MINUTES

OF THE

ENVIRONMENTAL PROTECTION COMMISSION

MEETING

DECEMBER 17, 2013

IOWA DEPARTMENT OF NATURAL RESOURCES
AIR QUALITY OFFICES
7900 HICKMAN ROAD
WINDSOR HEIGHTS, IOWA

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MEETING MINUTES

CALL TO ORDER

The meeting of the Environmental Protection Commission was called to order by Vice Chairperson Max Smith at 10:00 a.m. on December 17, 2013 in the IDNR Air Quality facility in Windsor Heights, Iowa.

COMMISSIONERS PRESENT

Nancy Couser, Secretary
Cindy Greiman
Chad Ingels
Brent Rastetter
Bob Sinclair
Max Smith, Vice-Chair
Gene Ver Steeg

COMMISSIONERS ABSENT

Mary Boote, Chair

ADOPTION OF AGENDA

Vice Chairperson Max Smith called for additions or adjustments to the agenda. Seeing none, he approved the agenda as presented.

APPROVED AS PRESENTED

APPROVAL OF MINUTES

Motion was made by Gene Ver Steeg to approve the November 19, 2013 EPC meeting minutes. Seconded by Cindy Greiman. Motion carried unanimously.

APPROVED AS PRESENTED

DIRECTORS REMARKS

Director Gipp provided an update to the Commission regarding activities related to the recent legislative appropriation of an additional $700,000 for field inspections of animal feeding operations. The Department has hired all 7 positions and is currently training the new team members.

Director Gipp shared with the Commission the Department's upcoming meeting with the Directors from Missouri, Kansas, and Nebraska along with the Federal EPA Region 7 Regional Administrator to focus on environmental regulation topics.

Director Gipp shared with the Commission DNR ESD Field Offices are available during the holiday season to respond to environmental emergencies.

INFORMATION

CLEAN WATER AND DRINKING WATER STATE REVOLVING LOAN FUND – FY 2014 INTENDED USE PLANS – THIRD QUARTER UPDATES

Patti Cale-Finnegan, SRF Coordinator of the Water Quality Bureau presented the following item.

Commission approval was requested for the third quarter updates to the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) Intended Use Plans (IUPs) for FY 2014 (July 1, 2013 – June 30, 2014).

The CWSRF finances publicly owned wastewater and sewer facilities, storm water management for water quality, and nonpoint source control practices to keep pollution out of Iowa's water. The DWSRF covers water system projects, including source water, treatment, storage, and distribution and transmission, as well as consolidation and connections. The Iowa SRF is operated through a coordinated partnership between the Department of Natural Resources (DNR) and the Iowa Finance Authority (IFA). Other important partners include:

- U.S. Environmental Protection Agency (EPA);
- Iowa Department of Agriculture and Land Stewardship;
- Soil and Water Conservation Districts;
- County sanitarians;
- Participating lenders; and others.

The FY 2014 IUPs include plans of action for the SRF programs, including goals and objectives, an analysis of current and projected financial capability, financial management strategies, the project priority lists, discussion of set-aside programs and efforts, and planned uses for administrative accounts. The IUPs are developed and updated quarterly, in June, September, December, and March or more often as needed. Each draft IUP is released for public comment, and then presented for approval to the Commission.

The third quarter FY 2014 IUP updates include the addition of the following requests:

- Eight Clean Water SRF planning and design loan requests totaling $912,000
- Nine Clean Water SRF construction loan requests totaling $19,900,000
- Two Clean Water SRF applications for the purchase of land (the applications are attached)
- Four Drinking Water SRF planning and design loan requests totaling $2,443,000
- Six Drinking Water SRF construction loan requests totaling $35,453,000

The Sources and Uses tables for both CWSRF and DWSRF show that funds are available or obtainable to provide anticipated disbursements. The IUPs will be updated once more during FY 2014. Iowa continues to be able to fund all projects that are eligible for SRF assistance.
The Clean Water SRF update also includes:

- A proposal for reallocating a portion of available loan forgiveness dollars to allow Iowa to comply with federal requirements. Communities with high SRF debt levels compared to their population and with a high percentage of low-to-moderate income residents were identified for assistance totaling $2.4 million. These include Conesville, McCallsburg, Ocheyedan, Odebolt, Terril, and Washington.
- A schedule, budget, and revised requirements for the FY 2015 round of Water Resource Restoration sponsored projects. Applications will be due March 3, 2014 and must be submitted

either with a Clean Water SRF IUP application or in conjunction with a project already on the IUP in the planning stage. The amount set-aside is proposed to be $10 million. Applicants must consult with and receive an endorsement from a conservation organization prior to submitting an application. The project conceptual plan must include a discussion of the construction schedules of the infrastructure project and sponsored project, as well as detailed information on the project budgets and funding sources. These changes are based on lessons learned so far during the first funding round.

A public meeting was held November 14, 2013 to receive comments on the proposed IUP updates. There were no attendees. The written comment period closed on November 21, 2013. No written comments were received.

Motion was made by Brent Rastetter to approve the agenda item as presented. Seconded by Chad Ingels. Motion carried unanimously

APPROVED AS PRESENTED

CONTRACT – IOWA DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP – BIG CREEK LAKE WATERSHED PROJECT II

Rachel Glaza, Environmental Specialist of the Watershed Improvement Section of the Geological and Water Survey Bureau presented the following item.

The Department requested Commission approval of a contract in the amount of $443,848 with the Iowa Department of Agriculture and Land Stewardship for three years to implement best management practices in the Big Creek Lake. This project will be funded through Federal – Environmental Protection Agency Section 319 of the Clean Water Act.

Watershed Implementation Grants from the Iowa DNR Watershed Improvement Program intend to put an EPA nine-element Watershed Management Plan (WMP) into action by providing local watershed groups access to federal Section 319 grant dollars. These WMPs must target nonpoint source pollution and must be consistent with Iowa's recently updated State Nonpoint Source Management Program (NPSMP).

This project seeks resources necessary to complete Phase 1 of the Big Creek Lake Watershed Management Plan for bacteria and aggressively addresses sediment and phosphorus loading to the lake. Currently the Big Creek Lake Watershed Project is working to implement portions of Phase 1, but additional resources are needed to fully accomplish the goals and objectives of Phase 1. Big Creek Lake is Iowa's 5th most visited lake and is currently on the 303(d) Impaired Waters List for bacteria but the lake is also experiencing sedimentation and phosphorus loading resulting in a negative impact on water quality. While bacteria continue to be the primary impairment of concern, the EPA has recently stated phosphorus reducing practices are also eligible for 319 funding due to the threat of impairment.

A comprehensive watershed assessment was completed using accepted watershed planning protocols in 2008 and 2009. This assessment identified several potential sources of bacteria, sediment and phosphorus from the watershed. Watershed sources of bacteria include geese and other wildlife, livestock including cattle on pastures near streams, manure application and septic systems. A sediment and phosphorus loading analysis completed for the watershed and indicates 7,256 tons of sediment and 11,610 pounds of phosphorous are delivered to Big Creek Lake from its watershed annually. The primary goals of the Big Creek Watershed Management Plan are to implement best management practices that will remove the bacteria impairment and reduce sediment phosphorous loading by 30%. This project will implement practices to remove the bacteria impairment and reduce sediment and phosphorus loading by 1,328 tons/year and 2,123 pounds/year respectively. Phase 1 will also continue to expand information and education outreach activities aimed at increasing the awareness of water quality issues.

The parties propose to enter into this contract for the purpose of implementing watershed improvement practices and water quality educational programming for the project selected. DNR would enter into a contract with IDALS based on Iowa Code section 455B.103(3). Under this contract, DNR will work with IDALS to administer one competitively selected water quality project in the Polk and/or Boone County Soil and Water Conservation Districts.

Commissioner Chad Ingels inquired into the descriptions of the goose deterrents. Rachel Glaza shared with the Commission how motion censors connected to bright lights at night and a dog chasing service will startle the geese away. During the 3 years, landscaping and habitat would be altered to train the geese to be attracted to a different area rather than the beach.

Motion was made by Gene VerSteeg to approve the agenda item as presented. Seconded by Nancy Couser. Motion carried unanimously

APPROVED AS PRESENTED

CONTRACT – RATHBUN WATER ALLIANCE – RATHBUN LAKE INTERIM WATERSHED MANAGEMENT PLAN

Rachel Glaza, Environmental Specialist of the Watershed Improvement Section of the Geological and Water Survey Bureau presented the following item.

The Department requested Commission approval of a contract in the amount of $31,502 with the Rathbun Water Alliance for nine months to develop a 9-element interim watershed management plan for the Rathbun Lake Watershed. This project will be funded through Federal – Environmental Protection Agency Section 319 of the Clean Water Act.

Watershed Planning Grants from the Iowa DNR Watershed Improvement Program intend to develop an EPA nine-element Watershed Management Plan (WMP). These WMPs must target nonpoint source pollution and must be consistent with Iowa's recently updated State Nonpoint Source Management Program (NPSMP).

Rathbun Lake is the primary source of water for the Rathbun Regional Water Association (RRWA). RRWA is one of the largest rural water systems in the United States and the largest system in Iowa. RRWA provides eight million gallons of water daily to close to 80,000 people for residential, agricultural, and business use in 18 counties and 50 communities in Iowa and Missouri. In addition to being an important source of drinking water, the 11,000 acre lake offers recreational opportunities for one million visitors annually and is the site of Iowa's Honey Creek Resort State Park. Rathbun Lake also provides flood damage reduction for 150,000 acres of downstream land, fish and wildlife habitat in the lake and on 21,000 acres of adjacent public land, downstream water quality improvement, storage for supplementing navigational flows, and water for the Iowa Department of Natural Resources' (DNR) Rathbun Fish Hatchery. Rathbun Lake is located on the Chariton River in south central Iowa. The US Army Corps of Engineers (ACOE) developed the lake in the late 1960s. The ACOE is responsible for managing Rathbun Lake, lake facilities, and adjacent public land.

The Rathbun Water Alliance has completed assessments and selected management strategies as part of the current Rathbun Lake Watershed Management Plan which was finalized in 2002. There is a need to update the existing plan with current land use information, new strategies and incorporate EPA's 9 elements of watershed planning.

This project will provide funding for the development of an interim Rathbun Lake Watershed Management Plan to serve as a strategy for addressing non-point source pollution in the Rathbun Lake watershed from 2014 – 2020. The parties propose to enter into this contract for the purpose of developing a 9-element EPA approvable interim watershed management plan. This project was chosen using a grant proposal application and committee review process.

Commissioner Nancy Couser shared with the Commission that the recent Rathbun Watershed Education Tour demonstrated a number of water quality improvements.

Motion was made by Bob Sinclair to approve the agenda item as presented. Seconded by Brent Rastetter. Motion carried unanimously

APPROVED AS PRESENTED

CONTRACT WITH IDALS DIVISION OF SOIL CONSERVATION FOR IOWA LEARNING FARMS PROJECT

Steve Hopkins, Executive Officer of the Watershed Improvement Section of the Geological and Water Survey Bureau presented the following item.

Commission approval was requested for a one-year contract with the Iowa Department of Agriculture and Land Stewardship Division of Soil Conservation (IDALS DSC). The contract will begin on January 1, 2014 and terminate on February 15, 2015. The total amount of this contract shall not exceed $123,226.

This contract will be funded through FFY2013 EPA Section 319 grant funds.

Background:
The contract will continue to support an existing water quality educational project, the Iowa Learning Farms Project, administered by Iowa State University (see separate project summary for more detailed information).

Purpose:
The parties propose to enter into this Contract for the purpose of retaining the Contractor to provide water quality educational programming for the project selected.

Contractor Selection Process:
IDALS Division of Soil Conservation was chosen for this project because of its ongoing overall program coordination of the Iowa Learning Farms Project.

Contract History:
This contract is one of a series of one-year contracts, dating back to 2004, to provide DNR support to the Iowa Learning Farms Project activities for the upcoming crop year.

Commissioner Cindy Greiman shared with the Commission her past experiences participating in events hosted by the organization. She expressed gratitude for organization to continue educational opportunities.

Motion was made by Brent Rastetter to approve the agenda item as presented. Seconded by Gene VerSteeg. Chad Ingels abstained from voting due to a potential conflict of interest. Motion carried unanimously

APPROVED AS PRESENTED

CONTRACT WITH IOWA STATE UNIVERSITY FOR "WATER ROCKS!", PHASE II, A YOUTH WATER QUALITY EDUCATION PROJECT

Steve Hopkins, Executive Officer of the Watershed Improvement Section of the Geological and Water Survey Bureau presented the following item.

Commission approval was requested for a one-year and four-month contract with Iowa State University to implement phase two of a youth water quality education project, entitled "Water Rocks!" The contract will begin on January 1, 2014 and terminate on May 15, 2015. The total amount of this contract shall not exceed $133,981.

Funding Source:
This contract will be funded through FFY2013 EPA Section 319 grant funds.

Background:
This contract will support phase two of an existing water quality educational project, "Water Rocks!", implemented by Iowa State University (see separate project summary for more detailed information). DNR provided support for phase one of "Water Rocks!" through a previous contract.

Purpose:
The parties propose to enter into this Contract for the purpose of retaining the Contractor to provide water quality educational programming for the project selected.

Contractor Selection Process:
Iowa State University was chosen for this project because of its existing work to successfully implement phase one of "Water Rocks!".

Contract History:
DNR provided support to Iowa State University to help initiate phase one of "Water Rocks!" through a contract that began in February of 2012. Both phase 1 and phase 2 of "Water Rocks!" help implement a part of Objective 2.5 of Iowa's Nonpoint Source Management Plan, to initiate youth educational programming on water quality issues.

Commissioner Cindy Greiman inquired into the school curriculum. Steve Hopkins shared with the Commission examples of programs with full school participation and that the contractor is still working on incorporating education projects into other Iowa schools.

Motion was made by Nancy Couser to approve the agenda item as presented. Seconded by Cindy Greiman. Chad Ingels abstained from voting due to a potential conflict of interest. Motion carried unanimously.

APPROVED AS PRESENTED

PUBLIC PARTICIPATION

NONE

AMENDMENT OF CONTRACT WITH MCFADDEN ENVIRONMENTAL, INC. FOR RISK BASED CORRECTIVE ACTION (RBCA) REVIEW ASSISTANCE PROJECT

Elaine Douskey, Supervisor of the Underground Storage Tanks Section of the Land Quality Bureau presented the following item.

Commission approval was requested for the Department of Natural Resources (DNR) to amend a one-year professional service contract with McFadden Environmental, Inc., 722 SW Kennybrook Drive, Grimes, IA 50111. The purpose of the amendment is to:

1) Increase the not to exceed amount found in the amendment No. 3 from $100,000 to $150,000. The contract term for amendment No. 4 shall be from December 18, 2013 through February 13, 2014; and
2) Increase the not to exceed amount for each of the three remaining one-year extensions from $100,000 to $150,000 should the DNR elect to extend the contract (per Section 3.3 of the Contract).

Purpose:
The purpose of retaining the contractor is to provide report review assistance to the DNR Underground Storage Tanks Section. The contracted reviewers are certified groundwater professionals who complete technical reviews of risk-based corrective action (RBCA) assessment reports for leaking underground storage tank sites.

Funding Source:
The source of funding for this contract is an annual appropriation from the Underground Storage Tank Fund as set forth in 455G.3.

Background:
Contract Number ESD7512KAnder110133 (the Contract) was approved by the Environmental Protection Commission (EPC) on February 15, 2011. The Contract was for a term of one year with a not to exceed amount of $100,000. The Contract authorized up to five one year extensions for a maximum possible total of $600,000. During the course of the Contract, the DNR has determined that additional work by the Contractor may be necessary in excess of the amounts authorized in the original Contract.

Commission Chad Ingels inquired into the payment for services methodology. Elaine Douskey shared with the Commission when work is completed, then payment is provided for the services.

Commissioner Brent Rastetter inquired into the number of sites in Iowa. Elaine Douskey shared a summary of the number of sites in the leaking underground storage tank program, how sites become categorized, and activities involved with cleanup.

Motion was made by Chad Ingels to approve the agenda item as presented. Seconded by Brent Rastetter. Motion carried unanimously

APPROVED AS PRESENTED

CONTRACT – KEEP IOWA BEAUTIFUL – BEAUTIFICATION GRANT PROGRAM AMENDMENT

Tom Anderson, Executive Officer of the Financial and Business Assistance Section of the Land Quality Bureau presented the following item.

The Department requested Commission approval to amend an existing agreement with Keep Iowa Beautiful (KIB) to extend the agreement for one year with a one year renewal option at the Department's discretion in the amounts not to exceed $135,000 in Year 1 and $135,000 in Year 2, again at the discretion of the Department.

Funding Source:
This project will be funded through the solid waste tonnage fee – 455E.11.

Background:
Iowa Code 455E.11(2)"a"(1) requires the Department to award a grant to one entity that assists communities and organizations in cleanup and beautification projects, conducts research on the reasons for littering and illegal dumping, administers antilittering and beautification education programs; and increases public awareness of the cost of littering. After issuing a Request for Proposals, the Department awarded the beautification grant to Keep Iowa Beautiful (KIB).

The grant requires KIB to develop and implement public education and awareness initiatives designed to reduce littering and illegal dumping, research Iowan's behavior and opinions on littering and illegal dumping and to establish a community beautification grant program including waste reduction, recycling and other solid waste management activities. Communities eligible to participate in the community beautification grant program must have a population of 5,000 or fewer.

The Department is proposing to continue this partnership with KIB as the legislative appropriation for such activities expires June 30, 2014. The amendment is being presented at this time to facilitate planning and program delivery for Fiscal Year 2015.

Purpose:
The Department proposing to continue the current partnership with KIB is a means to further reach smaller Iowa communities (population of 5,000 or less). KIB is well positioned in working with communities of this size on projects relating to resource management including, solid waste reduction and recycling. KIB has also been successful in developing and implementing elementary age school curriculum, meeting Dept. of Ed requirements, on littering, recycling and general environmentalism. KIB has also been successful in implementing school silver cord and service learning programs and has developed new partnerships in promoting environmental service learning.

Commissioner Bob Sinclair inquired into the ratio of grant and education resources. Tom Anderson shared with the Commission roughly 50% of the funds are to be utilized for grants and the remainder for educational opportunities.

Motion was made by Cindy Greiman to approve the agenda item as presented. Seconded by Bob Sinclair. Motion carried unanimously

APPROVED AS PRESENTED

SOLID WASTE ENVIRONMENTAL MANAGEMENT SYSTEMS' GRANT AWARD RECOMMENDATIONS

Jennifer Wright, Supervisor of the Financial and Business Assistance Section of the Land Quality Bureau presented the following item.

The Environmental Management System Program is a voluntary program established by 2008 Legislation House File 2570 (Iowa Code 455J.7). As established in Code, grant funds are available only to Solid Waste Agencies and Permitted Facility Service Areas designated as Environmental Management Systems by the Environmental Protection Commission. Applications must be consistent with EMS goals and demonstrate a commitment to continuous improvement.

The Solid Waste Alternatives Program Advisory (EMS) Council is a nine-member committee established in House File 2570. Members are appointed by the director representing: Department of Natural Resources, Iowa Society of Solid Waste Operations, Iowa Recycling Association, Iowa Chapter of the National Solid Waste Management Association, Iowa Waste Exchange, Iowa Department of Economic Development (now Iowa Economic Development Authority) Recycle Iowa program, and three members representing Solid Waste Planning Areas of various sizes.

Nine grant applications were submitted to the EMS Advisory Council by the November 1, 2013 application deadline which is set by the EMS Council for each fiscal year. At the November 13, 2013 EMS Council meeting, applications were discussed by the eight Council members in attendance. Nine (9) applications were approved by majority vote, with one of those, the Northern Plains Regional Planning Area application submission was approved subject to the submission of written information requested by Council. That information was sent to Council members on November 19, 2013.

The Department requested Commission approval to enter into contracts with the eight selected applicants whose awards will be in excess of $25,000. The total amount requested of DNR funds was $383,029. The total cash match provided by the eight applicants requiring approval was $211,430. A description of each recommended project we are seeking approval from the EPC is attached.

Commissioner Brent Rastetter inquired into how the reduction of greenhouse gasses are calculated. Jennifer Wright shared with the Commission the calculation system provided to companies to estimate their savings by improving current processing and equipment.

Motion was made by Gene VerSteeg to approve the agenda item as presented. Seconded by Nancy Couser. Motion carried unanimously

APPROVED AS PRESENTED

SOLID WASTE ALTERNATIVES PROGRAM – CONTRACT RECOMMENDATIONS

Jennifer Wright, Supervisor of the Financial and Business Assistance Section of the Land Quality Bureau presented the following item.

The Department received 11 proposals requesting $1,946,854 in financial assistance during the October 2013, round of funding. The review committee selected nine (9) projects for funding for a total of $918,265. Three (3) proposals recommended for funding are greater than $25,000 requesting a total of $801,250 in a combination of forgivable loans, zero-interest loans and three percent loans.

The review committee consisted of five persons representing the Land Quality Bureau (2), Iowa Society of Solid Waste Operations (1), Iowa Recycling Association (1), and the Iowa Waste Exchange (1).

The Department requested Commission approval to enter into a contract with the selected applicants whose award is in excess of $25,000.
A description of the recommended projects, the project types, the amounts and types of funding assistance was provided.

Commissioner Chad Ingels inquired into the timeframe associated with the landfill reductions/diversions. Jennifer Wright shared with the Commission the calculations are projected for an annual basis.

Commissioner Chad Ingels inquired into the number of Styrofoam recycling facilities in Iowa. Jennifer Wright shared with the Commission that there were only a few Styrofoam recycling facilities in Iowa.

Motion was made by Brent Rastetter to approve the agenda item as presented. Seconded by Chad Ingels. Motion carried unanimously

APPROVED AS PRESENTED

WHAT THE NUMBER OF IMPAIRED WATERS IN IOWA DOES & DOESN'T MEAN PRESENTATION

John Olson, Environmental Specialist Senior, of the Watershed Monitoring and Assessment Section of the Iowa Geological and Water Survey Bureau provided an educational tutorial of the State's impaired waters. The information included the federal regulations, criteria for listing, a survey of the number of impaired waters in the other 49 states, and a summary of the Iowa's program for the past 15 years. The nationwide survey indicated that Iowa was approximately in the middle of the nation in the number of impaired waters.

FINANCIAL & BUSINESS ASSISTANCE-POLLUTION PREVENTION (P2) PROGRAM OVERVIEW & PRESENTATION

Jennifer Wright, Supervisor of the Financial and Business Assistance Section of the Land Quality Bureau introduced the following item. The Financial and Business Assistance (FABA) Section works in conjunction with Iowa communities, business, industry, schools and households to achieve environmental success and financial results and we do so through non-regulatory services that focus on financial & technical assistance. The programs we administer through FABA are:

- Solid Waste Alternatives Program (SWAP)
- Derelict Building Grant Program
- Solid Waste Environmental Management System Program (EMS) / Comprehensive Planning
- Iowa Waste Exchange (IWE)
- Pollution Prevention Services (P2)
- Regional Collection Centers (RCCs) for Household Hazardous Materials
- Beverage Container Law

Jennifer Wright, FABA Supervisor and other FABA team members regularly present to the EPC on our SWAP, Derelict Building, EMS and IWE programs to request approval of grants and contracts. However, we have a couple of programs that have not needed contract and grant approval by the EPC and therefore we have not identified these valuable programs to you. We wanted to take this opportunity to introduce the Commission to our successful and popular Pollution Prevention (P2) Services. P2 Services provides confidential, non-regulatory environmental technical assistance to a variety of Iowa businesses, industry, institutions and more. In addition, they administer an award winning Intern program. P2 Services is predominantly funded through receipt of competitive grants from the EPA and USDA, with a small amount of matching funds from the Solid Waste Tonnage Fee. Jeff Fiagle, Team Lead of P2 Services will provide the Commission with an overview of Pollution Prevention and the services, along with a snapshot of successful projects that have been implemented in the past year at Iowa businesses.

Jeff Fiagle, DNR Executive Officer, presented success stories regarding the P2 program. Derek Nelson, Sustainability Manager at DuPont Pioneer in Johnston, IA was included in the presentation as a business that has successfully utilized the services of the P2 Program.

INFORMATION

DEVELOPMENT OF STREAM NUTRIENT CRITERIA RECOMMENDATIONS UPDATES

Tom Wilton, Environmental Specialist Senior, of the Watershed Monitoring and Assessment Section of the Iowa Geological and Water Survey Bureau provided an education update on the Technical Advisory Committee. The information included a summary of nutrient enrichment, the status of projects, draft recommendations, and next steps for the group.

MONTHLY REPORTS

Jerah Sheets, Executive Officer, of the Environmental Services Division provided updates to the Commission regarding the transition of Geological Services to the Universtiy of Iowa and office moves for the DNR's Water Supply Section and Field Office 5.

The following monthly reports have been posted on the DNR website under the appropriate meeting month: http://www.iowadnr.gov/InsideDNR/BoardsCommissions.aspx

1. Rulemaking Status Report
2. Variance Report
3. Enforcement Status Report
4. Administrative Penalty Report
5. Attorney General Referrals Report
6. Contested Case Status Report

INFORMATION

GENERAL DISCUSSION

- Commissioner Nancy Couser discussed the upcoming EPC Annual Report due in January 2014.
- Sharon Tahtinen, Legislative Liaison, invited Commissioners to the January 22, 2014 DNR Legislative Event and provided a summary of logistics for the meeting.

INFORMATION

ADJOURNMENT

Motion was made by Brent Rastetter to adjourn the meeting. Seconded by Chad Ingels. Motion carried unanimously

ADJOURNED

Vice Chairperson Smith adjourned the Environmental Protection Commission meeting at 1:00 p.m., Tuesday, December 17, 2013.

Chuck Gipp

Chuck Gipp, Director

Nancy Couser

Nancy Couser, Secretary

What Iowa's list of impaired waters doesn't mean

John Olson
Iowa DNR Watershed Monitoring & Assessment Section

Environmental Protection Commission Meeting
December 17, 2013

Why do an impaired waters list?

- Required of all states by the federal Clean Water Act
- Impaired waters:
  - Do not fully meet state WQ Standards; thus do not fully support designated beneficial uses (recreation, aquatic life, drinking water, fish consumption)
  - Require preparation of a WQ Improvement Plan (=Total Maximum Daily Load or TMDL)
    - TMDL: Determines how much of the pollutant causing impairment that a stream can receive & still meet WQ Standards
- EPA: must approve all state listings

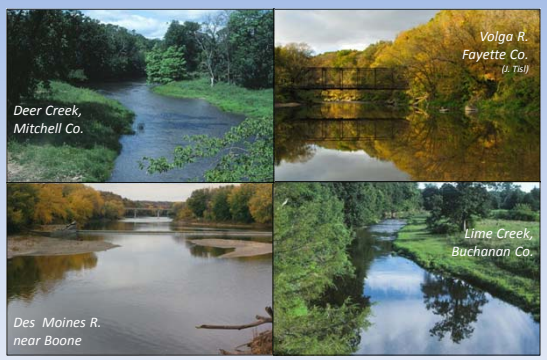
What is the actual number of impaired waters?

- Strictly speaking, ONLY the waters on a state's Section 303(d) list are CWA-impaired
  - In Iowa, currently (2012) have 480 waters
- Some impairments are not appropriate for TMDL preparation: there is no pollutant cause & thus no load calculation possible
  - Example: altered (degraded) stream aquatic habitat
  - Iowa has 162 impaired waters for which a TMDL is not appropriate

Some perspective on "impairment"

- Much misinterpretation
- In fact, the degree of impairment varies from slight to severe:
  - Compare: speed limits
- In Iowa, most impairments are in the "slight" and "moderate" categories.
- Iowa's numeric WQ criteria are designed to be protective of beneficial uses.
- Iowa's narrative WQ criteria, however, are intended to prevent observable (obvious) problems.

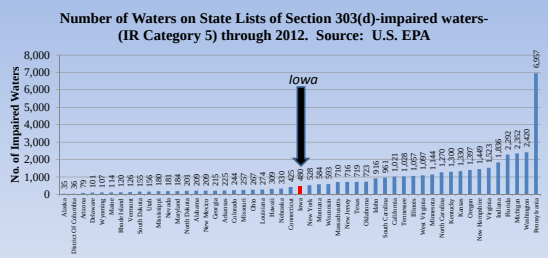
Examples of impaired streams in Iowa



Impaired Iowa lakes: from the best lakes to the problem lakes

Do states having more impaired waters have worse water quality?

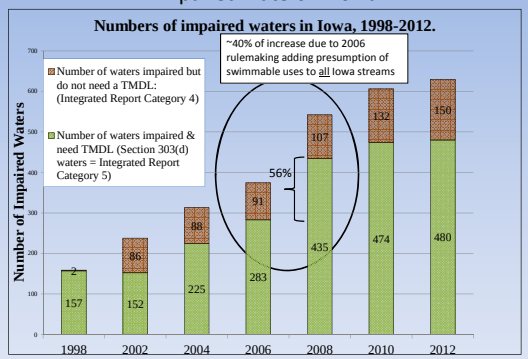
- No.
- Many factors other than water quality influence the number of impaired waters:
  - Differences in state WQ standards
  - Level of resources (dollars) devoted to, WQ monitoring networks
  - Methodology for identifying impairments



Why does the number of impaired waters continue to increase?

- Impairments are more easily added than removed from the list through TMDL approval or follow-up monitoring.
- More monitoring = more (bacteria) impairments
  - DNR monitoring expanded in early 2000s
  - Many more project-related monitoring efforts
- Nonpoint source-related impairments are more difficult to correct than point source problems
- Changes in state WQ Standards (e.g., implementing the rebuttable presumption that all streams support swimmable uses)

Influence of rulemaking on increase in number of impaired waters in Iowa:



Summary:

- Impairment (in terms of the Clean Water Act) includes a range of WQ impacts from slight to severe.
- The number of impaired waters in a state has little if any relevance to the status of water quality in that state.
- While the increase in the number of impaired waters may be related to changes in WQ, it is more likely related to more monitoring, changes in WQ Standards, and the relative difficulty of removing versus adding impairments.

Fact Sheet: Number of Impaired Iowa Waters

Why does Iowa prepare a list of impaired waters? The federal Clean Water Act (Sec. 303(d)) requires that each state, every two years, prepare a list of its waters that do not fully meet state water quality standards. Each new list must be reviewed and approved by the U.S. EPA. This list identifies impaired waters for which a water quality improvement plan must be developed to identify the amounts of a pollutant that an impaired stream, river or lake can receive and still fully meet state water quality standards. These water quality improvement plans are also known as "total maximum daily loads" or TMDLs.

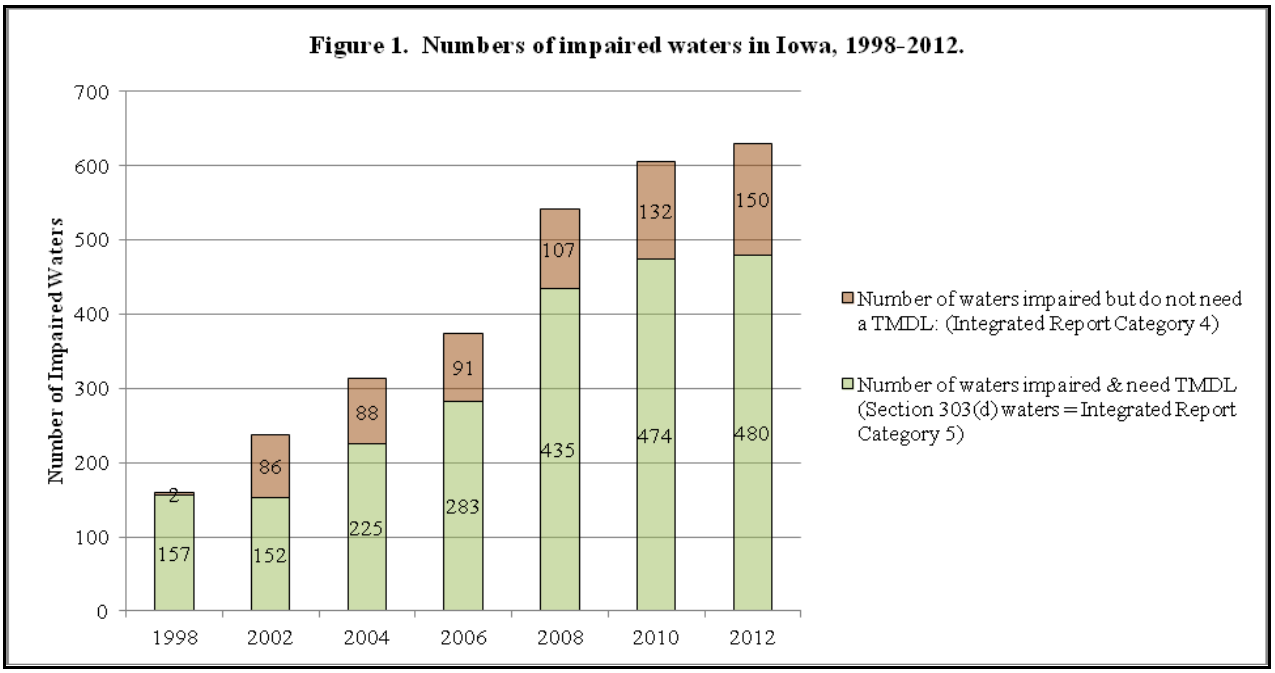
What is the actual number of impaired waters in a state? Only the waters needing a TMDL are on a state's list of Section 303(d) impaired waters. Other waters are impaired but do not need a TMDL because: (1) a TMDL has already been prepared and has received approval by the U.S. EPA; and (2) the impairment is caused by something other than a pollutant (for example stream channel straightening). Some groups combine the number of Section 303(d) waters and the number of other impaired waters to represent the total number of impaired waters in Iowa (see Figure 1). This combined number, however, overstates what the U.S. EPA considers the number of Section 303(d) impaired waters in a state.

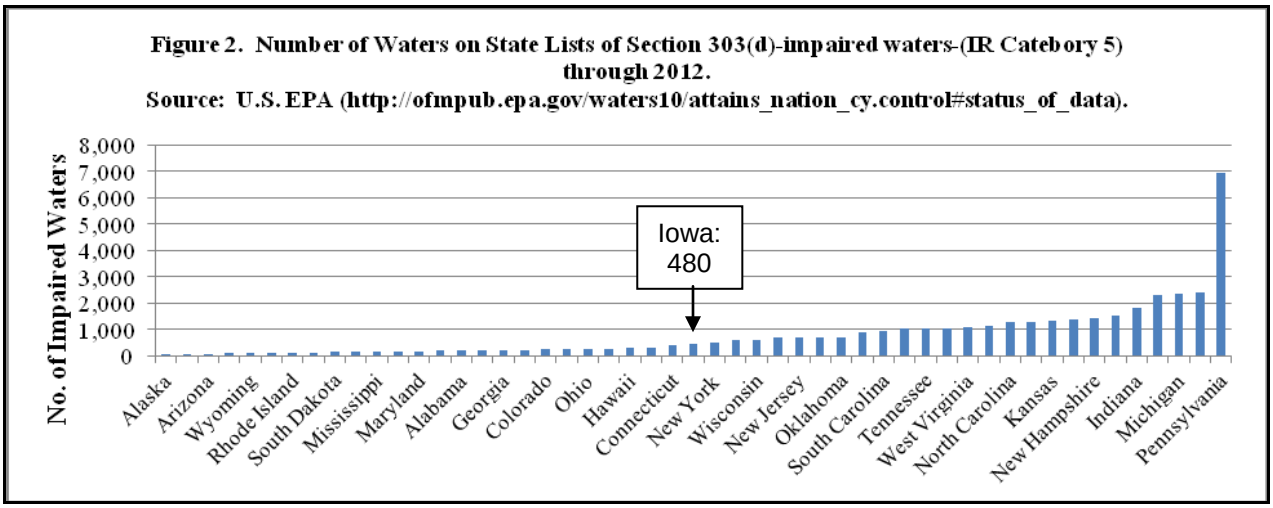
Perspective on the meaning of "impairment": Much confusion exists regarding the meaning of "impairment" as used for Clean Water Act Section 303(d) listing. In terms of water quality condition, "impairment" is not a "one size fits all" concept. The degree of water quality impairment ranges from slight to severe. Most of the impairments on Iowa's list of impaired waters do not indicate severely polluted conditions. Iowa's numeric water quality criteria, the primary basis for identifying impairments, are designed to be protective of the beneficial uses designated for Iowa's streams, rivers and lakes. These criteria help decision makers foresee potential water quality problems before severely polluted conditions occur.

Do states with more impaired waters have worse water quality? No. Due to state-specific water quality standards, listing methodologies and differences in water quality monitoring networks, there is no meaningful way to relate the number of state impaired waters to the condition of water quality. See Figure 2 for a summary of the numbers of impaired waters identified by all states.

Why does the number of impaired waters in Iowa continue to increase? A state's Section 303(d) list of impaired waters is, in part, an accumulation of impairments identified in past biennial listing cycles. In general, impairments are identified faster than impairments are removed through the TMDL process or due to water quality improvement. Thus, the number of waters on state lists tends to increase over time. As more state waters are monitored over time, the number of impairments continues to increase. Changes in a state's water quality standards can also have a large impact on the number of impaired waters identified irrespective of changes in water quality. In 2006, for example, all of Iowa's streams and rivers—including hundreds of small streams—were newly designated in the *Iowa Water Quality Standards* as swimmable waters. Because small streams tend to have high levels of the non-pathogenic bacteria used to assess support of swimmable uses, the number of streams assessed as impaired for swimming uses increased dramatically for Iowa's 2008 list of impaired waters (see Figure 1). This increase was largely due to a change in DNR rules. While states can easily add new impairments, the U.S. EPA carefully scrutinizes any state proposal to remove (de-list) an

impairment from a Section 303(d) list. In addition, many impairments (for example, those due to bacteria and many biological impairments) are related to nonpoint sources of pollution (NPS). Impairments caused by nonpoint sources of pollution are difficult to address and thus will likely continue to reside on the state's list of impaired waters.





Contact:
John Olson, Environmental Specialist Sr.
John.Olson@dnr.iowa.gov
515-281-8905

Iowa Department of Natural Resources

Leading Iowans in caring for our natural resources

Development of Stream Nutrient Criteria Recommendations

Tom Wilton
IDNR Watershed Monitoring and Assessment Section

December 17, 2013

Development of Stream Nutrient Criteria Recommendations

- Nutrient concerns
- Focus on stream nutrient impacts
- Project approach
- Status of recommendations
- Next steps

Nutrient Enrichment*

↑ Nutrient (N & P) Inputs

Primary Response:

↑ Photosynthetic productivity

↑ Algae and aquatic plant biomass

Secondary Responses & WQ Impacts:

↓ Water clarity / Aesthetics

↑ D.O. flux / ↓ D.O. minima

↑ Rough fish

↓ Species diversity

↑ Habitat degradation

↑ Cyanobacteria / cyanotoxins

↑ Taste & odor compounds

↓ Water quality (e.g., pH, ammonia)

*potential responses to nutrient inputs when nutrient availability is limiting to algae and plants

Nutrient-Related Impacts on Designated Water Uses

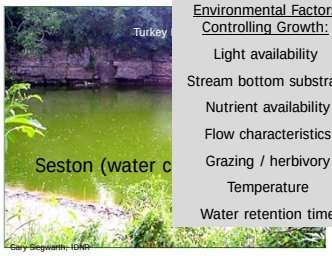
Designated Uses - Iowa Water Quality Standards (Chapter 567.61)

- Recreation - Classes A1, A2, A3
  - Aesthetics
  - Algal toxins
- Aquatic Life - Classes B(CW1), B(CW2), B(WW-1), B(WW-2), B(WW-3), B(LW)
  - Excessive biological production
  - Fish kills
  - Habitat alterations
- Drinking Water Supply (Class C)
  - Algal toxins
  - Nitrate-nitrogen
  - Taste and odor
- Human Health (Fish Consumption - Class HH)
  - Algal toxins?

