

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

The above-entitled meeting was held at the LDEQ, Galvez Building, Conference Center, 602 North 5th Street, Baton Rouge, Louisiana, beginning at 1:18 p.m., on February 12, 2015.

ORIGINAL

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

John Milazzo
Chairman

Durwood Franklin
Jill Carter
Jeff Baker
Gary Fulton
Shawn Ivey
Steve Burnham
Frank Marcello
Kerry Hill
Karyn Andrews
Cy Morin

Melissa Vizinat
Jason Efferson
Rhonda Cook
Linda Hicks
Natalie Isaacks
Ian Kelley
Samuel Broussard

* * * * *

I N D E X

EXAMINATION:

PAGE(S):

None

EXHIBITS:

None

REPORTER'S PAGE

61

REPORTER'S CERTIFICATE

62

* * * * *

1 MR. MILAZZO:

2 Okay. Why don't we call this meeting
3 to order. And I am doing so in the absence
4 of the past chair and hopefully, we will
5 address this in just a minute. But I see
6 Perry on the agenda, but, Jill, you'll be
7 here on his behalf?

8 MS. CARTER:

9 Right.

10 MR. MILAZZO:

11 And I assume that everybody else that
12 is on the agenda is here to report out. Is
13 that fair to say?

14 (All indicated yes.)

15 MR. MILAZZO:

16 Okay. How about a roll call?

17 MS. VIZINAT:

18 Melissa Vizinat, Trust Fund.

19 MR. MORIN:

20 Cy Morin, DEQ Audit.

21 MS. ANDREWS:

22 Karyn Andrews, DEQ Financial Services
23 Division.

24 MR. MARCELLO:

25 Frank Marcello, Louisiana Oil

DEPARTMENT OF ENVIRONMENTAL QUALITY

5

1 Marketers Association.

2 MR. HILL:

3 Kerry Hill, Louisiana Oil Marketers
4 Association.

5 MR. MILAZZO:

6 Johnny Milazzo, Louisiana Oil
7 Marketers.

8 MR. BURNHAM:

9 Steve Burnham, Engineering Associates.

10 MR. IVEY:

11 Shawn Ivey, PPM Consultants.

12 MR. FULTON:

13 Gary Fulton, Underground Storage Tank
14 Remediation Division.

15 MR. BAKER:

16 Jeff Baker, DEQ Motor Fuel Trust Fund.

17 MR. FRANKLIN:

18 Durwood Franklin, DEQ Trust Fund.

19 MS. CARTER:

20 Jill Carter, DEQ Legal Division.

21 MS. COOK:

22 Rhonda Cook, PPM Consultants.

23 MS. HICKS:

24 Linda Hicks, PPM Consultants.

25 MR. EFFERSON:

1 Jason Efferson, DEQ Trust Fund.

2 MR. BROUSSARD:

3 Samuel Broussard, DEQ UST.

4 MS. ISAACKS:

5 Natalie Isaacks, Louisiana Oil
6 Marketers.

7 MR. KELLEY:

8 Ian Kelly, DEQ Trust Fund.

9 MR. MILAZZO:

10 Okay. Thank you. Let me bring your
11 attention to the minutes from our November
12 meeting. I'm not sure if everyone's had an
13 opportunity to take a look at that. But we
14 can take a moment to -- for a quick review.
15 If you have and if someone's comfortable, I
16 ask for a motion to adopt those.

17 MR. BURNHAM:

18 I make a motion to adopt the minutes.

19 MR. HILL:

20 I second it.

21 MR. MILAZZO:

22 All in favor?

23 (All indicated yes.)

24 MR. MILAZZO:

25 Any opposed?

DEPARTMENT OF ENVIRONMENTAL QUALITY

7

1 (No response.)

2 MR. MILAZZO:

3 Minutes are adopted.

4 Item three is the election of the
5 chairperson for 2015. So let me open the
6 floor for nominations.

7 MR. IVEY:

8 I'll nominate Johnny Milazzo.

9 MR. HILL:

10 I second.

11 MR. MILAZZO:

12 All in favor.

13 (All indicated yes.)

14 MR. MILAZZO:

15 Any opposed?

16 (No response.)

17 MR. MILAZZO:

18 Natalie, I feel like there's a little
19 bit of a -- I'll assure everyone here today
20 that at the next meeting as the chairperson,
21 I will absolutely be prepared. That could
22 be a bit dangerous. Nevertheless, forgive
23 me a little bit for today.

24 I'd like to ask Karyn to present the
25 financial services report, please.

1 MS. ANDREWS:

2 Sure. We're going to turn to tab
3 four. At the beginning of the fiscal year,
4 we transferred \$70,252,211 into the trust
5 fund. As of December 31, we deposited
6 \$11,277,269. And we've paid out
7 reimbursements of \$3,893,513. The current
8 liabilities on sites are \$72,830,858. This
9 leaves us a balance after obligations of
10 \$4,805,109.

11 We'll go ahead and turn the page.
12 This is an information report for our
13 interest revenue from the trust fund. The
14 revenue collected inception to date stands
15 at \$6,638,347. And the expenditures out of
16 this revenue account is at \$1,229,930. And
17 to date, there have been no expenditures
18 from fiscal year 2015 for the interest
19 money. And this money is used to pay for
20 the abandon tanks program.

21 If you'll turn the page once more.
22 This report details how we calculate the
23 amount transferred from our motor fuel trust
24 fund to the environmental trust fund. It
25 gives you some details of our revenues and

1 expenditures. This year, we're estimating
2 the fiscal year 2015 reimbursement to the
3 environmental trust fund is going to be
4 approximately \$4,844,000.

5 Does anyone have any questions?

6 MR. MILAZZO:

7 Karyn, we have a couple that are new
8 here.

9 MS. ANDREWS:

10 Sure.

11 MR. MILAZZO:

12 This is certainly their first meeting.
13 That's Mr. Kerry and Mr. Frank. So -- and I
14 do appreciate you kind of leading them page
15 to page. But, Frank, Kerry, in an effort to
16 try to get up to speed, if you guys have any
17 questions, feel free. There are no
18 ridiculous questions or dumb questions.
19 Because, you know, this is a little bit
20 different than we're use to looking at our
21 business. But -- so please, this is the
22 appropriate time.

23 MR. MARCELLO:

24 I -- I do have a question. And I want
25 -- I wanted to question the -- the 28.54

1 percent indirect cost of personnel cost.
2 MS. ANDREWS:
3 Sure.
4 MR. MARCELLO:
5 Does that percentage fluctuate --
6 MS. ANDREWS:
7 It does, it --
8 MR. MARCELLO:
9 -- quarterly?
10 MS. ANDREWS:
11 It -- no. It fluctuates on an annual
12 basis.
13 MR. MARCELLO:
14 Annual basis.
15 MS. ANDREWS:
16 And what we do is, we have an approved
17 indirect cost proposal that we send to the
18 environmental protection agency on an annual
19 basis. And this plan is based on our direct
20 cost pool versus our indirect charges. And
21 we use half of that rate and use it on the
22 trust fund. We do not use the entire rate.
23 And so that -- that percentage changes once
24 a year.
25 MR. MARCELLO:

1 So why would the indirect -- the line
2 item, two lines above it, be zero?

3 MS. ANDREWS:

4 That's the -- the old method that we
5 used --

6 MR. MARCELLO:

7 Got you.

8 MS. ANDREWS:

9 -- was 30 percent --

10 MR. MARCELLO:

11 Got you.

12 MS. ANDREWS:

13 -- of collections on the revenues into
14 the environmental trust fund. So if you
15 follow the line all the way over to fiscal
16 year 2011-'12, you'll notice how it was
17 fairly low at \$189,000.

18 MR. MARCELLO:

19 Correct.

20 MS. ANDREWS:

21 That is 30 percent of the \$630,000
22 that the fund received into the
23 environmental trust fund. And so we now --
24 we've made a change in how the department
25 collects it's indirect costs through the

1 motor fuel trust fund. And we now use half
2 of our approved rate of overhead and we
3 apply it to the direct labor charges that
4 work on this program.

5 MR. MARCELLO:

6 Got you.

7 MR. MARCELLO:

8 So basically, if I'm reading
9 correctly, in five years, this -- this
10 particular 30 percent line item would just
11 go away?

12 MS. ANDREWS:

13 That would be correct. Yes.

14 MR. MARCELLO:

15 All right. Thank you.

16 MR. MILAZZO:

17 Karyn, if you look at the UST federal
18 grant expenditures, if we go back to 2000,
19 2008 period, we reached our highest point in
20 2011 and '12 and -- to it's lowest point
21 last year. And that number is back up, a
22 million and two for the current year. What
23 drives that?

24 MS. ANDREWS:

25 These are -- this is salaries and

1 related benefit -- you're looking at the
2 second line under the expenditures?

3 MR. MILAZZO:

4 I am, yes.

5 MS. ANDREWS:

6 Yes. This is the actual salaries and
7 related benefits for department personnel
8 costs, working on grants. Some of these
9 years here through 2009, '10, '11, we had a
10 lot of ERA money -- that's the American
11 Recovery Act -- money. And so you're -- you
12 saw them spike up a lot. Here we have a lot
13 that we start -- that the number has spiked
14 up again this year -- I was actually
15 speaking to Gary about this a little while
16 ago, because I actually, when I was looking
17 at the numbers this morning, I also was
18 like, "Wow, it really jumped up this year."
19 One of the -- the reasons is we had a -- a
20 real increase in the related benefits that
21 the state is now paying for retirements.
22 And so that's a little bit of -- of the --
23 the costs. And we do have a few more
24 underground tank employees that are working
25 in the program. So they charge first to the

1 grant. And then when the grant runs out of
2 money, then it becomes departmental costs.
3 So that's -- that's attributable to that
4 increase.

5 MR. MARCELLO:

6 So the next question would be, is that
7 -- is that a standard year to year line item
8 grant, if you will, in the federal
9 governments budget?

10 MS. ANDREWS:

11 Yes.

12 MR. MARCELLO:

13 To -- to the state of Louisiana?

14 MS. ANDREWS:

15 Yes. Yes, it is.

16 That -- that grant really has stayed
17 fairly stable through the years from the
18 department -- from the environmental
19 protection agency. And so we -- they have -
20 - they did a reduction, I believe, through
21 their sequestration. That was in 2012. And
22 it was a eight percent reduction. And so
23 you may -- you may have seen a little bit of
24 downturn there. And -- so now, it's really
25 gone back up. And I don't -- I -- I would

1 anticipate that we're probably back to the
2 level where we should have been.

3 MR. MILAZZO:

4 Any other questions for Karyn?

5 (No response.)

6 MS. ANDREWS:

7 And if any of the new board members
8 have any additional questions in the
9 meantime, I'll be happy to provide them with
10 my card. Before the next board meeting, if
11 there's --

12 MR. MARCELLO:

13 I appreciate that.

14 MS. ANDREWS:

15 -- if there's something else that I
16 can provide to make anything else a little
17 bit more clear for them, I'll be happy to do
18 so.

19 MR. MARCELLO:

20 And this -- what is this? Is this
21 some kind of acronym, ORG5800?

22 MS. ANDREWS:

23 That -- that's like our code.

24 MR. MARCELLO:

25 Okay.

1 MS. ANDREWS:

2 It's a -- it's a code that we use in
3 our accounting office.

4 MR. MARCELLO:

5 Got you.

6 MR. MILAZZO:

7 Would it -- Frank, Kerry, or anybody
8 else, do you find it necessary that maybe we
9 can maybe have an additional meeting or
10 discussion or conference call that might can
11 explain if there are acronyms, numbers or
12 lines that you would have questions about to
13 really feel comfortable in the interest of
14 that?

15 MR. MARCELLO:

16 Johnny, I really don't -- I don't see
17 that -- that it --

18 MR. MILAZZO:

19 Okay.

20 MR. MARCELLO:

21 -- it's necessary, as long as -- if I
22 can have her card and if I have a question
23 or --

24 MR. MILAZZO:

25 So -- so -- yes, I think that's a good

1 question. If -- if someone wants to learn
2 more about understanding financials, is it
3 okay if we reach out?

4 MS. ANDREWS:

5 Absolutely.

6 MR. MILAZZO:

7 Okay.

8 MS. ANDREWS:

9 Absolutely. I can provide that
10 information to you.

11 MR. MILAZZO:

12 Okay. Is that fair enough?

13 MR. MARCELLO:

14 Yes.

15 MR. MILAZZO:

16 All right. So, Jill, do we need -- do
17 we need to accept this financial report or
18 is it just basically a report and we can
19 move on? I don't think we do, but --

20 All right. Let's move to the
21 auditor's report. Cy?

22 MR. MORIN:

23 Okay. We currently have --

24 MR. MILAZZO:

25 Kind of lead us through the packet

1 that you're going to talk through.

2 MR. MORIN:

3 There -- there is nothing in the
4 packet.

5 MR. MILAZZO:

6 Okay.

7 MR. MORIN:

8 We currently have 31 open audit cases.
9 Eleven of those were open in fiscal year
10 '15. Fieldwork has been completed for five
11 of these audits, resulting in potential
12 clean audits with no assessment and two
13 potential assessments, totaling
14 approximately \$527, pending peer review and
15 final review.

16 Five fiscal year '15 cases are
17 currently in progress. And the eleventh
18 fiscal year '15 case was assessed at \$8,566,
19 which is collected in full. The file is set
20 to be closed.

21 Eleven of the 31 audits were open in
22 fiscal year '14. Fieldwork has been
23 completed on nine of these audits, resulting
24 in seven potentially clean audits with no
25 assessment and two potential audit

1 assessments, totaling approximately \$700,
2 pending peer and/or final review. Fieldwork
3 is still in progress for the two remaining
4 fiscal year '14 audits.

5 Five of the 31 audits were open in
6 fiscal year '13. One fiscal year '13 audit
7 has been referred to legal for collection of
8 \$4,016.58. As of yesterday, I learned that
9 a petition to file suit has been reviewed
10 and signed by the attorney. The auditor has
11 signed an affidavit and verification of the
12 amount and it will be filed shortly.

13 A demand letter and invoice was sent
14 for one fiscal year '13 case on 2/10/15 in
15 the amount of \$904.17.

16 Fieldwork has been completed on two of
17 the remaining fiscal year '13 audits,
18 resulting in one potentially clean audit and
19 one potential assessment of approximately
20 \$4,500.

21 The fifth fiscal year '13 case is set
22 to be closed with no assessment.

23 And as I've discussed in previous
24 meetings, the four remaining active cases
25 were started prior to fiscal year '13. Two

1 of those cases have judgments. The course
2 of action for one case still remains to file
3 a claim against a succession. The
4 succession has not been opened, per the
5 Clerk of Court's office. The other case
6 with the judgment, legal mailed the petition
7 for garnishment on 8/20/14. As of
8 yesterday, the respondent had agreed to a
9 payment plan and had -- they received the
10 payment plan on 1/28/15. And we are
11 awaiting signed documents and a down payment
12 of \$4,000.

13 The legal status remains the same
14 since the last board meeting in one audit
15 opened prior to fiscal year '13. The
16 attorneys are -- are still looking at it to
17 determine the plan of action. And the
18 remaining legal case, as of yesterday, the
19 update is that legal determined for this
20 case that any legal action against the
21 corporation would probably be futile, given
22 that the corporation is bankrupt and it was
23 dissolved in 2009. So that is likely
24 uncollectible.

25 Two fiscal year '14 cases have been

1 finalized and closed with no assessment
2 since the November meeting.

3 To date, in fiscal year 2015, demand
4 has been made for two assessments, totaling
5 \$9,470 in delinquent fees and late
6 penalties. \$8,566 of that has been
7 collected. And \$904.17 remains outstanding.

8 So as of today, the total confirmed
9 outstanding delinquent fees and penalties
10 for the 31 open cases is \$127,122.79.

11 The five cases being pursued legally
12 account for approximately \$126,000 of that.
13 Approximately \$11,500 of that is related to
14 the case that's probably uncollectible. And
15 the remaining \$904.17, as I said before, is
16 -- we've recently invoiced.

17 And that's it.

18 MR. MILAZZO:

19 I want to first, you know, say thanks
20 because I know we've had some discussions in
21 the last couple of meetings about this.

22 MR. MORIN:

23 Yes.

24 MR. MILAZZO:

25 And I appreciate you sharing some of

1 the detail. The thought I have is that it
2 would be nice -- and I know, one, you're
3 careful what -- what you guys are -- what we
4 all see. And, I mean, I'm sure you're
5 identifying certain members kind of, you
6 know, within our industry. So it's not that
7 we need to see who they are --

8 MR. MORIN:

9 Correct.

10 MR. MILAZZO:

11 -- but it would be nice to be able to
12 look at some kind of at least summary of
13 that, that could be included so that we at
14 least understand the work that you guys are
15 doing.

16 The question I have, you know, you --
17 you guys realize that there's a shortfall or
18 someone didn't do all the reporting and --
19 and there's an assessment to them. Are a
20 number of these folks still in business
21 today? I mean --

22 MR. MORIN:

23 Yes, yes. Of course.

24 MR. MILAZZO:

25 So is there something we could do,

1 make some recommendations -- not sure of the
2 legal opinion. But, you know, we all have
3 to compete at the end of the day. And if
4 someone's doing what's right and proper and
5 other guys are not, obviously the trust fund
6 pays the price, but we all do at the end of
7 the day. And, you know, this isn't a tax
8 that's passed on to the consumer. I mean,
9 this is a fee that we all have to write a
10 check for at the end of the month. So can
11 we stiffen up the penalty for someone that's
12 still in business, that realizes he's got an
13 assessment against him, that's not paying?
14 And I don't know that that's the case.

15 MR. MORIN:

16 And I think we've discussed that in
17 previous meetings, potentially with Deidra
18 in here.

19 (An off-the-record discussion followed.)

20 MR. MORIN:

21 You're talking about like audit
22 summary reports?

23 MS. ANDREWS:

24 Yes. I think that's the -- one of the
25 -- one of the options that we've been

1 looking at is to put audit summaries on our
2 public website.

3 MR. MORIN:

4 As a matter of fact, we do.

5 MS. ANDREWS:

6 Right.

7 MR. MORIN:

8 We do. Once the audit is complete,
9 the final audit summary, which kind of
10 spells out everything that took place, it
11 goes onto our public document system. So --

12 MR. MILAZZO:

13 So it is something that you -- that
14 you can share.

15 MR. MORIN:

16 So --

17 MS. ANDREWS:

18 Yes.

19 MR. MORIN:

20 So -- so it -- it can be accessed once
21 it's -- it's on there.

22 MS. ANDREWS:

23 Yes.

24 MR. MILAZZO:

25 So then is it --

1 MR. MORIN:

2 Now -- yes, that -- it's put on there
3 once everything is complete and finalized.

4 MR. MILAZZO:

5 And I go back to the original question
6 then.

7 MR. MORIN:

8 Sure.

9 MR. MILAZZO:

10 Is there anything we can do to stiffen
11 the penalty, whatever it might be, that
12 someone that's still in business today and
13 has not responded to the requirements of the
14 trust fund --

15 MS. ANDREWS:

16 I think that's all driven by statute.
17 And so we're really bound by what the
18 statute says that we can do.

19 MR. MILAZZO:

20 And so is it fair to say that -- that
21 you guys are using all of the privileges of
22 the statute to -- to enforce collections?

23 MS. ANDREWS:

24 We believe we are.

25 MR. MORIN:

1 I mean, and the penalty --

2 MR. MILAZZO:

3 And I don't want to -- I don't want to
4 belabor it. I just -- you know, it's been a
5 pet peeve of mine, you know, for a while
6 now. And I'm delighted to see, you know --

7 MS. ANDREWS:

8 The -- the -- and I -- and I -- I know
9 where you're going. There are -- there are
10 basically two routes that -- that we have
11 available to us. You have the environmental
12 route or the route that takes you to come
13 after them financially. And we've always
14 gone the financial route against them. And
15 that allows our legal teams to be able to
16 put the liens on them, to be able to put --
17 do the garnishments, for us to be able to --

18 MR. MORIN:

19 And they can -- they can also request
20 additional penalties.

21 MS. ANDREWS:

22 Right. The --

23 MR. MORIN:

24 Judicial interest.

25 MS. ANDREWS:

1 Right. The other option is well more
2 cumbersome and is probably really not --
3 we've never felt was the appropriate route,
4 and that's going through the environmental
5 penalty side of it. And, you know, that's -
6 - I -- you know, we've just never gone on --
7 in that direction, because this is more of a
8 financial issue.

9 MR. MILAZZO:

10 Right. No, I get it. And I -- and I
11 appreciate the way you're handling it. I
12 just -- you know, if there's a way to
13 stiffen up, you know, the -- the requirement
14 to pay, then that's --

15 MS. ANDREWS:

16 I will tell you that last year -- I
17 think it was last year or it might have been
18 the year before -- in the legislative
19 session, they did -- they did pass an act
20 that created an Office of Debt Recovery -- I
21 think that's the name -- under the
22 Department of Revenue. And what Cy and the
23 audit division are now doing is, after they
24 have made their assessment -- so he goes out
25 and he will be doing his audits. And he

1 determines that somebody owes money. He
2 will then invoice these companies. And he
3 then really turns it over. He's now done
4 with it.

5 MR. MORIN:

6 Once -- yes, once we do not collect
7 it, we forward it on --

8 MS. ANDREWS:

9 He's now finished. He has now
10 invoiced these companies. They will then
11 have a -- a prescriptive period to pay these
12 bills, as you will. And if they do not pay
13 them in so many days, they're going to get
14 turned over to the Office of Debt Recovery.
15 And that is way worse than anything that
16 this department will be doing.

17 MR. HILL:

18 Is that like filing a lien on the
19 property?

20 MS. ANDREWS:

21 It's worse than that.

22 MR. HILL:

23 Is it?

24 MS. ANDREWS:

25 Yes.

1 MR. MILAZZO:

2 Well, good.

3 MS. ANDREWS:

4 So the legislature actually puts some
5 -- some -- built some things in the last
6 couple of years because of their concerns of
7 collections for the rest of the state. So
8 this will get caught up in that, you know,
9 whether it's, you know, by accident or
10 purpose, it will be part of it.

11 MR. MORIN:

12 Right. And it does seem like they're
13 -- they're nearing --

14 MS. ANDREWS:

15 Yes.

16 MR. MORIN:

17 -- the point where they're actually
18 going to start forwarding things on.

19 MS. ANDREWS:

20 Right. Yes. We've been working --

21 MR. MORIN:

22 It's been a work in progress for us.

23 MS. ANDREWS:

24 Yes. We have weekly meetings with the
25 Office of Debt Recovery that we're working

1 towards having these referred. Now, we're -
2 - I don't want to tell you that that's going
3 to happen in the next three months, because
4 we're kind of taking baby steps on getting
5 them. It's -- it's a very cumbersome
6 process for us to be able to electronically
7 get things referred. You know, with all
8 these agencies, everybody has their own
9 processes, you know, computer wise. And so,
10 we're all trying to get on the same page.
11 But this will be one of those items. If
12 these companies don't pay, after 90 days, it
13 goes over there. And they'll have 25
14 percent surcharge on top of this. What we
15 also do is, they now wind up using a
16 judicial interest rate, which is a daily
17 compounding rate. So we've actually made a
18 lot of changes here in the last I'd say two
19 years.

20 MR. MORIN:

21 Actually, the -- the interest rate --
22 the interest is not charged on --

23 MS. ANDREWS:

24 On -- on -- right.

25 MR. MORIN:

1 That would be --

2 MS. ANDREWS:

3 Okay. So there's -- there are some --
4 a lot of changes that we've made.

5 MR. MILAZZO:

6 Well, it appears you guys are doing a
7 great job of identifying that. Now, you
8 know, it's just the collection process that,
9 you know -- but again, a lot of progress
10 made. So I just wanted to tell you thanks.

11 MR. MORIN:

12 You're welcome.

13 MR. BURNHAM:

14 I had a question for Cy. Cy, how many
15 new audits are initiated within a given time
16 period, out of curiosity?

17 MR. MORIN:

18 Okay. So for this -- for this fiscal
19 year, we're initiating 18 new audits.

20 MR. BURNHAM:

21 Okay. And how do you choose? Is that
22 randomly selected or --

23 MR. MORIN:

24 Currently, I -- I have a guy that is
25 our motor fuel auditor and he does analysis

1 of who's registering and who's certificate
2 holders within the department. And he looks
3 at -- at fees paid, you know, for everyone
4 and he sees a status if anything -- you
5 know, he basically looks at the status of
6 the businesses and the payment history.
7 That's what we really have the access to
8 right now. And he puts together
9 spreadsheets showing who's been audited in
10 the past, who's never been audited, who's
11 been audited for certain reasons. And he
12 uses that to determine who he's going to
13 start, you know, auditing next.

14 MR. BURNHAM:

15 Okay.

16 MR. MORIN:

17 And he -- I -- he's in the process
18 right now where he's trying to rotate
19 through and -- and get people to go out to
20 businesses that have never been audited or,
21 you know, things of that nature.

22 MR. BURNHAM:

23 Okay. Thank you.

24 MR. MORIN:

25 You're welcome.

1 MR. MILAZZO:

2 You know, maybe a final thought. And
3 I know that not always do the departments
4 talk to one another. But, you know, it
5 seems as though you -- if you had access to
6 the department of revenue and you see all
7 the tax, you know, where is the tax paid
8 fuel going through, what -- what license the
9 wholesalers are looking at those or -- or
10 selling those and have some -- just -- just
11 a file that's -- a spreadsheet that's
12 calculating this stuff. Say, "Okay. This
13 guy pulled so many gallons, but yet, we're
14 seeing submission on X number of gallons."
15 I mean, just --

16 MR. MORIN:

17 Yes.

18 MR. MILAZZO:

19 You could build a rule of thumb out
20 there to at least say -- you've got out of
21 state brokers in town now, selling lots of
22 gallons. And, you know, where -- are
23 their responsibilities come --

24 MR. MORIN:

25 It could be a way to identify --

1 MR. MILAZZO:

2 Yes, you may not even know them.

3 MR. MORIN:

4 -- people that we're not aware of.

5 That's -- that's true.

6 MR. MILAZZO:

7 So I don't know what you can do with
8 that, but it seems to me that you guys could
9 build some calculations that would -- would
10 begin to point some fingers at some places
11 that you may have not thought about.

12 MR. MORIN:

13 Okay.

14 MR. MILAZZO:

15 Okay. And no other questions. Let's
16 go to Jeff and the trust fund status report.

17 MR. BAKER:

18 Good afternoon. If ya'll would refer
19 to tab number six in the packet. These are
20 the figures for the second quarter of fiscal
21 year 2015.

22 During the second quarter of fiscal
23 year 2015, the trust fund received 252
24 applications that totaled \$3,781,473.
25 During this period, 183 applications were

1 processed for payment, totaling \$2,285,680.
2 And 72 applications were returned with
3 deficiencies.

4 The number of deficiencies this
5 quarter was a little bit higher because we
6 went through and did a -- used a new
7 application. We've been giving the RACs a
8 number of months to get used to get
9 acclimated to it and we gave them a
10 deadline, and the deadline passed and they
11 continued to use the old application, so we
12 had a number that went back, telling them
13 they needed to use the new one. We expect
14 most of these applications to come back in
15 subsequent quarters.

16 For the sites in the corrective action
17 phase, the outstanding liability for the
18 corrective action plan budget and estimated
19 costs to reach closure at the end of
20 December 2014 was \$31,107,679.

21 The additional obligation recognized
22 for non-CAP sites, plus the projected motor
23 fuel trust fund to environmental trust fund
24 transfer, was \$40,963,750.

25 At the end of December 2014, the trust

1 fund had 151 pending applications to
2 process, which have requested amounts,
3 totaling \$2,501,249. Of this amount, the
4 estimated requested obligations relating to
5 CAP budgets and closure costs was
6 \$1,741,820.

7 If you'll note the legal-sized last
8 page of your packet, it list a number of
9 trust fund sites that received no further
10 action status. So far, for this fiscal
11 year, it's ten sites.

12 You don't have this in these numbers
13 in your packets, but the number of potential
14 trust fund sites that were reviewed and made
15 eligible during the current fiscal period
16 was 19 sites, representing 20 active
17 incidents.

18 Points of interest relating to the
19 trust fund. The trust fund is continuing to
20 work on a draft of the next revision of
21 the trust fund cost control guidance
22 document. Our intention is the registered
23 RAC community will be emailed in the next
24 week with an opportunity for any RAC that is
25 willing to participate in an email or phone

1 conference workgroup relating to the
2 guidance document revision for them to -- to
3 give them an opportunity to advise the
4 department that they are willing to
5 participate. These workgroups will look at
6 reimbursement issues the trust fund is
7 attempting to clarify in guidance or in
8 helping us research and develop new or
9 revised unit rates.

10 Does anybody have any questions?

11 MR. MARCELLO:

12 So how many -- you had a total sum of
13 pending applications totaled \$2,501,000 and
14 how many sites were they, or applications?

15 MR. BAKER:

16 151 applications.

17 MR. MARCELLO:

18 151.

19 MR. BAKER:

20 The majority of those applications
21 were received from October 31 through the
22 end of December. There was not a lot -- I
23 think there was only 10 or 12 of them that
24 were beyond the October 31 time frame.

25 MR. IVEY:

1 Is -- is there a calculation that you
2 can share with us on the current outstanding
3 CAP budgets that comes up with the thirty-
4 one million and also the non-CAP? Ya'll
5 calculate that internal?

6 MR. BAKER:

7 The non-CAP is -- yes, sir, we do. We
8 have internal calculations on it. We can
9 provide that if ya'll would like.

10 MR. IVEY:

11 Okay. Yes. I -- I would like to see
12 it.

13 MR. BAKER:

14 We can email that to your email after
15 the meeting.

16 MR. IVEY:

17 Okay.

18 MR. MARCELLO:

19 Does the total sum of pending
20 applications include work being done at this
21 present time?

22 MR. BAKER:

23 No, sir.

24 MR. MARCELLO:

25 In other words, these are -- this

1 legal-sized sheet are no further action
2 granted locations; am I correct?

3 MR. BAKER:

4 Yes, sir.

5 MR. MARCELLO:

6 So --

7 MR. BAKER:

8 Are you asking if --

9 MR. MARCELLO:

10 My question was -- my question is, if
11 these were further action sites, the total
12 would be 151 plus these nine or ten, it'd be
13 161? And where I'm going with that is, how
14 long -- how long in your estimation -- and I
15 know there's no -- there's no specific time
16 frame -- but how long -- oh, well, this
17 answers my question. So the first
18 application of these sites were -- some of
19 them were 1992 and 2002 and so forth and so
20 on. But you've got 151 pending
21 applications. What's in the middle of that?

22 MR. BAKER:

23 Well, let's -- let's clarify. I think
24 we're talking apples and oranges.

25 MR. MARCELLO:

1 Okay.

2 MR. BAKER:

3 You're -- you're talking about active
4 sites. Okay? Currently, we have 295 active
5 trust fund sites.

6 MR. MARCELLO:

7 Right.

8 MR. BAKER:

9 What you're looking at on that legal
10 page is the number of sites that we closed
11 during that time period. The 151 represents
12 active applications for those sites.

13 MR. MARCELLO:

14 Exactly.

15 MR. BAKER:

16 So one of those sites may have several
17 quarters of applications in at one time. So
18 does that clarify --

19 MR. MARCELLO:

20 That -- that clarifies it.

21 MR. BAKER:

22 Okay, sir.

23 MR. MARCELLO:

24 Thank you.

25 MR. MILAZZO:

1 Jeff, let me ask, when I look at the
2 current obligated balance of the trust fund,
3 the total sum of CAP charges and pending
4 applications, there's a subtraction of that
5 number.

6 MR. BAKER:

7 Yes, sir. You're talking about where
8 we have the total sum of the pending and
9 then we have the total sum of the CAP
10 charges?

11 MR. MILAZZO:

12 Right. Yes.

13 MR. BAKER:

14 The reason we do that is not -- so not
15 to duplicate those CAP charges. Those CAP
16 charges are already included in the current
17 totals of the CAP budget. If you don't back
18 them out as part of the pending, you'll be
19 duplicating that -- those numbers.

20 MR. MILAZZO:

21 All right.

22 MR. BURNHAM:

23 They were submitted as a -- part of a
24 cost estimate, which is where that thirty-
25 one million number came from?

1 MR. BAKER:

2 Those are -- those are the -- yes,
3 sir.

4 MR. BURNHAM:

5 Right.

6 MR. BAKER:

7 The applications came in with
8 requested amount of this amount, plus a
9 portion of that was CAP budget.

10 MR. BURNHAM:

11 Right.

12 MR. BAKER:

13 Well, that's already included in the
14 CAP budget estimates that we haven't applied
15 yet. So we don't want to duplicate that --
16 those obligations.

17 MR. MILAZZO:

18 Okay. Any other questions?

19 (No response.)

20 MR. MILAZZO:

21 All right. Thank you, Jeff.

22 And I guess, Jill, you'll talk about
23 the third party claims for us.

24 MS. CARTER:

25 There is no change in the status of

1 our current third party claims. And we do
2 not have any new third party claims to
3 report.

4 MR. MILAZZO:

5 Well, that was quick. Any questions
6 about that?

7 (No response.)

8 MR. MILAZZO:

9 Okay. At this time, I'd like to go
10 into other business. I think, Kerry, you
11 had a comment, perhaps some questions.

12 MR. HILL:

13 I do. On Friday, the Governor made an
14 announcement to mid-year cuts to balance the
15 fiscal year. And we discovered that there
16 was reported -- in the reduction report, we
17 saw the two items in reductions and revenue
18 opportunities that totaled 8.7 million
19 dollars that would come from the UST trust
20 fund. We believe this is against the law.
21 It -- if it's protected, how can they draw
22 that money out of the fund? Can somebody
23 put some clarity to that?

24 MS. CARTER:

25 That one, I will have to defer until

1 Perry comes back.

2 MR. HILL:

3 Okay.

4 MS. CARTER:

5 I'm sitting in for Perry, and he -- I
6 think he expected to be at this meeting but
7 was called away.

8 MR. HILL:

9 Okay.

10 MS. CARTER:

11 So if you could wait until Perry --
12 and I'll let him know that you have a
13 question about that.

14 MR. HILL:

15 Well, it's a very important question
16 deal to --

17 MS. CARTER:

18 Sure.

19 MR. HILL:

20 -- these three right here, including
21 myself.

22 MS. CARTER:

23 Sure.

24 MR. HILL:

25 When we go buy property to build a

1 convenient store, we have to get the soil
2 tested and do phase one, two or three -- you
3 know, it can be quite expensive -- before we
4 can get financing to -- to buy the property,
5 let alone spend another two and a half,
6 three million dollars, depending on what
7 you're -- what size site you're building.
8 And we have all -- all told and we all
9 preach to our banks that we have a trust
10 fund -- just like on the building, we have
11 to provide the bank with a -- with an
12 insurance certificate. Well, on these
13 tanks, underground -- and they all know,
14 because they're on both sides of the coin.
15 They either -- you're either asking to
16 borrow money to buy the property or you're
17 asking to borrow on a site that's already
18 ongoing and that has these -- this trust
19 fund eligibility program in place and -- and
20 so there's a level of comfort that we have
21 established with our banks. There's a
22 dis-level of comfort out there with us
23 whenever we see this money potentially being
24 robbed -- or maybe I should've said robbed.
25 But being used for something else. But we -

1 - we have worked hard to protect that. And
2 it's kind of a scary feeling. And that -- I
3 would like some clarity on that, if
4 possible.

