okay.

10 MR. LOUPE:

11 -- and the Enforcement Division will
12 try to serve them through a process
13 server if they cannot locate them. And
14 at that point, when enforcement poses
15 interaction, we can make it eligible for
16 the abandoned tank program.

17 MR. MARCELLO:

18 Okay. Thank you.

19 MS. DELAFOSSE:

20 Yes. And we do place a lien on the
21 property for the amount of the tank pull
22 --

23 MR. FULTON:

24 Right.

25 MS. DELAFOSSE:

1 -- or the remediation so that we --
2 when that property is transferred, we can
3 recover some of those costs, some or all,
4 hopefully.

5 MR. GAUBERT:

6 Is that a permanent lien under the
7 same rules as -- is that like a -- it's a
8 lien against the deed to the property, or
9 is it one that --

10 MR. LOUPE:

11 It's ten years.

12 MR. GAUBERT:

13 -- has to be renewed, like a court
14 ordered lien or --

15 MS. DELAFOSSE:

16 We just file it in the parish.

17 MR. FULTON:

18 We file it in the parish.

19 MS. DELAFOSSE:

20 Yeah. File it. And we do --

21 MR. GAUBERT:

22 So it sits -- it sits on the
23 property forever.

24 MS. DELAFOSSE:

25 That's correct. Yes. And we do

1 renew them and update them if -- you
2 know, if there are additional changes
3 need.

4 MR. GAUBERT:

5 They do have to be renewed. That
6 was my question.

7 MS. DELAFOSSE:

8 They do, but it's ten years.

9 MR. LOUPE:

10 Ten years.

11 MS. DELAFOSSE:

12 Yeah.

13 MR. GAUBERT:

14 Ten years. That's typical lien --

15 MS. DELAFOSSE:

16 Yes.

17 MR. GAUBERT:

18 -- you know, the process is ten
19 years and then you have to --

20 MS. DELAFOSSE:

21 That's right. But legal --

22 MR. GAUBERT:

23 But the same --

24 MS. DELAFOSSE:

25 -- legal keeps up with all those and

1 renews them.

2 MR. GAUBERT:

3 -- the same applies to a lien on the
4 property for these abandoned sites --

5 MR. FULTON:

6 That's correct.

7 MR. GAUBERT:

8 -- as -- as any other lien?

9 MR. FULTON:

10 Yes.

11 MS. DELAFOSSE:

12 Yes.

13 MR. HOPPE:

14 And do ya'll forgive them sometimes,
15 to get them back into commerce, if the
16 property doesn't have the value?

17 MR. FULTON:

18 Those -- those will be negotiated
19 under certain conditions, yeah.

20 MS. DELAFOSSE:

21 Like when the property is
22 transferred.

23 MR. HOPPE:

24 Right.

25 MS. DELAFOSSE:

1 But like -- you know, Burt Chevron
2 is a good example. I think it -- you
3 know, most of it's work predates this
4 program or getting the program back up
5 again, but we spent money from several
6 different funding sources for Burt's to
7 the tune of, I think, \$2,000,000, but
8 obviously, the property appraised in the
9 -- you know, some of the costs were not
10 even on the property itself, of course,
11 or the vast majority of them, but the
12 property appraised for \$325,000, and
13 that's what we sold it for, and then, we
14 did forgive -- you know, release the
15 liens for the remainder --

16 MR. HOPPES:

17 Right.

18 MS. DELAFOSSE:

19 -- because that was not -- you know,
20 we weren't able to recover all of that
21 because the costs exceeded the value of
22 the property, so --

23 Okay. Durwood, next one. It's
24 funny talking to Durwood. He's not here.
25 I can't hear him or anything. I'm just

1 talking like he's a computer.

2 Okay. These are the expenditures by
3 function for Fiscal Year 25. So, of
4 course, we have the UST core group.
5 That's Gary's Division, which represents
6 60 percent of the total expenditures.
7 And those are -- that's the total program
8 expenditures, that 7.7 million figure at
9 the bottom. So you see -- then 15 --
10 well, the second category is the support
11 and indirect for 20 -- right at 23
12 percent. And then, the Motor Fuel Trust
13 Fund section, which is Mr. Carter's
14 group, is the third highest. And then,
15 we have a small percentage there for our
16 enforcement staff, when they charge their
17 time out to the program. And I think we
18 have some additional detail on the next
19 slide about salary. Oh, not yet.

20 Okay. So salaries and related
21 benefits are the two components of the
22 personal services category that we have
23 reliably. So we have salaries
24 representing 51 full-time equivalents.
25 We did see, of course, a small increase

1 in that category, but that typically
2 falls in line with our annual market
3 adjustments, which are three or four
4 percent, depending on where the employee
5 is in the pay scale. So our related
6 benefits include the following mandatory
7 expenditures. We have retirement group,
8 which is the biggest portion of that
9 cost. Group benefits, which is the
10 second largest, and then, Medicare, a
11 small portion. We did have a decrease
12 there, which I am going to assume is
13 related to the change in the retirement
14 rate. The legislature has been making
15 efforts, where there are surplus funds
16 available at the end of the fiscal year,
17 to pay down the unfunded accrued
18 liability with the retirement system.
19 That -- the retirement contribution
20 percentage, I believe, was over 50 at
21 some point, so now, we're in much better
22 shape own at 33 and half percent. Each
23 employee pays either seven and a half or
24 eight percent, I believe, of their
25 salary, and then, this is what the State

1 has to kick in. The largest portion of
2 that, though, is not the normal costs, or
3 what's attributable to the benefit that
4 that employee will get when they retire,
5 but it's attributable to the unfunded
6 accrued liability. Basically, the debt
7 of the retirement system that is paid off
8 by higher contributions for active
9 employees from the agencies, so --

10 Okay. Next one.

11 MR. MARCELLO:

12 What's the acronym, FTE?

13 MS. DELAFOSSE:

14 Full-time equivalent.

15 MR. MARCELLO:

16 Full-time.

17 MS. DELAFOSSE:

18 Yes.

19 So these are the staff charging time
20 -- or these are staff who are coded to
21 the fund itself. You see the highest
22 numbers of the staff, of course, are
23 environmental scientists, then
24 geologists. I did lump those in together
25 so instead of -- you know, we have

1 environmental scientists ones, twos,
2 three, et cetera, but I went ahead and
3 put them all together. So you see the
4 average salary numbers there with a low
5 of 35 -- or just under 36,000, and then,
6 a high of right over 120, so those are
7 the salaries included in the program for
8 the different ones.

