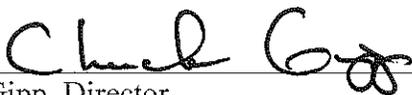


MINUTES  
OF THE  
ENVIRONMENTAL PROTECTION COMMISSION  
MEETING  
JUNE 16, 2015

DNR AIR QUALITY OFFICES  
7900 HICKMAN ROAD  
WINDSOR HEIGHTS, IOWA



\_\_\_\_\_  
Chuck Gipp, Director

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**MEETING MINUTES**

**CALL TO ORDER**

The meeting of the Environmental Protection Commission was called to order by Chairperson Mary Boote at 10:00 a.m. on June 16, 2015 at the DNR Air Quality office in Windsor Heights, Iowa.

**COMMISSIONERS PRESENT**

- Mary Boote, Chair
- Nancy Couser
- Cindy Greiman, Secretary
- LaQuanda Hoskins
- Chad Ingels, Vice Chair
- Ralph Lents
- Joe Riding
- Bob Sinclair
- Gene Ver Steeg

**COMMISSIONERS ABSENT**

None

**ADOPTION OF AGENDA**

*Motion was made by Gene Ver Steeg to approve the agenda as presented. Seconded by Cindy Greiman. Motion carried unanimously.*

**APPROVED AS PRESENTED**

**APPROVAL OF MINUTES**

*Motion was made by Chad Ingels to approve the May 19, 2015 EPC meeting minutes. Seconded by LaQuanda Hoskins. Motion carried unanimously.*

**APPROVED AS PRESENTED**

**MONTHLY REPORTS**

- Bill Ehm provided an update on the avian influenza. No reports of outbreaks in new facilities in the last week. USDA predicted warmer weather would slow down the spread. A number of months still ahead with burial, incineration, composting, and/or disposal at landfills.
- Bill Ehm discussed the upcoming 30<sup>th</sup> anniversary of the DNR when in 1986 multiple agencies were combined to create the DNR of today.
- Bill Ehm shared the ongoing efforts to develop a hallmark rivers program in the state. The Department has had incredible success with its Lake Improvement Program and would like to create a similar program for Iowa's rivers. There are currently 22 different programs that work with rivers such as river trails, low head dams, and more. A plan is being developed and will be shared with the Commissions.
- Bill Ehm shared with the Commission he will be unable to attend the July EPC meeting and tour.

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

**DIRECTORS REMARKS**

- Deputy Director Trautman shared with the Commission that Director Gipp was detained and when he arrives, a report will be provided.

INFORMATION

**PUBLIC COMMENT****Virginia Soelburg – Self**

Virginia Soelburg shared with the Commission her opposition of removal of the 4" topsoil requirement. She cares a lot for Iowa's soil and water. She has volunteered for 10 years on Project Aware and completed the Masters River Program. She asked for the Commission to keep the 4" topsoil requirement in place until a better option can come before the Commission. Federal EPA requires cities to preserve topsoil at construction sites and the 4" topsoil requirement provides clarity. She questioned cities making their own standards which would be a hodge podge across the state and wouldn't developers want a uniform standard across the state? As a representative of Sierra Club, Sierra Club opposes the proposed rules.

**Joe Pietruszynski – Hubbel Realty Company**

Joe Pietruszynski agrees topsoil should remain on the construction site and used wisely. Transporting the topsoil is illegal. He supports the rule change. Soil is different across the state and should be used in conjunction with storm water practices. He recommends soil to be placed where it can avoid compaction and used with prairie plants to conserve water. Developers are working with cities on local practices.

**Manny Toribio – Prairie City**

Manny Toribio is an administrator of Prairie City and addressed the SRF sponsored program. Prairie City is comprised of older infrastructure. A recent review of the sewer system showed cracks and breaks in the lines and sewer backups in homes with combined sewers. Prairie City has set up pumps to avoid back up during rains which directs sewer waters directly to the river which is a pollutant for people downstream.

**Dan Downey – Prairie City**

Dan Downey shared with the Commission in 2009/2010 the DNR required Prairie City to upgrade the wastewater facility. Prairie City obtained a SRF loan for the upgrades but couldn't use the loan for operational expenses. Citizens had to absorb the additional costs. He asked the Commission to help prevent the SSOs in peoples' basements by capping the sewers.

**Brenda Downey – Prairie City**

Brenda Downey asked the Commission to appeal to common sense. Prairie City needs all the funds available to seal up sewer systems for the end result of clean water and stop having sewer backup in basements. She is a nurse and believes it is a health risk. She believes the guidelines allow the EPC to make this decision on how the funds are used. Sewer and water bills are more than her property taxes. She is not opposed to a bio cell but she wants the investment to fix the problem and clean up the watershed.

**Lyle Burkett – Prairie City**

Lyle Burkett serves on the city council for Prairie City. He is concerned with weighing the benefits of fixing sewer overflows vs. a bio cell. During heavy rains, pumps divert sewage from the sewers directly to the stream. He spoke with former DNR employee Arnie Sohn and he agreed with the city's approach. Arne was committed to a fishing trip this week so he couldn't be here. He recognized the possibility of massive increases in sewer rates but he sees the problem. He believes sewer backups in basements serve as an unusual and unique experience to be eligible for a SRF loan.

**Forrest Aldrich – Prairie City**

Forrest Aldrich is working on Prairie City's sanitary sewer problems. Prairie City is asking for items in the Intended Use Plan. SSOs do not fit into the type of a sponsored project in the Intended Use Plan but the city is asking for a variance to allow the SSO project. The EPC has the authority to grant variances for projects with unique circumstances or those that don't fit in a standard project. Prairie City is asking the Commission to amend the Intended Use Plan from a bio cell project to a SSO project.

**Mark Watkins – McAninch Corpotation**

Mark Watkins' profession is being an earth moving contractor in Iowa. He thanked the EPC for researching the topic so thoroughly. He is in favor of the federal and proposed rule. He believes it will assist with managing storm water from construction sites. The proposed rule mandates that topsoil remain on site. The industry was removing, storing, and replacing topsoil before the language was developed. The 4" level is costing all Iowans. He encouraged the EPC to approve the proposed rule.

**Don Mealey – Don Mealey Finish Grading**

Don Mealey is the bottom rock of the 4" topsoil issue. The buck stops on his shoulders when an inspector tells him that his practices which he has been doing for over 40 years are wrong. He opposes the 4" topsoil rule. There is a small window of time to get a job done. He is an environmental champion and should support the replacement of topsoil but it is impractical. He cannot stand here and guarantee a consistent 4" of topsoil across the lot.

**Skip Cowkling – Mayor of Altoona**

Skip Cowkling has been looking at the pros and cons, economic side, and common sense regarding the topsoil rules. Compacted dirt doesn't absorb water better than clay. There are alternatives around the 4" topsoil rule and he asks for common sense when working with the rules. The City of Altoona's Pump 1 draws its water from the Jordan Aquifer. During the flooding, that well provided water to Des Moines. He asked the Commission to use common sense when making the rules and who it affects.

**Aimee Staudt – Knapp Properties**

Aimee Staudt and Knapp Properties support the proposed rules. Preserving topsoil is important to the homeowner, developer, and environment. Requiring the specific measurement of 4" of topsoil has made Iowa stricter than 48 other states. The rise of housing costs are directly related to the 4" topsoil rules. She summarized the increase of home ownership over different periods of time from the MLS. Federal law already requires that topsoil remain on site. She asked the Commission to compare the benefit of 4" of topsoil compared to the increase in costs to the homeowner.