5 MS. CARTER:

6 Oh, sure. I understand. I -- I will
7 pass that on to Perry.

8 MR. HILL:

9 Okay.

10 MS. CARTER:

11 I know ya'll are new and I would
12 assume that he's -- I don't know if he has
13 ya'll's email address or your contact
14 information --

15 MS. VIZINAT:

16 I do.

17 MS. CARTER:

18 You have it, okay. Then I'll have him
19 --

20 MR. HILL:

21 Okay.

22 MR. MILAZZO:

23 Let me kind of --

24 MR. MARCELLO:

25 If -- if I may make a suggestion, if

1 you don't mind. I mean, I -- I would like
2 him to -- our go to person of our
3 association is Natalie. And I -- I would
4 like for Mr. Perry, is it, to -- or whoever
5 answers the question -- just to -- to maybe
6 just harp on or answer the validly the of --
7 of Kerry's request in that Louisiana Revised
8 Statute 21:95-6, ownership of tank trust
9 fund -- and I'll just read the first
10 sentence. "The tank trust fund shall be
11 used only for the purpose set forth in
12 Revised Statute 30:2194 through 2195 and no"
13 -- "and no other governmental purposes nor
14 shall any portion thereof be available to
15 borrow from by any branch of government."
16 So maybe he can just answer -- answer that
17 simple question regarding that particular
18 statute and refer back to Natalie, and
19 Natalie can send out -- because this -- it's
20 the consensus on the Louisiana Oil
21 Marketers, I'm sure -- and again, I'm not
22 here speaking for them. Natalie would do
23 that. But --

24 MR. HILL:

25 That's a good idea.

1 MR. MARCELLO:

2 You know, just -- just basically
3 answer that. And then she'll let all the
4 members know.

5 MS. ISAACKS:

6 You're right. And if I could just
7 add, sooner rather than later, because it's
8 --

9 MR. MILAZZO:

10 So this is getting ready to --

11 MS. ISAACKS:

12 -- at the end of the -- the budget
13 committee is the 20th.

14 MR. HILL:

15 That could help ya'll and --

16 MS. ISAACKS:

17 That's less than two weeks.

18 MR. HILL:

19 -- that could help Natalie too. She
20 would kind of be the go to person, because
21 she lets us know.

22 MR. MILAZZO:

23 And, Jill, you know, in the absence of
24 Vince being here today, as well as Perry --
25 in all due respect, you know, to the role

1 they play in accordance with some other
2 questions. In fact, you know, we were
3 hopeful of having an update on some of the
4 pending lawsuits. You know, there's another
5 discussion point as -- as we think about
6 where those funds may sit. And I know we
7 probably need to go into executive session
8 to discuss it. I'm not sure if there's a
9 purpose if there's no one here to really
10 answer those questions. There's no reason
11 to call for that. But I do want to say that
12 time is of the essence because of the
13 urgency in the Governor's office right now.
14 There's every indication, as Frank said,
15 that, you know, this is not a tax. It is a
16 -- it is a fee.

17 MS. CARTER:

18 Right.

19 MR. MILAZZO:

20 And -- and when you start looking at
21 it, it's identified. And, you know, when
22 you look at what's being considered as an
23 opportunity revenue for the budget
24 shortfall, I -- I wouldn't want to wake up
25 and have my bank call me and -- and say,

1 "You know, we're looking at the balance
2 sheet of the trust fund and it" -- "and it
3 is indeed an insolvent entity today, if the"
4 -- "if the" -- "if Baton Rouge or the
5 Governor's office has their way." And I
6 don't want to speak for those that -- from
7 the contractors standpoint. You know, I'm
8 sure they have a point of view as well. And
9 I'm not sure, Shawn, if you've got any
10 commentary for that, but I -- I just think
11 we're traveling down a path. And I don't
12 want to wake up tomorrow and find myself
13 going out and looking for environmental
14 pollution insurance when I think we've done
15 that. And we've had a great fund, under
16 your administration. You know, we -- we see
17 that we're more and more, you know, funding
18 -- you know, bigger parts of the department
19 and -- and -- but yet, we still are tracking
20 okay. But if we start, you know, opening up
21 opportunities for other parts of Louisiana
22 government to reach in, then we are going to
23 have a problem. And I don't know where it
24 ends, but it -- it's really concerning. And
25 this seems to be something that is most

1 urgent. Unfortunately, we don't have, you
2 know, the other folks in the room that we'd
3 like to be talking to as well. So we have
4 to rely on you to kind of share this message
5 of urgency that -- that they've just
6 mentioned. And we -- we do challenge the
7 thinking that this -- this can be raided for
8 other purposes of government when the
9 statute seems to be pretty straight forward.
10 And I think from those who are contributing
11 to the financial well-being of the trust
12 fund, I think we certainly deserve some
13 answers --

14 MS. CARTER:

15 Oh, sure.

16 MR. MILAZZO:

17 -- soon.

18 Any comments with respect to that.
19 Shawn, Steve?

20 MR. IVEY:

21 I guess as far as I'm concerned, we
22 have seen in other states where a fund has
23 been considered insolvent. And then all of
24 a sudden, there's no money going out. You
25 know, that -- that's really our biggest

1 concern, because, you know, a lot of our
2 business we get paid through the trust fund.
3 Our bank looks at us and looks at our
4 accounts receivable and expects them to be
5 paid by trust fund. So if they're not, then
6 our bank looks hard at us going, "Where are
7 you getting the money?" So I guess that's
8 my concern is -- is at what point does the
9 trust fund become insolvent if we, you know,
10 keep grabbing money out of it? Especially
11 since the obligations are, what, 72 million.
12 You know, if we drop below that, at what
13 point does it become insolvent?

14 MR. MILAZZO:

15 And I think, you know, Kerry raised a
16 great point. Not to, you know, keep hashing
17 on the same thing, but, you know, when --
18 when the banks look at that as an
19 opportunity to say, you know, those
20 mortgages are solvent, because it is
21 certainly a -- a course of insurance for us
22 and -- and begin to question the integrity
23 of the fund and it's ability to -- to solve
24 a release problem, then we're going to be --
25 we're either going to be -- we're going to

1 see loans being called or we're going to be
2 finding other sources of protection for the
3 bank. And that's just the starting point.
4 And I think if we don't stand up today to
5 protect this now, then what happens when we
6 get into the legislation session and they're
7 trying to solve the problem in the next
8 fiscal year?

9 MR. BURNHAM:

10 Right.

11 MR. MILAZZO:

12 Is this going to be an even bigger
13 concern as we go forward? So if we're going
14 to stop it, the best chance we have is to
15 stop it before it gets started. And that's
16 now.

17 MR. HILL:

18 Jill, did you say you had called for
19 Vince to come to this meeting, or he wasn't
20 going to be able to come today?

21 MS. CARTER:

22 I'm sorry. Say that again.

23 MR. HILL:

24 Did you say you had called or asked
25 for Vince to --

1 MS. ANDREWS:

2 I can -- I can tell you. Vince had a
3 meeting at the capitol this afternoon --

4 MR. HILL:

5 Oh, okay.

6 MS. ANDREWS:

7 -- after lunch on another matter.

8 MR. HILL:

9 Okay. I just --

10 MS. ANDREWS:

11 So he was not able to attend.

12 MR. HILL:

13 I misunderstood her. And this is such
14 -- this is a very important item to us.

15 MS. ANDREWS:

16 And I can let you know that we did --
17 Vince and Secretary Hatch did have a meeting
18 with the Office of Planning and Budget with
19 -- concerning all of our statutory
20 dedicated funds. And all of our funds at
21 this department are statutorily dedicated.
22 It's not just your fund. And we met
23 extensively on them. They asked for all of
24 our obligations and our fund balances for
25 every one of them. And this was one of many

1 that we had discussions on. So when the --
2 the information did come out, we were -- you
3 got what we got. So I'm -- I'm -- you know,
4 I'm not sure, you know, what Vince is going
5 to be able to give you. I'm sure Perry will
6 be able -- perhaps will be able to share
7 with you some information. I'm -- I'm not
8 sure that he's going to be able to give you
9 anymore than what you're reading in the
10 statute.

11 MR. HILL:

12 Well, just a question that I have. I
13 would be genuine -- genuinely concerned that
14 ya'll would feel the same way that we do
15 because this is a department that -- that
16 funds everything, correct? Good question,
17 bad question or --

18 MS. ANDREWS:

19 I'll -- I'll have to refer that to
20 other -- other folks.

21 MR. HILL:

22 Okay.

23 MR. MILAZZO:

24 Well, you know, I'll just -- I'll
25 conclude --

1 MS. ANDREWS:

2 Or, I'll be happy to speak with you
3 off the record.

4 MR. MILAZZO:

5 Yes. I'll conclude this. I won't use
6 the same term as Kerry, but, you know, if --
7 if the statute is -- is as clear and concise
8 as it is, and we allow this money grab at
9 the level in which it's being considered,
10 then we -- we really don't have anything.
11 And we -- we could really at the next
12 meeting begin to start thinking about other
13 means to protect ourselves. Because, I
14 mean, we'll be traveling down that route.
15 And it's a scary thought, as you described,
16 that -- that -- the question is, what's the
17 balance in the fund and how much of that's
18 encumbered? And then, coincidentally, you
19 know, we see eight million dollars in an
20 opportunity revenue bucket. And I hear you
21 loud and clear, this is just one of many
22 that you guys administer. So as -- as a
23 member of a fund that -- that was -- you
24 know, we fought hard to -- to create it for
25 -- for a single purpose, it's a scary time.

1 And I don't want to sit here and criticize
2 our government, but, you know, it's -- it
3 doesn't give me a good feeling of our
4 ability to run our business with some
5 protective covenants that -- that we
6 worked hard to establish. And so I do
7 respect that you guys -- there's only so
8 much you can share with us and we certainly
9 understand that. But I do hope -- you're
10 the only folks listening to us today --
11 that -- that you'll take our concern and --
12 and share it with Vince and Perry, Secretary
13 Hatch and -- and whoever else will listen to
14 you. And if you need some support to help
15 tell our message again, I'll gladly -- you
16 know, we'll team up and we'll be back to
17 talk to them directly, if that would matter.

18 MR. BURNHAM:

19 Before we close, I just want to go on
20 record as concurring with the other board
21 members that I think it would be totally
22 inappropriate to take funds for other
23 reasons from the trust fund. And even if we
24 survive the amount that is being purposed
25 now, to set that precedent would be

1 something that would cause you to -- the
2 trust fund amount would be totally
3 unreliable from here on out because of the
4 possibility of that happening, which as
5 Shawn and others have said, would effect
6 bankers in their decisions and everything
7 else. So I just want to make sure I go on
8 record as concurring with --

9 MR. MILAZZO:

10 Well, it's -- it's the lending market
11 that sees that --

12 MR. BURNHAM:

13 Right.

14 MR. MILAZZO:

15 -- and says, "Well, that's a money
16 grab."

17 MR. BURNHAM:

18 Right.

19 MR. MILAZZO:

20 "We have no integrity in that now,
21 that your statute doesn't mean anything."
22 Those -- those fire walls, if you will, are
23 over. I mean, that -- that will put this
24 thing in a spiral situation. I think you
25 guys should know that. I would be a real

1 tough situation for us. And if you're going
2 to have insurance, then why do you need to
3 have both, right? I'm not making a plea
4 that we need to go off and get insurance.
5 We -- we think we have what we need, but we
6 need to maintain the integrity of it.

7 Any other comments in respect to the
8 trust fund?

9 (No response.)

10 MR. MILAZZO:

11 Then I'd like to ask -- you know, it -
12 - it appears it will be a very busy
13 legislative session. I don't know if there
14 will be enough time to talk about
15 environmental substance, but as always, I
16 think it's important that -- that we can
17 kind of share if there's something on your
18 agenda that -- that you think you guys will
19 be looking at, we'd like to talk to you
20 about it and see if, you know, perhaps we
21 share, you know, the same thoughts with you
22 and we can perhaps go with some sense of
23 unity with you. If there are things that --
24 that we're looking at, you know, we'll be
25 talking to you guys about them. And so I'll

1 ask you today, is there -- is there anything
2 that you know of as of today that -- that
3 you know could -- could be in the
4 legislature here in the next month or so?

5 MR. FULTON:

6 Not that I know of. Not at this
7 moment.

8 MR. MILAZZO:

9 Okay. We just would ask if you guys
10 don't mind, we'd rather be your partner
11 always.

12 Any other business?

13 (No response.)

14 MR. MILAZZO:

15 Okay. I ask for a motion to adjourn.

16 MR. HILL:

17 I make a motion to adjourn.

18 MR. BURNHAM:

19 Second.

20 MR. MILAZZO:

21 All in favor.

22 (All indicated yes.)

23 MR. MILAZZO:

24 All right. Thank you.

25 **THE MEETING ADJOURNED AT 2:08 P.M.**

REPORTER'S PAGE

1
2 I, Lori B. Overland, Certified Court
3 Reporter, in and for the State of Louisiana, the
4 officer, as defined in Rule 28 of the Federal
5 Rules of Civil Procedure and/or Article 1434(b)
6 of the Louisiana code of Civil Procedure, before
7 whom this sworn testimony was taken, do hereby
8 state on the Record

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

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

20
21
22

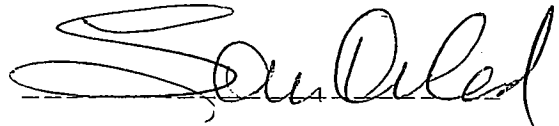


Lori Overland, C.C.R.

97083

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

1
2 I, Lori B. Overland, Certified Court Reporter in
3 and for the State of Louisiana, as the officer
4 before whom this testimony was taken, do hereby
5 certify that the above referenced individual to whom
6 oath was administered, after having been duly sworn
7 by me upon authority of R.S. 37:2554, did testify as
8 hereinbefore set forth in the foregoing pages, that
9 this testimony was reported by me in the stenomask
10 reporting method, was prepared and transcribed by me
11 or under my personal direction and supervision, and
12 is a true and correct transcript to the best of my
13 ability and understanding; that the transcript has
14 been prepared in compliance with transcript format
15 guidelines required by statute or by rules of the
16 board, that I have acted in compliance with the
17 prohibition on contractual relationships, as defined
18 by Louisiana Code of Civil Procedure Article 1434
19 and in rules and advisory opinions of the board;
20 that I am not related to counsel or to the parties
21 herein, nor am I otherwise interested in the outcome
22 of this matter.



Lori Overland C.C.R.

97083

	20:10	25 (1)	29:9	agenda (3)
\$	10 (2)	30:13	acclimated (1)	4:6,12;59:18
	13:9;37:23	252 (1)	35:9	ago (1)
\$1,229,930 (1)	11 (1)	34:23	accordance (1)	13:16
8:16	13:9	28 (1)	49:1	agreed (1)
\$1,741,820 (1)	12 (2)	61:4	account (2)	20:8
36:6	12:20;37:23	28.54 (1)	8:16;21:12	ahead (1)
\$11,277,269 (1)	13 (7)	9:25	accounting (1)	8:11
8:6	19:6,6,14,17,21,	295 (1)	16:3	allow (1)
\$11,500 (1)	25;20:15	40:4	accounts (1)	56:8
21:13	14 (3)		52:4	allows (1)
\$126,000 (1)	18:22;19:4;20:25	3	acronym (1)	26:15
21:12	1434b (1)		15:21	alone (1)
\$127,122.79 (1)	61:5	30 (3)	acronyms (1)	45:5
21:10	15 (3)	11:9,21;12:10	16:11	always (4)
\$189,000 (1)	18:10,16,18	30:2194 (1)	Act (2)	26:13;33:3;59:15;
11:17	151 (6)	47:12	13:11;27:19	60:11
\$2,285,680 (1)	36:1;37:16,18;	31 (7)	action (8)	American (1)
35:1	39:12,20;40:11	8:5;18:8,21;19:5;	20:2,17,20;35:16,	13:10
\$2,501,000 (1)	161 (1)	21:10;37:21,24	18;36:10;39:1,11	amount (8)
37:13	39:13		active (5)	8:23;19:12,15;
\$2,501,249 (1)	18 (1)	7	19:24;36:16;40:3,	36:3;42:8,8;57:24;
36:3	31:19		4,12	58:2
\$3,781,473 (1)	183 (1)	72 (2)	actual (1)	amounts (1)
34:24	34:25	35:2;52:11	13:6	36:2
\$3,893,513 (1)	19 (1)		actually (6)	analysis (1)
8:7	36:16	8	13:14,16;29:4,17;	31:25
\$31,107,679 (1)	1992 (1)	8.7 (1)	30:17,21	and/or (4)
35:20	39:19	43:18	add (1)	19:2;61:5,12,17
\$4,000 (1)		8/20/14 (1)	48:7	ANDREWS (48)
20:12	2	20:7	additional (4)	4:21,22;8:1,9;9;
\$4,016.58 (1)	2/10/15 (1)		15:8;16:9;26:20;	10:2,6,10,15;11:3,8,
19:8	19:14	9	35:21	12,20;12:12,24;13:5;
\$4,500 (1)	2:08 (1)		address (2)	14:10,14;15:6,14,22;
19:20	60:25	90 (1)	4:5;46:13	16:1;17:4,8;23:23;
\$4,805,109 (1)	20 (1)	30:12	adjourn (2)	24:5,17,22;25:15,23;
8:10	36:16	97083 (1)	60:15,17	26:7,21,25;27:15;
\$4,844,000 (1)	2000 (1)	61:22	ADJOURNED (1)	28:8,20,24;29:3,14,
9:4	12:18		60:25	19,23;30:23;31:2;
\$40,963,750 (1)	2002 (1)	A	administer (1)	54:1,6,10,15;55:18;
35:24	39:19		56:22	56:1
\$527 (1)	2008 (1)	abandon (1)	administration (1)	announcement (1)
18:14	12:19	8:20	50:16	43:14
\$6,638,347 (1)	2009 (2)	ability (2)	adopt (2)	annual (3)
8:15	13:9;20:23	52:23;57:4	6:16,18	10:11,14,18
\$630,000 (1)	2011 (1)	able (11)	adopted (1)	anticipate (1)
11:21	12:20	22:11;26:15,16,17;	7:3	15:1
\$70,252,211 (1)	2011-'12 (1)	30:6;53:20;54:11;	advise (1)	anymore (1)
8:4	11:16	55:5,6,6,8	37:3	55:9
\$700 (1)	2012 (1)	above (1)	affidavit (1)	appears (2)
19:1	14:21	11:2	19:11	31:6;59:12
\$72,830,858 (1)	2014 (2)	absence (2)	afternoon (2)	apples (1)
8:8	35:20,25	4:3;48:23	34:18;54:3	39:24
\$8,566 (2)	2015 (6)	absolutely (3)	again (5)	application (3)
18:18;21:6	7:5;8:18;9:2;21:3;	7:21;17:5,9	13:14;31:9;47:21;	35:7,11;39:18
\$9,470 (1)	34:21,23	accept (1)	53:22;57:15	applications (15)
21:5	20th (1)	17:17	against (5)	34:24,25;35:2,14;
\$904.17 (3)	48:13	access (2)	20:3,20;23:13;	36:1;37:13,14,16,20;
19:15;21:7,15	21:95-6 (1)	32:7;33:5	26:14;43:20	38:20;39:21;40:12,
1	47:8	accessed (1)	agencies (1)	17:41:4;42:7
	2195 (1)	24:20	30:8	applied (1)
	47:12	accident (1)	agency (2)	42:14
1/28/15 (1)			10:18;14:19	apply (1)

comment (1) 43:11	COOK (2) 5:21,22	44:16	27:7	5:25;6:1
commentary (1) 50:10	corporation (2) 20:21,22	Debt (3) 27:20;28:14;29:25	directly (1) 57:17	effort (1) 9:15
comments (2) 51:18;59:7	corrective (2) 35:16,18	December (4) 8:5;35:20,25; 37:22	discourse (1) 61:10	eight (2) 14:22;56:19
committee (1) 48:13	correctly (1) 12:9	decisions (1) 58:6	discovered (1) 43:15	either (3) 45:15,15;52:25
community (1) 36:23	cost (6) 10:1,1,17,20; 36:21;41:24	dedicated (2) 54:20,21	discuss (1) 49:8	election (1) 7:4
companies (3) 28:2,10;30:12	costs (6) 11:25;13:8,23; 14:2;35:19;36:5	defer (1) 43:25	discussed (2) 19:23;23:16	electronically (1) 30:6
compete (1) 23:3	couple (3) 9:7;21:21;29:6	deficiencies (2) 35:3,4	discussion (3) 16:10;23:19;49:5	Eleven (2) 18:9,21
complete (2) 24:8;25:3	course (3) 20:1;22:23;52:21	defined (1) 61:4	discussions (2) 21:20;55:1	eleventh (1) 18:17
completed (3) 18:10,23;19:16	Court (2) 61:2,13	Deidra (1) 23:17	dis-level (1) 45:22	eligibility (1) 45:19
compounding (1) 30:17	Court's (1) 20:5	delighted (1) 26:6	dissolved (1) 20:23	eligible (1) 36:15
computer (1) 30:9	covenants (1) 57:5	delinquent (2) 21:5,9	Division (4) 4:23;5:14,20; 27:23	else (7) 4:11;15:15,16; 16:8;45:25;57:13; 58:7
concern (4) 52:1,8;53:13; 57:11	create (1) 56:24	demand (2) 19:13;21:3	document (3) 24:11;36:22;37:2	email (4) 36:25;38:14,14; 46:13
concerned (2) 51:21;55:13	created (1) 27:20	denoted (1) 61:19	documents (1) 20:11	emailed (1) 36:23
concerning (2) 50:24;54:19	criticize (1) 57:1	department (11) 11:24;13:7;14:18; 27:22;28:16;32:2; 33:6;37:4;50:18; 54:21;55:15	dollars (3) 43:19;45:6;56:19	employees (1) 13:24
concerns (1) 29:6	cumbersome (2) 27:2;30:5	departmental (1) 14:2	done (3) 28:3;38:20;50:14	encumbered (1) 56:18
concise (1) 56:7	curiosity (1) 31:16	departments (1) 33:3	down (3) 20:11;50:11;56:14	end (7) 23:3,6,10;35:19, 25;37:22;48:12
conclude (2) 55:25;56:5	current (7) 8:7;12:22;36:15; 38:2;41:2,16;43:1	depending (1) 45:6	downturn (1) 14:24	ends (1) 50:24
concurring (2) 57:20;58:8	currently (5) 17:23;18:8,17; 31:24;40:4	deposited (1) 8:5	draft (1) 36:20	enforce (1) 25:22
conference (2) 16:10;37:1	cuts (1) 43:14	DEQ (8) 4:20,22;5:16,18, 20;6:1,3,8	draw (1) 43:21	Engineering (1) 5:9
confirmed (1) 21:8	Cy (5) 4:20;17:21;27:22; 31:14,14	described (1) 56:15	driven (1) 25:16	enough (2) 17:12;59:14
consensus (1) 47:20		deserve (1) 51:12	drives (1) 12:23	entire (1) 10:22
considered (3) 49:22;51:23;56:9		detail (1) 22:1	drop (1) 52:12	entity (1) 50:3
Consultants (3) 5:11,22,24		details (2) 8:22,25	due (2) 48:25;61:9	environmental (11) 8:24;9:3;10:18; 11:14,23;14:18; 26:11;27:4;35:23; 50:13;59:15
consumer (1) 23:8		determine (2) 20:17;32:12	dumb (1) 9:18	ERA (1) 13:10
contact (1) 46:13	D	determined (1) 20:19	duplicate (2) 41:15;42:15	Especially (1) 52:10
continued (1) 35:11	daily (1) 30:16	determines (1) 28:1	duplicating (1) 41:19	essence (1) 49:12
continuing (1) 36:19	dangerous (1) 7:22	develop (1) 37:8	During (4) 34:22,25;36:15; 40:11	establish (1) 57:6
contractors (1) 50:7	dashes (2) 61:10,14	different (1) 9:20	Durwood (1) 5:18	established (1) 45:21
contributing (1) 51:10	date (3) 8:14,17;21:3	direct (2) 10:19;12:3		estimate (1)
control (1) 36:21	day (2) 23:3,7	direction (1)	E	
convenient (1) 45:1	days (2) 28:13;30:12		effect (1) 58:5	
	deadline (2) 35:10,10		EFFERSON (2)	
	deal (1)			

<p>inappropriate (1) 57:22</p> <p>inaudible (1) 61:19</p> <p>inception (1) 8:14</p> <p>incidents (1) 36:17</p> <p>include (1) 38:20</p> <p>included (3) 22:13;41:16;42:13</p> <p>including (1) 44:20</p> <p>increase (2) 13:20;14:4</p> <p>indeed (1) 50:3</p> <p>indicate (1) 61:11</p> <p>indicated (5) 4:14;6:23;7:13; 60:22;61:15</p> <p>indication (1) 49:14</p> <p>indirect (5) 10:1,17,20;11:1,25</p> <p>industry (1) 22:6</p> <p>information (5) 8:12;17:10;46:14; 55:2,7</p> <p>initiated (1) 31:15</p> <p>initiating (1) 31:19</p> <p>insolvent (4) 50:3;51:23;52:9, 13</p> <p>insurance (5) 45:12;50:14; 52:21;59:2,4</p> <p>integrity (3) 52:22;58:20;59:6</p> <p>intention (1) 36:22</p> <p>interaction (1) 61:9</p> <p>interest (8) 8:13,18;16:13; 26:24;30:16,21,22; 36:18</p> <p>internal (2) 38:5,8</p> <p>into (6) 8:4;11:13,22; 43:10;49:7;53:6</p> <p>invoice (2) 19:13;28:2</p> <p>invoiced (2) 21:16;28:10</p> <p>ISAACKS (5) 6:4,5;48:5,11,16</p>	<p>issue (1) 27:8</p> <p>issues (1) 37:6</p> <p>Item (5) 7:4;11:2;12:10; 14:7;54:14</p> <p>items (2) 30:11;43:17</p> <p>IVEY (7) 5:10,11;7:7;37:25; 38:10,16;51:20</p> <p style="text-align: center;">J</p> <p>Jason (1) 6:1</p> <p>Jeff (4) 5:16;34:16;41:1; 42:21</p> <p>Jill (6) 4:6;5:20;17:16; 42:22;48:23;53:18</p> <p>job (1) 31:7</p> <p>Johnny (3) 5:6;7:8;16:16</p> <p>judgment (1) 20:6</p> <p>judgments (1) 20:1</p> <p>Judicial (2) 26:24;30:16</p> <p>jumped (1) 13:18</p> <p style="text-align: center;">K</p> <p>Karyn (5) 4:22;7:24;9:7; 12:17;15:4</p> <p>keep (2) 52:10,16</p> <p>KELLEY (1) 6:7</p> <p>Kelly (1) 6:8</p> <p>Kerry (7) 5:3;9:13,15;16:7; 43:10;52:15;56:6</p> <p>Kerry's (1) 47:7</p> <p>kind (12) 9:14;15:21;17:25; 22:5,12;24:9;30:4; 46:2,23;48:20;51:4; 59:17</p> <p style="text-align: center;">L</p> <p>labor (1) 12:3</p> <p>last (8)</p>	<p>12:21;20:14; 21:21;27:16,17;29:5; 30:18;36:7</p> <p>late (1) 21:5</p> <p>later (1) 48:7</p> <p>law (1) 43:20</p> <p>lawsuits (1) 49:4</p> <p>lead (1) 17:25</p> <p>leading (1) 9:14</p> <p>learn (1) 17:1</p> <p>learned (1) 19:8</p> <p>least (3) 22:12,14;33:20</p> <p>leaves (1) 8:9</p> <p>left (1) 61:16</p> <p>Legal (10) 5:20;19:7;20:6,13, 18,19,20;23:2;26:15; 40:9</p> <p>legally (1) 21:11</p> <p>legal-sized (2) 36:7;39:1</p> <p>legislation (1) 53:6</p> <p>legislative (2) 27:18;59:13</p> <p>legislature (2) 29:4;60:4</p> <p>lending (1) 58:10</p> <p>less (1) 48:17</p> <p>lets (1) 48:21</p> <p>letter (1) 19:13</p> <p>level (3) 15:2;45:20;56:9</p> <p>liabilities (1) 8:8</p> <p>liability (1) 35:17</p> <p>license (1) 33:8</p> <p>lien (1) 28:18</p> <p>liens (1) 26:16</p> <p>likely (1) 20:23</p> <p>Linda (1) 5:24</p>	<p>line (5) 11:1,15;12:10; 13:2;14:7</p> <p>lines (2) 11:2;16:12</p> <p>list (1) 36:8</p> <p>listen (1) 57:13</p> <p>listening (1) 57:10</p> <p>little (8) 7:18,23;9:19; 13:15,22;14:23; 15:16;35:5</p> <p>loans (1) 53:1</p> <p>locations (1) 39:2</p> <p>long (4) 16:21;39:14,14,16</p> <p>look (7) 6:13;12:17;22:12; 37:5;41:1;49:22; 52:18</p> <p>looking (12) 9:20;13:1,16; 20:16;24:1;33:9; 40:9;49:20;50:1,13; 59:19,24</p> <p>looks (5) 32:2,5;52:3,3,6</p> <p>Lori (2) 61:2,21</p> <p>lot (8) 13:10,12,12;30:18; 31:4,9;37:22;52:1</p> <p>lots (1) 33:21</p> <p>loud (1) 56:21</p> <p>Louisiana (10) 4:25;5:3,6,6;5; 14:13;47:7,20;50:21; 61:3,6</p> <p>low (1) 11:17</p> <p>lowest (1) 12:20</p> <p>lunch (1) 54:7</p> <p style="text-align: center;">M</p> <p>mailed (1) 20:6</p> <p>maintain (1) 59:6</p> <p>majority (1) 37:20</p> <p>making (1) 59:3</p> <p>many (7)</p>	<p>28:13;31:14; 33:13;37:12,14; 54:25;56:21</p> <p>MARCELLO (35) 4:24,25;9:23;10:4, 8,13,25;11:6,10,18; 12:5,7,14;14:5,12; 15:12,19,24;16:4,15, 20;17:13;37:11,17; 38:18,24;39:5,9,25; 40:6,13,19,23;46:24; 48:1</p> <p>market (1) 58:10</p> <p>Marketers (5) 5:1,3,7;6:6;47:21</p> <p>material (1) 61:18</p> <p>matter (3) 24:4;54:7;57:17</p> <p>may (7) 14:23,23;34:2,11; 40:16;46:25;49:6</p> <p>maybe (6) 16:8,9;33:2;45:24; 47:5,16</p> <p>mean (9) 22:4,21;23:8;26:1; 33:15;47:1;56:14; 58:21,23</p> <p>means (1) 56:13</p> <p>meantime (1) 15:9</p> <p>meeting (15) 4:2;6:12;7:20; 9:12;15:10;16:9; 20:14;21:2;38:15; 44:6;53:19;54:3,17; 56:12;60:25</p> <p>meetings (4) 19:24;21:21; 23:17;29:24</p> <p>Melissa (1) 4:18</p> <p>member (1) 56:23</p> <p>members (4) 15:7;22:5;48:4; 57:21</p> <p>mentioned (1) 51:6</p> <p>message (2) 51:4;57:15</p> <p>met (1) 54:22</p> <p>method (2) 11:4;61:13</p> <p>middle (1) 39:21</p> <p>mid-year (1) 43:14</p> <p>might (3)</p>
--	---	---	--	--

<p>10:1;13:7 pet (1) 26:5 petition (2) 19:9;20:6 phase (2) 35:17;45:2 phone (1) 36:25 phrase (1) 61:19 phrases (1) 61:15 place (2) 24:10;45:19 places (1) 34:10 plan (5) 10:19;20:9,10,17; 35:18 Planning (1) 54:18 play (1) 49:1 plea (1) 59:3 please (2) 7:25;9:21 plus (3) 35:22;39:12;42:8 PM (1) 60:25 point (10) 12:19,20;29:17; 34:10;49:5;50:8; 52:8,13,16;53:3 Points (1) 36:18 pollution (1) 50:14 pool (1) 10:20 portion (2) 42:9;47:14 possibility (1) 58:4 possible (1) 46:4 potential (5) 18:11,13,25;19:19; 36:13 potentially (4) 18:24;19:18; 23:17;45:23 PPM (3) 5:11,22,24 preach (1) 45:9 precedent (1) 57:25 prepared (1) 7:21 prescriptive (1)</p>	<p>28:11 present (2) 7:24;38:21 pretty (1) 51:9 previous (2) 19:23;23:17 price (1) 23:6 prior (2) 19:25;20:15 privileges (1) 25:21 probably (5) 15:1;20:21;21:14; 27:2;49:7 problem (3) 50:23;52:24;53:7 Procedure (2) 61:5,6 proceeding (2) 61:10,14 process (4) 30:6;31:8;32:17; 36:2 processed (1) 35:1 processes (1) 30:9 program (4) 8:20;12:4;13:25; 45:19 progress (4) 18:17;19:3;29:22; 31:9 projected (1) 35:22 proper (2) 23:4;61:13 property (4) 28:19;44:25;45:4, 16 proposal (1) 10:17 protect (3) 46:1;53:5;56:13 protected (1) 43:21 protection (3) 10:18;14:19;53:2 protective (1) 57:5 provide (5) 15:9,16;17:9;38:9; 45:11 public (2) 24:2,11 pulled (1) 33:13 purpose (4) 29:10;47:11;49:9; 56:25 purposed (1)</p>	<p>57:24 purposes (2) 47:13;51:8 pursued (1) 21:11 put (6) 24:1;25:2;26:16, 16;43:23;58:23 puts (2) 29:4;32:8</p> <p style="text-align: center;">Q</p> <p>quarter (3) 34:20,22;35:5 quarterly (1) 10:9 quarters (2) 35:15;40:17 quick (2) 6:14;43:5 quite (1) 45:3</p> <p style="text-align: center;">R</p> <p>RAC (2) 36:23,24 RACs (1) 35:7 raided (1) 51:7 raised (1) 52:15 randomly (1) 31:22 rate (6) 10:21,22;12:2; 30:16,17,21 rates (1) 37:9 rather (2) 48:7;60:10 reach (3) 17:3;35:19;50:22 reached (1) 12:19 read (1) 47:9 reading (2) 12:8;55:9 ready (1) 48:10 real (2) 13:20;58:25 realize (1) 22:17 realizes (1) 23:12 really (14) 13:18;14:16,24; 16:13,16;25:17;27:2; 28:3;32:7;49:9;</p>	<p>50:24;51:25;56:10, 11 reason (2) 41:14;49:10 reasons (3) 13:19;32:11;57:23 receivable (1) 52:4 received (5) 11:22;20:9;34:23; 36:9;37:21 recently (1) 21:16 recognized (1) 35:21 recommendations (1) 23:1 record (4) 56:3;57:20;58:8; 61:8 Recovery (4) 13:11;27:20; 28:14;29:25 reduction (3) 14:20,22;43:16 reductions (1) 43:17 refer (3) 34:18;47:18;55:19 reference (1) 61:18 referred (3) 19:7;30:1,7 regarding (1) 47:17 registered (1) 36:22 registering (1) 32:1 reimbursement (2) 9:2;37:6 reimbursements (1) 8:7 related (4) 13:1,7,20;21:13 relating (3) 36:4,18;37:1 release (1) 52:24 rely (1) 51:4 remaining (5) 19:3,17,24;20:18; 21:15 remains (3) 20:2,13;21:7 Remediation (1) 5:14 report (10) 4:12;7:25;8:12,22; 17:17,18,21;34:16; 43:3,16 reported (1)</p>	<p>43:16 Reporter (1) 61:3 Reporters's (1) 61:13 reporting (1) 22:18 reports (1) 23:22 representing (1) 36:16 represents (1) 40:11 request (2) 26:19;47:7 requested (3) 36:2,4;42:8 requirement (1) 27:13 requirements (1) 25:13 research (1) 37:8 respect (4) 48:25;51:18;57:7; 59:7 responded (1) 25:13 respondent (1) 20:8 response (7) 7:1,16;15:5;42:19; 43:7;59:9;60:13 responsibilities (1) 33:23 rest (1) 29:7 resulting (3) 18:11,23;19:18 retirements (1) 13:21 returned (1) 35:2 revenue (8) 8:13,14,16;27:22; 33:6;43:17;49:23; 56:20 revenues (2) 8:25;11:13 review (4) 6:14;18:14,15; 19:2 reviewed (2) 19:9;36:14 revised (3) 37:9;47:7,12 revision (2) 36:20;37:2 Rhonda (1) 5:22 ridiculous (1) 9:18 Right (29)</p>
---	---	--	---	--