9 Travel and training. So you see
10 that's a fairly low cost category. We
11 spent \$1,200 in Fiscal Year 25 on
12 travel. We are -- staff are required to
13 attend HAZWOPER training as, you know,
14 just part of -- I think that's a statute,
15 that they have to attend that training.
16 So that's the cost for attending -- which
17 the training itself is free, but when we
18 have employees across the State, they
19 have to travel to JESTC in Zachary to
20 attend that class. And then, some audit
21 travel expenses. When Cy's group goes to
22 sites that are not, you know, in the
23 Baton Rouge area or the capital area.

24 The operating services and supplies,
25 so that's just the rent in our regional

1 offices, a little bit for advertising and
2 public notices, which we have for this
3 meeting, and then, our ASTSWMO dues and
4 some smaller categories like maintenance
5 and supplies.

6 The other charges category, this is
7 where we put our professional services
8 charges. So you see those five -- four
9 agreements, plus then, our court reporter
10 costs. So we have tank operator training
11 and the CEI inspections are the top two,
12 and then, we have the actuary contract,
13 and then, some hurricane grant -- that's
14 the -- that's still from Harvey. Okay.
15 So that's probably winding down.

16 MR. FULTON:

17 That is winding down.

18 MS. DELAFOSSE:

19 Okay. And I think the heading is
20 just not updated on that table at the
21 bottom, too. Those are -- that's Fiscal
22 Year 25 expenditures. It's just not
23 updated. So you see our other charges
24 did have a slight increase from Fiscal
25 Year 24 to 25, but these are just

1 associated with our contracts necessary
2 to manage the program.

3 MR. HOPPES:

4 Theresa, that grant work, does that
5 come from other funds, like the Harvey
6 money that came from --

7 MS. DELAFOSSE:

8 Yeah, it's EPA grant.

9 MR. HOPPES:

10 Okay.

11 MS. DELAFOSSE:

12 And that's in certain -- just in a
13 certain area of the State, too, that that
14 has to be spent, because it's Hurricane
15 --

16 MR. FULTON:

17 Hurricane -- hurricane-affected
18 area.

19 MS. DELAFOSSE:

20 -- Harvey, hurricane-affected area,
21 so it's on the west side -- like the --

22 MR. LOUPE:

23 Cameron Parish.

24 MS. DELAFOSSE:

25 Cameron Parish, yeah. It's just one

1 site.

2 MR. FULTON:

3 We have one site in corrective
4 action, and that's what it is.

5 MS. DELAFOSSE:

6 Okay. The interagency transfer
7 category, is just a few things paid to
8 other agencies that are necessary to
9 administer the program. So we have to
10 pay the auditors for the annual audit
11 that they do of the Motor Fuel Trust
12 Fund, and then, of course our telephone
13 lines, printing cost and our uniforms.
14 So -- and we are making efforts
15 internally I think to -- and you can
16 leave it on this slide, Durwood. You
17 don't have to change back. But we are
18 making a lot of efforts to modernize the
19 way we communicate with the regulated
20 community, some of which is going to
21 require legislation, but we may move away
22 from certain things, like being
23 public-noticed in the paper and post them
24 on our website instead and putting things
25 in the mail, essentially. So we hope to

1 see some of our printing costs reflect
2 those reductions in the future. So I
3 just wanted to mention that as well. And
4 we've made some reductions to uniform
5 allotments as well for current employees.

6 Indirect costs. So again, we've
7 included this since Fiscal Year 13. The
8 program did not previously pay its share
9 of our overhead costs, but we did make
10 that change, and we have discussed that
11 at length. We multiply this rate by our
12 direct charged salaries and related
13 benefits, so that personal services
14 category gets the indirect applied to it,
15 which, of course, covers the costs that
16 are not direct-charged, so that would be
17 for any executive staff work, financial
18 services, and then, of course, like the
19 support services necessary for the
20 employees, like HR, IT, et cetera, for
21 all those costs that the department has
22 to pay for that are not paid for directly
23 by the program. And that -- you see
24 those rates there have fluctuated over
25 the years, but are generally trending

1 downward, and they did go down. For
2 Fiscal Year 26, we're at 60 and a half
3 percent as well. So that continued to
4 trend in the downward direction for those
5 indirect costs.

6 Our federal grant revenues, we have
7 seen significant fluctuations here, as
8 well, in the -- not in the direction we
9 like to see, unfortunately, but I think
10 we -- did we get -- those are our awards
11 for these?

12 MS. FALKE:

13 Yes.

14 MS. DELAFOSSE:

15 Okay. So that's good news. I'm
16 sure -- you know, we don't have all our
17 awards back and we, of course, had quite
18 a pause from hearing from EPA during the
19 federal shutdown, but hopefully, we get
20 our remaining awards back in, but we did
21 apply for -- we have the corrective
22 action and prevention are the, you know,
23 kind of standard year-in and year-out
24 grants that we have for this program, and
25 we were awarded the amount that we

1 applied for, for both of those, so that's
2 great news.

3 MR. GAUBERT:

4 I just wanted to ask you a question
5 related to the grants.

6 MS. DELAFOSSE:

7 Yes.

8 MR. GAUBERT:

9 So how are the grants determined,
10 are they just -- you know, they're
11 federal grants, so are they determined --
12 you know, is the expectation of getting
13 that grant money every year, or you
14 mentioned that you have to apply, is
15 every grant -- does every grant have to
16 be applied for separately every year; are
17 there any standing grants that you just,
18 you know, as a percentage of a -- you
19 know, a trust fund, federal trust fund,
20 you know, that it's awarded to each state
21 for some -- by some formula?

22 MS. DELAFOSSE:

23 Right. No. We have to -- for this
24 one, we have to apply every year.

25 MR. FULTON:

1 Yeah. We usually have to apply
2 every year.

3 MR. GAUBERT:

4 All of the grants --

5 MS. DELAFOSSE:

6 No.

7 MR. GAUBERT:

8 -- at that -- from EPA have to be
9 determined --

10 MS. DELAFOSSE:

11 Just -- all the ones that -- the
12 leaking -- both of the leaking
13 underground storage tank ones, but we
14 have some grants that have a longer
15 cycle, but these do not.

16 MR. GAUBERT:

17 Okay.

18 MR. FULTON:

19 Yeah. Each -- each grant is going
20 to be a little bit different, but we are
21 EPA's approved program, so that's why we
22 get the grants because, one, we're
23 approved to get the grant, so we'll get
24 the grant, but we do have to apply every
25 year for the grant.

1 MS. DELAFOSSE:

2 And we just send like an updated --
3 we have to send a work plan updated with,
4 you know, what our staff costs are going
5 to be and --

6 MR. FULTON:

7 And it's not for free. We have to
8 meet goals and objectives and --

9 MR. GAUBERT:

10 Correct.

11 MR. FULTON:

12 -- you know, all that every year.