**Chip Classon – Jerry's Homes**

Chip Classon works for Jerry's Homes and served on the EO80 stakeholder group. He thanked the Commission for its hard work. He asked the Commission to approve the proposed rules. Developers work hand in hand with cities to follow, inspect, and manage the aspects of caring for the environment. As a developer, they don't sell topsoil which is breaking the law. The rainfall simulator seen today will not address the issue at hand. The purpose of the rule is to ensure all the topsoil remains on site unless it is infeasible.

**Lee Barclay – ICCI**

Lee Barclay asked if the two new commissioners were hog lot owners but did not expect an answer because the DNR has never answered ICCI's questions. He questions why polluted waterways are increasing. He believes the DNR is doing nothing to curb pollution. Bill Ehm has stated the DNR will not be issuing any permits. DNR is a puppet on a string controlled by the Governor's Office along with the EPC. They want the polluters to keep polluting while they get their campaign contributions. There is a new trend where communities are organizing. Maybe these organizations will expose the Governor's and EPC's actions.

**Shari Hawk – ICCI**

Shari Hawk stated 725 polluted waterways in the state is unacceptable. The EPC and DNR should be up in arms that children can't enjoy the waterways and the water babies drink can kill them. All media should be highlighting the environmental crisis. The DNR and EPC should be helping turn the state around. She asked the Commission to do its job for the future children and grandchildren.

**Jess Mazour – ICCI**

Jess Mazour disbelieves the reason for increased impaired waterways is due to increased monitoring. The more we test the more we find. Only 19% of Iowa's waters are not polluted and that is not ok. The remaining waters are potentially polluted. E.coli is from fecal contamination from hog facilities. Fish kills are from manure which is a problem. You cannot restore the water until you go after the source. Polluters are getting away with polluting our waters. If the DNR enforced hog manure like camp tent rules it would be clean.

**Larry Ginter – ICCI**

Larry Ginter is a retired famer. It has been 20 years since integration of ag livestock corporations in Iowa. Small farmers warned it would break down the family farm and corrupt politics. Des Moines Water Works has to take extra measures to protect the drinking water. He expressed concern for the close living contions of people to millions of dead chickens and hog facilities. Vertical integration doesn't work. He wondered what disaster has to occur to put a moratorium on new construction. He recommended health checks for neighbors of hog facilities and permits for facilities.

**Sharon Donovan – ICCI**

Sharon Donovan believes ICCI has tried everything but now has taken a different approach with recent medical research. Four out of nine people will have dementia or Alzheimer's. TPD43 is found in 50% of Alzheimer's patients and in mad cow disease. Mad cow disease is a manmade disease and takes over carnivores. A single diseased animal may contaminate 1,000 other animals. The industry is allowed to use chicken litter as feed which can cause mad cow. Enjoy your next Alzheimer's pork chop. This is a serious situation and the EPC needs to get control of the situation.

**Carrie Fisher – ICCI**

Carrie Fisher shared with the Commission every month ICCI members come to the EPC and for some travel 30-40 miles because they are scared. There are 725 polluted waterways which is a 15% increase from last year. If a 15% rate continues, by 2018 there will be almost 1,000 polluted waterways. Common sense and voluntary compliance does not work. Business and corporations will choose their bottom line over protecting the water. Grays Lake is closed due to E.coli. It is a terrifying situation.

**Patrick Stall – ICCI**

Patrick Stall believes the Commission has totally failed to provide any oversight to protecting the waters. Chuck Gipp stated the organization is celebrating 30 years but there is nothing to celebrate. The impaired waters list has jumped to 725 impaired waters, Grays Lake is closed because of E.coli, and Des Moines Water Works is cleaning nitrates out of the drinking water. Many people in this room are responsible and should do their job.

**Written Comments Submitted**

- Stephanie Karrick of Cedar Rapids – Opposed to agenda item #6
- Brian Thielges of Des Moines – Opposed to agenda item #6
- Mike Roelf – Opposed to agenda item #6

**END OF PUBLIC COMMENT**

**DIRECTORS REMARKS**

- Director Gipp shared with the Commission the Legislative session has concluded. Status quo budgets were presented but the Department always faces increasing expenses. Air quality has improved in the state with Title V facilities decreasing emissions by 33% since 2007. The Department has worked with stakeholders across the state to provide funding to maintain the air programs.

INFORMATION

**IOWA STATE UNIVERSITY RAIN SIMULATOR**

Ann Staudt and Matt Helmers of Iowa State University provided an educational demonstration of rain absorption and run-off with different soil types.

INFORMATION

**FINAL ADOPTION, CHAPTER 64, “WASTEWATER CONSTRUCTION AND OPERATION PERMITS” AND STORM WATER GENERAL PERMIT NO. 2 FOR CONSTRUCTION ACTIVITIES – TOPSOIL PRESERVATION**

Joe Griffin, Environmental Specialist Senior, of the NPDES Section of the Water Quality Bureau presented the following item.

The Commission was asked to approve the attached Final Rule for Chapter 567-64 IAC “Wastewater Construction and Operation Permits” and changes to storm water General Permit No. 2. The proposed changes to Chapter 64 amend General Permit No. 2. The changes to General Permit No. 2 implement the recommendations of an Executive Order 80 stakeholders’ group regarding topsoil preservation.

The current requirement is that if 4 inches or more of topsoil existed prior to development, a minimum of 4 inches is to be in place on the surface of the site after construction is complete unless land use precludes the practice. The proposed requirement is that the permittee(s) shall, unless infeasible, preserve topsoil. “Infeasible” shall mean not technologically possible, or not economically practicable and achievable in light of the best industry practices as determined by the permittee. “Unless infeasible, preserve topsoil” shall mean that, unless infeasible, topsoil from any areas of the site where the surface of the ground for the permitted construction activities is disturbed, shall remain within the area covered by the applicable General Permit No. 2. Soil may be used elsewhere in the development and no minimum retention requirement is applicable to an individual lot or portion of the project.

The public comment period for the proposed changes to Chapter 64 regarding topsoil preservation ended April 1, 2015 during which three public hearings were held in Cedar Rapids, Davenport and Des Moines. Over 700 mailed, e-mailed and verbal comments were received. These comments were supplied to the Commission and made available to the public on the Department’s website.

One modification in the changes to storm water General Permit No. 2 has been made since the Commission approved the Notice of Intended Action at its January meeting. The word "authorization" has been inserted at the end of the third sentence of the proposed new wording as follows:

" 'Unless infeasible, preserve topsoil' shall mean that, unless infeasible, topsoil from any areas of the site where the surface of the ground for the permitted construction activities is disturbed, shall remain within the area covered by the applicable General Permit No. 2 authorization."

This insertion results in the requirement that topsoil must remain in the area of the construction covered by the authorization issued to the site under General Permit No. 2 rather than under General Permit No. 2 itself.

Commissioner Bob Sinclair clarified with Joe Griffin the differences between the current and proposed rules. They discussed various development scenarios of how and where topsoil is currently being placed and could potentially be placed with the proposed rules. With the scenarios, they discussed the homeowners, contractors, cities, and the DNR's involvement in the implementation of the current and proposed rules.

Joe Griffin clarified for Commissioners that in the current rules, if a development site did not start with at least 4" of topsoil, after construction, the site would not be required to provide 4" of topsoil. Sites starting with less than 4" of topsoil document the depth so during the post construction inspection, it can be identified as not requiring 4" of topsoil. If the proposed rules are approved, cities may adopt more stringent rules. Joe Griffin stated he has heard from 7 cities who plan to adopt the current rules of 4" of topsoil if the proposed rules are approved.

Joe Griffin shared with the Commission the original intent of the 4" topsoil rule was to satisfy EPC, retain stormwater, provide the development community clarification, and level the minimum concrete depth with the grass level. If the proposed rules are approved, we may identify unanticipated interpretations that could be modified.

Ed Tormey provided guidance to the Commission regarding modifying the proposed language, postponing the vote, potential new round of public comments with modified rule language, and the timeframe in the Iowa Code to vote on this rule.