Rivers and Streams

Nutrients → Algae

Two Main Growth Types:



Environmental Factors Controlling Growth:

- Light availability
- Stream bottom substrate
- Nutrient availability
- Flow characteristics
- Grazing / herbivory
- Temperature
- Water retention time

Focus on Nutrient Criteria Recommendations for Protection of Stream Aquatic Life

Recent Nutrient Initiatives:

- 2011-2013 Nutrient Reduction Strategy
- 2010- Development of Stream Nutrient Criteria Recommendations
- 2009- Lake Recreational Use Standards Proposals

Project Approach and Steps

- Establish Technical Advisory Committee (TAC)
- Gather and analyze data & scientific/technical literature
- Report findings and recommendations
- Address TAC input
- Submit recommendations to IDNR

Project Status

- TAC meetings (4)
- Initial data analysis and literature review completed
- Draft report and recommendations (August 23, 2013)
  http://www.iowadnr.gov/InsideDNR/RegulatoryWater/WaterQualityStandards/Nutrients.aspx
- TAC review of first draft completed

Draft Recommendations

- Recommended "benchmark" values for nutrient and nutrient-response parameters
- Incorporate benchmarks and monitoring/assessment guidelines in IDNR water quality assessment protocols
- Continue monitoring and data analysis to address information gaps
- Include stream nutrient effects monitoring in Nutrient Reduction Strategy
- Continue TAC involvement
- Periodically update technical documentation

Next Steps

- Address TAC comments and revise first draft report
- Review second draft report
- Finalize report and submit to IDNR

Agenda

Environmental Protection Commission

Tuesday, December 17, 2013
DNR Air Quality Building
7900 Hickman Road
Windsor Heights, Iowa

10:00 AM – EPC Business Meeting begins
10:30 AM – Public Participation[1] – Requests to speak must be submitted to Jerah Sheets at Jerah.Sheets@dnr.iowa.gov or 515-313-809 prior to the meeting or at the meeting prior to the start of Public Participation
11:00 AM What the Number of Impaired Waters in Iowa Does & Doesn't Mean Presentation
Development of Stream Nutrient Criteria Recommendations Updates
11:30 AM – Pollution Prevention Program Overview

	Agenda topics	
1	Approval of Agenda	
2	Approval of Minutes	
3	Director's Remarks	
4	Clean Water and Drinking Water State Revolving Loan Fund – FY 2014 Intended Use Plans – Third Quarter Updates	Patti Cale-Finnegan (Decision)
5	Contract – Iowa Department of Agriculture and Land Stewardship – Big Creek Lake Watershed Project II	Rachel Glaza (Decision)
6	Contract – Rathbun Water Alliance – Rathbun Lake Interim Watershed Management Plan	Rachel Glaza (Decision)
7	Contract with IDALS Division of Soil Conservation for Iowa Learning Farms Project	Steve Hopkins (Decision)
8	Contract with Iowa State University for "Water Rocks!", Phase II, a Youth Water Quality Education Project	Steve Hopkins (Decision)
9	Amendment of Contract With McFadden Environmental, Inc. for Risk Based Corrective Action (RBCA) Review Assistance Project	Elaine Douskey (Decision)
10	Contract – Keep Iowa Beautiful – Beautification Grant Program Amendment	Tom Anderson (Decision)
11	Solid Waste Environmental Management Systems' Grant Award Recommendations	Jennifer Wright (Decision)
12	Solid Waste Alternatives Program – Contract Recommendations	Jennifer Wright (Decision)
13	Financial & Business Assistance-Pollution Prevention (P2) Program Overview & Presentation	Jennifer Wright (Information)
14	Monthly Reports	Bill Ehm (Information)

15 General Discussion

- EPC Annual Report
- Joint NRC/EPC January Meeting Agenda

16 Items for Next Month's Meeting

- January 21, 2014 – EPC Business Meeting, Windsor Heights
- January 22, 2014 – NRC/EPC Joint Meeting, Des Moines
- February 18, 2014 – EPC Business Meeting, Windsor Heights

For details on the EPC meeting schedule, visit
http://www.iowadnr.gov/InsideDNR/BoardsCommissions.aspx.

[1] Comments during the public participation period regarding proposed rules or notices of intended action are not included in the official comments for that rule package unless they are submitted as required in the Notice of Intended Action.

Iowa Department of Natural Resources
Environmental Protection Commission

ITEM **4** **DECISION**

TOPIC **Clean Water and Drinking Water State Revolving Loan Fund – FY 2014 Intended Use Plans – Third Quarter Updates**

Commission approval is requested for the third quarter updates to the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) Intended Use Plans (IUPs) for FY 2014 (July 1, 2013 – June 30, 2014).

The CWSRF finances publicly owned wastewater and sewer facilities, storm water management for water quality, and nonpoint source control practices to keep pollution out of Iowa's water. The DWSRF covers water system projects, including source water, treatment, storage, and distribution and transmission, as well as consolidation and connections. The Iowa SRF is operated through a coordinated partnership between the Department of Natural Resources (DNR) and the Iowa Finance Authority (IFA). Other important partners include:

- U.S. Environmental Protection Agency (EPA);
- Iowa Department of Agriculture and Land Stewardship;
- Soil and Water Conservation Districts;
- County sanitarians;
- Participating lenders; and others.

The FY 2014 IUPs include plans of action for the SRF programs, including goals and objectives, an analysis of current and projected financial capability, financial management strategies, the project priority lists, discussion of set-aside programs and efforts, and planned uses for administrative accounts. The IUPs are developed and updated quarterly, in June, September, December, and March or more often as needed. Each draft IUP is released for public comment, and then presented for approval to the Commission.

The third quarter FY 2014 IUP updates include the addition of the following requests:

- Eight Clean Water SRF planning and design loan requests totaling $912,000
- Nine Clean Water SRF construction loan requests totaling $19,900,000
- Two Clean Water SRF applications for the purchase of land (the applications are attached)
- Four Drinking Water SRF planning and design loan requests totaling $2,443,000
- Six Drinking Water SRF construction loan requests totaling $35,453,000

The Sources and Uses tables for both CWSRF and DWSRF show that funds are available or obtainable to provide anticipated disbursements. The IUPs will be updated once more during FY 2014. Iowa continues to be able to fund all projects that are eligible for SRF assistance.

The Clean Water SRF update also includes:

- A proposal for reallocating a portion of available loan forgiveness dollars to allow Iowa to comply with federal requirements. Communities with high SRF debt levels compared to their population and with a high percentage of low-to-moderate income residents were identified for assistance totaling $2.4 million. These include Conesville, McCallsburg, Ocheyedan, Odebolt, Terril, and Washington.

- A schedule, budget, and revised requirements for the FY 2015 round of Water Resource Restoration sponsored projects. Applications will be due March 3, 2014 and must be submitted either with a Clean Water SRF IUP application or in conjunction with a project already on the IUP in the planning stage. The amount set-aside is proposed to be $10 million. Applicants must consult with and receive an endorsement from a conservation organization prior to submitting an application. The project conceptual plan must include a discussion of the construction schedules of the infrastructure project and sponsored project, as well as detailed information on the project budgets and funding sources. These changes are based on lessons learned so far during the first funding round.

A public meeting was held November 14, 2013 to receive comments on the proposed IUP updates. There were no attendees. The written comment period closed on November 21, 2013. No written comments were received.

Patti Cale-Finnegan, DNR SRF Coordinator
Water Quality Bureau
November 22, 2013

PROGRAM APPLICATION
Iowa Water Quality Loan Fund General Non-Point Source Program

Project Name	Address	City	State	Zip
Iowa Natural Heritage Foundation	*505 5th Avenue, STE 444*	*Des Moines*	*IA*	*50309*

Phone Number	Email	Contact Name
515-288-1846	*jmcgovern@inhf.org*	*Joe McGovern, President*

Legal Description

227 acres in Section 20, Township 70, Range 15 West, Davis County Iowa.

Assistance is available to projects where facilities are needed to protect, restore or improve water quality from non-point source pollution. Only applicants that are owners of record of the property or have long–term control of the property where the project is to be implemented are eligible. For additional project eligibility information, please refer to Iowa Administrative Code 567, Chapter 92.13 (455B).

Description of Practice. Attach Maps, Timeline for Project Completion and an Estimated Lifespan for the Practice.

The Yoder property is 227 acres of mixed woodland, wetland and upland adjacent that connects Stephens State Forest and Soap Creek Wildlife Management Area (WMA). The Iowa DNR Forestry Bureau has asked for INHF assistance in acquiring the property. Given it is adjacent to the state forest and a wildlife management area, it is a natural addition. INHF staff worked with the landowners and secured a purchase price of $1,725 per acre or $391,575 which is less than the appraised value of $408,600. If the owners were unsuccessful in selling the property, they were going to drain the bottomland and start farming it once the CRP contract expired.

The Iowa Natural Heritage Foundation is applying for $391,575 (the appraised value and purchase price of the property) through the General Non-Point Source Program of the Iowa Water Quality Loan Fund. *The lower interest rate offered by the Iowa Water Quality Loan Fund will ensure that more of the funds raised for the project will be directed to actual project costs.*

Description of Water Quality Benefits of the Project

Soap Creek is one of four Iowa Flood Center priority watersheds identified in a 2012 partnership project with the U.S. Department of Housing and Urban Development (HUD). Flooding on Soap Creek has been a problem for decades and the Iowa Flood Center is working to reduce its impacts to the region. (The other three watersheds are the Chequest, Turkey and Upper Cedar – see attached map).

Acquisition and protection of the Yoder property will support the overall goals of the Iowa Flood Center/HUD project which include:

- Maximize soil water holding capacity from precipitation
- Minimize severe soil erosion and sand deposition during floods;
- Manage water runoff in uplands under saturated soil moisture conditions;
- Reduce and mitigate structural and nonstructural flood damage

In 1988, the counties of Appanoose, Davis, Monroe, and Wapello created the Soap Creek Watershed Board. This group put in place a plan to fund and construct 154 farm ponds in an effort to provide water for agriculture practices as well as provide flood protection for the residents inside the Soap Creek watershed. Through

collaborative efforts and funding from federal, state, and local sources, to date 132 ponds have been constructed.

Even though projects targeted by the Iowa Flood Center/HUD/Soap Creek Watershed Board program are mostly structural, the acquisition and permanent protection of the Yoder property will prevent floodplain land from being converted to land uses that would increase runoff rates and quantities thereby diminishing the positive efforts made towards flood reduction in the watershed.

The Yoder property is a quality mix of woodland, wetland and upland habitat and its protection. There are restored riverine wetlands along Soap Creek, which are helping to improve water quality. All but 10 acres of the area within the floodplain is in CRP or wetland vegetation. There is over 100 acres of woodland on the property most of which is high quality oak-hickory.

There is additional potential for wetland restoration and increasing seeding diversity on the land. Protection of the property ensures that the already restored areas will remain in natural vegetation and continue to protect Soap Creek.

Total Estimated Project Costs	**Percentage of Project for Water Quality Protection/Improvement**
$391,575	*100%*

Estimated General Non-Point Source Program Loan
$391,575

PROGRAM APPLICANT CONDITIONS

- Timely completion. The approval of this application is good for six months following DNR signature. If the project is not expected to be complete within six months, the applicant may request an extension from the DNR. If the project is not complete and a request to extend this approval is not made, GNS funds may not be available.
- Records. The project owner shall maintain records that document all costs associated with the project for not less than 3 years from the date of the final loan payment. The project owner shall provide the Department of Natural Resources representative access to the project to verify the loan was used for the purpose intended.
- Rectification and Disputes. Failure of the project owner to implement the approved local water protection project or to comply with the applicable requirements constitutes grounds for the Department of Natural Resources or the lending institution to withhold loan disbursements. The project owner is responsible for ensuring that the identified problem is rectified.
- Repayment & Property Transfer. Loans shall be repaid in accordance with the terms and conditions of the executed loan agreement between the participating lender and project owner. Repayment of the loan must begin within 30 days after the project is completed or by the date specified by the participating lender, whichever is earlier. In the event of property transfer from the project owner that secured the loan to another person or entity during the repayment period specified in the loan agreement, the balance of the loan, principal and any accrued interest shall be due in full. Prepayment of the principal in whole or in part shall be allowed without penalty.
- Project owner is responsible for obtaining all applicable permits. This application approval does NOT constitute a permit.

PROGRAM APPLICANT SIGNATURE

Project Owner Signature. By signing this program application, I agree that all information provided in this application is accurate and I agree to the conditions listed above.

Project Signature Name and Title	Signature	Date
Joe McGovern, President Iowa Natural Heritage Foundation	Joe McGovern	10/21/13

PROJECT RATING CRITERIA

The general non-point source rating criteria consider the use classification of the receiving waters, water quality of the receiving waters, the project benefits and a tiebreaker. Priority ranking for the projects is based on the total points awarded for all the categories. The greater the total number of points, the higher the ranking. All applications will be rated using 567 Iowa Administrative Code 91.11(455B) General nonpoint source projects rating system (see next page for more details).

PROGRAM APPLICATION APPROVAL

DNR Signature. By approving this program application, the Department of Natural Resources confirms that the application accurately estimates the cost of the practice, that the practice described is reasonable and proper, and that the proposed project is eligible under the rules of the program.

DNR Signature Name and Title	Signature	Date

For Department of Natural Resources Use Only

Please check the receiving water use classification that would be improved or protected by the proposed project. Points are awarded only for one use – the applicable use or classification with the highest score.

Category 1 – Use and Classification

Outstanding national resource water (proposed water use) ☐ 60 Points
High quality waters ☐ 58 Points
High quality resource waters ☐ 20 Points

Class A Waters – use includes recreational uses such as swimming water skiing

Lakes or streams draining to lakes ☐ 60 Points
Streams ☐ 45 Points
Urban streams ☐ 48 Points
Cold water streams ☐ 58 Points
Losing streams and karst topography ☐ 48 Points
Class C Waters – waters used as a drinking water supply ☐ 52 Points

Class B Waters – use that ensures expected growth/reproduction of aquatic life

Lakes or streams draining to lakes ☐ 53 Points
Wetlands ☐ 35 Points
Streams ☐ 30 Points
Publicly owned lakes (and streams draining to a publicly owned lake) ☐ 50 Points
Other lakes ☐ 30 Points

Please check the quality of water in the receiving stream and whether or not the water has been designated as impaired. Points are awarded for both 303(d) & 305(b) sections. The total is used for this category.

Category 2 – Indication of Water Quality

Section 303(d) listed water

Nonpoint source identified as probable source of the problem. ☐ 100 Points
High rating for TMDL development ☐ 90 Points
Medium rating for TMDL development ☐ 80 Points
Low rating for TMDL development ☐ 70 Points

Section 305(b) status

Fully supporting ☐ 10 Points
Fully supporting – threatened ☐ 20 Points
Partially supporting ☐ 30 Points
Not supporting ☐ 40 Points

Please check all that apply. The benefit with the highest point value will be used.

Category 3 – Project Benefit

Implementation of TMDL plan ☐ 40 Points
Eliminate pollution source discharge to:
- Cold water stream ☐ 40 Points
- Publicly owned lake ☐ 38 Points
- Class C drinking waters ☐ 35 Points
- Other surface waters ☐ 28 Points
- Disinfection of wastewater ☐ 12 Points

Eliminate pollutant source to groundwater ☐ 37 Points
Eliminate or reduce public health problem ☐ 25 Points
Protect, improve, or expand wetlands area ☐ 31 Points
Project improves lake habitat and water quality ☐ 26 Points
Project improves stream habitat or eliminates hydromodification degradation ☐ 29 Points
Urban storm water control program in non-MS4 area ☐ 5 Points
Gain control of land needed to protect or improve water quality ☐ 15 Points

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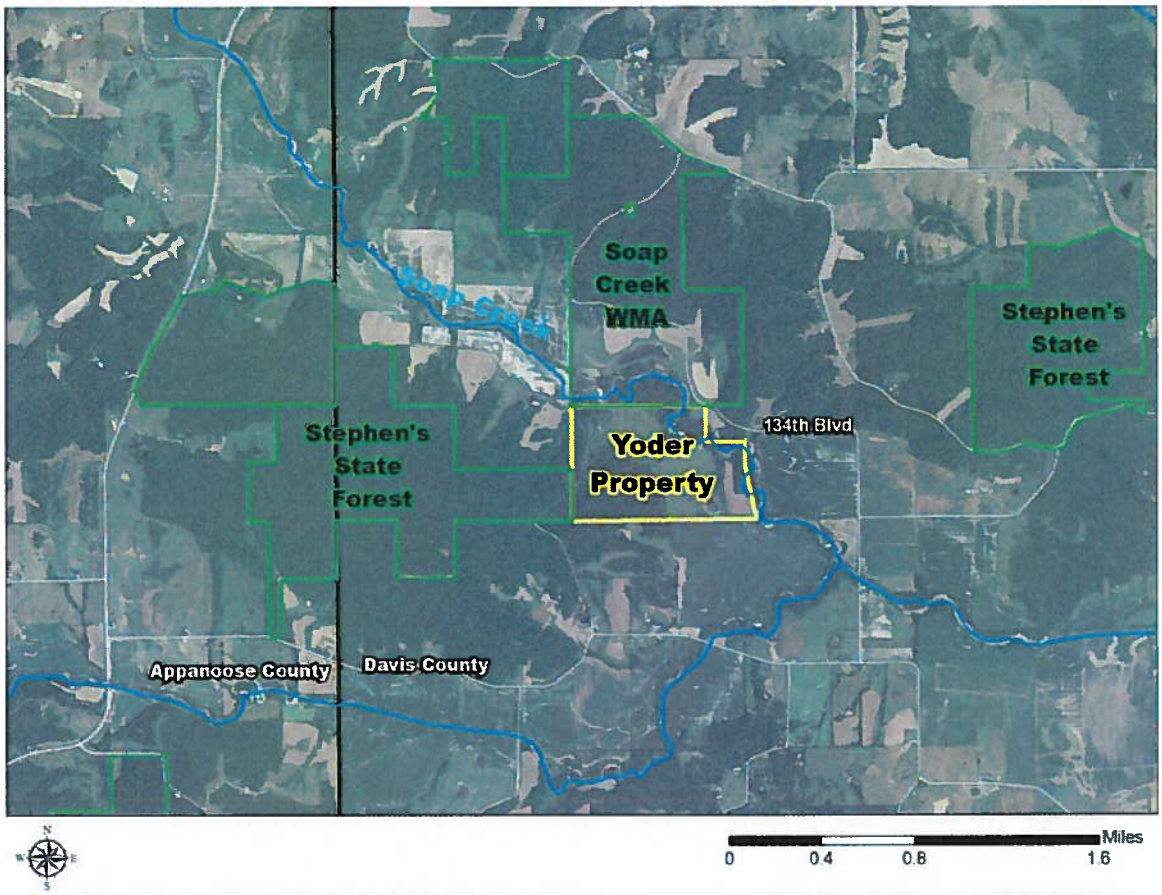
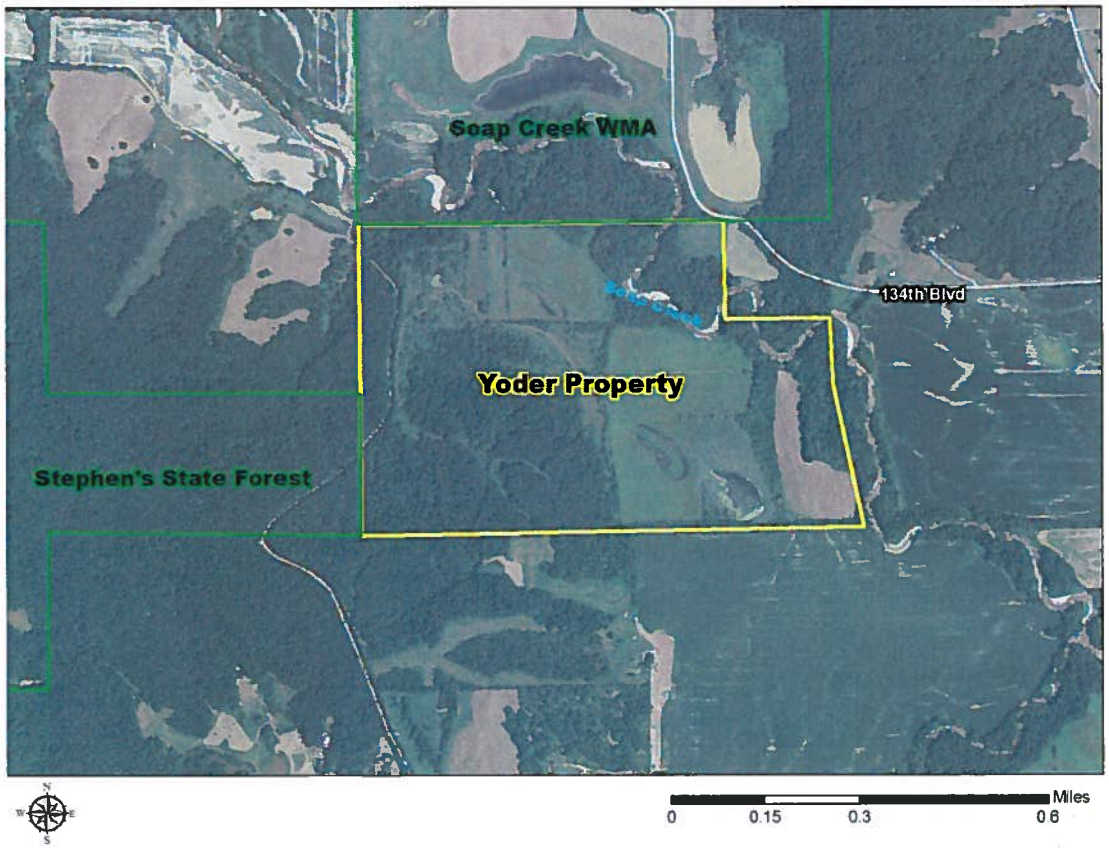
TOTAL POINTS


Soap Creek WMA
Soap Creek
Stephen's State Forest
Stephen's State Forest
134th Blvd
Yoder Property
Appanoose County
Davis County
Miles
0
0.4
0.8
1.6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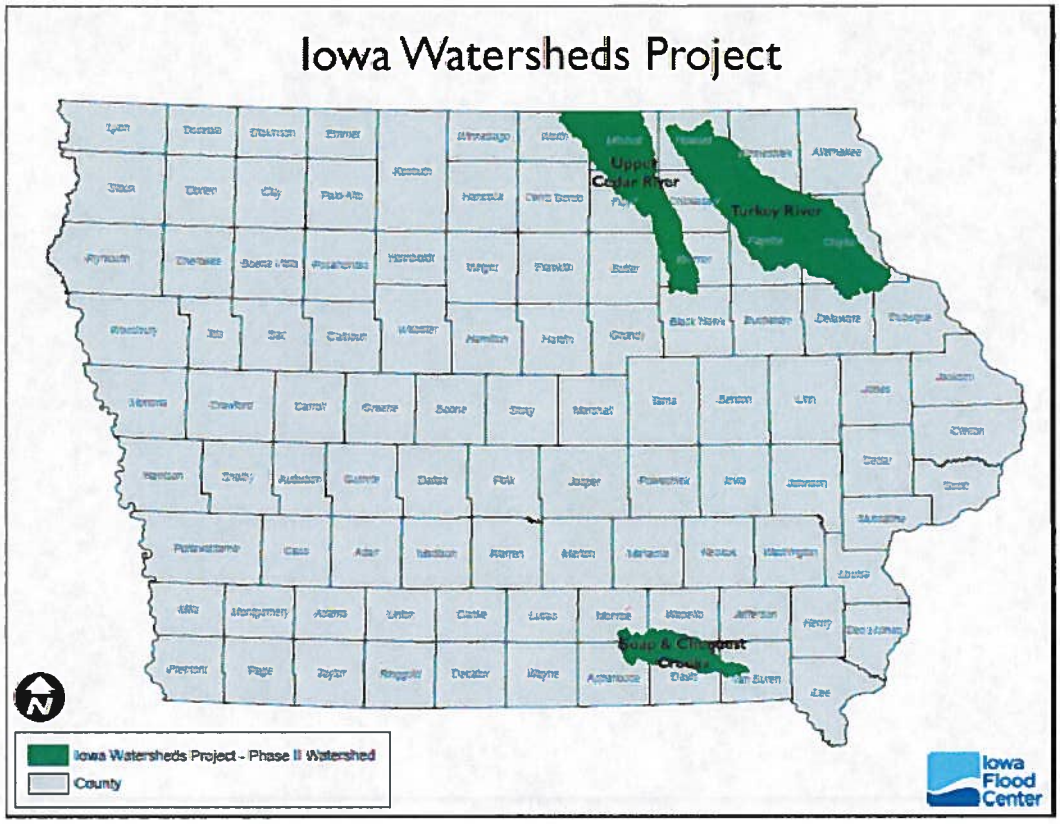
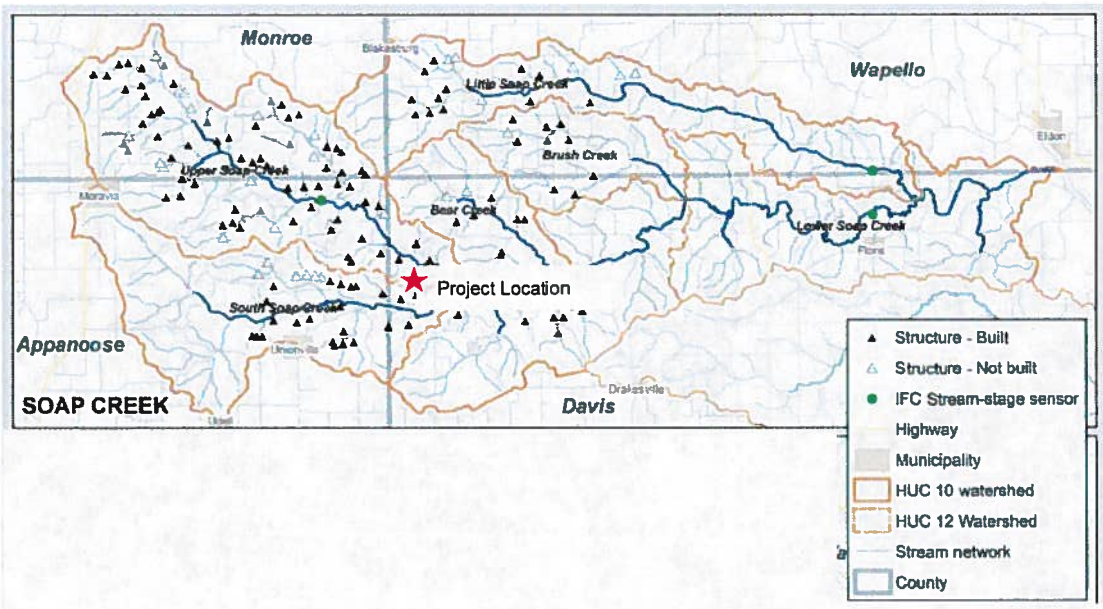

Iowa Watersheds Project
Upper Cedar River
Turkey River
Soap & Chequest Creeks
Iowa Watersheds Project - Phase II Watershed
County
Iowa Flood Center


Monroe
Wapello
Appanoose
Davis
SOAP CREEK
Little Soap Creek
Brush Creek
Upper Soap Creek
Bear Creek
Lower Soap Creek
South Soap Creek
Project Location
Structure - Built
Structure - Not built
IFC Stream-stage sensor
Highway
Municipality
HUC 10 watershed
HUC 12 Watershed
Stream network
County

PROGRAM APPLICATION
Iowa Water Quality Loan Fund General Non-Point Source Program

Project Name	Address	City	State	Zip
Iowa Natural Heritage Foundation	*505 5th Avenue, STE 444*	*Des Moines*	*IA*	*50309*

Phone Number	Email	Contact Name
515-288-1846	*JMcGovern@inhf.org*	*Joe McGovern, President*

Legal Description

150-acre tract located in the North Half (N ½) and Southwest Quarter (SW ¼) of Section 34, T98N, R37W of the 5th P.M., Dickinson County, Iowa

Assistance is available to projects where facilities are needed to protect, restore or improve water quality from non-point source pollution. Only applicants that are owners of record of the property or have long–term control of the property where the project is to be implemented are eligible. For additional project eligibility information, please refer to Iowa Administrative Code 567, Chapter 92.13 (455B).

Description of Practice. Attach Maps, Timeline for Project Completion and an Estimated Lifespan for the Practice.

There is a growing corridor of protected land along the Little Sioux River between Cayler Prairie in Dickinson County and the Waterman Prairie complex in O'Brien County. Expanding protection along the Little Sioux is one of the Dickinson County Conservation Board's (CCB) priorities.

The Laursen property is made up of approximately 150 acres of pasture, remnant prairie, and cropland. Approximately one mile of the Little Sioux River, a state designated Protected Water Area, bisects the property. The 20-acre prairie remnant is home to several conservative species such as Scribner's Panic Grass, Pasque flower, White Prairie Clover and others. There are fen-like areas in the bottoms that have high quality plant diversity as well. One mile upstream is the Dickinson CCB's Judd Wildlife Area and the Zimmer Addition. The Zimmer Addition is also high quality remnant prairie, home to the federally endangered Prairie Bush Clover and an abundant population of the state threatened Biscuitroot. The Iowa Natural Heritage Foundation expects management and restoration will reveal the remnant prairie on the Laursen property to be of equally high quality.

The Iowa Natural Heritage Foundation is applying for $550,000 (the appraised value and purchase price of the property) through the General Non-Point Source Program of the Iowa Water Quality Loan Fund. *The lower interest rate offered by the Iowa Water Quality Loan Fund will ensure that more of the funds raised for the project will be directed to actual project costs.*

Description of Water Quality Benefits of the Project

According to The Nature Conservancy and the Association for Biodiversity Information, the preservation of the Little Sioux Watershed would help conserve aquatic biodiversity in the United States. Their research indicates that the United States' aquatic biodiversity could be saved by protecting 15% of the watersheds in the US. The Little Sioux Watershed is one of two critical watersheds for conserving aquatic biodiversity designated in Iowa.

Acquisition of the Laursen property will ensure the permanent protection of one mile of the Little Sioux River. This section of the river is particularly significant on a local level. Located in the stretch between the cities of Spencer and Linn Grove, it falls within one of the five state Protected Water Areas, as designated by the Iowa Department of Natural Resources (IDNR). The section of the Little Sioux that runs through the Laursen Property is also listed in **Category 5a** of the IDNR Iowa Impaired Waters report, which indicates that "water is impaired or a declining water quality trend is evident, and a TMDL is needed." This stretch of the Little Sioux River is **not supporting** its primary, recreational use, due to high levels of E.coli bacteria that violate state water quality criteria. Increasing the amount of protected land along the river corridor will play an important part in improving water quality by buffering the river from runoff and other outside pollutants.

INHF expects to transfer the land to the US Fish and Wildlife Service within five years. Management will be under the auspices of the Iowa Department of Natural Resources. Management activities will include continued restoration and expansion of the native prairie ecosystem and restoration of the Little Sioux River floodplain.

Total Estimated Project Costs	Percentage of Project for Water Quality Protection/Improvement
$550,000	*100%*

Estimated General Non-Point Source Program Loan
$550,000

PROGRAM APPLICANT CONDITIONS

- Timely completion. The approval of this application is good for six months following DNR signature. If the project is not expected to be complete within six months, the applicant may request an extension from the DNR. If the project is not complete and a request to extend this approval is not made, GNS funds may not be available.
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PROGRAM APPLICANT SIGNATURE

Project Owner Signature. By signing this program application, I agree that all information provided in this application is accurate and I agree to the conditions listed above.

Project Signature Name and Title	Signature	Date
Joe McGovern, President Iowa Natural Heritage Foundation	Joe McGovern	10/22/13

PROJECT RATING CRITERIA

The general non-point source rating criteria consider the use classification of the receiving waters, water quality of the receiving waters, the project benefits and a tiebreaker. Priority ranking for the projects is based on the total points awarded for all the categories. The greater the total number of points, the higher the ranking. All applications will be rated using 567 Iowa Administrative Code 91.11(455B) General nonpoint source projects rating system (see next page for more details).

PROGRAM APPLICATION APPROVAL

DNR Signature. By approving this program application, the Department of Natural Resources confirms that the application accurately estimates the cost of the practice, that the practice described is reasonable and proper, and that the proposed project is eligible under the rules of the program.

DNR Signature Name and Title	Signature	Date

For Department of Natural Resources Use Only

Please check the receiving water use classification that would be improved or protected by the proposed project. Points are awarded only for one use – the applicable use or classification with the highest score.

Category 1 – Use and Classification

Outstanding national resource water (proposed water use) ☐ 60 Points
High quality waters ☐ 58 Points
High quality resource waters ☐ 20 Points

Class A Waters – use includes recreational uses such as swimming water skiing

Lakes or streams draining to lakes ☐ 60 Points
Streams ☐ 45 Points
Urban streams ☐ 48 Points
Cold water streams ☐ 58 Points
Losing streams and karst topography ☐ 48 Points
Class C Waters – waters used as a drinking water supply ☐ 52 Points

Class B Waters – use that ensures expected growth/reproduction of aquatic life

Lakes or streams draining to lakes ☐ 53 Points
Wetlands ☐ 35 Points
Streams ☐ 30 Points
Publicly owned lakes (and streams draining to a publicly owned lake) ☐ 50 Points
Other lakes ☐ 30 Points

Please check the quality of water in the receiving stream and whether or not the water has been designated as impaired. Points are awarded for both 303(d) & 305(b) sections. The total is used for this category.

Category 2 – Indication of Water Quality

Section 303(d) listed water

Nonpoint source identified as probable source of the problem. ☐ 100 Points
High rating for TMDL development ☐ 90 Points
Medium rating for TMDL development ☐ 80 Points
Low rating for TMDL development ☐ 70 Points

Section 305(b) status

Fully supporting ☐ 10 Points
Fully supporting – threatened ☐ 20 Points
Partially supporting ☐ 30 Points
Not supporting ☐ 40 Points

Please check all that apply. The benefit with the highest point value will be used.