13 MS. DELAFOSSE:

14 Have -- yeah, deliverables. And we
15 have to report in on those things as
16 well.

17 MR. FULTON:

18 Yeah.

19 MR. PERRY:

20 And I would add, EPA has been
21 providing those grants to states probably
22 since 88 or 89.

23 MR. FULTON:

24 Yes, yes.

25 MR. PERRY:

1 Although there is discussion -- you
2 see there, it flows a little bit, but
3 they're saying that those may be reduced
4 long term.

5 MS. DELAFOSSE:

6 Even further.

7 MR. FULTON:

8 Right.

9 MS. DELAFOSSE:

10 Which is, you know, kind of what I
11 would expect to see, just based on
12 everything, but I haven't heard that yet,
13 officially, not -- not in 26.

14 MR. PERRY:

15 There we go.

16 MS. DELAFOSSE:

17 All right. Durwood --

18 MR. GAUBERT:

19 Yeah. That's a -- that's kind of a
20 catch -- not a catch 22 but, you know,
21 that the federal government has allowed
22 that the obligations of the states are
23 set by the federal -- by federal
24 guidelines, you know. And there is a
25 term used, you know, it's an unfunded

1 mandate. It could be an unfunded mandate
2 on, you know, a company, or it could be
3 an unfunded mandate on a state. You
4 know, but these unfunded mandates, you
5 know, if they set the precedent and you
6 have to comply with it, and then, they
7 don't, you know, pay for it --

8 MS. DELAFOSSE:

9 Support you in that, right.

10 MR. GAUBERT:

11 -- then, how do you -- how do you
12 get the money? You know, so if they
13 reduce -- if they continue to be reduced,
14 you know, then would -- you know, what
15 obligation do we have to overcome that,
16 because it has got to come from
17 somewhere.

18 MS. DELAFOSSE:

19 Right.

20 MR. GAUBERT:

21 Or it's either got to cut a program
22 or something somewhere.

23 MS. DELAFOSSE:

24 Yeah. Or change some of the program
25 requirements or something, right.

1 MR. GAUBERT:

2 Yeah. You know, so --

3 MS. DELAFOSSE:

4 And these are environmental trust
5 fund revenues, which are part of the
6 revenues to pay for the program
7 administration. As you can see, those
8 have been, you know, in the same ballpark
9 since we had that ten percent increase
10 back in 2016. So we collected right at
11 670,000 for Fiscal Year 2025, which was a
12 slight increase from the previous year,
13 but they really do just fluctuate, as you
14 can see. It looks like it goes back and
15 forth from about 640 to 680.

16 MR. HOPPES:

17 What is that based on? Because
18 you're -- it's based on the number of
19 tanks, right? So like, I thought the
20 number of tanks were generally trending
21 down. I guess we don't collect on all of
22 them is what it is, right? Like, it
23 seems like it would follow your tanks.

24 MS. DELAFOSSE:

25 This is based on what was classified

1 to the fund --

2 MS. VITTERI:

3 Right.

4 MS. DELAFOSSE:

5 -- for -- right. So this is just
6 what we happened to collect, too, so you
7 may see some -- so each year, we collect
8 some fees that were paid from previous
9 years, as well.

10 MR. HOPPE:

11 Okay.

12 MS. DELAFOSSE:

13 So that's a part of it. It's more
14 just --

15 MR. HOPPE:

16 It's not going to completely trend
17 that way?

18 MS. DELAFOSSE:

19 Right. But it would be interesting,
20 I think, to add, yeah, how many tanks
21 were paid for at the time. Yeah.

22 MR. HOPPE:

23 Yeah. What the uncollected amount
24 would be, because --

25 MS. DELAFOSSE:

1 And I think -- and I think -- oh,
2 sorry. Go ahead.

3 MR. HOPPES:

4 Well, what -- I'm just curious, what
5 was the collection rate for each year,
6 like tanks and then collection rate, kind
7 of thing?

8 MS. DELAFOSSE:

9 Okay. We can -- I can put something
10 together and submit to ya'll.

11 MR. HOPPES:

12 Okay.

13 MS. DELAFOSSE:

14 I had some input previously I know
15 that I've shared about our collection
16 rates for the various -- and each fee --
17 I mean, they're kind of tracked
18 separately, too, like the new and used
19 motor oil, the registration fees, et
20 cetera, they're kind of some separate
21 classifications within the \$670,000 as
22 well.

23 MR. HOPPES:

24 Okay.

25 MR. ST. ROMAIN:

1 It's not just tank registrations.

2 MS. DELAFOSSE:

3 It's not just straight-up regular
4 \$60 tank registrations.

5 MR. FULTON:

6 No. You --

7 MS. DELAFOSSE:

8 Yeah. They're kind of some one-off
9 fees that are included in that category.

10 MR. FULTON:

11 We have haz waste tanks that they're
12 not in the fund but they still have to
13 send a registration in.

14 MR. GAUBERT:

15 Are these at -- do we feel that
16 these are sustainable what they're at, or
17 underfunded, overfunded?

18 MS. DELAFOSSE:

19 Well, so, I mean, it depends on your
20 philosophy on how we should be funded, I
21 guess. Right now, we obviously make up
22 for the gap between this and the grants
23 by transferring funds from the bulk
24 distribution fee collections, which is
25 obviously the lion's share. I mean,

1 that's 22 million. This is under a
2 million. I don't know what the
3 registration fees look like in other
4 states. I'd be curious to see.

5 Obviously, the tank owners get quite a
6 benefit from their \$60 a tank when they
7 are -- when they do have a release and
8 are able to tap into the coverage that's
9 provided by the program. I mean, I know
10 we've discussed fees in general at the
11 department, and we're working on some
12 numbers and putting together kind of a
13 package. So I think it's open for
14 discussion, what makes the most sense.
15 But we are, hopefully, going to be
16 proposing some more regular increases
17 based on the consumer price index, which
18 we would probably not endeavor to do
19 annually but maybe, you know, give us
20 some flexibility, which the legislature
21 has expressed is kind of the direction
22 they're headed with some of the fee --
23 you know, the agencies that generate fees
24 for their operations. So perhaps that is
25 part of the puzzle as well. So instead

1 of, you know, a significant increase all
2 at once, we would just continue to adjust
3 over time.

4 MR. FULTON:

5 That research has been done. I just
6 can't remember where I seen it. It has
7 been a couple of years. I'll try to find
8 it, and I can send it to the board.

9 MS. DELAFOSSE:

10 About how other states are funded?

11 MR. FULTON:

12 How other states are funded and the

13 --

14 MS. DELAFOSSE:

15 Yeah.

16 MR. FULTON:

17 -- fee situation. Yeah.