Commissioner Nancy Couser shared her passion for soil which is her life blood. The proposed rules provide the opportunity to place all the topsoil in one location instead of spreading topsoil across the development site. Leaving topsoil in one location is economical for the contractor but a detriment and expense to the homeowner.

*Motion was made by Chad Ingels to approve the proposed rules. Seconded by Joe Riding. Chad Ingels-yea, Joe Riding-yea, Bob Sinclair-nay, Ralph Lents-yea, LaQuanda Hoskins-yea, Nancy Couser-nay, Gene Ver Steeg-yea, Cindy Greiman-yea, and Mary Boote-yea. Motion passes.*

**APPROVED AS PRESENTED**

**ADOPTED AND FILED – CHAPTERS 50 “SCOPE OF DIVISION,” 52 “CRITERIA AND CONDITIONS FOR AUTHORIZING WITHDRAWAL, DIVERSION AND STORAGE OF WATER,” AND 53 “PROTECTED WATER SOURCES”**

Diane Moles, Executive Office 2, of the Water Supply Operations section of the Water Quality Bureau presented the following item.

The Commission was asked to approve the Adopted and Filed rulemaking to amend Chapters 50 “Scope of Division,” 52 “Criteria and Conditions for Authorizing Withdrawal, Diversion and Storage of Water,” and 53 “Protected Water Sources.” The amendments will revise the rules governing the use of the Cambrian-Ordovician Aquifer (commonly called the Jordan Aquifer) in Iowa.

**Reason for Rulemaking:**

The Jordan Aquifer extends underneath much of Iowa and is a significant well water source in the state. Protection from overuse of the resource (also known as dewatering the aquifer) is needed in some parts of the state. The rules create a three-tiered classification system for existing and future Jordan wells that are required to be permitted under the state’s water allocation rules, so that the resource will have a sustainable use into the future. A water allocation permit must be obtained by anyone withdrawing at least 25,000 gallons in a single day during the year. A permit holder withdrawing more water than the aquifer can sustain at that well location will be required to develop a water use reduction plan and implement measures so that the aquifer can recover to a sustainable level. Other proposed rule amendments require activities that result in closer oversight of the aquifer.

**Executive Order 80 Stakeholder Group:**

The three chapters were amended in consultation with an Executive Order 80 Stakeholder Group (Stakeholder Group) consisting of seven representatives of professional/technical organizations, water utilities, industry groups, and the agency, which met six times in 2014. The Stakeholder Group was tasked with evaluating the current rules to better manage the usage of the Jordan Aquifer. The Stakeholder Group’s recommendations were presented to the Commission at its June 17, 2014 meeting.

Department staff and the Stakeholder Group made a joint presentation addressing each recommendation at the November 19, 2014, Commission meeting. The Commission directed the Department to develop rules for those recommendations that required rulemaking. The Stakeholder Group and Department staff met on December 30, 2014, to finalize the recommended rule revisions. The amended rules, including the jobs impact statement and fiscal impact statement, were presented to the Commission at its meeting held on February 17, 2015, where the request for formal rulemaking was approved.

Members of this committee and the representation the members provided are as follows:

<i>Name</i>	<i>Organization</i>	<i>Representing</i>
John Crotty	Iowa Environmental Council	Environmental advocacy group
Shawn Kerrick	Koch Nitrogen	Industrial user from business located in affected area
Gale McIntosh	Northway Pump	Water well contractor
Jill Soenen	Iowa Association of Municipal Utilities	Municipal utility association
Todd Steigerwaldt	City of Marion (Water Works)	Municipal user in affected area
Becky Svatos	Stanley Consultants, Iowa ABI	Professional consulting engineering firm, Business association
Nancy Couser	Environmental Protection Commission	State agency

The amended rules were published as a Notice of Intended Action in the Iowa Administrative Bulletin XXXVII, #19, on March 18, 2015, as ARC 1914C. The Commission authorized three public hearings, which were conducted to receive public response to the proposed rules. Notice of the public hearings was provided over a several week period in 2015 through the following publications:

- The Department's EcoNewsWire (an electronic weekly newsletter sent to more than 700 people interested in the Department's activities and 400 news media) had three articles: the proposed rules and public hearings in the February 12<sup>th</sup> edition, the public hearings in the March 26<sup>th</sup> edition, and the public hearings in the April 2<sup>nd</sup> edition.
- The Des Moines Register newspaper published an article on February 15<sup>th</sup> which discussed the rules prior to the Commission's February 17<sup>th</sup> meeting and listed the public hearings and comment period.
- The Department's electronic Water Supply Listserv provided an article on the rulemaking and public comment opportunities to 996 people on March 25<sup>th</sup>.

Written comments to the three chapters were accepted through Tuesday, April 14, 2015, at 4:30 p.m., including comments that were postmarked that day.

The public hearings were held in Coralville (April 8, 2015), Des Moines (April 9, 2015), and Fort Dodge (April 10, 2015). There were 52 attendees (not including Department staff) at the hearings. Oral comments were received from six people at the hearings; written comments were received from six people. Hearing participants' questions were answered prior to and after each public hearing. The Responsiveness Summary addresses all comments received during the public comment period. Each comment is followed by the name of the commentor, a discussion of the issue raised, and any Department staff recommendation. As a result of the public comment process, changes have been made to clarify the rules.

The amended rules were also presented to the Administrative Rules Review Committee on April 10, 2015.

Commissioner Chad Ingels thanked the DNR for the detail provided in the Response to Comments.

Diane Moles described the permitting authority of the Department and delegated authorities at the county level. She also described the differences between the construction and water use permitting programs.

Commissioner Joe Riding expressed concern with the limited number of public comments and not knowing the future impact of the rules on the aquifer water level. Diane Moles described how the Department worked with those impacted by the rules prior to the rulemaking process along with the outreach efforts during the rulemaking process. Commission Nancy Couser, who served on the EO80 Stakeholder group, shared with the Commission the extensive involvement of those impacted by the rules and how they assisted with writing the rules.

*Motion was made by Nancy Couser to approve the agenda item as presented. Seconded by Cindy Greiman. Motion carried unanimously*

**APPROVED AS PRESENTED**

## CLEAN WATER AND DRINKING WATER STATE REVOLVING LOAN FUND – FY 2016 INTENDED USE PLANS

Patti Cale-Finnegan, DNR SRF Coordinator, and Lori Beary, IFA SRF Coordinator presented the following item.

Commission approval was requested for the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) Intended Use Plans (IUPs) for FY 2016 (July 1, 2015 – June 30, 2016).

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). DNR administers the environmental and permitting aspects of the programs, with IFA providing financial assistance including loan approval and disbursements. Other important partners include the U.S. Environmental Protection Agency (EPA), the Iowa Department of Agriculture and Land Stewardship, Soil and Water Conservation Districts, county sanitarians, participating lenders, and others.

The FY 2016 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. A public meeting was held May 7, 2015 to receive comments on the proposed IUP updates. No oral comments were provided at the hearing. The written comment period closed on May 14, 2015. A written comment was received from the City of Prairie City concerning the eligibility of sanitary sewer projects under Water Resource Restoration Sponsored Projects. The comment and the Department's response are addressed on page 21 of the draft Clean Water SRF IUP.

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 quarterly during FY 2016. Iowa continues to be able to fund all projects that are eligible for SRF assistance.

When asked about the Public Comments, Patti Cale-Finnegan shared with the Commissioners that the current rules do not support the city's request. The project of interest would be eligible for a low interest loan rather than as a sponsored project.