Category 3 – Project Benefit

Implementation of TMDL plan ☐ 40 Points
Eliminate pollution source discharge to:
- Cold water stream ☐ 40 Points
- Publicly owned lake ☐ 38 Points
- Class C drinking waters ☐ 35 Points
- Other surface waters ☐ 28 Points
- Disinfection of wastewater ☐ 12 Points

Eliminate pollutant source to groundwater ☐ 37 Points
Eliminate or reduce public health problem ☐ 25 Points
Protect, improve, or expand wetlands area ☐ 31 Points
Project improves lake habitat and water quality ☐ 26 Points
Project improves stream habitat or eliminates hydromodification degradation ☐ 29 Points
Urban storm water control program in non-MS4 area ☐ 5 Points
Gain control of land needed to protect or improve water quality ☐ 15 Points

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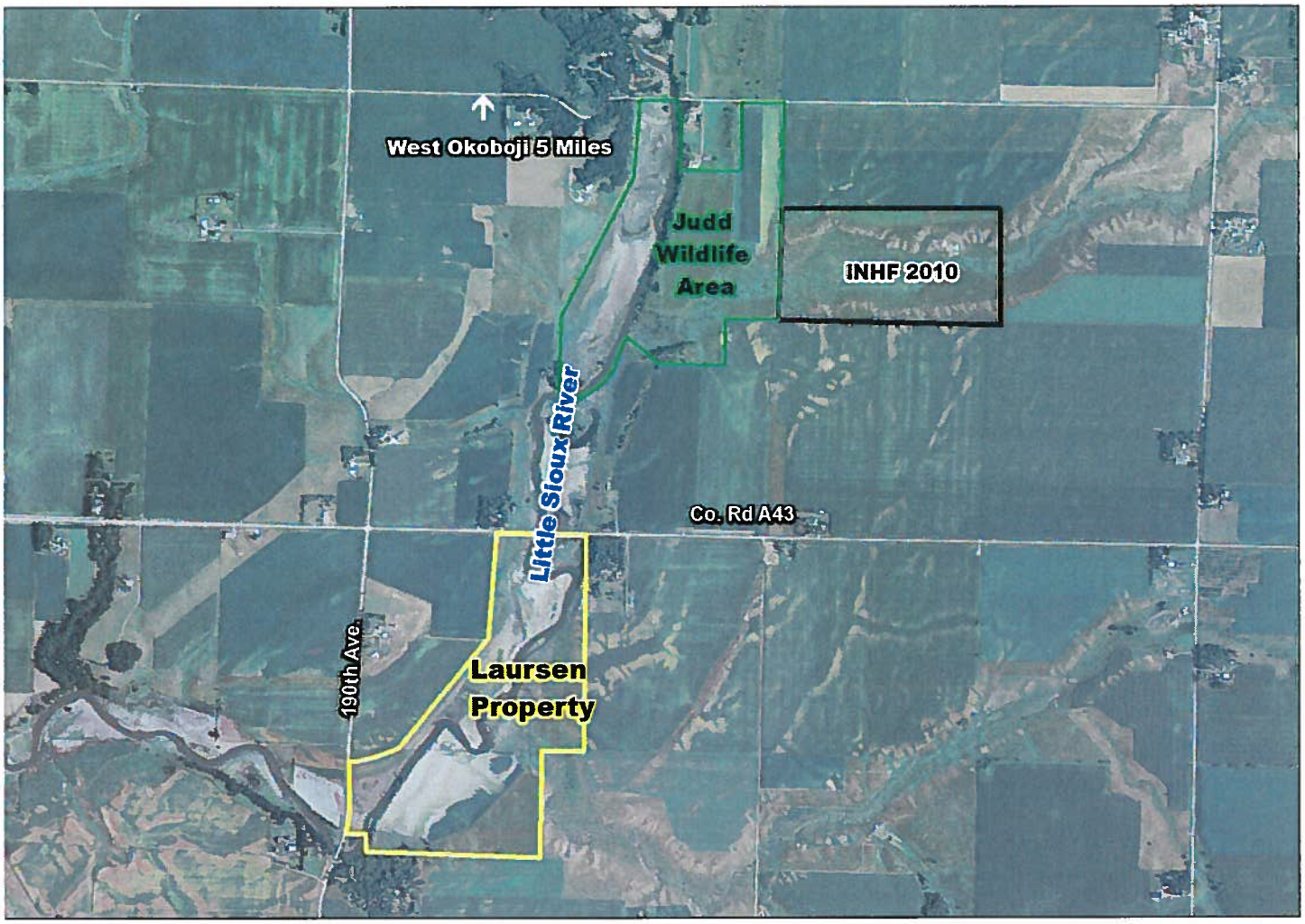
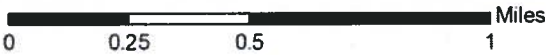
TOTAL POINTS





Photos of the Laursen Property

Project Name	DWSRF No.	Project Description	IUP Yr	Project Type	Priority Points	Quarter	Population	Project Status	Current Requests	Loan Forgiveness	Loan Signed	Original Request	Loan Amount
De Soto	FS-24-14-DWSRF-011	New water treatment facility	2014	B,E	25	4	1050	P	$ 3,295,000				
Fonda	PD-DW-14-28	Improvements at existing water treatment plant	2014	G	P&D	4	648	R	$ 200,000				
Grimes	PD-DW-14-24	Expand existing lime softening water treatment plant andstudy to increse the groundwater supply for plant	2014	G	P&D	4	8246	R	$ 950,000				
Halbur	FS-14-14-DWSRF-007	New water storage facility	2014			4	249	P	$ 473,993				
Ida Grove	FS-47-14-DWSRF-008	Add new permanent well	2014	B,E	45	4	2158	P	$ 339,017				
Pella	FS-63-14-DWSRF-012	Construction of a new Jordan Well	2014			4	10352	P	$ 14,645,000				
Pella	PD-DW-14-22	New well and improvements to existing water treatment plant.	2014	G	P&D	4	10352	R	$ 1,150,000				
Spencer	FS-21-14-DWSRF-010	Water Supply and Treatment Improvements	2014			4	11235	P	$ 14,680,754				
Tripoli	PD-DW-14-23	New water treatment facility	2014	G	P&D	4	1343	R	$ 143,000				
Council Bluffs	FS-78-14-DWSRF-009	Purchase Property adjacent to WW to protect wells from farm contamination	2014			3	63783	P	$ 2,020,000				
Alta	FS-11-14-DWSRF-004	Replacement of pressure filters, EDR units, aerator, and associated piping, in addition to SCADA improvements	2014	A,B,E	90	2	1883	R	$ 1,467,000				
Anita	PD-DW-14-10	Well and water treatment	2014	G	P&D	2		L			8/2/13	$ 102,500	$ 102,500
Hancock	PD-DW-14-07	Improvements to city's water system which will impve the quality and quanitity of water	2014	G	P&D	2		L			7/26/13	$ 98,910	$ 98,910
Hastings	PD-DW-14-17	Water source investigation	2014	G	P&D	2		R	$ 120,000				
Monona	**Dropped**	Replacement of water meters	2014	B,C,E	30	2	1549	D					
Schleswig	FS-24-14-DWSRF-006	Replacement of aging water main to reduce water loss, looping	2014	B,C,E	40	2	882	P	$ 2,338,000				
Coralville	PD-DW-14-01	Expansion of water treatment facility.	2014	G	P&D	1		R	$ 191,000				
Fontanelle	FS-01-14-DWSRF-003	Water main replacement	2014	B,E	30	1	672	P	$ 600,000				
Grimes	FS-77-14-DWSRF-002	New Jordan well is proposed to provide city with emergency backup water supply. Well may be used to supplement the existing shallow well field.	2014	B	35	1	10000	L			7/26/13	$ 2,454,300	$ 2,432,000
Salix	FS-97-14-DWSRF-001	Construction of a new water tower.	2014	B,C,E	55	1	363	P	$ 500,000				
Anita	FS15-13-DWSRF-019	Construction of a new municipal drinking water well and water treatment plant.	2013	B,C,E	55	4	972	P	$ 2,308,254				
Cumberland	FS-15-13-DWSRF-016	Replace the majority of existing distribution system to comply with Ten State Standards, move fire hydrants, install valves, replace connections.	2013	B,E	45	4	262	R	$ 348,270				
Libertyville	FS-51-13-DWSRF-017	Address problems with water pressure and water loss due to continual water main breaks.	2013	A,B,C,E	55	4	315	P	$ 964,045				
Macedonia	FS-78-13-DWSRF-015	Water main replacement due to aging and leaks	2013	B,C,E	40	4	246	P	$ 294,970				

Stanton	FS-69-13-DWSRF-020	Complete rehab/replacement of 13,000 lf of distribution system, replacement of 172 water meters and demolition of old water tower.	2013	B,C,E	40	4	689	P	$ 1,003,334				
Stanwood	FS-16-13-DWSRF-021	Construction of approx 2700 lineal feet of new 6 inch PVC pipe, including new valves, hydrants.	2013	B,C,E	40	4	684	P	$ 786,841				
Tripoli	FS-09-13-DWSRF-018	New water treatment facility to replace 60 year old one.	2013	B,C,E	35	4	1313	P	$ 1,201,900				
Hancock	FS-78-13-DWSRF-010	Construction of a new water distribution system with new 6" PVC mains to replace asbestos cement pipe	2013	A,B,C,E	55	3	196	P	$ 1,300,779				
Lytton	FS-81-13-DWSRF-014	Expansion of existing treatment plant to adequately meet peak system demands and provide redundancy	2013	B,C,E	50	3	315	P	$ 652,207				
Okoboji Camp Owners Coop	FS-30-13-DWSRF-011	Distribution system replacement	2013	B,E	30	3	358	P	$ 796,880				
Toledo	FS-86-13-DWSRF-013	New water treatment facility to meet current design standards, install redundant equipment for radium removal	2013		65	3	2341	P	$ 3,075,450				
Columbus Junction	FS-58-13-DWSRF-008	Relocate water treatment plant out of 100-year flood plain	2013	A,E	45	2	1899	R	$ 1,206,000				
Hawkeye	FS-33-13-DWSRF-007	New well to replace failing backup well, new wellhouse and controls, and water main replacement to eliminate 2" main	2013	B,C,E	55	2	449	P	$ 818,000				
Sioux City	FS-97-13-DWSRF-009	Installation of UV at Zenith Plant to comply with LT2 requirements, modification of wet well to comply with NPDES requirements	2013	A,B	60	2	82684	L			8/30/13	$ 2,293,000	$ 2,100,000
Anamosa	FS-53-13-DWSRF-006	250,000-gallon EST and water main improvements	2013	B,E	45	1	4660	L			9/13/13	$ 2,020,000	$ 2,020,000
Lenox	FS-87-13-DWSRF-004	Water main looping and replacement, replacement of pump station	2013	B,C,E	40	1	1407	P	$ 212,000				
Marble Rock	FS-34-13-DWSRF-003	Water system improvements including reduntant well and water main looping and replacement	2013	B,C,E	55	1	307	R	$ 604,000				
Oakland	FS-78-13-DWSRF-005	New 300 gpm reverse osmosis plant to provide redundancy to lime softening plant	2013	B,C.E	50	1	1486	R	$ 3,520,000				
Sioux City	FS-97-13-DWSRF-001	I-29 Utility Relocation	2013	B	20	1	82684	R	$ 2,541,000				
Stacyville	FS-66-13-DWSRF-002	Water main replacement to eliminate flow bottleneck and replace old cast iron main	2013	B,C,E	40	1	494	P	$ 355,000				
Bedford	FS-87-12-DWSRF-016	Water main looping and replacement	2012	B,C,E	40	4	1440	R	$ 253,358				
Bonaparte	FS-89-12-DWSRF-019	Water main replacement	2012	B,C,E	40	4	433	L			8/16/13	$ 435,000	$ 435,000

Cedar Falls Utilities	FS-07-12-DWSRF-028	Water main extension to connect homes with nitrate contaminated private wells	2012	A	35	4	39260	P	$ 1,380,670	50%			
Charlotte	FS-23-12-DWSRF-024 (2)	New shallow well source to blend with high radium well	2012	A,B,C,E	105	4	394	R	$ 190,000	50%			
Hills	FS-52-12-DWSRF-021	New system to eliminate contaminated private wells	2012	A,B,E	105	4	703	P	$ 3,832,000	50% of eligible costs			
Mount Ayr	FS-80-12-DWSRF-014	New booster station with building, piping, and standby generator, with 8" main to connect new station to SIRWA feeder main	2012	B,E	30	4	1822	L			9/6/13	$ 378,000	$ 378,000
New Hartford	FS-12-12-DWSRF-026	Meter replacement	2012	B,C,E	40	4	516	L		20%	8/2/13	$ 80,800	$ 81,000
Shenandoah	FS-73-12-DWSRF-020	Water meter replacement	2012	B,C,D,E	45	4	5546	R	$ 80,800	20%			
Albia	FS-68-12-DWSRF-008	Water main replacement	2012	B,C,E	40	2	3706	P	$ 350,000				
Churdan	FS-37-12-DWSRF-007	Running 9 miles of pipe to hook onto Xenia's water pipeline.	2012	A,B,E	85	2	386	P	$ 1,284,316				
Ryan	FS-28-12-DWSRF-005	New Silurian well with emergency power and control building	2012	B,E	45	2	410	P	$ 128,000				
Oxford Junction	FS-53-12-DWSRF-001	New well #4 with modifications at treatment for Well #2 to include Well #4	2012	B,C,E	55	1	573	R	$ 193,000				
Palo	FS-57-12-DWSRF-003	New water treatment plant for new municipal system	2012	A,E	55	1	899	R	$ 1,040,200				
Aplington	FS-12-11-DWSRF-032	Iron filtration and softening plant rehab	2011	B,E	30	4	1054	R	$ 1,562,000				
Des Moines Water Works	FS-77-11-DWSRF-036	New variable frequency driven pump to maximize use of infiltration gallery water, avoiding the need to use reverse osmosis system	2011	B	15	4	223364	C	$ 675,000	20%			
Geneva*	**Dropped**	Meter installation	2011	B,C,E	40	4	171	D					
Le Mars*	FS-75-11-DWSRF-022	Meter replacement, automatic meter reading system	2011	B,E	30	4	9270	R	$ 1,010,000	20%			
Lidderdale	FS-14-11-DWSRF-028	Water main replacement, elevated storage tank, distribution system mapping, water meter replacement, and Well #1 abandonment	2011	B,C,E	40	4	186	L		60%	9/27/13	$ 1,301,000	$ 1,301,000
Ralston	FS-14-11-DWSRF-034	Redundant well, booster pump installation, treatment plant upgrades	2011	B,C,E	55	4	98	P	$ 343,600	40%			
Story City	FS-85-11-DWSRF-037	Water meter replacement	2011	B,E	30	4	3228	P	$ 207,000	20%			
Timber Ridge Water Utility Corporation	FS-06-11-DWSRF-031	Connection to Poweshiek Water Association, meter installation	2011	A,C,E	80	4	224	P	$ 153,000	50%			
Frankville (Winneshiek Co BO	FS-96-11-DWSRF-012	New public water supply to replace private wells	2011	A,E	45	2	125	P	$ 762,449	50%			
Hudson	FS-07-11-DWSRF-006	New well and distribution system to provide supply for Hudson, which is currently consecutive to Waterloo	2011	B,E	45	1	2117	P	$ 2,973,634				
Kelley	FS-85-11-DWSRF-008	New well and treatment, EST, raw water main, and water main replacement	2011	B,E	45	1	300	P	$ 1,825,070	30%			
Libertyville	PD-DW-10-52		2011	G	P&D	1		R	$ 95,000				
New London	FS-44-11-DWSRF-001	New ground storage reservoir, high service pump, standby power, and water main replacement	2011	B,C,E	55	1	815	R	$ 1,111,000				

Ainsworth	FS-92-10-DWSRF-066	Water main looping and replacement	2010	B,C,E	40	4	524	P	$ 202,000				
Castalia	FS-96-10-DWSRF-059	Emergency power, flow meters, replacement of pressure tanks, water main replacement	2010	B,C,E	40	4	175	R	$ 114,000				
Fremont	FS-62-10-DWSRF-054	Water main replacement and 50 water meters	2010	B,C,E	40	4	704	R	$ 760,530				
Mason City	FS-17-10-DWSRF-069	Replacement of elevated storage tank with same size; new security fence	2010	B	35	4	29172	C	$ 1,085,750				
Shenandoah	FS-73-10-DWSRF-065	Additional wells, new treatment plant, transmission main, and storage, construction of LEED certified building	2010	B,C,E	55	4	5546	L		20% of LEED building construction	9/20/13	$ 12,204,840	$ 14,057,000
Ames	FS-85-10-DWSRF-046	New 15 million gallon/day lime softening plant, construction of LEED certified building	2010	B	35	3	50731	P	$ 51,315,000	20% of LEED building construction			
Mahaska Rural Water System,	FS-62-10-DWSRF-042	Two new wells, auxiliary power, upgrade water treatment plant, and add emergency connection with booster pumping to Oskaloosa Municipal Water System	2010	B,E	45	3	7000	R	$ 3,609,600				
Oto	FS-97-09-DWSRF-016	New water storage tank	2009	B,C,E	40	4	145	P	$ 61,065				
									$ 141,699,736			$ 21,368,350	$ 23,005,410
Project Status	**Project Type**												
Contingency -- C	A = Water Quality and Human Health Risk-Related Criteria												
Dropped -- D	B = Infrastructure and Engineering-Related Improvement												
Ready for Loan -- R	C = Affordability Criteria												
Loan Signed -- L	D = Special Category Improvements												
Planning Stage -- P	E = Project Serves Population less than 10,000												
	F = Supplemental Loan for Previously Approved Project												
Green projects (* business case required)	G = Planning and Design Loan												
Disadvantaged Communities													
Public Health Projects													

Project Name	NPDES No.	Project Number	CWSRF No.	Project Description	IUP Yr	Needs Category	Priority Points	Quarter	Project Status	Current Requests	Loan Forgiveness	Loan Signed	Original Request	Loan Amount
Ames	8503001	S2013-0326	1920686 01	WPCF Biosolids Storage Tank	2014	II	180	3	P	$ 1,885,400				
Coralville			PD-CW-14-31	Replace manholes, reconstruct sewer lines at Oakdale trunk sewer and replace lift station and form main for Muddy Creek	2014	IIIB	P&D	3	R	$ 270,263				
Dike			PD-CW-14-21	Upgrade existing Wastewater Treatment Facility	2014	I	P&D	3	R	$ 220,000				
Dubuque (Lower Bee Branch supplemental)	N/A	S2007-0268	1920513 02	Stormwater management improvements to Lower Bee Branch	2014	VI	172	3	R	$ 1,193,708				
Dyersville	3130001	S2013-0345	1920689 01	WWTF Expansion Project	2014	II	172	3	C	$ 3,030,000				
Dyersville	3130001	S2013-0342	1920690 01	SE Lift Station & Collection System Improvements	2014	IVB	127	3	C	$ 1,476,620				
Epworth	3133001	S2011-0155	1920683 01	Conversion of lagoon to sludge wastewater treatment facility. Construction of new mail lift station.	2014	II	240	3	P	$ 5,296,000				
Farley	3135001	S2013-0378		WWTF Disinfection	2014	II	199	3	C	$ 241,390				
Farley			PD-CW-14-20	Treatment	2014	II	P&D	3	R	$ 35,000				
Garnavillo	2234001	S2012-0200	1920684 01	Improvements to collection system	2014	II	199	3	P	$ 4,469,250				
Miles	4953001	S2013-0064	1920688 01	Construction of controlled discharge lagoon	2014	I	227	3	P	$ 897,890				
Miles			PD-CW-14-27	Construction of controlled discharge lagoon	2014	I	P&D	3	R	$ 120,000				
Monona			PD-CW-14-26	Sanitary Sewer Improvements	2014	IIIB	P&D	3	R	$ 30,000				
New Albin			PD-CW-14-25	New wastewater treatment plant	2014	II	P&D	3	R	$ 50,000				
Roland			PD-CW-14-29	Run relief trunk sewer line to connect to wastewater treatment facility	2014	IVA	P&D	3	R	$ 150,000				
Spragueville	4982001	S2013-0202	1920685 01	Septic tank/sand mound treatment system.	2014	XII	199	3	P	$ 316,544				
Spragueville			PD-CW-14-30	Septic tank/sand mound treatment system.	2014	XII	P&D	3	R	$ 37,000				
Wastewater Reclamation Authority (supplemental)	7727001	S2009-0219	1920457 04 (Phase 17, Seg 8)	New Main Outfall, final connections	2014	IVB	160	3	P	$ 1,335,000				
Ames			PD-CW-14-15	Sewer rehabilitation	2014	IIIB	P&D	2	R	$ 375,000				
Arthur			PD-CW-14-14	Construction of 3rd Cell to existing 2 - Cell	2014	I	P&D	2	R	$ 85,300				
Cascade			PD-CW-14-16	Treatment	2014		P&D	2	L			9/27/13	$ 400,000	$ 400,000
Dyersville			PD-CW-14-18	New Lift Station	2014	IIIB	P&D	2	R	$ 152,000				
Dyersville			PD-CW-14-19	WWTF Expansion Project	2014	II	P&D	2	R	$ 173,000				
Fairfield	5131001		PD-CW-14-12	Sewer system rehabilitation	2014	IIIB	P&D	2	R	$ 1,075,000				
Fairfield	5131001		PD-CW-14-13	Sewer System rehabilitation, infiltration/flow correction/ and correction of Combined sewer system overflow	2014	IIIA	P&D	2	R	$ 1,585,000				
Fairfield	5131001		PD-CW-14-02	Sewer system rehabilitation	2014	IIIB	P&D	2	L			8/23/13	$ 500,000	$ 500,000

Iowa DNR-Parks - Big Creek	7700905	S2011-0048	1920680 01	Big Creek Pump Station and Force Main	2014	IVA	245	2	R	$ 1,313,000				
Iowa DNR-Parks - Geode State Park		S2011-0278	1920681 01	Wastewater Treatment Upgrade	2014	I	235	2	P	$ 1,111,000				
Lowden			PD-CW-14-11	Construct a Main Lift Station	2014	IIIB	P&D	2	L			10/25/13	$ 65,000	$ 65,000
Martensdale	9147001	S2013-0292	1920682 01	Sewer rehabilitation	2014	IIIB	150	2	P	$ 833,800				
Ashton		S2013-0178	1920678 01	Lift Station Improvements	2014	IIIB	135	1	R	$ 365,327				
Battle Creek		S2013-0179	1920677 01	Sewer system rehabilitation	2014	IIIB	150	1	R	$ 300,324				
Davenport			PD-CW-14-04	WWTP Optimization Project	2014	II	P&D	1	R	$ 900,000				
Keokuk			PD-CW-14-06	Replace pumps, install UV disinfection system	2014	II	P&D	1	L			9/27/13	$ 452,500	$ 452,500
Wapello	5879001	S2013-0194	1920679 01	Sanitary Sewer Improvements - West Terrance Drive Addition & Bird's Park Addition	2014	IIIB	147	1	L			9/27/13	$ 432,225	$ 393,000
Clarion			PD-CW-13-28	Update wastewater treatment plant; install new lagoons and additional waste treatment equipment	2013	II	P&D	4	L			8/23/13	$ 250,000	$ 250,000
Elliott	7825001	S2013-0120	1920666 01	Wastewater Collection and Treatment System	2013	IIIA	150	4	R	$ 300,000				
Gilmore City	7607001	S2013-0101	1920672 01	Rehabilitate and repair poor sections of the sanitary sewer collection system.	2013	IIIB	145	4	R	$ 760,879				
Granger	2537001	2012-0169	1920667 01	Wastewater treatment plant improvements	2013	II	240	4	P	$ 4,516,914				
Henderson	66529001	2013-0147	1920674 01	Wastewater Improvements	2013	IVA	125	4	P	$ 100,000				
Maynard	3350001	S2013-0123	1920668 01	Wastewater I/I Reduction	2013	IIIA	142	4	P	$ 315,606				
Montezuma	7950001	S2012-0172	1920670 01	Lining 7000 LF of sanitary sewers, new transmission main, constructing bio-retention swales, constructing new culverts and streets.	2013	IIIB	145	4	P	$ 317,140				
Nora Springs	3423001	2013-0150	1920671 01	Slip lining of sewer main, spot repairs, sewer pipe replacement, new manhole lids, castings, new manhole replacements, lining and grouting.	2013	IIIA	145	4	P	$ 1,031,715				
Pleasantville			PD-CW-13-31		2013	I	P&D	4	R	$ 527,500				
Tama	8670002	S2013-0103	1920669 01	Sanitary Sewer System Improvements	2013	IIIA	145	4	P	$ 677,205				
Wellman	9270661	S2013-0066	1920673 01	WWTP Screen Improvements	2013	IVA	125	4	P	$ 791,446				
Wellman			PD-CW-13-32		2013	I	P&D	4	R	$ 81,283				
Worthington		S2011-0241	1920676 01	Disinfection Project	2013	II	242	4	P	$ 131,250				
Clinton	2326001	S2012-0403	1920660 01	25th Avenue North project, part of long-term CSO control plan - construction of a new sanitary and stormwater pump station	2013	IIIB	165	3	L			8/9/2013	$ 6,615,500	$ 6,550,000

Coggon	5722001	S2011-0152	1920658 01	Construction of new wastewater treatment facility to address concerns with mercury, CBOD5, ammonia-nitrogen, flooding, and disinfection	2013	II	237	3	P	$ 3,119,536				
Cumming	9123001	S2010-0142	1920662 01	Construction of South Trunk Sewer Extension, Phase II, to transport wastewater to WRA interceptor and eliminate existing treatment facility	2013	IVB	244	3	P	$ 604,182				
Dakota City			1920656 01	Infiltration/inflow correction through sewer relining with the goal of reducing treatment costs, increasing system capacity, and staying in compliance with effluent limits	2013	IIIA	135	3	L			9/20/2013	$ 599,940	$ 600,000
Denison	2422001	S2013-0081	DROPPED	Connect mobile home park to city sewer system to eliminate failing lagoon; install end user water meters	2013	IVB	205	3	D					
Lambs Grove (supplemental)	5044001	S2012-0157	1920653 01	Sanitary sewer rehabiltation	2013	IIIB	129	3	R	$ 181,000				
Marengo	4843001	S2013-0052	1920661 01	Infiltration/inflow correction to address permit violations at treatment facility	2013	IIIA	162	3	P	$ 2,179,580				
Mount Union	4455001	S2013-0118	1920664 01	Purchase of existing wastewater system currently owned and operated by Rural Utility Service Systems (RUSS)	2013	II	127	3	R	$ 307,040				
Mt Pleasant	4453001	S2012-0407	1920665 01	Replacement of remaining portions of Snipe Run Interceptor to transfer flows to new wastewater treatment facility	2013	IIIB	125	3	C	$ 1,600,000				
Patterson	6151001	S2011-0078	1920659 01	Upgrade pump station capacity, reduce inflow/infiltration, install new force main with goal of reducing sewer backups	2013	IIIB	165	3	R	$ 54,540				
Wastewater Reclamation Authority	7727001	S2013-0079	1920657 01	WRA Southern Tier Interceptor Phase 10 Segments 15-17 to increase capacity to handle wet weather flows	2013	IVB	115	3	P	$ 6,080,200				
Dakota City			PD-CW-13-15	Infiltration/inflow correction through sewer relining	2013	IIIA	P&D	2	R	$ 85,000				
Kiron	2432001	S2011-0252	1920655 01	New covered aerated lagoon and disinfection, new lift station	2013	II		2	P	$ 1,233,715				

Oxford	5260001	S2012-0142	1920652 01	The existing lagoon is overloaded with inflow and infiltration from the collection system. The facility is under enforcement action to reduce excess flow. The project involves using cured-in-place pipe to reinforce existing sewer lines and sealing leaking manholes and service connections.	2013	IIIA	139	1	P	$ 450,000				
Sioux City	9778001	S2010-0080	1920647 02	The Iowa Department of Transportation is constructing improvements to Interstate 29, which requires Sioux City to relocated existing sanitary sewer interceptor and storm sewers.	2013	IVB	130	1	R	$ 20,434,000				
Thornton	1781001	S2012-0134	1920649 01	Leaking of the city's lagoons has been documented. The project involves emptying the lagoons during normal discharge time, removing existing rip rap, installing a new liner system, and replacing rip rap.	2013	I	147	1	P	$ 246,238				
Wapello	5879001	S2011-0196	1920651 01	Wapello's wastewater treatment facility is overloaded hydraulically and organically and cannot meet NPDES limits. The project involves conversion of existing lagoons to a 3-cell aerated lagoon facility.	2013	II	167	1	P	$ 1,230,000				
Blairsburg	4003001	S2010-0162	1920627 01	Sanitary Collection & Treatment System Evaluation - Improvements	2012	IIIA	139	4	L			9/27/13	$ 268,569	$ 265,000
Calamus	23200001	S2012-0126	1920628 01	WWTP Upgrades 2011-add 3rd lagoon cell	2012	I	149	4	P	$ 925,211				
Clinton (Phase II, Part 2)	2326001	S2005-0016	1920629 01	US 30/67 and Camanche Avenue (Reconstruction & Sewer Separation)	2012	V	144	4	R	$ 3,535,000				
Colfax	5009001	S2010-0252	1920630 01	Construction of disinfection treatment and lining of sanitary sewer main to reduce I/I	2012	II,IIIA	189	4	L			10/25/2013	$ 1,040,300	$ 1,109,000
Conesville	7016000	S2012-0176	1920644 01	Replace pump station & provide emergency diesel-powered generator	2012	IIIB	137	4	C	$ 80,800				
Durant	7036001	S2008-0219	1920632 01	Improvements to WWTF incorporate expansion of the plant, an equalization basin, sludge process, UV disinfection & cascade aeration	2012	II	210	4	P	$ 5,796,000				
Elk Horn (supplemental)	8325001	S2012-0128	1920633 02	Sanitary sewer rehabiltation	2012	IIIA	129	4	L			7/26/13	$ 100,000	$ 100,000

Elkhart	7730001	S2012-0137	1920634 01	Inflow and infiltration correction	2012	IIIA	129	4	P	$ 609,030				
Elkhart			PD-CW-12-24		2012		P&D	4	R	$ 350,000				
Fort Dodge	9433003	S2012-0171	1920646 01	Improvements to wastewater conveyance system	2012	IIIB	155	4	R	$ 2,038,584				
Hamburg			PD-CW-12-29		2012		P&D	4	R	$ 100,000				
Holy Cross	3146001	S2011-0049	1920637 01		2012	I	149	4	R	$ 621,150				
Oxford			PD-CW-12-23		2012		P&D	4	R	$ 67,000				
Seymour	9368001	S2012-0062	1920642 01	Sanitary Sewer System Rehabilitation	2012	IIIA	139	4	P	$ 566,810				
Wheatland	2394001	S2012-0069	1920643 01	Polishing Reactor Treatment Process	2012	II	189	4	C	$ 606,000				
Fort Madison	5625001	S2012-0013	1920622 01	Gravity sewers, submersible pump station and force main	2012	IVA	145	3	P	$ 3,865,422				
Fort Madison	5625001		PD-CW-12-19		2012	IVA,IVB	P&D	3	R	$ 470,000				
Kelley	8548001	S2011-0121	1920624 01	Sanitary sewer improvements	2012	IIIA	165	3	P	$ 172,000				
La Porte City	0743001	S2012-0049	1920625 01	Commercial Street Sanitary Sewer Repolacement Project	2012	IIIB	150	3	P	$ 556,409				
La Porte City	0743001	S2009-0187	1920620 01	Wastewater treatment plant improvements	2012	I,II	220	2	P	$ 917,822				
Mingo	5052001	S2008-0304	1920619 01	Sanitary sewer rehabiltation	2012	IIIA	170	2	L			8/30/13	$ 513,214	$ 360,000
Nemaha	Unsewered		PD-CW-12-04		2012	I,IIIB	P&D	2	R	$ 75,000				
North English	4858001		PD-CW-11-36		2012	II,IIIA,IIIB	P&D	1	R	$ 140,000				
RUSS (Augusta)	Unsewered		PD-CW-11-39		2012	I,IVA	P&D	1	R	$ 193,000				
RUSS (Croton)	Unsewered		PD-CW-11-40		2012	I,IVA	P&D	1	R	$ 100,000				
RUSS (Wever)	Unsewered		PD-CW-11-46		2012	I,IVA	P&D	1	R	$ 193,000				
RUSS(Moar/Powdertown)	Unsewered		PD-CW-11-44		2012	I,IVA	P&D	1	R	$ 100,000				
Albert City	1103001	S2011-0114	1920608 01	Phase I inflow/infiltration correction; Phase II new lagoon, disinfection	2011	II,IIIA	184	4	P	$ 2,387,264	30%			
Callender	9417001	S2011-0132	1920616 01	Sewer rehabilitation, bioswale for storm water treatment	2011	IIIA,VIC	129	4	L			10/18/13	$ 717,125	$ 600,000
Coralville	N/A	N/A	GNS10-4	Green storm water infrastructure	2011	VII-K	120	4	R	$ 2,000,000	30%			
Denver	0915001	S2007-0432	1920609 01	Sewer rehabilitation, new wastewater treatment plant	2011	II,IIIA	184	4	R	$ 6,153,127				
Dubuque (Revised Upper Bee Branch)	N/A	N/A	GNS10-5	Stream daylighting	2011	VII-K	162	4	P	$ 28,823,000	30% of up to $14,767,000			
Geneva	3539000	S2010-0308	1920610 01	New collection system, sand mound treatment	2011	II	169	4	P	$ 518,775	30%			
Clarion	9909001	S2010-0186	1920602 01	Wastewater treatment plant upgrades	2011	II	189	3	P	$ 3,309,871				
Freeport (Winneshiek Co)	9630001	S2010-0118	DROPPED	Sewer rehabilitation, pump station upgrades	2011	IIIB	215	3	D					
Lake Mills	9445001	S2010-0205	DROPPED	Wastewater treatment plant upgrade	2011	II	184	3	D					
Truro	6167001	S2010-0144	1920605 01	Sewer rehabilitation	2011	IIIA	139	3	R	$ 793,860				
Wyoming	5392001	S2009-0239	1920606 01	Lagoon upgrade	2011	I	97	3	P	$ 1,480,812				
Anita	1503001	S2010-0173	1920580 01	Sewer rehabilitation	2011	IIIA	139	2	L			8/9/13	$ 2,251,385	$ 1,065,000

Buffalo	8218001	S2010-0278	1920582 01	Converting plant from chlorine to ultraviolet disinfection. Vortex grit removal system and comminutor replaced. Rehabilitating manholes and cleaning existing sanitary sewer.	2011	II	169	2	P	$ 358,550				
Earling	8320001	S2010-0187	1920584 01	Controlled discharge lagoon	2011	II	184	2	P	$ 2,985,661	30%			
Keokuk (Victory Park)	5640001	S2010-0312	1920596 01	Combined sewer separation	2011	V	199	2	R	$ 4,585,400				
Massena	1558001	S2010-0129	1920578 01	Sewer rehabilitation	2011	IIIB	149	2	R	$ 230,000		9/27/13	$ 675,000	$ 445,000
Mondamin	4349001	S2007-0165	1920587 01	Sewer rehabilitation	2011	IIIA	139	2	P	$ 83,578				
Wastewater Reclamation Authority	7727001	S2010-0310	1920593 01 (Phase 19 Seg 1-4)	Interceptor sewer to convey wastewater from Bondurant to the Wastewater Reclamation Facility	2011	IVB	150	2	R	$ 16,545,820				
Webster City	4063001	S2010-0254	DROPPED	Digester upgrade	2011	II	159	2	D					
Bennett	1603001	S2010-0120	1920529 01	Sewer rehabilitation, pump station upgrades	2011	IIIA	137	1	R	$ 2,270,000				
Brighton	9209001	S2009-0288	1920515 01	Sewer rehabilitation, wastewater treatment plant upgrade	2011	II,IIIB	140	1	R	$ 2,675,000				
Carlisle	9113001	S2010-0027	1920550 01	Lagoon upgrade	2011	II	215	1	R	$ 303,000				
Carlisle	9113001		PD-CW-10-71		2011	IIIA,IIIB	P&D	1	R	$ 120,000				
Charles City	3405001	S2010-0232	1920551 01	Disinfection	2011	II	170	1	R	$ 2,840,120				
Fayette County Board of Supervisors (Prairie View Care Facility)	3300901	S2010-0149	1920534 01	Lagoon upgrade	2011	I	180	1	C	$ 319,796				
Grinnell	7930001	S2010-0229	1920554 01	Sewer rehabilitation	2011	IIIA	129	1	P	$ 1,295,625				
Hampton	3544001	S2006-0242	1920530 01	New wastewater treatment plant	2011	II,IVB	160	1	C	$ 7,409,158				
Hull	8444001	S2008-0093	1920516 01	Lagoon upgrade, disinfection	2011	II	184	1	R	$ 1,955,057				
Joice	Unsewered	S2009-0173	DROPPED	Collection system and force main to convey wastewater to Lake Mills	2011	IVA	150	1	D					
Knoxville	6342001	S2010-0206	1920557 01	Detention basin to store peak wet weather flows	2011	IVB	130	1	C	$ 3,684,278				
Lamont	1061001	S2010-0116	1920576 01	Lagoon upgrade, pump station upgrade	2011	I	140	1	R	$ 1,169,665				
Ledyard	Unsewered	S2010-0152	DROPPED	New collection system, decentralized treatment	2011	I	210	1	D					
Libertyville	5148001		PD-CW-10-51		2011	I,IIIA,IIIB, VI	P&D	1	R	$ 95,000				
New London	4458001	S2010-0155	1920545 01	Wastewater treatment plant upgrade, inflow and infiltration correction	2011	II	190	1	R	$ 3,765,000				
Newhall	653001	S2010-0115	1920577 01	New wastewater treatment plant	2011	II	120	1	C	$ 4,383,347				
Ottumwa (Richmond Ave area)	9083001	S2006-0453	1920565 01	Combined sewer separation	2011	V	175	1	P	$ 3,636,000	30%			
Reasnor	5071001	S2009-0207	1920543 01	Lagoon expansion	2011	I	160	1	R	$ 737,805				
Spencer	2171004	S2010-0111	1920528 01	Combined sewer separation	2011	V	185	1	R	$ 2,300,000				
Underwood	7869001	S2008-0186	1920568 01	Sewer rehabilitation	2011	IIIA	147	1	C	$ 252,399				
Cedar Rapids	5715001	S2010-0127	1920536 01	Wastewater treatment plant upgrade	2010	II	185	4	R	$ 633,000				
Gilbertville	0733001	S2009-0110	1920548 01	New activated sludge treatment plant, disinfection	2010	II	165	4	P	$ 1,692,760				
Sioux Center	8486002	S2010-0055	DROPPED	Disinfection	2010	II	170	4	D					
St. Charles	6161001	S2006-0539	DROPPED	Sewer rehabilitation	2010	IIIA	139	4	D					

Fayette	3342001	S2008-0323	1920506 01	Wastewater treatment plant upgrade, disinfection	2010	II	187	3	R	$ 1,031,000				
Ledyard			DROPPED		2010	I,IVA	P&D	3	D					
Mingo	5052001	S2008-0304	1920510 01	Lagoon expansion	2010	I	172	3	R	$ 1,515,000				
Ottumwa	9083001		DROPPED		2010	V	P&D	3	D					
Wastewater Reclamation Authority	7727001	S2010-0059	DROPPED Westside Supplemental Equalization Basin	Protect pump station and equalization basin from flooding	2010	IIIA	160	3	D					
Wheatland	2394001		PD-CW-10-10		2010	IIIA, IIIB,V	P&D	3	R	$ 67,000				
Davenport	8222003	S2006-0279	1920490 01	Interceptor sewer	2010	IVB	125	2	P	$ 28,280,000				
Ida Grove	4728001	S2009-0276	1920493 01	Pump station upgrades, disinfection	2010	II,IIIB	169	2	P	$ 298,960				
Eagle Grove	9926001	S2009-0202	1920464 01	Sewer rehabilitation	2010	IIIA	129	1	R	$ 611,923				
Readlyn	0965001	S2009-0030	1920468 01	Disconnect residential groundwater flows to sanitary sewers	2010	IIIA	139	1	P	$ 1,331,000				
Deloit	2421001	S2009-0109	1920438 01	Lagoon upgrade	2009	I	147	3	D					
Storm Lake	1178001		DROPPED		2009	II, IIIB	P&D	2	D					
Norway	0656001	S2007-0069	DROPPED	Lagoon upgrade	2008	II	159	4	D					
Norway	0656001		DROPPED		2008		P&D	4	D					
Wastewater Reclamation Authority	7727001	S2009-0085	DROPPED	New interceptor sewer to convey wastewater to Wastewater Reclamation Facility	2008	IVB	150	4	D					
Wastewater Reclamation Authority	7727001	S2008-0187	1920375 01	New interceptor sewer to convey wastewater to Wastewater Reclamation Facility	2008	IVB	180	3	R	$ 30,855,000				
Everly	2115001	S2007-0141	1920344 01	Sewer rehabilitation	2007	IIIB	160	4	C	$ 753,000				
Hamburg	3621001	S2008-0295	DROPPED	Lagoon expansion, pump station	2000	I, IIIA	152		D					
										$ 275,292,633			$ 14,880,758	$ 13,154,500

Project Status	**Needs Categories**		
Contingency -- C	I	Secondary Treatment	
Dropped -- D	II	Treatment more stringent than secondary	
Ready for Loan-- R	IIIA	Infiltration/Inflow rehabilitation	
Loan Signed -- L	IIIB	Major sewer system rehabilitation	
Planning Stage -- P	IVA	New collectors and appurtenances	
	IVB	New interceptors and appurtenances	
Green Projects	V	Correction of combined sewers	
(*indicates that a business	VI	Stormwater management programs	
case is required)	VII	Non-point source control projects; subcategories below:	
Add Subs		*VIIA*	*Agricultural cropland sources*
		VIIB	*Animal sources*
		VIIC	*Silviculture*
		VIID	*Urban sources*
		VIIE	*Groundwater protection (unknown sources)*
		VIIF	*Marinas*
		VIIG	*Resource extraction*
		VIIH	*Brownfields*
		VIII I	*Storage tanks*
		VIIJ	*Landfills*
		VIIK	*Hydromodification*
		XII	*Decentralized septic systems*

Chart 2

Program		**Proposed SFY 2010 Set-Aside Amount**
Onsite Wastewater Assistance Program (OSWAP)	$	1,500,000
Local Water Protection Program (LWPP)	$	8,000,000
Livestock Water Quality Facilities Program (LWQ)	$	10,000,000
General Non-Point Source Program (GNS)	$	10,000,000
TOTAL	**$**	**29,500,000**

Chart 3

FFY Capitalization Grant		**Amount in 4% Set-Aside**
FFY 2010	$	1,096,000
ARRA	$	2,122,000
TOTAL	**$**	**3,218,000**

INTENDED USE PLANS

Clean Water State Revolving Fund
Drinking Water State Revolving Fund

Iowa Department of Natural Resources
Iowa Finance Authority

Fiscal Year 2014

INVESTING IN IOWA'S WATER

Approved by the Environmental Protection Commission on June 18, 2013, September 17, 2013, October 14, 2013, December 17, 2013

INTENDED USE PLANS

Clean Water State Revolving Fund
Drinking Water State Revolving Fund

Fiscal Year 2014

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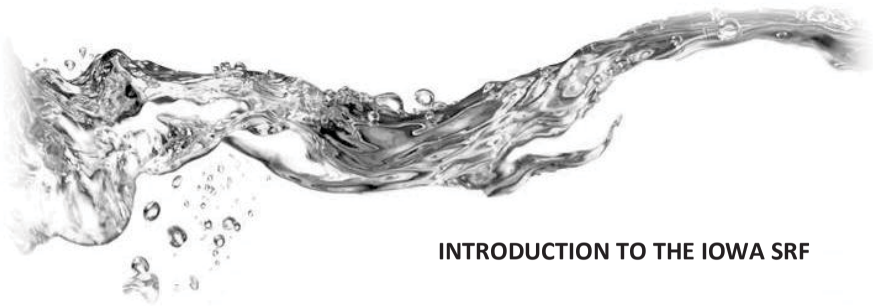
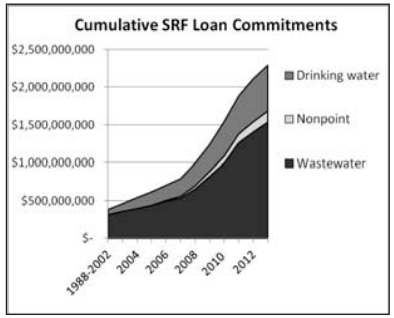


INTRODUCTION TO THE IOWA SRF

Everyone wants clean water, whether it's drinking water or water for swimming or fishing. Iowa's State Revolving Fund (SRF) provides low-cost financing for a diverse array of water quality projects. From municipal water and wastewater infrastructure to on-farm practices, from watershed protection to replacing individual septic systems, the SRF offers the financial resources to invest in Iowa's water.