18 MS. DELAFOSSE:

19 Okay. All right. Durwood, we're
20 ready. Okay. This slide summarizes the
21 history of the transfer, which we were
22 just discussing, to cover the difference
23 between the program revenues and the
24 program expenditures. We transferred the
25 difference from the bulk distribution

1 fees or the Motor Fuel Trust Fund. So
2 you see we had a slight decrease between
3 24 and 25 of that transfer amount. So
4 we've -- you know, it had some general
5 fluctuations from year to year.

6 This has some numbers for our fund
7 balance and the growth of the fund. So
8 you see the fund did see some growth as
9 in the fund balance at year end, is what
10 that number represents. So on that right
11 axis, you see that the fund grew just
12 over eight million dollars over the
13 previous fiscal year, which is due to --
14 partially due to decreased expenditures
15 and, I guess, the --

16 MS. VITTERI:

17 And interest.

18 MS. DELAFOSSE:

19 Oh, and interest. Oh, okay. This
20 is the total, Lacy?

21 MS. VITTERI:

22 Yes. It has --

23 MS. DELAFOSSE:

24 Okay. So this has the interest
25 included, so yeah, that's the big part of

1 that increase in the fund balance, was
2 the interest collection being so much
3 higher, instead of, you know, \$300,000,
4 it was almost six million, so --

5 And I think -- is that the last
6 slide, Lacy?

7 MS. VITTERI:

8 Yes.

9 MS. DELAFOSSE:

10 I think that's it. Okay. So -- and
11 I know, as I mentioned the, you know,
12 kind of modernization of mailing public
13 notices, et cetera, I think Gary and I
14 have had -- well, I don't think -- Gary
15 and I have had some conversations about
16 some other modernization efforts that I
17 think would help the program run more
18 efficiently, like some online reporting
19 tools possibly being able to be developed
20 in the future. I think some of those --
21 obviously, some technology improvements
22 come with an up-front cost but, later on,
23 generate efficiency where you need less
24 people to do the same amount of work, or
25 you can do more with less, as they like

1 to say. So we'll be looking at some
2 options there and, you know, interested
3 to hear anybody's feedback or, you know,
4 share thoughts in that space. And then,
5 I thought we can also take a -- continue
6 to take a look at what other states, you
7 know, are doing from a collection
8 standpoint with the -- from an
9 expenditure standpoint as well.

10 MR. PERRY:

11 Theresa, I think that's great
12 report, a lot of good insight. And,
13 Larry, again, some of those trends we
14 talked about a little bit earlier. And
15 it's good to see we've got a pretty
16 stable program. Obviously, we're looking
17 for opportunities to make things better,
18 improved.

19 MS. DELAFOSSE:

20 Always. Yes.

21 MR. CARTER:

22 Right.

23 MR. PERRY:

24 And so I think that lines up, the
25 comments you made toward the end about

1 looking at other practices in other
2 states' grant program work group. That
3 might all fit into that.

4 MS. DELAFOSSE:

5 Absolutely.

6 MR. PERRY:

7 I know we talked about that at the
8 last meeting, moving forward with that.
9 So before we wrap up and open the floor
10 up for questions for Ms. Theresa, a
11 couple things. One would be, do you know
12 of any legislation that would directly
13 affect underground storage tank owners at
14 this point in the game?

15 MS. DELAFOSSE:

16 I don't.

17 MR. PERRY:

18 Okay.

19 MS. DELAFOSSE:

20 Yet.

21 MR. PERRY:

22 Okay. And so if we can have a work
23 group meet, I do know Louisiana Oil
24 Marketers have a desire to possibly have
25 a legislative package --

1 MS. DELAFOSSE:
2 Okay.
3 MR. PERRY:
4 -- to help tweak the grant program.
5 MS. DELAFOSSE:
6 Sure.
7 MR. PERRY:
8 So we'd like to get that together
9 and meet.
10 MS. DELAFOSSE:
11 Okay.
12 MR. PERRY:
13 Would you be point or would Gary be
14 point, as far as like getting the work
15 group together, or ya'll?
16 MR. FULTON:
17 I mean, I'll volunteer.
18 MS. DELAFOSSE:
19 I'll let Gary do it.
20 MR. PERRY:
21 Okay.
22 MS. DELAFOSSE:
23 But I'll participate.
24 MR. FULTON:
25 Yes, absolutely.

1 MR. PERRY:

2 Okay. That sounds great.

3 The next thing on that would be, the
4 presentation you gave, would it be
5 appropriate to share that with our
6 advisory board?

7 MS. DELAFOSSE:

8 Yes.

9 MR. PERRY:

10 Because I believe we'd like to see
11 that.

12 MS. DELAFOSSE:

13 Yeah, yeah, we can send it.

14 MR. PERRY:

15 So we'd like to see that. And with
16 that said, I'll open up for other
17 questions for our undersecretary.

18 MR. MARCELLO:

19 I have one.

20 MS. DELAFOSSE:

21 Okay.

22 MR. MARCELLO:

23 Fiscal Year 25, we're showing
24 interest in a separate column. Is this
25 -- and I have two questions, really.

1 MS. DELAFOSSE:

2 Sure.

3 MR. MARCELLO:

4 Is this in separate accounts? And
5 the reason why I ask that is, legally,
6 the State can swipe up to a certain
7 percentage of fees -- of money from
8 different agencies or what have you.
9 And I'm wondering if it's in that total,
10 or it's -- why is it listed separately,
11 just for illustration purposes?

12 MS. DELAFOSSE:

13 Yes.

14 MR. MARCELLO:

15 Okay.

16 MS. DELAFOSSE:

17 So there is a chance we would move
18 it into a separate, kind of sub-account,
19 I guess. Obviously, we have a myriad of
20 ways to track our revenues and
21 expenditures and a lot of it may be in
22 the same -- so for example, the
23 environmental trust fund is Q02, but we
24 have Q0200, which is any media. Q0201 is
25 air. Q0202, it -- so we can break it

1 down further, but then, it all rolls up
2 to the higher level. So we have
3 discussed with treasury possibly doing
4 something similar with the interest so
5 it's not commingled. It's currently
6 commingled, and we just keep up with it
7 separately --

8 MR. MARCELLO:

9 Right. And --

10 MS. DELAFOSSE:

11 But to your point about the
12 legislature, when the fund was
13 reclassified from a statutory-dedicated
14 fund to fees and self-generated, that
15 changed the way in which the fund could
16 be accessed during times of a mid-year
17 deficit. With a mid-year deficit -- and
18 there may be something I'm not aware of,
19 but this is my understanding, when there
20 is a mid-year deficit, if your fund is
21 classified as statutory-dedicated, the
22 legislature, or the Office of -- you
23 know, Division of Administration can pull
24 out five percent of your --

25 MR. MARCELLO:

1 Correct.

2 MS. DELAFOSSE:

3 -- of your appropriation. With fees
4 and self-generated, that does not exist.