<p>third (3) 42:23;43:1,2 thirty- (2) 38:3;41:24 though (1) 33:5 thought (5) 22:1;33:2;34:11; 56:15;61:12 thoughts (1) 59:21 three (5) 7:4;30:3;44:20; 45:2,6 thumb (1) 33:19 today (12) 7:19;23;21:8; 22:21;25:12;48:24; 50:3;53:4,20;57:10; 60:1,2 together (1) 32:8 told (1) 45:8 tomorrow (1) 50:12 took (1) 24:10 top (1) 30:14 total (7) 21:8;37:12;38:19; 39:11;41:3,8,9 totaled (3) 34:24;37:13;43:18 totaling (5) 18:13;19:1;21:4; 35:1;36:3 totally (2) 57:21;58:2 totals (1) 41:17 tough (1) 59:1 towards (1) 30:1 town (1) 33:21 tracking (1) 50:19 transcript (1) 61:16 transcription (1) 61:14 transfer (1) 35:24 transferred (2) 8:4,23 traveling (2) 50:11;56:14 true (1) 34:5</p>	<p>Trust (42) 4:18;5:16,18;6:1, 8;8:4,13,23,24;9:3; 10:22;11:14,23;12:1; 23:5;25:14;34:16,23; 35:23,23,25;36:9,14, 19,19,21;37:6;40:5; 41:2;43:19;45:9,18; 47:8,10;50:2;51:11; 52:2,5,9;57:23;58:2; 59:8 try (1) 9:16 trying (3) 30:10;32:18;53:7 turn (3) 8:2,11,21 turned (1) 28:14 turns (1) 28:3 two (15) 11:2;12:22;18:12, 25;19:3,16,25;20:25; 21:4;26:10;30:18; 43:17;45:2,5;48:17</p>	<p>32:12 using (2) 25:21;30:15 UST (3) 6:3;12:17;43:19</p>	<p>wise (1) 30:9 within (3) 22:6;31:15;32:2 words (3) 38:25;61:15,17 work (5) 12:4;22:14;29:22; 36:20;38:20 worked (2) 46:1;57:6 workgroup (1) 37:1 workgroups (1) 37:5 working (4) 13:8,24;29:20,25 worse (2) 28:15,21 Wow (1) 13:18 write (1) 23:9</p>
	U	V	
		<p>validly (1) 47:6 verification (1) 19:11 verified (1) 61:18 versus (1) 10:20 view (1) 50:8 Vince (7) 48:24;53:19,25; 54:2,17;55:4;57:12 VIZINAT (3) 4:17,18;46:15</p>	
		W	Y
	<p>uncollectible (2) 20:24;21:14 under (3) 13:2;27:21;50:15 Underground (3) 5:13;13:24;45:13 Unfortunately (1) 51:1 unit (1) 37:9 unity (1) 59:23 unreliable (1) 58:3 up (16) 9:16;12:21;13:12, 14,18;14:25;23:11; 27:13;29:8;30:15; 38:3;49:24;50:12,20; 53:4;57:16 update (2) 20:19;49:3 urgency (2) 49:13;51:5 urgent (1) 51:1 use (9) 9:20;10:21,21,22; 12:1;16:2;35:11,13; 56:5 used (7) 8:19;11:5;35:6,8; 45:25;47:11;61:11 uses (1)</p>	<p>wait (1) 44:11 wake (2) 49:24;50:12 walls (1) 58:22 wants (1) 17:1 way (7) 11:15;27:11,12; 28:15;33:25;50:5; 55:14 website (1) 24:2 week (1) 36:24 weekly (1) 29:24 weeks (1) 48:17 welcome (2) 31:12;32:25 well-being (1) 51:11 what's (4) 23:4;39:21;49:22; 56:16 whenever (1) 45:23 wholesalers (1) 33:9 who's (5) 32:1,1,9,10,10 willing (2) 36:25;37:4 wind (1) 30:15</p>	<p>ya'll (6) 34:18;38:4,9; 46:11;48:15;55:14 ya'll's (1) 46:13 year (35) 8:3,18;9:1,2; 10:24;11:16;12:21, 22;13:14,18;14:7,7; 18:9,16,18,22;19:4,6, 6,14,17,21,25;20:15, 25;21:3;27:16,17,18; 31:19;34:21,23; 36:11;43:15;53:8 years (5) 12:9;13:9;14:17; 29:6;30:19 yesterday (3) 19:8;20:8,18</p>
			Z
			<p>zero (1) 11:2</p>

In The Matter Of:
DEQ Motor Fuels Underground Storage Tank Trust

Fund Advisory Board Meeting
February 12, 2015

Associated Reporters, Inc.
201 St. Charles Avenue
Suite 4315
New Orleans, LA 70170
(504) 529-3355

Original File TRUST
Min-U-Script® with Word Index

Page 1

1
2
3 STATE OF LOUISIANA
4 DEPARTMENT OF ENVIRONMENTAL QUALITY
5 MOTOR FUELS UNDERGROUND STORAGE TANK TRUST
6 FUND ADVISORY BOARD
7
8
9
10
11
12 The above-entitled meeting was held at the
13 LDEQ, Galvez Building, Conference Center, 602
14 North 5th Street, Baton Rouge, Louisiana,
beginning at 1:18 p.m., on February 12, 2015.
15
16
17
18
19 BEFORE:
20 Lori B. Overland
21 Certified Court Reporter
22 In and For the State of
23 Louisiana
24
25

Page 3

1 INDEX
2
3 EXAMINATION: PAGE (S) :
4 None
5
6 EXHIBITS:
7 None
8
9 REPORTER'S PAGE 61
10 REPORTER'S CERTIFICATE 62
11
12 * * * * *
13
14
15
16
17
18
19
20
21
22
23
24
25

Page 2

1 APPEARANCES
2
3 John Milazzo
Chairman
4
5 Durwood Franklin
6 Jill Carter
7 Jeff Baker
8 Gary Fulton
9 Shawn Ivey
10 Steve Burnham
11 Frank Marcello
12 Kerry Hill
13 Karyn Andrews
14 Cy Morin
15
16
17
18
19
20 Melissa Vizinat
21 Jason Efferson
22 Rhonda Cook
23 Linda Hicks
24 Natalie Isaacks
25 Ian Kelley
Samuel Broussard

* * * * *

Page 4

1 MR. MILAZZO:
2 Okay. Why don't we call this meeting
3 to order. And I am doing so in the absence
4 of the past chair and hopefully, we will
5 address this in just a minute. But I see
6 Perry on the agenda, but, Jill, you'll be
7 here on his behalf?
8 MS. CARTER:
9 Right.
10 MR. MILAZZO:
11 And I assume that everybody else that
12 is on the agenda is here to report out. Is
13 that fair to say?
14 (All indicated yes.)
15 MR. MILAZZO:
16 Okay. How about a roll call?
17 MS. VIZINAT:
18 Melissa Vizinat, Trust Fund.
19 MR. MORIN:
20 Cy Morin, DEQ Audit.
21 MS. ANDREWS:
22 Karyn Andrews, DEQ Financial Services
23 Division.
24 MR. MARCELLO:
25 Frank Marcello, Louisiana Oil

Page 5

1 Marketers Association.
 2 MR. HILL:
 3 Kerry Hill, Louisiana Oil Marketers
 4 Association.
 5 MR. MILAZZO:
 6 Johnny Milazzo, Louisiana Oil
 7 Marketers.
 8 MR. BURNHAM:
 9 Steve Burnham, Engineering Associates.
 10 MR. IVEY:
 11 Shawn Ivey, PPM Consultants.
 12 MR. FULTON:
 13 Gary Fulton, Underground Storage Tank
 14 Remediation Division.
 15 MR. BAKER:
 16 Jeff Baker, DEQ Motor Fuel Trust Fund.
 17 MR. FRANKLIN:
 18 Durwood Franklin, DEQ Trust Fund.
 19 MS. CARTER:
 20 Jill Carter, DEQ Legal Division.
 21 MS. COOK:
 22 Rhonda Cook, PPM Consultants.
 23 MS. HICKS:
 24 Linda Hicks, PPM Consultants.
 25 MR. EFFERSON:

Page 6

1 Jason Efferson, DEQ Trust Fund.
 2 MR. BROUSSARD:
 3 Samuel Broussard, DEQ UST.
 4 MS. ISAACKS:
 5 Natalie Isaacks, Louisiana Oil
 6 Marketers.
 7 MR. KELLEY:
 8 Ian Kelly, DEQ Trust Fund.
 9 MR. MILAZZO:
 10 Okay. Thank you. Let me bring your
 11 attention to the minutes from our November
 12 meeting. I'm not sure if everyone's had an
 13 opportunity to take a look at that. But we
 14 can take a moment to -- for a quick review.
 15 If you have and if someone's comfortable, I
 16 ask for a motion to adopt those.
 17 MR. BURNHAM:
 18 I make a motion to adopt the minutes.
 19 MR. HILL:
 20 I second it.
 21 MR. MILAZZO:
 22 All in favor?
 23 (All indicated yes.)
 24 MR. MILAZZO:
 25 Any opposed?

Page 7

1 (No response.)
 2 MR. MILAZZO:
 3 Minutes are adopted.
 4 Item three is the election of the
 5 chairperson for 2015. So let me open the
 6 floor for nominations.
 7 MR. IVEY:
 8 I'll nominate Johnny Milazzo.
 9 MR. HILL:
 10 I second.
 11 MR. MILAZZO:
 12 All in favor.
 13 (All indicated yes.)
 14 MR. MILAZZO:
 15 Any opposed?
 16 (No response.)
 17 MR. MILAZZO:
 18 Natalie, I feel like there's a little
 19 bit of a -- I'll assure everyone here today
 20 that at the next meeting as the chairperson,
 21 I will absolutely be prepared. That could
 22 be a bit dangerous. Nevertheless, forgive
 23 me a little bit for today.
 24 I'd like to ask Karyn to present the
 25 financial services report, please.

Page 8

1 MS. ANDREWS:
 2 Sure. We're going to turn to tab
 3 four. At the beginning of the fiscal year,
 4 we transferred \$70,252,211 into the trust
 5 fund. As of December 31, we deposited
 6 \$11,277,269. And we've paid out
 7 reimbursements of \$3,893,513. The current
 8 liabilities on sites are \$72,830,858. This
 9 leaves us a balance after obligations of
 10 \$4,805,109.
 11 We'll go ahead and turn the page.
 12 This is an information report for our
 13 interest revenue from the trust fund. The
 14 revenue collected inception to date stands
 15 at \$6,638,347. And the expenditures out of
 16 this revenue account is at \$1,229,930. And
 17 to date, there have been no expenditures
 18 from fiscal year 2015 for the interest
 19 money. And this money is used to pay for
 20 the abandon tanks program.
 21 If you'll turn the page once more.
 22 This report details how we calculate the
 23 amount transferred from our motor fuel trust
 24 fund to the environmental trust fund. It
 25 gives you some details of our revenues and

Page 9

1 expenditures. This year, we're estimating
 2 the fiscal year 2015 reimbursement to the
 3 environmental trust fund is going to be
 4 approximately \$4,844,000.
 5 Does anyone have any questions?
 6 MR. MILAZZO:
 7 Karyn, we have a couple that are new
 8 here.
 9 MS. ANDREWS:
 10 Sure.
 11 MR. MILAZZO:
 12 This is certainly their first meeting.
 13 That's Mr. Kerry and Mr. Frank. So -- and I
 14 do appreciate you kind of leading them page
 15 to page. But, Frank, Kerry, in an effort to
 16 try to get up to speed, if you guys have any
 17 questions, feel free. There are no
 18 ridiculous questions or dumb questions.
 19 Because, you know, this is a little bit
 20 different than we're use to looking at our
 21 business. But -- so please, this is the
 22 appropriate time.
 23 MR. MARCELLO:
 24 I -- I do have a question. And I want
 25 -- I wanted to question the -- the 28.54

Page 10

1 percent indirect cost of personnel cost.
 2 MS. ANDREWS:
 3 Sure.
 4 MR. MARCELLO:
 5 Does that percentage fluctuate --
 6 MS. ANDREWS:
 7 It does, it --
 8 MR. MARCELLO:
 9 -- quarterly?
 10 MS. ANDREWS:
 11 It -- no. It fluctuates on an annual
 12 basis.
 13 MR. MARCELLO:
 14 Annual basis.
 15 MS. ANDREWS:
 16 And what we do is, we have an approved
 17 indirect cost proposal that we send to the
 18 environmental protection agency on an annual
 19 basis. And this plan is based on our direct
 20 cost pool versus our indirect charges. And
 21 we use half of that rate and use it on the
 22 trust fund. We do not use the entire rate.
 23 And so that -- that percentage changes once
 24 a year.
 25 MR. MARCELLO:

Page 11

1 So why would the indirect -- the line
 2 item, two lines above it, be zero?
 3 MS. ANDREWS:
 4 That's the -- the old method that we
 5 used --
 6 MR. MARCELLO:
 7 Got you.
 8 MS. ANDREWS:
 9 -- was 30 percent --
 10 MR. MARCELLO:
 11 Got you.
 12 MS. ANDREWS:
 13 -- of collections on the revenues into
 14 the environmental trust fund. So if you
 15 follow the line all the way over to fiscal
 16 year 2011-'12, you'll notice how it was
 17 fairly low at \$189,000.
 18 MR. MARCELLO:
 19 Correct.
 20 MS. ANDREWS:
 21 That is 30 percent of the \$630,000
 22 that the fund received into the
 23 environmental trust fund. And so we now --
 24 we've made a change in how the department
 25 collects it's indirect costs through the

Page 12

1 motor fuel trust fund. And we now use half
 2 of our approved rate of overhead and we
 3 apply it to the direct labor charges that
 4 work on this program.
 5 MR. MARCELLO:
 6 Got you.
 7 MR. MARCELLO:
 8 So basically, if I'm reading
 9 correctly, in five years, this -- this
 10 particular 30 percent line item would just
 11 go away?
 12 MS. ANDREWS:
 13 That would be correct. Yes.
 14 MR. MARCELLO:
 15 All right. Thank you.
 16 MR. MILAZZO:
 17 Karyn, if you look at the UST federal
 18 grant expenditures, if we go back to 2000,
 19 2008 period, we reached our highest point in
 20 2011 and '12 and -- to it's lowest point
 21 last year. And that number is back up, a
 22 million and two for the current year. What
 23 drives that?
 24 MS. ANDREWS:
 25 These are -- this is salaries and

Page 13

1 related benefit -- you're looking at the
 2 second line under the expenditures?
 3 MR. MILAZZO:
 4 I am, yes.
 5 MS. ANDREWS:
 6 Yes. This is the actual salaries and
 7 related benefits for department personnel
 8 costs, working on grants. Some of these
 9 years here through 2009, '10, '11, we had a
 10 lot of ERA money -- that's the American
 11 Recovery Act -- money. And so you're -- you
 12 saw them spike up a lot. Here we have a lot
 13 that we start -- that the number has spiked
 14 up again this year -- I was actually
 15 speaking to Gary about this a little while
 16 ago, because I actually, when I was looking
 17 at the numbers this morning, I also was
 18 like, "Wow, it really jumped up this year."
 19 One of the -- the reasons is we had a -- a
 20 real increase in the related benefits that
 21 the state is now paying for retirements.
 22 And so that's a little bit of -- of the --
 23 the costs. And we do have a few more
 24 underground tank employees that are working
 25 in the program. So they charge first to the

Page 14

1 grant. And then when the grant runs out of
 2 money, then it becomes departmental costs.
 3 So that's -- that's attributable to that
 4 increase.
 5 MR. MARCELLO:
 6 So the next question would be, is that
 7 -- is that a standard year to year line item
 8 grant, if you will, in the federal
 9 governments budget?
 10 MS. ANDREWS:
 11 Yes.
 12 MR. MARCELLO:
 13 To -- to the state of Louisiana?
 14 MS. ANDREWS:
 15 Yes. Yes, it is.
 16 That -- that grant really has stayed
 17 fairly stable through the years from the
 18 department -- from the environmental
 19 protection agency. And so we -- they have -
 20 - they did a reduction, I believe, through
 21 their sequestration. That was in 2012. And
 22 it was a eight percent reduction. And so
 23 you may -- you may have seen a little bit of
 24 downturn there. And -- so now, it's really
 25 gone back up. And I don't -- I -- I would

Page 15

1 anticipate that we're probably back to the
 2 level where we should have been.
 3 MR. MILAZZO:
 4 Any other questions for Karyn?
 5 (No response.)
 6 MS. ANDREWS:
 7 And if any of the new board members
 8 have any additional questions in the
 9 meantime, I'll be happy to provide them with
 10 my card. Before the next board meeting, if
 11 there's --
 12 MR. MARCELLO:
 13 I appreciate that.
 14 MS. ANDREWS:
 15 -- if there's something else that I
 16 can provide to make anything else a little
 17 bit more clear for them, I'll be happy to do
 18 so.
 19 MR. MARCELLO:
 20 And this -- what is this? Is this
 21 some kind of acronym, ORG5800?
 22 MS. ANDREWS:
 23 That -- that's like our code.
 24 MR. MARCELLO:
 25 Okay.

Page 16

1 MS. ANDREWS:
 2 It's a -- it's a code that we use in
 3 our accounting office.
 4 MR. MARCELLO:
 5 Got you.
 6 MR. MILAZZO:
 7 Would it -- Frank, Kerry, or anybody
 8 else, do you find it necessary that maybe we
 9 can maybe have an additional meeting or
 10 discussion or conference call that might can
 11 explain if there are acronyms, numbers or
 12 lines that you would have questions about to
 13 really feel comfortable in the interest of
 14 that?
 15 MR. MARCELLO:
 16 Johnny, I really don't -- I don't see
 17 that -- that it --
 18 MR. MILAZZO:
 19 Okay.
 20 MR. MARCELLO:
 21 -- it's necessary, as long as -- if I
 22 can have her card and if I have a question
 23 or --
 24 MR. MILAZZO:
 25 So -- so -- yes, I think that's a good

<p style="text-align: right;">Page 17</p> <p>1 question. If -- if someone wants to learn 2 more about understanding financials, is it 3 okay if we reach out? 4 MS. ANDREWS: 5 Absolutely. 6 MR. MILAZZO: 7 Okay. 8 MS. ANDREWS: 9 Absolutely. I can provide that 10 information to you. 11 MR. MILAZZO: 12 Okay. Is that fair enough? 13 MR. MARCELLO: 14 Yes. 15 MR. MILAZZO: 16 All right. So, Jill, do we need -- do 17 we need to accept this financial report or 18 is it just basically a report and we can 19 move on? I don't think we do, but -- 20 All right. Let's move to the 21 auditor's report. Cy? 22 MR. MORIN: 23 Okay. We currently have -- 24 MR. MILAZZO: 25 Kind of lead us through the packet</p>	<p style="text-align: right;">Page 19</p> <p>1 assessments, totaling approximately \$700, 2 pending peer and/or final review. Fieldwork 3 is still in progress for the two remaining 4 fiscal year '14 audits. 5 Five of the 31 audits were open in 6 fiscal year '13. One fiscal year '13 audit 7 has been referred to legal for collection of 8 \$4,016.58. As of yesterday, I learned that 9 a petition to file suit has been reviewed 10 and signed by the attorney. The auditor has 11 signed an affidavit and verification of the 12 amount and it will be filed shortly. 13 A demand letter and invoice was sent 14 for one fiscal year '13 case on 2/10/15 in 15 the amount of \$904.17. 16 Fieldwork has been completed on two of 17 the remaining fiscal year '13 audits, 18 resulting in one potentially clean audit and 19 one potential assessment of approximately 20 \$4,500. 21 The fifth fiscal year '13 case is set 22 to be closed with no assessment. 23 And as I've discussed in previous 24 meetings, the four remaining active cases 25 were started prior to fiscal year '13. Two</p>
<p style="text-align: right;">Page 18</p> <p>1 that you're going to talk through. 2 MR. MORIN: 3 There -- there is nothing in the 4 packet. 5 MR. MILAZZO: 6 Okay. 7 MR. MORIN: 8 We currently have 31 open audit cases. 9 Eleven of those were open in fiscal year 10 '15. Fieldwork has been completed for five 11 of these audits, resulting in potential 12 clean audits with no assessment and two 13 potential assessments, totaling 14 approximately \$527, pending peer review and 15 final review. 16 Five fiscal year '15 cases are 17 currently in progress. And the eleventh 18 fiscal year '15 case was assessed at \$8,566, 19 which is collected in full. The file is set 20 to be closed. 21 Eleven of the 31 audits were open in 22 fiscal year '14. Fieldwork has been 23 completed on nine of these audits, resulting 24 in seven potentially clean audits with no 25 assessment and two potential audit</p>	<p style="text-align: right;">Page 20</p> <p>1 of those cases have judgments. The course 2 of action for one case still remains to file 3 a claim against a succession. The 4 succession has not been opened, per the 5 Clerk of Court's office. The other case 6 with the judgment, legal mailed the petition 7 for garnishment on 8/20/14. As of 8 yesterday, the respondent had agreed to a 9 payment plan and had -- they received the 10 payment plan on 1/28/15. And we are 11 awaiting signed documents and a down payment 12 of \$4,000. 13 The legal status remains the same 14 since the last board meeting in one audit 15 opened prior to fiscal year '13. The 16 attorneys are -- are still looking at it to 17 determine the plan of action. And the 18 remaining legal case, as of yesterday, the 19 update is that legal determined for this 20 case that any legal action against the 21 corporation would probably be futile, given 22 that the corporation is bankrupt and it was 23 dissolved in 2009. So that is likely 24 uncollectible. 25 Two fiscal year '14 cases have been</p>

Page 21

1 finalized and closed with no assessment
 2 since the November meeting.
 3 To date, in fiscal year 2015, demand
 4 has been made for two assessments, totaling
 5 \$9,470 in delinquent fees and late
 6 penalties. \$8,566 of that has been
 7 collected. And \$904.17 remains outstanding.
 8 So as of today, the total confirmed
 9 outstanding delinquent fees and penalties
 10 for the 31 open cases is \$127,122.79.
 11 The five cases being pursued legally
 12 account for approximately \$126,000 of that.
 13 Approximately \$11,500 of that is related to
 14 the case that's probably uncollectible. And
 15 the remaining \$904.17, as I said before, is
 16 -- we've recently invoiced.
 17 And that's it.
 18 MR. MILAZZO:
 19 I want to first, you know, say thanks
 20 because I know we've had some discussions in
 21 the last couple of meetings about this.
 22 MR. MORIN:
 23 Yes.
 24 MR. MILAZZO:
 25 And I appreciate you sharing some of

Page 22

1 the detail. The thought I have is that it
 2 would be nice -- and I know, one, you're
 3 careful what -- what you guys are -- what we
 4 all see. And, I mean, I'm sure you're
 5 identifying certain members kind of, you
 6 know, within our industry. So it's not that
 7 we need to see who they are --
 8 MR. MORIN:
 9 Correct.
 10 MR. MILAZZO:
 11 -- but it would be nice to be able to
 12 look at some kind of at least summary of
 13 that, that could be included so that we at
 14 least understand the work that you guys are
 15 doing.
 16 The question I have, you know, you --
 17 you guys realize that there's a shortfall or
 18 someone didn't do all the reporting and --
 19 and there's an assessment to them. Are a
 20 number of these folks still in business
 21 today? I mean --
 22 MR. MORIN:
 23 Yes, yes. Of course.
 24 MR. MILAZZO:
 25 So is there something we could do,

Page 23

1 make some recommendations -- not sure of the
 2 legal opinion. But, you know, we all have
 3 to compete at the end of the day. And if
 4 someone's doing what's right and proper and
 5 other guys are not, obviously the trust fund
 6 pays the price, but we all do at the end of
 7 the day. And, you know, this isn't a tax
 8 that's passed on to the consumer. I mean,
 9 this is a fee that we all have to write a
 10 check for at the end of the month. So can
 11 we stiffen up the penalty for someone that's
 12 still in business, that realizes he's got an
 13 assessment against him, that's not paying?
 14 And I don't know that that's the case.
 15 MR. MORIN:
 16 And I think we've discussed that in
 17 previous meetings, potentially with Deidra
 18 in here.
 19 (An off-the-record discussion followed.)
 20 MR. MORIN:
 21 You're talking about like audit
 22 summary reports?
 23 MS. ANDREWS:
 24 Yes. I think that's the -- one of the
 25 -- one of the options that we've been

Page 24

1 looking at is to put audit summaries on our
 2 public website.
 3 MR. MORIN:
 4 As a matter of fact, we do.
 5 MS. ANDREWS:
 6 Right.
 7 MR. MORIN:
 8 We do. Once the audit is complete,
 9 the final audit summary, which kind of
 10 spells out everything that took place, it
 11 goes onto our public document system. So --
 12 MR. MILAZZO:
 13 So it is something that you -- that
 14 you can share.
 15 MR. MORIN:
 16 So --
 17 MS. ANDREWS:
 18 Yes.
 19 MR. MORIN:
 20 So -- so it -- it can be accessed once
 21 it's -- it's on there.
 22 MS. ANDREWS:
 23 Yes.
 24 MR. MILAZZO:
 25 So then is it --

Page 25

1 MR. MORIN:
 2 Now -- yes, that -- it's put on there
 3 once everything is complete and finalized.
 4 MR. MILAZZO:
 5 And I go back to the original question
 6 then.
 7 MR. MORIN:
 8 Sure.
 9 MR. MILAZZO:
 10 Is there anything we can do to stiffen
 11 the penalty, whatever it might be, that
 12 someone that's still in business today and
 13 has not responded to the requirements of the
 14 trust fund --
 15 MS. ANDREWS:
 16 I think that's all driven by statute.
 17 And so we're really bound by what the
 18 statute says that we can do.
 19 MR. MILAZZO:
 20 And so is it fair to say that -- that
 21 you guys are using all of the privileges of
 22 the statute to -- to enforce collections?
 23 MS. ANDREWS:
 24 We believe we are.
 25 MR. MORIN:

Page 26

1 I mean, and the penalty --
 2 MR. MILAZZO:
 3 And I don't want to -- I don't want to
 4 belabor it. I just -- you know, it's been a
 5 pet peeve of mine, you know, for a while
 6 now. And I'm delighted to see, you know --
 7 MS. ANDREWS:
 8 The -- the -- and I -- and I -- I know
 9 where you're going. There are -- there are
 10 basically two routes that -- that we have
 11 available to us. You have the environmental
 12 route or the route that takes you to come
 13 after them financially. And we've always
 14 gone the financial route against them. And
 15 that allows our legal teams to be able to
 16 put the liens on them, to be able to put --
 17 do the garnishments, for us to be able to --
 18 MR. MORIN:
 19 And they can -- they can also request
 20 additional penalties.
 21 MS. ANDREWS:
 22 Right. The --
 23 MR. MORIN:
 24 Judicial interest.
 25 MS. ANDREWS:

Page 27

1 Right. The other option is well more
 2 cumbersome and is probably really not --
 3 we've never felt was the appropriate route,
 4 and that's going through the environmental
 5 penalty side of it. And, you know, that's -
 6 - I -- you know, we've just never gone on --
 7 in that direction, because this is more of a
 8 financial issue.
 9 MR. MILAZZO:
 10 Right. No, I get it. And I -- and I
 11 appreciate the way you're handling it. I
 12 just -- you know, if there's a way to
 13 stiffen up, you know, the -- the requirement
 14 to pay, then that's --
 15 MS. ANDREWS:
 16 I will tell you that last year -- I
 17 think it was last year or it might have been
 18 the year before -- in the legislative
 19 session, they did -- they did pass an act
 20 that created an Office of Debt Recovery -- I
 21 think that's the name -- under the
 22 Department of Revenue. And what Cy and the
 23 audit division are now doing is, after they
 24 have made their assessment -- so he goes out
 25 and he will be doing his audits. And he

Page 28

1 determines that somebody owes money. He
 2 will then invoice these companies. And he
 3 then really turns it over. He's now done
 4 with it.
 5 MR. MORIN:
 6 Once -- yes, once we do not collect
 7 it, we forward it on --
 8 MS. ANDREWS:
 9 He's now finished. He has now
 10 invoiced these companies. They will then
 11 have a -- a prescriptive period to pay these
 12 bills, as you will. And if they do not pay
 13 them in so many days, they're going to get
 14 turned over to the Office of Debt Recovery.
 15 And that is way worse than anything that
 16 this department will be doing.
 17 MR. HILL:
 18 Is that like filing a lien on the
 19 property?
 20 MS. ANDREWS:
 21 It's worse than that.
 22 MR. HILL:
 23 Is it?
 24 MS. ANDREWS:
 25 Yes.

Page 29

1 MR. MILAZZO:
 2 Well, good.
 3 MS. ANDREWS:
 4 So the legislature actually puts some
 5 -- some -- built some things in the last
 6 couple of years because of their concerns of
 7 collections for the rest of the state. So
 8 this will get caught up in that, you know,
 9 whether it's, you know, by accident or
 10 purpose, it will be part of it.
 11 MR. MORIN:
 12 Right. And it does seem like they're
 13 -- they're nearing --
 14 MS. ANDREWS:
 15 Yes.
 16 MR. MORIN:
 17 -- the point where they're actually
 18 going to start forwarding things on.
 19 MS. ANDREWS:
 20 Right. Yes. We've been working --
 21 MR. MORIN:
 22 It's been a work in progress for us.
 23 MS. ANDREWS:
 24 Yes. We have weekly meetings with the
 25 Office of Debt Recovery that we're working

Page 30

1 towards having these referred. Now, we're -
 2 - I don't want to tell you that that's going
 3 to happen in the next three months, because
 4 we're kind of taking baby steps on getting
 5 them. It's -- it's a very cumbersome
 6 process for us to be able to electronically
 7 get things referred. You know, with all
 8 these agencies, everybody has their own
 9 processes, you know, computer wise. And so,
 10 we're all trying to get on the same page.
 11 But this will be one of those items. If
 12 these companies don't pay, after 90 days, it
 13 goes over there. And they'll have 25
 14 percent surcharge on top of this. What we
 15 also do is, they now wind up using a
 16 judicial interest rate, which is a daily
 17 compounding rate. So we've actually made a
 18 lot of changes here in the last I'd say two
 19 years.
 20 MR. MORIN:
 21 Actually, the -- the interest rate --
 22 the interest is not charged on --
 23 MS. ANDREWS:
 24 On -- on -- right.
 25 MR. MORIN:

Page 31

1 That would be --
 2 MS. ANDREWS:
 3 Okay. So there's -- there are some --
 4 a lot of changes that we've made.
 5 MR. MILAZZO:
 6 Well, it appears you guys are doing a
 7 great job of identifying that. Now, you
 8 know, it's just the collection process that,
 9 you know -- but again, a lot of progress
 10 made. So I just wanted to tell you thanks.
 11 MR. MORIN:
 12 You're welcome.
 13 MR. BURNHAM:
 14 I had a question for Cy. Cy, how many
 15 new audits are initiated within a given time
 16 period, out of curiosity?
 17 MR. MORIN:
 18 Okay. So for this -- for this fiscal
 19 year, we're initiating 18 new audits.
 20 MR. BURNHAM:
 21 Okay. And how do you choose? Is that
 22 randomly selected or --
 23 MR. MORIN:
 24 Currently, I -- I have a guy that is
 25 our motor fuel auditor and he does analysis

Page 32

1 of who's registering and who's certificate
 2 holders within the department. And he looks
 3 at -- at fees paid, you know, for everyone
 4 and he sees a status if anything -- you
 5 know, he basically looks at the status of
 6 the businesses and the payment history.
 7 That's what we really have the access to
 8 right now. And he puts together
 9 spreadsheets showing who's been audited in
 10 the past, who's never been audited, who's
 11 been audited for certain reasons. And he
 12 uses that to determine who he's going to
 13 start, you know, auditing next.
 14 MR. BURNHAM:
 15 Okay.
 16 MR. MORIN:
 17 And he -- I -- he's in the process
 18 right now where he's trying to rotate
 19 through and -- and get people to go out to
 20 businesses that have never been audited or,
 21 you know, things of that nature.
 22 MR. BURNHAM:
 23 Okay. Thank you.
 24 MR. MORIN:
 25 You're welcome.