SRF Programs

Historically, Iowa's SRF has committed $2.3 billion in loan assistance, as shown in the chart.



The Clean Water SRF finances publicly owned wastewater and sewer facilities, storm water management for water quality, and nonpoint source control practices to keep pollution out of Iowa's water bodies.

Since 1989, the Clean Water SRF has committed $1.5 billion in below-market rate loans to meet Iowa's wastewater infrastructure needs. This includes more than 800 loans to 420 cities, counties, sanitary districts, and utility management organizations.

In addition, since 2003, the Clean Water SRF has financed $150 million to address nonpoint source pollution. More than 4,000 separate loans have been made to farmers, livestock producers, watershed organizations, cities, rural homeowners, landfills, and others.

The Drinking Water SRF covers water system projects, including source water, treatment, storage, and distribution and transmission, as well as consolidation and connections.

Since 2000, the Drinking Water SRF has committed $600 million in below-market rate loans to meet Iowa's water system infrastructure needs. This includes 420 loans to 259 cities, municipal utilities, rural water associations, and homeowners' associations.

SRF Partnerships

The SRF programs are based on partnerships. The most important partnership is between the SRF and the assistance recipients. These are Iowa's cities, counties, rural water systems, sanitary districts, farmers, livestock producers, watershed organizations, and others. The SRF staff strives to provide effective financing tools, streamlined program procedures, and good customer service.

Another key partnership is between the federal government and the state. The U.S. Congress created the SRF programs in the Clean Water Act and the Safe Drinking Water Act and provides annual appropriations via the U.S. Environmental Protection Agency (EPA). Within the broad framework set by the legislation, federal regulations, and EPA guidance, states have flexibility to set their own priorities and manage their own programs. In Iowa, that flexibility has allowed the SRF to target the specific needs of our state.

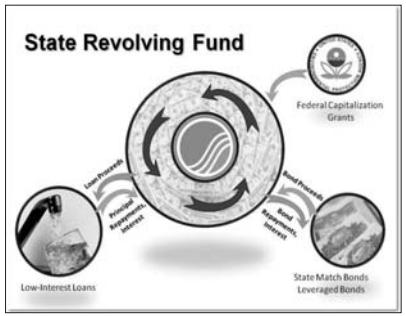
Also partnering are the state agencies that administer the SRF programs. Iowa statute directs the Iowa Department of Natural Resources (DNR) and the Iowa Finance Authority (IFA) to jointly operate the SRF. DNR handles program prioritization, project permitting, environmental review, and EPA compliance. IFA covers financial management, issues bonds, and disburses loan funds. While each partner carries out their individual responsibilities, they coordinate on programmatic and financial strategies to make the most effective use of the funding.

Many SRF priorities could not be implemented without the involvement of other organizations. These partners include:

- The Iowa Department of Agriculture and Land Stewardship, which, under contract to DNR, administers loan programs for both agricultural and urban water quality practices.
- The Soil and Water Conservation Districts commissioners and staff, who deliver loan programs at the local level and work directly with farmers, landowners, and others.
- County environmental health boards and staff, who participate in a program to help rural homeowners replace failing onsite septic systems.
- More than 400 lending institutions across the state, who make low-costs loans available to borrowers through a linked deposit arrangement with the SRF.

SRF Funding Sources

Iowa's SRF draws on several sources of money to make loans. No state general funds are provided.



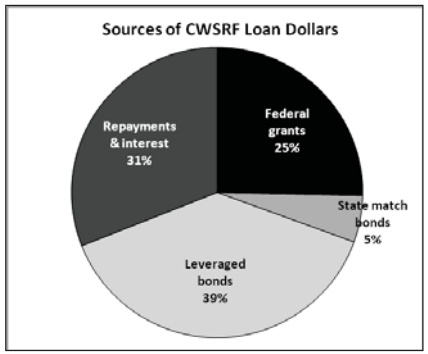
As shown in the diagram, the funding sources include:

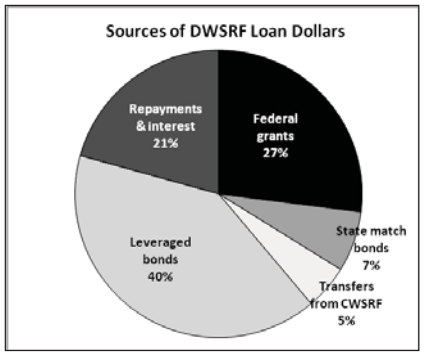
- Federal capitalization grants. Annually, since the Clean Water SRF was launched in 1988 and the Drinking Water SRF started in 2000, Congress has appropriated funds.
- State match bonds. Each state is required to provide a 20% match to the federal grants. Iowa obtains these funds through bonds issued by IFA.

- Leveraged bonds. States are allowed to issue additional bonds to generate more loan funds. Iowa has leveraged both SRF programs to keep up with the demand for loans.

- Loan repayments and interest income. All repayments and interest must be re-deposited in the SRF loan accounts, keeping the funds revolving.

The specific amounts available from each source during FY 2014 are discussed in the Clean Water SRF and Drinking Water SRF IUPs. The historic breakdowns of the funding sources are shown in the charts below.





Other SRF Funds
In addition to the funds devoted to loans, there are several other accounts associated with the SRF programs. They are described in greater detail in the FY 2014 IUPs, but the following is an overview and summary:

Administration Set-Aside. For both the Clean Water SRF and the Drinking Water SRF, the State of Iowa can use 4% of each federal capitalization grant for administration of the SRF programs.

Other Set-Asides. There are three additional set-asides in the Drinking Water SRF which can be used for technical assistance to small public water supplies, capacity development, state water program activities, and source water protection. These three set-asides total 27% of the Drinking Water SRF capitalization grants. There are no corresponding set-asides in the Clean Water SRF.

Loan Fees. Iowa's SRF charges origination fees and servicing fees on loans. The income from origination fees can only be used for SRF program administration, and supplements the 4% set-asides. A portion of the servicing fees also can only be used for the SRF programs. The remainder of the servicing fees, however, is considered "non-program" income. These funds can be used for other water quality or safe drinking water purposes.

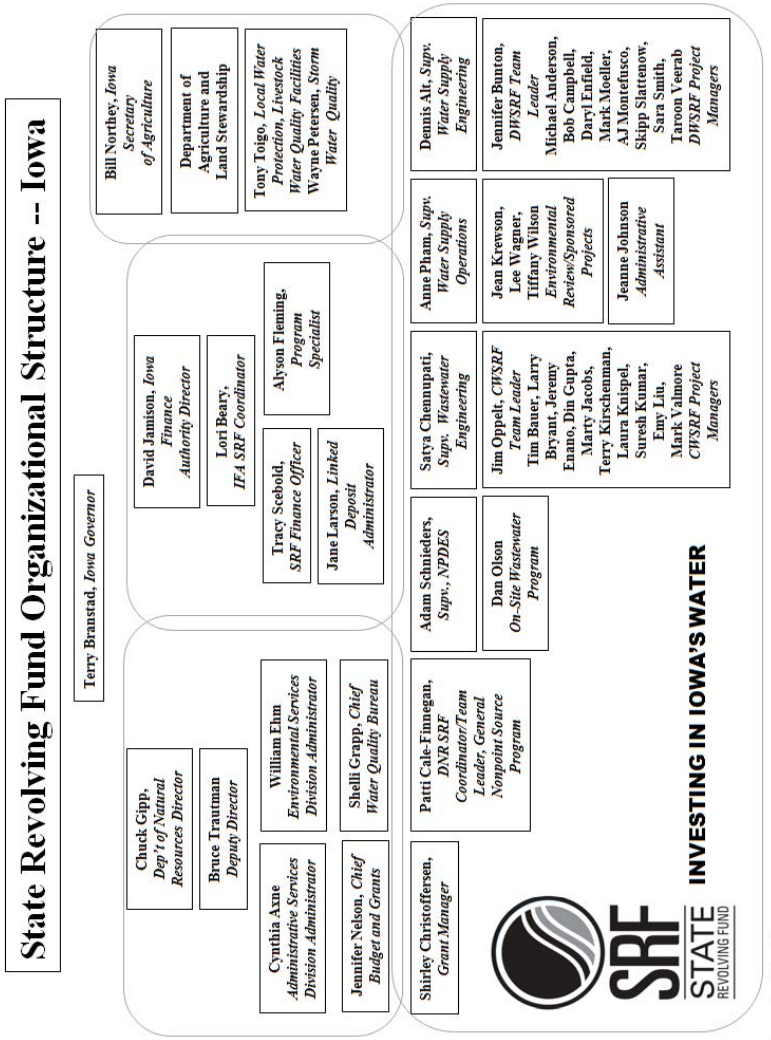
Program Transparency and Reporting
Iowa's SRF staff is committed to transparency and accountability in the programs. All program plans and rules go through public review and comment and approval by the Iowa Environmental Protection Commission. The

U.S. Environmental Protection Agency also oversees the operation and performance of the SRF programs, conducting an annual program review and site visit.

An independent audit, conducted by the State Auditor's Office, is completed annually. Project and program milestones and information are reported through the EPA's CWSRF and DWSRF Environmental Benefits and Project Reporting databases on a quarterly basis. An annual report is prepared and published each fall. Iowa is also in compliance with the new requirements for reporting in the Federal Funding Accountability and Transparency Act (FFATA).

Intended Use Plans
The Intended Use Plans (IUPs) following this introduction provide a roadmap to the policies and procedures of the SRF programs, along with the lists of projects and activities to be funded. The IUPs outline the proposed management of the Clean Water SRF and the Drinking Water SRF during State Fiscal Year 2014 (July 1, 2013 – June 30, 2014).

The IUPs are developed and updated quarterly, in June, September, December, and March or more often as needed. Each draft IUP is released for public comment, and then presented for approval to the Iowa Environmental Protection Commission.



CLEAN WATER STATE REVOLVING FUND
FY 2014 Intended Use Plan

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CLEAN WATER STATE REVOLVING FUND
FY 2014 Intended Use Plan

I. STATE FISCAL YEAR 2014 PLAN OF ACTION

The plan is based on anticipated use of new and revolved funds available in the CWSRF for funding water quality protection needs, including both publicly owned wastewater infrastructure and nonpoint source water protection projects.

The CWSRF loan program consists of two main program areas. First, the purchase of debt obligations for wastewater and storm water projects is provided through the CWSRF to publicly owned facilities. Second, direct loans or linked deposit financing approaches address nonpoint source programs. A third program area has been added: Water Resource Restoration sponsored projects, which address nonpoint source problems via interest rate reductions on wastewater loans.

The SFY 2014 Plan of Action covers the following areas:

- CWSRF goals and objectives;
- Current and projected financial capacity of the CWSRF;
- Financial management strategies;
- Plan for the SFY 2014 project priority list;
- Plan for nonpoint source set-asides; and
- Plan for use of administrative accounts.

CWSRF Goals and Objectives

The primary long-term goal of the Iowa CWSRF is to protect the environment and public health and welfare through a perpetual financial assistance program. The SFY 2014 short-term goals and objectives are as follows:

- **Goal:** Commit loan funds to as many recipients as possible in accordance with the state priority rating system, the IUP, staff resources, and available funding, in order to assist in the construction of projects with the highest water quality impacts. ***Objective:*** *During SFY 2014, quarterly updates to the IUP will be prepared to add projects and update program financial information.*

- **Goal:** Fund green projects equivalent to 20% of the FFY 2011, and 10% of the FFY 2012 capitalization grants. Identify additional green projects as needed based on FFY 2013 grant requirements. ***Objective:*** *During SFY 2014, SRF staff will continue to work with green projects identified in the SFY 2012 IUP to ready them for loans. SRF will apply the stated percentage of loan forgiveness to the loan amount eligible under the green project reserve guidance issued by EPA for federal fiscal years 2010 – 2013. Any required business cases will be posted to the SRF website.*

- **Goal:** Apply additional subsidization available in FFY 2010, FFY 2011, and FFY 2012 capitalization grants to disadvantaged community projects. Identify additional projects as needed based on FFY 2013 grant requirements. ***Objective:*** *During SFY 2014 SRF staff will work with disadvantaged communities identified for additional subsidization in the SFY 2012 IUP to ready them for loans. SRF will apply the stated percentage of loan forgiveness to the final loan amount.*

- **Goal:** Promote and identify sustainable practices in projects proposed for funding. ***Objective:*** *During SFY 2014 SRF staff will provide information on the EPA's Sustainability Policy to applicants and include sustainability features in project descriptions.*

- **Goal:** Implement the Water Resource Restoration Sponsor Program authorized in Iowa Code 384.84. ***Objective:*** *During SFY 2014, SRF staff will receive applications for the first round of sponsored project funding. In conjunction with DNR 319 program staff, watershed coordinators, Iowa Department of Agriculture and Land Stewardship urban conservationists, and others, SRF staff will evaluate the applications and prepare a list of proposed projects for the IUP.*

- **Goal:** Adopt rules to implement changes to the On-Site Wastewater Systems loan program. ***Objective:*** *During SRF 2014, SRF staff will coordinate the administrative rules review process to align IAC 567 Chapter 93, Nonpoint Source Pollution Control Set-Aside Programs, with HR 311, passed during the 2013 Iowa General Assembly. Currently, a borrower under the on-site wastewater systems assistance program must reside outside the boundaries of a city. The bill eliminates the residential location requirement.*

Additional long-term goals include:

- **Goal:** Work with other state and federal agencies to coordinate water quality funding. ***Objective:*** *During SFY 2014, SRF staff will meet monthly with staff from the Community Development Block Grant program, USDA Rural Development, and the Watershed Improvement Review Board. In addition, SRF staff will work with DNR staff implementing disadvantaged community rules.*

- **Goal:** Apply program requirements that are simple and understandable and do not add unnecessary burdens to applicants or recipients. ***Objectives:*** *During SFY 2014 SRF staff will continue to assist applicants with completing the federal cross-cutting requirements for environmental and historical review. Staff will no longer be responsible for Davis-Bacon compliance but will advise borrowers as needed. Borrowers will be responsible for compliance and may hire outside consultants to assist.*

- **Goal:** Continue the option of extended financing terms for CWSRF infrastructure projects. ***Objective:*** *During SFY 2014 this option will be offered to current and new projects on the project priority list. Applicants seeking extended financing must complete a worksheet outlining the anticipated life of the project components, which can be averaged to determine the extended term.*

- **Goal:** Maintain mechanisms for funding the on-going administration of the program if federal funding is reduced or eliminated. ***Objective:*** *During SFY 2014 initiation and servicing fees will be collected on CWSRF loans for deposit to administrative accounts. SRF staff will develop short and long-term plans for administrative budgets.*

- **Goal:** Manage the CWSRF to maximize its use and impact through sound financial management. ***Objective:*** *During SFY 2014 SRF staff and financial advisors will continue to conduct financial analysis and develop innovative approaches to financial management.*

- **Goal:** Implement programs that effectively address water quality needs and target appropriate audiences. ***Objective:*** *During SFY 2014 SRF staff will continue to educate users and potential users about the program offerings through presentations, displays, program materials, and the IowaSRF.com website.*

Current and Projected Financial Capacity of the CWSRF
Appendix A, the Estimated Sources and Uses table, shows that funds are obtainable to fund current requests as of July 2013. The Iowa CWSRF program uses its equity fund to originate loans. When a sufficient number of loans have been made, the SRF program issues bonds, backed by those CWSRF loans, and uses the bond proceeds to replenish the equity fund. A bond issue was completed in July 2013 and state match bonds for FY 2013 capitalization grants were issued at that time.

The leveraging capacity of the CWSRF is robust due to the maturity of the fund and the current loan portfolio. SRF staff has analyzed the future financial capacity of the CWSRF in light of the discussion over water quality standards and other future wastewater needs. Using relatively conservative assumptions, it is projected that the CWSRF could loan an average of $300 million per year over the next 10 years, or a total of $3 billion.

Financial Management Strategies
The CWSRF Project Priority List (attached) show total loan requests for wastewater projects of $311 million. Because many of these projects are in the planning phase, they are not expected to sign a binding loan commitment during this fiscal year. The projected timing and demand for loan draws is reflected in the sources and uses table (Appendix A). Other uses for CWSRF funds in SFY 2014 include $29.8 million for nonpoint source set-asides, and $2.9 million for ongoing program administration.

All previously awarded capitalization grants have been expended. Iowa will apply for the FFY 2013 capitalization grants when available.

The Iowa SRF is a leveraged program, with the debt service reserve financed by bond proceeds. EPA capitalization grant funds are not used for the debt service reserve. The cash draw procedure used is the direct loan method. State match is fully disbursed prior to drawing EPA capitalization grant funds. The EPA capitalization grant funds will be drawn at a 100% proportionality ratio.

SFY 2014 Project Priority List
The management of the CWSRF program includes a priority list of projects for loan assistance, which has been developed according to DNR rules 567 IAC 92 (455B).

With the available CWSRF funds, this IUP provides a projection of loan funding assistance for applications in priority order determined by point source rating criteria defined in 567 IAC 91 (455B). This priority list will be amended on a quarterly basis during SFY 2013. Chart 1 (attached) constitutes the project priority list.

The priority list has two major categories of projects: fundable and contingency. Fundable projects are defined as those that are following the wastewater construction permitting process and are making substantial progress toward fulfilling the permitting and SRF requirements. Contingency projects are those that have not followed the permitting process or are not moving toward funding readiness.

Due to the project workload and for planning purposes, the CWSRF staff evaluated projects that have been on the IUP list for more than three years. A notification was sent to the applicants that their project may be dropped if there is no progress in the six months following the notice. If a project is dropped, the applicant may reapply when the project is ready to move ahead.

For program planning purposes, the fundable projects are further identified as "R – ready for loan" (indicating that the construction permit and environmental review have been completed), and "P – in planning."

The following categories of projects will be included for funding during SFY 2014 and are included on the CWSRF Project Priority List:

Unfunded Prior Years' Section 212 Projects: These are loan requests remaining on the project priority list from previous years' IUPs. It is Iowa's intention to make CWSRF loans to these projects during SFY 2014 if they are ready for a binding loan commitment.

Segments of Previously Funded Section 212 Projects. State rules provide that subsequent segments of a project, which has previously received funding priority or assistance, be placed on the project priority list ahead of new projects. Segmented projects will be added to the SFY 2014 project priority list as received.

New Section 212 Projects. New applications for assistance during SFY 2014 will be added to the project priority list. Applications will be accepted on a continuous basis during SFY 2014 with quarterly updates completed as needed.

Supplemental Financing. Supplemental financing for projects listed in previously approved IUPs are added to the IUP as they are requested unless the additional funds will be used for improvements that would significantly change the scope of the project. Additional environmental review may be required. Supplemental loans will not be provided for changes that are ineligible for funding.

Contingency Projects. Contingency projects are those that have not followed the permitting process or are not moving toward funding readiness. Projects can be moved from contingency to active status whenever they are determined to be in sync with the permitting process or have become active. An active project can be moved to contingency status if it is determined that the project is not progressing in a timely manner.

Planning and Design Loans. Planning and design loans are provided at 0% interest for up to three years to cover the costs of preparing facility plans and project specifications. The loans will be rolled into CWSRF construction loans or repaid by another source of permanent financing.

Capitalization Grant Requirements. The FFY 2010 - 2013 capitalization grants included requirements for certain percentages of the funds to be allocated for green projects and for additional subsidization. The following outlines the amounts and the projects that will be counted for each cap grant.

Green Project Reserve

FFY	Amount Required	Projects	GPR Amount	Pending GPR Amount
2010	$5,515,000	*Spirit Lake biorention Prairie Pothole wetland restoration Residential rain garden *Charles City permeable paving TOTAL	$103,000 $4,003,768 $10,024 $1,400,000 $5,516,792	
2011	$3,997,000	Prairie Pothole wetland restoration *Meriden wastewater energy efficiency Dubuque pervious alleys	$827,000 $ 64,485 $9,400,000 $10,291,485	
2012	$1,912,800	Dubuque methane generator Prairie Pothole wetland restoration	$3,048,000 $876,060 $3,924,060	
2013	$1,806,900	*Coralville green infrastructure *Dubuque stream daylighting Water Resource Restoration sponsored projects		$1,600,000 $~~14,767~~28,283,000 $~~15~~13,000,000
TOTAL	**$13,231,700**	**TOTAL**	**$19,732,337**	**$~~31,367~~42,883,000**

Green projects marked with an * will receive up to 30% loan forgiveness.

The other use for additional subsidization is for disadvantaged communities. Disadvantaged communities' projects ~~have been~~were identified to receive loan forgiveness to meet the requirements of the FFY 2010 - FY 2013 capitalization grants. However, several of these projects have not moved in a timely way to a loan agreement. Lake Mills, to which $2.1 million in loan forgiveness had been allocated, dropped out of the SRF program.

On August 19, 2013, the U.S. EPA issued guidance on the timeframes for meeting the additional subsidy requirements. The guidance states: "EPA strongly encourages the SRF programs to have the minimum subsidy funds required in executed assistance agreements in the federal fiscal year of the appropriation. However, for a number of reasons, this may not be possible to do. Thus, the agreements may be made either in the year of the appropriation providing the subsidy funds or the following year."

Iowa's strategy for allocating additional subsidy was to commit it to projects in the planning stage, with the goal of providing assurance to communities that they could afford and move ahead with their projects. Unfortunately, several factors have made this strategy unworkable:

- The planning period for wastewater projects, particularly when anti-degradation analysis is required, is often lengthy. Large green infrastructure projects also can take years, rather than months, to be ready for construction.

- EPA has no mechanism for reporting allocations of additional subsidization for pending loans. Iowa's SRF makes a binding loan commitment only after construction permits, environmental review, and bid approval are completed.
- Uncertainty about the federal budget, SRF grant amounts, and changing requirements for additional subsidization make it difficult to plan ahead to get projects into the pipeline and timed for loan forgiveness. The dollar amounts available for loan forgiveness have dropped from $4 million - $13 million in FY 2010, to $.8 million - $1.2 million in FY 2013.

As a result, Iowa has not met the minimum requirements for the FY 2010-2013 capitalization grants. To comply with the new guidance, Iowa's SRF proposes to change its strategy for allocating loan forgiveness. Iowa will maintain its commitment to projects that are moving toward a loan agreement. But, remaining additional subsidization will no longer be committed to projects prior to loan execution. Instead, it will go to communities that executed loan agreements during the period of July 1, 2010 to September 28, 2012 (the date the SRF interest rate was lowered from 3.0% to 1.75%). SRF staff used the following to identify the communities with the greatest need for additional subsidization:

1. A ratio of SRF indebtedness to the population equivalent served by the wastewater system. The SRF indebtedness was determined by adding loans executed after FY 2005. The population equivalent was obtained from the wastewater operating permit. Points were assigned on a scale which ranged from less than 1 to more than 9,000.
2. Percent of the residents that are low or moderate income (LMI). This figure was obtained from Community Development Block Grant applications or published data from the 2007 census (most recent available). Points were assigned to the scale that ranged from 27% to 75%.
3. The points for both factors were added to obtain a total score. The projects were ranked by total score.
4. Loan forgiveness of 20% of the loans executed from 7/1/2010 to 9/28/2012 was calculated, with a maximum amount of $1 million.
5. The top 7 projects, which received scores from 15-20 out of a possible 20 points, will receive loan forgiveness totaling $2.4 million.

This new strategy will allow Iowa to comply with the additional subsidization requirements within the next 12 months, as shown in the table:

FFY / Minimum - Maximum	**Projects**	**Executed Loans -- Estimated Amount of Loan Forgiveness**	**Pending Loans – Estimated Loan Forgiveness**	**New proposal (20%) for loans signed 2010, 2011, 2012 ($1M max)**	**TOTAL**	**Loan Execution Timeframe**
2010 $4,129,860 - $13,766,200	Pisgah	$ 195,000			$ 195,000	Executed
	Lohrville	$ 1,117,200			$ 1,117,200	Executed
	Charles City (G)	$ 420,000			$ 420,000	Executed
	Spirit Lake (G)	$ 30,900			$ 30,900	Executed
	Terril			$ 335,400	$ 335,400	Executed
	Washington			$ 1,000,000	$ 1,000,000	Executed
	Conesville			$ 230,689	$ 230,689	Executed
	Odebolt			$ 419,800	$ 419,800	Executed

	McCallsburg			$ 147,400	$ 147,400	Executed
	Ocheyedan			$ 227,398	$ 227,398	Executed
	Earling		$ 895,000		$ 895,000	TBD
	TOTAL	**$ 1,763,100**	**$ 895,000**	**$ 2,360,687**	**$ 5,018,767**	
2011 $1,851,928 - $6,173,093	Meriden	$ 13,000	-		$ 13,000	Executed
	Dubuque (G)		$ 4,430,000		$ 4,430,000	2014
	TOTAL	**$ 13,000**	**$ 4,430,000**		**$ 4,443,000**	
2012 $1,063,065 - $1,594,597	Albert City	$ 120,000	-		$ 120,000	Executed
	Ottumwa		$ 1,090,800		$ 1,090,800	2014
	TOTAL	**$ 120,000**	**$ 1,090,800**		**$ 1,280,800**	
2013 $851,127 - $1,276,691	Coralville (G)		$ 480,000		$ 480,000	2014
	Albert City		$ 716,000		$ 716,000	TBD
	TOTAL		**$ 1,196,000**		**$ 1,196,000**	
TOTAL $7,895,890 - $22,810,581	**TOTAL**	**$ 1,896,100**	**$ 7,611,800**	**$ 2,360,687**	**$ 11,868,587**	

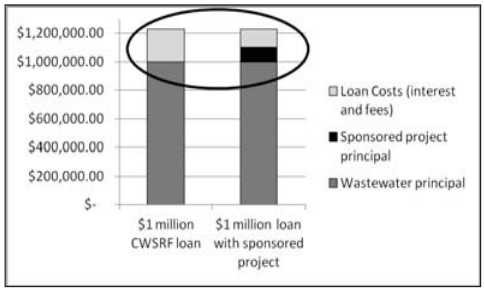
Final dollar amounts of loan forgiveness are not determined until all the loan funds are disbursed.

~~**Additional Subsidization**~~

~~**FFY**~~	~~**Amount Required**~~	~~**Projects**~~	~~**Estimated Amount of Loan Forgiveness**~~	~~**Pending Loans – Estimated Loan Forgiveness**~~
~~2010~~	~~$4,129,860~~	~~Pisgah wastewater lagoon~~ ~~Lohrville STEP system~~ ~~Lake Mills wastewater upgrade~~ ~~Earling controlled discharge lagoon~~ ~~Green projects~~	~~$195,000~~ ~~$1,117,200~~ ~~$450,900~~	 ~~$2,110,516~~ ~~$895,698~~
~~2011~~	~~$1,851,928~~	~~Geneva sewer and sand mound~~ ~~Ottumwa CSO correction~~ ~~Dubuque stream daylighting~~		~~$155,632~~ ~~$1,090,800~~ ~~$4,430,000~~
~~2012~~	~~$1,063,065~~	~~Albert City sewer and treatment upgrade~~ ~~Green projects~~	~~$120,000~~	~~$836,000~~ ~~$480,000~~
~~2013~~	~~$851,127~~	~~TBD~~		
~~**TOTAL**~~	~~**$7,895,980**~~	~~**TOTAL**~~	~~**$1,882,900**~~	~~**$9,998,646**~~

Water Resource Restoration. In 2009, the Iowa General Assembly amended Iowa Code chapter 384.84 to add a new category of projects that can be financed with sewer revenues. This new category, called "water resource restoration" sponsored projects, includes locally directed, watershed-based projects to address nonpoint source water quality issues.

On a typical CWSRF loan, the utility borrows principal and repays principal plus interest. On a CWSRF loan with a sponsored project, the utility borrows for both the wastewater improvement project and the sponsored project. The overall interest rate on the total amount of principal borrowed is reduced so that the utility's ratepayers do not pay any more than they would have for just the wastewater improvements. Instead, two water quality projects are accomplished for the cost of one.



A pilot project was carried out during FY 2013 with the City of Dubuque. Dubuque executed a $64 million CWSRF loan in 2011 for a major wastewater facility upgrade. The interest paid on this loan would total $33 million over its term. As part of an urban storm water quality program, Dubuque will borrow an additional $9.4 million to install pervious paving in 73 alleys in the Bee Branch Creek watershed. The interest rate will be adjusted so that the total cost to ratepayers will be $100 million in either scenario.

~~The FY 2013 IUP included the plan to open up the sponsored project opportunity to additional communities. This plan~~For FY 2014, the following ~~included the~~ policies and procedures for the program ~~which will carry into FY 2014, including~~are in place and apply to the first round of funding approved by the Environmental Protection Commission on October 14, 2013:

- For loans up to 20 years, the interest rate on the combined infrastructure/sponsored project loan will be reduced to not lower than 0.75%. The equivalent of the amount that would be generated by a 1% interest rate (approximately $100,000 per $1 million borrowed) will be available for eligible sponsored project costs. Loans between 20-30 years can also be used but the dollar amount for sponsored projects will also be $100,000 per $1 million.
- The amount set aside for interest rate reductions for the first funding round is $15 million (on up to $150 million worth of CWSRF infrastructure loans). If sponsored project requests exceed that amount, DNR reserves the right to cap the dollar amount of a single project to a percentage of the total allocated. The pilot project is not counted in this total.
- For the first application round only, existing loans that are not in repayment may be used. In subsequent years, sponsored project applications will be submitted at the same time as the CWSRF IUP application for the wastewater project.

SRF staff developed an application form and instruction sheet, after conducting three public meetings and soliciting comments from stakeholders across the state. Four application workshops were held in February and March 2013. Representatives from 71 wastewater utilities attended, making them eligible to apply.

Applications were due July 19, 2013. After evaluation and scoring, 23 applications were considered complete and were identified for funding .

Applicant	Approximate Sponsored Project Amount	Project Description
City of Blakesburg	$ 45,000	Address gully erosion with grade stabilization
City of Buffalo	$ 35,328	Bank stabilization in park on Mississippi River
City of Cedar Rapids	$ 294,000	Proposing funding for 2 of 4 applications (Noelridge Park tributary to McLoud Run and Indian Creek)
City of Clinton	$ 661,550	Infiltrate storm water to reduce contaminants and runoff to combined sewer system
City of Coggon	$ 131,320	Cost-sharing of ag practices with the Soil and Water Conservation District
City of Collins	$ 170,000	Grassed waterway and conservation buffer to address runoff from ag land
City of Davenport	$ 708,000	Permeable paving on streets and sidewalks, use of street trees
City of Donnellson	$ 315,500	Includes urban practices and cost-sharing of ag practices with the Soil and Water Conservation District
City of Durant	$ 600,000	Realignment of storm sewers to convey storm water to constructed wetlands, streambank stabilization
City of Fort Dodge	$ 2,107,500	Proposed funding for 2 of 3 applications (streambank stabilization on Soldier Creek and improvements related to Badger Lake Watershed plan)
City of Fort Madison	$ 386,000	Streambank stabilization with floodplain restoration
City of Granger	$ 448,000	Streambank stabilization, bioswale with native vegetation
City of Keokuk	$ 245,000	Infiltration of storm water using permeable paving to reduce runoff to combined sewers
City of Kingsley	$ 281,512	Infiltrate storm water in rain gardens, bioswales
City of Laurens	$ 43,800	Infiltration of urban storm water via bioswales
City of Lohrville	$ 384,803	Infiltrate storm water in rain gardens, bioswales, retention practices
City of Monona	$ 274,102	Urban practices to prevent erosion and runoff
City of New London	$ 325,500	Streambank stabilization, erosion control practices on ag land, urban bioretention
City of Ottumwa	$ 522,311	Increase infiltration of storm water through soil quality restoration, decrease streambank erosion
City of Prairie City	$ 345,800	Treat urban storm water in bioswale with bioretention cells, bioretention/detention pond
City of Seymour	$ 56,000	Infiltration of urban storm water via bioswales
City of Sioux City	$ 1,440,000	Streambank and streambed stabilization along with reorientation of storm sewer outlets and study of additional upland practices
Wastewater Reclamation Authority	$ 3,270,000	Restoration of riparian buffer and flood plain along Four Mile Creek

The next round of funding is scheduled to be determined in April 2014 for inclusion in the FY 2015 Intended Use Plan.

- For loans up to 20 years, the interest rate on the combined infrastructure/sponsored project loan will be reduced to not lower than 0.75%. The equivalent of the amount that would be generated by a 1% interest rate (approximately $100,000 per $1 million borrowed) will be available for eligible sponsored project costs. Loans between 20-30 years can also be used but the dollar amount for sponsored projects will also be $100,000 per $1 million.

- The amount set aside for interest rate reductions for the second funding round in FY 2015 is $10 million (on up to $100 million worth of future CWSRF infrastructure loans). If sponsored project requests exceed that amount, DNR reserves the right to cap the dollar amount of a single project to a percentage of the total allocated. If there are insufficient complete applications for this round, another funding opportunity and deadline may be announced during FY 2015.

Eligible applicants include the following:

1. Applicants submitting sponsored project applications at the same time as their wastewater infrastructure Intended Use Plan application. The wastewater IUP application must be complete and eligible to be placed on the fundable list. **Deadline for both applications : March 3, 2014**.

2. Applicants with wastewater projects already included on the fundable list of the CWSRF Intended Use Plan which are still in the "Planning" phase. **Deadline for sponsored project application: March 3, 2014.**

The following will disqualify an applicant for pursuing a sponsored project:

1. The sponsored project application is submitted with an incomplete wastewater IUP application. The wastewater IUP application packet includes a checklist for determining a project's readiness to be placed on the Intended Use Plan. Sponsored project applications submitted with incomplete wastewater IUP applications will not be considered.

2. The applicant's wastewater project has reached the "Ready for Loan" milestones as of March 3, 2014. This classification on the IUP project list indicates that construction permits have been issued, environmental review is complete, and in some cases, that the project has gone out to bid. Applicants may not delay their wastewater project construction or financing in order to apply for a sponsored project.

3. The wastewater loan has already been executed.

Detailed requirements for FY 2015 sponsored project applications are explained on Page X.

Plan for Nonpoint Source Set-Asides

Iowa authorizing legislation and state administrative rules allow the use of CWSRF funds for nonpoint source pollution control projects. Four set-asides for nonpoint source program assistance have been established which target areas of need allowed under federal guidance and identified in the state nonpoint source water quality management plan:

- The On-Site Wastewater Systems Assistance Program (OSWAP), providing loans to rural homeowners to replace inadequate septic systems. New systems are certified by county sanitarians and loans are made through participating lenders through a linked deposit arrangement.

- The Local Water Protection (LWP) Program, addressing soil, sediment, and nutrient control practices on agricultural land. DNR contracts with the Iowa Department of Agriculture and Land Stewardship, which operates the program through local Soil and Water Conservation Districts. Loans are made through participating lenders through a linked deposit arrangement.

- The Livestock Water Quality Facilities (LWQ) Program, assisting livestock producers with manure management plans, structures, and equipment. Facilities with under 1,000 animal unit capacity are eligible. DNR contracts with the Iowa Department of Agriculture and Land Stewardship, which operates the program through local Soil and Water Conservation Districts. Loans are made through participating lenders through a linked deposit arrangement.

- The General Nonpoint Source (GNS) Program, for a wide variety of other water quality protection efforts. Projects include habitat and wetland restoration, landfill closure, lake restoration, and watershed planning. Funding for Storm Water Best Management Practices loans are also included in this set-aside amount.

Individual projects under the GNS program that involve purchase of land must be approved by the Environmental Protection Commission. Two projects are proposed this quarter by the Iowa Natural Heritage Foundation.

Project	Description	Water Quality Benefit	Loan Amount
Little Sioux River – Laursen Property – Dickinson County	Purchase of 150 acres of pasture, remnant prairie, and cropland bisected by the Little Sioux River, a DNR- designated Protected Water Area.	The Little Sioux Watershed is one of two critical watersheds designated in Iowa to conserve aquatic biodiversity. Acquisition of the property will ensure permanent protection of one mile of the Little Sioux River. This segment is in Category 5a of the Impaired Waters Report, not supporting its recreational use due to bacterial contamination.	$550,000
Soap Creek – Yoder Property – Davis County	Purchase of 227 acres of mixed woodland, wetlands, and upland connecting Stephens State Forest and Soap Creek Wildlife Management Area.	The property is currently in CRP but the owners had planned to drain the bottomland and start farming it. INHF, working with the DNR Forestry Bureau, secured a purchase agreement with the owners. The parcel is in the Soap Creek Watershed, one of four Iowa Flood Center priority watersheds. The project prevents floodplain land from being converted to land uses that would increase runoff and impact previous landowner investments in flood reduction in the watershed.	$391,575

The table below outlines the current and proposed set-aside amounts planned for the four programs. These set-aside amounts may be amended based on need and the financial capacity of the CWSRF.

Program	Proposed SFY 2014 Set-Aside Amount
Onsite Wastewater Assistance Program (OSWAP)	$1.8 million
Local Water Protection Program (LWPP)	$8.0 million
Livestock Water Quality Facilities Program (LWQ)	$10.0 million
General Nonpoint Source Program (GNS)	$10.0 million
TOTAL	**$29.8 million**

Plan for Use of Administrative Accounts

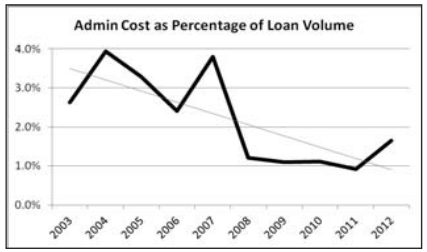
There are three distinct funding sources for CWSRF administrative expenses:

- The CWSRF administrative set-aside. Iowa intends to take or reserve 4% of the federal capitalization grant funds for program administration. The Iowa SRF program did not take any administrative set-aside from the ARRA capitalization grant. The administrative set-aside of $2,122,000 from the ARRA cap grant is reserved for future use. Any unused administration commitments from other capitalization grants are reserved for use in future years as necessary should capitalization grants be reduced, or actual costs increase.