5 MR. MARCELLO:

6 Okay.

7 MS. DELAFOSSE:

8 So -- now, they can do that still in
9 the funds bill or appropriation bill or
10 otherwise, but it has to be specifically,
11 you know, from the motor fuel underground
12 storage tank trust fund, transfer X
13 dollars to --

14 MR. GAUBERT:

15 But it would be -- it would have to
16 be -- they'd get five percent but if --
17 if they want any more than that, it would
18 be a loan, if I'm not mistaken, because I
19 think we -- at one time, we loaned -- or
20 it was -- we gave some money, or some
21 money was taken --

22 MS. DELAFOSSE:

23 It was taken.

24 MR. GAUBERT:

25 -- but then it was paid back --

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MS. DELAFOSSE:

It was paid back.

MR. GAUBERT:

-- but it -- without interest. It was the teachers' --

MR. MARCELLO:

Pay raises.

MR. GAUBERT:

-- pay raises. Right. It was -- but it was paid back.

MR. MARCELLO:

It was.

MR. GAUBERT:

If I remember, it was like \$7,000,000.

MS. DELAFOSSE:

It was seven -- it was right over 7,000,000 and we got paid back seven, so --

MR. GAUBERT:

Seven million, no interest.

MS. DELAFOSSE:

Right.

MR. GAUBERT:

Like -- but that can still happen

1 today, can it not?

2 MS. DELAFOSSE:

3 Yes, because that was like a line
4 item in House Bill one, I think, where
5 they --

6 MR. GAUBERT:

7 They can still --

8 MS. DELAFOSSE:

9 But that money was not in our fund.
10 Now, that was in the AG's escrow account,
11 because it was from the settlement
12 proceeds. So because they were handling
13 those lawsuits, they were keeping all the
14 money.

15 MR. GAUBERT:

16 So it wasn't directly out of the
17 fund?

18 MS. DELAFOSSE:

19 Correct. So I don't know that it
20 was --

21 MR. GAUBERT:

22 But they still paid it back, even
23 though it was of the proceeds?

24 MS. DELAFOSSE:

25 They did.

1 MR. ST. ROMAIN:

2 Now, I know it used to matter, and I
3 don't know if it still does, but the
4 negative equity balance used to be a
5 little bit of a shelter from them wanting
6 to maybe grab money out of it.

7 MS. DELAFOSSE:

8 I mean, I think it still is. And
9 I'll tell you, even before --

10 MR. ST. ROMAIN:

11 But with that interest adding on,
12 you went from \$46,000,000 to \$33,000,000
13 negative in a year. At the rate the
14 interest is growing, you could end up
15 with a positive equity balance --

16 MS. DELAFOSSE:

17 You could. Yeah.

18 MR. ST. ROMAIN:

19 -- within a couple of years. And I
20 don't know if that changes the target on
21 the fund.

22 MS. DELAFOSSE:

23 It could. But I think at that time,
24 we'd have to look to making other
25 changes, you know, to --

1 MR. ST. ROMAIN:

2 Right.

3 MS. DELAFOSSE:

4 -- make sure that didn't --

5 MR. HOPPES:

6 And I think, as that interest rate
7 keeps growing, or keep -- that account
8 grows again and again, and the idea of
9 grant work program or team or whatever --

10 MS. DELAFOSSE:

11 Will probably extend it.

12 MR. HOPPES:

13 -- is to kind of come things --

14 MS. DELAFOSSE:

15 Right.

16 MR. HOPPES:

17 -- get back into the pulling of
18 tanks --

19 MS. DELAFOSSE:

20 Right.

21 MR. HOPPES:

22 -- or get back into more inactive
23 and abandoned sites and things like that.

24 MS. DELAFOSSE:

25 Right, because I think we have

1 plenty out there to spend it on --

2 MR. HOPPES:

3 Oh, yeah.

4 MS. DELAFOSSE:

5 -- for the, you know, upgrades, et
6 cetera.

7 MR. MARCELLO:

8 And the rest of my question was,
9 then, why is it described as
10 unreserved/undesignated cash fund balance
11 end of year?

12 MR. PERRY:

13 What page you on, Frank?

14 MR. MARCELLO:

15 It's not numbered. It's the first
16 page of the --

17 MR. PERRY:

18 Okay.

19 MS. DELAFOSSE:

20 That's just the amount at the end of
21 the fiscal year that carried over into
22 the next fiscal year.

23 MR. MARCELLO:

24 Which was the basis of my question
25 about the --

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MS. DELAFOSSE:

I've got you.

MR. MARCELLO:

If it's unreserved, is it --

MS. DELAFOSSE:

Yeah.

MR. MARCELLO:

-- what have you --

MS. DELAFOSSE:

Yeah.

MR. MARCELLO:

-- is it -- okay.

MS. DELAFOSSE:

But again, the fees in
self-generated are a kind of different
animal with that, at least.

MR. MARCELLO:

Right, right.

MS. DELAFOSSE:

Less the -- but then, I'll say, even
with the mid-year approach, when there
was a mid-year deficit, I think during
the last administration, I think we had
that one time where some funds were
transferred, the five percent of our

1 appropriation, which is much less than
2 five percent of the fund, of course. But
3 after that point, we shared with the
4 administration and the legislature, the
5 Energy Policy Act, which can jeopardize
6 the program all together if that happens
7 again, and that didn't happen again at
8 that point. They always excluded the
9 fund when they had those mid-year
10 deficits, and so our other funds weren't
11 excluded but that one was.

12 MR. PERRY:

13 Right.

14 MS. DELAFOSSE:

15 So --

16 MR. PERRY:

17 Very good. Thank you, Theresa.

18 MS. DELAFOSSE:

19 Yes.

20 MR. PERRY:

21 Any other questions from that
22 particular section for Ms. Theresa?

23 MR. MARCELLO:

24 No.

25 MR. PERRY:

1 So we're going to wrap up -- that's
2 item number four on our agenda, which
3 would move us to --

4 MR. GAUBERT:

5 Very good report, Ms. Theresa.

6 MS. DELAFOSSE:

7 Oh, thank you so much.

8 MR. PERRY:

9 Very good report. Which would move
10 us to number eight, other business. And,
11 Gary, I'm going to go to you first. Last
12 time we were here, you were working on
13 maybe tweaking a definition regarding a
14 release.