Page 33

1 MR. MILAZZO:
 2 You know, maybe a final thought. And
 3 I know that not always do the departments
 4 talk to one another. But, you know, it
 5 seems as though you -- if you had access to
 6 the department of revenue and you see all
 7 the tax, you know, where is the tax paid
 8 fuel going through, what -- what license the
 9 wholesalers are looking at those or -- or
 10 selling those and have some -- just -- just
 11 a file that's -- a spreadsheet that's
 12 calculating this stuff. Say, "Okay. This
 13 guy pulled so many gallons, but yet, we're
 14 seeing submission on X number of gallons."
 15 I mean, just --
 16 MR. MORIN:
 17 Yes.
 18 MR. MILAZZO:
 19 You could build a rule of thumb out
 20 there to at least say -- you've got out of
 21 state brokers in town now, selling lots of
 22 gallons. And, you know, where -- are
 23 their responsibilities come --
 24 MR. MORIN:
 25 It could be a way to identify --

Page 34

1 MR. MILAZZO:
 2 Yes, you may not even know them.
 3 MR. MORIN:
 4 -- people that we're not aware of.
 5 That's -- that's true.
 6 MR. MILAZZO:
 7 So I don't know what you can do with
 8 that, but it seems to me that you guys could
 9 build some calculations that would -- would
 10 begin to point some fingers at some places
 11 that you may have not thought about.
 12 MR. MORIN:
 13 Okay.
 14 MR. MILAZZO:
 15 Okay. And no other questions. Let's
 16 go to Jeff and the trust fund status report.
 17 MR. BAKER:
 18 Good afternoon. If ya'll would refer
 19 to tab number six in the packet. These are
 20 the figures for the second quarter of fiscal
 21 year 2015.
 22 During the second quarter of fiscal
 23 year 2015, the trust fund received 252
 24 applications that totaled \$3,781,473.
 25 During this period, 183 applications were

Page 35

1 processed for payment, totaling \$2,285,680.
 2 And 72 applications were returned with
 3 deficiencies.
 4 The number of deficiencies this
 5 quarter was a little bit higher because we
 6 went through and did a -- used a new
 7 application. We've been giving the RACs a
 8 number of months to get used to get
 9 acclimated to it and we gave them a
 10 deadline, and the deadline passed and they
 11 continued to use the old application, so we
 12 had a number that went back, telling them
 13 they needed to use the new one. We expect
 14 most of these applications to come back in
 15 subsequent quarters.
 16 For the sites in the corrective action
 17 phase, the outstanding liability for the
 18 corrective action plan budget and estimated
 19 costs to reach closure at the end of
 20 December 2014 was \$31,107,679.
 21 The additional obligation recognized
 22 for non-CAP sites, plus the projected motor
 23 fuel trust fund to environmental trust fund
 24 transfer, was \$40,963,750.
 25 At the end of December 2014, the trust

Page 36

1 fund had 151 pending applications to
 2 process, which have requested amounts,
 3 totaling \$2,501,249. Of this amount, the
 4 estimated requested obligations relating to
 5 CAP budgets and closure costs was
 6 \$1,741,820.
 7 If you'll note the legal-sized last
 8 page of your packet, it list a number of
 9 trust fund sites that received no further
 10 action status. So far, for this fiscal
 11 year, it's ten sites.
 12 You don't have this in these numbers
 13 in your packets, but the number of potential
 14 trust fund sites that were reviewed and made
 15 eligible during the current fiscal period
 16 was 19 sites, representing 20 active
 17 incidents.
 18 Points of interest relating to the
 19 trust fund. The trust fund is continuing to
 20 work on a draft of the next revision of
 21 the trust fund cost control guidance
 22 document. Our intention is the registered
 23 RAC community will be emailed in the next
 24 week with an opportunity for any RAC that is
 25 willing to participate in an email or phone

Page 37

1 conference workgroup relating to the
 2 guidance document revision for them to -- to
 3 give them an opportunity to advise the
 4 department that they are willing to
 5 participate. These workgroups will look at
 6 reimbursement issues the trust fund is
 7 attempting to clarify in guidance or in
 8 helping us research and develop new or
 9 revised unit rates.
 10 Does anybody have any questions?
 11 MR. MARCELLO:
 12 So how many -- you had a total sum of
 13 pending applications totaled \$2,501,000 and
 14 how many sites were they, or applications?
 15 MR. BAKER:
 16 151 applications.
 17 MR. MARCELLO:
 18 151.
 19 MR. BAKER:
 20 The majority of those applications
 21 were received from October 31 through the
 22 end of December. There was not a lot -- I
 23 think there was only 10 or 12 of them that
 24 were beyond the October 31 time frame.
 25 MR. IVEY:

Page 38

1 Is -- is there a calculation that you
 2 can share with us on the current outstanding
 3 CAP budgets that comes up with the thirty-
 4 one million and also the non-CAP? Ya'll
 5 calculate that internal?
 6 MR. BAKER:
 7 The non-CAP is -- yes, sir, we do. We
 8 have internal calculations on it. We can
 9 provide that if ya'll would like.
 10 MR. IVEY:
 11 Okay. Yes. I -- I would like to see
 12 it.
 13 MR. BAKER:
 14 We can email that to your email after
 15 the meeting.
 16 MR. IVEY:
 17 Okay.
 18 MR. MARCELLO:
 19 Does the total sum of pending
 20 applications include work being done at this
 21 present time?
 22 MR. BAKER:
 23 No, sir.
 24 MR. MARCELLO:
 25 In other words, these are -- this

Page 39

1 legal-sized sheet are no further action
 2 granted locations; am I correct?
 3 MR. BAKER:
 4 Yes, sir.
 5 MR. MARCELLO:
 6 So --
 7 MR. BAKER:
 8 Are you asking if --
 9 MR. MARCELLO:
 10 My question was -- my question is, if
 11 these were further action sites, the total
 12 would be 151 plus these nine or ten, it'd be
 13 161? And where I'm going with that is, how
 14 long -- how long in your estimation -- and I
 15 know there's no -- there's no specific time
 16 frame -- but how long -- oh, well, this
 17 answers my question. So the first
 18 application of these sites were -- some of
 19 them were 1992 and 2002 and so forth and so
 20 on. But you've got 151 pending
 21 applications. What's in the middle of that?
 22 MR. BAKER:
 23 Well, let's -- let's clarify. I think
 24 we're talking apples and oranges.
 25 MR. MARCELLO:

Page 40

1 Okay.
 2 MR. BAKER:
 3 You're -- you're talking about active
 4 sites. Okay? Currently, we have 295 active
 5 trust fund sites.
 6 MR. MARCELLO:
 7 Right.
 8 MR. BAKER:
 9 What you're looking at on that legal
 10 page is the number of sites that we closed
 11 during that time period. The 151 represents
 12 active applications for those sites:
 13 MR. MARCELLO:
 14 Exactly.
 15 MR. BAKER:
 16 So one of those sites may have several
 17 quarters of applications in at one time. So
 18 does that clarify --
 19 MR. MARCELLO:
 20 That -- that clarifies it.
 21 MR. BAKER:
 22 Okay, sir.
 23 MR. MARCELLO:
 24 Thank you.
 25 MR. MILAZZO:

Page 41

1 Jeff, let me ask, when I look at the
 2 current obligated balance of the trust fund,
 3 the total sum of CAP charges and pending
 4 applications, there's a subtraction of that
 5 number.
 6 MR. BAKER:
 7 Yes, sir. You're talking about where
 8 we have the total sum of the pending and
 9 then we have the total sum of the CAP
 10 charges?
 11 MR. MILAZZO:
 12 Right. Yes.
 13 MR. BAKER:
 14 The reason we do that is not -- so not
 15 to duplicate those CAP charges. Those CAP
 16 charges are already included in the current
 17 totals of the CAP budget. If you don't back
 18 them out as part of the pending, you'll be
 19 duplicating that -- those numbers.
 20 MR. MILAZZO:
 21 All right.
 22 MR. BURNHAM:
 23 They were submitted as a -- part of a
 24 cost estimate, which is where that thirty-
 25 one million number came from?

Page 42

1 MR. BAKER:
 2 Those are -- those are the -- yes,
 3 sir.
 4 MR. BURNHAM:
 5 Right.
 6 MR. BAKER:
 7 The applications came in with
 8 requested amount of this amount, plus a
 9 portion of that was CAP budget.
 10 MR. BURNHAM:
 11 Right.
 12 MR. BAKER:
 13 Well, that's already included in the
 14 CAP budget estimates that we haven't applied
 15 yet. So we don't want to duplicate that --
 16 those obligations.
 17 MR. MILAZZO:
 18 Okay. Any other questions?
 19 (No response.)
 20 MR. MILAZZO:
 21 All right. Thank you, Jeff.
 22 And I guess, Jill, you'll talk about
 23 the third party claims for us.
 24 MS. CARTER:
 25 There is no change in the status of

Page 43

1 our current third party claims. And we do
 2 not have any new third party claims to
 3 report.
 4 MR. MILAZZO:
 5 Well, that was quick. Any questions
 6 about that?
 7 (No response.)
 8 MR. MILAZZO:
 9 Okay. At this time, I'd like to go
 10 into other business. I think, Kerry, you
 11 had a comment, perhaps some questions.
 12 MR. HILL:
 13 I do. On Friday, the Governor made an
 14 announcement to mid-year cuts to balance the
 15 fiscal year. And we discovered that there
 16 was reported -- in the reduction report, we
 17 saw the two items in reductions and revenue
 18 opportunities that totaled 8.7 million
 19 dollars that would come from the UST trust
 20 fund. We believe this is against the law.
 21 It -- if it's protected, how can they draw
 22 that money out of the fund? Can somebody
 23 put some clarity to that?
 24 MS. CARTER:
 25 That one, I will have to defer until

Page 44

1 Perry comes back.
 2 MR. HILL:
 3 Okay.
 4 MS. CARTER:
 5 I'm sitting in for Perry, and he -- I
 6 think he expected to be at this meeting but
 7 was called away.
 8 MR. HILL:
 9 Okay.
 10 MS. CARTER:
 11 So if you could wait until Perry --
 12 and I'll let him know that you have a
 13 question about that.
 14 MR. HILL:
 15 Well, it's a very important question
 16 deal to --
 17 MS. CARTER:
 18 Sure.
 19 MR. HILL:
 20 -- these three right here, including
 21 myself.
 22 MS. CARTER:
 23 Sure.
 24 MR. HILL:
 25 When we go buy property to build a

Page 45

1 convenient store, we have to get the soil
 2 tested and do phase one, two or three -- you
 3 know, it can be quite expensive -- before we
 4 can get financing to -- to buy the property,
 5 let alone spend another two and a half,
 6 three million dollars, depending on what
 7 you're -- what size site you're building.
 8 And we have all -- all told and we all
 9 preach to our banks that we have a trust
 10 fund -- just like on the building, we have
 11 to provide the bank with a -- with an
 12 insurance certificate. Well, on these
 13 tanks, underground -- and they all know,
 14 because they're on both sides of the coin.
 15 They either -- you're either asking to
 16 borrow money to buy the property or you're
 17 asking to borrow on a site that's already
 18 ongoing and that has these -- this trust
 19 fund eligibility program in place and -- and
 20 so there's a level of comfort that we have
 21 established with our banks. There's a
 22 dis-level of comfort out there with us
 23 whenever we see this money potentially being
 24 robbed -- or maybe I should've said robbed.
 25 But being used for something else. But we -

Page 46

1 - we have worked hard to protect that. And
 2 it's kind of a scary feeling. And that -- I
 3 would like some clarity on that, if
 4 possible.
 5 MS. CARTER:
 6 Oh, sure. I understand. I -- I will
 7 pass that on to Perry.
 8 MR. HILL:
 9 Okay.
 10 MS. CARTER:
 11 I know ya'll are new and I would
 12 assume that he's -- I don't know if he has
 13 ya'll's email address or your contact
 14 information --
 15 MS. VIZINAT:
 16 I do.
 17 MS. CARTER:
 18 You have it, okay. Then I'll have him
 19 --
 20 MR. HILL:
 21 Okay.
 22 MR. MILAZZO:
 23 Let me kind of --
 24 MR. MARCELLO:
 25 If -- if I may make a suggestion, if

Page 47

1 you don't mind. I mean, I -- I would like
 2 him to -- our go to person of our
 3 association is Natalie. And I -- I would
 4 like for Mr. Perry, is it, to -- or whoever
 5 answers the question -- just to -- to maybe
 6 just harp on or answer the validly the of --
 7 of Kerry's request in that Louisiana Revised
 8 Statute 21:95-6, ownership of tank trust
 9 fund -- and I'll just read the first
 10 sentence. "The tank trust fund shall be
 11 used only for the purpose set forth in
 12 Revised Statute 30:2194 through 2195 and no"
 13 -- "and no other governmental purposes nor
 14 shall any portion thereof be available to
 15 borrow from by any branch of government."
 16 So maybe he can just answer -- answer that
 17 simple question regarding that particular
 18 statute and refer back to Natalie, and
 19 Natalie can send out -- because this -- it's
 20 the consensus on the Louisiana Oil
 21 Marketers, I'm sure -- and again, I'm not
 22 here speaking for them. Natalie would do
 23 that. But --
 24 MR. HILL:
 25 That's a good idea.

Page 48

1 MR. MARCELLO:
 2 You know, just -- just basically
 3 answer that. And then she'll let all the
 4 members know.
 5 MS. ISAACKS:
 6 You're right. And if I could just
 7 add, sooner rather than later, because it's
 8 --
 9 MR. MILAZZO:
 10 So this is getting ready to --
 11 MS. ISAACKS:
 12 -- at the end of the -- the budget
 13 committee is the 20th.
 14 MR. HILL:
 15 That could help ya'll and --
 16 MS. ISAACKS:
 17 That's less than two weeks.
 18 MR. HILL:
 19 -- that could help Natalie too. She
 20 would kind of be the go to person, because
 21 she lets us know.
 22 MR. MILAZZO:
 23 And, Jill, you know, in the absence of
 24 Vince being here today, as well as Perry --
 25 in all due respect, you know, to the role

Page 49

1 they play in accordance with some other
 2 questions. In fact, you know, we were
 3 hopeful of having an update on some of the
 4 pending lawsuits. You know, there's another
 5 discussion point as -- as we think about
 6 where those funds may sit. And I know we
 7 probably need to go into executive session
 8 to discuss it. I'm not sure if there's a
 9 purpose if there's no one here to really
 10 answer those questions. There's no reason
 11 to call for that. But I do want to say that
 12 time is of the essence because of the
 13 urgency in the Governor's office right now.
 14 There's every indication, as Frank said,
 15 that, you know, this is not a tax. It is a
 16 -- it is a fee.
 17 MS. CARTER:
 18 Right.
 19 MR. MILAZZO:
 20 And -- and when you start looking at
 21 it, it's identified. And, you know, when
 22 you look at what's being considered as an
 23 opportunity revenue for the budget
 24 shortfall, I -- I wouldn't want to wake up
 25 and have my bank call me and -- and say,

Page 50

1 "You know, we're looking at the balance
 2 sheet of the trust fund and it" -- "and it
 3 is indeed an insolvent entity today, if the"
 4 -- "if the" -- "if Baton Rouge or the
 5 Governor's office has their way." And I
 6 don't want to speak for those that -- from
 7 the contractors standpoint. You know, I'm
 8 sure they have a point of view as well. And
 9 I'm not sure, Shawn, if you've got any
 10 commentary for that, but I -- I just think
 11 we're traveling down a path. And I don't
 12 want to wake up tomorrow and find myself
 13 going out and looking for environmental
 14 pollution insurance when I think we've done
 15 that. And we've had a great fund, under
 16 your administration. You know, we -- we see
 17 that we're more and more, you know, funding
 18 -- you know, bigger parts of the department
 19 and -- and -- but yet, we still are tracking
 20 okay. But if we start, you know, opening up
 21 opportunities for other parts of Louisiana
 22 government to reach in, then we are going to
 23 have a problem. And I don't know where it
 24 ends, but it -- it's really concerning. And
 25 this seems to be something that is most

Page 51

1 urgent. Unfortunately, we don't have, you
 2 know, the other folks in the room that we'd
 3 like to be talking to as well. So we have
 4 to rely on you to kind of share this message
 5 of urgency that -- that they've just
 6 mentioned. And we -- we do challenge the
 7 thinking that this -- this can be raided for
 8 other purposes of government when the
 9 statute seems to be pretty straight forward.
 10 And I think from those who are contributing
 11 to the financial well-being of the trust
 12 fund, I think we certainly deserve some
 13 answers --
 14 MS. CARTER:
 15 Oh, sure.
 16 MR. MILAZZO:
 17 -- soon.
 18 Any comments with respect to that.
 19 Shawn, Steve?
 20 MR. IVEY:
 21 I guess as far as I'm concerned, we
 22 have seen in other states where a fund has
 23 been considered insolvent. And then all of
 24 a sudden, there's no money going out. You
 25 know, that -- that's really our biggest

Page 52

1 concern, because, you know, a lot of our
 2 business we get paid through the trust fund.
 3 Our bank looks at us and looks at our
 4 accounts receivable and expects them to be
 5 paid by trust fund. So if they're not, then
 6 our bank looks hard at us going, "Where are
 7 you getting the money?" So I guess that's
 8 my concern is -- is at what point does the
 9 trust fund become insolvent if we, you know,
 10 keep grabbing money out of it? Especially
 11 since the obligations are, what, 72 million.
 12 You know, if we drop below that, at what
 13 point does it become insolvent?
 14 MR. MILAZZO:
 15 And I think, you know, Kerry raised a
 16 great point. Not to, you know, keep hashing
 17 on the same thing, but, you know, when --
 18 when the banks look at that as an
 19 opportunity to say, you know, those
 20 mortgages are solvent, because it is
 21 certainly a -- a course of insurance for us
 22 and -- and begin to question the integrity
 23 of the fund and it's ability to -- to solve
 24 a release problem, then we're going to be --
 25 we're either going to be -- we're going to

Page 53

1 see loans being called or we're going to be
2 finding other sources of protection for the
3 bank. And that's just the starting point.
4 And I think if we don't stand up today to
5 protect this now, then what happens when we
6 get into the legislation session and they're
7 trying to solve the problem in the next
8 fiscal year?
9 MR. BURNHAM:
10 Right.
11 MR. MILAZZO:
12 Is this going to be an even bigger
13 concern as we go forward? So if we're going
14 to stop it, the best chance we have is to
15 stop it before it gets started. And that's
16 now.
17 MR. HILL:
18 Jill, did you say you had called for
19 Vince to come to this meeting, or he wasn't
20 going to be able to come today?
21 MS. CARTER:
22 I'm sorry. Say that again.
23 MR. HILL:
24 Did you say you had called or asked
25 for Vince to --

Page 54

1 MS. ANDREWS:
2 I can -- I can tell you. Vince had a
3 meeting at the capitol this afternoon --
4 MR. HILL:
5 Oh, okay.
6 MS. ANDREWS:
7 -- after lunch on another matter.
8 MR. HILL:
9 Okay. I just --
10 MS. ANDREWS:
11 So he was not able to attend.
12 MR. HILL:
13 I misunderstood her. And this is such
14 -- this is a very important item to us.
15 MS. ANDREWS:
16 And I can let you know that we did --
17 Vince and Secretary Hatch did have a meeting
18 with the Office of Planning and Budget with
19 -- concerning all of our statutory
20 dedicated funds. And all of our funds at
21 this department are statutorily dedicated.
22 It's not just your fund. And we met
23 extensively on them. They asked for all of
24 our obligations and our fund balances for
25 every one of them. And this was one of many

Page 55

1 that we had discussions on. So when the --
2 the information did come out, we were -- you
3 got what we got. So I'm -- I'm -- you know,
4 I'm not sure, you know, what Vince is going
5 to be able to give you. I'm sure Perry will
6 be able -- perhaps will be able to share
7 with you some information. I'm -- I'm not
8 sure that he's going to be able to give you
9 anymore than what you're reading in the
10 statute.
11 MR. HILL:
12 Well, just a question that I have. I
13 would be genuine -- genuinely concerned that
14 ya'll would feel the same way that we do
15 because this is a department that -- that
16 funds everything, correct? Good question,
17 bad question or --
18 MS. ANDREWS:
19 I'll -- I'll have to refer that to
20 other -- other folks.
21 MR. HILL:
22 Okay.
23 MR. MILAZZO:
24 Well, you know, I'll just -- I'll
25 conclude --

Page 56

1 MS. ANDREWS:
2 Or, I'll be happy to speak with you
3 off the record.
4 MR. MILAZZO:
5 Yes. I'll conclude this. I won't use
6 the same term as Kerry, but, you know, if --
7 if the statute is -- is as clear and concise
8 as it is, and we allow this money grab at
9 the level in which it's being considered,
10 then we -- we really don't have anything.
11 And we -- we could really at the next
12 meeting begin to start thinking about other
13 means to protect ourselves. Because, I
14 mean, we'll be traveling down that route.
15 And it's a scary thought, as you described,
16 that -- that -- the question is, what's the
17 balance in the fund and how much of that's
18 encumbered? And then, coincidentally, you
19 know, we see eight million dollars in an
20 opportunity revenue bucket. And I hear you
21 loud and clear, this is just one of many
22 that you guys administer. So as -- as a
23 member of a fund that -- that was -- you
24 know, we fought hard to -- to create it for
25 -- for a single purpose, it's a scary time.

Page 57

1 And I don't want to sit here and criticize
 2 our government, but, you know, it's -- it
 3 doesn't give me a good feeling of our
 4 ability to run our business with some
 5 protective covenants that -- that we
 6 worked hard to establish. And so I do
 7 respect that you guys -- there's only so
 8 much you can share with us and we certainly
 9 understand that. But I do hope -- you're
 10 the only folks listening to us today --
 11 that -- that you'll take our concern and --
 12 and share it with Vince and Perry, Secretary
 13 Hatch and -- and whoever else will listen to
 14 you. And if you need some support to help
 15 tell our message again, I'll gladly -- you
 16 know, we'll team up and we'll be back to
 17 talk to them directly, if that would matter.
 18 MR. BURNHAM:
 19 Before we close, I just want to go on
 20 record as concurring with the other board
 21 members that I think it would be totally
 22 inappropriate to take funds for other
 23 reasons from the trust fund. And even if we
 24 survive the amount that is being purposed
 25 now, to set that precedent would be

Page 58

1 something that would cause you to -- the
 2 trust fund amount would be totally
 3 unreliable from here on out because of the
 4 possibility of that happening, which as
 5 Shawn and others have said, would effect
 6 bankers in their decisions and everything
 7 else. So I just want to make sure I go on
 8 record as concurring with --
 9 MR. MILAZZO:
 10 Well, it's -- it's the lending market
 11 that sees that --
 12 MR. BURNHAM:
 13 Right.
 14 MR. MILAZZO:
 15 -- and says, "Well, that's a money
 16 grab."
 17 MR. BURNHAM:
 18 Right.
 19 MR. MILAZZO:
 20 "We have no integrity in that now,
 21 that your statute doesn't mean anything."
 22 Those -- those fire walls, if you will, are
 23 over. I mean, that -- that will put this
 24 thing in a spiral situation. I think you
 25 guys should know that. I would be a real

Page 59

1 tough situation for us. And if you're going
 2 to have insurance, then why do you need to
 3 have both, right? I'm not making a plea
 4 that we need to go off and get insurance.
 5 We -- we think we have what we need, but we
 6 need to maintain the integrity of it.
 7 Any other comments in respect to the
 8 trust fund?
 9 (No response.)
 10 MR. MILAZZO:
 11 Then I'd like to ask -- you know, it -
 12 - it appears it will be a very busy
 13 legislative session. I don't know if there
 14 will be enough time to talk about
 15 environmental substance, but as always, I
 16 think it's important that -- that we can
 17 kind of share if there's something on your
 18 agenda that -- that you think you guys will
 19 be looking at, we'd like to talk to you
 20 about it and see if, you know, perhaps we
 21 share, you know, the same thoughts with you
 22 and we can perhaps go with some sense of
 23 unity with you. If there are things that --
 24 that we're looking at, you know, we'll be
 25 talking to you guys about them. And so I'll

Page 60

1 ask you today, is there -- is there anything
 2 that you know of as of today that -- that
 3 you know could -- could be in the
 4 legislature here in the next month or so?
 5 MR. FULTON:
 6 Not that I know of. Not at this
 7 moment.
 8 MR. MILAZZO:
 9 Okay. We just would ask if you guys
 10 don't mind, we'd rather be your partner
 11 always.
 12 Any other business?
 13 (No response.)
 14 MR. MILAZZO:
 15 Okay. I ask for a motion to adjourn.
 16 MR. HILL:
 17 I make a motion to adjourn.
 18 MR. BURNHAM:
 19 Second.
 20 MR. MILAZZO:
 21 All in favor.
 22 (All indicated yes.)
 23 MR. MILAZZO:
 24 All right. Thank you.
 25 THE MEETING ADJOURNED AT 2:08 P.M.

1 REPORTER'S PAGE
 2 I, Lori B. Overland, Certified Court
 3 Reporter, in and for the State of Louisiana, the
 4 officer, as defined in Rule 28 of the Federal
 5 Rules of Civil Procedure and/or Article 1434(b)
 6 of the Louisiana code of Civil Procedure, before
 7 whom this sworn testimony was taken, do hereby
 8 state on the Record
 9 That due to the interaction in the
 10 spontaneous discourse of this proceeding, dashes
 11 (--) have been used to indicate pauses, changes
 12 in thought, and/or talk overs; that same is the
 13 proper method for a Court Reporters's
 14 transcription of proceeding, and that the dashes
 15 (--) do not indicated that words or phrases have
 16 been left out of this transcript;
 17 That any words and/or names which could not
 18 be verified through reference material have been
 19 denoted with the phrase "(inaudible)."
 20
 21 _____
 22 Lori Overland, C.C.R.
 23 # 97083
 24
 25

1 CERTIFICATION
 2 I, Lori B. Overland, Certified Court Reporter in
 3 and for the State of Louisiana, as the officer
 4 before whom this testimony was taken, do hereby
 5 certify that the above referenced individual to whom
 6 oath was administered, after having been duly sworn
 7 by me upon authority of R.S. 37:2554, did testify as
 8 hereinbefore set forth in the foregoing pages, that
 9 this testimony was reported by me in the stenomask
 10 reporting method, was prepared and transcribed by me
 11 or under my personal direction and supervision, and
 12 is a true and correct transcript to the best of my
 13 ability and understanding; that the transcript has
 14 been prepared in compliance with transcript format
 15 guidelines required by statute or by rules of the
 16 board, that I have acted in compliance with the
 17 prohibition on contractual relationships, as defined
 18 by Louisiana Code of Civil Procedure Article 1434
 19 and in rules and advisory opinions of the board;
 20 that I am not related to counsel or to the parties
 21 herein, nor am I otherwise interested in the outcome
 22 of this matter.
 23
 24 _____
 25 Lori Overland C.C.R.
 # 97083

	20:10	25 (1)	29:9	agenda (3)
\$	10 (2)	30:13	acclimated (1)	4:6,12;59:18
	13:9;37:23	252 (1)	35:9	ago (1)
\$1,229,930 (1)	11 (1)	34:23	accordance (1)	13:16
8:16	12 (2)	28 (1)	49:1	agreed (1)
\$1,741,820 (1)	13:9	61:4	account (2)	20:8
36:6	12:20;37:23	28.54 (1)	8:16;21:12	ahead (1)
\$11,277,269 (1)	13 (7)	9:25	accounting (1)	8:11
8:6	19:6,6,14,17,21,	295 (1)	16:3	allow (1)
\$11,500 (1)	25;20:15	40:4	accounts (1)	56:8
21:13	14 (3)		52:4	allows (1)
\$126,000 (1)	18:22;19:4;20:25	3	acronym (1)	26:15
21:12	1434b (1)		15:21	alone (1)
\$127,122.79 (1)	61:5	30 (3)	acronyms (1)	45:5
21:10	15 (3)	11:9,21;12:10	16:11	always (4)
\$189,000 (1)	18:10,16,18	30:2194 (1)	Act (2)	26:13;33:3;59:15;
11:17	151 (6)	47:12	13:11;27:19	60:11
\$2,285,680 (1)	36:1;37:16,18;	31 (7)	action (8)	American (1)
35:1	39:12,20;40:11	8:5;18:8,21;19:5;	20:2,17,20;35:16,	13:10
\$2,501,000 (1)	161 (1)	21:10;37:21,24	18;36:10;39:1,11	amount (8)
37:13	39:13		active (5)	8:23;19:12,15;
\$2,501,249 (1)	18 (1)	7	19:24;36:16;40:3,	36:3;42:8,8;57:24;
36:3	31:19		4,12	58:2
\$3,781,473 (1)	183 (1)	72 (2)	actual (1)	amounts (1)
34:24	34:25	35:2;52:11	13:6	36:2
\$3,893,513 (1)	19 (1)		actually (6)	analysis (1)
8:7	36:16	8	13:14,16;29:4,17;	31:25
\$31,107,679 (1)	1992 (1)		30:17,21	and/or (4)
35:20	39:19	8.7 (1)	add (1)	19:2;61:5,12,17
\$4,000 (1)		43:18	48:7	ANDREWS (48)
20:12	2	8/20/14 (1)	additional (4)	4:21,22;8:1;9:9;
\$4,016.58 (1)		20:7	15:8;16:9;26:20;	10:2,6,10,15;11:3,8,
19:8	2/10/15 (1)		35:21	12,20;12:12,24;13:5;
\$4,500 (1)	19:14	9	address (2)	14:10,14;15:6,14,22;
19:20	2:08 (1)		4:5;46:13	16:1;17:4,8;23:23;
\$4,805,109 (1)	60:25	90 (1)	adjourn (2)	24:5,17,22;25:15,23;
8:10	20 (1)	30:12	60:15,17	26:7,21,25;27:15;
\$4,844,000 (1)	36:16	97083 (1)	ADJOURNED (1)	28:8,20,24;29:3,14,
9:4	2000 (1)	61:22	60:25	19,23;30:23;31:2;
\$40,963,750 (1)	12:18		administer-(1)	54:1,6,10,15;55:18;
35:24	2002 (1)	A	56:22	56:1
\$527 (1)	39:19	abandon (1)	administration (1)	announcement (1)
18:14	2008 (1)	8:20	50:16	43:14
\$6,638,347 (1)	12:19	ability (2)	adopt (2)	annual (3)
8:15	2009 (2)	52:23;57:4	6:16,18	10:11,14,18
\$630,000 (1)	13:9;20:23	able (11)	adopted (1)	anticipate (1)
11:21	2011 (1)	22:11;26:15,16,17;	7:3	15:1
\$70,252,211 (1)	12:20	30:6;53:20;54:11;	advise (1)	anymore (1)
8:4	2011-'12 (1)	55:5,6,6,8	37:3	55:9
\$700 (1)	11:16	above (1)	affidavit (1)	appears (2)
19:1	2012 (1)	11:2	19:11	31:6;59:12
\$72,830,858 (1)	14:21	absence (2)	afternoon (2)	apples (1)
8:8	2014 (2)	4:3;48:23	34:18;54:3	39:24
\$8,566 (2)	35:20,25	absolutely (3)	again (5)	application (3)
18:18;21:6	2015 (6)	7:21;17:5,9	13:14;31:9;47:21;	35:7,11;39:18
\$9,470 (1)	7:5;8:18;9:2;21:3;	accept (1)	53:22;57:15	applications (15)
21:5	34:21,23	17:17	against (5)	34:24,25;35:2,14;
\$904.17 (3)	20th (1)	access (2)	20:3,20;23:13;	36:1;37:13,14,16,20;
19:15;21:7,15	48:13	accessed (1)	26:14;43:20	38:20;39:21;40:12,
	21:95-6 (1)	24:20	agencies (1)	17:41:4;42:7
	47:8	accident (1)	30:8	applied (1)
1	2195 (1)		agency (2)	42:14
	47:12		10:18;14:19	apply (1)
1/28/15 (1)				

12:3 appreciate (4) 9:14;15:13;21:25; 27:11 appropriate (2) 9:22;27:3 approved (2) 10:16;12:2 approximately (6) 9:4;18:14;19:1,19; 21:12,13 Article (1) 61:5 assessed (1) 18:18 assessment (8) 18:12,25;19:19,22; 21:1;22:19;23:13; 27:24 assessments (3) 18:13;19:1;21:4 Associates (1) 5:9 Association (3) 5:1,4;47:3 assume (2) 4:11;46:12 assure (1) 7:19 attempting (1) 37:7 attend (1) 54:11 attention (1) 6:11 attorney (1) 19:10 attorneys (1) 20:16 attributable (1) 14:3 Audit (11) 4:20;18:8,25;19:6, 18;20:14;23:21;24:1, 8,9;27:23 audited (4) 32:9,10,11,20 auditing (1) 32:13 auditor (2) 19:10;31:25 auditor's (1) 17:21 audits (11) 18:11,12,21,23,24; 19:4,5,17;27:25; 31:15,19 available (2) 26:11;47:14 awaiting (1) 20:11 aware (1) 34:4	away (2) 12:11;44:7 B baby (1) 30:4 back (11) 12:18,21;14:25; 15:1;25:5;35:12,14; 41:17;44:1;47:18; 57:16 bad (1) 55:17 BAKER (20) 5:15,16;34:17; 37:15,19;38:6,13,22; 39:3,7,22;40:2,8,15, 21;41:6,13;42:1,6,12 balance (5) 8:9;41:2;43:14; 50:1;56:17 balances (1) 54:24 bank (5) 45:11;49:25;52:3, 6;53:3 bankers (1) 58:6 bankrupt (1) 20:22 banks (3) 45:9,21;52:18 based (1) 10:19 basically (5) 12:8;17:18;26:10; 32:5;48:2 basis (3) 10:12,14,19 Baton (1) 50:4 become (2) 52:9,13 becomes (1) 14:2 begin (3) 34:10;52:22;56:12 beginning (1) 8:3 behalf (1) 4:7 belabor (1) 26:4 below (1) 52:12 benefit (1) 13:1 benefits (2) 13:7,20 best (1) 53:14 beyond (1)	37:24 bigger (2) 50:18;53:12 biggest (1) 51:25 bills (1) 28:12 bit (8) 7:19,22,23;9:19; 13:22;14:23;15:17; 35:5 board (4) 15:7,10;20:14; 57:20 borrow (3) 45:16,17;47:15 both (2) 45:14;59:3 bound (1) 25:17 branch (1) 47:15 bring (1) 6:10 brokers (1) 33:21 BROUSSARD (2) 6:2,3 bucket (1) 56:20 budget (8) 14:9;35:18;41:17; 42:9,14;48:12;49:23; 54:18 budgets (2) 36:5;38:3 build (3) 33:19;34:9;44:25 building (2) 45:7,10 built (1) 29:5 BURNHAM (15) 5:8,9;6:17;31:13, 20;32:14,22;41:22; 42:4,10;53:9;57:18; 58:12,17;60:18 business (8) 9:21;22:20;23:12; 25:12;43:10;52:2; 57:4;60:12 businesses (2) 32:6,20 busy (1) 59:12 buy (3) 44:25;45:4,16	33:12 calculation (1) 38:1 calculations (2) 34:9;38:8 call (5) 4:2,16;16:10; 49:11,25 called (4) 44:7;53:1,18,24 came (2) 41:25;42:7 can (31) 6:14;15:16;16:9, 10,22;17:9,18;23:10; 24:14,20;25:10,18; 26:19,19;34:7;38:2, 8,14;43:21,22;45:3, 4;47:16,19;51:7; 54:2,2,16;57:8; 59:16,22 CAP (9) 36:5;38:3;41:3,9, 15,15,17;42:9,14 capitol (1) 54:3 card (2) 15:10;16:22 careful (1) 22:3 CARTER (15) 4:8;5:19,20;42:24; 43:24;44:4,10,17,22; 46:5,10,17;49:17; 51:14;53:21 case (9) 18:18;19:14,21; 20:2,5,18,20;21:14; 23:14 cases (7) 18:8,16;19:24; 20:1,25;21:10,11 caught (1) 29:8 cause (1) 58:1 CCR (1) 61:21 certain (2) 22:5;32:11 certainly (4) 9:12;51:12;52:21; 57:8 certificate (2) 32:1;45:12 Certified (1) 61:2 chair (1) 4:4 chairperson (2) 7:5,20 challenge (1) 51:6	chance (1) 53:14 change (2) 11:24;42:25 changes (4) 10:23;30:18;31:4; 61:11 charge (1) 13:25 charged (1) 30:22 charges (6) 10:20;12:3;41:3, 10,15,16 check (1) 23:10 choose (1) 31:21 Civil (2) 61:5,6 claim (1) 20:3 claims (3) 42:23;43:1,2 clarifies (1) 40:20 clarify (3) 37:7;39:23;40:18 clarity (2) 43:23;46:3 clean (3) 18:12,24;19:18 clear (3) 15:17;56:7,21 Clerk (1) 20:5 close (1) 57:19 closed (4) 18:20;19:22;21:1; 40:10 closure (2) 35:19;36:5 code (3) 15:23;16:2;61:6 coin (1) 45:14 coincidentally (1) 56:18 collect (1) 28:6 collected (3) 8:14;18:19;21:7 collection (2) 19:7;31:8 collections (3) 11:13;25:22;29:7 collects (1) 11:25 comfort (2) 45:20,22 comfortable (2) 6:15;16:13
			C	
		calculate (2) 8:22;38:5 calculating (1)		

comment (1) 43:11	COOK (2) 5:21,22	44:16	27:7	5:25;6:1
commentary (1) 50:10	corporation (2) 20:21,22	Debt (3) 27:20;28:14;29:25	directly (1) 57:17	effort (1) 9:15
comments (2) 51:18;59:7	corrective (2) 35:16,18	December (4) 8:5;35:20,25; 37:22	discourse (1) 61:10	eight (2) 14:22;56:19
committee (1) 48:13	correctly (1) 12:9	decisions (1) 58:6	discovered (1) 43:15	either (3) 45:15,15;52:25
community (1) 36:23	cost (6) 10:1,1,17,20; 36:21;41:24	dedicated (2) 54:20,21	discuss (1) 49:8	election (1) 7:4
companies (3) 28:2,10;30:12	costs (6) 11:25;13:8,23; 14:2;35:19;36:5	defer (1) 43:25	discussed (2) 19:23;23:16	electronically (1) 30:6
compete (1) 23:3	couple (3) 9:7;21:21;29:6	deficiencies (2) 35:3,4	discussion (3) 16:10;23:19;49:5	Eleven (2) 18:9,21
completed (3) 18:10,23;19:16	course (3) 20:1;22:23;52:21	defined (1) 61:4	discussions (2) 21:20;55:1	eleventh (1) 18:17
compounding (1) 30:17	Court (2) 61:2,13	Deidra (1) 23:17	dis-level (1) 45:22	eligibility (1) 45:19
computer (1) 30:9	Court's (1) 20:5	delighted (1) 26:6	dissolved (1) 20:23	eligible (1) 36:15
concern (4) 52:1,8;53:13; 57:11	covenants (1) 57:5	delinquent (2) 21:5,9	Division (4) 4:23;5:14,20; 27:23	else (7) 4:11;15:15,16; 16:8;45:25;57:13; 58:7
concerned (2) 51:21;55:13	create (1) 56:24	demand (2) 19:13;21:3	document (3) 24:11;36:22;37:2	email (4) 36:25;38:14,14; 46:13
concerning (2) 50:24;54:19	created (1) 27:20	denoted (1) 61:19	documents (1) 20:11	emailed (1) 36:23
concerns (1) 29:6	criticize (1) 57:1	department (11) 11:24;13:7;14:18; 27:22;28:16;32:2; 33:6;37:4;50:18; 54:21;55:15	dollars (3) 43:19;45:6;56:19	employees (1) 13:24
concise (1) 56:7	cumbersome (2) 27:2;30:5	departmental (1) 14:2	done (3) 28:3;38:20;50:14	encumbered (1) 56:18
conclude (2) 55:25;56:5	curiosity (1) 31:16	departments (1) 33:3	down (3) 20:11;50:11;56:14	end (7) 23:3,6,10;35:19, 25;37:22;48:12
concurring (2) 57:20;58:8	current (7) 8:7;12:22;36:15; 38:2;41:2,16;43:1	depending (1) 45:6	downturn (1) 14:24	ends (1) 50:24
conference (2) 16:10;37:1	currently (5) 17:23;18:8,17; 31:24;40:4	deposited (1) 8:5	draft (1) 36:20	enforce (1) 25:22
confirmed (1) 21:8	cuts (1) 43:14	DEQ (8) 4:20,22;5:16,18, 20;6:1,3,8	draw (1) 43:21	Engineering (1) 5:9
consensus (1) 47:20	Cy (5) 4:20;17:21;27:22; 31:14,14	described (1) 56:15	driven (1) 25:16	enough (2) 17:12;59:14
considered (3) 49:22;51:23;56:9		deserve (1) 51:12	drives (1) 12:23	entire (1) 10:22
Consultants (3) 5:11,22,24	D	detail (1) 22:1	drop (1) 52:12	entity (1) 50:3
consumer (1) 23:8	daily (1) 30:16	details (2) 8:22,25	due (2) 48:25;61:9	environmental (11) 8:24;9:3;10:18; 11:14,23;14:18; 26:11;27:4;35:23; 50:13;59:15
contact (1) 46:13	dangerous (1) 7:22	determine (2) 20:17;32:12	dumb (1) 9:18	ERA (1) 13:10
continued (1) 35:11	dashes (2) 61:10,14	determined (1) 20:19	duplicate (2) 41:15;42:15	Especially (1) 52:10
continuing (1) 36:19	date (3) 8:14,17;21:3	determines (1) 28:1	duplicating (1) 41:19	essence (1) 49:12
contractors (1) 50:7	day (2) 23:3,7	develop (1) 37:8	During (4) 34:22,25;36:15; 40:11	establish (1) 57:6
contributing (1) 51:10	days (2) 28:13;30:12	different (1) 9:20	Durwood (1) 5:18	established (1) 45:21
control (1) 36:21	deadline (2) 35:10,10	direct (2) 10:19;12:3	E	estimate (1)
convenient (1) 45:1	deal (1)	direction (1)	effect (1) 58:5	
			EFFERSON (2)	