*Motion was made by Ralph Lents to approve the agenda item as presented. Seconded by Chad Ingels.  
Motion carried unanimously*

**APPROVED AS PRESENTED**

**CONTRACT AMENDMENTS WITH WAPSI VALLEY ARCHAEOLOGY AND THE UNIVERSITY OF IOWA, OFFICE OF STATE ARCHAEOLOGIST FOR ARCHAEOLOGICAL AND ARCHITECTURAL HISTORY SERVICES**

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

Commission approval was requested for two-year year-service contract extensions with Wapsi Valley Archaeology of Anamosa, Iowa and The University of Iowa, Office of State Archaeologist of Iowa City, Iowa. The contract amendments will begin on June 30, 2015 and terminate on June 30, 2017. The total amount of these contracts shall not exceed:

- Wapsi Valley Archaeology: \$90,000
- Office of State Archaeologist: \$120,000

DNR shall have the option to renew these contracts long as these contracts and any extensions do not exceed a six-year period.

**Funding Source:** These contracts will be funded through the administrative accounts of the Clean Water and Drinking Water State Revolving Fund (SRF). These accounts are partially funded through loan fees paid by SRF borrowers. DNR may contract for Phase IA Survey or Phase I Survey archeological services and/or Reconnaissance Survey architectural history services as needed for specific applicant projects. This level of investigation is typically adequate, but if additional investigation or effort is required, the cost and procurement of these surveys will be the responsibility of the SRF applicant.

**Background:** Drinking water and wastewater construction projects funded by the SRF are considered federal undertakings and subject to the National Environmental Policy Act and the National Historic Preservation Act. Each project must either have a Categorical Exclusion (CX) or must demonstrate a Finding of No Significant Impact (FNSI), which must include documentation of the process of determining potential impacts on natural and cultural resources. Since 2006, SRF Environmental Review Specialists have been assisting SRF applicants by determining and issuing CXs, seeking clearances from consulting parties, contracting for archeological and/or architectural history investigations, preparing documentation for the State Historic Preservation Office, compiling the Environmental Information Documents, and issuing FNSIs. This service is unique among the water and sewer funding programs; in the other programs applicants must pay a grant administrator or consulting engineer to conduct the review and cover any expenses for archeology or architectural history surveys.

Prior to 2006, the environmental review process was considered by many applicants to be a barrier to participating in the SRF programs. Providing environmental review services has removed that barrier and has contributed to the growth of the SRF.

Since 2007, when SRF began contracting for these archeology and architectural history surveys on behalf of SRF applicants, a total of \$991,754 has been awarded for contracts. During that same timeframe, the SRF programs committed \$1.7 billion for water and wastewater infrastructure.

**Purpose:** The parties propose to enter into these contract amendments for the purpose of continuing to retain the contractors to provide archeological and/or architectural history services relating to State Revolving Fund-financed water supply and wastewater construction projects. DNR intends to execute contracts with these service providers on a retainer basis. As the need for specific archeological and/or architectural history investigations is identified, the DNR will solicit bid proposals from the selected contractors for the specific scope of work. The DNR will then select the most appropriate bid proposal and will execute an addendum to the contract with the selected contractor to provide the specific services. This will speed the process of contracting for these services which are often time-sensitive.

**Contractor Selection Process:** The contractors were originally chosen in 2013 using a formal, competitive process.

**Contract History:** The proposed contract amendments extend the contracts signed in 2013. SRF program has had master contracts for archeology and architectural history since 2007.

*Motion was made by Joe Riding to approve the agenda item as presented. Seconded by Cindy Greiman. Motion carried unanimously*

**APPROVED AS PRESENTED**

**REFERRALS TO THE ATTORNEY GENERAL**

Diana Hansen, Attorney, of the Legal Services Bureau presented the agenda item. To her aid was Jim Kacer, Environmental Specialist, of the Washington Field Office, Cecilia Naughton, Environmental Specialist, and Ann Lynam, Environmental Specialist Senior, of the Water Supply Operations section of the Water Quality Bureau.

The Department requested the referral of SABEER, LLC, dba Sleepy Hollow Campground & RV Park to the Attorney General for appropriate legal action.

Diana Hansen opened the discussion by describing the campground and park operations. She summarized the recent and past wastewater, drinking water, and open burning violations, including a prior administrative order, that led the Department to refer the case to the Attorney General.

Diana Hansen described in further detail the wastewater violations including improper maintenance of trees and vegetation around the lagoon and improper security and signage around the lagoon. Drinking water violations included MCL exceedances, lack of a certified operator, and missed or incomplete reporting.

Diana Hansen shared with the Commission that penalties were not assessed with the prior violations. The Department knew this campground and park would need to make a financial investment to upgrade its facility to regain compliance and thus determined that monies would be better used by the permittee for upgrades to its facility. These upgrades did not happen.

Mr. and Mrs. Gingerich shared with the Commission their wheels have moved slow. They have been working closely with the Department and value the interactions and good working relationship. The first engineer they hired to resolve the drinking water issues did not work out and was terminated. About a year ago, a new engineer was hired and has been testing shock chlorination, iron removal and water softening techniques to eliminate the problems. As the engineer completes the testing, a plan will be submitted to the DNR.

Mrs. Gingerich was a certified operator the first couple of years they operated the facility. Then Mr. Gingerich became a certified operator but let his license expire. He is scheduled to retake the certified operator coursework and become certified again.

Mr. Gingerich has hired a contractor to remove the trees and vegetation around the lagoon. The fence around the lagoon was removed due to its age and is planned to be replaced.

Mr. Gingerich adds tree trimmings to a burn pile and has found people sometimes toss unacceptable items into the burn pile. It is not his intention to burn items that are not exempt.

Mr. Gingerich mentioned that the system supplies water to approximately 130 campsites and 35 mobile homes. The Department expressed concerns that the water supply system does not supply adequately treated water to the entire grounds but only specific facilities.

*Motion was made by LaQuanda Hoskins to refer SABEER, LLC to the Attorney General. Seconded by Nancy Couser. Joe Riding-yea, Bob Sinclair-yea, Ralph Lents-yea, LaQuanda Hoskins-yea, Nancy Couser-yea, Gene Ver Steeg-yea, Cindy Greiman-yea, Chad Ingels-nay, and Mary Boote-yea. Motion passes.*

**REFERRED**

**ASSISTANT ATTORNEY GENERAL DAVID STEWARD INTRODUCTION**

David Steward of the Attorney General Office introduced himself to the Commission as representing the Environmental Protection Commission. Former Assistant Attorney General, David Sheridan, retired.

**REGION XII COUNCIL OF GOVERNMENTS - GRANT AWARDEE FOR DELIVERY OF THE IOWA WASTE EXCHANGE PROGRAM**

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

The Department requested Commission approval of a renewed grant award, amended to the amount of \$430,000, to the Region XII Council of Governments for a one year extension of the grant previously renewed last year, and with the option now of two additional year extensions, for the delivery of the Iowa Waste Exchange (IWE) program.

**Funding Source:**

This project is funded through the Groundwater Protection Fund, Solid Waste Account where monies are received from the tonnage fee imposed under Iowa Code section 455B.310. The specific allocation from the Fund directed to this grant is in Iowa Code section 455E.11 Ground Water Protection Fund Established Appropriations.

**Background:**

According to Iowa Code section 455E.11(2)(a)(2)(c), in the Groundwater Protection Fund, Solid Waste Account, out of the first \$1.50 per ton collected:

*Six and one-half percent [shall be used] for the department to establish a program to provide competitive grants to [one or more community colleges or councils of governments] for projects ... related to a by-products and waste exchange system.*

**Purpose:**

Since 1990, the IWE has been a free, confidential, non-regulatory program that enables the recycling of used and unwanted materials by matching parties that have those materials with others who look to obtain and add value to such resources. The Grantee under this Agreement sub-contracts and supervises the work of regionally-based Resource Specialists. Performing the direct work of the IWE, Resource Specialists facilitate the waste exchange matches, as well as provide a range of services to help divert many thousands of tons of by-products and excess materials from Iowa landfills, help manage and reduce waste streams, and enhance pollution prevention.