- Loan initiation fees. A 0.5% loan origination fee will be charged on new CWSRF loans. The maximum amount to be paid will be $100,000. Under EPA rules, because Iowa's origination fees are financed through the loans, the proceeds are considered program income. Program income can only be used for the purposes of administering the CWSRF program or for making new loans. As of March 2013, there is approximately $7 million in the fee account encompassing program income. A portion of these funds will be used in SFY 2014 for program administration, and the remainder will be reserved for future administrative expenses.

- Loan servicing fees. A fee of 0.25% on principal is charged on CWSRF loans. Under EPA rules, only servicing fees charged on loans made above and beyond the amount of the capitalization grant and fees collected after the capitalization grant under which the loan was made has been closed are considered non-program income. Non-program income can be used to administer the program or for other water quality purposes. The uses of non-program income are discussed below.

Program Income. CWSRF program expenses are currently approximately $2.6 million per fiscal year. This includes the work of wastewater engineering section project managers, specialists in environmental review, nonpoint source program administrators, financial officers, loan coordinators, and program managers. It also covers expenses for financial and legal advisors. CWSRF program administration costs have increased over the last ten years, but have



actually decreased as a percentage of loan volume, as shown in the chart.

Non-Program Income. There is currently $5 million available in funds considered non-program income. We propose the following uses for a portion of these funds during SFY 2014:

Purpose	Explanation	Amount
To provide funding and support for efforts to assist unsewered communities	Many rural communities in Iowa provide little or no wastewater treatment. Discharge of untreated or partially treated waste presents a significant human health risk and potentially degrades ground and surface water quality. Viable waste treatment solutions are difficult and costly, often exceeding the local capacity for planning, financing, and management. Regional utility management organizations (UMOs) are stepping up to fill this void and address issues of leadership, financial capacity, operations, and delivery of services. DNR plans to renew up to five UMO contracts in SFY 2014 with funding of up to $50,000 each.	$250,000
To support wastewater compliance activities	SRF non-program income will be used in place of state general fund dollars for three FTEs in the field office wastewater staff. The field offices will be doing inspections to ensure compliance with the NPDES permit, assisting permit holders with staying in compliance with their permit, investigating complaints from the public related to wastewater treatment and offering technical assistance to wastewater facility operators. Another task is working with unsewered communities to become properly sewered.	$328,000
To provide staffing in the Water Quality Bureau	This funding will replace state general funds for up to three environmental engineers that review construction projects in the Wastewater Engineering section, up to four permit writers in the National Pollution Discharge Elimination System (NPDES) section, half the time of a business analyst to update Bureau databases, and engineering interns.	$885,000
	TOTAL	**$1,463,000**

An estimated additional amount of $400,000 may be needed from this account for wastewater program expenses in FY 2014.

II. INFORMATION ON THE CWSRF ACTIVITIES TO BE SUPPORTED

Allocation of Funds

Allocation of funds to eligible projects was based on a four-step process:

1. The amount of financial assistance needed for each application was estimated;
2. The sources and allowable uses of all CWSRF funds were identified; and
3. The CWSRF funds were allocated among the projects, consistent with the amount available and the financial assistance needed.

4. A designated amount was selected as reasonable and manageable for each set-aside.

Information pertinent to each CWSRF project is contained in Chart 1, pursuant to Section 606(c)(3) of the Clean Water Act.

Sources and Uses of Available CWSRF Funds

Appendix A to the Intended Use Plan illustrates potential sources and uses of funds in the CWSRF for SFY 2014. As shown, all pending loan requests and program administration needs can be funded. Projects will draw on their funding at different intervals based on their construction cycles. These differences are used to estimate cash needs throughout the year. Appendix A will be updated quarterly as needed to provide an ongoing view of the financial plan for meeting loan requests.

Section 212 Projects Program Policies

Project Scope. The scope of the project must be outlined on the Intended Use Plan application and in the facility plan. Changes to the scope are allowed prior to loan closing. Significant changes in scope may cause delays if additional work is required by the project manager or environmental review specialist. Once a loan is signed, only minor changes to the scope will be allowed and only if they do not require additional technical or environmental review.

Loan Interest Rates. The interest rates for construction loans made from the CWSRF are as follows:

Loan Term	Applicant Type	Interest Rate	Servicing Fee	Total	Additional Information
Standard (up to 20 years)	All	1.75%	.25%	2.00%	
Extended (21 to 30 years based on useful life)	Disadvantaged	1.75%	.25%	2.00%	Communities must be determined to be disadvantaged based on criteria in Iowa Code section 455B.199B, Disadvantaged Communities Variance, as amended by Senate File 407 on April 28, 2011.
Extended (21 to 30 years based on useful life)	Non-Disadvantaged	2.75%	.25%	3.00%	

Interest rate for CWSRF planning and design loans will be 0% for up to three years.

Loan Fees. A 0.5% origination fee is charged on the full loan amount for new CWSRF construction loans, with a maximum amount of $100,000. No origination fees will be charged on planning and design loans. A .25% servicing fee will be charged on construction loans. Payment of the loan servicing fee is semi-annual with interest payments for all new SRF loans. Loan servicing fees are only charged on the principal amount disbursed during construction (not the entire original loan amount).

Financing Term. The financing term will be up to 30 years. Current and new projects on the project priority list may request an extended term. The length of the term will be based on calculation of the average useful life of the entire project, to be determined by the applicant's consulting engineer and approved by DNR.

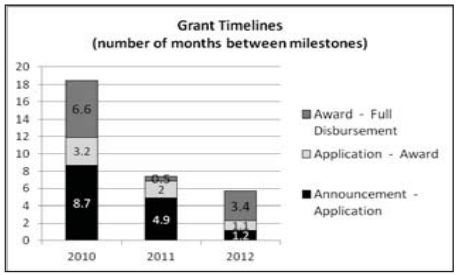
Maximum Financing. There is no maximum financing amount.

Project Readiness. Applicants cannot be offered assistance until they meet program requirements.

Funding Limitations. Pending loans identified in this IUP do not exceed funds obtainable for the CWSRF program. These estimates are based on the projections that, for projects that have completed program requirements and are ready for funding, only 50% of the loan amount will be disbursed this fiscal year. For projects that are currently in the planning phase but may be ready for funding during SFY 2014, it is projected that only 30% of total funds will be disbursed this fiscal year.

Plan for Efficient and Timely Use of CWSRF Funds
The State of Iowa's Clean Water State SRF uses federal capitalization grant funds as expeditiously as possible. There are several milestones that affect the grant timeline:

- When Congress finalizes appropriations and EPA announces funding availability;
- When the State submits a grant application;
- When EPA awards the grant funds; and
- When the grant funds are fully disbursed.



The timeline in Iowa has been reduced significantly over the last three grant cycles, as shown in the graph.

Iowa has been able to use its federal capitalization grant funds in a timely way due to a robust and sustained demand for loans. Iowa's annual loan commitment amounts have increased from an average of $30 million per year to an average of $190 million in recent years.

A number of program features have spurred the growth in loan demand. These include:

- Improvements and streamlining in the wastewater construction permitting process, which reduced timelines for project review and approval;
- Allow applicants to pursue phased approach for projects to enable individual phased projects proceed timely to construction instead of waiting on approval on a large project;
- Planning and design loans at 0% interest for three years to provide upfront capital to get projects started and ready for construction and loan closing;
- Year-round application process with quarterly updates to the Intended Use Plan, which keeps projects in the loan pipeline on a continual basis;
- Expansion of nonpoint source and green infrastructure programs to include loans for farmers, livestock producers, watershed organizations, and others;
- Extended term financing, based on project useful life, which allows more utilities to benefit from the CWSRF;
- Environmental review services to complete assessments of impacts to natural and cultural resources, reducing costs and barriers to participating in the loan program; and

- Focus on marketing, customer and consultant education, and coordination with other funders.

Financial management also contributes to the timely use of federal funds. The Iowa CWSRF program uses its Equity Fund to originate new loans. This fund consists of principal and interest repayments. When additional funds are needed, the SRF program issues bonds, backed by those CWSRF loans, and uses the bond proceeds to replenish the equity fund.

Iowa's SRF program generally issues bonds annually. These bond issues include the state match for the next federal capitalization grants. After the bonds are issued, the state match is spent first so the cap grant can be drawn down at 100% when it is received. Several large projects are selected to receive cap grant disbursements. That allows the cap grant to be drawn down more quickly. Loan disbursements are made weekly. Iowa's CWSRF disbursements average $14 million per month. The FY12 CWSRF cap grant was $19,128,000.

The practices described above are currently working well for Iowa and will be continued through FY 2014.

Water Quality Management Planning
A reserve for water quality management planning as required by Title VI of the Clean Water Act will be set aside from Iowa's Title VI allotments and granted to the state for this purpose separately from the CWSRF. This reserve does not appear in this IUP as it has been already deducted from Iowa's allotment and taken into account in projecting Iowa's available capitalization grant.

SEE Salary Funds Deducted from Cap Grant
The Iowa DNR may request U.S. EPA to deduct funds from its FFY ~~2013~~ 2014 capitalization grant which could be included in Iowa's next grant application to EPA after receiving notification of availability of the CWA Title VI Funds and evaluating the state allotment amount. These positions could be filled by EPA Region 7 and assigned to the DNR's Wastewater Engineering section to provide technical and administrative assistance to the CWSRF projects and program. The SEE enrollees could help provide staffing at Iowa DNR to maintain the CWSRF program and keep up with the increasing CWSRF project technical and administrative work load. Authorized under the Environmental Programs Assistance Act of 1984 (PL 98- 313), the SEE program is intended "to utilize the talents of older Americans in programs authorized by other provisions of law administered by the Administrator in providing technical assistance to Federal, State, and local environmental agencies for projects of pollution prevention, abatement, and control."

III. ASSURANCES AND SPECIFIC PROPOSALS

Iowa will provide the necessary assurances and certifications according to the Operating Agreement between the State of Iowa and the U.S. EPA. Iowa's Operating Agreement was amended in April 2007.

IV. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

Section 212 Infrastructure Projects
The following approach was used to develop Iowa's proposed distribution of CWSRF funds for Section 212 infrastructure projects: (1) analysis of the priority of communities applying and financial assistance needed; (2) identification of the sources and spending limits of available funds; (3) allocation of funds among projects; (4) development of a payment schedule which will provide for making timely binding commitments to the projects

selected for CWSRF assistance; and (5) development of a disbursement schedule to pay the project costs as incurred.

Allocation of Funds Among Projects. All projects listed in the CWSRF Project Priority List (attached) are eligible for assistance and may be funded from the CWSRF subject to available funds.

All projects scheduled for funding with Iowa's CWSRF will be reviewed for consistency with appropriate plans developed under sections' 205(j), 208, 303(e), 319 and 320 of the Clean Water Act, as amended. Evidence of this review and finding of consistency will be documented in each CWSRF project file. Should a project fail to meet this review criterion, it may be bypassed as allowed by State rules. The Project Priority List provides for contingency projects, which may be considered for loan assistance as bypass projects according to state rules without formal amendment of this intended use plan.

Priority of Communities and Financial Assistance Needed. Iowa law provides only for loan assistance. Additional subsidization required by the FFY 2010-2013 capitalization grants will be through forgivable loans. The state's CWSRF rules identify the priority rating system used to establish priorities for loan assistance.

Nonpoint Assistance Programs
Nonpoint source assistance includes set-asides for the Onsite Wastewater Assistance Program (OSWAP), Livestock Water Quality Facilities (LWQ), Local Water Protection (LWP) and General Nonpoint Source (GNS). These funds implement the intent of Iowa statute to use CWSRF funds to improve residential wastewater systems, to assist owners of existing animal feeding operations to meet state and federal requirements, for local water protection projects that will provide water quality improvement or protection and for general nonpoint source projects that will provide water quality improvements or water quality protection. These systems are addressed as a need by Iowa's State Water Quality Management Plan. Individual loan applicants for all set-asides are not identified in this IUP. These programs will be operated as linked deposit, loan participation, or direct loan programs.

Water Resource Restoration Sponsored Projects – FY 2015 Requirements
Sponsored project applications may be submitted by the following:

- Applicants submitting sponsored project applications at the same time as their wastewater infrastructure Intended Use Plan application. The wastewater IUP application must be complete and eligible to be placed on the fundable list. **Deadline for both applications : March 3, 2014**.

- Applicants with wastewater projects already included on the fundable list of the CWSRF Intended Use Plan which are still in the "Planning" phase. **Deadline for sponsored project application: March 3, 2014.**
- ~~Wastewater utilities with executed Clean Water SRF loans that have not begun repaying principal (for FY 2013 ONLY);~~
- ~~Wastewater utilities with infrastructure projects on an approved Clean Water SRF Intended Use Plan (IUP); or~~
- ~~Wastewater utilities at the same time they are submitting Clean Water SRF IUP applications for infrastructure projects.~~

Wastewater utilities are ~~strongly encouraged~~required to include local watershed organizations, Watershed Management Authorities, County Conservation Boards, and/or Soil and Water Conservation Districts in the

planning and implementation of sponsored projects. These organizations ~~can~~ provide technical assistance and expertise for water quality projects.

Wastewater utilities interested in conducting a sponsored project will use the standard CWSRF Intended Use Plan application for the infrastructure project. The separate CWSRF sponsored project application must also be completed and submitted, along with the following attachments:

- Authorizing resolution passed by the wastewater utility's governing board for the sponsored project application;
- If there is a third-party entity involved, the 28E agreement between the utility and the qualified entity;
- Letter of endorsement from the appropriate water quality organization, outlining the organization's participation in project design, selection, and implementation (see above)
- Letters of support from other project partners;
- Letter from the wastewater utility's bond counsel indicating concurrence with the sponsored project concept;
- Project conceptual plans, including:
  - Assessment of the impacted waterbody and its watershed with data that supports the identification of the water quality problems to be addressed
  - Discussion of project goals and objectives
  - Evaluation of ~~alternatives~~ possible water quality practices that could be implemented, considering the unique demographic, topographic, hydrologic, and institutional characteristics of the planning area, along with a rationale for the selected practices
  - Description of practices to be implemented with the expected water quality outcomes
  - Discussion of project locations, land ownership, and any plans for acquiring properties or easements
  - Identification of any other organizations or resources to be involved in the project and their expected contributions
  - Proposed project schedule with major milestones, along with a discussion of how the sponsored project construction schedule coordinates with the infrastructure project schedule
  - Proposed evaluation procedures and measures
  - Explanation of the proposed budget, including other planned funding sources and flexibility to adjust budget according to final amount available through sponsored project mechanism

V. METHOD OF AMENDMENT OF THE INTENDED USE PLAN

This IUP will be followed by the State in administering CWSRF funds in SFY 2014. Federal and state law requires, and Iowa welcomes, opportunity for public participation in the development of the IUP. Any revisions of the goals, policies and method of distribution of funds, must be addressed by a revision of the IUP, including opportunity for public participation. Updates to the IUP to add projects to the priority list, to make program changes, or to adjust dollar amounts in set-asides, will be made quarterly as needed. Minor adjustments in funding schedules, loan amounts and use of bypass provisions including funding of projects on contingency status are allowed by the procedures of this IUP and state rules for administration of the CWSRF without public notification.

VI. PUBLIC REVIEW AND COMMENT

A public meeting to allow input to Iowa's SFY 2014 IUP and Project Priority List was held May 9, 2013, 10:00 a.m., at the DNR Water Supply office, 401 SW 7th Street, Suite M, Des Moines. This meeting was announced in a notice provided to stakeholder organizations representing city officials, consulting engineers, county governments, councils of government, area planning agencies, US EPA Region VII and other groups which might have an interest. There were no attendees. The public comment period was open until May 16, 2013. There were no written comments.

A public meeting to allow input to Iowa's Second Quarter SFY 2014 IUP and Project Priority List was held August 15, 2013, 10:00 a.m., at the DNR Water Supply office, 401 SW 7th Street, Suite M, Des Moines. This meeting was announced in a notice provided to stakeholder organizations representing city officials, consulting engineers, county governments, councils of government, area planning agencies, US EPA Region VII and other groups which might have an interest. There were no attendees at the meeting. The public comment period was open until August 22, 2013. No written comments were submitted.

A public meeting to allow input to Part 2 of Iowa's Second Quarter SFY 2014 IUP and Project Priority List was held September 9, 2013, 1:00 – 3:00 p.m. at the DNR Water Supply office, 401 SW 7th Street, Suite M, Des Moines. This meeting was announced in a notice provided to stakeholder organizations representing city officials, consulting engineers, county governments, councils of government, area planning agencies, US EPA Region VII and other groups which might have an interest. The meeting was attended by representatives from the City of Clinton, the City of Ottumwa, Polk County, the Wastewater Reclamation Authority, the Iowa Association of Water Agencies and Des Moines Water Works, and engineering firms (HR Green, MSA Professional Services, and Veenstra & Kimm). No formal comments were provided at the meeting. The public comment period was open until September 16, 2013. Written comments are included below. One change to the draft recommendations was made as a result of the written comments. The City of Fort Madison's application was reevaluated and determined to be complete.

SUMMARY OF PUBLIC COMMENTS

Project	Commenter	Comment	DNR Response
City of Sioux City Ravine Park Stream Improvements	Donald Dorn, resident of Sioux City	Opposed to funding for stream work in Sioux City. Previous drainage improvements damaged the creek and destroyed trees. The funding would enable the City to finish the destruction of a beautiful area.	DNR appreciates the comments from Sioux City residents which show the high value they place on the stream and park resources. Pre-settlement hydrology in Iowa typically involved infiltration of stormwater versus runoff. Stream corridors had gently sloping banks, riparian areas that included trees, shrubs, and prairie grass, and flood plains. In many urbanized environments now, streams are degraded by flashiness and increased flows which create deeply cut banks. Stream restoration techniques attempt to repair the steep banks and prevent further erosion by restoring the natural slope and using natural vegetation. DNR recommends the Ravine Park project for funding and commits to working with City officials, residents, and other interested parties to restore and protect this neighborhood park and amenity.
	Ronnie and Flora Teska, residents of Sioux City	The creek bed was a natural waterway but over the years the City has routed storm drain runoff into it. The wooded ravine offers wildlife habitat. In favor of controlling the creek only if it can be accomplished without cutting down the trees that line the bank.	
	Kurt E. Ducommun, resident of Sioux City	The creek in South Ravine does not need to be improved. The natural banks of the creek are an unspoiled wilderness area in the city. The streambanks will not look better graded down with trees removed and grass planted.	
	Jade Dundas, City of Sioux City	Wooded streambanks may be perceived as natural habitat but they have become wooded in the absence of factors such as fire that prevented tree growth 200 years ago. The stream is currently inaccessible and dangerous due to 20 foot high eroded banks. The City will work to ensure that residents are educated and have a comfort level with the project.	
	Donna Beauchene, resident of Sioux City	Has lived across from park for 28 years. Steep banks caused when city installed a new culvert. Don't let them destroy this through more so-called improvements.	
City of Fort Madison	Teresa Stadelmann, P.E., HR Green, Inc.	Fort Madison's application addressed the application requirements in detail and should be reconsidered.	The DNR agreed with the assessment and added the project to the funding list.
Iowa Association of Water Agencies	Bill Cole, President	IAWA supports the sponsored project effort. New programs often need tweaks. The association would like to work with SRF to refine and clarify the program requirements.	DNR and IFA agree that there are potential areas for improvement in the sponsored project program and will work with IAWA and other stakeholder groups to identify and address concerns.
Project	**Commenter**	**Comment**	**DNR Response**
City of Monona	Fran Passmore, Mayor; Dan Canton, City Administrator	Mayor and City Council support the sponsored project planned for the City of Monona. The project will greatly benefit the watershed.	No response needed; the project is recommended for funding.
Polk County	Robert Rice, Public Works Director	Polk County appreciates the inclusion of the Fourmile Creek Watershed project sponsored by the Wastewater Reclamation Authority. The project will make critical improvements to both water quality and flood mitigation.	No response needed; the project is recommended for funding.
Des Moines Metropolitan	David Miller, P.E., Director	WRA fully supports the recommendation to fund the Polk	WRA submitted 11 projects for a total of $22 million.

Wastewater Reclamation Authority		County Fourmile Creek project. WRA encourages the DNR to look more closely at the other WRA applications for streambank stabilization, which addressed a complete reach of streambank and not just a specific location that impacted WRA sewer lines.	The maximum amount available for sponsored projects from existing WRA loans is $7.5 million. Only complete applications were considered for funding. The streambank stabilization applications submitted by WRA included watershed assessment but did not evaluate alternatives for addressing identified water quality problems. DNR looks forward to working with WRA and its member communities to develop more comprehensive approaches to stormwater and stream corridor management.

A public meeting to allow input to Iowa's Third Quarter SFY 2014 IUP and Project Priority List was held November 14, 2013, 10:00 a.m., at the DNR Water Supply office, 401 SW 7th Street, Suite M, Des Moines. This meeting was announced in a notice provided to stakeholder organizations representing city officials, consulting engineers, county governments, councils of government, area planning agencies, US EPA Region VII and other groups which might have an interest. There were no attendees at the meeting. The public comment period was open until November 21, 2013. There were no written comments.

VII. PROJECT PRIORITY LIST

The CWSRF Project Priority List is included in a separate, sortable Excel file.

APPENDIX A
Iowa CWSRF State Fiscal Year 2014 3Q
Estimated Funding Sources and Funding Uses
As of 10/28/13

Funding Sources		
Funds Available in Equity Fund and Program Accounts	$18,0137,000	*
FFY 2013 Capitalization Grant	$1,585,000	*
State Match for FFY 2013 Capitalization Grant (Fully Disbursed)	$0	
Issuance of Leveraged Bonds in FY14 (Next Bond Issue Expected FY15)	$0	
Equity Fund and Program Interest Earnings	$371,000	
Loan Repayments	$71,046,000	
Funds Released from Indentures to Equity Fund (available for loans)	$577,000	
Total Funding Sources	**$253,716,000**	
Funding Uses		
Undisbursed Amounts Committed to Existing Loans (60% disbursement rate)	$64,391,000	
Section 212 Project Requests (FNSI/CX issued; 45% disbursement rate)**	$67,681,000	
Section 212 Project Requests (FNSI/CX not issued; 25% disbursement rate)**	$30,186,000	
Planning & Design Requests (50% disbursement rate)	$4,661,000	
Non-Point Source Program Assistance	$25,729,000	
Principal Payments on Outstanding Bonds	$28,985,000	
Interest Payments on Outstanding Bonds	$29,527,000	
Program Administration From FFY 2013 Capitalization Grant	$434,000	
Program Administration From ARRA Capitalization Grant	$2,122,000	
Total Funding Uses	**$253,716,000**	

* Funds Available for disbursements as of 10/28/2013

** Loan disbursement rates are estimated based on previous experience with project pace. For projects that currently have not had a Finding of No Significant Impact or Categorical Exclusion issued, it is expected that up to 25% of the total project amounts may be disbursed during SFY 2014 once environmental review is completed, construction permit issued, and binding loan commitment signed. For those projects with FNSI/CX clearance, the disbursement rate is estimated at 45% of the loan request amount.

APPENDIX B-1
PROCEDURES TO DETERMINE SECTION 212 PROJECT PRIORITY LIST

Project rankings were determined by the following procedures:

Cost eligibility of projects was determined as per 567 IAC 92.7(6)(455B). Applications were evaluated using the priority point system in 567 IAC 91.8(455B).

The final project priority list for a fiscal year's project pool is compiled in the following manner: subsequent segments of projects funded by CWSRF loan programs of previous years will be ranked at the top; projects ranked in the current year application group will then be added.

Projects on the project priority list will be given contingency status should the total amount of needs exceed the year's CWSRF staff resources capability and loan funding or if the projects have not met the fundable criteria described in 567 IAC 92.6(2)(455B) . Projects will be funded from the top down in the ranking order of the project priority list. Projects are ranked similarly in the contingency project list. The top project in the contingency list can be moved to the funding list when funds are available or it has met the fundable criteria. Funds can be made available due to a number of reasons including project bypasses, loan application withdrawal of other projects, reduction in loan amount requests, an increase in available funds, or progress in meeting program requirements.

APPENDIX B-2
CRITERIA TO DETERMINE PROJECT PRIORITY LIST

In April 2010 Iowa adopted revised rules for the Clean Water State Revolving Fund (CWSRF). 567 IAC 91 provides the criteria for scoring and ranking CWSRF projects. The new system uses an integrated approach which allows comparison of Section 212 POTW (publicly owned wastewater treatment works) projects as well as nonpoint source pollution control projects. The goal of the new system is gain the highest water quality benefits for the funding available.

Currently Iowa is able to fund all projects that are eligible, but the priority system will be available to use in the case that demand for CWSRF loans exceeds supply of funds.

Section 212 POTW Projects
The rating criteria consider the use classification of the receiving waters, water quality of the receiving waters, groundwater protection, project type, project purpose, and a tiebreaker; defined in 567 IAC 91.8 (455B). Priority ranking for the projects shall be based on the total points awarded for all the categories; the greater the total number of points, the higher the ranking. The ranking will be done at the time the IUP is prepared and will not be updated during the year. The tie breaker category will be used when necessary.

Nonpoint Source Set-Aside Programs
The rating criteria consider the use classification of the receiving waters, water quality of the receiving waters, groundwater protection, project type, project purpose, and a tiebreaker; defined in 567 IAC 91.8 (455B). Priority ranking for the projects is based on the total points awarded for all the categories; the greater the total number of points, the higher the ranking. The priority system for nonpoint source will not be implemented until 90 percent of a nonpoint source set-aside is allocated and no additional funds are available. If that occurs, ranking will be done at the time that a new project application is received.

DRINKING WATER STATE REVOLVING FUND
FY 2014 Intended Use Plan

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DRINKING WATER STATE REVOLVING FUND
FY 2014 Intended Use Plan

I. STATE FISCAL YEAR 2014 PLAN OF ACTION

The plan is based on anticipated use of new and revolved funds available in the DWSRF for construction of treatment plants or improvements to existing facilities, water storage facilities, wells, and source water protection efforts.

The SFY 2014 Plan of Action covers the following areas:

- DWSRF goals and objectives;
- Current and projected financial capacity of the DWSRF;
- Financial management strategies;
- Plan for the SFY 2014 project priority list;
- Plan for use of DWSRF set-aside funds; and
- Plan for use of administrative accounts.

DWSRF Goals and Objectives

The primary long-term goal of the Iowa DWSRF is to support the protection of public health through a perpetual program of financial assistance for the purposes of ensuring the provision of an adequate quantity of safe drinking water to consumers of public water supplies, protecting source water for drinking water systems, and ensuring the long-term viability of existing and proposed water systems.

The SFY 2014 short-term goals and objectives are as follows:

- **Goal:** Commit loan funds to as many recipients as possible in accordance with the state priority rating system, the IUP, staff resources, and available funding. ***Objective:*** *During SFY 2014, quarterly updates to the IUP will be prepared to add projects and update program financial information.*

- **Goal:** Ensure that borrowers are able to provide safe drinking water at a reasonable cost for the foreseeable future. ***Objectives:*** *During SFY 2014, viability assessments will be completed by each applicant and reviewed by SRF staff prior to signing of the loan agreement. Systems determined nonviable or systems with EPA's Enforcement Targeting Tool (ETT) scores above 11 will be provided with an enforceable compliance schedule listing all actions that must be completed to return the system to viable status. Extended term financing will be offered to disadvantaged communities. SRF staff will coordinate efforts with other funders such as the Community Development Block Grant program. We will continue to educate and inform public water supplies, engineering consultants, and financial advisors on the financing savings available by using the DWSRF.*

- **Goal:** Fund green projects equivalent to 20% of the FFY 2010 and FFY 2011 capitalization grants. ***Objective:*** *During SFY 2014, SRF staff will continue to work with green projects identified in the SFY 2012 IUP to ready them for loans. SRF will apply the stated percentage of loan forgiveness to the loan amount eligible under the green project reserve (GPR) guidance issued by EPA for federal fiscal years 2010 and 2011. Business cases will be posted on the IowaSRF.com web site. There was no GPR requirement for DWSRF in the FFY 2012 language.*

- **Goal:** Apply additional subsidization available in FFY 2010 - 2013 capitalization grants to disadvantaged communities and public health projects. ***Objective:*** *During SFY 2014 SRF staff will continue to work with disadvantaged communities and projects to correct public health issues identified for additional subsidization in the SFY 2012 IUP to ready them for loans. SRF will apply the stated percentage of loan forgiveness to the final loan amount.*

- **Goal:** Promote and identify sustainable practices in projects proposed for funding. ***Objective:*** *During SFY 2014 SRF staff will provide information on the EPA's Sustainability Policy to applicants and include sustainability features in project descriptions.*

- **Goal:** Explore funding options for small or emergency loans. ***Objective:*** *During SFY 2014, SRF staff will develop funding sources and program criteria to provide loans for water system emergencies and for small amounts not currently considered cost-effective borrowings.*

Additional long-term goals include:

- **Goal:** Prioritize the provision of funds, to the extent practicable, to projects that address the most serious risk to human health and are necessary to ensure compliance with the national primary drinking water standards. ***Objectives:*** *Priority will be assigned to projects that address human health risks or compliance issues by the provision of points assigned during the DWSRF scoring process as outlined in 567 IAC Chapter 44. The EPA's Enforcement Targeting Tool (ETT) will be reviewed to determine whether additional assistance through the DWSRF program could be extended to systems with scores above 11 points through additional subsidization or other means.*

- **Goal:** Apply program requirements that are simple and understandable and do not add unnecessary burdens to applicants or recipients. ***Objectives:*** *During SFY 2014 SRF staff will continue to assist applicants with completing the federal cross-cutting requirements for environmental and historical review. Staff will no longer be responsible for Davis-Bacon compliance but will advise borrowers as needed. Borrowers will be responsible for compliance and may hire outside consultants to assist.*

- **Goal:** Continue the option of extended financing terms for DWSRF infrastructure projects. ***Objective:*** *During SFY 2014 this option will be offered to applicants that meet the income guidelines set by the Community Development Block Grant program. Applicants seeking extended financing must complete a worksheet outlining the anticipated life of the project components, which can be averaged to determine the extended term.*

- **Goal:** Maintain mechanisms for funding the on-going administration of the program if federal funding is reduced or eliminated. ***Objective:*** *During SFY 2014 initiation and servicing fees will be collected on DWSRF loans for deposit to administrative accounts. SRF staff will develop short and long-term plans for administrative budgets.*

- **Goal:** Manage the DWSRF to maximize its use and impact through sound financial management. ***Objective:*** *During SFY 2014 SRF staff and financial advisors will continue to conduct financial analysis and develop innovative approaches to financial management.*

- **Goal:** Implement programs that effectively address water system needs and target appropriate audiences. ***Objective:*** *During SFY 2014 SRF staff will continue to educate users and potential users about the program offerings through presentations, displays, program materials, and the IowaSRF.com website.*

Current and Projected Financial Capacity of the DWSRF
Appendix A, the Estimated Sources and Uses table, shows that available funds are sufficient to fund current requests.

SRF staff has analyzed the future financial capacity of the DWSRF. Using relatively conservative assumptions, it is projected that the DWSRF could loan an average of $150 million per year over the next 10 years, or a total of $1.5 billion.

Financial Management Strategies
The source of funds for this IUP includes the FFY 2013 federal capitalization grant. This grant has been matched. Iowa will apply for the FFY 2013 capitalization grant this year.

The Iowa SRF is a leveraged program, with the debt service reserve financed by bond proceeds. EPA Capitalization Grant funds are not used for the debt service reserve. The cash draw procedure used is the direct loan method. State Match is fully disbursed prior to drawing EPA Capitalization Grant funds. The EPA Capitalization Grant funds will be drawn at a 100% proportionality ratio.

SFY 2014 Project Priority List
The management of the DWSRF program, including development of a project priority list for financing assistance, was developed according to Part 567 of the Iowa Administrative Code (IAC), Chapter 44. This IUP indicates the intent to provide funds to projects ranked in priority order according to scoring criteria contained in Chapter 44 of the IAC.

In the event that projects identified for funding in the IUP do not attain readiness for a loan commitment by projected dates, these delayed projects may be bypassed. Other projects may be added to the project priority list to be funded based on the State's implementation rules for the DWSRF program (567 IAC 44). Applications that are in excess of available DWSRF assistance or that are unable to enter binding commitments within one year may be placed on Contingency status according to priority.

Projects will be funded as ranked on the project priority list. Adjustment to the list of fundable projects will be made, if necessary, to assure that at least 15% of the project funds are available to systems serving fewer than 10,000 persons as specified in Section 1452(a) (2) of the Act. Financing may be provided for up to 100% of project costs if the costs are eligible for funding based on engineering, environmental, and financial review and project readiness to proceed as described above.

The priority list has two major categories of projects: fundable and contingency. Fundable projects are defined as those are likely to be ready for a loan during the current fiscal year. Contingency projects are those that will not be ready for a loan during the current fiscal year.

Due to the project workload and for planning purposes, the DWSRF staff will evaluate projects that have been on the IUP list for more than three years. A notification will be sent to the applicants that their project may be dropped if there is no progress in the six months following the notice. If a project is dropped, the applicant may reapply when the project is ready to move ahead.

For program planning purposes, the fundable projects are further identified as "R – ready for loan" (indicating that the construction permit and environmental review have been completed), and "P – in planning."

The following categories of projects will be included for funding during SFY 2014:

Unfunded Prior Years' Projects. All projects from prior years that have not entered into a binding commitment are included in this IUP.

Segments of Previously Funded Projects. State rules provide that subsequent segments of a project which has previously received funding priority or assistance be placed on the project priority list with the original project score.

New Projects. New applications for assistance during SFY 2014 will be added to the project priority list. Applications will be accepted on a continuous basis and quarterly updates completed as needed.

Supplemental Financing. Supplemental financing for projects listed in previously approved IUPs are added to the IUP as they are requested unless the additional funds will be used for improvements that would significantly change the scope of the project. Additional environmental review may be required. Supplemental loans will not be provided for changes that would lower the original score of the project to a point where the application is no longer competitive or is ineligible for funding.

Contingency Projects. Projects on contingency status have indicated they do not expect to enter into binding commitments during SFY 2014. These projects may be moved to fundable status if their schedules indicate they will require funding during SFY 2014.

Planning and Design Loans. Requests for planning and design loans are listed on the project priority list but have not been assigned priority points.

Source Water Protection Loans. Applications from eligible public water supplies with approved SWP plans will be added when the proposed project is a component of the SWP plan.

Capitalization Grant Requirements. The FFY 2010 - 2013 capitalization grants included requirements for certain percentages of the funds to be allocated for green projects and/or for additional subsidization. The following outlines the amounts and the projects that will be counted for each cap grant.

Green Project Reserve

FFY	Amount Required	Projects	GPR Amount	Pending GPR Amount
2010	$4,633,000	Colfax water meter replacement	$510,000	
		Durant water meter replacement	$182,000	
		Humboldt LEED certified water facility	$1,800,000	
		Lyon-Sioux Rural Water meter replacement	$455,000	
		Ottumwa water meter replacement, variable frequency drives	$1,250,000	
		Wall Lake water meter and pump replacement	$132,000	
		Maquoketa water meter replacement	$492,000	
		TOTAL	$4,820,500	
2011	$3,164,200	Ames LEED certified water facility		$29,983,000
		Shenandoah LEED certified water facility/ meter replacement	$5,228,000	~~$5,228,000~~
		Story City water meter replacement		$207,000
2012	$0			
2013	$0			
TOTAL	**$7,797,000**	**TOTAL**	**$~~4,820,500~~ 10,048,500**	**$~~35,418,000~~ 30,190,000**

Green projects will receive up to 30% loan forgiveness. The other uses for additional subsidization are for disadvantaged communities and projects to correct public health issues. These projects have been identified to receive loan forgiveness to meet the requirements of the FFY 2010 - FY 2013 capitalization grants. Final amounts of loan forgiveness are not determined until all the loan funds are disbursed.

Additional Subsidization

FFY	Amount Required	Projects	Estimated Amount of Loan Forgiveness	Pending Loans – Estimated Loan Forgiveness
2010	$6,950,000	Charlotte new well to blend with high radium well	$46,500	
		~~Hills new water system~~		~~$1,916,000~~
		Keokuk on-site chlorine generation	$480,000	
		Lidderdale water system improvements	$~~240,000~~1,020,600	
		Ottumwa water main extension	$560,000	
		Ottumwa UV disinfection	$666,400	
		Rathbun Regional Water intake and raw water line	$1,614,000	
		Rolfe water system improvements	$561,000	
		Union water storage tank	$197,400	
		Green Projects	$~~1,015,100~~2,081,300	~~$1,916,000~~
		TOTAL	$~~5,380,400~~7,227,200	
2011	$4,746,300	College Springs connection to regional system	$38,000	
		Kelley water system improvements	$548,000	
		Ralston water system improvements	$138,000	
		Green Projects	$5,996,000	
2012	$3,064,400	Cedar Falls connection to area with contaminated wells	$691,000	
		Centralia connection to regional system	$200,000	
		Churdan connection to regional system	$108,000	
		Frankville new water system	$381,000	
		Timber Ridge connection to regional system	$76,000	
		Green Projects	$2,706,000	
2013	$2,875,000	Hills new water system		$1,916,000
		~~TBD~~		
TOTAL	**$17,653,700**	**TOTAL**	**$~~5,418,400~~7,265,200**	**$12,760,200**

II. INFORMATION ON THE DWSRF ACTIVITIES TO BE SUPPORTED

Allocation of Funds

Allocation of funds to eligible projects is based on a three-step process:

1. The amount of financial assistance needed for each application is estimated;
2. The sources and spending limits for all DWSRF funds are identified; and
3. The DWSRF funds are allocated among the projects, consistent with the financial assistance needed.

Information pertinent to each DWSRF project is contained in the attached Project Priority List.

Sources and Uses of Available DWSRF Funds

Appendix A to the Intended Use Plan illustrates potential sources and uses of funds in the DWSRF for SFY 2014. As shown, all pending loan requests and program administration needs can be funded. Projects will draw on their funding at different intervals based on their construction cycles. These differences are used to estimate cash needs throughout the year. Appendix A will be updated quarterly as needed to provide an ongoing view of the financial plan for meeting loan requests.

The Iowa DWSRF program uses its equity fund to originate loans. When the number of loans that have been made creates a need for additional funds, IFA issues bonds, backed by those DWSRF loans, and uses the bond proceeds to replenish the equity fund.

DWSRF Loan Policies

Project Scope. The scope of the project must be outlined on the Intended Use Plan application and in the preliminary engineering report. Changes to the scope are allowed prior to loan closing. Significant changes in scope may cause delays if additional work is required by the project manager or environmental review specialist. Once a loan is signed, only minor changes to the scope will be allowed and only if they do not require additional technical or environmental review.