41:24 estimated (2) 35:18;36:4 estimates (1) 42:14 estimating (1) 9:1 estimation (1) 39:14 even (3) 34:2;53:12;57:23 everybody (2) 4:11;30:8 everyone (2) 7:19;32:3 everyone's (1) 6:12 Exactly (1) 40:14 executive (1) 49:7 expect (1) 35:13 expected (1) 44:6 expects (1) 52:4 expenditures (5) 8:15;17:9;12:18; 13:2 expensive (1) 45:3 explain (1) 16:11 extensively (1) 54:23	13:23 Fieldwork (4) 18:10;22;19:2,16 fifth (1) 19:21 figures (1) 34:20 file (4) 18:19;19:9;20:2; 33:11 filed (1) 19:12 filing (1) 28:18 final (4) 18:15;19:2;24:9; 33:2 finalized (2) 21:1;25:3 Financial (6) 4:22;7:25;17:17; 26:14;27:8;51:11 financially (1) 26:13 financials (1) 17:2 financing (1) 45:4 find (2) 16:8;50:12 finding (1) 53:2 fingers (1) 34:10 finished (1) 28:9 fire (1) 58:22 first (5) 9:12;13:25;21:19; 39:17;47:9 fiscal (25) 8:3,18;9:2;11:15; 18:9,16,18,22;19:4,6, 6,14,17,21,25;20:15, 25;21:3;31:18;34:20, 22;36:10,15;43:15; 53:8 five (5) 12:9;18:10,16; 19:5;21:11 floor (1) 7:6 fluctuate (1) 10:5 fluctuates (1) 10:11 folks (4) 22:20;51:2;55:20; 57:10 follow (1) 11:15 followed (1)	23:19 forgive (1) 7:22 forth (2) 39:19;47:11 forward (3) 28:7;51:9;53:13 forwarding (1) 29:18 fought (1) 56:24 four (2) 8:3;19:24 frame (2) 37:24;39:16 Frank (5) 4:25;9:13,15;16:7; 49:14 FRANKLIN (2) 5:17,18 free (1) 9:17 Friday (1) 43:13 Fuel (6) 5:16;8:23;12:1; 31:25;33:8;35:23 full (1) 18:19 FULTON (3) 5:12,13;60:5 Fund (51) 4:18;5:16,18;6:1, 8;8:5,13,24,24;9:3; 10:22;11:14,22,23; 12:1;23:5;25:14; 34:16,23;35:23,23; 36:1,9,14,19,19,21; 37:6;40:5;41:2; 43:20,22;45:10,19; 47:9,10;50:2,15; 51:12,22;52:2,5,9, 23;54:22,24;56:17, 23;57:23;58:2;59:8 funding (1) 50:17 funds (5) 49:6;54:20,20; 55:16;57:22 further (3) 36:9;39:1,11 futile (1) 20:21	5:13;13:15 gave (1) 35:9 genuine (1) 55:13 genuinely (1) 55:13 gets (1) 53:15 given (2) 20:21;31:15 gives (1) 8:25 giving (1) 35:7 gladly (1) 57:15 goes (3) 24:11;27:24;30:13 good (6) 16:25;29:2;34:18; 47:25;55:16;57:3 government (4) 47:15;50:22;51:8; 57:2 governmental (1) 47:13 governments (1) 14:9 Governor (1) 43:13 Governor's (2) 49:13;50:5 grab (2) 56:8;58:16 grabbing (1) 52:10 grant (5) 12:18;14:1,1,8,16 granted (1) 39:2 grants (1) 13:8 great (3) 31:7;50:15;52:16 guess (3) 42:22;51:21;52:7 guidance (3) 36:21;37:2,7 guy (2) 31:24;33:13 guys (14) 9:16;22:3,14,17; 23:5;25:21;31:6; 34:8;56:22;57:7; 58:25;59:18,25;60:9	happen (1) 30:3 happening (1) 58:4 happens (1) 53:5 happy (3) 15:9,17;56:2 hard (4) 46:1;52:6;56:24; 57:6 harp (1) 47:6 hashing (1) 52:16 Hatch (2) 54:17;57:13 hear (1) 56:20 help (3) 48:15,19;57:14 helping (1) 37:8 hereby (1) 61:7 HICKS (2) 5:23,24 higher (1) 35:5 highest (1) 12:19 HILL (25) 5:2,3;6:19;7:9; 28:17,22;43:12;44:2, 8,14,19,24;46:8,20; 47:24;48:14,18; 53:17,23;54:4,8,12; 55:11,21;60:16 history (1) 32:6 holders (1) 32:2 hope (1) 57:9 hopeful (1) 49:3 hopefully (1) 4:4
F				I
fact (2) 24:4;49:2 fair (3) 4:13;17:12;25:20 fairly (2) 11:17;14:17 far (2) 36:10;51:21 favor (3) 6:22;7:12;60:21 federal (3) 12:17;14:8;61:4 fee (2) 23:9;49:16 feel (4) 7:18;9:17;16:13; 55:14 feeling (2) 46:2;57:3 fees (3) 21:5,9;32:3 felt (1) 27:3 few (1)		G	H	Ian (1) 6:8 idea (1) 47:25 identified (1) 49:21 identify (1) 33:25 identifying (2) 22:5;31:7 important (3) 44:15;54:14;59:16
		gallons (3) 33:13,14,22 garnishment (1) 20:7 garnishments (1) 26:17 Gary (2)	half (3) 10:21;12:1;45:5 handling (1) 27:11	

<p>inappropriate (1) 57:22</p> <p>inaudible (1) 61:19</p> <p>inception (1) 8:14</p> <p>incidents (1) 36:17</p> <p>include (1) 38:20</p> <p>included (3) 22:13;41:16;42:13</p> <p>including (1) 44:20</p> <p>increase (2) 13:20;14:4</p> <p>indeed (1) 50:3</p> <p>indicate (1) 61:11</p> <p>indicated (5) 4:14;6:23;7:13; 60:22;61:15</p> <p>indication (1) 49:14</p> <p>indirect (5) 10:1,17,20;11:1,25</p> <p>industry (1) 22:6</p> <p>information (5) 8:12;17:10;46:14; 55:2,7</p> <p>initiated (1) 31:15</p> <p>initiating (1) 31:19</p> <p>insolvent (4) 50:3;51:23;52:9, 13</p> <p>insurance (5) 45:12;50:14; 52:21;59:2,4</p> <p>integrity (3) 52:22;58:20;59:6</p> <p>intention (1) 36:22</p> <p>interaction (1) 61:9</p> <p>interest (8) 8:13,18;16:13; 26:24;30:16,21,22; 36:18</p> <p>internal (2) 38:5,8</p> <p>into (6) 8:4;11:13,22; 43:10;49:7;53:6</p> <p>invoice (2) 19:13;28:2</p> <p>invoiced (2) 21:16;28:10</p> <p>ISAACKS (5) 6:4,5;48:5,11,16</p>	<p>issue (1) 27:8</p> <p>issues (1) 37:6</p> <p>Item (5) 7:4;11:2;12:10; 14:7;54:14</p> <p>items (2) 30:11;43:17</p> <p>IVEY (7) 5:10,11;7:7;37:25; 38:10,16;51:20</p> <p style="text-align: center;">J</p> <p>Jason (1) 6:1</p> <p>Jeff (4) 5:16;34:16;41:1; 42:21</p> <p>Jill (6) 4:6;5:20;17:16; 42:22;48:23;53:18</p> <p>job (1) 31:7</p> <p>Johnny (3) 5:6;7:8;16:16</p> <p>judgment (1) 20:6</p> <p>judgments (1) 20:1</p> <p>Judicial (2) 26:24;30:16</p> <p>jumped (1) 13:18</p> <p style="text-align: center;">K</p> <p>Karyn (5) 4:22;7:24;9:7; 12:17;15:4</p> <p>keep (2) 52:10,16</p> <p>KELLEY (1) 6:7</p> <p>Kelly (1) 6:8</p> <p>Kerry (7) 5:3;9:13,15;16:7; 43:10;52:15;56:6</p> <p>Kerry's (1) 47:7</p> <p>kind (12) 9:14;15:21;17:25; 22:5,12;24:9;30:4; 46:2,23;48:20;51:4; 59:17</p> <p style="text-align: center;">L</p> <p>labor (1) 12:3</p> <p>last (8)</p>	<p>12:21;20:14; 21:21;27:16,17;29:5; 30:18;36:7</p> <p>late (1) 21:5</p> <p>later (1) 48:7</p> <p>law (1) 43:20</p> <p>lawsuits (1) 49:4</p> <p>lead (1) 17:25</p> <p>leading (1) 9:14</p> <p>learn (1) 17:1</p> <p>learned (1) 19:8</p> <p>least (3) 22:12,14;33:20</p> <p>leaves (1) 8:9</p> <p>left (1) 61:16</p> <p>Legal (10) 5:20;19:7;20:6,13, 18,19,20;23:2;26:15; 40:9</p> <p>legally (1) 21:11</p> <p>legal-sized (2) 36:7;39:1</p> <p>legislation (1) 53:6</p> <p>legislative (2) 27:18;59:13</p> <p>legislature (2) 29:4;60:4</p> <p>lending (1) 58:10</p> <p>less (1) 48:17</p> <p>lets (1) 48:21</p> <p>letter (1) 19:13</p> <p>level (3) 15:2;45:20;56:9</p> <p>liabilities (1) 8:8</p> <p>liability (1) 35:17</p> <p>license (1) 33:8</p> <p>lien (1) 28:18</p> <p>liens (1) 26:16</p> <p>likely (1) 20:23</p> <p>Linda (1) 5:24</p>	<p>line (5) 11:1,15;12:10; 13:2;14:7</p> <p>lines (2) 11:2;16:12</p> <p>list (1) 36:8</p> <p>listen (1) 57:13</p> <p>listening (1) 57:10</p> <p>little (8) 7:18,23;9:19; 13:15,22;14:23; 15:16;35:5</p> <p>loans (1) 53:1</p> <p>locations (1) 39:2</p> <p>long (4) 16:21;39:14,14,16</p> <p>look (7) 6:13;12:17;22:12; 37:5;41:1;49:22; 52:18</p> <p>looking (12) 9:20;13:1,16; 20:16;24:1;33:9; 40:9;49:20;50:1,13; 59:19,24</p> <p>looks (5) 32:2,5;52:3,3,6</p> <p>Lori (2) 61:2,21</p> <p>lot (8) 13:10,12,12;30:18; 31:4,9;37:22;52:1</p> <p>lots (1) 33:21</p> <p>loud (1) 56:21</p> <p>Louisiana (10) 4:25;5:3,6;6:5; 14:13;47:7,20;50:21; 61:3,6</p> <p>low (1) 11:17</p> <p>lowest (1) 12:20</p> <p>lunch (1) 54:7</p> <p style="text-align: center;">M</p> <p>mailed (1) 20:6</p> <p>maintain (1) 59:6</p> <p>majority (1) 37:20</p> <p>making (1) 59:3</p> <p>many (7)</p>	<p>28:13;31:14; 33:13;37:12,14; 54:25;56:21</p> <p>MARCELLO (35) 4:24,25;9:23;10:4, 8,13,25;11:6,10,18; 12:5,7,14;14:5,12; 15:12,19,24;16:4,15, 20;17:13;37:11,17; 38:18,24;39:5,9,25; 40:6,13,19,23;46:24; 48:1</p> <p>market (1) 58:10</p> <p>Marketers (5) 5:1,3,7;6:6;47:21</p> <p>material (1) 61:18</p> <p>matter (3) 24:4;54:7;57:17</p> <p>may (7) 14:23,23;34:2,11; 40:16;46:25;49:6</p> <p>maybe (6) 16:8,9;33:2;45:24; 47:5,16</p> <p>mean (9) 22:4,21;23:8;26:1; 33:15;47:1;56:14; 58:21,23</p> <p>means (1) 56:13</p> <p>meantime (1) 15:9</p> <p>meeting (15) 4:2;6:12;7:20; 9:12;15:10;16:9; 20:14;21:2;38:15; 44:6;53:19;54:3,17; 56:12;60:25</p> <p>meetings (4) 19:24;21:21; 23:17;29:24</p> <p>Melissa (1) 4:18</p> <p>member (1) 56:23</p> <p>members (4) 15:7;22:5;48:4; 57:21</p> <p>mentioned (1) 51:6</p> <p>message (2) 51:4;57:15</p> <p>met (1) 54:22</p> <p>method (2) 11:4;61:13</p> <p>middle (1) 39:21</p> <p>mid-year (1) 43:14</p> <p>might (3)</p>
--	--	--	---	--


<p>16:10;25:11;27:17 MILAZZO (68) 4:1,10,15;5:5,6; 6:9,21,24;7:2,8,11, 14,17;9:6,11;12:16; 13:3;15:3;16:6,18, 24;17:6,11,15,24; 18:5;21:18,24;22:10, 24;24:12,24;25:4,9, 19;26:2;27:9;29:1; 31:5;33:1,18;34:1,6, 14;40:25;41:11,20; 42:17,20;43:4,8; 46:22;48:9,22;49:19; 51:16;52:14;53:11; 55:23;56:4;58:9,14, 19;59:10;60:8,14,20, 23 million (7) 12:22;38:4;41:25; 43:18;45:6;52:11; 56:19 mind (2) 47:1;60:10 mine (1) 26:5 minute (1) 4:5 minutes (3) 6:11,18;7:3 misunderstood (1) 54:13 moment (2) 6:14;60:7 money (14) 8:19,19;13:10,11; 14:2;28:1;43:22; 45:16,23;51:24;52:7, 10;56:8;58:15 month (2) 23:10;60:4 months (2) 30:3;35:8 more (8) 8:21;13:23;15:17; 17:2;27:1,7;50:17,17 MORIN (34) 4:19,20;17:22; 18:2,7;21:22;22:8, 22;23:15,20;24:3,7, 15,19;25:1,7,25; 26:18,23;28:5;29:11, 16,21;30:20,25; 31:11,17,23;32:16, 24;33:16,24;34:3,12 morning (1) 13:17 mortgages (1) 52:20 most (2) 35:14;50:25 motion (4) 6:16,18;60:15,17</p>	<p>Motor (5) 5:16;8:23;12:1; 31:25;35:22 move (2) 17:19,20 much (2) 56:17;57:8 myself (2) 44:21;50:12</p> <p style="text-align: center;">N</p> <p>name (1) 27:21 names (1) 61:17 Natalie (7) 6:5;7:18;47:3,18, 19,22;48:19 nature (1) 32:21 nearing (1) 29:13 necessary (2) 16:8,21 need (9) 17:16,17;22:7; 49:7;57:14;59:2,4,5, 6 needed (1) 35:13 Nevertheless (1) 7:22 new (9) 9:7;15:7;31:15,19; 35:6,13;37:8;43:2; 46:11 next (10) 7:20;14:6;15:10; 30:3;32:13;36:20,23; 53:7;56:11;60:4 nice (2) 22:2,11 nine (2) 18:23;39:12 nominate (1) 7:8 nominations (1) 7:6 non-CAP (3) 35:22;38:4,7 nor (1) 47:13 note (1) 36:7 notice (1) 11:16 November (2) 6:11;21:2 number (13) 12:21;13:13; 22:20;33:14;34:19; 35:4,8,12;36:8,13;</p>	<p>40:10;41:5,25 numbers (4) 13:17;16:11; 36:12;41:19</p> <p style="text-align: center;">O</p> <p>obligated (1) 41:2 obligation (1) 35:21 obligations (5) 8:9;36:4;42:16; 52:11;54:24 obviously (1) 23:5 October (2) 37:21,24 off (2) 56:3;59:4 office (8) 16:3;20:5;27:20; 28:14;29:25;49:13; 50:5;54:18 officer (1) 61:4 off-the-record (1) 23:19 Oil (5) 4:25;5:3,6;6:5; 47:20 old (2) 11:4;35:11 once (7) 8:21;10:23;24:8, 20;25:3;28:6,6 One (23) 13:19;19:6,14,18, 19;20:2,14;22:2; 23:24,25;30:11;33:4; 35:13;38:4;40:16,17; 41:25;43:25;45:2; 49:9;54:25,25;56:21 ongoing (1) 45:18 only (4) 37:23;47:11;57:7, 10 onto (1) 24:11 open (6) 7:5;18:8,9,21; 19:5;21:10 opened (2) 20:4,15 opening (1) 50:20 opinion (1) 23:2 opportunities (2) 43:18;50:21 opportunity (6) 6:13;36:24;37:3;</p>	<p>49:23;52:19;56:20 opposed (2) 6:25;7:15 option (1) 27:1 options (1) 23:25 oranges (1) 39:24 order (1) 4:3 ORG5800 (1) 15:21 original (1) 25:5 others (1) 58:5 ourselves (1) 56:13 out (21) 4:12;8:6,15;14:1; 17:3;24:10;27:24; 31:16;32:19;33:19, 20;41:18;43:22; 45:22;47:19;50:13; 51:24;52:10;55:2; 58:3;61:16 outstanding (4) 21:7,9;35:17;38:2 over (5) 11:15;28:3,14; 30:13;58:23 overhead (1) 12:2 Overland (2) 61:2,21 overs (1) 61:12 owes (1) 28:1 own (1) 30:8 ownership (1) 47:8</p> <p style="text-align: center;">P</p> <p>packet (4) 17:25;18:4;34:19; 36:8 packets (1) 36:13 page (7) 8:11,21;9:14,15; 30:10;36:8;40:10 paid (5) 8:6;32:3;33:7; 52:2,5 part (3) 29:10;41:18,23 participate (2) 36:25;37:5 particular (2)</p>	<p>12:10;47:17 partner (1) 60:10 parts (2) 50:18,21 party (3) 42:23;43:1,2 pass (2) 27:19;46:7 passed (2) 23:8;35:10 past (2) 4:4;32:10 path (1) 50:11 pauses (1) 61:11 pay (5) 8:19;27:14;28:11, 12;30:12 paying (2) 13:21;23:13 payment (5) 20:9,10,11;32:6; 35:1 pays (1) 23:6 peer (2) 18:14;19:2 peeve (1) 26:5 penalties (3) 21:6,9;26:20 penalty (4) 23:11;25:11;26:1; 27:5 pending (10) 18:14;19:2;36:1; 37:13;38:19;39:20; 41:3,8,18;49:4 people (2) 32:19;34:4 per (1) 20:4 percent (6) 10:1;11:9,21; 12:10;14:22;30:14 percentage (2) 10:5,23 perhaps (4) 43:11;55:6;59:20, 22 period (6) 12:19;28:11; 31:16;34:25;36:15; 40:11 Perry (9) 4:6;44:1,5,11; 46:7;47:4;48:24; 55:5;57:12 person (2) 47:2;48:20 personnel (2)</p>
---	--	--	---	---

<p>10:1;13:7 pet (1) 26:5 petition (2) 19:9;20:6 phase (2) 35:17;45:2 phone (1) 36:25 phrase (1) 61:19 phrases (1) 61:15 place (2) 24:10;45:19 places (1) 34:10 plan (5) 10:19;20:9,10,17; 35:18 Planning (1) 54:18 play (1) 49:1 plea (1) 59:3 please (2) 7:25;9:21 plus (3) 35:22;39:12;42:8 PM (1) 60:25 point (10) 12:19,20;29:17; 34:10;49:5;50:8; 52:8,13,16;53:3 Points (1) 36:18 pollution (1) 50:14 pool (1) 10:20 portion (2) 42:9;47:14 possibility (1) 58:4 possible (1) 46:4 potential (5) 18:11,13,25;19:19; 36:13 potentially (4) 18:24;19:18; 23:17;45:23 PPM (3) 5:11,22,24 preach (1) 45:9 precedent (1) 57:25 prepared (1) 7:21 prescriptive (1)</p>	<p>28:11 present (2) 7:24;38:21 pretty (1) 51:9 previous (2) 19:23;23:17 price (1) 23:6 prior (2) 19:25;20:15 privileges (1) 25:21 probably (5) 15:1;20:21;21:14; 27:2;49:7 problem (3) 50:23;52:24;53:7 Procedure (2) 61:5,6 proceeding (2) 61:10,14 process (4) 30:6;31:8;32:17; 36:2 processed (1) 35:1 processes (1) 30:9 program (4) 8:20;12:4;13:25; 45:19 progress (4) 18:17;19:3;29:22; 31:9 projected (1) 35:22 proper (2) 23:4;61:13 property (4) 28:19;44:25;45:4, 16 proposal (1) 10:17 protect (3) 46:1;53:5;56:13 protected (1) 43:21 protection (3) 10:18;14:19;53:2 protective (1) 57:5 provide (5) 15:9,16;17:9;38:9; 45:11 public (2) 24:2,11 pulled (1) 33:13 purpose (4) 29:10;47:11;49:9; 56:25 purposed (1)</p>	<p>57:24 purposes (2) 47:13;51:8 pursued (1) 21:11 put (6) 24:1;25:2;26:16, 16;43:23;58:23 puts (2) 29:4;32:8</p> <p style="text-align: center;">Q</p> <p>quarter (3) 34:20,22;35:5 quarterly (1) 10:9 quarters (2) 35:15;40:17 quick (2) 6:14;43:5 quite (1) 45:3</p> <p style="text-align: center;">R</p> <p>RAC (2) 36:23,24 RACs (1) 35:7 raided (1) 51:7 raised (1) 52:15 randomly (1) 31:22 rate (6) 10:21,22;12:2; 30:16,17,21 rates (1) 37:9 rather (2) 48:7;60:10 reach (3) 17:3;35:19;50:22 reached (1) 12:19 read (1) 47:9 reading (2) 12:8;55:9 ready (1) 48:10 real (2) 13:20;58:25 realize (1) 22:17 realizes (1) 23:12 really (14) 13:18;14:16,24; 16:13,16;25:17;27:2; 28:3;32:7;49:9;</p>	<p>50:24;51:25;56:10, 11 reason (2) 41:14;49:10 reasons (3) 13:19;32:11;57:23 receivable (1) 52:4 received (5) 11:22;20:9;34:23; 36:9;37:21 recently (1) 21:16 recognized (1) 35:21 recommendations (1) 23:1 record (4) 56:3;57:20;58:8; 61:8 Recovery (4) 13:11;27:20; 28:14;29:25 reduction (3) 14:20,22;43:16 reductions (1) 43:17 refer (3) 34:18;47:18;55:19 reference (1) 61:18 referred (3) 19:7;30:1,7 regarding (1) 47:17 registered (1) 36:22 registering (1) 32:1 reimbursement (2) 9:2;37:6 reimbursements (1) 8:7 related (4) 13:1,7,20;21:13 relating (3) 36:4,18;37:1 release (1) 52:24 rely (1) 51:4 remaining (5) 19:3,17,24;20:18; 21:15 remains (3) 20:2,13;21:7 Remediation (1) 5:14 report (10) 4:12;7:25;8:12,22; 17:17,18,21;34:16; 43:3,16 reported (1)</p>	<p>43:16 Reporter (1) 61:3 Reporters's (1) 61:13 reporting (1) 22:18 reports (1) 23:22 representing (1) 36:16 represents (1) 40:11 request (2) 26:19;47:7 requested (3) 36:2,4;42:8 requirement (1) 27:13 requirements (1) 25:13 research (1) 37:8 respect (4) 48:25;51:18;57:7; 59:7 responded (1) 25:13 respondent (1) 20:8 response (7) 7:1,16;15:5;42:19; 43:7;59:9;60:13 responsibilities (1) 33:23 rest (1) 29:7 resulting (3) 18:11,23;19:18 retirements (1) 13:21 returned (1) 35:2 revenue (8) 8:13,14,16;27:22; 33:6;43:17;49:23; 56:20 revenues (2) 8:25;11:13 review (4) 6:14;18:14,15; 19:2 reviewed (2) 19:9;36:14 revised (3) 37:9;47:7,12 revision (2) 36:20;37:2 Rhonda (1) 5:22 ridiculous (1) 9:18 Right (29)</p>
---	---	--	---	--

4:9;12:15;17:16, 20:23;4:24:6;26:22; 27:1,10;29:12,20; 30:24;32:8,18;40:7; 41:12,21;42:5,11,21; 44:20;48:6;49:13,18; 53:10;58:13,18;59:3; 60:24 robbed (2) 45:24,24 role (1) 48:25 roll (1) 4:16 room (1) 51:2 rotate (1) 32:18 Rouge (1) 50:4 route (5) 26:12,12,14;27:3; 56:14 routes (1) 26:10 rule (2) 33:19;61:4 Rules (1) 61:5 run (1) 57:4 runs (1) 14:1	31:22 selling (2) 33:10,21 send (2) 10:17;47:19 sense (1) 59:22 sent (1) 19:13 sentence (1) 47:10 sequestration (1) 14:21 Services (2) 4:22;7:25 session (4) 27:19;49:7;53:6; 59:13 set (4) 18:19;19:21; 47:11;57:25 seven (1) 18:24 several (1) 40:16 shall (2) 47:10,14 share (8) 24:14;38:2;51:4; 55:6;57:8,12;59:17, 21 sharing (1) 21:25 Shawn (4) 5:11;50:9;51:19; 58:5 sheet (2) 39:1;50:2 shortfall (2) 22:17;49:24 shortly (1) 19:12 showing (1) 32:9 side (1) 27:5 sides (1) 45:14 signed (3) 19:10,11;20:11 simple (1) 47:17 single (1) 56:25 sit (2) 49:6;57:1 site (2) 45:7,17 sites (15) 8:8;35:16,22;36:9, 11,14,16;37:14; 39:11,18;40:4,5,10, 12,16	sitting (1) 44:5 situation (2) 58:24;59:1 six (1) 34:19 size (1) 45:7 soil (1) 45:1 solve (2) 52:23;53:7 solvent (1) 52:20 somebody (2) 28:1;43:22 someone (4) 17:1;22:18;23:11; 25:12 someone's (2) 6:15;23:4 soon (1) 51:17 sooner (1) 48:7 sorry (1) 53:22 sources (1) 53:2 speak (2) 50:6;56:2 speaking (2) 13:15;47:22 specific (1) 39:15 speed (1) 9:16 spells (1) 24:10 spend (1) 45:5 spike (1) 13:12 spiked (1) 13:13 spiral (1) 58:24 spontaneous (1) 61:10 spreadsheet (1) 33:11 spreadsheets (1) 32:9 stable (1) 14:17 stand (1) 53:4 standard (1) 14:7 standpoint (1) 50:7 stands (1) 8:14	start (6) 13:13;29:18; 32:13;49:20;50:20; 56:12 started (2) 19:25;53:15 starting (1) 53:3 state (6) 13:21;14:13;29:7; 33:21;61:3,8 states (1) 51:22 status (6) 20:13;32:4,5; 34:16;36:10;42:25 statute (10) 25:16,18,22;47:8, 12,18;51:9;55:10; 56:7;58:21 statutorily (1) 54:21 statutory (1) 54:19 stayed (1) 14:16 steps (1) 30:4 Steve (2) 5:9;51:19 stiffen (3) 23:11;25:10;27:13 still (7) 19:3;20:2,16; 22:20;23:12;25:12; 50:19 stop (2) 53:14,15 Storage (1) 5:13 store (1) 45:1 straight (1) 51:9 stuff (1) 33:12 submission (1) 33:14 submitted (1) 41:23 subsequent (1) 35:15 substance (1) 59:15 subtraction (1) 41:4 succession (2) 20:3,4 sudden (1) 51:24 suggestion (1) 46:25 suit (1)	19:9 sum (5) 37:12;38:19;41:3, 8,9 summaries (1) 24:1 summary (3) 22:12;23:22;24:9 support (1) 57:14 surcharge (1) 30:14 sure (19) 6:12;8:2;9:10; 10:3;22:4;23:1;25:8; 44:18,23;46:6;47:21; 49:8;50:8,9;51:15; 55:4,5,8;58:7 survive (1) 57:24 sworn (1) 61:7 system (1) 24:11
T				
				tab (2) 8:2;34:19 talk (7) 18:1;33:4;42:22; 57:17;59:14,19; 61:12 talking (6) 23:21;39:24;40:3; 41:7;51:3;59:25 Tank (4) 5:13;13:24;47:8, 10 tanks (2) 8:20;45:13 tax (4) 23:7;33:7,7;49:15 team (1) 57:16 teams (1) 26:15 telling (1) 35:12 ten (2) 36:11;39:12 term (1) 56:6 tested (1) 45:2 testimony (1) 61:7 thanks (2) 21:19;31:10 thereof (1) 47:14 thinking (2) 51:7;56:12
S				
salaries (2) 12:25;13:6 same (7) 20:13;30:10; 52:17;55:14;56:6; 59:21;61:12 Samuel (1) 6:3 saw (2) 13:12;43:17 scary (3) 46:2;56:15,25 second (6) 6:20;7:10;13:2; 34:20,22;60:19 Secretary (2) 54:17;57:12 seeing (1) 33:14 seem (1) 29:12 seems (4) 33:5;34:8;50:25; 51:9 sees (2) 32:4;58:11 selected (1)				

<p>third (3) 42:23;43:1,2</p> <p>thirty- (2) 38:3;41:24</p> <p>though (1) 33:5</p> <p>thought (5) 22:1;33:2;34:11; 56:15;61:12</p> <p>thoughts (1) 59:21</p> <p>three (5) 7:4;30:3;44:20; 45:2,6</p> <p>thumb (1) 33:19</p> <p>today (12) 7:19,23;21:8; 22:21;25:12;48:24; 50:3;53:4,20;57:10; 60:1,2</p> <p>together (1) 32:8</p> <p>told (1) 45:8</p> <p>tomorrow (1) 50:12</p> <p>took (1) 24:10</p> <p>top (1) 30:14</p> <p>total (7) 21:8;37:12;38:19; 39:11;41:3,8,9</p> <p>totaled (3) 34:24;37:13;43:18</p> <p>totaling (5) 18:13;19:1;21:4; 35:1;36:3</p> <p>totally (2) 57:21;58:2</p> <p>totals (1) 41:17</p> <p>tough (1) 59:1</p> <p>towards (1) 30:1</p> <p>town (1) 33:21</p> <p>tracking (1) 50:19</p> <p>transcript (1) 61:16</p> <p>transcription (1) 61:14</p> <p>transfer (1) 35:24</p> <p>transferred (2) 8:4,23</p> <p>traveling (2) 50:11;56:14</p> <p>true (1) 34:5</p>	<p>Trust (42) 4:18;5:16,18;6:1, 8;8:4,13,23,24;9:3; 10:22;11:14,23;12:1; 23:5;25:14;34:16,23; 35:23,23,25;36:9,14, 19,19,21;37:6;40:5; 41:2;43:19;45:9,18; 47:8,10;50:2;51:11; 52:2,5,9;57:23;58:2; 59:8</p> <p>try (1) 9:16</p> <p>trying (3) 30:10;32:18;53:7</p> <p>turn (3) 8:2,11,21</p> <p>turned (1) 28:14</p> <p>turns (1) 28:3</p> <p>two (15) 11:2;12:22;18:12, 25;19:3,16,25;20:25; 21:4;26:10;30:18; 43:17;45:2,5;48:17</p>	<p>32:12</p> <p>using (2) 25:21;30:15</p> <p>UST (3) 6:3;12:17;43:19</p>	<p>wise (1) 30:9</p> <p>within (3) 22:6;31:15;32:2</p> <p>words (3) 38:25;61:15,17</p> <p>work (5) 12:4;22:14;29:22; 36:20;38:20</p> <p>worked (2) 46:1;57:6</p> <p>workgroup (1) 37:1</p> <p>workgroups (1) 37:5</p> <p>working (4) 13:8,24;29:20,25</p> <p>worse (2) 28:15,21</p> <p>Wow (1) 13:18</p> <p>write (1) 23:9</p>
	U	V	
	<p>uncollectible (2) 20:24;21:14</p> <p>under (3) 13:2;27:21;50:15</p> <p>Underground (3) 5:13;13:24;45:13</p> <p>Unfortunately (1) 51:1</p> <p>unit (1) 37:9</p> <p>unity (1) 59:23</p> <p>unreliable (1) 58:3</p> <p>up (16) 9:16;12:21;13:12, 14,18;14:25;23:11; 27:13;29:8;30:15; 38:3;49:24;50:12,20; 53:4;57:16</p> <p>update (2) 20:19;49:3</p> <p>urgency (2) 49:13;51:5</p> <p>urgent (1) 51:1</p> <p>use (9) 9:20;10:21,21,22; 12:1;16:2;35:11,13; 56:5</p> <p>used (7) 8:19;11:5;35:6,8; 45:25;47:11;61:11</p> <p>uses (1)</p>	<p>validly (1) 47:6</p> <p>verification (1) 19:11</p> <p>verified (1) 61:18</p> <p>versus (1) 10:20</p> <p>view (1) 50:8</p> <p>Vince (7) 48:24;53:19,25; 54:2,17;55:4;57:12</p> <p>VIZINAT (3) 4:17,18;46:15</p>	
		W	Y
		<p>wait (1) 44:11</p> <p>wake (2) 49:24;50:12</p> <p>walls (1) 58:22</p> <p>wants (1) 17:1</p> <p>way (7) 11:15;27:11,12; 28:15;33:25;50:5; 55:14</p> <p>website (1) 24:2</p> <p>week (1) 36:24</p> <p>weekly (1) 29:24</p> <p>weeks (1) 48:17</p> <p>welcome (2) 31:12;32:25</p> <p>well-being (1) 51:11</p> <p>what's (4) 23:4;39:21;49:22; 56:16</p> <p>whenever (1) 45:23</p> <p>wholesalers (1) 33:9</p> <p>who's (5) 32:1,1,9,10,10</p> <p>willing (2) 36:25;37:4</p> <p>wind (1) 30:15</p>	<p>ya'll (6) 34:18;38:4,9; 46:11;48:15;55:14</p> <p>ya'll's (1) 46:13</p> <p>year (35) 8:3,18;9:1,2; 10:24;11:16;12:21, 22;13:14,18;14:7,7; 18:9,16,18,22;19:4,6, 6,14,17,21,25;20:15, 25;21:3;27:16,17,18; 31:19;34:21,23; 36:11;43:15;53:8</p> <p>years (5) 12:9;13:9;14:17; 29:6;30:19</p> <p>yesterday (3) 19:8;20:8,18</p>
			Z
			<p>zero (1) 11:2</p>