15 MR. FULTON:

16 Right.

17 MR. PERRY:

18 Where do we stand on that, and what
19 can we do to help you?

20 MR. FULTON:

21 We're still investigating that.

22 MR. PERRY:

23 Okay.

24 MR. FULTON:

25 And that's the reason why I wanted

1 to expand that --

2 MR. PERRY:

3 Sure.

4 MS. DELAFOSSE:

5 Yeah. I think that would be a good
6 conversation for the --

7 MR. FULTON:

8 Yeah.

9 MS. DELAFOSSE:

10 -- for the work group to --

11 MR. FULTON:

12 Yeah.

13 MS. DELAFOSSE:

14 -- focus on, because I -- and I
15 think we need to have a few more
16 conversations internally, too, with our
17 change in administration. I need to
18 bring the secretary up to speed --

19 MR. FULTON:

20 Yeah.

21 MS. DELAFOSSE:

22 -- and the assistant secretary, as
23 well.

24 MR. FULTON:

25 Right.

1 MR. PERRY:

2 And -- okay. On that note, another
3 item would be, and we've alluded to it,
4 but I think the department, and
5 rightfully so, because I don't think
6 there's been a broad-based fee increase
7 across all media since 2016, and I think
8 there is discussions at the department to
9 do that.

10 MS. DELAFOSSE:

11 There are.

12 MR. PERRY:

13 And as fees on U.S. (inaudible)
14 discussed -- and I know you would, but I
15 just want to remind, we would want to --

16 MS. DELAFOSSE:

17 Sure.

18 MR. PERRY:

19 -- be at the table to help on that.

20 MS. DELAFOSSE:

21 Sure. We haven't -- our current
22 package, or proposal, does not address
23 the registration fees --

24 MR. PERRY:

25 Okay.

1 MS. DELAFOSSE:

2 -- I don't believe, at least last
3 time I looked at it. But we had a lot of
4 different topics that we were discussing.

5 MR. PERRY:

6 Sure.

7 MS. DELAFOSSE:

8 So I don't know. We could leave it
9 like I mentioned and just -- if the CPI
10 component of the legislation is
11 successful, then we could possibly just
12 look to make those adjustments maybe
13 every two years or something in that
14 ballpark, but we're open for feedback and
15 discussion on that point. I think you
16 see that it's not likely that we'll get
17 sufficient revenues between the grant and
18 the registration fees to pay for program
19 -- even if the program costs are -- if
20 we're able to find some, you know,
21 technology or what have you that helps
22 the program costs come down, I don't see
23 that we'll get to a one-to-one where
24 we're not, you know, using -- I think
25 it's just the way it was set up, and I

1 don't know if anybody knows why, or Gary
2 knows why, why it was set up to have, you
3 know, the higher revenues coming from
4 that source --

5 MR. PERRY:

6 I've got you.

7 MS. DELAFOSSE:

8 -- but I think it -- I don't know
9 that we could really flipflop there or do
10 anything with that.

11 MR. PERRY:

12 I've got you. The other note I made
13 is, you had shared some information with
14 Frank and I after the last meeting, which
15 was very good.

16 MS. DELAFOSSE:

17 Yes.

18 MR. PERRY:

19 And I think your power point really
20 helps build on that information.

21 MR. MARCELLO:

22 Yes.

23 MS. DELAFOSSE:

24 Okay.

25 MR. PERRY:

1 And so we appreciate that. And
2 then, as a group, when those emails go
3 out, just -- we want to make sure that
4 all of our members, you know --

5 MS. DELAFOSSE:

6 Oh, for sure.

7 MR. PERRY:

8 -- see that.

9 MS. DELAFOSSE:

10 Okay.

11 MR. PERRY:

12 And I'm pretty confident that we'll
13 have some followup with you once we've
14 had a chance to digest that.

15 MS. DELAFOSSE:

16 For sure.

17 MR. PERRY:

18 So those would be the other
19 businesses that I'm aware of. To our
20 board, are there other items we want to,
21 you know, discuss or talk about?

22 MR. FULTON:

23 Just provide us some names so that
24 we can start that process --

25 MR. PERRY:

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Sure.

MR. FULTON:

-- for the group.

MR. PERRY:

Sure.

MS. DELAFOSSE:

We'll do secret santa and the work group at the same time.

MR. PERRY:

So we have eight board members or nine?

MR. ST. ROMAIN:

Nine.

MR. PERRY:

Nine?

MR. GAUBERT:

We have nine, so five would be a quorum.

MS. DELAFOSSE:

We have eight.

MR. PERRY:

Yeah. I think it was eight, actually.

MR. GAUBERT:

Eight. But then it would be even,

1 four and four, so it would have to be
2 less than four.

3 MS. DELAFOSSE:

4 You would have to have four.

5 MR. GAUBERT:

6 Because I think there is four --

7 MR. ST. ROMAIN:

8 No more than four that sit on this
9 board. There could be other people.

10 MR. FULTON:

11 Yeah.

12 MR. ST. ROMAIN:

13 It could be other people.

14 MR. HOPPES:

15 I'd be happy -- I won't be on the
16 board next year, so I'd be happy to join,
17 if you need help.

18 MS. DELAFOSSE:

19 Right, Jesse.

20 MR. PERRY:

21 I've got something special for you.
22 You just hold on a second. I'm just
23 picking, Jesse. I do have something for
24 you.

25 MR. GAUBERT:

1 So what would be the number of work
2 group members, how many?

3 MS. DELAFOSSE:

4 We can have four.

5 MR. FULTON:

6 It could be four --

7 MR. ST. ROMAIN:

8 Gary counts as one.

9 MS. DELAFOSSE:

10 Gary counts as one. That's the
11 problem.

12 MR. GAUBERT:

13 From the board.

14 MS. DELAFOSSE:

15 But, unfortunately, Gary counts.

16 MR. GAUBERT:

17 What about DEQ?

18 MR. PERRY:

19 Unlimited because, you know, we're
20 just --

21 MR. ST. ROMAIN:

22 But Gary does count.

23 MR. PERRY:

24 Correct.

25 MR. ST. ROMAIN:

1 So that would be four.

2 MR. MARCELLO:

3 But Gary is already here, so it's
4 three of us.

5 MS. DELAFOSSE:

6 And Jesse is a freebie, so he can --

7 MR. GAUBERT:

8 Gary is a board member?

9 MR. MARCELLO:

10 Gary is a voting member.

11 MR. GAUBERT:

12 That's right.

13 MR. PERRY:

14 Yeah, so he would be one. And then
15 --

16 MR. GAUBERT:

17 Three.

18 MR. PERRY:

19 So I think that's good because,
20 again, there's a lot of knowledge out
21 there that don't -- there are a lot of
22 members of the board which would be good
23 to have in the work group, so I think
24 that's excellent.

25 MR. ST. ROMAIN:

1 And LOMCSA has an upcoming board
2 meeting in a couple of weeks. We could
3 discuss there the legalities maybe.

4 MR. PERRY:

5 So I'm glad you said that. So,
6 Gary, what you would need from us is a
7 recommendation from the Louisiana Oil
8 Marketers, and then, Damien, we will get
9 with LMOGA to make sure you guys are
10 comfortable with where we're heading
11 there. So, okay. I'll make a note.