**Consulting Firm Selection Process:**

On June 19, 2012, the Environmental Protection Council approved the award of an IWE grant, which provided for up to five annual renewal extensions depending on satisfactory performance by the Grantee, Region XII Council of Governments. On June 18, 2013, and on June 17, 2014, the Council approved the first and second extension renewals of this Grant Agreement.

Based on Iowa Code, and on the continued satisfactory performance by the Region XII Council of Governments, we request the third extension renewal of the Iowa Waste Exchange grant award as amended be approved.

*Motion was made by Gene Ver Steeg to approve the agenda item as presented. Seconded by Ralph Lents. Motion carried unanimously*

**APPROVED AS PRESENTED**

**UNIVERSITY OF NORTHERN IOWA, IOWA WASTE REDUCTION CENTER – IOWA WASTE EXCHANGE PROGRAM TECHNICAL ASSISTANCE, DATABASE MANAGEMENT AND TRAINING**

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

The Department requested Commission approval of a contract in the amount of \$30,000 with the University of Northern Iowa, Iowa Waste Reduction Center (IWRC) for one year. The contract is for the IWRC to provide technical assistance, database management and training for the Iowa Waste Exchange program.

**Funding Source:**

This project will be funded through the Groundwater Protection Fund, Solid Waste Account where monies are received from the tonnage fee imposed under section 455B.310.

**Background:**

Iowa Code section 455E.11(2)(a)(2)(c) Groundwater Protection Fund, requires that:

The Department shall expend not more than thirty thousand dollars of the moneys appropriated under this subparagraph subdivision to contract with Iowa Waste Reduction Center (IWRC) at the University of Northern Iowa to provide training and other technical services to the Iowa Waste Exchange program.

**Purpose:**

The purpose of this contract is for the IWRC to provide technical assistance, database management and training to the Iowa Waste Exchange program and its Representatives.

**Consulting Firm Selection Process:**

A selection process was not conducted because these moneys are legislated to be distributed to the University of Northern Iowa, Iowa Waste Reduction Center.

**Statement of Work:**

For an outline of the statement of work, see attached.

Based on the Iowa Code and existing relationships with the University of Northern Iowa, we recommend the contract with the University of Northern Iowa, Iowa Waste Reduction Center be approved.

*Motion was made by Cindy Greiman to approve the agenda item as presented. Seconded by Nancy Couser. Motion carried unanimously*

**APPROVED AS PRESENTED**

**SOLID WASTE ALTERNATIVES PROGRAM – CONTRACT RECOMMENDATION**

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

The Department received 11 proposals requesting \$414,765 in financial assistance during the April 2015, round of funding. The review committee selected seven (7) projects for funding for a total of \$296,842. Two (2) proposals recommended for funding are greater than \$25,000 awarding a total of \$221,213 in a combination of forgivable and zero 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.

A description of the recommended projects, the project type, and the amount and type of funding assistance was provided.

Commissioner Joe Riding inquired into the monitoring and tracking practices of the program. Tom Anderson shared with the Commission the grant agreement terms for tracking and monitoring along with site visits to verify the fulfillment of the grant agreement.

*Motion was made by Nancy Couser to approve the agenda item as presented. Seconded by Chad Ingels. Motion carried unanimously*

**APPROVED AS PRESENTED**

**CONTRACT WITH THE UNIVERSITY OF IOWA ON BEHALF OF THE STATE HYGIENIC LABORATORY (SHL) FOR LABORATORY SERVICES PROVIDE TO THE CONTAMINATED SITES SECTION -IDNR**

Matt Culp, Environmental Specialist Senior, of the Contaminated Sites Section of the Land Quality Bureau presented the following item.

Commission approval was requested for a [2] year-service contract with the State Hygienic Laboratory at the University of Iowa. The contract will begin on July 1, 2015 and terminate on June 30, 2017. The total amount of this contract shall not exceed \$129,600.

**Funding Source:**

This contract will be funded through State Hazardous Waste Fund Fees and EPA Federal grant funds.

**Background:**

Under various state and federal programs the Contaminated Sites Section of IDNR conducts investigations of environmental contamination. This process involves the collection of samples of unknown chemicals or environmental media (soil, groundwater and soil air) potentially contaminated by chemicals. In order to positively identify and quantify the concentration of those chemicals it is necessary to have them analyzed by a qualified laboratory.

**Purpose:**

The parties have entered into this Contract for the purpose of retaining the Contractor to provide assistance to DNR in monitoring the condition of the state of Iowa. Assistance will include analysis of samples from environmental media for a variety of chemistry parameters.

**Contractor Selection Process:**

The purpose of this Contract is for the UI to provide laboratory services necessary to implement the provisions of this chapter, ~~chapter 459~~, and ~~chapter 459A~~. The DNR is allowed to contract with the University of Iowa pursuant to Iowa Code section 455B.103.

**Contract History:**

This contract is being repeated. The previous contract was for the same laboratory services as the in the proposed contract. The value of the original 2013-15 contract (\$129,600) is the same as the proposed contract. The length of the original contract was for two years (2013-15). All lab services provided in the original contract are the same in the proposed contract. There no changes to the scope of work or budget of the proposed contract.

*Motion was made by Ralph Lents to approve the agenda item as presented. Seconded by Joe Riding. Motion carried unanimously*

**APPROVED AS PRESENTED**

**CONTRACT – IOWA DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP – LAKE GEODE WATERSHED IMPROVEMENT PROJECT**

Rachel Glaza, Environmental Specialist, of the TMDL Section of the Water Quality Bureau presented the following item.

The Department requested Commission approval of a contract in the amount of \$117,250 with the Iowa Department of Agriculture and Land Stewardship for two years to promote best management practices in the Lake Geode watershed.

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

**Background:**

Lake Geode, located in Henry and Des Moines Counties, is a 174 acre lake encompassed by a 1,640-acre state park. The entire Lake Geode Watershed consists of approximately 10,327 acres. The watershed is located in Hydrologic Unit Code (HUC) 12, 070801071004, Cedar Creek-Skunk River. The lake was constructed in 1950 and is known for excellent fishing and scenic views. Geode State Park is owned and operated by the Iowa Department of Natural Resources. Lake Geode is on the 303(d) impaired waters list due to high levels of bacteria and high levels of pH. The high pH was determined to be linked to excess phosphorous. Lake Geode is a man-made reservoir created by an earthen embankment that impounds its primary tributary, Cedar Creek. The lake’s hydrology is driven primarily by surface water inflows from Cedar Creek and several smaller tributaries that either drain to Cedar Creek or directly to the lake. Precipitation events, runoff and interflow have the most influence on water quality and water level fluctuations in Lake Geode.

**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.

**Scope of Work:**

For an outline of the **scope of work**, see the attached project summary.

Rachel Glaza shared with the Commission the largest contributors to phosphorous in the lake and different practices to reduce nutrients entering the lake.

*Motion was made by Chad Ingels to approve the agenda item as presented. Seconded by Cindy Greiman. Motion carried unanimously*

**APPROVED AS PRESENTED**

**2016 CONTRACT UNIVERSITY OF NORTHERN IOWA – IOWA AIR EMISSIONS ASSISTANCE PROGRAM (IAEAP): SMALL BUSINESS ASSISTANCE PROGRAM**

Christina Iiams, Program Planner 2, of the Air Quality Bureau presented the following item.

Commission approval was requested for a one year-service contract with the University of Northern Iowa (UNI); Cedar Falls, Iowa. Services are to be provided by the Iowa Air Emission Assistance Program (IAEAP) of UNI’s Iowa Waste Reduction Center (IWRC). The contract will begin on July 1, 2015 and terminate on June 30, 2016. The total amount of this contract shall not exceed \$303,463.00. This contract is an Iowa Code Chapter 28E contract.