In The Matter Of:
DEQ Motor Fuels Underground Storage Tank Trust


Fund Advisory Board Meeting
February 12, 2015

Associated Reporters, Inc.
201 St. Charles Avenue
Suite 4315
New Orleans, LA 70170
(504) 529-3355

Page 1

1
2
3 STATE OF LOUISIANA
4 DEPARTMENT OF ENVIRONMENTAL QUALITY
5 MOTOR FUELS UNDERGROUND STORAGE TANK TRUST
6 FUND ADVISORY BOARD
7
8
9
10
11
12 The above-entitled meeting was held at the
13 LDEQ, Galvez Building, Conference Center, 602
14 North 5th Street, Baton Rouge, Louisiana,
beginning at 1:18 p.m., on February 12, 2015.
15
16
17
18
19 BEFORE:
20 Lori B. Overland
21 Certified Court Reporter
22 In and For the State of
23 Louisiana
24
25

Page 2

1 A P P E A R A N C E S
2
3 John Milazzo
Chairman
4
5 Durwood Franklin
6 Jill Carter
7 Jeff Baker
8 Gary Fulton
9 Shawn Ivey
10 Steve Burnham
11 Frank Marcello
12 Kerry Hill
13 Karyn Andrews
14 Cy Morin
15
16 Melissa Vizinat
17 Jason Efferson
18 Rhonda Cook
19 Linda Hicks
20 Natalie Isaacks
21 Ian Kelley
22 Samuel Broussard
23
24 * * * * *
25

Page 3

1 I N D E X
2
3 EXAMINATION: PAGE(S):
4 None
5
6 EXHIBITS:
7 None
8
9 REPORTER'S PAGE 61
10 REPORTER'S CERTIFICATE 62
11
12 * * * * *
13
14
15
16
17
18
19
20
21
22
23
24
25

Page 4

1 MR. MILAZZO:
2 Okay. Why don't we call this meeting
3 to order. And I am doing so in the absence
4 of the past chair and hopefully, we will
5 address this in just a minute. But I see
6 Perry on the agenda, but, Jill, you'll be
7 here on his behalf?
8 MS. CARTER:
9 Right.
10 MR. MILAZZO:
11 And I assume that everybody else that
12 is on the agenda is here to report out. Is
13 that fair to say?
14 (All indicated yes.)
15 MR. MILAZZO:
16 Okay. How about a roll call?
17 MS. VIZINAT:
18 Melissa Vizinat, Trust Fund.
19 MR. MORIN:
20 Cy Morin, DEQ Audit.
21 MS. ANDREWS:
22 Karyn Andrews, DEQ Financial Services
23 Division.
24 MR. MARCELLO:
25 Frank Marcello, Louisiana Oil

Page 5

1 Marketers Association.
 2 MR. HILL:
 3 Kerry Hill, Louisiana Oil Marketers
 4 Association.
 5 MR. MILAZZO:
 6 Johnny Milazzo, Louisiana Oil
 7 Marketers.
 8 MR. BURNHAM:
 9 Steve Burnham, Engineering Associates.
 10 MR. IVEY:
 11 Shawn Ivey, PPM Consultants.
 12 MR. FULTON:
 13 Gary Fulton, Underground Storage Tank
 14 Remediation Division.
 15 MR. BAKER:
 16 Jeff Baker, DEQ Motor Fuel Trust Fund.
 17 MR. FRANKLIN:
 18 Durwood Franklin, DEQ Trust Fund.
 19 MS. CARTER:
 20 Jill Carter, DEQ Legal Division.
 21 MS. COOK:
 22 Rhonda Cook, PPM Consultants.
 23 MS. HICKS:
 24 Linda Hicks, PPM Consultants.
 25 MR. EFFERSON:

Page 7

1 (No response.)
 2 MR. MILAZZO:
 3 Minutes are adopted.
 4 Item three is the election of the
 5 chairperson for 2015. So let me open the
 6 floor for nominations.
 7 MR. IVEY:
 8 I'll nominate Johnny Milazzo.
 9 MR. HILL:
 10 I second.
 11 MR. MILAZZO:
 12 All in favor.
 13 (All indicated yes.)
 14 MR. MILAZZO:
 15 Any opposed?
 16 (No response.)
 17 MR. MILAZZO:
 18 Natalie, I feel like there's a little
 19 bit of a -- I'll assure everyone here today
 20 that at the next meeting as the chairperson,
 21 I will absolutely be prepared. That could
 22 be a bit dangerous. Nevertheless, forgive
 23 me a little bit for today.
 24 I'd like to ask Karyn to present the
 25 financial services report, please.

Page 6

1 Jason Efferson, DEQ Trust Fund.
 2 MR. BROUSSARD:
 3 Samuel Broussard, DEQ UST.
 4 MS. ISAACKS:
 5 Natalie Isaacks, Louisiana Oil
 6 Marketers.
 7 MR. KELLEY:
 8 Ian Kelly, DEQ Trust Fund.
 9 MR. MILAZZO:
 10 Okay. Thank you. Let me bring your
 11 attention to the minutes from our November
 12 meeting. I'm not sure if everyone's had an
 13 opportunity to take a look at that. But we
 14 can take a moment to -- for a quick review.
 15 If you have and if someone's comfortable, I
 16 ask for a motion to adopt those.
 17 MR. BURNHAM:
 18 I make a motion to adopt the minutes.
 19 MR. HILL:
 20 I second it.
 21 MR. MILAZZO:
 22 All in favor?
 23 (All indicated yes.)
 24 MR. MILAZZO:
 25 Any opposed?

Page 8

1 MS. ANDREWS:
 2 Sure. We're going to turn to tab
 3 four. At the beginning of the fiscal year,
 4 we transferred \$70,252,211 into the trust
 5 fund. As of December 31, we deposited
 6 \$11,277,269. And we've paid out
 7 reimbursements of \$3,893,513. The current
 8 liabilities on sites are \$72,830,858. This
 9 leaves us a balance after obligations of
 10 \$4,805,109.
 11 We'll go ahead and turn the page.
 12 This is an information report for our
 13 interest revenue from the trust fund. The
 14 revenue collected inception to date stands
 15 at \$6,638,347. And the expenditures out of
 16 this revenue account is at \$1,229,930. And
 17 to date, there have been no expenditures
 18 from fiscal year 2015 for the interest
 19 money. And this money is used to pay for
 20 the abandon tanks program.
 21 If you'll turn the page once more.
 22 This report details how we calculate the
 23 amount transferred from our motor fuel trust
 24 fund to the environmental trust fund. It
 25 gives you some details of our revenues and

Page 9

1 expenditures. This year, we're estimating
 2 the fiscal year 2015 reimbursement to the
 3 environmental trust fund is going to be
 4 approximately \$4,844,000.
 5 Does anyone have any questions?
 6 MR. MILAZZO:
 7 Karyn, we have a couple that are new
 8 here.
 9 MS. ANDREWS:
 10 Sure.
 11 MR. MILAZZO:
 12 This is certainly their first meeting.
 13 That's Mr. Kerry and Mr. Frank. So -- and I
 14 do appreciate you kind of leading them page
 15 to page. But, Frank, Kerry, in an effort to
 16 try to get up to speed, if you guys have any
 17 questions, feel free. There are no
 18 ridiculous questions or dumb questions.
 19 Because, you know, this is a little bit
 20 different than we're use to looking at our
 21 business. But -- so please, this is the
 22 appropriate time.
 23 MR. MARCELLO:
 24 I -- I do have a question. And I want
 25 -- I wanted to question the -- the 28.54

Page 10

1 percent indirect cost of personnel cost.
 2 MS. ANDREWS:
 3 Sure.
 4 MR. MARCELLO:
 5 Does that percentage fluctuate --
 6 MS. ANDREWS:
 7 It does, it --
 8 MR. MARCELLO:
 9 -- quarterly?
 10 MS. ANDREWS:
 11 It -- no. It fluctuates on an annual
 12 basis.
 13 MR. MARCELLO:
 14 Annual basis.
 15 MS. ANDREWS:
 16 And what we do is, we have an approved
 17 indirect cost proposal that we send to the
 18 environmental protection agency on an annual
 19 basis. And this plan is based on our direct
 20 cost pool versus our indirect charges. And
 21 we use half of that rate and use it on the
 22 trust fund. We do not use the entire rate.
 23 And so that -- that percentage changes once
 24 a year.
 25 MR. MARCELLO:

Page 11

1 So why would the indirect -- the line
 2 item, two lines above it, be zero?
 3 MS. ANDREWS:
 4 That's the -- the old method that we
 5 used --
 6 MR. MARCELLO:
 7 Got you.
 8 MS. ANDREWS:
 9 -- was 30 percent --
 10 MR. MARCELLO:
 11 Got you.
 12 MS. ANDREWS:
 13 -- of collections on the revenues into
 14 the environmental trust fund. So if you
 15 follow the line all the way over to fiscal
 16 year 2011-'12, you'll notice how it was
 17 fairly low at \$189,000.
 18 MR. MARCELLO:
 19 Correct.
 20 MS. ANDREWS:
 21 That is 30 percent of the \$630,000
 22 that the fund received into the
 23 environmental trust fund. And so we now --
 24 we've made a change in how the department
 25 collects it's indirect costs through the

Page 12

1 motor fuel trust fund. And we now use half
 2 of our approved rate of overhead and we
 3 apply it to the direct labor charges that
 4 work on this program.
 5 MR. MARCELLO:
 6 Got you.
 7 MR. MARCELLO:
 8 So basically, if I'm reading
 9 correctly, in five years, this -- this
 10 particular 30 percent line item would just
 11 go away?
 12 MS. ANDREWS:
 13 That would be correct. Yes.
 14 MR. MARCELLO:
 15 All right. Thank you.
 16 MR. MILAZZO:
 17 Karyn, if you look at the UST federal
 18 grant expenditures, if we go back to 2000,
 19 2008 period, we reached our highest point in
 20 2011 and '12 and -- to it's lowest point
 21 last year. And that number is back up, a
 22 million and two for the current year. What
 23 drives that?
 24 MS. ANDREWS:
 25 These are -- this is salaries and

Page 13

1 related benefit -- you're looking at the
 2 second line under the expenditures?
 3 MR. MILAZZO:
 4 I am, yes.
 5 MS. ANDREWS:
 6 Yes. This is the actual salaries and
 7 related benefits for department personnel
 8 costs, working on grants. Some of these
 9 years here through 2009, '10, '11, we had a
 10 lot of ERA money -- that's the American
 11 Recovery Act -- money. And so you're -- you
 12 saw them spike up a lot. Here we have a lot
 13 that we start -- that the number has spiked
 14 up again this year -- I was actually
 15 speaking to Gary about this a little while
 16 ago, because I actually, when I was looking
 17 at the numbers this morning, I also was
 18 like, "Wow, it really jumped up this year."
 19 One of the -- the reasons is we had a -- a
 20 real increase in the related benefits that
 21 the state is now paying for retirements.
 22 And so that's a little bit of -- of the --
 23 the costs. And we do have a few more
 24 underground tank employees that are working
 25 in the program. So they charge first to the

Page 15

1 anticipate that we're probably back to the
 2 level where we should have been.
 3 MR. MILAZZO:
 4 Any other questions for Karyn?
 5 (No response.)
 6 MS. ANDREWS:
 7 And if any of the new board members
 8 have any additional questions in the
 9 meantime, I'll be happy to provide them with
 10 my card. Before the next board meeting, if
 11 there's --
 12 MR. MARCELLO:
 13 I appreciate that.
 14 MS. ANDREWS:
 15 -- if there's something else that I
 16 can provide to make anything else a little
 17 bit more clear for them, I'll be happy to do
 18 so.
 19 MR. MARCELLO:
 20 And this -- what is this? Is this
 21 some kind of acronym, ORG5800?
 22 MS. ANDREWS:
 23 That -- that's like our code.
 24 MR. MARCELLO:
 25 Okay.

Page 14

1 grant. And then when the grant runs out of
 2 money, then it becomes departmental costs.
 3 So that's -- that's attributable to that
 4 increase.
 5 MR. MARCELLO:
 6 So the next question would be, is that
 7 -- is that a standard year to year line item
 8 grant, if you will, in the federal
 9 governments budget?
 10 MS. ANDREWS:
 11 Yes.
 12 MR. MARCELLO:
 13 To -- to the state of Louisiana?
 14 MS. ANDREWS:
 15 Yes. Yes, it is.
 16 That -- that grant really has stayed
 17 fairly stable through the years from the
 18 department -- from the environmental
 19 protection agency. And so we -- they have -
 20 - they did a reduction, I believe, through
 21 their sequestration. That was in 2012. And
 22 it was a eight percent reduction. And so
 23 you may -- you may have seen a little bit of
 24 downturn there. And -- so now, it's really
 25 gone back up. And I don't -- I -- I would

Page 16

1 MS. ANDREWS:
 2 It's a -- it's a code that we use in
 3 our accounting office.
 4 MR. MARCELLO:
 5 Got you.
 6 MR. MILAZZO:
 7 Would it -- Frank, Kerry, or anybody
 8 else, do you find it necessary that maybe we
 9 can maybe have an additional meeting or
 10 discussion or conference call that might can
 11 explain if there are acronyms, numbers or
 12 lines that you would have questions about to
 13 really feel comfortable in the interest of
 14 that?
 15 MR. MARCELLO:
 16 Johnny, I really don't -- I don't see
 17 that -- that it --
 18 MR. MILAZZO:
 19 Okay.
 20 MR. MARCELLO:
 21 -- it's necessary, as long as -- if I
 22 can have her card and if I have a question
 23 or --
 24 MR. MILAZZO:
 25 So -- so -- yes, I think that's a good

Page 17

1 question. If -- if someone wants to learn
2 more about understanding financials, is it
3 okay if we reach out?
4 MS. ANDREWS:
5 Absolutely.
6 MR. MILAZZO:
7 Okay.
8 MS. ANDREWS:
9 Absolutely. I can provide that
10 information to you.
11 MR. MILAZZO:
12 Okay. Is that fair enough?
13 MR. MARCELLO:
14 Yes.
15 MR. MILAZZO:
16 All right. So, Jill, do we need -- do
17 we need to accept this financial report or
18 is it just basically a report and we can
19 move on? I don't think we do, but --
20 All right. Let's move to the
21 auditor's report. Cy?
22 MR. MORIN:
23 Okay. We currently have --
24 MR. MILAZZO:
25 Kind of lead us through the packet

Page 18

1 that you're going to talk through.
2 MR. MORIN:
3 There -- there is nothing in the
4 packet.
5 MR. MILAZZO:
6 Okay.
7 MR. MORIN:
8 We currently have 31 open audit cases.
9 Eleven of those were open in fiscal year
10 '15. Fieldwork has been completed for five
11 of these audits, resulting in potential
12 clean audits with no assessment and two
13 potential assessments, totaling
14 approximately \$527, pending peer review and
15 final review.
16 Five fiscal year '15 cases are
17 currently in progress. And the eleventh
18 fiscal year '15 case was assessed at \$8,566,
19 which is collected in full. The file is set
20 to be closed.
21 Eleven of the 31 audits were open in
22 fiscal year '14. Fieldwork has been
23 completed on nine of these audits, resulting
24 in seven potentially clean audits with no
25 assessment and two potential audit

Page 19

1 assessments, totaling approximately \$700,
2 pending peer and/or final review. Fieldwork
3 is still in progress for the two remaining
4 fiscal year '14 audits.
5 Five of the 31 audits were open in
6 fiscal year '13. One fiscal year '13 audit
7 has been referred to legal for collection of
8 \$4,016.58. As of yesterday, I learned that
9 a petition to file suit has been reviewed
10 and signed by the attorney. The auditor has
11 signed an affidavit and verification of the
12 amount and it will be filed shortly.
13 A demand letter and invoice was sent
14 for one fiscal year '13 case on 2/10/15 in
15 the amount of \$904.17.
16 Fieldwork has been completed on two of
17 the remaining fiscal year '13 audits,
18 resulting in one potentially clean audit and
19 one potential assessment of approximately
20 \$4,500.
21 The fifth fiscal year '13 case is set
22 to be closed with no assessment.
23 And as I've discussed in previous
24 meetings, the four remaining active cases
25 were started prior to fiscal year '13. Two

Page 20

1 of those cases have judgments. The course
2 of action for one case still remains to file
3 a claim against a succession. The
4 succession has not been opened, per the
5 Clerk of Court's office. The other case
6 with the judgment, legal mailed the petition
7 for garnishment on 8/20/14. As of
8 yesterday, the respondent had agreed to a
9 payment plan and had -- they received the
10 payment plan on 1/28/15. And we are
11 awaiting signed documents and a down payment
12 of \$4,000.
13 The legal status remains the same
14 since the last board meeting in one audit
15 opened prior to fiscal year '13. The
16 attorneys are -- are still looking at it to
17 determine the plan of action. And the
18 remaining legal case, as of yesterday, the
19 update is that legal determined for this
20 case that any legal action against the
21 corporation would probably be futile, given
22 that the corporation is bankrupt and it was
23 dissolved in 2009. So that is likely
24 uncollectible.
25 Two fiscal year '14 cases have been

Page 21

1 finalized and closed with no assessment
 2 since the November meeting.
 3 To date, in fiscal year 2015, demand
 4 has been made for two assessments, totaling
 5 \$9,470 in delinquent fees and late
 6 penalties. \$8,566 of that has been
 7 collected. And \$904.17 remains outstanding.
 8 So as of today, the total confirmed
 9 outstanding delinquent fees and penalties
 10 for the 31 open cases is \$127,122.79.
 11 The five cases being pursued legally
 12 account for approximately \$126,000 of that.
 13 Approximately \$11,500 of that is related to
 14 the case that's probably uncollectible. And
 15 the remaining \$904.17, as I said before, is
 16 -- we've recently invoiced.
 17 And that's it.
 18 MR. MILAZZO:
 19 I want to first, you know, say thanks
 20 because I know we've had some discussions in
 21 the last couple of meetings about this.
 22 MR. MORIN:
 23 Yes.
 24 MR. MILAZZO:
 25 And I appreciate you sharing some of

Page 22

1 the detail. The thought I have is that it
 2 would be nice -- and I know, one, you're
 3 careful what -- what you guys are -- what we
 4 all see. And, I mean, I'm sure you're
 5 identifying certain members kind of, you
 6 know, within our industry. So it's not that
 7 we need to see who they are --
 8 MR. MORIN:
 9 Correct.
 10 MR. MILAZZO:
 11 -- but it would be nice to be able to
 12 look at some kind of at least summary of
 13 that, that could be included so that we at
 14 least understand the work that you guys are
 15 doing.
 16 The question I have, you know, you --
 17 you guys realize that there's a shortfall or
 18 someone didn't do all the reporting and --
 19 and there's an assessment to them. Are a
 20 number of these folks still in business
 21 today? I mean --
 22 MR. MORIN:
 23 Yes, yes. Of course.
 24 MR. MILAZZO:
 25 So is there something we could do,

Page 23

1 make some recommendations -- not sure of the
 2 legal opinion. But, you know, we all have
 3 to compete at the end of the day. And if
 4 someone's doing what's right and proper and
 5 other guys are not, obviously the trust fund
 6 pays the price, but we all do at the end of
 7 the day. And, you know, this isn't a tax
 8 that's passed on to the consumer. I mean,
 9 this is a fee that we all have to write a
 10 check for at the end of the month. So can
 11 we stiffen up the penalty for someone that's
 12 still in business, that realizes he's got an
 13 assessment against him, that's not paying?
 14 And I don't know that that's the case.
 15 MR. MORIN:
 16 And I think we've discussed that in
 17 previous meetings, potentially with Deidra
 18 in here.
 19 (An off-the-record discussion followed.)
 20 MR. MORIN:
 21 You're talking about like audit
 22 summary reports?
 23 MS. ANDREWS:
 24 Yes. I think that's the -- one of the
 25 -- one of the options that we've been

Page 24

1 looking at is to put audit summaries on our
 2 public website.
 3 MR. MORIN:
 4 As a matter of fact, we do.
 5 MS. ANDREWS:
 6 Right.
 7 MR. MORIN:
 8 We do. Once the audit is complete,
 9 the final audit summary, which kind of
 10 spells out everything that took place, it
 11 goes onto our public document system. So --
 12 MR. MILAZZO:
 13 So it is something that you -- that
 14 you can share.
 15 MR. MORIN:
 16 So --
 17 MS. ANDREWS:
 18 Yes.
 19 MR. MORIN:
 20 So -- so it -- it can be accessed once
 21 it's -- it's on there.
 22 MS. ANDREWS:
 23 Yes.
 24 MR. MILAZZO:
 25 So then is it --

Page 25

1 MR. MORIN:
 2 Now -- yes, that -- it's put on there
 3 once everything is complete and finalized.
 4 MR. MILAZZO:
 5 And I go back to the original question
 6 then.
 7 MR. MORIN:
 8 Sure.
 9 MR. MILAZZO:
 10 Is there anything we can do to stiffen
 11 the penalty, whatever it might be, that
 12 someone that's still in business today and
 13 has not responded to the requirements of the
 14 trust fund --
 15 MS. ANDREWS:
 16 I think that's all driven by statute.
 17 And so we're really bound by what the
 18 statute says that we can do.
 19 MR. MILAZZO:
 20 And so is it fair to say that -- that
 21 you guys are using all of the privileges of
 22 the statute to -- to enforce collections?
 23 MS. ANDREWS:
 24 We believe we are.
 25 MR. MORIN:

Page 26

1 I mean, and the penalty --
 2 MR. MILAZZO:
 3 And I don't want to -- I don't want to
 4 belabor it. I just -- you know, it's been a
 5 pet peeve of mine, you know, for a while
 6 now. And I'm delighted to see, you know --
 7 MS. ANDREWS:
 8 The -- the -- and I -- and I -- I know
 9 where you're going. There are -- there are
 10 basically two routes that -- that we have
 11 available to us. You have the environmental
 12 route or the route that takes you to come
 13 after them financially. And we've always
 14 gone the financial route against them. And
 15 that allows our legal teams to be able to
 16 put the liens on them, to be able to put --
 17 do the garnishments, for us to be able to --
 18 MR. MORIN:
 19 And they can -- they can also request
 20 additional penalties.
 21 MS. ANDREWS:
 22 Right. The --
 23 MR. MORIN:
 24 Judicial interest.
 25 MS. ANDREWS:

Page 27

1 Right. The other option is well more
 2 cumbersome and is probably really not --
 3 we've never felt was the appropriate route,
 4 and that's going through the environmental
 5 penalty side of it. And, you know, that's -
 6 - I -- you know, we've just never gone on --
 7 in that direction, because this is more of a
 8 financial issue.
 9 MR. MILAZZO:
 10 Right. No, I get it. And I -- and I
 11 appreciate the way you're handling it. I
 12 just -- you know, if there's a way to
 13 stiffen up, you know, the -- the requirement
 14 to pay, then that's --
 15 MS. ANDREWS:
 16 I will tell you that last year -- I
 17 think it was last year or it might have been
 18 the year before -- in the legislative
 19 session, they did -- they did pass an act
 20 that created an Office of Debt Recovery -- I
 21 think that's the name -- under the
 22 Department of Revenue. And what Cy and the
 23 audit division are now doing is, after they
 24 have made their assessment -- so he goes out
 25 and he will be doing his audits. And he

Page 28

1 determines that somebody owes money. He
 2 will then invoice these companies. And he
 3 then really turns it over. He's now done
 4 with it.
 5 MR. MORIN:
 6 Once -- yes, once we do not collect
 7 it, we forward it on --
 8 MS. ANDREWS:
 9 He's now finished. He has now
 10 invoiced these companies. They will then
 11 have a -- a prescriptive period to pay these
 12 bills, as you will. And if they do not pay
 13 them in so many days, they're going to get
 14 turned over to the Office of Debt Recovery.
 15 And that is way worse than anything that
 16 this department will be doing.
 17 MR. HILL:
 18 Is that like filing a lien on the
 19 property?
 20 MS. ANDREWS:
 21 It's worse than that.
 22 MR. HILL:
 23 Is it?
 24 MS. ANDREWS:
 25 Yes.

Page 29

1 MR. MILAZZO:
2 Well, good.
3 MS. ANDREWS:
4 So the legislature actually puts some
5 -- some -- built some things in the last
6 couple of years because of their concerns of
7 collections for the rest of the state. So
8 this will get caught up in that, you know,
9 whether it's, you know, by accident or
10 purpose, it will be part of it.
11 MR. MORIN:
12 Right. And it does seem like they're
13 -- they're nearing --
14 MS. ANDREWS:
15 Yes.
16 MR. MORIN:
17 -- the point where they're actually
18 going to start forwarding things on.
19 MS. ANDREWS:
20 Right. Yes. We've been working --
21 MR. MORIN:
22 It's been a work in progress for us.
23 MS. ANDREWS:
24 Yes. We have weekly meetings with the
25 Office of Debt Recovery that we're working

Page 30

1 towards having these referred. Now, we're -
2 - I don't want to tell you that that's going
3 to happen in the next three months, because
4 we're kind of taking baby steps on getting
5 them. It's -- it's a very cumbersome
6 process for us to be able to electronically
7 get things referred. You know, with all
8 these agencies, everybody has their own
9 processes, you know, computer wise. And so,
10 we're all trying to get on the same page.
11 But this will be one of those items. If
12 these companies don't pay, after 90 days, it
13 goes over there. And they'll have 25
14 percent surcharge on top of this. What we
15 also do is, they now wind up using a
16 judicial interest rate, which is a daily
17 compounding rate. So we've actually made a
18 lot of changes here in the last I'd say two
19 years.
20 MR. MORIN:
21 Actually, the -- the interest rate --
22 the interest is not charged on --
23 MS. ANDREWS:
24 On -- on -- right.
25 MR. MORIN:

Page 31

1 That would be --
2 MS. ANDREWS:
3 Okay. So there's -- there are some --
4 a lot of changes that we've made.
5 MR. MILAZZO:
6 Well, it appears you guys are doing a
7 great job of identifying that. Now, you
8 know, it's just the collection process that,
9 you know -- but again, a lot of progress
10 made. So I just wanted to tell you thanks.
11 MR. MORIN:
12 You're welcome.
13 MR. BURNHAM:
14 I had a question for Cy. Cy, how many
15 new audits are initiated within a given time
16 period, out of curiosity?
17 MR. MORIN:
18 Okay. So for this -- for this fiscal
19 year, we're initiating 18 new audits.
20 MR. BURNHAM:
21 Okay. And how do you choose? Is that
22 randomly selected or --
23 MR. MORIN:
24 Currently, I -- I have a guy that is
25 our motor fuel auditor and he does analysis

Page 32

1 of who's registering and who's certificate
2 holders within the department. And he looks
3 at -- at fees paid, you know, for everyone
4 and he sees a status if anything -- you
5 know, he basically looks at the status of
6 the businesses and the payment history.
7 That's what we really have the access to
8 right now. And he puts together
9 spreadsheets showing who's been audited in
10 the past, who's never been audited, who's
11 been audited for certain reasons. And he
12 uses that to determine who he's going to
13 start, you know, auditing next.
14 MR. BURNHAM:
15 Okay.
16 MR. MORIN:
17 And he -- I -- he's in the process
18 right now where he's trying to rotate
19 through and -- and get people to go out to
20 businesses that have never been audited or,
21 you know, things of that nature.
22 MR. BURNHAM:
23 Okay. Thank you.
24 MR. MORIN:
25 You're welcome.

Page 33

1 MR. MILAZZO:
 2 You know, maybe a final thought. And
 3 I know that not always do the departments
 4 talk to one another. But, you know, it
 5 seems as though you -- if you had access to
 6 the department of revenue and you see all
 7 the tax, you know, where is the tax paid
 8 fuel going through, what -- what license the
 9 wholesalers are looking at those or -- or
 10 selling those and have some -- just -- just
 11 a file that's -- a spreadsheet that's
 12 calculating this stuff. Say, "Okay. This
 13 guy pulled so many gallons, but yet, we're
 14 seeing submission on X number of gallons."
 15 I mean, just --
 16 MR. MORIN:
 17 Yes.
 18 MR. MILAZZO:
 19 You could build a rule of thumb out
 20 there to at least say -- you've got out of
 21 state brokers in town now, selling lots of
 22 gallons. And, you know, where -- are
 23 their responsibilities come --
 24 MR. MORIN:
 25 It could be a way to identify --

Page 34

1 MR. MILAZZO:
 2 Yes, you may not even know them.
 3 MR. MORIN:
 4 -- people that we're not aware of.
 5 That's -- that's true.
 6 MR. MILAZZO:
 7 So I don't know what you can do with
 8 that, but it seems to me that you guys could
 9 build some calculations that would -- would
 10 begin to point some fingers at some places
 11 that you may have not thought about.
 12 MR. MORIN:
 13 Okay.
 14 MR. MILAZZO:
 15 Okay. And no other questions. Let's
 16 go to Jeff and the trust fund status report.
 17 MR. BAKER:
 18 Good afternoon. If ya'll would refer
 19 to tab number six in the packet. These are
 20 the figures for the second quarter of fiscal
 21 year 2015.
 22 During the second quarter of fiscal
 23 year 2015, the trust fund received 252
 24 applications that totaled \$3,781,473.
 25 During this period, 183 applications were

Page 35

1 processed for payment, totaling \$2,285,680.
 2 And 72 applications were returned with
 3 deficiencies.
 4 The number of deficiencies this
 5 quarter was a little bit higher because we
 6 went through and did a -- used a new
 7 application. We've been giving the RACs a
 8 number of months to get used to get
 9 acclimated to it and we gave them a
 10 deadline, and the deadline passed and they
 11 continued to use the old application, so we
 12 had a number that went back, telling them
 13 they needed to use the new one. We expect
 14 most of these applications to come back in
 15 subsequent quarters.
 16 For the sites in the corrective action
 17 phase, the outstanding liability for the
 18 corrective action plan budget and estimated
 19 costs to reach closure at the end of
 20 December 2014 was \$31,107,679.
 21 The additional obligation recognized
 22 for non-CAP sites, plus the projected motor
 23 fuel trust fund to environmental trust fund
 24 transfer, was \$40,963,750.
 25 At the end of December 2014, the trust

Page 36

1 fund had 151 pending applications to
 2 process, which have requested amounts,
 3 totaling \$2,501,249. Of this amount, the
 4 estimated requested obligations relating to
 5 CAP budgets and closure costs was
 6 \$1,741,820.
 7 If you'll note the legal-sized last
 8 page of your packet, it list a number of
 9 trust fund sites that received no further
 10 action status. So far, for this fiscal
 11 year, it's ten sites.
 12 You don't have this in these numbers
 13 in your packets, but the number of potential
 14 trust fund sites that were reviewed and made
 15 eligible during the current fiscal period
 16 was 19 sites, representing 20 active
 17 incidents.
 18 Points of interest relating to the
 19 trust fund. The trust fund is continuing to
 20 work on a draft of the next revision of
 21 the trust fund cost control guidance
 22 document. Our intention is the registered
 23 RAC community will be emailed in the next
 24 week with an opportunity for any RAC that is
 25 willing to participate in an email or phone

Page 37

1 conference workgroup relating to the
 2 guidance document revision for them to -- to
 3 give them an opportunity to advise the
 4 department that they are willing to
 5 participate. These workgroups will look at
 6 reimbursement issues the trust fund is
 7 attempting to clarify in guidance or in
 8 helping us research and develop new or
 9 revised unit rates.
 10 Does anybody have any questions?
 11 MR. MARCELLO:
 12 So how many -- you had a total sum of
 13 pending applications totaled \$2,501,000 and
 14 how many sites were they, or applications?
 15 MR. BAKER:
 16 151 applications.
 17 MR. MARCELLO:
 18 151.
 19 MR. BAKER:
 20 The majority of those applications
 21 were received from October 31 through the
 22 end of December. There was not a lot -- I
 23 think there was only 10 or 12 of them that
 24 were beyond the October 31 time frame.
 25 MR. IVEY:

Page 38

1 Is -- is there a calculation that you
 2 can share with us on the current outstanding
 3 CAP budgets that comes up with the thirty-
 4 one million and also the non-CAP? Ya'll
 5 calculate that internal?
 6 MR. BAKER:
 7 The non-CAP is -- yes, sir, we do. We
 8 have internal calculations on it. We can
 9 provide that if ya'll would like.
 10 MR. IVEY:
 11 Okay. Yes. I -- I would like to see
 12 it.
 13 MR. BAKER:
 14 We can email that to your email after
 15 the meeting.
 16 MR. IVEY:
 17 Okay.
 18 MR. MARCELLO:
 19 Does the total sum of pending
 20 applications include work being done at this
 21 present time?
 22 MR. BAKER:
 23 No, sir.
 24 MR. MARCELLO:
 25 In other words, these are -- this

Page 39

1 legal-sized sheet are no further action
 2 granted locations; am I correct?
 3 MR. BAKER:
 4 Yes, sir.
 5 MR. MARCELLO:
 6 So --
 7 MR. BAKER:
 8 Are you asking if --
 9 MR. MARCELLO:
 10 My question was -- my question is, if
 11 these were further action sites, the total
 12 would be 151 plus these nine or ten, it'd be
 13 161? And where I'm going with that is, how
 14 long -- how long in your estimation -- and I
 15 know there's no -- there's no specific time
 16 frame -- but how long -- oh, well, this
 17 answers my question. So the first
 18 application of these sites were -- some of
 19 them were 1992 and 2002 and so forth and so
 20 on. But you've got 151 pending
 21 applications. What's in the middle of that?
 22 MR. BAKER:
 23 Well, let's -- let's clarify. I think
 24 we're talking apples and oranges.
 25 MR. MARCELLO:

Page 40

1 Okay.
 2 MR. BAKER:
 3 You're -- you're talking about active
 4 sites. Okay? Currently, we have 295 active
 5 trust fund sites.
 6 MR. MARCELLO:
 7 Right.
 8 MR. BAKER:
 9 What you're looking at on that legal
 10 page is the number of sites that we closed
 11 during that time period. The 151 represents
 12 active applications for those sites.
 13 MR. MARCELLO:
 14 Exactly.
 15 MR. BAKER:
 16 So one of those sites may have several
 17 quarters of applications in at one time. So
 18 does that clarify --
 19 MR. MARCELLO:
 20 That -- that clarifies it.
 21 MR. BAKER:
 22 Okay, sir.
 23 MR. MARCELLO:
 24 Thank you.
 25 MR. MILAZZO:

Page 41

1 Jeff, let me ask, when I look at the
2 current obligated balance of the trust fund,
3 the total sum of CAP charges and pending
4 applications, there's a subtraction of that
5 number.
6 MR. BAKER:
7 Yes, sir. You're talking about where
8 we have the total sum of the pending and
9 then we have the total sum of the CAP
10 charges?
11 MR. MILAZZO:
12 Right. Yes.
13 MR. BAKER:
14 The reason we do that is not -- so not
15 to duplicate those CAP charges. Those CAP
16 charges are already included in the current
17 totals of the CAP budget. If you don't back
18 them out as part of the pending, you'll be
19 duplicating that -- those numbers.
20 MR. MILAZZO:
21 All right.
22 MR. BURNHAM:
23 They were submitted as a -- part of a
24 cost estimate, which is where that thirty-
25 one million number came from?