Loan Interest Rates. The interest rate for DWSRF construction loans are shown in the table below:

Loan Term	Applicant Type	Interest Rate	Servicing Fee	Total	Additional Information
Standard (up to 20 years)	All	1.75%	.25%	2.00%	
Extended (21 to 30 years based on useful life)	Disadvantaged	1.75%	.25%	2.00%	Only communities determined to be disadvantaged are eligible for extended financing terms in the DWSRF program. Please see below, "Extended Financing and Disadvantaged Status," for an explanation.

Interest rates for DWSRF planning and design loans will be 0% for up to three years. Interest rates for source water protection loans, which come out of the Other Authorized Uses set-aside, will be 0% for up to 20 years.

Loan Fees. A 0.5% origination fee is charged on the full loan amount for new DWSRF construction loans and source water protection loans, with a maximum amount of $100,000. No origination fees will be charged on planning and design loans. A .25% servicing fee will be charged on construction loans and source water protection loans. Payment of the loan servicing fee is semi-annual with interest payments for all new SRF loans. Loan servicing fees are only charged on the principal amount disbursed during construction (not the entire original loan amount).

Maximum Financing. There is no maximum financing amount.

Project Readiness. Applicants cannot be offered assistance until they meet program requirements.

Funding Limitations. All program requests for disbursements from DWSRF projects can be met. These estimates are based on the projections that, for projects that have completed program requirements and are ready for funding, only 85% of the loan amount will be disbursed this fiscal year. For projects that are currently in the planning phase but may be ready for funding during SFY 2014, it is projected that only 65% of total funds will be disbursed to the project this fiscal year.

Extended Financing and Disadvantaged Status. The Safe Drinking Water Act Amendments of 1996 allow states to provide an extended term for a loan to a disadvantaged community as long as the extended term does not terminate more than 30 years after project completion and the loan term does not exceed the expected design life of the project. The Act defines a disadvantaged community as the service area of a public water system that meets affordability criteria established after public review and comment.

Community public water systems serving populations that contain a majority (51 percent) of Low to Moderate Income (LMI) persons will be considered disadvantaged for the purpose of determining an extended loan term in the DWSRF loan program. This criterion does not apply to any other DWSRF assistance such as additional subsidization. Low to moderate income is defined as 80 percent of the median household income in the county or state (whichever is higher) using the most recent federal census or income survey data. Privately owned community public water systems will be considered eligible for disadvantaged community status if an income survey indicates that the service area meets the LMI criteria. Rural water systems will be considered eligible for

disadvantaged community status if an income survey indicates that the area benefiting from the improvements meets the LMI criteria. Income surveys must be done according to the protocol specified by the Community Development Block Grant program.

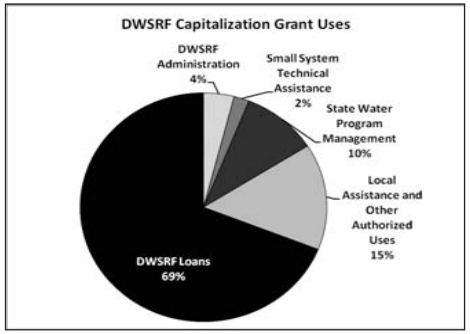
Extended term loans to disadvantaged communities are limited to public water supply infrastructure improvements. Projects eligible for funding from set-asides, such as source water protection projects, are not eligible in accordance with federal program requirements.

Only those portions of a project that have a design life or life cycle of at least 30 years are eligible for repayment schedules exceeding 20 years. The department will use the table of estimated useful lives from EPA's publication 816-R-03-016 to determine the length of the loan for eligible expenses. The consulting engineer for the project will be required to separate and itemize costs so that a weighted maturity may be calculated for loan repayment. The list of itemized costs and expected useful lives will be required prior to signing of the loan agreement.

If a project is not able to enter into a binding commitment in a timely manner, it may be replaced with the next disadvantaged community project that is ready to proceed.

Intended Use of Set-Asides

States are allowed to take or reserve set-aside amounts from each federal capitalization grant for a number of activities that enhance the technical, financial, and managerial capacity of public water systems and protect sources of drinking water. The use of the set-asides as well as the loan program is intended to carry out Iowa's goal of ensuring that the drinking water received by 92% of the population served by community water systems meets all applicable health-based drinking water standards through approaches including effective treatment and source water protection.



The amounts are subject to approval by EPA of program workplans. The DNR is following the FY 2013 workplan. Iowa plans to take or reserve the allowed amount in each set-aside as shown in the chart.

DNR has two options for addressing the amounts available each year in set-asides. Set-aside funds may be reserved for future use (except for the Local Assistance and Other Authorized Uses set-aside), in which case they would be deducted from a future capitalization grant when they are ready to be taken. Funds that are taken from an available capitalization grant must be applied to planned work efforts approved by EPA.

In recent years, DNR has been fully using the set-asides and drawing upon reserved funds due to budget needs for programs and efforts required by EPA that are critical for ensuring public health. Once the reserved amounts are expended, the amounts available for each set-aside will be limited to the percentage allowed out of each capitalization grant.

DWSRF Program Administration Set-Aside. Iowa intends to take this set-aside to pay the costs of administering the State Revolving Fund loan program. Among the uses for the set-aside are:

- Portfolio management, debt issuance, and financial, management, and legal consulting fees;
- Loan underwriting;
- Project review and prioritization;
- Project management;
- Environmental review services;
- Technical assistance to borrowers;
- Development of water supply engineering design standards;
- Database development and implementation; and
- Program marketing and coordination.

Unused commitments are reserved for use in future years as necessary.

Small System Technical Assistance Set-Aside. Iowa intends to use DWSRF funds equivalent to 2% of the federal capitalization grant funds to provide technical assistance to public water supplies (PWSs) serving populations of less than 10,000.

Funds from this set-aside will be used this year to provide these PWSs monitoring schedules via operation permits, quarterly monitoring reminder notices, and technical assistance.

Unused commitments are reserved for use in future years for DNR staff and other purposes as necessary.

State Program Support Set-Aside. The primary uses of this set-aside are to assist with the administration of the Public Water Supply Supervision program, to review engineering documents for non-DWSRF construction projects, to determine viability for new systems, and to provide operating permits for public water supplies serving at least 10,000 persons.

Other uses include:

- Taking timely and appropriate enforcement actions to address Safe Drinking Water Act violations;
- Reporting to EPA the status of all PWSs identified as a "priority" for returning to compliance or for taking a formal enforcement action;
- Reporting to EPA the status of compliance schedules prescribed in enforcement orders such as bilateral compliance agreements and administrative orders;
- Updating the SDWIS database to SDWIS 3.1, including support systems and provide compliance determinations and information technology database support;
- Adopting final federal rules

Fifty percent of the budget amount will be funded from the capitalization grant and the remaining 50% will be funded from State sources. Unused commitments are reserved for use in future years for DNR staff and other purposes as needed.

Other Authorized Activities Set-Aside. The two primary uses of this set-aside are capacity development and source water protection (SWP).

Funds are budgeted for efforts related to developing technical, managerial, and financial capacity for Iowa's public water supplies, including:

- Completion of sanitary surveys with viability assessments;
- Provision of technical assistance related to capacity development through the area wide optimization program (AWOP);
- Contracts with five counties to complete sanitary surveys;
- Provision of performance based training for the AWOP program; and
- Contractor assistance with capacity development (viability assessment).

The SWP activities include the following:

- Coordination and administration of the Source Water Protection Targeted Community Water System program with a focus on system with elevated groundwater nitrate levels;
- Contracts for services to develop SWP plans and to finalize implementation of Best Management Practices (BMPs) identified in SWP action plans;
- Water quality monitoring to evaluate impacts of BMPs;
- Groundwater site investigations;
- Development of data for Phase 1 SWP assessments;
- Technical assistance for well siting; and
- Completion of a study on viruses and other contaminants in groundwater.

Plan for Use of Administrative Accounts
There are three distinct funding sources for DWSRF administrative expenses:

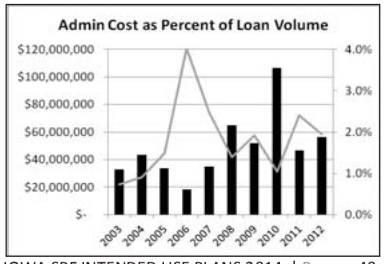
- The DWSRF administrative set-aside. Four percent of the cumulative amount of federal capitalization grants received may be used for program administration as discussed in the set-aside section above.

- Loan initiation fees. A 0.5% loan origination fee is charged on new DWSRF loans. Under EPA rules, because Iowa's origination fees are financed through the loans, the proceeds are considered program income. Program income can only be used for the purposes of administering the DWSRF program or for making new loans.

- Loan servicing fees. A fee of 0.25% on principal is charged on DWSRF loans. Under EPA rules, only servicing fees charged on loans made above and beyond the amount of the capitalization grant and fees collected after the capitalization grant under which the loan was made has been closed are considered non-program income. Non-program income can be used to administer the program or for other safe drinking water purposes.

Program Income. As of July 2012, there was approximately $7 million in the fee account encompassing program income. A portion of these funds will be used in SFY 2014 for program administration, and the remainder will be reserved for future administrative expenses.

Non-Program Income. As of July 2012, there was $3.8 million available in funds considered non-program income. DWSRF non-program income may be used in SFY 2014 to



provide part of the required state match for the State Program Management set-aside.

DWSRF program expenses are currently approximately $1 million per fiscal year. This includes the work of water supply engineering section project managers, specialists in environmental review, financial officers, loan coordinators, and program managers. It also covers expenses for financial and legal advisors. DWSRF program administration costs have increased over the last ten years as the program has increased in scope. Costs but have fluctuated as a percentage of loan volume, as shown in the chart.

Plan for Efficient and Timely Use of DWSRF Funds
In recent years, the processes of the DWSRF have been streamlined, and the marketing and education enhanced. These improvements have resulted in more efficient and timely use of the DWSRF and full utilization of available funds. In particular, Iowa applies for and draws federal capitalization grants as expeditiously as possible.

Rather than doing one annual funding solicitation, with a discrete set of projects identified for funding that year, the Iowa SRF does quarterly updates to its Intended Use Plan. This creates a continuous pipeline of projects at different stages of readiness. Communities determine when they need their funding; the program does not set deadlines on loan execution.

With a return of $2.49 for every dollar of federal investment, Iowa's DWSRF is an efficient and effective delivery mechanism for water infrastructure funding.

DWSRF set-asides are typically fully utilized within a two-year planning and budgeting period. Iowa draws grant funds on a first-in, first-out basis in order to close out the capitalization grants. Due to increased water program budget needs, Iowa is spending reserved set-aside capacity at a faster rate than in the early years of the DWSRF program.

III. ASSURANCES AND SPECIFIC PROPOSALS

Iowa will provide the necessary assurances and certifications according to the Operating Agreement between the State of Iowa and the U.S. EPA. Iowa's Operating Agreement was amended in April 2007.

IV. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

The following approach was used to develop Iowa's proposed distribution of DWSRF funds: (1) analysis of the priority of communities applying and financial assistance needed; (2) identification of the sources and spending limits of available funds; (3) allocation of funds among projects; (4) development of a payment schedule which will provide for making timely binding commitments to the projects selected for DWSRF assistance; and (5) development of a disbursement schedule to pay the project costs as incurred.

Priority of Communities and Financial Assistance Needed
Iowa law provides only for loan assistance. Additional subsidization required by the FFY 2010-2013 capitalization grants will be through forgivable loans. The state's DWSRF rules identify the priority rating system used to establish priorities for financial assistance.

Projects are considered eligible for financial assistance for all planning and project costs providing the project is on the project list of an approved IUP.

Allocation of Funds among Projects
All projects listed in the Project Priority List are eligible for assistance and may be funded from the DWSRF subject to available funds.

All projects scheduled for funding with Iowa's DWSRF will be reviewed for consistency with the Safe Drinking Water Act, as amended. Should a project fail to meet this review criterion, it may be bypassed or deleted from the funding list. Contingency projects may be considered for assistance as bypass projects according to state rules without formal amendment of this IUP. Projects may be added to the Project Priority List in priority order as applications are received.

V. METHOD OF AMENDMENT OF THE INTENDED USE PLAN

The State will follow this IUP in administering DWSRF funds in FY 2014. Federal and state law requires, and Iowa welcomes, opportunity for public participation in the development of the IUP. Any revisions of the goals, policies and method of distribution of funds must be addressed by a revision of the IUP, including public participation. Minor adjustments in funding schedules, loan amounts, and use of bypass provisions including funding of projects on the contingency list are allowed by the procedures of this IUP and state rules for administration of the DWSRF without public notification. Adjustments to the Project Priority List to utilize actual funds available to the DWSRF for FY 2014 will be considered minor and only affected applicants will be notified. Public notice of amendments will be made if municipalities are added to or removed from the Project Priority List.

VI. PUBLIC REVIEW AND COMMENT

A public meeting to allow input to Iowa's SFY 2014 IUP and Project Priority List was held May 9, 2013, 10:00 a.m., at the DNR Water Supply office, 401 SW 7th Street, Suite M, Des Moines. This meeting was announced in a notice provided to stakeholder organizations representing city officials, consulting engineers, county governments, councils of government, area planning agencies, US EPA Region VII and other groups which might have an interest. There were no attendees. The public comment period was open until May 16, 2013. There were no written comments.

A public meeting to allow input to Iowa's Second Quarter SFY 2014 IUP and Project Priority List was held August 15, 2013, 10:00 a.m., at the DNR Water Supply office, 401 SW 7th Street, Suite M, Des Moines. This meeting was announced in a notice provided to stakeholder organizations representing city officials, consulting engineers, county governments, councils of government, area planning agencies, US EPA Region VII and other groups which might have an interest. There were no attendees at the meeting. The public comment period was open until August 22, 2013. No written comments were submitted.

A public meeting to allow input to Iowa's Third Quarter SFY 2014 IUP and Project Priority List was held November 14, 2013, 10:00 a.m., at the DNR Water Supply office, 401 SW 7th Street, Suite M, Des Moines. This meeting was announced in a notice provided to stakeholder organizations representing city officials, consulting engineers, county governments, councils of government, area planning agencies, US EPA Region VII and other groups which might have an interest. There were no attendees. The public comment period was open until November 21, 2013. There were no written comments.

VII. PROJECT PRIORITY LIST

The DWSRF Project Priority List is included in a separate, sortable Excel file.

APPENDIX A

Iowa DWSRF State Fiscal Year 2014, 3Q
Estimated Funding Sources and Funding Uses
As of 10/28/13

Funding Sources for Loans		
Funds Available in Equity Fund and Program Accounts	$96,430,000	*
FFY 2013 Capitalization Grant	$9,275,000	*
State Match for FFY 2013 Capitalization Grant	$0	
Issuance of Leveraged Bonds in FY14 (Next Bond Issue Expected FY15)	$0	
Equity Fund and Program Interest Earnings	$232,000	
Loan Repayments	$29,725,000	
Funds Released from Indentures to Equity Fund (available for loans)	$0	
Total Funding Sources for Loans	**$135,662,000**	

Funding Uses for Loans	
Undisbursed Amounts Committed to Existing Loans (75% disbursement rate)	$32,467,000
Project Requests (FNSI/CX issued; 60% disbursement rate)**	$47,986,000
Project Requests (FNSI/CX not issued; 50% disbursement rate)**	$29,395,000
Planning & Design Requests (50% disbursement rate)	$1,418,000
Principal Payments on Outstanding Bonds	$13,365,000
Interest Payments on Outstanding Bonds	$11,031,000
Total Funding Uses for Loans	**$135,662,000**

* Funds Available for disbursements as of 10/28/13

** Loan disbursement rates are estimated based on previous experience with project pace. For projects that currently have not had a Finding of No Significant Impact or Categorical Exclusion issued, it is expected that up to 50% of the total project amounts may be disbursed during SFY 2014 once environmental review is completed, construction permit issued, and binding loan commitment signed. For those projects with FNSI/CX clearance, the disbursement rate is estimated at 60% of the loan request amount.

Funding Sources for Set Asides (Includes FFY 2012 & previous Cap Grants)	
Available Balance under Existing Capitalization Grants for set asides:	
Administration	$0
Small Systems Technical Assistance	$798,000
State Program	$2,753,000
Other Authorized Activities	$5,835,000
Total Funding Sources for Set-Asides	**$9,386,000**

Funding Uses for Set Asides	
Administration	$0
Small Systems Technical Assistance	$798,000
State Program	$2,753,000
Other Authorized Activities	$5,835,000
Total Uses for Set Asides	**$9,386,000**

APPENDIX B
PROCEDURES TO DETERMINE PROJECT PRIORITY LIST

Project rankings were determined by the following procedures:

- Eligibility of applications were determined by needs criteria identified in IAC 567—44.7(8). In general, most water source, treatment and distribution system improvements are considered eligible.

- Project applications received during the FY 2014 application period were considered for funding in FY 2014; if not funded by the end of FY 2014, these projects will be moved to the FY 2015 project priority list.

- The priority ranking is a total score developed using the scoring criteria listed in IAC 567—44.7(8). Points may be gained in each of five categories: Water Quality and Human Health Risk-Related Criteria (60 point maximum), Infrastructure and Engineering-Related Improvement Criteria (35 point maximum), Affordability Criteria (10 point maximum), Special Category Improvements (15 point maximum), and IDNR Adjustment Factor for Population (10 points). The combined score provides a numerical measure to rank each project within its pool. A project with a larger number receives higher priority.

- The final project priority list for a fiscal year's project pool is compiled in the following manner: Subsequent segments of projects funded by DWSRF loan programs of previous years will retain their original score and be added to the list of the current year's applications.

- Loan-eligible projects submitted will be placed on the IUP each calendar quarter. If the project is anticipated to proceed during FY 2014, the project will be added to the project priority list and the list will be made available for public comment at the end of each calendar quarter in which one or more projects are added to the list.

- Projects on the project priority list will be moved to contingency status if the total amount of needs exceeds the year's DWSRF staff resources capability and loan funding or if it is known that the project will be unable to be funded during FY 2014. Projects will be funded from the top down in the ranking order of the project priority list with consideration given to readiness to proceed. Projects are ranked similarly in the contingency project list. Projects on contingency status can be moved to the funding list when funds are available or when the project is ready to proceed. Funds can be made available due to a number of reasons including project bypasses, loan application withdrawal of other projects, reduction in loan amount requests, or an increase in available funds.

Iowa Department of Natural Resources
Environmental Protection Commission

ITEM **5** **DECISION**

TOPIC **Contract – Iowa Department of Agriculture and Land Stewardship – Big Creek Lake Watershed Project II**

Recommendation:
The Department requests Commission approval of a contract in the amount of $443,848 with the Iowa Department of Agriculture and Land Stewardship for three years to implement best management practices in the Big Creek Lake.

Funding Source: Federal – Environmental Protection Agency
This project will be funded through Section 319 of the Clean Water Act.

Background:
Watershed Implementation Grants from the Iowa DNR Watershed Improvement Program intend to put an EPA nine-element Watershed Management Plan (WMP) into action by providing local watershed groups access to federal Section 319 grant dollars. These WMPs must target nonpoint source pollution and must be consistent with Iowa's recently updated State Nonpoint Source Management Program (NPSMP).

This project seeks resources necessary to complete Phase 1 of the Big Creek Lake Watershed Management Plan for bacteria and aggressively addresses sediment and phosphorus loading to the lake. Currently the Big Creek Lake Watershed Project is working to implement portions of Phase 1, but additional resources are needed to fully accomplish the goals and objectives of Phase 1. Big Creek Lake is Iowa's 5th most visited lake and is currently on the 303(d) Impaired Waters List for bacteria but the lake is also experiencing sedimentation and phosphorus loading resulting in a negative impact on water quality. While bacteria continue to be the primary impairment of concern, the EPA has recently stated phosphorus reducing practices are also eligible for 319 funding due to the threat of impairment. A comprehensive watershed assessment was completed using accepted watershed planning protocols in 2008 and 2009. This assessment identified several potential sources of bacteria, sediment and phosphorus from the watershed. Watershed sources of bacteria include geese and other wildlife, livestock including cattle on pastures near streams, manure application and septic systems. A sediment and phosphorus loading analysis completed for the watershed and indicates 7,256 tons of sediment and 11,610 pounds of phosphorous are delivered to Big Creek Lake from its watershed annually. The primary goals of the Big Creek Watershed Management Plan are to implement best management practices that will remove the bacteria impairment and reduce sediment phosphorous loading by 30%. This project will implement practices to remove the bacteria impairment and reduce sediment and phosphorus loading by 1,328 tons/year and 2,123 pounds/year respectively. Phase 1 will also continue to expand

information and education outreach activities aimed at increasing the awareness of water quality issues.

Purpose:
The parties propose to enter into this contract for the purpose of implementing watershed improvement practices and water quality educational programming for the project selected.

Contractor Selection Process:
DNR is entering into a contract with IDALS based on Iowa Code section 455B.103(3). Under this contract, DNR will work with IDALS to administer one competitively selected water quality project in the Polk and/or Boone County Soil and Water Conservation Districts.

Scope of Work:
For an outline of the **scope of work**, see the attached project summaries.

Rachel Glaza, Environmental Specialist
Watershed Improvement Section, Geological and Water Survey Bureau
Environmental Services Division

November 25, 2013

DNR Section 319-Funded Watershed Project Summary
PROJECT NAME: BIG CREEK LAKE WATERSHED PROJECT II

Amount: $443,848
Time Frame: December 17, 2013 – December 31, 2016 (3 years)
Description: Funding for an existing watershed project.
Project Goal: Eliminate bacteria sources and reduce sediment and phosphorus delivering to Big Creek Lake.

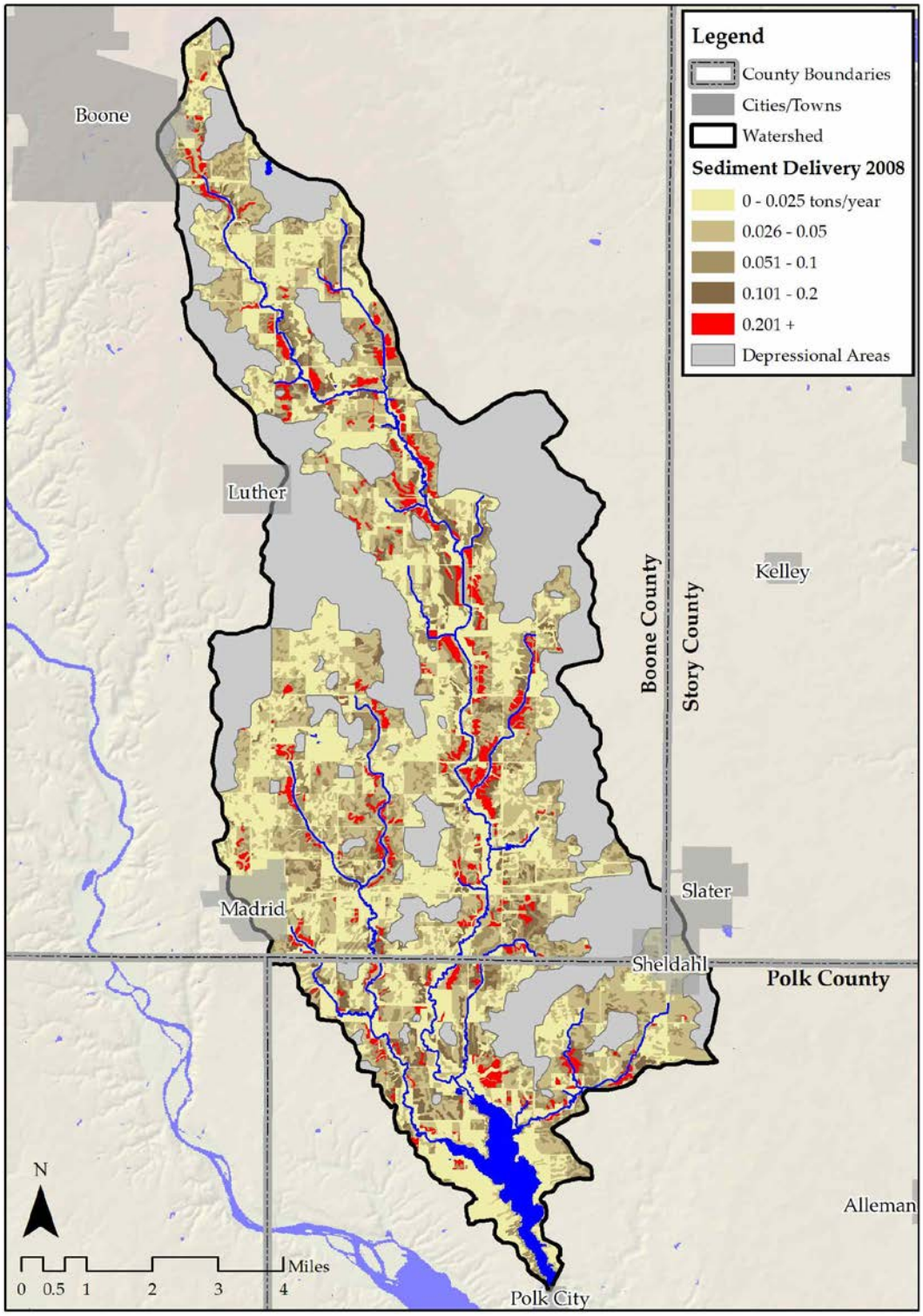
Big Creek Lake is located in the northwest corner of Polk County, 2 miles north of Polk City, Iowa. Big Creek Lake itself encompasses 781 acres and the watershed is 47,665 acres, making for a 61:1 watershed to lake ratio. The watershed encompasses portions of northwest Polk County, southeast Boone County and far southwest Story County. The Big Creek Lake Watershed encompasses three 12 digit HUC sub watersheds; the Upper Big Creek-Des Moines River (071000040701), Little Creek (071000040702) and Lower Big Creek-Des Moines River (071000040703). The current lake volume is estimated to be 14,573 acre feet and the mean depth is 19.4 feet with a maximum depth of 53.4 feet. There are three streams that feed Big Creek Lake, they are Turkey Creek, Big Creek and Little Creek, currently none of these streams are listed on the 303(d) Impaired Waters List. The total stream miles within the watershed are estimated to be 64 miles.
Big Creek Lake is surrounded by a 3,550 acre state park and wildlife refuge that is owned by both the Iowa DNR and the Army Corps of Engineers but is managed by Iowa DNR Wildlife and Parks. The park and lake offer recreational opportunities and are favorite destinations of Central Iowa residents. Park amenities include 3.4 acre swimming beach, shelters, picnic areas, playgrounds,

a sports field, several boat ramps, a shooting range, and several miles of multi-purpose trails. According to the Iowa DNR, an average of 740,600 people visited Big Creek Park annually from 2001-2008. The Center for Agricultural and Rural Development (CARD) at Iowa State University estimated the visitation in 2009 contributed $81 million to the local economy, which in turn supported 626 jobs. The study also shows Big Creek Lake is the 5th highest visited lake in Iowa.

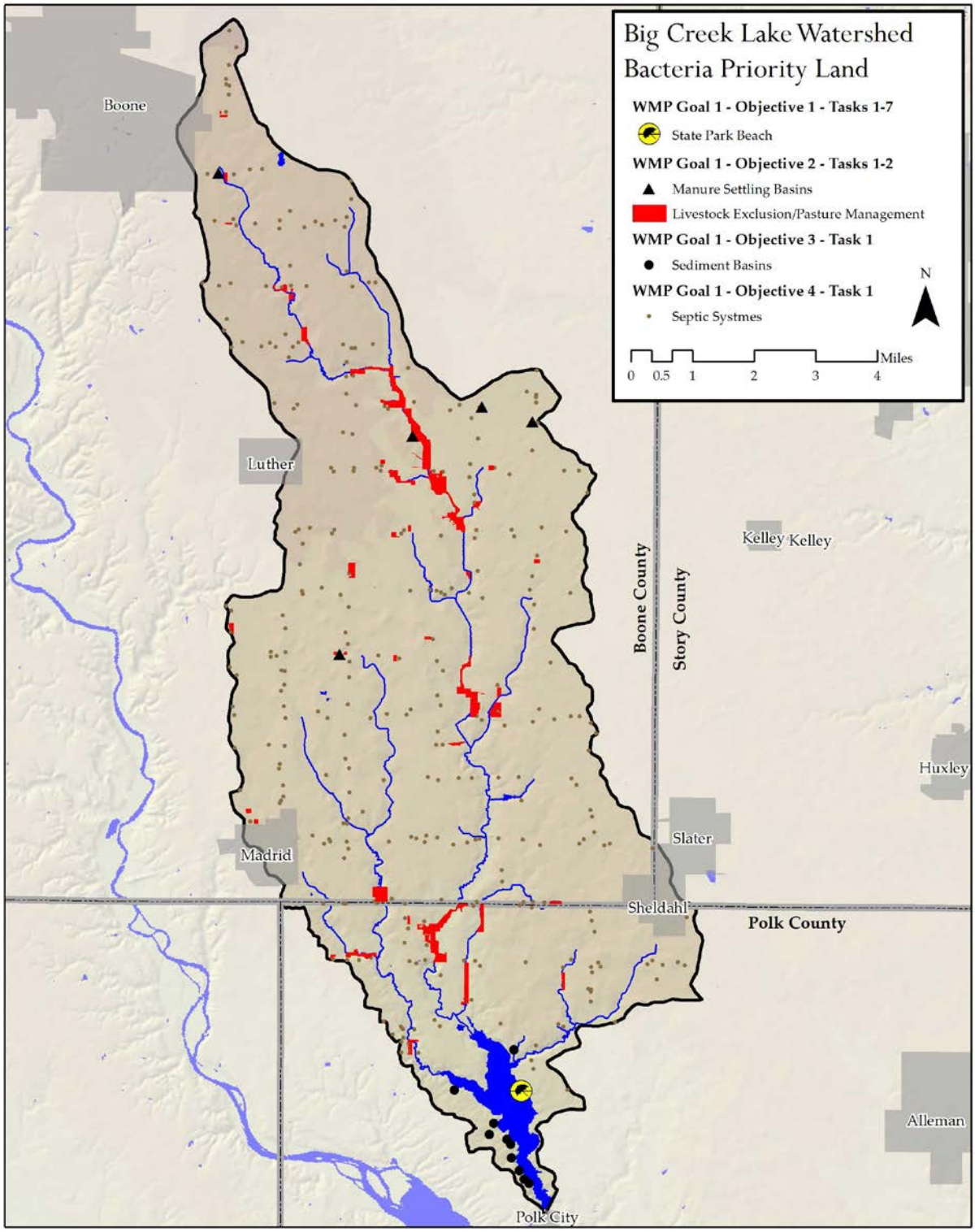
Big Creek Lake is Iowa's 5th most visited lake and is currently on the 303(d) Impaired Waters List for bacteria but the lake is also experiencing sedimentation and phosphorus loading resulting in a negative impact on water quality. While bacteria continue to be the primary impairment of concern, the EPA has recently stated phosphorus reducing practices are also eligible for 319 funding due to the threat of impairment.

A comprehensive watershed assessment was completed using accepted watershed planning protocols in 2008 and 2009. This assessment identified several potential sources of bacteria, sediment and phosphorus from the watershed. Watershed sources of bacteria include geese and other wildlife, livestock including cattle on pastures near streams, manure application and septic systems. A sediment and phosphorus loading analysis completed for the watershed and indicates 7,256 tons of sediment and 11,610 pounds of phosphorous are delivered to Big Creek Lake from its watershed annually.

The primary goals of the Big Creek Watershed Management Plan are to implement best management practices that will remove the bacteria impairment and reduce sediment phosphorous loading by 30%. This project phase will implement practices to remove the bacteria impairment and reduce sediment and phosphorus loading by 1,328 tons/year and 2,123 pounds/year respectively. Phase 1 will also continue to expand information and education outreach activities aimed at increasing the awareness of water quality issues. The Big Creek Watershed Management Plan is scheduled to be reevaluated in 2016.



Map 1: Sediment Delivery to Big Creek Lake



Map 2: Priority Areas for Bacteria Reduction in Big Creek Lake Watershed

The following best management practices will be implemented in the watershed to address priority areas.

Practices to address Bacteria:

Practice	Goal	Bacteria Reduction	Sediment Reduction	Phosphorus Reduction
Upgrade Faulty Septic Systems	5	Bacteria source control	NA	Variable
Pasture Management	115 acres	Bacteria source control	Variable	Variable
Modified Landscape	1.5 acres	Bacteria source control	Variable	Variable
Beach Grooming	3 acres	Bacteria source control	NA	NA
Maintain Away With Geese Lights	3 years	Bacteria source control	NA	Unknown
Goose Chasing Dog Services	3 years	Bacteria source control	NA	Unknown
TOTAL	-	Control	-	-

Practices to address sediment and phosphorus:

Practice	Goal	Bacteria Reduction	Sediment Reduction	Phosphorus Reduction
Water/Sediment Basins	36 no.	Bacteria trapping	25 t/y	40 lb/y
*Cover Crops	300 acres	Unknown	21 t/y	34 t/y
Terraces	14,000 feet	Unknown	26 t/y	42 lb/y
Grassed Waterways	40 acres	Unknown	518 t/y	829 lb/y
Streambank/Rock Riffle	1,500 feet	Unknown	520 t/y	832 lb/y
Grade Stabilization Structures	10 no.	Bacteria Trapping	68 t/y	109 lb/y
Buffers	15 acres	Unknown	50 t/y	80 lb/y
CRP Incentives	30 acres	Unknown	100 t/y	160 lb/y
TOTAL	-	Control	1,328 t/y	2,123 lb/y

This contract will provide funding to complete phase 1 of the WMP. Funding will be used for salary, benefits, information education campaign and for best management practices.

The partners involved in this project are the Iowa DNR, the Conservation Districts of Iowa, Boone and Polk County Soil and Water Conservation District and the Iowa Department of Agriculture and Land Stewardship – Division of Soil Conservation.

Iowa Department of Natural Resources
Environmental Protection Commission

ITEM **6** **DECISION**

TOPIC **Contract – Rathbun Water Alliance – Rathbun Lake Interim Watershed Management Plan**

Recommendation:
The Department requests Commission approval of a contract in the amount of $31,502 with the Rathbun Water Alliance for nine months to develop a 9-element interim watershed management plan for the Rathbun Lake Watershed.

Funding Source: Federal – Environmental Protection Agency
This project will be funded through Section 319 of the Clean Water Act.

Background:
Watershed Planning Grants from the Iowa DNR Watershed Improvement Program intend to develop an EPA nine-element Watershed Management Plan (WMP). These WMPs must target nonpoint source pollution and must be consistent with Iowa's recently updated State Nonpoint Source Management Program (NPSMP).

Rathbun Lake is the primary source of water for the Rathbun Regional Water Association (RRWA). RRWA is one of the largest rural water systems in the United States and the largest system in Iowa. RRWA provides eight million gallons of water daily to close to 80,000 people for residential, agricultural, and business use in 18 counties and 50 communities in Iowa and Missouri. In addition to being an important source of drinking water, the 11,000 acre lake offers recreational opportunities for one million visitors annually and is the site of Iowa's Honey Creek Resort State Park. Rathbun Lake also provides flood damage reduction for 150,000 acres of downstream land, fish and wildlife habitat in the lake and on 21,000 acres of adjacent public land, downstream water quality improvement, storage for supplementing navigational flows, and water for the Iowa Department of Natural Resources' (DNR) Rathbun Fish Hatchery. Rathbun Lake is located on the Chariton River in south central Iowa. The US Army Corps of Engineers (ACOE) developed the lake in the late 1960s. The ACOE is responsible for managing Rathbun Lake, lake facilities, and adjacent public land.

The Rathbun Water Alliance has completed assessments and selected management strategies as part of the current Rathbun Lake Watershed Management Plan which was finalized in 2002. There is a need to update the existing plan with current land use information, new strategies and incorporate EPA's 9 elements of watershed planning.

This project will provide funding for the development of an interim Rathbun Lake Watershed Management Plan to serve as a strategy for addressing non-point source pollution in the Rathbun Lake watershed from 2014 – 2020.

Purpose:
The parties propose to enter into this contract for the purpose of developing a 9-element EPA approvable interim watershed management plan.

Contractor Selection Process:
This project was chosen using a grant proposal application and committee review process.

Rachel Glaza, Environmental Specialist
Watershed Improvement Section, Geological and Water Survey Bureau
Environmental Services Division

DNR Section 319-Funded Watershed Project Summary
PROJECT NAME: RATHBUN INTERIM WATERSHED MANAGEMENT PLAN

Amount: $31,502
Time Frame: December 17, 2013 – September 30, 2014
Description: Funding for staff to develop an interim watershed management plan that includes EPA's 9 elements for watershed planning.
Project Goal: Develop an interim 9 element watershed management plan for the Rathbun watershed.

Rathbun Lake is the primary source of water for the Rathbun Regional Water Association (RRWA). RRWA is one of the largest rural water systems in the United States and the largest system in Iowa. RRWA provides eight million gallons of water daily to close to 80,000 people for residential, agricultural, and business use in 18 counties and 50 communities in Iowa and Missouri. In addition to being an important source of drinking water, the 11,000 acre lake offers recreational opportunities for one million visitors annually and is the site of Iowa's Honey Creek Resort State Park. Rathbun Lake also provides flood damage reduction for 150,000 acres of downstream land, fish and wildlife habitat in the lake and on 21,000 acres of adjacent public land, downstream water quality improvement, storage for supplementing navigational flows, and water for the Iowa Department of Natural Resources' (DNR) Rathbun Fish Hatchery. Rathbun Lake is located on the Chariton River in south central Iowa. The US Army Corps of Engineers (ACOE) developed the lake in the late 1960s. The ACOE is responsible for managing Rathbun Lake, lake facilities, and adjacent public land.

The Rathbun Water Alliance has completed assessments and selected management strategies as part of the current Rathbun Lake Watershed Management Plan which was finalized in 2002. There is a need to update the existing plan with current land use information, new strategies and incorporate EPA's 9 elements of watershed planning.

This project will provide funding for the development of an interim Rathbun Lake Watershed Management Plan to serve as a strategy for addressing non-point source pollution in the Rathbun Lake watershed from 2014 – 2020.

Environmental Protection Commission
Iowa Department of Natural Resources

ITEM **7** **DECISION**

TOPIC **Contract with IDALS Division of Soil Conservation for Iowa Learning Farms Project**

Recommendations:
Commission approval is requested for a one-year contract with the Iowa Department of Agriculture and Land Stewardship Division of Soil Conservation (IDALS DSC). The contract will begin on January 1, 2014 and terminate on February 15, 2015. The total amount of this contract shall not exceed $123,226.

Funding Source:
This contract will be funded through FFY2013 EPA Section 319 grant funds.

Background:
The contract will continue to support an existing water quality educational project, the Iowa Learning Farms Project, administered by Iowa State University (see separate project summary for more detailed information).

Purpose:
The parties propose to enter into this Contract for the purpose of retaining the Contractor to provide water quality educational programming for the project selected.

Contractor Selection Process:
IDALS Division of Soil Conservation was chosen for this project because of its ongoing overall program coordination of the Iowa Learning Farms Project.

Contract History:
This contract is one of a series of one-year contracts, dating back to 2004, to provide DNR support to the Iowa Learning Farms Project activities for the upcoming crop year.