12 Okay. All right. I think that's
13 good.

14 All right. Other items for other
15 business.

16 MR. FULTON:

17 I've just got a couple
18 announcements.

19 MR. PERRY:

20 Sure. Yeah, yeah.

21 MR. FULTON:

22 Just to let everybody know, I don't
23 know, my contact for the UST program
24 manager at EPA, Ruben Moya is retiring,
25 so I do not have a contact there yet, so

1 we'll -- you know, I can report back
2 whenever EPA decides on their
3 replacement.

4 And the one other thing I have is,
5 we leveraged the inspection app and we're
6 going to be using that same app to do our
7 remediation inspections.

8 MR. PERRY:

9 Oh, wow.

10 MR. FULTON:

11 Yeah. So what you'll see when, you
12 know, one of corrective action people go
13 out to the site, they'll be collecting
14 more data about what is out there, types
15 of systems. This is a -- this is
16 something that we haven't had in the
17 past, so a lot of times when ya'll ask
18 for information on specific remedial
19 remedies or whatever, it has been
20 difficult to get that information, and
21 now, we're going to be able to provide
22 that. And then, we'll be able to, you
23 know, track that information, time frames
24 and that kind of stuff. So we're really
25 looking forward to that, so --

1 MR. PERRY:

2 Very cool.

3 MR. FULTON:

4 Yeah. That's all I've got.

5 MR. PERRY:

6 Gary, thanks for that.

7 MS. DELAFOSSE:

8 Gary, RSP?

9 MR. FULTON:

10 Well, yeah, I'm waiting on that.
11 Well, hopefully, RSP will go on line by
12 the end of the year or at least in the
13 first quarter. That will be our
14 registration portal.

15 MR. PERRY:

16 Oh, nice.

17 MR. FULTON:

18 Yeah. So I'm hoping by the -- at
19 least -- they're doing testing now.
20 We're hoping by -- I'm hoping -- well, I
21 want it now, but that won't happen, but
22 hopefully, by the first quarter, if
23 everything goes well with testing. But
24 we do have a transition. I think we're
25 looking at possibly going to the cloud

1 with tempo, so that will affect the
2 rollout. So we'll just have to see how
3 that goes.

4 MR. PERRY:

5 So, Gary, and I may be wrong, but a
6 UST registration portal will allow the
7 UST owners to update their registration
8 forms electronically --

9 MR. FULTON:

10 Right.

11 MR. PERRY:

12 -- and then, the department knows
13 instantly when that has been done?

14 MR. FULTON:

15 Exactly.

16 MR. PERRY:

17 That's good.

18 MR. FULTON:

19 And then we're going to -- we're
20 also going to allow the certified workers
21 on the owner's behalf to do that, too, so
22 --

23 MR. PERRY:

24 Oh, nice.

25 MR. FULTON:

1 -- we're working on that. So, you
2 know, we'll have a signature process for
3 that.

4 MS. DELAFOSSE:

5 And it should be the first
6 application that goes live in that online
7 portal --

8 MR. FULTON:

9 Right.

10 MS. DELAFOSSE:

11 -- for the department. So --

12 MR. FULTON:

13 So we're the guinea pig.

14 MS. DELAFOSSE:

15 That's right. Or pioneer, whichever
16 way --

17 MR. PERRY:

18 Pioneer is good.

19 MS. DELAFOSSE:

20 Yeah.

21 MR. PERRY:

22 Pioneer is good.

23 MR. FULTON:

24 But I'm looking forward to that. I
25 really am. So I think it will be -- you

1 know, it's going to save a lot of time.
2 It's going to save a lot of my staff
3 time. I can move those employees to
4 doing something else. So we're looking
5 forward to it.

6 MR. PERRY:

7 I love the progress.

8 MR. FULTON:

9 Yes.

10 MR. PERRY:

11 All right. To our board members,
12 any other business we want to --

13 MR. MARCELLO:

14 I just have a question. The grant
15 program, there were -- there's 20 per
16 year and, naturally, we've got to work on
17 the --

18 MR. PERRY:

19 Right.

20 MR. MARCELLO:

21 -- the time cycle of that, and we
22 haven't had more than 20 apply in the
23 past years, have we?

24 MR. FULTON:

25 We've had pretty close.

1 MR. MARCELLO:

2 Okay. So --

3 MR. FULTON:

4 It's 18, 19 --

5 MR. MARCELLO:

6 So no more than 20?

7 MR. FULTON:

8 No.

9 MS. DELAFOSSE:

10 Right. No.

11 MR. MARCELLO:

12 So what would have happened -- and
13 I'm not trying to be premature, but what
14 would have happened -- well, let's say we
15 changed this program to formally or what
16 have you, but going back to now, what
17 happens if we would have had 24
18 applicants, and you awarded 20, does
19 those four automatically get put ahead on
20 --

21 MR. FULTON:

22 Generally.

23 MR. MARCELLO:

24 -- on the first four for the next
25 year?

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MR. FULTON:

That's what we do, if they're still
interested.

MR. MARCELLO:

So that will probably come into play
as well on the --

MR. FULTON:

Right.

MR. MARCELLO:

So it's going to help, I think.

MR. PERRY:

No question.

MR. FULTON:

Yeah.

MR. PERRY:

Great comment.

MR. MARCELLO:

Second thing. Thank you so much.
This was fantastic. This was great, that
you sent us. I'm going to make sure the
rest of our board members sees this.

MS. DELAFOSSE:

Sure.

MR. MARCELLO:

In an effort for me peeling an onion

1 back, I would like to get this ASAP.

2 MS. DELAFOSSE:

3 Yeah. Sure. I can send both --

4 MR. MARCELLO:

5 Yeah.

6 MS. DELAFOSSE:

7 -- in one email to everybody.

8 MR. MARCELLO:

9 Wonderful.

10 MS. DELAFOSSE:

11 Yeah.

12 MR. MARCELLO:

13 Wonderful.

14 MR. PERRY:

15 Good stuff.

16 MR. ST. ROMAIN:

17 And should that information maybe be
18 reviewed one meeting per year, at which
19 meeting makes the most sense?

20 MS. DELAFOSSE:

21 Yeah. That was always the plan.

22 MR. ST. ROMAIN:

23 Yeah.

24 MS. DELAFOSSE:

25 Yes. But we'll make sure we execute

1 on that plan.

2 MR. HOPPE:

3 Yeah. I just want to say, I really
4 had a great time serving with everybody
5 and enjoyed it and it was a great
6 experience, and thank ya'll.

7 MR. PERRY:

8 Well, hey, I got something -- hang
9 on. Hang on, Jesse. You can't leave
10 yet, buddy.

11 So any other business from anyone
12 else?

13 (No response.)