**Funding Source:**

The statutory authority for the DNR to enter into this contract is under Section 507 of the Clean Air Act and Iowa Code § 455B.133(8)(a). This contract will be funded by cost reimbursable payments funded solely by Title V program fees.

**Background:**

The Small Business Assistance Program, which is mandated by Section 507 of the Clean Air Act Amendments of 1990, provides technical and non-technical assistance to small businesses. This contract establishes the requirements of Iowa’s technical assistance program.

**Purpose:**

The parties propose to enter into this contract to outline UNI’s activities and projects related to providing technical assistance to Iowa's small businesses. Particular emphasis is placed on providing general education and outreach to assist small businesses in determining and understanding their regulatory obligations, and training small businesses on how to complete and submit emissions inventories.

**Contractor Selection Process:**

The DNR is allowed to contract with the University of Northern Iowa without using a competitive selection process pursuant to state law.

**Contract History:**

The Iowa Air Emission Assistance Program (IAEAP) was formally designated as the technical and compliance small business assistance provider in a State Implementation Plan revision that was submitted to and approved by the EPA in the early 1990s. The University of Northern Iowa's IAEAP has demonstrated itself to be an effective assistance provider to Iowa’s small businesses.

In comparison to last year (SFY 2015), the contract currently being requested for approval has primarily the same scope of work. A few changes have been made to the “special work products” section of the contract; similar to other contract years, the DNR and UNI make changes to this section based on the needs for new outreach projects or other technical projects that may need UNI’s expertise and assistance. The DNR’s budget contribution went up by \$4,956.00 - with the budget increase being due to personnel, fringe benefit, and indirect charge increases.

*Motion was made by Chad Ingels to approve the agenda item as presented. Seconded by LaQuanda Hoskins. Motion carried unanimously*

**APPROVED AS PRESENTED**

## 2016 CONTRACT WITH LINN COUNTY AIR QUALITY DIVISION: AIR POLLUTION CONTROL IN LINN COUNTY

Christina Iiams, Program Planner 2, of the Air Quality Bureau presented the following item.

Commission approval was requested for a one year-service contract with the county government of Linn County; Cedar Rapids, Iowa. The contract will begin on July 1, 2015 and terminate on June 30, 2016. The total amount of this contract shall not exceed \$873,507. This contract is an Iowa Code Chapter 28E contract.

**Funding Source:** The statutory authority for the DNR to enter into this contract is 455B.145. This contract will be funded by cost reimbursable payments from Title V program fees (not to exceed \$729,355), 105 federal grant dollars (not to exceed \$126,652), and 103 federal grant dollars (not to exceed \$17,500). Linn County has a funding commitment of \$225,766.

**Background:** Under Iowa Code § 455B.134 (11) and Iowa Code § 455B.144 local political subdivisions are able to address air quality problems in their jurisdictions and can establish their own rules. Linn County had a local program, including ordinances and enforcement, in place prior to the DNR's delegation from EPA for an air program.

As specified in Iowa Code § 455B.145 and 567 Iowa Administrative Code (IAC) Chapter 27, the Linn County Air Quality Division meets the conditions necessary to retain a local program. As established under the requirements of this contract, the Linn County Air Quality Division is responsible for the ongoing implementation of an air program within their county.

**Purpose:** The parties propose to enter into this contract to specify the extent and manner of cooperation between the two agencies in conducting programs for the abatement, control, and prevention of air pollution within Linn County. Particular emphasis is placed on the collection and assessment of information regarding air quality, the permitting of sources of air emissions, the enforcement of emission limits, and the attainment and maintenance of ambient air quality standards.

**Contractor Selection Process:** The DNR is allowed to contract with Linn County without using a competitive selection process pursuant to state law.

**Contract History:** Records indicate that DNR has been contracting with Linn County for implementation of an air program within Linn County since at least 1992. The contract is renegotiated annually with Linn County to provide services that allow for the ongoing implementation of an air program.

In comparison to last year (SFY 2015), the contract currently being requested for approval has the same scope of work. The DNR's budget contribution increased by \$23,413 (Title V program fees) and Linn County's funding commitment increased by \$4,151. The majority of the budget increase (\$17,117) is due to personnel, fringe benefit, and indirect increases and a small increase (\$5,800) in the ambient monitoring equipment line.

Jim McGraw, Supervisor of the Program Development Section of the Air Quality Bureau, shared with Commissioners the delegated authority of Polk and Linn County to administer the State of Iowa's air quality rules. The counties may enforce more stringent rules and fees compared to the DNR. The local program regulations more stringent than the State of Iowa's are financially supported by the county.

Catharine Fitzsimmons, Bureau Chief of the Air Quality Bureau, summarized economies of scale with one state program compared to the addition of the Polk and Linn County programs. Stakeholder sessions supported additional fees to Polk and Linn County programs to ensure greater one on one involvement with the local regulators.

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

APPROVED AS PRESENTED

## 2016 CONTRACT WITH POLK COUNTY AIR QUALITY DIVISION: AIR POLLUTION CONTROL IN POLK COUNTY

Christina Iiams, Program Planner 2, of the Air Quality Bureau presented the following item.

Commission approval was requested for a one year-service contract with the county government of Polk County; Des Moines, Iowa. The contract will begin on July 1, 2015 and terminate on June 30, 2016. The total amount of this contract shall not exceed \$939,177. This contract is an Iowa Code Chapter 28E contract.

**Funding Source:** The statutory authority for the DNR to enter into this contract is 455B.145. This contract will be funded by cost reimbursable payments from Title V program fees (not to exceed \$748,139), 105 federal grant dollars (not to exceed \$171,038), and 103 federal grant dollars (not to exceed \$20,000). Polk County has a funding commitment of \$242,356.

**Background:** Under Iowa Code § 455B.134 (11) and Iowa Code § 455B.144 local political subdivisions are able to address air quality problems in their jurisdictions and can establish their own rules. Polk County had a local program, including ordinances and enforcement, in place prior to the DNR's delegation from EPA for an air program.

As specified in Iowa Code § 455B.145 and 567 Iowa Administrative Code (IAC) Chapter 27, the Polk County Air Quality Division meets the conditions necessary to retain a local program. As established under the requirements of this contract, the Polk County Air Quality Division is responsible for the ongoing implementation of an air program within their county.

**Purpose:** The parties propose to enter into this contract to specify the extent and manner of cooperation between the two agencies in conducting programs for the abatement, control, and prevention of air pollution within Polk County. Particular emphasis is placed on the collection and assessment of information regarding air quality, the permitting of sources of air emissions, the enforcement of emission limits, and the attainment and maintenance of ambient air quality standards.

**Contractor Selection Process:** The DNR is allowed to contract with Polk County without using a competitive selection process pursuant to state law.

**Contract History:** Records indicate that DNR has been contracting with Polk County for implementation of an air program within Polk County since at least 1994. The contract is renegotiated annually with Polk County to provide services that allow for the ongoing implementation of an air program.

In comparison to last year (SFY 2015), the contract currently being requested for approval has the same scope of work. The DNR's budget contribution increased by \$37,011 (Title V program fees) and Polk County's funding commitment increased by \$2,520. \$16,031 of the budget increase is due to personnel, fringe benefit, and indirect increases; the remaining \$23,500 is for a one-time allocation of a specific piece of ambient monitoring equipment.