Steve Hopkins
Nonpoint Source Program Coordinator, Watershed Improvement Section
Geological and Water Survey Bureau, Environmental Services Division
December 17, 2013

Attachment: Iowa Learning Farms 2014 Project Summary and Scope of Work

Iowa Learning Farms Project Summary and Scope of Work

Project Name: Iowa Learning Farms: Building a Culture of Conservation—Farmer to Farmer: Iowan to Iowan
Amount: $123,226
Time Frame: January 1, 2014 – February 15, 2015 (1 year)
Description: New Funding for an Existing Statewide Educational Project for the 2014 Crop Year
Project Goal: To increase the understanding between individual farm-level decisions and the aggregate impact on the environment

Summary:
The Iowa Learning Farms (ILF) project, established in 2004, currently collaborates with 77 farmer-partners and numerous other non-farmer conservation partners across the state (see maps on page 6 for current sites), finding ways to work more effectively with Iowa's ecology, using innovative practices to keep water, nutrients and soil where they belong for generations to come.
Over the past nine years, ILF has nurtured a network of partnerships with numerous agencies, organizations and producers. Key partnerships include:

- Iowa State University Extension and Outreach
- Iowa Department of Agriculture and Land Stewardship
- Iowa Department of Natural Resources
- US Environmental Protection Agency
- Leopold Center for Sustainable Agriculture
- USDA Natural Resources Conservation Service
- Iowa Water Center
- Conservation Districts of Iowa
- Practical Farmers of Iowa
- Iowa Farm Bureau Federation

The ILF project has evolved from several components working independently - agronomy, economics, sociology, agricultural engineering and outreach - into an intertwined, co-dependent project under the leadership of Drs. Matt Helmers and Jacqueline Comito. Each component has become integral to the others. As we look to 2014 and the future of ILF, we must continue to function in this way in order to maintain the strides already made and to not lose footing. The partnerships developed need to have continuity. They need to be nurtured and grown in order to continue to build a **Culture of Conservation** in Iowa. Long-term continuity is critical in creating a Culture of Conservation. We should not expect cultural change to occur immediately.

In 2011 and 2012, IDNR and IDALS led efforts to create plans and strategies for reducing non-source pollution and nutrients, respectively, in Iowa. The results of these efforts are Iowa's Nonpoint Source Management Plan and the Iowa Nutrient Reduction Strategy. The heart of both of these documents is that partnership is the cornerstone of conservation efforts in Iowa.

Looking ahead to 2014 and beyond, ILF continues to be well-positioned to be a key educator of timely issues related to soil and water quality improvement, manure and fertilizer nutrient management, and general conservation information for farmers and non-farmers. Our varied outreach mechanisms (website, blog, monthly e-newsletter, field days and workshops, how-to DVDs, monthly ILF webinars, and more) afford opportunities for ISU campus personnel, statewide ISU Extension and Outreach, and outside experts to share their state-of-the-art findings with farmers, landowners, farm managers, youth and the general public.

Project Objectives
The ILF program's goal is to be the collaborative voice of the major conservation stakeholders in Iowa to help advance the efforts of both the Nonpoint Source Management Plan and the Iowa Nutrient Reduction Strategy. The approach includes: (1) Increased understanding of conservation best management practices through on-farm demonstrations; (2) Increased communication and sharing of expertise via field days, workshops, webinars, online publications, conferences, articles and other print publications; (3) Broad statewide outreach efforts, including working with K-12 schools and community colleges across the state; (4) Increased training support for farmers and other stakeholders; and (5) Continued evaluation of all aspects of the ILF project, a critical component of feedback, ensuring the messages fit the means, the audience and our goals.

The established Iowa Learning Farms team will work to meet the following objectives:

1) Demonstrate and evaluate best conservation practices (with emphasis on strip tillage, no tillage and cover crops) using emerging technologies and implements on 20 demonstration sites throughout Iowa;

2) Identify and address conservation management challenges and social barriers to adoption to help farmers achieve concurrent goals of a healthy ecosystem and maintaining top-end cash grain crop yields and profitability; and

3) Educate ISU Extension and Outreach specialists, state and federal agency field staff, crop consultants and farmers about the soil and water quality benefits of conservation practices, successful management strategies and encourage these stakeholders to add these practices to their management systems and/or promote them among their farmer clients.

Project Methods
The overall strategy is twofold: 1) Work closely with the 20 demonstration partners to maintain and evaluate on-farm demonstration projects that establish randomized, replicated field-length strips of cover crops and other conservation practices including strip tillage and no tillage; and 2) Develop a program to educate farmers and stakeholders on the soil and water quality benefits of conservation practices and the use of successful management strategies. Below is a description of methods by objective:

Objective 1. Demonstrate and evaluate best conservation practices (with emphasis on strip tillage, no tillage and cover crops) using emerging technologies and implements on 20 demonstration sites throughout Iowa.

Task 1a. Maintain Demonstrations**.** Continue to work with 10 demonstration sites established in 2013 and 10 cover crop demonstrations established in 2008 and 2009 (map included in "Location" section). The 20 demonstration partners will work closely with staff to develop and maintain on-farm demonstration projects that establish randomized, replicated field-length strips of cover crops and other conservation practices into their farming systems. We plan to collaborate on additional demonstrations featuring on-farm vegetative filter strips, cover crops integrated in a seed corn production system, and manure management, among others which fall closely in line with Iowa's Nutrient Reduction Strategy. We also plan to work closely with ISUEO Field Agronomists to identify new potential cooperators who may be interested in taking part in demonstrations.

Task 1b. Evaluation of Demonstrations. Collection of targeted agronomic data specific to the demonstration practice(s) will be managed by ILF staff, with assistance from local ISUEO personnel and/or watershed coordinators. Data collection includes above ground cover crop

biomass, crop stand and population counts, crop grain yield and potentially soil nitrate measurements, depending on available funding.

Objective 2. Identify and address conservation management challenges and social barriers to adoption to help farmers achieve concurrent goals of a healthy ecosystem and maintaining top-end cash grain crop yields and profitability.

Task 2. Assess Management. Field operation and crop input information will be collected from farmer-partners at each demonstration site. Farmer-partners (with project personnel assistance, as needed) will estimate and report on row crop establishment (seedling emergence) 3-4 weeks after planting and will also be directed to observe and record any differences in row crop growth and development in replicated treatment strips during the crop growing season. At harvest, project personnel will again consult with farmer-partners, ensuring that grain yield and moisture data are accurately collected from sites. In addition, project personnel will perform an economic analysis of the costs of the conservation practice versus the economic benefits.

Objective 3. Educate ISU Extension and Outreach specialists, state and federal agency field staff, crop consultants and farmers about the soil and water quality benefits of conservation practices, successful management strategies and encourage these stakeholders to add these practices to their management systems and/or promote them among their farmer clients.

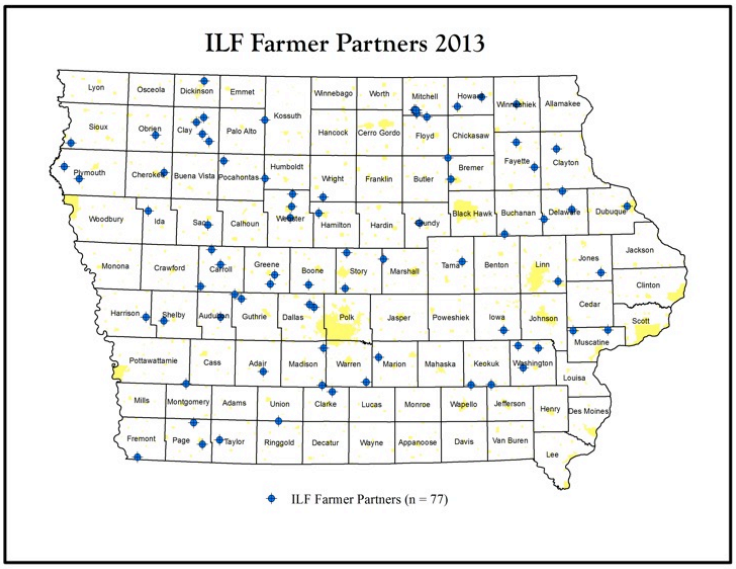
Task 3. Information Transfer. The Iowa Learning Farms will disseminate project information through the following means:

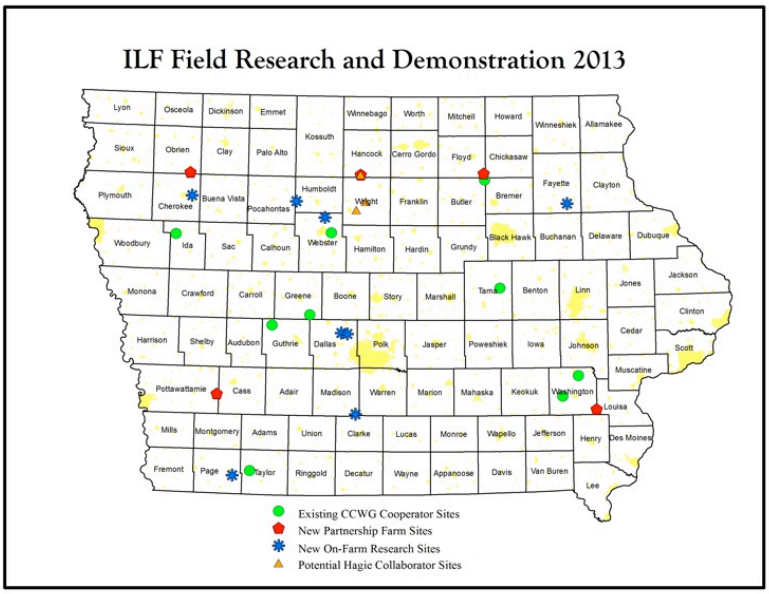
- Conduct 12 field days/workshops at demonstration sites and/or farmer- partner sites across Iowa to demonstrate conservation management techniques and provide training to agricultural professionals.
- Facilitate information exchange among ISU Extension and Outreach, state and federal agency field staff, crop consultants, farmers and other conservation professionals on the establishment and management of cover crops, strip tillage, no tillage and other conservation practices.
- Communicate project information and data collection through ISUEO Crop and Soils Clinics, Integrated Crop Management Conference, NRCS materials and meetings, Crop Advantage Series meetings, PFI Annual Conference, CDI Conference and other statewide conferences and workshops in Climate and Corn-based Cropping Systems Coordinated Agricultural Project.
- Promote conservation practices through press releases, social media outlets, articles in the Iowa Learning Farms blog and e-newsletter, PFI newsletter, *Wallace's Farmer* magazine, the Iowa News Service and other ILF partner outlets as appropriate for broad public distribution.
- Conduct 50 outreach events with the Conservation Station. Launched in 2010, the Conservation Station is a mobile learning center that educates audiences of all ages about issues related to agriculture, the environment, soil and water quality. Its rainfall simulator offers a powerful visual of the connection between land management choices, soil erosion and water quality; interactive, hands-on demonstrations are also included. The Conservation Station visits field days/workshops, county fairs, festivals and farmers' markets as well as many schools and outdoor classrooms statewide.

2014 Project Milestones

- 20 conservation demonstration sites maintained across Iowa
- 12 field days/workshops and evaluations
- Iowa Learning Farms field day guide
- Practical Farmers of Iowa Annual Conference track

- Participation in the following events: ISUEO Crop and Soils Clinics, Integrated Crop Management Conference, NRCS materials and meetings, Crop Advantage Series meetings, PFI Annual Conference, CDI Conference and other statewide conferences and workshops in Climate and Corn-based Cropping Systems Coordinated Agricultural Project
- 50 Conservation Station events
- 12 webinars
- 4 fact sheets
- Monthly articles in *Wallace's Farmer* and other agricultural news outlets
- Monthly e-newsletter
- Weekly blog posts
- Website maintained and continued distribution of how-to DVD series and other outreach materials
- 2,500 farmers participate in workshop, field day or webinar
- Outreach to 17,000 people total (our average in-person outreach each year)





Project Management

The Iowa Learning Farms has six staff members who are partially funded by this grant. In addition, there is one faculty manager and four faculty advisors involved in the program. The Iowa Learning Farms Steering Committee has worked together since 2004 and holds bi-annual meetings to ensure good communication and progress. The Steering Committee is led by the Iowa Department of Agriculture and Land Stewardship Division of Soil Conservation and includes representatives of NRCS, ISUEO, IDNR and CDI.

Key Project Personnel	Roles and Responsibilities
Dr. Jacqueline Comito serves as Program Co-Manager for Iowa Learning Farms. As an anthropologist, she has extensive experience in evaluation and qualitative research methods.	As Program Co-Manager, Comito oversees all project staff and coordinates the efforts of program evaluation. She helps identify barriers to conservation practices adoption by farmers and facilitates the production of outreach and educational materials.
Dr. Matt Helmers is an Associate Professor of Agricultural and Biosystems Engineering. Helmers' research and extension focus is in the areas of water quality and agricultural water resources management. Helmers co-manages the Iowa Learning Farms.	As Program Co-Manager, Helmers leads the evaluation of the impacts of conservation practices on water quality and soil health. Helmers' outreach will focus on education of producers and other stakeholders on the impacts of conservation practices on water quality and their connection to Iowa's nutrient reduction goals.
Ann Staudt is the Iowa Learning Farms assistant program manager and water quality specialist. Staudt has her masters degree in environmental engineering.	As assistant manager, Staudt aids in the production of outreach and educational materials, is a lead educator and supervises the citizen outreach.
Britt Moore is the Iowa Learning Farms field coordinator and water quality specialist. Moore has his masters degree in agronomy.	Moore facilitates the on-farm demonstration sites, data collection and assists in the coordination of outreach activities and educational materials.
Carol Brown is the Iowa Learning Farms communication specialist. Brown has 20+ years of work experience in communications.	Brown designs all ILF educational materials, coordinates the distribution of those materials and is responsible for all program promotion. In addition, Brown facilitates all ILF electronic outreach.
Elizabeth Juchems is ILF's Conservation Station Coordinator and student intern coordinator. Juchems has her masters degree in agricultural economics.	Juchems coordinates all of the Conservation Station events for ILF and Water Rocks!. In addition, Juchems is a key educator and coordinates the summer student internship program.
Nathan Stevenson is the Iowa Learning Farms program evaluator. Stevenson has his BA in political science.	Stevenson facilitates all of the evaluation work for the program. He also assists with graphic design of ILF's education and outreach materials.

Environmental Protection Commission
Iowa Department of Natural Resources

ITEM **8** **DECISION**

TOPIC **Contract with Iowa State University for "Water Rocks!", Phase II, a Youth Water Quality Education Project**

Recommendations:
Commission approval is requested for a one-year and four-month contract with Iowa State University to implement phase two of a youth water quality education project, entitled "Water Rocks!" The contract will begin on January 1, 2014 and terminate on May 15, 2015. The total amount of this contract shall not exceed $133,981.

Funding Source:
This contract will be funded through FFY2013 EPA Section 319 grant funds.

Background:
This contract will support phase two of an existing water quality educational project, "Water Rocks!", implemented by Iowa State University (see separate project summary for more detailed information). DNR provided support for phase one of "Water Rocks!" through a previous contract.

Purpose:
The parties propose to enter into this Contract for the purpose of retaining the Contractor to provide water quality educational programming for the project selected.

Contractor Selection Process:
Iowa State University was chosen for this project because of its existing work to successfully implement phase one of "Water Rocks!".

Contract History:
DNR provided support to Iowa State University to help initiate phase one of "Water Rocks!" through a contract that began in February of 2012. Both phase 1 and phase 2 of "Water Rocks!" help implement a part of Objective 2.5 of Iowa's Nonpoint Source Management Plan, to initiate youth educational programming on water quality issues.

Steve Hopkins
Nonpoint Source Coordinator, Watershed Improvement Section
Geological and Water Survey Bureau, Environmental Services Division
December 17, 2013

Attachment: "Water Rocks!", Phase 2 Project Summary and Scope of Work

"Water Rocks!", Phase II Project Summary and Scope of Work

Project Name: "Water Rocks!" (Iowa State University), Phase II
Amount: $133,981
Time Frame: January 1, 2014 – May 15, 2015 (1 year, four months)
Description: Funding for Phase 2 of a Youth Water Educational Project
Project Goal: Increasing understanding of water quality and watersheds among youth in grades K-12 in Iowa

This project will implement Phase II of "Water Rocks!", a youth water education project administered by Iowa State University Extension and Outreach.

Project Summary and Scope of Work
Today's Iowa students are tomorrow's landowners, farmers, decision-makers and voters. Water Rocks! is an Iowa State University Extension and Outreach (ISUEO) youth water education campaign that seeks to raise the environmental literacy of our youth before they are in a position to make decisions. Through an integration of **STEM** (science, technology, engineering and mathematics) and the arts, Water Rocks! challenges and inspires young people to think, learn and create in a world where boundaries are as blurry as the flow of water within a watershed. All water is connected and the whole world is connected through water. The more young people understand the relationship between agricultural practices, rural/urban land management choices and the health of our natural resources, especially soil and water, the more likely they will be receptive to making decisions to protect these resources in the future.

The overarching **project goals** of Water Rocks! include 1) Engaging students and adults in informal and formal water exploration and knowledge; 2) Providing students in grades 6-12, teachers and adults exposure to, and experience with, water through hands-on learning activities; 3) Inspiring an increased appreciation of the beauty and importance of the water resources in their watershed and state; 4) Encouraging dialogue (youth-to-youth, youth with elder) about challenges faced in areas of water quality, quantity, and climate change, based on current environmental, social, psychological, economic and political findings; 5) Building a stronger capacity for environmental water literacy in youth, educators and all Iowans, specifically targeting people in diverse communities (low income, minorities and tribal); and 6) Facilitating an increased understanding of the interconnectedness of our natural world, specifically water resources.

Using multiple strategies that are age appropriate, experiential and fun, Water Rocks! has five overarching **learning objectives**: 1) We all live in a watershed; 2) There is no new water; 3) Water quality matters; 4) Handling quantities of water; and 5) Meeting the water needs of an ever-changing world. Each one of these objectives includes the larger idea that water is life and works to build relationships with water.

Established in 2011, Water Rocks! is a statewide youth water education campaign that provides leadership and focus for the 2012 document *Planning for Water Quality: Iowa's Nonpoint Source Management Plan*, specifically Goal 2, Objective 2.5: "Develop and Implement a Statewide Campaign to Inform People about Water Quality Issues, Motivate Involvement and Change Behavior." Water Rocks! also helps fulfill objectives of the Iowa Department of Natural Resources Strategic Plan that calls for a statewide public awareness campaign. The **purpose** of Water Rocks! is to foster the interplay of knowledge, caring and engagement among Iowa's youth that can lead to long-term multi-generational transformation of all Iowans.

OUTREACH AND EDUCATION
Water Rocks! is managed through Iowa State University and is a partnership between Iowa State University Extension and Outreach (ISUEO), Iowa Department of Natural Resources (USEPA Section 319) and the Leopold Center for Sustainable Agriculture. Water Rocks! and its affiliate ISUEO program Iowa Learning Farms have a proven track record with water education for kindergarten through university students. Our team bridges the gap between agricultural education and environmental education in Iowa and we meet students in the spaces where they want to learn.

All Water Rocks! materials are tested with youth and educators and are revised until proven successful. We have access to respected scientists in the fields of agriculture, water quality, climate change, education and the social sciences who are able to collaboratively develop high quality educational

materials for Iowa's youth. We very much value a hands-on approach to education and the Water Rocks! team uses a multitude of creative approaches to teach complex water quality issues. Most importantly, we make it FUN! Through learning about their environment and exploring the landscape around them, Water Rocks! strives to inspire youth to live differently in the world.

Water Rocks! has developed a reputation for successful, innovative youth water programming, and continued funding of this program will allow Water Rocks! to increase its reach and effectiveness. One example of this success was the creation of an interactive watershed educational module for high school students, developed with a United States Department of Agriculture/National Institute of Food and Agriculture (USDA/NIFA) Secondary Education Challenge Grant: "Improving Secondary Ag/Science Students' Understanding of Watersheds" (2010-2011). Our team created this interactive educational module with multiple hands-on activities and used it with both middle school and high school students across the state. The hands-on watershed activity developed as part of this module has become the basis of our award-winning online computer game Rock Your Watershed!.

PHASE II TASKS AND DELIVERABLES (January 2014 - March 2015)
Water Rocks! Phase II will allow us to reach more youth, expand our programming and continue to offer it at no cost to educators. We will continue all the activities that were established in Phase I, in addition to establishing a Water Rocks! geocaching system in Iowa's state parks.

Developing Water Rocks! geocaches within Iowa's state parks will combine nature appreciation, outdoor recreation and mobile technology to encourage youth to get outside and explore their watersheds. Geocaching is a real life treasure hunt where participants use a GPS unit or smartphone with a GPS application to locate a hidden container (cache). We plan to establish 60 of these "treasures" within Iowa's state park system. Participants upload a specific set of coordinates to their GPS device and the treasure hunt is on. The caches will contain various "rewards" and a logbook to record the discovery. In addition, these Water Rocks! caches will also contain various teaching lessons and information to customize the experience to our overall educational goals.

With ever-increasing popularity in Iowa and nationally, geocaching allows us to take a fun recreational activity and modify it to teach students (as well as the general public) about specific water quality issues and challenges. Learning about science can have a greater impact on the student when experienced in nature and not just from a textbook. Geocaching helps facilitate an appreciation for nature that many students may not have had prior to the exploration, thus showing them first-hand what is at stake and what our water quality challenges are in Iowa. Each geocache will be linked to a watershed project and participants will be given simple ways to participate, e.g. having "geocache in; trash out" days or becoming an IOWATER volunteer to aid in local water monitoring in their watershed.

Phase II Task	Deliverables	Timeline
Ongoing development of Water Rocks! website	www.waterrocks.org Additional blogs, stories, enhanced learning activities, multimedia (songs and videos). We will continue to add materials to website as they are being developed throughout Phase II. We will also track success of Rock Your Watershed! computer game.	January 2014 – March 2015
Produce educational music videos	• 6 new Water Rocks! music videos • Enhanced learning activities for students/teachers to accompany each video	January 2014 – March 2015
Produce Water Rocks! video advertisements	6 new Water Rocks! video ads (2 in each campaign): • What's In Your Water? • Treasures of Iowa • I Am An Iowan	January 2014 – December 2014
Produce Conservation Pack Minute videos	8 new "Adventures of the Conservation Pack" videos: The Conservation Dogs explore natural resources of Iowa and carry out interviews with experts in water, soil and natural resources.	January 2014 – December 2014

Conduct school educational experiences	12 educational learning experiences/school visits will be conducted across the state of Iowa. We will test and use our new educational modules at these visits.	April 2014 – December 2014
Establish Water Rocks! geocaches in Iowa state parks	60 Water Rocks! geocaches will be established in state parks and watersheds statewide; includes geocache design, installation, website material development and online evaluation/tracking of usage.	January 2014 – December 2014

Evaluation and Measures of Success

This project begins and ends with evaluation and assessment. Evaluation is woven into every component of this project; evaluations will be used as a continual feedback loop to best improve our outreach and education. We will combine several different evaluation tools: well-established educational tools, project-specific surveys, logic models and interviews with project staff, participants and other stakeholders. Our plan for tracking and measuring progress towards achieving the expected outputs and short-term outcomes is included below. While we will have individual means of evaluating the expected outputs and short-term outcomes of our goals and objectives in the work plan (e.g. teacher feedback through surveys and interviews, student feedback through on-line comments, student interviews, scores on video games, etc.), education is a long-term investment and short-term evaluations can't tell us if youth will be more informed decision-makers as adults concerning issues of water in Iowa and EPA Region 7.

Evaluation of Water Rocks! website and classroom activities

1) As a part of the larger Water Rocks! project, we will be offering a Water Rocks! professional development summit for 20 educators and 20 student peer mentors from 10 schools in the summer of 2014. Teachers and student peer mentors will be educated on all the Water Rocks! classroom modules and the Rock Your Watershed! game so they can take it back to their schools to aid in their water education efforts.
    a. Teachers will be given a survey evaluation developed specifically for the project on use of website and supplemental materials in the classroom.
    b. The schools participating in the summit will evaluate materials. We will do preactivity and postactivity assessments with students.
    c. We will also track any differences in comprehension and engagement based on grade, gender and rural/urban background.
2) We will track numbers of participants on our websites and any engagement of Water Rocks via social media, and website.

Evaluation of Water Rocks! Geocaching

1) We will track numbers of participants as well as how participants are using and communicating about their geocaching experience via social media, website, and mobile app.
2) Participants will be asked to create narratives via logbook about what they learned and observed from their geocaching experience.

Environmental Protection Commission
Iowa Department of Natural Resources

ITEM **9** **DECISION**

TOPIC **Amendment of Contract With McFadden Environmental, Inc. for Risk Based Corrective Action (RBCA) Review Assistance Project**

Recommendations:
Commission approval is requested for the Department of Natural Resources (DNR) to amend a one-year professional service contract with McFadden Environmental, Inc., 722 SW Kennybrook Drive, Grimes, IA 50111. The purpose of the amendment is to:

1) Increase the not to exceed amount found in the amendment No. 3 from $100,000 to $150,000. The contract term for amendment No. 4 shall be from December 18, 2013 through February 13, 2014; and
2) Increase the not to exceed amount for each of the three remaining one-year extensions from $100,000 to $150,000 should the DNR elect to extend the contract (per Section 3.3 of the Contract).

Purpose:
The purpose of retaining the contractor is to provide report review assistance to the DNR Underground Storage Tanks Section. The contracted reviewers are certified groundwater professionals who complete technical reviews of risk-based correctve action (RBCA) assessment reports for leaking underground storage tank sites.

Funding Source:
The source of funding for this contract is an annual appropriation from the Underground Storage Tank Fund as set forth in 455G.3.

Background:
Contract Number ESD7512KAnder110133 (the Contract) was approved by the Environmental Protection Commission (EPC) on February 15, 2011. The Contract was for a term of one year with a not to exceed amount of $100,000. The Contract authorized up to five one year extensions for a maximum possible total of $600,000. During the course of the Contract, the DNR has determined that additional work by the Contractor may be necessary in excess of the amounts authorized in the original Contract.

Elaine Douskey
Underground Storage Tank Section
Land Quality Bureau, Environmental Services Division
December 17, 2013

Iowa Department of Natural Resources
Environmental Protection Commission

ITEM **10** **DECISION**

TOPIC **Contract – Keep Iowa Beautiful – Beautification Grant Program Amendment**

Recommendation:
The Department requests Commission approval to amend an existing agreement with Keep Iowa Beautiful (KIB) to extend the agreement for one year with a one year renewal option at the Department's discretion in the amounts not to exceed $135,000 in Year 1 and $135,000 in Year 2, again at the discretion of the Department.

Funding Source:
This project will be funded through the solid waste tonnage fee – 455E.11.

Background:
Iowa Code 455E.11(2)"a"(1) requires the Department to award a grant to one entity that assists communities and organizations in cleanup and beautification projects, conducts research on the reasons for littering and illegal dumping, administers antilittering and beautification education programs; and increases public awareness of the cost of littering. After issuing a Request for Proposals, the Department awarded the beautification grant to Keep Iowa Beautiful (KIB).

The grant requires KIB to develop and implement public education and awareness initiatives designed to reduce littering and illegal dumping, research Iowan's behavior and opinions on littering and illegal dumping and to establish a community beautification grant program including waste reduction, recycling and other solid waste management activities. Communities eligible to participate in the community beautification grant program must have a population of 5,000 or fewer.

The Department is proposing to continue this partnership with KIB as the legislative appropriation for such activities expires June 30, 2014. The amendment is being presented at this time to facilitate planning and program delivery for Fiscal Year 2015.

Purpose:
The Department proposing to continue the current partnership with KIB is a means to further reach smaller Iowa communities (population of 5,000 or less). KIB is well positioned in working with communities of this size on projects relating to resource management including, solid waste reduction and recycling. KIB has also been successful in developing and implementing elementary age school curriculum, meeting Dept. of Ed requirements, on littering, recycling and general environmentalism. KIB has also been successful in implementing school silver cord and service learning programs and has developed new partnerships in promoting environmental service learning.

Tom Anderson, Executive Officer II
Financial and Business Assistance Section, Land Quality Bureau
Environmental Services Division

STATEMENT OF WORK

Objective:
The Department's stated objective is to financially support the administration and delivery of the Beautification Grant Program to promote public education and awareness for the purpose of reducing illegal dumping and littering. It is also the objective of this Program to provide small grants to selected communities, with a population of 5,000 or less, for the purposes of supporting community beautification projects, including waste reduction and recycling.

Deliverables:
KIB deliverables shall be split into two basic activities, Public Education and Awareness and Community Competitive Partnership Grants.

<u>Public Education and Awareness Initiatives</u>

1. K-2 Clean and Green Initiative – combines best practices and educational research to provide classroom activities, afterschool and summer programs relating to littering, recycling and general environmentalism.
    - Expand the program to additional grades and schools across the state. Program expansion will also include County Conservation Boards, AEAs, after school programs and Character Counts chapters. Will implement pre and post curriculum testing with each new participating entity.
2. Utilize the newly completed research on service learning to extend and improve the quality of service learning. This will be done in partnership with Volunteer Iowa (Iowa Department of Economic Development), The Iowa Hall of Pride and the Iowa Coalition for Integration of Service Learning (ICISL). This will include programs that are being utilized, like the Silver Braid/Cord programs in some schools, community service recognition efforts and/or school community service requirements. This will encompass a small grant program for "Service Learning Project" support or initiation in schools. Acceleration of the service learning concept in Iowa's school systems through promotion and marketing efforts in both public and private schools. This program will be supported through workshops and the mini-grant program for teachers.

Community Competitive Partnership Grants

Communities of 5,000 or less population
Maximum grant amount $5,000 per project

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1. Competitive grants to eligible communities for implementing the following types of programs:
    a. Litter Prevention/Education: litter free events, citizen and student projects, special conferences/workshops, award programs, and special recognition;
    b. Litter Clean-ups that have a focus on education, public awareness and future prevention;
    c. Recycling Promotion/Education events;
    d. Recycling program implementation and equipment, promotion and marketing;
    e. Beautification efforts including landscaping, fix up and paint-up efforts;
    f. Community enhancement programs including signage improvements, entryway development, streetscape development, etc.; and
    g. Public nuisance abatement including refuse and weed removal.

Iowa Department of Natural Resources
Environmental Protection Commission

ITEM **11** **DECISION**

TOPIC: Solid Waste Environmental Management Systems' Grant Award Recommendations

The Environmental Management System Program is a voluntary program established by 2008 Legislation House File 2570 (Iowa Code 455J.7). As established in Code, grant funds are available only to Solid Waste Agencies and Permitted Facility Service Areas designated as Environmental Management Systems by the Environmental Protection Commission. Applications must be consistent with EMS goals and demonstrate a commitment to continuous improvement.

The Solid Waste Alternatives Program Advisory (EMS) Council is a nine-member committee established in House File 2570. Members are appointed by the director representing: Department of Natural Resources, Iowa Society of Solid Waste Operations, Iowa Recycling Association, Iowa Chapter of the National Solid Waste Management Association, Iowa Waste Exchange, Iowa Department of Economic Development (now Iowa Economic Development Authority) Recycle Iowa program, and three members representing Solid Waste Planning Areas of various sizes.

Nine grant applications were submitted to the EMS Advisory Council by the November 1, 2013 application deadline which is set by the EMS Council for each fiscal year. At the November 13, 2013 EMS Council meeting, applications were discussed by the eight Council members in attendance. Nine (9) applications were approved by majority vote, with one of those, the Northern Plains Regional Planning Area application submission was approved subject to the submission of written information requested by Council. That information was sent to Council members on November 19, 2013.

At this time, the Department requests Commission approval to enter into contracts with the eight selected applicants whose awards will be in excess of $25,000. The total amount requested of DNR funds was $383,029. The total cash match provided by the eight applicants requiring approval was $211,430.
A description of each recommended project we are seeking approval from the EPC is attached.

Jennifer Wright, Environmental Program Supervisor
Land Quality Bureau
Environmental Services Division

December 12, 2013

SOLID WASTE ALTERNATIVES PROGRAM EMS

PROPOSAL RECOMMENDATIONS

The Department received nine (9) grant request proposals for consideration during the November 1, 2013 round of funding. Eight (8) projects were selected for full funding. One of the projects was under $25,000.

The following provides a description of the projects for which Commission approval is requested.

Cass County Environmental Control Agency **65928 Jackson Rd** **Atlantic, IA 50022**	**Award:**	**$37,500**
	Cash Match:	**$12,500**
	Total Project Cost:	**$50,000**
Project Title:	**Project: Solar fountain leachate evaporation system and pump**	
Contact:	Wendy Wittrock	Phone: 712-243-1991
Description:	Cass County Environmental Control Agency will install a solar powered fountain into the 630,000 gallon leachate lagoon. A solar pump will transfer leachate into re-circulation trenches. The project will result in reduced greenhouse gas production due to less leachate hauling with tanker trucks.	
Target Area:	Cass County	

Cedar Rapids Linn County Solid Waste Agency **1954 County Home Road,** **Marion, IA 52302**	**Award:**	**$50,000**
	Cash Match:	**$30,535**
	Total Project Cost:	**$80,535**
Project Title:	**Project: Recycling Equipment/Sign**	
Contact:	Marie DeVries	Phone: 319-377-5290
Description:	Cedar Rapids Linn County Solid Waste Agency will use grant funds to help purchase equipment including: -2 used semi-trailers to replace to older, smaller vehicles -30 plastic reusable shipping pallets for electronics recycling -30 plastic reusable Gaylord boxes for shipping electronics -A digital sign for use at their new Resource Recovery facility to assist with onsite education and recycling promotion. This project will reduce Greenhouse Gas emissions due to vehicle efficiency. The use of reusable containers will benefit the electronics Recycling/Household Hazardous Materials program. New signage will help with Environmental Education of facility customers on recycling/reuse opportunities at the new Resource Recovery Facility.	
Target Area:	Cedar Rapids Linn County Service Area	

Dubuque Metropolitan Area Solid Waste Agency (DMASWA) **925 Kerper Court** **Dubuque, IA 52001**	**Award:**	**$45,712**
	Cash Match:	**$15,237**
	Total Project Cost:	**$60,949**
Project Title:	**Project: 4 projects – upgrade recycle drop-off, bike recycling partnership, on-site energy efficiency, plant trees**	
Contact:	Bev Wagner	Phone: 563-589-4250
Description:	DMASWA will undertake four projects with the help of grant funding: -Improve the Keystone, Iowa recycling drop off area with one large new and one refurbished 30-yard recycling bin. -Pant trees for landscaping, as well as their greenhouse gas value and other environmental benefits. -DMASWA will pursue an energy use reduction goal by installing energy efficient lighting inside and outside of the landfill shop area. -Partner with Bike Heaven to help in a mission to recycle bicycles in the area. Funds will be used to build a shed and racks for bikes near the entrance of the landfill. The Dubuque Rescue Mission could collect and refurbish reusable bikes. These projects will help DMASWA reduce Greenhouse Gas production through reduced energy consumption. They will also improve Recycling programs.	
Target Area:	DMASWA Planning Area including Dubuque and Delaware Counties	

Landfill of North Iowa (LNI) **15942 Killdeer Avenue** **Clear Lake, IA 50428**	**Award:**	**$50,000**
	Cash Match:	**$62,500**
	Total Project Cost:	**$112,500**
Project Title:	**Project: LNI Compost Project**	
Contact:	Bill Rowland	Phone: 641-357-5452
Description:	In order to meet the growing needs of their planning area, LNI will address yard waste by improving their composting operation. They will enlarge the all-weather compost pad, enhance operational efficiencies and improve erosion control. They will also increase marketing and educational outreach efforts in conjunction with this project. This project will improve LNI's Yard Waste program and will see them pump up Environmental Education on organics.	
Target Area:	LNI Planning Area: All cities and the unincorporated areas of Cerro Gordo County; the City of Nora Springs in Floyd County; all cities and the unincorporated areas of Franklin County, the Cities of Garner and Klemme in Hancock County; Forest City in Winnebago County; the Cities of Grafton, Hanlontown, Joice, Kensett, Manly, and Northwood in Worth County; and excluding Eagle Grove, all cities and the unincorporated area in Wright County.	

Metro Waste Authority (MWA) **1105 Prairie Drive SW** **Bondurant IA 50035**	**Award:**	**$50,000**
	Cash Match:	**$27,575**
	Total Project Cost:	**$77,575**
Project Title:	**Metro Waste Authority Hazardous Waste drop off - Grimes**	
Contact:	Judi Mendenhall	(515) 967-5512
Description:	MWA will construct a waste transfer station in Grimes in 2014/2015. In order to meet the needs of the growing population in the western suburbs, grant funds will be used to purchase a Hazardous Storage building, a shed and other equipment and supplies to add household hazardous materials collection to the list of services provided at this new facility. MWA will use grant funds to improve their Household Hazardous Materials program to provide safe, convenient disposal of these materials.	
Target Area:	Metro Park West Service Area including Dawson, Linden, Minburn, Perry, Redfield, Waukee, and Unincorporated Dallas County; as well as the City of Jefferson in Greene County.	

Rathbun Area Solid Waste Commission (RASWC) **3020 McCarty Street** **Centerville, IA 52544**	**Award:**	**$49,950**
	Cash Match:	**$16,650**
	Total Project Cost:	**$66,600**
Project Title:	**RASWC Shingle Recycling**	
Contact:	Roger Kaster	Phone: 641-437-7279
Description:	RASWC will add a shingle recycling program, reducing tons shipped for landfill disposal. Shingles are recycled into road material. A 6,400 square foot asphalt pad will be poured south of the transfer station for shingle collection. Bunkers will be placed on the south and west sides of the pad to help with the collection process. Staff will work on education and marketing. This project will improve RASWC's Recycling Program and Environmental Education/Marketing to residents and contractors will be increased to go along with this program.	
Target Area:	Rathbun Planning Area - Appanoose County and Seymour and Promise City in Wayne County.	

South Central Iowa Solid Waste Agency (SWISWA) **1736 Hwy T-17 South** **Tracy IA 50256**	**Award:**	**$49,867**
	Cash Match:	**$24,933**
	Total Project Cost:	**$74,800**
Project Title:	**SCISWA Energy Project**	
Contact:	Rick Hurt	Phone: (641) 828-8545 ext. 2
Description:	SCISWA will do several things to increase energy efficiency and reduce energy consumption at their facilities. They will replace lighting, man doors and overhead doors. A shop heater will be replaced with a more efficient method of heating. This project will help SCISWA reduce energy consumption and Greenhouse Gas production resulting from agency activities.	
Target Area:	The SCISWA Planning Area including Lucas, Monroe, Madison and Poweshiek. The landfill also serves the Rathbun Planning Area - Appanoose County.	