14 MR. PERRY:

15 No. Okay. So also I see, Larry,
16 you proposed our dates for next year?

17 MR. CARTER:

18 Correct.

19 MR. PERRY:

20 And I've got February 26th, 2026,
21 May 21st, 2026, August 20th, 2026 and
22 November 19th, 2026. So I think what
23 you'd like us to do is maybe study those,
24 and then, in the next week, get you
25 feedback?

1 MR. CARTER:

2 That would be great, yes. I haven't
3 heard anything from Ms. Natalie, but just
4 looking at the proposed dates, with the
5 exception of February 26th, the rest will
6 fall on the third Thursday of that month.
7 February 26th is the fourth Thursday due
8 to Mardi Gras. And I just went back,
9 historically, and said, "What do they do
10 when that happened". They didn't cancel
11 it, so it looked like it got bumped,
12 instead of a week prior.

13 MR. PERRY:

14 Mardi Gras is important.

15 MR. MARCELLO:

16 Priorities.

17 MR. PERRY:

18 Yeah.

19 MS. DELAFOSSE:

20 And the 21st in May, I do see is the
21 Thursday before Memorial Day, so -- just
22 if that's relevant, you know.

23 MR. PERRY:

24 Okay.

25 MR. ST. ROMAIN:

1 Larry, I'd say, if you don't see any
2 objections, just go ahead and send them
3 to our calendars in the next week or so.

4 MR. CARTER:

5 Oh, I do apologize if everyone got
6 the cancellation.

7 MR. ST. ROMAIN:

8 Right. It happens. I'm going to --

9 MS. DELAFOSSE:

10 I know, I was like, "What is Larry
11 doing"?

12 MR. CARTER:

13 Well, we -- I was adding some --
14 just one more person. I said, "Well, let
15 me just delete everybody I sent," and
16 well, you know, I'm not a 14-year-old
17 smart phone user, so --

18 MR. PERRY:

19 We've done it. No worries.

20 One other question, there is a
21 meeting to where we have to take care of
22 some business as a recommendation to the
23 secretary regarding fee, is that the
24 second quarter meeting? So is that the
25 February meeting when that occurs?

1 MS. DELAFOSSE:

2 So we can either do it February or
3 May.

4 MR. PERRY:

5 Okay.

6 MS. DELAFOSSE:

7 Either one gives us time to respond
8 and -- yeah.

9 MR. PERRY:

10 Okay. Just getting that aligned.

11 MS. DELAFOSSE:

12 Yes.

13 MR. PERRY:

14 And then I think the first meet of
15 the year, we'll affirm kind of our board
16 members and --

17 MS. DELAFOSSE:

18 That's right.

19 MR. PERRY:

20 -- chairman, et cetera.

21 MS. DELAFOSSE:

22 That's right.

23 MR. PERRY:

24 So nothing expected out of this
25 meeting?

1 MS. DELAFOSSE:

2 That's right. I would assume so.

3 MR. PERRY:

4 All right. I'd like to, also,
5 before we wrap up, say a really big thank
6 you to Mr. Jesse Hoppes, because --

7 MR. HOPPES:

8 Thank you.

9 MR. PERRY:

10 -- you know, serving on this board -
11 - I've been fortunate enough to where
12 I've been able to watch this board meet
13 and work, and I hate to say that at all,
14 I was six years old when I started
15 watching, because since -- since 89, and
16 it has always been a living body. It has
17 always worked hard to represent the
18 interests of underground storage tank
19 owners. And when you see members join
20 the board and really put the interests on
21 the underground storage tank community
22 ahead of anything else, Jesse you
23 exemplify that.

24 MR. HOPPES:

25 Thank you.

1 MR. PERRY:

2 You did a great job there. You
3 brought a lot of knowledge, a lot of
4 technical expertise to the discussions
5 and you helped us in many, many, many
6 areas, including helping the department
7 collaborating to create the interest
8 payment increase. And so, you know, if
9 we can continue to get great board
10 members like you on this board, the
11 underground storage tank owners in this
12 state will be well served. So I just
13 want to put it in the minutes that, you
14 know, your time was -- man, you are as
15 good as any board member I've ever seen
16 on this committee. So thank you.

17 MR. HOPPES:

18 Thank you.

19 MR. PERRY:

20 You bet. You bet.

21 All right.

22 MR. ST. ROMAIN:

23 No one else is going off this year?

24 MR. FULTON:

25 I don't think so.

1 MS. DELAFOSSE:
2 I don't think so.
3 MR. ST. ROMAIN:
4 No one else is going off this year.
5 MR. PERRY:
6 No. I think that's it.
7 So with that said, we'll open the
8 floor for a motion to adjourn.
9 MR. MARCELLO:
10 So moved.
11 MR. PERRY:
12 Second?
13 MR. ST. ROMAIN:
14 I'll second.
15 MR. PERRY:
16 Great. All in favor, please say,
17 "Aye".
18 (All responded, "Aye".)
19 MR. PERRY:
20 Any opposed?
21 (No response.)
22 MR. PERRY:
23 Okay. We will see you on February
24 the 26th.
25 THE MEETING ADJOURNED AT 2:15 P.M.

R E P O R T E R ' S P A G E

I, Lori B. Overland, Certified Court Reporter, in and for the State of Louisiana, the officer, as defined in Rule 28 of the Federal Rules of Civil Procedure and/or Article 1434(b) of the Louisiana code of Civil Procedure, before whom this sworn testimony was taken, do hereby state on the Record

That due to the interaction in the spontaneous discourse of this proceeding, dashes (--) have been used to indicate pauses, changes in thought, and/or talk overs; that same is the proper method for a Court Reporters's transcription of proceeding, and that the dashes (--) do not indicated that words or phrases have been left out of this transcript;

That any words and/or names which could not be verified through reference material have been denoted with the phrase "(inaudible)."

Lori Overland, C.C.R.

97083

C E R T I F I C A T I O N

I, Lori B. Overland, Certified Court Reporter in and for the State of Louisiana, as the officer before whom this testimony was taken, do hereby certify that the above referenced individual to whom oath was administered, after having been duly sworn by me upon authority of R.S. 37:2554, did testify as hereinbefore set forth in the foregoing pages, that this testimony was reported by me in the stenomask reporting method, was prepared and transcribed by me or under my personal direction and supervision, and is a true and correct transcript to the best of my ability and understanding; that the transcript has been prepared in compliance with transcript format guidelines required by statute or by rules of the board, that I have acted in compliance with the prohibition on contractual relationships, as defined by Louisiana Code of Civil Procedure Article 1434 and in rules and advisory opinions of the board; that I am not related to counsel or to the parties herein, nor am I otherwise interested in the outcome of this matter.

Lori Overland C.C.R.

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