Page 42

1 MR. BAKER:
2 Those are -- those are the -- yes,
3 sir.
4 MR. BURNHAM:
5 Right.
6 MR. BAKER:
7 The applications came in with
8 requested amount of this amount, plus a
9 portion of that was CAP budget.
10 MR. BURNHAM:
11 Right.
12 MR. BAKER:
13 Well, that's already included in the
14 CAP budget estimates that we haven't applied
15 yet. So we don't want to duplicate that --
16 those obligations.
17 MR. MILAZZO:
18 Okay. Any other questions?
19 (No response.)
20 MR. MILAZZO:
21 All right. Thank you, Jeff.
22 And I guess, Jill, you'll talk about
23 the third party claims for us.
24 MS. CARTER:
25 There is no change in the status of

Page 43

1 our current third party claims. And we do
2 not have any new third party claims to
3 report.
4 MR. MILAZZO:
5 Well, that was quick. Any questions
6 about that?
7 (No response.)
8 MR. MILAZZO:
9 Okay. At this time, I'd like to go
10 into other business. I think, Kerry, you
11 had a comment, perhaps some questions.
12 MR. HILL:
13 I do. On Friday, the Governor made an
14 announcement to mid-year cuts to balance the
15 fiscal year. And we discovered that there
16 was reported -- in the reduction report, we
17 saw the two items in reductions and revenue
18 opportunities that totaled 8.7 million
19 dollars that would come from the UST trust
20 fund. We believe this is against the law.
21 It -- if it's protected, how can they draw
22 that money out of the fund? Can somebody
23 put some clarity to that?
24 MS. CARTER:
25 That one, I will have to defer until

Page 44

1 Perry comes back.
2 MR. HILL:
3 Okay.
4 MS. CARTER:
5 I'm sitting in for Perry, and he -- I
6 think he expected to be at this meeting but
7 was called away.
8 MR. HILL:
9 Okay.
10 MS. CARTER:
11 So if you could wait until Perry --
12 and I'll let him know that you have a
13 question about that.
14 MR. HILL:
15 Well, it's a very important question
16 deal to --
17 MS. CARTER:
18 Sure.
19 MR. HILL:
20 -- these three right here, including
21 myself.
22 MS. CARTER:
23 Sure.
24 MR. HILL:
25 When we go buy property to build a

Page 45

1 convenient store, we have to get the soil
 2 tested and do phase one, two or three -- you
 3 know, it can be quite expensive -- before we
 4 can get financing to -- to buy the property,
 5 let alone spend another two and a half,
 6 three million dollars, depending on what
 7 you're -- what size site you're building.
 8 And we have all -- all told and we all
 9 preach to our banks that we have a trust
 10 fund -- just like on the building, we have
 11 to provide the bank with a -- with an
 12 insurance certificate. Well, on these
 13 tanks, underground -- and they all know,
 14 because they're on both sides of the coin.
 15 They either -- you're either asking to
 16 borrow money to buy the property or you're
 17 asking to borrow on a site that's already
 18 ongoing and that has these -- this trust
 19 fund eligibility program in place and -- and
 20 so there's a level of comfort that we have
 21 established with our banks. There's a
 22 dis-level of comfort out there with us
 23 whenever we see this money potentially being
 24 robbed -- or maybe I should've said robbed.
 25 But being used for something else. But we -

Page 46

1 - we have worked hard to protect that. And
 2 it's kind of a scary feeling. And that -- I
 3 would like some clarity on that, if
 4 possible.
 5 MS. CARTER:
 6 Oh, sure. I understand. I -- I will
 7 pass that on to Perry.
 8 MR. HILL:
 9 Okay.
 10 MS. CARTER:
 11 I know ya'll are new and I would
 12 assume that he's -- I don't know if he has
 13 ya'll's email address or your contact
 14 information --
 15 MS. VIZINAT:
 16 I do.
 17 MS. CARTER:
 18 You have it, okay. Then I'll have him
 19 --
 20 MR. HILL:
 21 Okay.
 22 MR. MILAZZO:
 23 Let me kind of --
 24 MR. MARCELLO:
 25 If -- if I may make a suggestion, if

Page 47

1 you don't mind. I mean, I -- I would like
 2 him to -- our go to person of our
 3 association is Natalie. And I -- I would
 4 like for Mr. Perry, is it, to -- or whoever
 5 answers the question -- just to -- to maybe
 6 just harp on or answer the validly the of --
 7 of Kerry's request in that Louisiana Revised
 8 Statute 21:95-6, ownership of tank trust
 9 fund -- and I'll just read the first
 10 sentence. "The tank trust fund shall be
 11 used only for the purpose set forth in
 12 Revised Statute 30:2194 through 2195 and no"
 13 -- "and no other governmental purposes nor
 14 shall any portion thereof be available to
 15 borrow from by any branch of government."
 16 So maybe he can just answer -- answer that
 17 simple question regarding that particular
 18 statute and refer back to Natalie, and
 19 Natalie can send out -- because this -- it's
 20 the consensus on the Louisiana Oil
 21 Marketers, I'm sure -- and again, I'm not
 22 here speaking for them. Natalie would do
 23 that. But --
 24 MR. HILL:
 25 That's a good idea.

Page 48

1 MR. MARCELLO:
 2 You know, just -- just basically
 3 answer that. And then she'll let all the
 4 members know.
 5 MS. ISAACKS:
 6 You're right. And if I could just
 7 add, sooner rather than later, because it's
 8 --
 9 MR. MILAZZO:
 10 So this is getting ready to --
 11 MS. ISAACKS:
 12 -- at the end of the -- the budget
 13 committee is the 20th.
 14 MR. HILL:
 15 That could help ya'll and --
 16 MS. ISAACKS:
 17 That's less than two weeks.
 18 MR. HILL:
 19 -- that could help Natalie too. She
 20 would kind of be the go to person, because
 21 she lets us know.
 22 MR. MILAZZO:
 23 And, Jill, you know, in the absence of
 24 Vince being here today, as well as Perry --
 25 in all due respect, you know, to the role

<p style="text-align: right;">Page 49</p> <p>1 they play in accordance with some other 2 questions. In fact, you know, we were 3 hopeful of having an update on some of the 4 pending lawsuits. You know, there's another 5 discussion point as -- as we think about 6 where those funds may sit. And I know we 7 probably need to go into executive session 8 to discuss it. I'm not sure if there's a 9 purpose if there's no one here to really 10 answer those questions. There's no reason 11 to call for that. But I do want to say that 12 time is of the essence because of the 13 urgency in the Governor's office right now. 14 There's every indication, as Frank said, 15 that, you know, this is not a tax. It is a 16 -- it is a fee. 17 MS. CARTER: 18 Right. 19 MR. MILAZZO: 20 And -- and when you start looking at 21 it, it's identified. And, you know, when 22 you look at what's being considered as an 23 opportunity revenue for the budget 24 shortfall, I -- I wouldn't want to wake up 25 and have my bank call me and -- and say,</p>	<p style="text-align: right;">Page 51</p> <p>1 urgent. Unfortunately, we don't have, you 2 know, the other folks in the room that we'd 3 like to be talking to as well. So we have 4 to rely on you to kind of share this message 5 of urgency that -- that they've just 6 mentioned. And we -- we do challenge the 7 thinking that this -- this can be raided for 8 other purposes of government when the 9 statute seems to be pretty straight forward. 10 And I think from those who are contributing 11 to the financial well-being of the trust 12 fund, I think we certainly deserve some 13 answers -- 14 MS. CARTER: 15 Oh, sure. 16 MR. MILAZZO: 17 -- soon. 18 Any comments with respect to that. 19 Shawn, Steve? 20 MR. IVEY: 21 I guess as far as I'm concerned, we 22 have seen in other states where a fund has 23 been considered insolvent. And then all of 24 a sudden, there's no money going out. You 25 know, that -- that's really our biggest</p>
<p style="text-align: right;">Page 50</p> <p>1 "You know, we're looking at the balance 2 sheet of the trust fund and it" -- "and it 3 is indeed an insolvent entity today, if the" 4 -- "if the" -- "if Baton Rouge or the 5 Governor's office has their way." And I 6 don't want to speak for those that -- from 7 the contractors standpoint. You know, I'm 8 sure they have a point of view as well. And 9 I'm not sure, Shawn, if you've got any 10 commentary for that, but I -- I just think 11 we're traveling down a path. And I don't 12 want to wake up tomorrow and find myself 13 going out and looking for environmental 14 pollution insurance when I think we've done 15 that. And we've had a great fund, under 16 your administration. You know, we -- we see 17 that we're more and more, you know, funding 18 -- you know, bigger parts of the department 19 and -- and -- but yet, we still are tracking 20 okay. But if we start, you know, opening up 21 opportunities for other parts of Louisiana 22 government to reach in, then we are going to 23 have a problem. And I don't know where it 24 ends, but it -- it's really concerning. And 25 this seems to be something that is most</p>	<p style="text-align: right;">Page 52</p> <p>1 concern, because, you know, a lot of our 2 business we get paid through the trust fund. 3 Our bank looks at us and looks at our 4 accounts receivable and expects them to be 5 paid by trust fund. So if they're not, then 6 our bank looks hard at us going, "Where are 7 you getting the money?" So I guess that's 8 my concern is -- is at what point does the 9 trust fund become insolvent if we, you know, 10 keep grabbing money out of it? Especially 11 since the obligations are, what, 72 million. 12 You know, if we drop below that, at what 13 point does it become insolvent? 14 MR. MILAZZO: 15 And I think, you know, Kerry raised a 16 great point. Not to, you know, keep hashing 17 on the same thing, but, you know, when -- 18 when the banks look at that as an 19 opportunity to say, you know, those 20 mortgages are solvent, because it is 21 certainly a -- a course of insurance for us 22 and -- and begin to question the integrity 23 of the fund and it's ability to -- to solve 24 a release problem, then we're going to be -- 25 we're either going to be -- we're going to</p>

Page 53

1 see loans being called or we're going to be
 2 finding other sources of protection for the
 3 bank. And that's just the starting point.
 4 And I think if we don't stand up today to
 5 protect this now, then what happens when we
 6 get into the legislation session and they're
 7 trying to solve the problem in the next
 8 fiscal year?
 9 MR. BURNHAM:
 10 Right.
 11 MR. MILAZZO:
 12 Is this going to be an even bigger
 13 concern as we go forward? So if we're going
 14 to stop it, the best chance we have is to
 15 stop it before it gets started. And that's
 16 now.
 17 MR. HILL:
 18 Jill, did you say you had called for
 19 Vince to come to this meeting, or he wasn't
 20 going to be able to come today?
 21 MS. CARTER:
 22 I'm sorry. Say that again.
 23 MR. HILL:
 24 Did you say you had called or asked
 25 for Vince to --

Page 54

1 MS. ANDREWS:
 2 I can -- I can tell you. Vince had a
 3 meeting at the capitol this afternoon --
 4 MR. HILL:
 5 Oh, okay.
 6 MS. ANDREWS:
 7 -- after lunch on another matter.
 8 MR. HILL:
 9 Okay. I just --
 10 MS. ANDREWS:
 11 So he was not able to attend.
 12 MR. HILL:
 13 I misunderstood her. And this is such
 14 -- this is a very important item to us.
 15 MS. ANDREWS:
 16 And I can let you know that we did --
 17 Vince and Secretary Hatch did have a meeting
 18 with the Office of Planning and Budget with
 19 -- concerning all of our statutory
 20 dedicated funds. And all of our funds at
 21 this department are statutorily dedicated.
 22 It's not just your fund. And we met
 23 extensively on them. They asked for all of
 24 our obligations and our fund balances for
 25 every one of them. And this was one of many

Page 55

1 that we had discussions on. So when the --
 2 the information did come out, we were -- you
 3 got what we got. So I'm -- I'm -- you know,
 4 I'm not sure, you know, what Vince is going
 5 to be able to give you. I'm sure Perry will
 6 be able -- perhaps will be able to share
 7 with you some information. I'm -- I'm not
 8 sure that he's going to be able to give you
 9 anymore than what you're reading in the
 10 statute.
 11 MR. HILL:
 12 Well, just a question that I have. I
 13 would be genuine -- genuinely concerned that
 14 ya'll would feel the same way that we do
 15 because this is a department that -- that
 16 funds everything, correct? Good question,
 17 bad question or --
 18 MS. ANDREWS:
 19 I'll -- I'll have to refer that to
 20 other -- other folks.
 21 MR. HILL:
 22 Okay.
 23 MR. MILAZZO:
 24 Well, you know, I'll just -- I'll
 25 conclude --

Page 56

1 MS. ANDREWS:
 2 Or, I'll be happy to speak with you
 3 off the record.
 4 MR. MILAZZO:
 5 Yes. I'll conclude this. I won't use
 6 the same term as Kerry, but, you know, if --
 7 if the statute is -- is as clear and concise
 8 as it is, and we allow this money grab at
 9 the level in which it's being considered,
 10 then we -- we really don't have anything.
 11 And we -- we could really at the next
 12 meeting begin to start thinking about other
 13 means to protect ourselves. Because, I
 14 mean, we'll be traveling down that route.
 15 And it's a scary thought, as you described,
 16 that -- that -- the question is, what's the
 17 balance in the fund and how much of that's
 18 encumbered? And then, coincidentally, you
 19 know, we see eight million dollars in an
 20 opportunity revenue bucket. And I hear you
 21 loud and clear, this is just one of many
 22 that you guys administer. So as -- as a
 23 member of a fund that -- that was -- you
 24 know, we fought hard to -- to create it for
 25 -- for a single purpose, it's a scary time.

Page 57

1 And I don't want to sit here and criticize
 2 our government, but, you know, it's -- it
 3 doesn't give me a good feeling of our
 4 ability to run our business with some
 5 protective covenants that -- that we
 6 worked hard to establish. And so I do
 7 respect that you guys -- there's only so
 8 much you can share with us and we certainly
 9 understand that. But I do hope -- you're
 10 the only folks listening to us today --
 11 that -- that you'll take our concern and --
 12 and share it with Vince and Perry, Secretary
 13 Hatch and -- and whoever else will listen to
 14 you. And if you need some support to help
 15 tell our message again, I'll gladly -- you
 16 know, we'll team up and we'll be back to
 17 talk to them directly, if that would matter.
 18 MR. BURNHAM:
 19 Before we close, I just want to go on
 20 record as concurring with the other board
 21 members that I think it would be totally
 22 inappropriate to take funds for other
 23 reasons from the trust fund. And even if we
 24 survive the amount that is being purposed
 25 now, to set that precedent would be

Page 58

1 something that would cause you to -- the
 2 trust fund amount would be totally
 3 unreliable from here on out because of the
 4 possibility of that happening, which as
 5 Shawn and others have said, would effect
 6 bankers in their decisions and everything
 7 else. So I just want to make sure I go on
 8 record as concurring with --
 9 MR. MILAZZO:
 10 Well, it's -- it's the lending market
 11 that sees that --
 12 MR. BURNHAM:
 13 Right.
 14 MR. MILAZZO:
 15 -- and says, "Well, that's a money
 16 grab."
 17 MR. BURNHAM:
 18 Right.
 19 MR. MILAZZO:
 20 "We have no integrity in that now,
 21 that your statute doesn't mean anything."
 22 Those -- those fire walls, if you will, are
 23 over. I mean, that -- that will put this
 24 thing in a spiral situation. I think you
 25 guys should know that. I would be a real

Page 59

1 tough situation for us. And if you're going
 2 to have insurance, then why do you need to
 3 have both, right? I'm not making a plea
 4 that we need to go off and get insurance.
 5 We -- we think we have what we need, but we
 6 need to maintain the integrity of it.
 7 Any other comments in respect to the
 8 trust fund?
 9 (No response.)
 10 MR. MILAZZO:
 11 Then I'd like to ask -- you know, it -
 12 - it appears it will be a very busy
 13 legislative session. I don't know if there
 14 will be enough time to talk about
 15 environmental substance, but as always, I
 16 think it's important that -- that we can
 17 kind of share if there's something on your
 18 agenda that -- that you think you guys will
 19 be looking at, we'd like to talk to you
 20 about it and see if, you know, perhaps we
 21 share, you know, the same thoughts with you
 22 and we can perhaps go with some sense of
 23 unity with you. If there are things that --
 24 that we're looking at, you know, we'll be
 25 talking to you guys about them. And so I'll

Page 60

1 ask you today, is there -- is there anything
 2 that you know of as of today that -- that
 3 you know could -- could be in the
 4 legislature here in the next month or so?
 5 MR. FULTON:
 6 Not that I know of. Not at this
 7 moment.
 8 MR. MILAZZO:
 9 Okay. We just would ask if you guys
 10 don't mind, we'd rather be your partner
 11 always.
 12 Any other business?
 13 (No response.)
 14 MR. MILAZZO:
 15 Okay. I ask for a motion to adjourn.
 16 MR. HILL:
 17 I make a motion to adjourn.
 18 MR. BURNHAM:
 19 Second.
 20 MR. MILAZZO:
 21 All in favor.
 22 (All indicated yes.)
 23 MR. MILAZZO:
 24 All right. Thank you.
 25 THE MEETING ADJOURNED AT 2:08 P.M.

1 REPORTER'S PAGE
 2 I, Lori B. Overland, Certified Court
 3 Reporter, in and for the State of Louisiana, the
 4 officer, as defined in Rule 28 of the Federal
 5 Rules of Civil Procedure and/or Article 1434(b)
 6 of the Louisiana code of Civil Procedure, before
 7 whom this sworn testimony was taken, do hereby
 8 state on the Record
 9 That due to the interaction in the
 10 spontaneous discourse of this proceeding, dashes
 11 (--) have been used to indicate pauses, changes
 12 in thought, and/or talk overs; that same is the
 13 proper method for a Court Reporters's
 14 transcription of proceeding, and that the dashes
 15 (--) do not indicated that words or phrases have
 16 been left out of this transcript;
 17 That any words and/or names which could not
 18 be verified through reference material have been
 19 denoted with the phrase "(inaudible)."
 20 _____
 21 Lori Overland, C.C.R.
 22 # 97083
 23
 24
 25

1 CERTIFICATION
 2 I, Lori B. Overland, Certified Court Reporter in
 3 and for the State of Louisiana, as the officer
 4 before whom this testimony was taken, do hereby
 5 certify that the above referenced individual to whom
 6 oath was administered, after having been duly sworn
 7 by me upon authority of R.S. 37:2554, did testify as
 8 hereinbefore set forth in the foregoing pages, that
 9 this testimony was reported by me in the stenomask
 10 reporting method, was prepared and transcribed by me
 11 or under my personal direction and supervision, and
 12 is a true and correct transcript to the best of my
 13 ability and understanding; that the transcript has
 14 been prepared in compliance with transcript format
 15 guidelines required by statute or by rules of the
 16 board, that I have acted in compliance with the
 17 prohibition on contractual relationships, as defined
 18 by Louisiana Code of Civil Procedure Article 1434
 19 and in rules and advisory opinions of the board;
 20 that I am not related to counsel or to the parties
 21 herein, nor am I otherwise interested in the outcome
 22 of this matter.
 23 _____
 24 Lori Overland C.C.R.
 25 # 97083

	20:10	25 (1)	29:9	agenda (3)
\$	10 (2)	30:13	acclimated (1)	4:6,12;59:18
	13:9;37:23	252 (1)	35:9	ago (1)
\$1,229,930 (1)	11 (1)	34:23	accordance (1)	13:16
8:16	13:9	28 (1)	49:1	agreed (1)
\$1,741,820 (1)	12 (2)	61:4	account (2)	20:8
36:6	12:20;37:23	28.54 (1)	8:16;21:12	ahead (1)
\$11,277,269 (1)	13 (7)	9:25	accounting (1)	8:11
8:6	19:6,6,14,17,21,	295 (1)	16:3	allow (1)
\$11,500 (1)	25;20:15	40:4	accounts (1)	56:8
21:13	14 (3)		52:4	allows (1)
\$126,000 (1)	18:22;19:4;20:25	3	acronym (1)	26:15
21:12	1434b (1)		15:21	alone (1)
\$127,122.79 (1)	61:5	30 (3)	acronyms (1)	45:5
21:10	15 (3)	11:9,21;12:10	Act (2)	always (4)
\$189,000 (1)	18:10,16,18	30:2194 (1)	13:11;27:19	26:13;33:3;59:15;
11:17	151 (6)	47:12	action (8)	60:11
\$2,285,680 (1)	36:1;37:16,18;	31 (7)	20:2,17,20;35:16,	American (1)
35:1	39:12,20;40:11	8:5;18:8,21;19:5;	18;36:10;39:1,11	13:10
\$2,501,000 (1)	161 (1)	21:10;37:21,24	active (5)	amount (8)
37:13	39:13		19:24;36:16;40:3,	8:23;19:12,15;
\$2,501,249 (1)	18 (1)	7	4,12	36:3;42:8,8;57:24;
36:3	31:19		actual (1)	58:2
\$3,781,473 (1)	183 (1)	72 (2)	13:6	amounts (1)
34:24	34:25	35:2;52:11	actually (6)	36:2
\$3,893,513 (1)	19 (1)		13:14,16;29:4,17;	analysis (1)
8:7	36:16	8	30:17,21	31:25
\$31,107,679 (1)	1992 (1)	8.7 (1)	add (1)	and/or (4)
35:20	39:19	43:18	48:7	19:2;61:5,12,17
\$4,000 (1)		8/20/14 (1)	additional (4)	ANDREWS (48)
20:12	2	20:7	15:8;16:9;26:20;	4:21,22;8:1;9:9;
\$4,016.58 (1)			35:21	10:2,6,10,15;11:3,8,
19:8	2/10/15 (1)		address (2)	12,20;12:12,24;13:5;
\$4,500 (1)	19:14	9	4:5;46:13	14:10,14;15:6,14,22;
19:20	2:08 (1)		adjourn (2)	16:1;17:4,8;23:23;
\$4,805,109 (1)	60:25	90 (1)	60:15,17	24:5,17,22;25:15,23;
8:10	20 (1)	30:12	ADJOURNED (1)	26:7,21,25;27:15;
\$4,844,000 (1)	36:16	97083 (1)	60:25	28:8,20,24;29:3,14,
9:4	2000 (1)	61:22	administer (1)	19,23;30:23;31:2;
\$40,963,750 (1)	12:18		56:22	54:1,6,10,15;55:18;
35:24	2002 (1)	A	administration (1)	56:1
\$527 (1)	39:19	abandon (1)	50:16	announcement (1)
18:14	2008 (1)	8:20	adopt (2)	43:14
\$6,638,347 (1)	12:19	ability (2)	6:16,18	annual (3)
8:15	2009 (2)	52:23;57:4	adopted (1)	10:11,14,18
\$630,000 (1)	13:9;20:23	able (11)	7:3	anticipate (1)
11:21	2011 (1)	22:11;26:15,16,17;	advise (1)	15:1
\$70,252,211 (1)	12:20	30:6;53:20;54:11;	37:3	anymore (1)
8:4	2011-'12 (1)	55:5,6,6,8	affidavit (1)	55:9
\$700 (1)	11:16	above (1)	19:11	appears (2)
19:1	2012 (1)	11:2	afternoon (2)	31:6;59:12
\$72,830,858 (1)	14:21	absence (2)	34:18;54:3	apples (1)
8:8	2014 (2)	4:3;48:23	again (5)	39:24
\$8,566 (2)	35:20,25	absolutely (3)	13:14;31:9;47:21;	application (3)
18:18;21:6	2015 (6)	7:21;17:5,9	53:22;57:15	35:7,11;39:18
\$9,470 (1)	7:5;8:18;9:2;21:3;	accept (1)	against (5)	applications (15)
21:5	34:21,23	17:17	20:3,20;23:13;	34:24,25;35:2,14;
\$904.17 (3)	20th (1)	access (2)	26:14;43:20	36:1;37:13,14,16,20;
19:15;21:7,15	48:13	accessed (1)	agencies (1)	38:20;39:21;40:12,
	21:95-6 (1)	32:7;33:5	30:8	17;41:4;42:7
	47:8	24:20	agency (2)	applied (1)
1	2195 (1)	47:12	10:18;14:19	42:14
		accident (1)		apply (1)
1/28/15 (1)				

12:3	away (2) 12:11;44:7	37:24	33:12	chance (1) 53:14
appreciate (4) 9:14;15:13;21:25; 27:11		bigger (2) 50:18;53:12	calculation (1) 38:1	change (2) 11:24;42:25
appropriate (2) 9:22;27:3	B	biggest (1) 51:25	calculations (2) 34:9;38:8	changes (4) 10:23;30:18;31:4; 61:11
approved (2) 10:16;12:2	baby (1) 30:4	bills (1) 28:12	call (5) 4:2,16;16:10; 49:11,25	charge (1) 13:25
approximately (6) 9:4;18:14;19:1,19; 21:12,13	back (11) 12:18,21;14:25; 15:1;25:5;35:12,14; 41:17;44:1;47:18; 57:16	bit (8) 7:19,22,23;9:19; 13:22;14:23;15:17; 35:5	called (4) 44:7;53:1,18,24	charged (1) 30:22
Article (1) 61:5	bad (1) 55:17	board (4) 15:7,10;20:14; 57:20	came (2) 41:25;42:7	charges (6) 10:20;12:3;41:3, 10,15,16
assessed (1) 18:18	BAKER (20) 5:15,16;34:17; 37:15,19;38:6,13,22; 39:3,7,22;40:2,8,15, 21;41:6,13;42:1,6,12	borrow (3) 45:16,17;47:15	can (31) 6:14;15:16;16:9, 10,22;17:9,18;23:10; 24:14,20;25:10,18; 26:19,19;34:7;38:2, 8,14;43:21,22;45:3, 4;47:16,19;51:7; 54:2,2,16;57:8; 59:16,22	check (1) 23:10
assessment (8) 18:12,25;19:19,22; 21:1;22:19;23:13; 27:24	balance (5) 8:9;41:2;43:14; 50:1;56:17	both (2) 45:14;59:3	CAP (9) 36:5;38:3;41:3,9, 15,15,17;42:9,14	choose (1) 31:21
assessments (3) 18:13;19:1;21:4	balances (1) 54:24	bound (1) 25:17	card (2) 15:10;16:22	Civil (2) 61:5,6
Associates (1) 5:9	bank (5) 45:11;49:25;52:3, 6;53:3	branch (1) 47:15	careful (1) 22:3	claim (1) 20:3
Association (3) 5:1,4;47:3	bankers (1) 58:6	bring (1) 6:10	careless (1) 22:3	claims (3) 42:23;43:1,2
assume (2) 4:11;46:12	bankrupt (1) 20:22	brokers (1) 33:21	capital (1) 54:3	clarifies (1) 40:20
assure (1) 7:19	banks (3) 45:9,21;52:18	BROUSSARD (2) 6:2,3	card (2) 15:10;16:22	clarify (3) 37:7;39:23;40:18
attempting (1) 37:7	based (1) 10:19	bucket (1) 56:20	CARTER (15) 4:8;5:19,20;42:24; 43:24;44:4,10,17,22; 46:5,10,17;49:17; 51:14;53:21	clarity (2) 43:23;46:3
attend (1) 54:11	basically (5) 12:8;17:18;26:10; 32:5;48:2	budget (8) 14:9;35:18;41:17; 42:9,14;48:12;49:23; 54:18	case (9) 18:18;19:14,21; 20:2,5,18,20;21:14; 23:14	clean (3) 18:12,24;19:18
attention (1) 6:11	basis (3) 10:12,14,19	build (3) 33:19;34:9;44:25	cases (7) 18:8,16;19:24; 20:1,25;21:10,11	clear (3) 15:17;56:7,21
attorney (1) 19:10	Baton (1) 50:4	building (2) 45:7,10	caught (1) 29:8	Clerk (1) 20:5
attorneys (1) 20:16	become (2) 52:9,13	built (1) 29:5	cause (1) 58:1	close (1) 57:19
attributable (1) 14:3	becomes (1) 14:2	BURNHAM (15) 5:8,9;6:17;31:13, 20;32:14,22;41:22; 42:4,10;53:9;57:18; 58:12,17;60:18	CCR (1) 61:21	closed (4) 18:20;19:22;21:1; 40:10
Audit (11) 4:20;18:8,25;19:6, 18;20:14;23:21;24:1, 8,9;27:23	begin (3) 34:10;52:22;56:12	business (8) 9:21;22:20;23:12; 25:12;43:10;52:2; 57:4;60:12	cases (7) 18:8,16;19:24; 20:1,25;21:10,11	closure (2) 35:19;36:5
audited (4) 32:9,10,11,20	beginning (1) 8:3	businesses (2) 32:6,20	cause (1) 58:1	code (3) 15:23;16:2;61:6
auditing (1) 32:13	behalf (1) 4:7	busy (1) 59:12	CCR (1) 61:21	coin (1) 45:14
auditor (2) 19:10;31:25	belabor (1) 26:4	buy (3) 44:25;45:4,16	certain (2) 22:5;32:11	coincidentally (1) 56:18
auditor's (1) 17:21	below (1) 52:12		certainly (4) 9:12;51:12;52:21; 57:8	collect (1) 28:6
audits (11) 18:11,12,21,23,24; 19:4,5,17;27:25; 31:15,19	benefit (1) 13:1		certificate (2) 32:1;45:12	collected (3) 8:14;18:19;21:7
available (2) 26:11;47:14	benefits (2) 13:7,20		Certified (1) 61:2	collection (2) 19:7;31:8
awaiting (1) 20:11	best (1) 53:14	C	chair (1) 4:4	collections (3) 11:13;25:22;29:7
aware (1) 34:4	beyond (1)	calculate (2) 8:22;38:5	chairperson (2) 7:5,20	collects (1) 11:25
		calculating (1)	challenge (1) 51:6	comfort (2) 45:20,22
				comfortable (2) 6:15;16:13

comment (1) 43:11	COOK (2) 5:21,22	44:16	27:7	5:25;6:1
commentary (1) 50:10	corporation (2) 20:21,22	Debt (3) 27:20;28:14;29:25	directly (1) 57:17	effort (1) 9:15
comments (2) 51:18;59:7	corrective (2) 35:16,18	December (4) 8:5;35:20,25; 37:22	discourse (1) 61:10	eight (2) 14:22;56:19
committee (1) 48:13	correctly (1) 12:9	decisions (1) 58:6	discovered (1) 43:15	either (3) 45:15,15;52:25
community (1) 36:23	cost (6) 10:1,1,17,20; 36:21;41:24	dedicated (2) 54:20,21	discuss (1) 49:8	election (1) 7:4
companies (3) 28:2,10;30:12	costs (6) 11:25;13:8,23; 14:2;35:19;36:5	defer (1) 43:25	discussed (2) 19:23;23:16	electronically (1) 30:6
compete (1) 23:3	couple (3) 9:7;21:21;29:6	deficiencies (2) 35:3,4	discussion (3) 16:10;23:19;49:5	Eleven (2) 18:9,21
complete (2) 24:8;25:3	course (3) 20:1;22:23;52:21	defined (1) 61:4	discussions (2) 21:20;55:1	eleventh (1) 18:17
completed (3) 18:10,23;19:16	Court (2) 61:2,13	Deidra (1) 23:17	dis-level (1) 45:22	eligibility (1) 45:19
compounding (1) 30:17	Court's (1) 20:5	delighted (1) 26:6	dissolved (1) 20:23	eligible (1) 36:15
computer (1) 30:9	covenants (1) 57:5	delinquent (2) 21:5,9	Division (4) 4:23;5:14,20; 27:23	else (7) 4:11;15:15,16; 16:8;45:25;57:13; 58:7
concern (4) 52:1,8;53:13; 57:11	create (1) 56:24	demand (2) 19:13;21:3	document (3) 24:11;36:22;37:2	email (4) 36:25;38:14,14; 46:13
concerned (2) 51:21;55:13	created (1) 27:20	denoted (1) 61:19	documents (1) 20:11	emailed (1) 36:23
concerning (2) 50:24;54:19	criticize (1) 57:1	department (11) 11:24;13:7;14:18; 27:22;28:16;32:2; 33:6;37:4;50:18; 54:21;55:15	dollars (3) 43:19;45:6;56:19	employees (1) 13:24
concerns (1) 29:6	cumbersome (2) 27:2;30:5	departmental (1) 14:2	done (3) 28:3;38:20;50:14	encumbered (1) 56:18
concise (1) 56:7	curiosity (1) 31:16	departments (1) 33:3	down (3) 20:11;50:11;56:14	end (7) 23:3,6,10;35:19, 25;37:22;48:12
conclude (2) 55:25;56:5	current (7) 8:7;12:22;36:15; 38:2;41:2,16;43:1	depending (1) 45:6	downturn (1) 14:24	ends (1) 50:24
concurring (2) 57:20;58:8	currently (5) 17:23;18:8,17; 31:24;40:4	deposited (1) 8:5	draft (1) 36:20	enforce (1) 25:22
conference (2) 16:10;37:1	cuts (1) 43:14	DEQ (8) 4:20,22;5:16,18, 20;6:1,3,8	draw (1) 43:21	Engineering (1) 5:9
confirmed (1) 21:8	Cy (5) 4:20;17:21;27:22; 31:14,14	described (1) 56:15	driven (1) 25:16	enough (2) 17:12;59:14
consensus (1) 47:20		deserve (1) 51:12	drives (1) 12:23	entire (1) 10:22
considered (3) 49:22;51:23;56:9		detail (1) 22:1	drop (1) 52:12	entity (1) 50:3
Consultants (3) 5:11,22,24		details (2) 8:22,25	due (2) 48:25;61:9	environmental (11) 8:24;9:3;10:18; 11:14,23;14:18; 26:11;27:4;35:23; 50:13;59:15
consumer (1) 23:8		determine (2) 20:17;32:12	dumb (1) 9:18	ERA (1) 13:10
contact (1) 46:13	D	determined (1) 20:19	duplicate (2) 41:15;42:15	Especially (1) 52:10
continued (1) 35:11	daily (1) 30:16	determines (1) 28:1	duplicating (1) 41:19	essence (1) 49:12
continuing (1) 36:19	dangerous (1) 7:22	develop (1) 37:8	During (4) 34:22,25;36:15; 40:11	establish (1) 57:6
contractors (1) 50:7	dashes (2) 61:10,14	different (1) 9:20	Durwood (1) 5:18	established (1) 45:21
contributing (1) 51:10	date (3) 8:14,17;21:3	direct (2) 10:19;12:3	E	estimate (1)
control (1) 36:21	day (2) 23:3,7	direction (1)	effect (1) 58:5	
convenient (1) 45:1	days (2) 28:13;30:12		EFFERSON (2)	
	deadline (2) 35:10,10			
	deal (1)			