*Motion was made by Ralph Lents to approve the agenda item as presented. Seconded by Chad Ingels.  
Motion carried unanimously*

APPROVED AS PRESENTED

**GENERAL DISCUSSION**

- Chair Boote entertained a discussion with Commissioners regarding the starting time of the business meetings. Commissioners agreed to maintain the 10 a.m. start time.
- The July EPC tour and business meeting will be consolidated to Tuesday, July 21<sup>st</sup>.
- After the Governor signed the Air Quality funding bill, the Department sent thousands of invitations to stakeholders to participate in meetings to develop the fee structure. After working with the Governor's Office, it is anticipated the EPC will review a Notice of Intended Action in August.

Chairperson Boote adjourned the Environmental Protection Commission meeting at 2:45 p.m., Tuesday, June 16, 2015.

Lyle Burkett  
EPC 6-16-15  
Public Comments

To clarify the value of the retention cell we need to recognize at this point that virtually all agree that it should be put on hold until the school paves the parking lot. School officials are now identifying that as very unlikely in the foreseeable future. Therefore the benefit of the current project rests entirely with the bioswales. The 70% of the land served by the bioswales that immediately adjoins the three bioswales is either lawn or football field. Neither are treated with fertilizer or chemicals. Seeing that the capacity of these ponds is less than 1/100<sup>th</sup> of an inch of runoff, the amount of contaminates removed will be extremely low. By the time the runoff from the agricultural land reaches the retention area it will be at capacity. Almost always.

However eliminating the need to pump from the sanitary sewer into the storm sewer and consequently into the creek will eliminate massive contamination each and every time the pumps remove 720 cu ft (the capacity of the bioswales) which will happen each and every 15 minutes the pumps run.

Item 8

In an effort to better serve our citizens, I am here trying to convey to you the concerns of Arnie Sohn. He was committed to a Canadian fishing trip this week.

When I was elected to the City Council <sup>Arnie</sup> he came to me and asked me to do what I could do to eliminate the sewer back up in the basements. He knew that more cost would be unpopular but he wanted me to know how serious this problem is.

When the bioswale project came along I soon asked about possibly getting the funds transferred to resolving this problem. I went to Arnie and talked with him and with his DNR experience he told me that rules can't be changed; as did

several others.

However, when I showed him the legislation and the accompanying administrative code his reply was that if ~~this~~ doesn't constitute both 'unusual and unique circumstances' then what does?

*SEW AGE IN  
basement*

He asked me come today and attempt to impress upon you the severity of these circumstances.

~~So what~~ it seems to me is that if you could imagine taking the contents of a septic tank and dumping it in your basement and then adding 18" of dirty, dirty water. Then the huge effort necessary to clean that mess up ~~and then~~ <sup>all only</sup> to wonder when it is going to happen again. That's the best I can do.

— I have two brothers that have been involved at the state level of politics in separate states. Historically they have assured me that if those with authority have full information that government will almost always make the right decision.

**P**lease don't use some technicality to bypass our plight! Please recognize that our circumstances are a picture of unique and unusual and the human value in redirecting these funds; while also reducing the pollution in the waterway multiple times over.

Please redirect these funds today so that we can maximize their use by coupling them with the project currently being planned.

## Sheets, Jerah [DNR]

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**From:** Michael Roelf <michael.roelf@gmail.com>  
**Sent:** Tuesday, June 16, 2015 9:43 AM  
**To:** Sheets, Jerah [DNR]; Lents, Ralph [DNR]; Couser, Nancy [DNR]  
**Cc:** Rosemary Roelf  
**Subject:** June 16th meeting comemnts

Re:

Final Adoption, Chapter 64, “Wastewater Construction and Operation Permits” and Storm Water General Permit No. 2 for Construction Activities – Topsoil Preservation

I oppose changing the rules requiring replacement of 4" of topsoil on construction sites if the permittee thinks it is "in-feasible".

Topsoil is the most important natural resource in our state and is critical for the soil ecosystem and water filtration and preserving every inch of it matters.

Allowing **self regulating** removal, and in many cases sale, of this critical resource is not appropriate.

Mike Roelf  
3193545998

--

Michael Roelf  
[Michael.Roelf@gmail.com](mailto:Michael.Roelf@gmail.com)

5/29/15

Iowa Environmental Commission

Wallace State Office Bldg.

502 E 9th St.

Des Moines, IA 50319-0034

Re: 4" Topsoil Rule

I am writing because I have lost faith that you will do the right thing. I believe the 4" topsoil rule should be maintained — even enhanced. The real stakeholders are the home owners, their neighborhoods, cities, towns, states, and yes - Nation. Yet you want to listen to a "stakeholder" group who by their own admission say its a matter of money and convenience — personal greed. There are undisputed reasons these projects require a stormwater permit and I'm sure you know them better than I. Since when does greed trump common sense?

In my opinion the rule should be kept — and enhanced so as not to be left to the discretion of developers and builders. I also believe they should have to disclose that the topsoil has been removed and sold (to the eventual buyers) if that is the case.

34038 JUN08'15 PM 1:05

Thank you for your time and consideration.

Stephanie Karrick

717 8th ave SW

Cedar Rapids, Ia 52404

**From:** Brian Thielges [mailto:iowafarmloan@gmail.com]  
**Sent:** Tuesday, June 16, 2015 3:58 PM  
**To:** Sheets, Jerah [DNR]  
**Subject:** Re: Public comment

Did my comment on the card get read?

My public comment is:

My daughter built a house a little over a year ago in the Crosshaven development done by Hubbell. Under her grass is no topsoil, just black clay. She has to water more and apply more fertilizer than I do to her lawn. These are obvious reasons for topsoil requirements of at least 4 inches.

Since this regulation is not adhered to by the builders now, because you can find many other houses in this development with no top soil under their grass (majority), I see no reason to have such a regulation. I don't know if it is political or just lack of man power to enforce this regulation. No matter it is not being adhered to now. That is a sad fact.

Brian Thielges  
4524 48th St  
Des Moines, IA 50310

Iowa Farm Finance Corp.  
Brian L. Thielges  
4524 48th St.  
Des Moines, IA 50310

[www.farmrates.net](http://www.farmrates.net)

# Agenda

## Environmental Protection Commission

June 16, 2015  
DNR Air Quality Building  
7900 Hickman Road  
Windsor Heights, Iowa

### Tuesday, June 16, 2015 – EPC Business Meeting

8:30 AM – New Commissioner Training – Conflict of Interest – Megan Tooker

10:00 AM – Meeting begins

11:00 AM – Iowa State University Extension Rain Simulator – parking lot

1:00 PM – Referral to the Attorney General

After Business Meeting – New Commissioner Training – Rulemaking & Referral Process – Ed Tormey

Public Participation<sup>1</sup> – Requests to speak during the business meeting Public Participation must be submitted to Jerah Sheets at [Jerah.Sheets@dnr.iowa.gov](mailto:Jerah.Sheets@dnr.iowa.gov), 502 East 9<sup>th</sup> Des Moines, IA 50319, 515-313-8909, or in-person by the start of the business meeting. Please indicate who you will be representing (yourself, an association, etc.), the agenda item of interest, and your stance of For, Opposed, or Neutral.

If you are unable to attend the business meeting, comments may be submitted via mail and email for the public record. The Commission encourages data, reports, photos, and additional information provided by noon the day before the meeting to allow ample time for review and consideration.