Waste Commission of Scott County (Commission) **PO Box 563** **Buffalo, Iowa 52728**	**Award:**	**$50,000**
	Cash Match:	**$21,500**
	Total Project Cost:	**$71,500**
Project Title:	**Hydroseeder, recycling containers**	
Contact:	Kathy Morris	Phone: 319-381-1300
Description:	The WCSC will work on several EMS areas through two projects. The purchase of a hydroseeder will allow seeding, pressure washing of equipment and special waste trucks. The equipment could also be used to wet of roads to reduce dust. Five recycling containers will be purchased. They will be used to improve the recycling drop off in Pleasant Valley and at the landfill's citizen convenience area. They hope to increase the number of commodities collected and therefore diverted from the landfill in this way. These projects will impact Recycling and Water Quality with direct customer service benefits. Environmental Education will go hand-in-hand with these projects.	
Target Area:	Scott County, Muscatine, Dubuque, Jackson, Cedar, Fort Madison and Rock Island in Illinois	

Iowa Department of Natural Resources
Environmental Protection Commission

ITEM **12** **DECISION**

TOPIC: Solid Waste Alternatives Program – Contract Recommendations

The Department received 11 proposals requesting $1,946,854 in financial assistance during the October 2013, round of funding. The review committee selected nine (9) projects for funding for a total of $918,265. Three (3) proposals recommended for funding are greater than $25,000 requesting a total of $801,250 in a combination of forgivable loans, zero-interest loans and three percent loans.

The review committee consisted of five persons representing the Land Quality Bureau (2), Iowa Society of Solid Waste Operations (1), Iowa Recycling Association (1), and the Iowa Waste Exchange (1).

At this time, the Department is requesting Commission approval to enter into a contract with the selected applicants whose award is in excess of $25,000.

A description of these recommended projects, the project types, the amounts and types of funding assistance is attached.

Jennifer Wright, Environmental Program Supervisor
Land Quality Bureau
Environmental Services Division

Attachment
a) Proposal descriptions

November 25, 2013

Midwest Organic Solutions
10166 Hartbecke Road
Farley, Iowa 52046

Forgivable Loan:	**$ 20,000**
Zero Interest Loan:	**$ 66,250**
Total Award Amount:	**$ 86,250**
Cash Match:	**$ 28,750**
Total Project Cost:	**$ 115,000**

Project Title: **Mobile Grinder for Composting**
Contact: Dave Hermsen **Phone:** 563-580-4546
Project Type: Best Practices
Applicant: Private for Profit
Description: The Grantee shall purchase a mobile grinder for processing clean wood, drywall, yard and land debris for use in Grantee's composting operation. Targeted generators include industrial facilities generating clean wood waste and drywall and counties and communities producing yard waste and land debris including the City of Dubuque's residential yard waste collection program.

Processing over 3,000 tons per year is anticipated with the potential increase to 9,000 tons per year through new contracts and mobile grinding services.

Service Area: Dubuque County and surrounding counties

City Carton Recycling, Inc.
3 Benton Street
Iowa City, Iowa 52240

Forgivable Loan:	**$ 20,000**
Zero Interest Loan:	**$ 35,000**
Total Award Amount:	**$ 55,000**
Cash Match:	**$ 18,500**
Total Project Cost:	**$ 73,500**

Project Title: **Styrofoam Recycling Program**
Contact: Daryl Russ **Phone:** 319-248-5165
Project Type: Best Practices
Applicant: Private for Profit
Description: The applicant, one of Iowa's longtime recycling centers, will purchase and put into operation a Styrofoam densifier thereby making Styrofoam recycling logistically feasible and economical. Applicant's existing drop-off recycling and collection route services will begin to accept Styrofoam. The applicant will also promote this new service to recover additional materials and new customers.

A densifier removes the air from the Styrofoam for an approximate 80% reduction in volume. Once densified, it becomes economical to store and transport the material in large quantities to end markets. The Styrofoam densifier will make it possible to recycle approximately 240 tons annually. This equates to 76,000 cubic feet of landfill space saved.

Service Area: State of Iowa

Save & Pave, Inc.
231 20th Street SW
Sioux Center, Iowa 51250

Forgivable Loan:	**$ 20,000**
Zero Interest Loan:	**$150,000**
Total Award Amount:	**$490,000**
	$660,000
Cash Match:	**$410,500**
Total Project Cost:	**$1,070,500**

Project Title: **Regional Asphalt Shingle Recycling Expansion**
Contact: Nick Andersen **Phone:** 712-441-2448
Project Type: Best Practices
Applicant: Private for Profit
Description: The applicant is seeking funding assistance to purchase a mobile hammer-mill grinder to process asphalt shingles and market the end product to asphalt paving companies as a raw material in hot asphalt mix applications that meets or exceeds IaDOT specifications. The applicant will be working regionally with eight solid waste planning areas (10 counties) in western Iowa to process asphalt shingles collected through these local recycling programs. Collected shingles will be processed indoors, will operate on electricity and includes a vacuum system to reduce the release of fine particles and fugitive dust.

It is expected the regional project will result in the recycling of approximately 10,000 tons of asphalt shingles.

Service Area: Western Iowa

Iowa Department of Natural Resources
Environmental Protection Commission

ITEM **13** **INFORMATION**

TOPIC **Financial & Business Assistance-Pollution Prevention (P2) Program Overview & Presentation**

The Financial and Business Assistance (FABA) Section works in conjunction with Iowa communities, business, industry, schools and households to achieve environmental success and financial results and we do so through non-regulatory services that focus on financial & technical assistance. The programs we administer through FABA are:

- Solid Waste Alternatives Program (SWAP)
- Derelict Building Grant Program
- Solid Waste Environmental Management System Program (EMS) / Comprehensive Planning
- Iowa Waste Exchange (IWE)
- Pollution Prevention Services (P2)
- Regional Collection Centers (RCCs) for Household Hazardous Materials
- Beverage Container Law

Jennifer Wright, FABA Supervisor and other FABA team members regularly present to the EPC on our SWAP, Derelict Building, EMS and IWE programs to request approval of grants and contracts. However, we have a couple of programs that have not needed contract and grant approval by the EPC and therefore we have not identified these valuable programs to you. We wanted to take this opportunity to introduce the Commission to our successful and popular Pollution Prevention (P2) Services. P2 Services provides confidential, non-regulatory environmental technical assistance to a variety of Iowa businesses, industry, institutions and more. In addition, they administer an award winning Intern program. P2 Services is predominantly funded through receipt of competitive grants from the EPA and USDA, with a small amount of matching funds from the Solid Waste Tonnage Fee. Jeff Fiagle, Team Lead of P2 Services will provide the Commission with an overview of Pollution Prevention and the services, along with a snapshot of successful projects that have been implemented in the past year at Iowa businesses.

Jennifer Wright, Supervisor
Financial & Business Assistance, Land Quality Bureau
Environmental Services Division

November 25, 2013

POLLUTION PREVENTION SERVICES

Working together to achieve
economic and environmental results

www.iowap2services.com

Pollution Prevention Services

- Confidential
- Non-regulatory
- No cost

Client Base

- Business & Industry
- Institutions
- Government Agencies
- Toxic Release Inventory Reporters
- RCRA Large Quantity Generators
- Large Energy Users

POLLUTION PREVENTION SERVICES

Services Offered

Assistance focused on our client's needs

- Opportunity Assessments
  - Focused or walkthrough
  - Energy
    - Compressor Utilization
    - HVAC Efficiency
    - Lighting Effectiveness
  - Water
    - Water use
    - Wastewater
  - Waste
    - Hazardous waste
    - Solid waste
- Pollution Prevention Intern Program
- EMS Assistance
- Workshops and Training

POLLUTION PREVENTION SERVICES

What is Pollution Prevention?

The reduction or elimination of wastes at the source (source reduction) instead of at the end-of-the pipe or stack.

POLLUTION PREVENTION SERVICES

Pollution Prevention Strategies

- Input Substitution
- Equipment Modifications
- Process Modifications
- Product Reformulation
- Raw Material Use & Handling
- Material Tracking & Inventory Control
- Improved Housekeeping & Maintenance

POLLUTION PREVENTION SERVICES

Benefits of Pollution Prevention

- Reduces liabilities and risks – disposal and workforce
- Reduces costs
- Assists in meeting environmental regulatory requirements
- Environmental improvement also means *financial savings*
- Improved image

Project Examples

- Water conservation
- Water Treatment
- Energy Efficiency
- Heat Recovery
- Landfill Diversion
- Medical waste reduction
- Organic waste reduction
- Chemical reduction / reuse

2013 Pollution Prevention Intern Program

- Nineteen internships, with one 24-week project
- *Implemented* 2013 Savings:

CATEGORY	REDUCTION
Water conservation	29,818,107 gallons
Solid waste	3,787 tons
Hazardous waste	12 tons
Electricity conserved	7,834,032 kWhs
Natural gas conserved	540,286 therms
DOLLARS SAVED	**$865,012**

P2 Company Profile

Company: Montezuma Manufacturing

- Montezuma, IA
- Project focus:
  - 24-week project
  - Facility energy audit
  - Compressors, electrical, make-up and infrared heating, lighting
- Identified opportunities:
  - Compressor PM, storage, upgrade controls
  - Heat recovery, equipment controls, peak demand
  - Interior / exterior lighting upgrades and controls

Total Savings: $608,118

Implemented: *$140,665*
Recommended: *$467,453*

www.iowap2interns.com

P2 Company Profile

Company: Procter & Gamble

- Iowa City, IA
- Project focus:
  - 24-week project
  - Boiler and steam distribution
  - Waste heat recovery
- Identified opportunities:
  - Boiler economizers
  - Trap replacement / insulation
  - Preheat incoming city water with wasted hot water heat source
  - Optimize sulfation mixing process to reduce energy costs

Total Savings: $350,531

Implemented: *$30,836*
Recommended: *$319,695*

www.iowap2interns.com

POLLUTION PREVENTION SERVICES

P2 Profile

Company: Mercy Medical Center

- Des Moines, IA
- Project focus:
  - Solid waste
  - Waste reduction
  - Process efficiencies
- Identified opportunities:
  - Single stream recycling
  - OR blue wrap reduction
  - Improved document destruction program
  - Styrofoam reduction / recycling
  - Warehouse cardboard recycling

Total Savings: $164,900

Implemented: *$148,300*
Recommended: *$16,600*

POLLUTION PREVENTION SERVICES

P2 Company Profile

Company: Dupont Pioneer

- Johnston, IA
- Project focus:
  - 24-week project
  - Alternative Energy – Bio-mass
  - Offset Energy Usage
  - Lighting Audits
- Identified opportunities:
  - Corn Boiler
  - Replace incandescent bulbs
  - Replace CFLs with LEDs

Total Savings: $168,117

Implemented: *$165,864*
Recommended: *$2,253*

www.iowap2interns.com

POLLUTION PREVENTION SERVICES

Measurable Outcomes since 2001

$71.7 Million

in ***Implemented*** Savings:

1.35 billion gallons	Water
207,000 tons	Solid / special waste
7,735 tons	Hazardous waste
349.3 Million	kWh (electricity)
8.5 Million	Therms (natural gas)

POLLUTION PREVENTION SERVICES

Contact

Jeff Fiagle
Team Lead
Iowa Department of Natural Resources
502 E. 9th Street
Des Moines, IA 50319
515/281-5353
jeff.fiagle@dnr.iowa.gov
www.iowap2services.com

DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROTECTION COMMISSION
ATTORNEY GENERAL REFERRALS
December, 2013

Name, Location and Region Number	Program	Alleged Violation	DNR Action	New or Updated Status	Date
Alchemist USA, LLC Early (3)	Underground Tank	UST System Deficiencies; UST Closure; Financial Responsibility	Referred to Attorney General	Referred	4/17/12
				Petition Filed	10/31/12
				Answer	1/14/13
				Trial Setting Conference	1/28/13
				Trial Date	10/30/13
				Amended Petition	4/22/13
Grain Processing Corporation Muscatine (6)	Air Quality Wastewater	Operation Without (PSD) Permit; Emission Standards – Particulate; Failure to Comply - MON; Construction Without WW Permit	Referred to Attorney General	Referred	4/19/11
				Petition Filed	12/01/11
				Answer	1/10/12
				CLAM Motion to Intervene	1/24/12
				Hearing on Intervention	4/03/12
				Ruling Granting CLAM Intervention	6/25/12
				Trial Date	5/19/14
Iowa Farm Bureau Federation et. al. Polk Co. (5)	Wastewater	Judicial Review of Antidegradation Rules	Attorney General	Petition Filed	10/04/10
				State's Answer	10/27/10
				Motion to Intervene by Sierra Club	11/03/10
				Motion to Intervene by Iowa Environmental Council and Environmental Law & Policy Center	12/15/10
				Hearing on Intervention	1/20/11
				Ruling Granting Intervention	2/03/11
				State's Motion for Summary Judgment; Undisputed Facts; Affidavits; Appendix and Memorandum	4/29/11
				Hearing on Petitioners' Motions	9/30/11
				Ruling Denying Petitioners' Motions	10/14/11
				Petitioner's Application for Interlocutory Appeal	10/31/11
				Petitioner's Motion for Stay	11/08/11
				State's Resistance to Application	11/14/11
				State's Resistance to Motion for Stay	11/16/11
				Hearing on Motion for Stay	11/30/11
				Supreme Court Denial of Interlocutory Appeal	11/23/11
				Petitioners' Motion for Stay Hearing Withdrawn	11/30/11
				Petitioners' Motion for Summary Judgment and Cross-Motion for Summary Judgment	12/21/11
				Hearing on Motions for Summary Judgment	1/18/12
				Ruling Granting State's Motion for Summary Judgment	3/29/12
				Notice of Appeal	4/26/12
				Petitioner's Proof Brief	9/28/12
				State's Proof Brief	11/28/12
				State's Designation of Appendix	11/28/12
				Appendix Filed	1/23/13
				Respondent-Intervenors' Proof Brief	12/03/12
				Petitioners' Proof Reply Brief	2/05/13
				Petitioner's Final Brief	2/06/13
				Petitioner's Final Reply Brief	2/06/13
				State's Final Brief	2/06/13
				Respondent-Intervenor's Final Brief	2/08/13

DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROTECTION COMMISSION
ATTORNEY GENERAL REFERRALS
December, 2013

Name, Location and Region Number	Program	Alleged Violation	DNR Action	New or Updated Status	Date
				Oral Argument before Iowa Supreme Court	10/09/13
Jai Santoshi Ma, Inc.; Bhupen Patel Williamsburg (6) **UPDATED**	Air Quality Solid Waste	Asbestos Illegal Disposal	Order/Penalty	Referred Petition Filed Answer Consent Decree ($80,000/Civil; Injunction)	9/18/12 4/22/13 5/13/13 9/30/13
McMains, Phil Appanoose Co. (5)	Air Quality Solid Waste	Open Burning Illegal Disposal	Referred to Attorney General	Referred Petition Filed Answer	6/19/12 8/08/13 9/03/13
North Central Iowa Regional SWA Fort Dodge (2)	Solid Waste	Operating Permit Violations	Referred to Attorney General	Referred	9/17/13
North Iowa Area Solid Waste Agency Sheldon (3) **UPDATED**	Solid Waste	Unapproved Leachate Collection System	Referred to Attorney General	Referred Petition Filed Answer Third Party Petition Against Elliot Waddell and Five States Engineering, PLC State's Resistance to Demand for Jury Trial	1/15/13 9/26/13 10/11/13 10/11/13 10/23/13
Passehl, Jerry Latimer (2)	Solid Waste; Wastewater; Hazardous Condition	Illegal Disposal; Operation Without Permit; Pollution Prevention Plan Violations; Failure to Notify	Order/Penalty	Referred Petition Filed State's Motion for Summary Judgment Trial Date Hearing on State's Motion for Partial Summary Judgment Ruling granting State's Motion for Partial Summary Judgment State's Motion for Sanctions Hearing on Motion for Sanctions Order Regarding Sanctions Trial Ruling ($36,110/Civil; $4,150.17/Admin. & Injunction) Defendant's Motion to Enlarge and Amend State's Resistance Hearing on Defendant's Motion to Enlarge and Amend Order Denying Motion to Enlarge and Amend Notice of Appeal Defendant's Proof Brief Defendant's Amended Proof Brief Oral Argument Date Before Court Of Appeals	3/16/10 12/27/10 8/25/11 9/13/12 6/01/12 6/06/12 6/09/12 7/17/12 7/20/12 9/14/12 10/09/12 10/24/12 11/01/12 12/17/12 12/21/12 1/18/13 5/13/13 5/24/13 11/07/13
Sioux-Preme Packaging Co. Sioux Center (3)	Wastewater	Prohibited Discharge; Operation Violations;	Referred to Attorney General	Referred	9/17/13

DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROTECTION COMMISSION
ATTORNEY GENERAL REFERRALS
December, 2013

Name, Location and Region Number	Program	Alleged Violation	DNR Action	New or Updated Status	Date
		WQ Violations – General Criteria			
Van Beek, Vern Inwood (3)	Animal Feeding Operation	Prohibited Discharge	Referred to Attorney General	Referred	10/16/12

Monthly Variance Report
October 2013

Item No.	Facility/City	Program	DNR Reviewer	Subject	Decision	Date
1	Ag Processing Inc	Air Quality	Dennis Thielen	continue operation of previous permitted baghouse for EP 25	approved	6/19/2013
2	I-280 WB over Duck Creek	Flood Plain	Andy Jensen	variance from freeboard criterion from 3 feet above 50 year flood elevation to equal to 50 flood elevation.	approved	9/24/2013
3	City of Dyersville STP	Wastewater	Marty Jacobs	variance from design standards for installation of gravity sewers in directional boring methods	approved	10/2/2013
4	City of Denver	Wastewater	Wenxin Liu	variance request HDPE pipe crossing under waterway using directional boring trenchless technology	approved	10/3/2013
5	MidAmerican Energy	Air Quality	Reid Bermel	Variance to operate temporary portable generator without obtaining modified construction permit	approved	10/7/2013
6	Nestle USA	Air Quality	Dennis Thielen	variance to begin installation and operation of new bagfor instantizer #1	approved	10/7/2013
7	Woodharbor Doors	Air Quality	Dennis Thielen	variance to replace current spray equipment wit more efficient equipment	approved	10/7/2013
8	Racers Bar & Grille	Water Supply	AJ Montefusco	variance from separation distance requirements replacement well	approved	10/7/2013
9	Kinze Manufacturing Inc	Water Supply	Daryl Enfield	variance to recommended permanent casing for all groundwater source shall project at least 18 inches above final ground surface	denied	10/11/2013
10	City of Earling	Water Supply	Daryl Enfield	variance from required water testing for well	approved	10/11/2013
11	City of Oakland	Water Supply	Daryl Enfield	variance for generator pad containment at citys raw water clearwell	approved	10/11/2013
12	Ames Water Treatment Plant	Water Supply	Mark Moeller	variance for new water treatment plant	approved	10/11/2013
13	Pella Corp - Carroll	Air Quality	Reid Bermel	variance to delay Title V stack testing	approved	10/16/2013
14	Anderson Excavating Construction & Demolition Landfill	Sanitary Disposal	Mick Leat	variance to maximum permeability for final covers infiltration layer	approved	10/18/2013
15	Donaldson Co	Air Quality	Dennis Thielen	variance to installation of stack extension	approved	10/21/2013
16	Cambrex Charles City Inc	Air Quality	Dennis Thielen	variance for installation of temporary vent for existing reactor.	approved	10/21/2013
17	Garner STP	Wastewater	Laura Knispel	variance from design standards for installation of open sludge storage lagoon	approved	10/28/2013

DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROTECTION COMMISSION
CONTESTED CASES
December, 2013

DATE RECEIVED	NAME OF CASE	F.O.	ACTION APPEALED	PROGRAM	ASSIGNED TO	STATUS
11/27/01	Dallas County Care Facility	5	Order/Penalty	WW	Hansen	10/03 – Letter to County attorney regarding appeal resolution. 1/04 – Letter to attorney regarding appeal. 4/04 – Dept. letter to attorney regarding appeal. 9/04 – Dept. letter to attorney regarding appeal. 6/26/07 – Appeal resolved. Facility connected to City WWTF. Consent order to be issued. 1/29/13 – Order amendment drafted.
4/08/04	Silver Creek Feeders	4	Permit Conditions	AFO	Clark	12/9/11 –Meeting with Silver Creek officials, DNR staff and attorneys.
1/05/09	River Highlands Homeowner's Association	6	Order/Penalty	WS	Hansen	10/09- WS in partial compliance with order after repair to well in 9/09. 5/11 – Now in compliance with order. Settlement offer to River Highlands. 6/2011- Response received from River Highlands**.** 7/13 – To be set for hearing. 8/27/13 – Conference call to discuss settlement. 9/13 – Settled – Consent amendment to be sent to River Highlands for signature.
8/17/09	Phoenix C & D Recycling, Inc.	5	Permit Revocation	SW	Tack	Proposed Decision issued 5/21/2010. DNR permit revocation upheld. EPC appeal pending. Settlement pending.
10/29/09	Harlan Rudd; Karen Rudd; dba Rudd Brothers Tires	6	Order/Penalty	UT	Brees	Informal negotiation. CADR was submitted, partially rejected with options. Settlement letter sent 2/24/10.
12/16/09	Guy Thomas	4	Order/Penalty	UT	Brees	Oral agreement for tank removal prior to April 1, 2010. Continued negotiation on final settlement.
2/25/10	Higman Sand & Gravel Inc.	3	Order/Penalty	FP	Clark	Negotiating before filing.
3/11/10	Bondurant, City of	5	Order/Penalty	WW	Hansen	7/2013-On hold pending further investigation.
11/3/2010	Wendall Abkes	2	Order/Penalty	SW	Schoenebaum	Settlement phone call held. Mr. Abkes indicated he would enter into a settlement. 6/12/13 -- Offer to settle sent via certified mail. Letter was returned as unclaimed.
12/29/10	Griffin Pipe Products Co., Inc.	4	Permit Conditions	AQ	Preziosi	**Last communication to appellant on 10/22/13.**
1/31/11	Griffin Pipe products Co., Inc.	4	Tax Certification Request	AQ	Preziosi	**Last communication from appellant on 11/19/13.**
2/28/11	Manson, City of	3	Order/Penalty	WS	Hansen	4/1/11 – Settlement conference held with City. 6/22/11- Settlement offer received from City attorney. 6/28/11- More information requested from City attorney

DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROTECTION COMMISSION
CONTESTED CASES
December, 2013

DATE RECEIVED	NAME OF CASE	F.O.	ACTION APPEALED	PROGRAM	ASSIGNED TO	STATUS
						concerning the settlement proposal. 11/29/11- Settlement meeting with City regarding new well project. 12/2011 – City proceeding with project. 6/2012**-** Contractor worked on new well to remove debris in well. Test pump to be installed to do test of well capacity. 07/2012- City to abandon new well and select new site for well to increase PWS capacity. 10/2012- Water plant work to be done week of 12/10/12. 5/2013- New well project & appeal on hold, pending UDSA funding decision. 6/2/13 – USDA funding decision received. 6/26/13 – New bid date for well project. . 7/2013- Tentative schedule for new well received from City's engineer**.** 8/13 – Drilling on test well begun by contractor. 9/13 – Test well not productive, new well site approved by Dept. New test well to be drilled. **10/13-** Test well drilled but not successful. Test well abandoned. City Council to decide on next step.
6-15-12	Vermeer Manufacturing Co.	5	Permit Conditions	AQ	Preziosi	Internal meeting held 10/22/13.
8-27-12	Ag Processing, Inc.; Sergeant Bluff	4	Permit Conditions	AQ	Preziosi	Last communication with appellant 10/17/13.
8-29-12	Alcoa	6	Permit Conditions	AQ	Preziosi	Last communication with appellant 10/21/13.
9-25-12	**Ag Processing Inc.**	**2**	**Permit Conditions**	**AQ**	**Preziosi**	**Settled.**
10-01-12	Pet Memories	3	Order/Penalty	SW	Tack	Proposed Decision appealed to EPC.
11-21-12	Ag Processing Inc.	6	Permit Conditions	AQ	Preziosi	Last communication from appellant 10/17/13.
1-10-13	**Kenneth Kline**	**4**	**Order/Penalty**	**AFO**	**Clark**	**10/29/13 – Settled. Case closed.**
3-04-13	Anderson Excavating Co., Inc.	4	Order/Penalty	SW	Tack	Negotiating before filing.
6-20-13	Joseph and Carol Jahnke	1	Dam Application	FP	Schoenebaum	Hearing set for 10/23/13.
9-09-13	David Hansen; Debra D. Imhoff	6	Order/Penalty	FP	Schoenebaum	Appeal filed 9/9/13.
10-28-13	Regional Environmental Improvement Commission/Iowa Co. SLF	6	Permit Amendment	WW	Tack	New case.
11-07-13	Linn County Conservation Board Pinicon Ridge Park	6	Permit Conditions	WS	Hansen	New case.

DATE: December, 2013

TO: EPC

FROM: Ed Tormey

RE: Enforcement Report Update

The following new enforcement actions were taken during this reporting period:

Name, Location and Field Office Number	Program	Alleged Violation	Action	Date
Clermont, City of (1)	Wastewater	Compliance Schedule; Prohibited Discharge; Water Quality Violations – Numeric Criteria	Consent Order $3,500	10/29/13
Larry Eisenhauer Woodbury Co. (3)	Air Quality Solid Waste	Open Burning; Illegal Disposal	Order/Penalty $4,675	10/30/13
Golden Grain Energy, LLC Mason City (2)	Wastewater	Discharge Limits	Consent Order $10,000 $650 Wildlife Restitution	11/14/13
Joseph E. Skelley; Ssippi Valley Saloon, LLC Burlington (6)	Air Quality	Asbestos	Order/Penalty $3,300	11/18/13
Cedar Rapids, City of (1)	Wastewater	Water Quality Violations – General Criteria	Consent Order $1,500/SEP $7,160/Fish $1,309/Investi-gative Costs	11/18/13
J & J Pork, LLC Iowa Co. (6)	Animal Feeding Operation	Failure to Update Plan	Order/Penalty $5,000	11/19/13

IOWA DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROTECTION COMMISSION
RULE MAKING STATUS REPORT
December, 2013

Proposal	Stakeholder Engagement	Sent for Governor's Pre-Approval (Job Impact) Statement		Notice to EPC	Notice Published	ARRC No.	ARRC Mtg.	Hearing	Comment Period	Final Summary To EPC	Rules Adopted	Rules Published	ARRC No.	ARRC Mtg.	Rule Effective
1. Ch. 20, 21, 22, 31 and 33 – Air Quality Program Rules – Nonattainment New Source Review		7/24/13	8/02/13	8/20/13	9/18/13	1016C	10/08/13	10/21/13	10/21/13	11/19/13	11/19/13	12/11/13	1227C	*1/06/14	*1/15/14
2. Ch. 22, 23 –AQ – Grain Vacuuming		11/22/13													
3. Ch. 64 – Storm Water Permits		8/27/13	9/18/13	10/14/13	11/13/13	1176C		12/12/13	12/12/13						
4. Ch. 93 – Wastewater Assistance Program		8/27/13	9/18/13	10/14/13	11/13/13	1177C		12/04/13	12/04/13						
5. Chapter 135 - Technical Standards and Corrective Action Requirements for Owners and Operators of Underground Storage Tanks				Amended 6/18/13 12/18/12	7/24/13 1/09/13	0836C 0560C	8/06/13 2/08/13	8/13/13 2/07/13	8/13/13 2/06/13	9/17/13	9/17/13	10/16/13	1100C	11/05/13	11/20/13

IOWA DEPARTMENT OF NATURAL RESOURCES
COMPLIANCE AND ENFORCEMENT BUREAU

DATE: December 1, 2013

TO: Environmental Protection Commission

FROM: Ed Tormey

SUBJECT: Summary of Administrative Penalties

The following administrative penalties are due:

NAME/LOCATION	PROGRAM	AMOUNT	DUE DATE
Robert and Sally Shelley (Guthrie Center)	**SW**	**1,000**	**3-04-91**
Daryl & Karen Hollingsworth d/b/a Medora Store(Indianola)	**UT**	**4,126**	**3-15-96**
Greg Morton; Brenda Hornyak (Decatur Co.)	**SW/AQ/WW**	**3,000**	**11-04-98**
James Harter (Fairfield)	**WW**	**1,336**	**8-01-01**
Wisconsin North dba National Petroleum, Inc. (Clinton)	**UT**	**5,000**	**8-04-01**
# Practical Pig Corporation (Clinton Co.)	**AFO**	**2,000**	**5-26-02**
Midway Oil Co.; David Requet (Davenport)	**UT**	**5,355**	**9-20-02**
Midway Oil Co.; David Requet; John Bliss	**UT**	**44,900**	**2-28-03**
Green Valley Mobile Home Park (Mt. Pleasant)	WW	5,000	4-23-03
Midway Oil Company (West Branch)	**UT**	**7,300**	**5-03-03**
Midway Oil Company (Davenport)	**UT**	**5,790**	**5-03-03**
Albert Miller (Kalona)	**AQ/SW**	**9,810**	**9-26-03**
Mike Messerschmidt (Martinsburg)	**AQ/SW**	**500**	**4-13-04**
Interchange Service Co., Inc., et.al. (Onawa)	WW	6,000	5-07-04
# Dunphy Poultry (Union Co.)	**AFO**	**1,500**	**6-27-04**
# Cash Brewer (Cherokee Co.)	**AFO/SW**	**10,000**	**8-25-04**
# Doorenbos Poultry; Scott Doorenbos (Sioux Co.)	**AFO**	**1,500**	**10-09-04**
Rock N Row Adventures (Eldora)	WS	3,000	10-23-04
# Doug Sweeney (O'Brien Co.)	**AFO**	**375**	**12-21-04**
Harold Linnaberry (Clinton Co.)	SW	1,000	5-18-05
# Joel McNeill (Kossuth Co.)	**AFO**	**2,460**	**1 21-06**
Affordable Asbestos Removal, Inc. (Monticello)	**AQ**	**7,000**	**4-28-06**
# Troy VanBeek (Lyon Co.)	**AFO**	**3,500**	**10-16-06**
Larry Bergen (Worth Co.)	**AQ/SW**	**257**	**11-01-06**
# Joshua Van Der Weide (Lyon Co.)	**AFO**	**3,500**	**2-25-08**
Karl Molyneux (What Cheer)	**AQ/SW**	**960**	**7-19-08**
George Kramer (Clinton Co.)	**AQ/SW**	**1,500**	**11-09-08**
Jon Knabel (Clinton Co.)	**AQ/SW**	**2,000**	**12-16-08**
Stuart Yoder (Johnson Co.)	**AQ/SW**	**224**	**2-11-09**
# Robert Fangmann (Dubuque Co.)	**AFO**	**396**	**6-01-09**
# Rick Renken (LeMars)	**AFO**	**996**	**7-03-09**
# Brian Lill (Sioux Co.)	**AFO**	**3,342**	**7-18-09**
# Lane Bachman (Calhoun Co.)	**AFO**	**3,885**	**10-08-09**
Denny Geer (New Market)	**SW**	**9,476**	**10-31-09**
Shrey Petroleum; Palean Oil; Profuel Three (Keokuk)	UT	10,000	3-19-10
Melvin Wellik; Wellik-DeWitt Implement (Britt)	**AQ/SW**	**2,900**	**4-08-10**
Alchemist USA, LLC; Ravinder Singh (Malcom)	UT	8,260	5-03-10
# LJ Unlimited, LLC (Franklin Co.)	AFO/AQ/SW	3,500	5-27-10
Bret Cassens; J & J Pit Stop (Columbus Junction)	UT	8,700	6-20-10

#Animal Feeding Operation
BOLD Entries Have Been Referred to DRF

# Christopher P. Hardt (Kossuth Co.)	AFO	2,000	7-07-10
AKD Investments, LLC; H.M. Mart, Inc. (Blue Grass)	UT	6,900	8-06-10
Eastern Hills Baptist Church (Council Bluffs)	WS	1,250	11-29-10
James Bailey; James Bailey Construction (Douds)	**AQ/SW**	**634**	**12-01-10**
Jeff Grooms; Floris One Stop (Floris)	UT	7	12-09-10
# Joe McNeill (Kossuth Co.)	**AFO**	**2,500**	**12-23-10**
Gonzalez & Sons Express, Inc. (DeSoto)	**WW**	**8,000**	**4-20-11**
David C. Kuhlemeier (Cerro Gordo Co.)	**AQ/SW**	**2,000**	**6-30-11**
Steve Friesth (Webster Co.)	**AQ/SW**	**8,400**	**11-26-11**
Josh Oetken (Worth Co.)	**AQ/SW**	**8,495**	**3-11-12**
Jeffrey G. Gerritson (O'Brien Co.)	**SW**	**2,000**	**4-16-12**
Bhupinder Gangahar/Saroj Gangahar/International Business	**UT**	**7,935**	**4-20-12**
Finney Industrial Painting, Inc. (Fairfield)	**AQ/WW**	**5,250**	**4-23-12**
Terry Philips; TK Enterprises (Washington Co.)	**AQ/WW**	**7,000**	**5-30-12**
# Boerderij De Vedhoek, LLC (Butler Co.)	**AFO**	**8,500**	**11-16-12**
James L. Heal; A-1 Imports (Homestead)	WW/SW	1,800	1-08-13
Sun-Jon, Inc.; Iowa Poultry (Johnson Co.)	WW	3,000	1-08-13
Noah Coppess (Cedar Co.)	AQ/SW	7,500	2-23-13
Shane Rechkemmer (Fayette Co.)	**SW**	**1,000**	**3-01-13**
Jeff Grooms; Floris One Stop (Floris)	**UT**	**3,500**	**3-01-13**
Michael Lee Liphardt aka Melvin Liphardt (Clinton Co.	**AQ/SW**	**2,000**	**3-05-13**
B Petro Corporation (Cedar Rapids)	UT	7,728	5-13-13
Bernard Michelson (Hancock Co.)	AQ/SW	2,500	4-26-13
Ken Odom (Iowa Co.)	AQ/SW	3,000	4-26-13
Jacob Reed (Mahaska Co.)	AQ/SW	1,500	6-10-13
River Trading Company, Ltd. (Muscatine)	WW	3,000	9-15-13
Robert Downing (Mahaska Co.)	AQ/SW	10,000	11-15-13
# Steve and Paul Groth; Groth Farms (Mitchell Co.)	AFO	3,000	11-17-13
Harold Irwin Sr.; Harold Irwin Jr.; Irwin Inc. (DeWitt)	AQ/SW	2,500	11-03-13
Stephan A. Palen (Wapello Co.)	AQ	2,500	11-17-13
# Kenneth W. Kline (Harrison Co.)	AFO	3,000	11-22-13
Shriners Hospital for Children, Inc. (Des Moines)	UT	8,890	12-03-13
Golden Grain Energy, LLC (Mason City)	WW	10,000	12-14-13
Larry Eisenhauer (Woodbury Co.)	AQ/SW	4,675	-------
Joseph E. Skelley; Ssippi Valley Saloon, LLC (Burlington)	AQ	3,300	-------
# J & J Pork, LLC (Iowa Co.)	AFO	5,000	-------
	TOTAL	**351,612**	

The following penalties have been placed on payment plans:

*** Reginald Parcel (Henry Co.)**	**AQ/SW**	**110**	**4-23-05**
*** Country Stores of Carroll, Ltd. (Carroll)**	**UT**	**1,408**	**6-06-05**
*** Douglas Bloomquist (Webster Co.)**	**AQ/SW**	**3,500**	**12-01-07**
* Jack Knudson (Irwin)	UT	10,000	1-15-08
*** Craig Burns (Postville)**	**WW**	**950**	**7-15-08**
# Jerry Passehl (Latimer)	SW/WW/HC	2,695	7-01-09
Jerry Wernimont (Carroll)	**AQ/SW**	**1,500**	**4-19-10**
# Ernest Greiner (Keokuk Co.)	**AFO**	**500**	**10-10-10**
Quad City Drum Recycling Co., Inc. (Davenport)	AQ	125	9-01-12
# Kevin DeWeerd (Lyon Co.)	AFO	208	12-15-13
John Kletsch (Superior)	AQ	1,150	11-01-12
# Anthony Fehr; ACL Fehr LLC (Kossuth Co.)	AFO	249	10-01-13
# Lee Kovar (Iowa Co.)	AFO	204	11-15-13

#Animal Feeding Operation

BOLD Entries Have Been Referred to DRF

Ernest Poyzer; Alan Poyzer; Dean Poyzer (Emmet Co.)	AQ/SW	580	11-15-13
Jim Scallon (Butler Co.)	SW	1,875	4-15-13
# Dan Muller (Kossuth Co.)	AFO	3,938	1-15-13
R.H. Hummer Jr., Inc.; 2161 Highway 6 Trail (Iowa Co.)	AQ/SW	3,643	9-15-13
Patrick Baker; Stockton Auto (Davenport)	AQ/SW	1,245	12-15-13
Anthony Sheeder (Guthrie Co.)	AFO	1,250	11-15-13
Air Advantage, Inc. (Mt. Pleasant)	WW	4,500	4-01-14
Ellsworth Excavating Co. (Muscatine Co.)	AQ/SW	1,500	12-01-13
# Steve Grettenberg; Dragster LLC	AFO	5,250	11-20-13
Mid River Marine Service and Storage (North Liberty)	WS	5,720	9-30-13
Lonnie Bryant; Sierra Bryant; Bryant's MHP (Keokuk)	WW	800	12-01-13
	TOTAL	**52,900**	

The following administrative penalties have been appealed:

NAME/LOCATION	PROGRAM	AMOUNT
Dallas County Care Facility (Adel)	WW	5,000
River Highlands Homeowner's Association	WS	10,000
Guy Thomas (Council Bluffs)	UT	10,000
Harlan Rudd; Karen Rudd; Rudd Bros. Tires (Drakesville)	UT	10,000
Bondurant, City of	WW	10,000
Higman Sand and Gravel, Inc. (Plymouth Co.)	FP	10,000
Helen and Virgil Homer; Grandmas Snack Shop; Preston White (Aredale)	WS	8,461
Manson, City of	WS	10,000
Wendall Abkes (Parkersburg)	SW	7,000
Keith Durand; Durand Construction (Lee Co.)	WW	500
Pet Memories, Inc. (Cedar Co.)	SW	10,000
Anderson Excavating Company, Inc. (Pottawattamie Co.)	SW	10,000
Massey Properties, LLC; The Wharf (Dubuque)	WS	10,000
David Hansen; Debra Imhoff (Wilton)	FP	6,000
	TOTAL	**116,961**

The following administrative penalties have been collected:

NAME/LOCATION	PROGRAM	AMOUNT
James Masching (Carrol Co.)	AQ/SW	200
# Steve Grettenberg; Dragster LLC	AFO	250
Clermont, City of	WW	3,500
Ellsworth Excavating Co. (Muscatine Co.)	AQ/SW	75
# Lee Kovar (Iowa Co.)	AFO	104
# Kevin DeWeerd (Lyon Co.)	AFO	104
# Gary J. Ledger (Williamsburg)	AFO	1,743
Finney Industrial Painting, Inc. (Fairfield)	**AQ/WW**	**250**
Patrick Baker; Stockton Auto (Davenport)	AQ/SW	83
Michael Lee Liphardt aka Melvin Liphardt (Clinton Co.	**AQ/SW**	**500**
# Ben McKinney (Franklin Co.)	**AFO**	**695**
Albert Miller (Kalona)	**AQ/SW**	**5**
	TOTAL	**7,509**

#Animal Feeding Operation
BOLD Entries Have Been Referred to DRF