41:24 estimated (2) 35:18;36:4 estimates (1) 42:14 estimating (1) 9:1 estimation (1) 39:14 even (3) 34:2;53:12;57:23 everybody (2) 4:11;30:8 everyone (2) 7:19;32:3 everyone's (1) 6:12 Exactly (1) 40:14 executive (1) 49:7 expect (1) 35:13 expected (1) 44:6 expects (1) 52:4 expenditures (5) 8:15;17:9;1;12:18; 13:2 expensive (1) 45:3 explain (1) 16:11 extensively (1) 54:23	13:23 Fieldwork (4) 18:10,22;19:2,16 fifth (1) 19:21 figures (1) 34:20 file (4) 18:19;19:9;20:2; 33:11 filed (1) 19:12 filing (1) 28:18 final (4) 18:15;19:2;24:9; 33:2 finalized (2) 21:1;25:3 Financial (6) 4:22;7:25;17:17; 26:14;27:8;51:11 financially (1) 26:13 financials (1) 17:2 financing (1) 45:4 find (2) 16:8;50:12 finding (1) 53:2 fingers (1) 34:10 finished (1) 28:9 fire (1) 58:22 first (5) 9:12;13:25;21:19; 39:17;47:9 fiscal (25) 8:3,18;9:2;11:15; 18:9,16,18,22;19:4,6, 6,14,17,21,25;20:15, 25;21:3;31:18;34:20, 22;36:10,15;43:15; 53:8 five (5) 12:9;18:10,16; 19:5;21:11 floor (1) 7:6 fluctuate (1) 10:5 fluctuates (1) 10:11 folks (4) 22:20;51:2;55:20; 57:10 follow (1) 11:15 followed (1)	23:19 forgive (1) 7:22 forth (2) 39:19;47:11 forward (3) 28:7;51:9;53:13 forwarding (1) 29:18 fought (1) 56:24 four (2) 8:3;19:24 frame (2) 37:24;39:16 Frank (5) 4:25;9:13,15;16:7; 49:14 FRANKLIN (2) 5:17,18 free (1) 9:17 Friday (1) 43:13 Fuel (6) 5:16;8:23;12:1; 31:25;33:8;35:23 full (1) 18:19 FULTON (3) 5:12,13;60:5 Fund (51) 4:18;5:16,18;6:1, 8;8:5,13,24,24;9:3; 10:22;11:14,22,23; 12:1;23:5;25:14; 34:16,23;35:23,23; 36:1,9,14,19,19,21; 37:6;40:5;41:2; 43:20,22;45:10,19; 47:9,10;50:2,15; 51:12,22;52:2,5,9, 23;54:22,24;56:17, 23;57:23;58:2;59:8 funding (1) 50:17 funds (5) 49:6;54:20,20; 55:16;57:22 further (3) 36:9;39:1,11 futile (1) 20:21	5:13;13:15 gave (1) 35:9 genuine (1) 55:13 genuinely (1) 55:13 gets (1) 53:15 given (2) 20:21;31:15 gives (1) 8:25 giving (1) 35:7 gladly (1) 57:15 goes (3) 24:11;27:24;30:13 good (6) 16:25;29:2;34:18; 47:25;55:16;57:3 government (4) 47:15;50:22;51:8; 57:2 governmental (1) 47:13 governments (1) 14:9 Governor (1) 43:13 Governor's (2) 49:13;50:5 grab (2) 56:8;58:16 grabbing (1) 52:10 grant (5) 12:18;14:1,1,8,16 granted (1) 39:2 grants (1) 13:8 great (3) 31:7;50:15;52:16 guess (3) 42:22;51:21;52:7 guidance (3) 36:21;37:2,7 guy (2) 31:24;33:13 guys (14) 9:16;22:3,14,17; 23:5;25:21;31:6; 34:8;56:22;57:7; 58:25;59:18,25;60:9	happen (1) 30:3 happening (1) 58:4 happens (1) 53:5 happy (3) 15:9,17;56:2 hard (4) 46:1;52:6;56:24; 57:6 harp (1) 47:6 hashing (1) 52:16 Hatch (2) 54:17;57:13 hear (1) 56:20 help (3) 48:15,19;57:14 helping (1) 37:8 hereby (1) 61:7 HICKS (2) 5:23,24 higher (1) 35:5 highest (1) 12:19 HILL (25) 5:2,3;6:19;7:9; 28:17,22;43:12;44:2, 8,14,19,24;46:8,20; 47:24;48:14,18; 53:17,23;54:4,8,12; 55:11,21;60:16 history (1) 32:6 holders (1) 32:2 hope (1) 57:9 hopeful (1) 49:3 hopefully (1) 4:4
F				I
fact (2) 24:4;49:2 fair (3) 4:13;17:12;25:20 fairly (2) 11:17;14:17 far (2) 36:10;51:21 favor (3) 6:22;7:12;60:21 federal (3) 12:17;14:8;61:4 fee (2) 23:9;49:16 feel (4) 7:18;9:17;16:13; 55:14 feeling (2) 46:2;57:3 fees (3) 21:5,9;32:3 felt (1) 27:3 few (1)				
		G		
		gallons (3) 33:13,14,22 garnishment (1) 20:7 garnishments (1) 26:17 Gary (2)	H	
			half (3) 10:21;12:1;45:5 handling (1) 27:11	Ian (1) 6:8 idea (1) 47:25 identified (1) 49:21 identify (1) 33:25 identifying (2) 22:5;31:7 important (3) 44:15;54:14;59:16

<p>inappropriate (1) 57:22</p> <p>inaudible (1) 61:19</p> <p>inception (1) 8:14</p> <p>incidents (1) 36:17</p> <p>include (1) 38:20</p> <p>included (3) 22:13;41:16;42:13</p> <p>including (1) 44:20</p> <p>increase (2) 13:20;14:4</p> <p>indeed (1) 50:3</p> <p>indicate (1) 61:11</p> <p>indicated (5) 4:14;6:23;7:13; 60:22;61:15</p> <p>indication (1) 49:14</p> <p>indirect (5) 10:1,17,20;11:1,25</p> <p>industry (1) 22:6</p> <p>information (5) 8:12;17:10;46:14; 55:2,7</p> <p>initiated (1) 31:15</p> <p>initiating (1) 31:19</p> <p>insolvent (4) 50:3;51:23;52:9, 13</p> <p>insurance (5) 45:12;50:14; 52:21;59:2,4</p> <p>integrity (3) 52:22;58:20;59:6</p> <p>intention (1) 36:22</p> <p>interaction (1) 61:9</p> <p>interest (8) 8:13,18;16:13; 26:24;30:16,21,22; 36:18</p> <p>internal (2) 38:5,8</p> <p>into (6) 8:4;11:13,22; 43:10;49:7;53:6</p> <p>invoice (2) 19:13;28:2</p> <p>invoiced (2) 21:16;28:10</p> <p>ISAACKS (5) 6:4,5;48:5,11,16</p>	<p>issue (1) 27:8</p> <p>issues (1) 37:6</p> <p>Item (5) 7:4;11:2;12:10; 14:7;54:14</p> <p>items (2) 30:11;43:17</p> <p>IVEY (7) 5:10,11;7:7;37:25; 38:10,16;51:20</p> <p style="text-align: center;">J</p> <p>Jason (1) 6:1</p> <p>Jeff (4) 5:16;34:16;41:1; 42:21</p> <p>Jill (6) 4:6;5:20;17:16; 42:22;48:23;53:18</p> <p>job (1) 31:7</p> <p>Johnny (3) 5:6;7:8;16:16</p> <p>judgment (1) 20:6</p> <p>judgments (1) 20:1</p> <p>Judicial (2) 26:24;30:16</p> <p>jumped (1) 13:18</p> <p style="text-align: center;">K</p> <p>Karyn (5) 4:22;7:24;9:7; 12:17;15:4</p> <p>keep (2) 52:10,16</p> <p>KELLEY (1) 6:7</p> <p>Kelly (1) 6:8</p> <p>Kerry (7) 5:3;9:13,15;16:7; 43:10;52:15;56:6</p> <p>Kerry's (1) 47:7</p> <p>kind (12) 9:14;15:21;17:25; 22:5,12;24:9;30:4; 46:2,23;48:20;51:4; 59:17</p> <p style="text-align: center;">L</p> <p>labor (1) 12:3</p> <p>last (8)</p>	<p>12:21;20:14; 21:21;27:16,17;29:5; 30:18;36:7</p> <p>late (1) 21:5</p> <p>later (1) 48:7</p> <p>law (1) 43:20</p> <p>lawsuits (1) 49:4</p> <p>lead (1) 17:25</p> <p>leading (1) 9:14</p> <p>learn (1) 17:1</p> <p>learned (1) 19:8</p> <p>least (3) 22:12,14;33:20</p> <p>leaves (1) 8:9</p> <p>left (1) 61:16</p> <p>Legal (10) 5:20;19:7;20:6,13, 18,19,20;23:2;26:15; 40:9</p> <p>legally (1) 21:11</p> <p>legal-sized (2) 36:7;39:1</p> <p>legislation (1) 53:6</p> <p>legislative (2) 27:18;59:13</p> <p>legislature (2) 29:4;60:4</p> <p>lending (1) 58:10</p> <p>less (1) 48:17</p> <p>lets (1) 48:21</p> <p>letter (1) 19:13</p> <p>level (3) 15:2;45:20;56:9</p> <p>liabilities (1) 8:8</p> <p>liability (1) 35:17</p> <p>license (1) 33:8</p> <p>lien (1) 28:18</p> <p>liens (1) 26:16</p> <p>likely (1) 20:23</p> <p>Linda (1) 5:24</p>	<p>line (5) 11:1,15;12:10; 13:2;14:7</p> <p>lines (2) 11:2;16:12</p> <p>list (1) 36:8</p> <p>listen (1) 57:13</p> <p>listening (1) 57:10</p> <p>little (8) 7:18,23;9:19; 13:15,22;14:23; 15:16;35:5</p> <p>loans (1) 53:1</p> <p>locations (1) 39:2</p> <p>long (4) 16:21;39:14,14,16</p> <p>look (7) 6:13;12:17;22:12; 37:5;41:1;49:22; 52:18</p> <p>looking (12) 9:20;13:1,16; 20:16;24:1;33:9; 40:9;49:20;50:1,13; 59:19,24</p> <p>looks (5) 32:2,5;52:3,3,6</p> <p>Lori (2) 61:2,21</p> <p>lot (8) 13:10,12,12;30:18; 31:4,9;37:22;52:1</p> <p>lots (1) 33:21</p> <p>loud (1) 56:21</p> <p>Louisiana (10) 4:25;5:3,6;6:5; 14:13;47:7,20;50:21; 61:3,6</p> <p>low (1) 11:17</p> <p>lowest (1) 12:20</p> <p>lunch (1) 54:7</p> <p style="text-align: center;">M</p> <p>mailed (1) 20:6</p> <p>maintain (1) 59:6</p> <p>majority (1) 37:20</p> <p>making (1) 59:3</p> <p>many (7)</p>	<p>28:13;31:14; 33:13;37:12,14; 54:25;56:21</p> <p>MARCELLO (35) 4:24,25;9:23;10:4, 8,13,25;11:6,10,18; 12:5,7,14;14:5,12; 15:12,19,24;16:4,15, 20;17:13;37:11,17; 38:18,24;39:5,9,25; 40:6,13,19,23;46:24; 48:1</p> <p>market (1) 58:10</p> <p>Marketers (5) 5:1,3,7;6:6;47:21</p> <p>material (1) 61:18</p> <p>matter (3) 24:4;54:7;57:17</p> <p>may (7) 14:23,23;34:2,11; 40:16;46:25;49:6</p> <p>maybe (6) 16:8,9;33:2;45:24; 47:5,16</p> <p>mean (9) 22:4,21;23:8;26:1; 33:15;47:1;56:14; 58:21,23</p> <p>means (1) 56:13</p> <p>meantime (1) 15:9</p> <p>meeting (15) 4:2;6:12;7:20; 9:12;15:10;16:9; 20:14;21:2;38:15; 44:6;53:19;54:3,17; 56:12;60:25</p> <p>meetings (4) 19:24;21:21; 23:17;29:24</p> <p>Melissa (1) 4:18</p> <p>member (1) 56:23</p> <p>members (4) 15:7;22:5;48:4; 57:21</p> <p>mentioned (1) 51:6</p> <p>message (2) 51:4;57:15</p> <p>met (1) 54:22</p> <p>method (2) 11:4;61:13</p> <p>middle (1) 39:21</p> <p>mid-year (1) 43:14</p> <p>might (3)</p>
--	---	---	--	--

<p>16:10;25:11;27:17 MILAZZO (68) 4:1,10,15;5:5,6; 6:9,21,24;7:2,8,11, 14,17;9:6,11;12:16; 13:3;15:3;16:6,18, 24;17:6,11,15,24; 18:5;21:18,24;22:10, 24;24:12,24;25:4,9, 19;26:2;27:9;29:1; 31:5;33:1,18;34:1,6, 14;40:25;41:11,20; 42:17,20;43:4,8; 46:22;48:9,22;49:19; 51:16;52:14;53:11; 55:23;56:4;58:9,14, 19;59:10;60:8,14,20, 23 million (7) 12:22;38:4;41:25; 43:18;45:6;52:11; 56:19 mind (2) 47:1;60:10 mine (1) 26:5 minute (1) 4:5 minutes (3) 6:11,18;7:3 misunderstood (1) 54:13 moment (2) 6:14;60:7 money (14) 8:19,19;13:10,11; 14:2;28:1;43:22; 45:16,23;51:24;52:7, 10;56:8;58:15 month (2) 23:10;60:4 months (2) 30:3;35:8 more (8) 8:21;13:23;15:17; 17:2;27:1,7;50:17,17 MORIN (34) 4:19,20;17:22; 18:2,7;21:22;22:8, 22;23:15,20;24:3,7, 15,19;25:1,7,25; 26:18,23;28:5;29:11, 16,21;30:20,25; 31:11,17,23;32:16, 24;33:16,24;34:3,12 morning (1) 13:17 mortgages (1) 52:20 most (2) 35:14;50:25 motion (4) 6:16,18;60:15,17</p>	<p>Motor (5) 5:16;8:23;12:1; 31:25;35:22 move (2) 17:19,20 much (2) 56:17;57:8 myself (2) 44:21;50:12</p> <p style="text-align: center;">N</p> <p>name (1) 27:21 names (1) 61:17 Natalie (7) 6:5;7:18;47:3,18, 19,22;48:19 nature (1) 32:21 nearing (1) 29:13 necessary (2) 16:8,21 need (9) 17:16,17;22:7; 49:7;57:14;59:2,4,5, 6 needed (1) 35:13 Nevertheless (1) 7:22 new (9) 9:7;15:7;31:15,19; 35:6,13;37:8;43:2; 46:11 next (10) 7:20;14:6;15:10; 30:3;32:13;36:20,23; 53:7;56:11;60:4 nice (2) 22:2,11 nine (2) 18:23;39:12 nominate (1) 7:8 nominations (1) 7:6 non-CAP (3) 35:22;38:4,7 nor (1) 47:13 note (1) 36:7 notice (1) 11:16 November (2) 6:11;21:2 number (13) 12:21;13:13; 22:20;33:14;34:19; 35:4,8,12;36:8,13;</p>	<p>40:10;41:5,25 numbers (4) 13:17;16:11; 36:12;41:19</p> <p style="text-align: center;">O</p> <p>obligated (1) 41:2 obligation (1) 35:21 obligations (5) 8:9;36:4;42:16; 52:11;54:24 obviously (1) 23:5 October (2) 37:21,24 off (2) 56:3;59:4 office (8) 16:3;20:5;27:20; 28:14;29:25;49:13; 50:5;54:18 officer (1) 61:4 off-the-record (1) 23:19 Oil (5) 4:25;5:3,6;6:5; 47:20 old (2) 11:4;35:11 once (7) 8:21;10:23;24:8, 20;25:3;28:6,6 One (23) 13:19;19:6,14,18, 19;20:2,14;22:2; 23:24,25;30:11;33:4; 35:13;38:4;40:16,17; 41:25;43:25;45:2; 49:9;54:25,25;56:21 ongoing (1) 45:18 only (4) 37:23;47:11;57:7, 10 onto (1) 24:11 open (6) 7:5;18:8,9,21; 19:5;21:10 opened (2) 20:4,15 opening (1) 50:20 opinion (1) 23:2 opportunities (2) 43:18;50:21 opportunity (6) 6:13;36:24;37:3;</p>	<p>49:23;52:19;56:20 opposed (2) 6:25;7:15 option (1) 27:1 options (1) 23:25 oranges (1) 39:24 order (1) 4:3 ORG5800 (1) 15:21 original (1) 25:5 others (1) 58:5 ourselves (1) 56:13 out (21) 4:12;8:6,15;14:1; 17:3;24:10;27:24; 31:16;32:19;33:19, 20;41:18;43:22; 45:22;47:19;50:13; 51:24;52:10;55:2; 58:3;61:16 outstanding (4) 21:7,9;35:17;38:2 over (5) 11:15;28:3,14; 30:13;58:23 overhead (1) 12:2 Overland (2) 61:2,21 overs (1) 61:12 owes (1) 28:1 own (1) 30:8 ownership (1) 47:8</p> <p style="text-align: center;">P</p> <p>packet (4) 17:25;18:4;34:19; 36:8 packets (1) 36:13 page (7) 8:11,21;9:14,15; 30:10;36:8;40:10 paid (5) 8:6;32:3;33:7; 52:2,5 part (3) 29:10;41:18,23 participate (2) 36:25;37:5 particular (2)</p>	<p>12:10;47:17 partner (1) 60:10 parts (2) 50:18,21 party (3) 42:23;43:1,2 pass (2) 27:19;46:7 passed (2) 23:8;35:10 past (2) 4:4;32:10 path (1) 50:11 pauses (1) 61:11 pay (5) 8:19;27:14;28:11, 12;30:12 paying (2) 13:21;23:13 payment (5) 20:9,10,11;32:6; 35:1 pays (1) 23:6 peer (2) 18:14;19:2 peeve (1) 26:5 penalties (3) 21:6,9;26:20 penalty (4) 23:11;25:11;26:1; 27:5 pending (10) 18:14;19:2;36:1; 37:13;38:19;39:20; 41:3,8,18;49:4 people (2) 32:19;34:4 per (1) 20:4 percent (6) 10:1;11:9,21; 12:10;14:22;30:14 percentage (2) 10:5,23 perhaps (4) 43:11;55:6;59:20, 22 period (6) 12:19;28:11; 31:16;34:25;36:15; 40:11 Perry (9) 4:6;44:1,5,11; 46:7;47:4;48:24; 55:5;57:12 person (2) 47:2;48:20 personnel (2)</p>
---	--	--	---	---

<p>10:1;13:7 pet (1) 26:5 petition (2) 19:9;20:6 phase (2) 35:17;45:2 phone (1) 36:25 phrase (1) 61:19 phrases (1) 61:15 place (2) 24:10;45:19 places (1) 34:10 plan (5) 10:19;20:9,10,17; 35:18 Planning (1) 54:18 play (1) 49:1 plea (1) 59:3 please (2) 7:25;9:21 plus (3) 35:22;39:12;42:8 PM (1) 60:25 point (10) 12:19,20;29:17; 34:10;49:5;50:8; 52:8,13,16;53:3 Points (1) 36:18 pollution (1) 50:14 pool (1) 10:20 portion (2) 42:9;47:14 possibility (1) 58:4 possible (1) 46:4 potential (5) 18:11,13,25;19:19; 36:13 potentially (4) 18:24;19:18; 23:17;45:23 PPM (3) 5:11,22,24 preach (1) 45:9 precedent (1) 57:25 prepared (1) 7:21 prescriptive (1)</p>	<p>28:11 present (2) 7:24;38:21 pretty (1) 51:9 previous (2) 19:23;23:17 price (1) 23:6 prior (2) 19:25;20:15 privileges (1) 25:21 probably (5) 15:1;20:21;21:14; 27:2;49:7 problem (3) 50:23;52:24;53:7 Procedure (2) 61:5,6 proceeding (2) 61:10,14 process (4) 30:6;31:8;32:17; 36:2 processed (1) 35:1 processes (1) 30:9 program (4) 8:20;12:4;13:25; 45:19 progress (4) 18:17;19:3;29:22; 31:9 projected (1) 35:22 proper (2) 23:4;61:13 property (4) 28:19;44:25;45:4, 16 proposal (1) 10:17 protect (3) 46:1;53:5;56:13 protected (1) 43:21 protection (3) 10:18;14:19;53:2 protective (1) 57:5 provide (5) 15:9,16;17:9;38:9; 45:11 public (2) 24:2,11 pulled (1) 33:13 purpose (4) 29:10;47:11;49:9; 56:25 purposed (1)</p>	<p>57:24 purposes (2) 47:13;51:8 pursued (1) 21:11 put (6) 24:1;25:2;26:16, 16;43:23;58:23 puts (2) 29:4;32:8</p> <p style="text-align: center;">Q</p> <p>quarter (3) 34:20,22;35:5 quarterly (1) 10:9 quarters (2) 35:15;40:17 quick (2) 6:14;43:5 quite (1) 45:3</p> <p style="text-align: center;">R</p> <p>RAC (2) 36:23,24 RACs (1) 35:7 raided (1) 51:7 raised (1) 52:15 randomly (1) 31:22 rate (6) 10:21,22;12:2; 30:16,17,21 rates (1) 37:9 rather (2) 48:7;60:10 reach (3) 17:3;35:19;50:22 reached (1) 12:19 read (1) 47:9 reading (2) 12:8;55:9 ready (1) 48:10 real (2) 13:20;58:25 realize (1) 22:17 realizes (1) 23:12 really (14) 13:18;14:16,24; 16:13,16;25:17;27:2; 28:3;32:7;49:9;</p>	<p>50:24;51:25;56:10, 11 reason (2) 41:14;49:10 reasons (3) 13:19;32:11;57:23 receivable (1) 52:4 received (5) 11:22;20:9;34:23; 36:9;37:21 recently (1) 21:16 recognized (1) 35:21 recommendations (1) 23:1 record (4) 56:3;57:20;58:8; 61:8 Recovery (4) 13:11;27:20; 28:14;29:25 reduction (3) 14:20,22;43:16 reductions (1) 43:17 refer (3) 34:18;47:18;55:19 reference (1) 61:18 referred (3) 19:7;30:1,7 regarding (1) 47:17 registered (1) 36:22 registering (1) 32:1 reimbursement (2) 9:2;37:6 reimbursements (1) 8:7 related (4) 13:1,7,20;21:13 relating (3) 36:4,18;37:1 release (1) 52:24 rely (1) 51:4 remaining (5) 19:3,17,24;20:18; 21:15 remains (3) 20:2,13;21:7 Remediation (1) 5:14 report (10) 4:12;7:25;8:12,22; 17:17,18,21;34:16; 43:3,16 reported (1)</p>	<p>43:16 Reporter (1) 61:3 Reporters's (1) 61:13 reporting (1) 22:18 reports (1) 23:22 representing (1) 36:16 represents (1) 40:11 request (2) 26:19;47:7 requested (3) 36:2,4;42:8 requirement (1) 27:13 requirements (1) 25:13 research (1) 37:8 respect (4) 48:25;51:18;57:7; 59:7 responded (1) 25:13 respondent (1) 20:8 response (7) 7:1,16;15:5;42:19; 43:7;59:9;60:13 responsibilities (1) 33:23 rest (1) 29:7 resulting (3) 18:11,23;19:18 retirements (1) 13:21 returned (1) 35:2 revenue (8) 8:13,14,16;27:22; 33:6;43:17;49:23; 56:20 revenues (2) 8:25;11:13 review (4) 6:14;18:14,15; 19:2 reviewed (2) 19:9;36:14 revised (3) 37:9;47:7,12 revision (2) 36:20;37:2 Rhonda (1) 5:22 ridiculous (1) 9:18 Right (29)</p>
---	---	--	---	--

<p>4:9;12:15;17:16, 20;23:4;24:6;26:22; 27:1,10;29:12,20; 30:24;32:8,18;40:7; 41:12,21;42:5,11,21; 44:20;48:6;49:13,18; 53:10;58:13,18;59:3; 60:24 robbed (2) 45:24,24 role (1) 48:25 roll (1) 4:16 room (1) 51:2 rotate (1) 32:18 Rouge (1) 50:4 route (5) 26:12,12,14;27:3; 56:14 routes (1) 26:10 rule (2) 33:19;61:4 Rules (1) 61:5 run (1) 57:4 runs (1) 14:1</p>	<p>31:22 selling (2) 33:10,21 send (2) 10:17;47:19 sense (1) 59:22 sent (1) 19:13 sentence (1) 47:10 sequestration (1) 14:21 Services (2) 4:22;7:25 session (4) 27:19;49:7;53:6; 59:13 set (4) 18:19;19:21; 47:11;57:25 seven (1) 18:24 several (1) 40:16 shall (2) 47:10,14 share (8) 24:14;38:2;51:4; 55:6;57:8,12;59:17, 21 sharing (1) 21:25 Shawn (4) 5:11;50:9;51:19; 58:5 sheet (2) 39:1;50:2 shortfall (2) 22:17;49:24 shortly (1) 19:12 showing (1) 32:9 side (1) 27:5 sides (1) 45:14 signed (3) 19:10,11;20:11 simple (1) 47:17 single (1) 56:25 sit (2) 49:6;57:1 site (2) 45:7,17 sites (15) 8:8;35:16,22;36:9, 11,14,16;37:14; 39:11,18;40:4,5,10, 12,16</p>	<p>sitting (1) 44:5 situation (2) 58:24;59:1 six (1) 34:19 size (1) 45:7 soil (1) 45:1 solve (2) 52:23;53:7 solvent (1) 52:20 somebody (2) 28:1;43:22 someone (4) 17:1;22:18;23:11; 25:12 someone's (2) 6:15;23:4 soon (1) 51:17 sooner (1) 48:7 sorry (1) 53:22 sources (1) 53:2 speak (2) 50:6;56:2 speaking (2) 13:15;47:22 specific (1) 39:15 speed (1) 9:16 spells (1) 24:10 spend (1) 45:5 spike (1) 13:12 spiked (1) 13:13 spiral (1) 58:24 spontaneous (1) 61:10 spreadsheet (1) 33:11 spreadsheets (1) 32:9 stable (1) 14:17 stand (1) 53:4 standard (1) 14:7 standpoint (1) 50:7 stands (1) 8:14</p>	<p>start (6) 13:13;29:18; 32:13;49:20;50:20; 56:12 started (2) 19:25;53:15 starting (1) 53:3 state (6) 13:21;14:13;29:7; 33:21;61:3,8 states (1) 51:22 status (6) 20:13;32:4,5; 34:16;36:10;42:25 statute (10) 25:16,18,22;47:8, 12,18;51:9;55:10; 56:7;58:21 statutorily (1) 54:21 statutory (1) 54:19 stayed (1) 14:16 steps (1) 30:4 Steve (2) 5:9;51:19 stiffen (3) 23:11;25:10;27:13 still (7) 19:3;20:2,16; 22:20;23:12;25:12; 50:19 stop (2) 53:14,15 Storage (1) 5:13 store (1) 45:1 straight (1) 51:9 stuff (1) 33:12 submission (1) 33:14 submitted (1) 41:23 subsequent (1) 35:15 substance (1) 59:15 subtraction (1) 41:4 succession (2) 20:3,4 sudden (1) 51:24 suggestion (1) 46:25 suit (1)</p>	<p>19:9 sum (5) 37:12;38:19;41:3, 8,9 summaries (1) 24:1 summary (3) 22:12;23:22;24:9 support (1) 57:14 surcharge (1) 30:14 sure (19) 6:12;8:2;9:10; 10:3;22:4;23:1;25:8; 44:18,23;46:6;47:21; 49:8;50:8,9;51:15; 55:4,5,8;58:7 survive (1) 57:24 sworn (1) 61:7 system (1) 24:11</p>
T				
<p style="text-align: center;">S</p> <p>salaries (2) 12:25;13:6 same (7) 20:13;30:10; 52:17;55:14;56:6; 59:21;61:12 Samuel (1) 6:3 saw (2) 13:12;43:17 scary (3) 46:2;56:15,25 second (6) 6:20;7:10;13:2; 34:20,22;60:19 Secretary (2) 54:17;57:12 seeing (1) 33:14 seem (1) 29:12 seems (4) 33:5;34:8;50:25; 51:9 sees (2) 32:4;58:11 selected (1)</p>	<p>tab (2) 8:2;34:19 talk (7) 18:1;33:4;42:22; 57:17;59:14,19; 61:12 talking (6) 23:21;39:24;40:3; 41:7;51:3;59:25 Tank (4) 5:13;13:24;47:8, 10 tanks (2) 8:20;45:13 tax (4) 23:7;33:7,7;49:15 team (1) 57:16 teams (1) 26:15 telling (1) 35:12 ten (2) 36:11;39:12 term (1) 56:6 tested (1) 45:2 testimony (1) 61:7 thanks (2) 21:19;31:10 thereof (1) 47:14 thinking (2) 51:7;56:12</p>			

<p>third (3) 42:23;43:1,2 thirty- (2) 38:3;41:24 though (1) 33:5 thought (5) 22:1;33:2;34:11; 56:15;61:12 thoughts (1) 59:21 three (5) 7:4;30:3;44:20; 45:2,6 thumb (1) 33:19 today (12) 7:19,23;21:8; 22:21;25:12;48:24; 50:3;53:4,20;57:10; 60:1,2 together (1) 32:8 told (1) 45:8 tomorrow (1) 50:12 took (1) 24:10 top (1) 30:14 total (7) 21:8;37:12;38:19; 39:11;41:3,8,9 totaled (3) 34:24;37:13;43:18 totaling (5) 18:13;19:1;21:4; 35:1;36:3 totally (2) 57:21;58:2 totals (1) 41:17 tough (1) 59:1 towards (1) 30:1 town (1) 33:21 tracking (1) 50:19 transcript (1) 61:16 transcription (1) 61:14 transfer (1) 35:24 transferred (2) 8:4,23 traveling (2) 50:11;56:14 true (1) 34:5</p>	<p>Trust (42) 4:18;5:16,18;6:1, 8;8:4,13,23,24;9:3; 10:22;11:14,23;12:1; 23:5;25:14;34:16,23; 35:23,23,25;36:9,14, 19,19,21;37:6;40:5; 41:2;43:19;45:9,18; 47:8,10;50:2;51:11; 52:2,5,9;57:23;58:2; 59:8 try (1) 9:16 trying (3) 30:10;32:18;53:7 turn (3) 8:2,11,21 turned (1) 28:14 turns (1) 28:3 two (15) 11:2;12:22;18:12, 25;19:3,16,25;20:25; 21:4;26:10;30:18; 43:17;45:2,5;48:17</p>	<p>32:12 using (2) 25:21;30:15 UST (3) 6:3;12:17;43:19 V validly (1) 47:6 verification (1) 19:11 verified (1) 61:18 versus (1) 10:20 view (1) 50:8 Vince (7) 48:24;53:19,25; 54:2,17;55:4;57:12 VIZINAT (3) 4:17,18;46:15</p>	<p>wise (1) 30:9 within (3) 22:6;31:15;32:2 words (3) 38:25;61:15,17 work (5) 12:4;22:14;29:22; 36:20;38:20 worked (2) 46:1;57:6 workgroup (1) 37:1 workgroups (1) 37:5 working (4) 13:8,24;29:20,25 worse (2) 28:15,21 Wow (1) 13:18 write (1) 23:9</p>
	<p>U</p>	<p>W</p>	<p>Y</p>
	<p>uncollectible (2) 20:24;21:14 under (3) 13:2;27:21;50:15 Underground (3) 5:13;13:24;45:13 Unfortunately (1) 51:1 unit (1) 37:9 unity (1) 59:23 unreliable (1) 58:3 up (16) 9:16;12:21;13:12, 14,18;14:25;23:11; 27:13;29:8;30:15; 38:3;49:24;50:12,20; 53:4;57:16 update (2) 20:19;49:3 urgency (2) 49:13;51:5 urgent (1) 51:1 use (9) 9:20;10:21,21,22; 12:1;16:2;35:11,13; 56:5 used (7) 8:19;11:5;35:6,8; 45:25;47:11;61:11 uses (1)</p>	<p>wait (1) 44:11 wake (2) 49:24;50:12 walls (1) 58:22 wants (1) 17:1 way (7) 11:15;27:11,12; 28:15;33:25;50:5; 55:14 website (1) 24:2 week (1) 36:24 weekly (1) 29:24 weeks (1) 48:17 welcome (2) 31:12;32:25 well-being (1) 51:11 what's (4) 23:4;39:21;49:22; 56:16 whenever (1) 45:23 wholesalers (1) 33:9 who's (5) 32:1,1,9,10,10 willing (2) 36:25;37:4 wind (1) 30:15</p>	<p>ya'll (6) 34:18;38:4,9; 46:11;48:15;55:14 ya'll's (1) 46:13 year (35) 8:3,18;9:1,2; 10:24;11:16;12:21, 22;13:14,18;14:7,7; 18:9,16,18,22;19:4,6, 6,14,17,21,25;20:15, 25;21:3;27:16,17,18; 31:19;34:21,23; 36:11;43:15;53:8 years (5) 12:9;13:9;14:17; 29:6;30:19 yesterday (3) 19:8;20:8,18</p>
		<p>Z</p>	<p>zero (1) 11:2</p>

TRUST FUND ADVISORY BOARD MEETING
 THURSDAY, February 12, 2015
 1:00 P. M.
 MEETING ATTENDANCE RECORD

	Name	Representing	Telephone Number
1	Melissa Vizinat	DEQ Trust fund	(225) 219-3918
2	Kary Andrews	DEQ Financial Services	(225) 219-3865
3	Durwood Franklin	LDEQ Trust Fund	(318) 362-3050
4	Jan Kelley	DEQ Trust Fund	()
5	Sam Ouellet	ARK	() 216-2034
6	[Signature]	DEQ TRUST FUND	(225) 219-3917
7	Frank P. Fuller	LOMCSA	(225) 473-1300
8	Gary A. Fultum	DEQ	(225) 219-3505
9	Jason Efferson	LDEQ	(225) 219-3916
10	Samuel Hummel	CPEQ	(937) 262-5744
11	Cy McCain	DEQ Audit	(225) 219-3869
12	Yvonne Hicks	PPM	(318) 325-7270
13	Bhonda Cook	PPM	(318) 325-7270
14	Gill Carter	DEQ	(225) 219-3985
15	Shawn P. Joy	PPM	(318) 323-7270
16	Steve Benjamin	Engineering Associates	(225) 938-0098
17	Jo [Signature]	LOMCSA	() 235-2082
18	Natalie Isaacks	LOMCSA	()
19	Kerry Hill	LOMCSA	()
20			()
21			()
22			()
23			()
24			()
25			()

[Handwritten mark]