	Agenda topics	
1	Approval of Agenda	
2	Approval of Minutes	
3	Monthly Reports	Bill Ehm (Information)
4	Public Participation	
5	Director's Remarks	Chuck Gipp (Information)
6	Final Adoption, Chapter 64, "Wastewater Construction and Operation Permits" and Storm Water General Permit No. 2 for Construction Activities – Topsoil Preservation	Joe Griffin (Decision)
7	Adopted and Filed – Chapters 50 "Scope of Division," 52 "Criteria and Conditions for Authorizing Withdrawal, Diversion and Storage of Water," and 53 "Protected Water Sources"	Jon Tack (Decision)
8	Clean Water and Drinking Water State Revolving Loan Fund – FY 2016 Intended Use Plans	Patti Cale-Finnegan (Decision)
9	Contract Amendments with Wapsi Valley Archaeology and The University of Iowa, Office of State Archaeologist for Archaeological and Architectural History Services	Patti Cale-Finnegan (Decision)
10	Region XII Council of Governments - Grant Awardee for delivery of the Iowa Waste Exchange program	Jennifer Wright (Decision)

11	University of Northern Iowa, Iowa Waste Reduction Center – Iowa Waste Exchange Program technical assistance, database management and training	Jennifer Wright (Decision)
12	Solid Waste Alternatives Program – Contract Recommendation	Tom Anderson (Decision)
13	Contract with THE UNIVERSITY OF IOWA on behalf of THE STATE HYGIENIC LABORATORY (SHL) for Laboratory Services provide to the Contaminated Sites Section –IDNR	Matt Culp (Decision)
14	Contract – Iowa Department of Agriculture and Land Stewardship – Lake Geode Watershed Improvement Project	Rachel Glaza (Decision)
15	2016 Contract University of Northern Iowa – Iowa Air Emissions Assistance Program (IAEAP): Small Business Assistance Program	Christina Iiams (Decision)
16	2016 Contract with Linn County Air Quality Division: Air Pollution Control in Linn County	Christina Iiams (Decision)
17	2016 Contract with Polk County Air Quality Division: Air Pollution Control in Polk County	Christina Iiams (Decision)
18	Referral to the Attorney General – Sabeer, LLC, dba Sleepy Hollow Campground & RV Park (Oxford) – Water Supply/Wastewater/Air Quality	Ed Tormey (Decision)
19	General Discussion <ul style="list-style-type: none"> <li>• Business Meeting Start Time</li> </ul>	
20	Items for Next Month’s Meeting <ul style="list-style-type: none"> <li>• July 20, 2015 – EPC Education Tour, Iowa County</li> <li>• July 21, 2015 – EPC Business Meeting, Iowa County</li> <li>• August 18, 2015 – EPC Business Meeting, Windsor Heights</li> </ul>	

For details on the EPC meeting schedule, visit

<http://www.iowadnr.gov/InsideDNR/BoardsCommissions.aspx>

<sup>1</sup> 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.

Any person attending the public meeting and has special requirements such as those related to mobility or hearing impairments should contact the DNR or ADA Coordinator at 515-725-8200, Relay Iowa TTY Service 800-735-7942, or [Webmaster@dnr.iowa.gov](mailto:Webmaster@dnr.iowa.gov), and advise of specific needs.

Monthly Variance Report  
April 2015

Item No.	Facility/City	Program	DNR Reviewer	Subject	Decision	Date
1	Strawberry Point STP	Wastwater	Laura Knispel	variance for sizing UV disinfection system as though it had seasonal disinfection limits which requires 50% redundancy.	approved	4/1/2015
2	Gerdau Wilton	Air Quality	Reid Bermel	variance to temporarily replace electric arc furnace	approved	4/7/2015
3	City of Tama	Wastwater	Melissa Schlickbernd	variance to design standards to minimum slope and installation methods for gravity sewers	approved	4/7/2015
4	Jim Vaske	Underground Tanks	Paul Petitti	variance to convert open beef feedlot to bedded confinement operation.	approved	4/10/2015
5	IPL Burlington Generating Station	Wastwater	Julie Faas	variance to remove all influent monitoring for population equivalent of 12.	approved	4/15/2015
6	Seven Day Road at Silver Creek	Flood Plains	Chad Billings	variance to Q50 maximum design flow rate 3 feet freeboard requirement for bridge replacement project.	approved	4/16/2015
7	Rural Water System NO1	Water Supply	Robert Campbell	variance to install four alluvial wells	approved	4/20/2015
8	Iowa Interstate Railroad LTD bridge 373 over raccoon river	Flood Plains	Kelly Stone	variance from Q50 maximum design flow rate 3 feet freeboard requirement for bridge replacement project.	approved	4/22/2015
9	Franklin Street at Unnamed Tributary of Otter Creek	Flood Plains	Chad Billings	variance to backwater limitations	approved	4/24/2015
10	Delavan Inc	Air Quality	Reid Bermel	addition of test stand installation and operation	approved	4/28/2015
11	GPC	Air Quality	Dennis Thielen	variance to operate boiler without required NOx Continuous Emission Monitor operating	denied	4/30/2015
12	Link Manufacturing Ltd	Air Quality	Ann Seda	variance to allow construction and operation of liquid coat booth prior to obtaining permit.	approved	4/30/2015
13	City of Calmar	Daryl Enfield	Water Supply Construction	variance from legal control of land for 200-foot radius around well	approved	4/29/2015

**DEPARTMENT OF NATURAL RESOURCES  
ENVIRONMENTAL PROTECTION COMMISSION  
ATTORNEY GENERAL REFERRALS  
June, 2015**

Name, Location and Region Number	Program	Alleged Violation	DNR Action	New or Updated Status	Date
Feinberg, Marty; Feinberg Metals Recycling Corp. Fort Madison (6)	Solid Waste	Operation Without Permit; Illegal Disposal	Referred to Attorney General	Referred	4/14/15
Kossuth County (2)	Animal Feeding Operation	DNR Defendent	Defense	Petition for Judicial Review State's Answer P&J Pork Motion to Intervene Order Granting Motion to Intervene Kossuth County Brief State's Brief District Court Review Without Oral Argument	9/18/14 10/08/14 11/07/14 11/20/14 2/03/15 2/13/15 3/04/15
North Central Iowa Regional SWA Fort Dodge (2)	Solid Waste	Operating Permit Violations	Referred to Attorney General	Referred	9/17/13
Peeters Development Co., Inc.; Mt. Joy Mobile Home Park Davenport (6)	Wastewater	Monitoring/Reporting; Compliance Schedule; Discharge Limits; Operation Violations; Certified Operator Discipline	Referred to Attorney General	Referred	3/18/14
Pet Memories, Inc. Warren Co. (5)	Solid Waste	Judicial Review	Defense	Petition Filed Answer Pet Memories Brief State's Brief Hearing Date	2/05/14 3/05/14 1/16/15 2/17/15 4/13/15
Scallon, Jim Austinville (2)	Solid Waste	Illegal Disposal	Referred to Attorney General	Referred	5/20/14

**DEPARTMENT OF NATURAL RESOURCES  
ENVIRONMENTAL PROTECTION COMMISSION  
CONTESTED CASES**

June, 2015

<b>DATE RECEIVED</b>	<b>NAME OF CASE</b>	<b>F.O.</b>	<b>ACTION APPEALED</b>	<b>PROGRAM</b>	<b>ASSIGNED TO</b>	<b>STATUS</b>
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.
3/11/10	Bondurant, City of	5	Order/Penalty	WW	Hansen	<b>7/2013-On hold pending further investigation. 5/15 – Letter to City Attorney regarding meeting to discuss appeal.</b>
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 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. 1/24/14 – City’s engineer sent revised construction schedule for another test well and production well. 5/23/14- Test well drilled but not successful. City Council to determine next step. 6/20/14- Letter sent to City requesting plan of action and schedule by 8/30/14 for returning to compliance with order. 8/29/14 – New schedule received from City, to be incorporated into proposed consent amendment. 01/26/14- Proposed consent amendment sent to City for review.
8-27-12	Ag Processing, Inc.; Sergeant Bluff	4	Permit Conditions	AQ	Preziosi	Met with appellant 1/31/14. Met with appellant 3/12/14. Negotiations continuing. Appellant to submit further information in April. Settled in concept. Last communication with appellant on 5/22/14. Communication from appellant 7/22/14. Internal meeting 9/5/14. Letter sent to appellant 12/14 proposing terms of settlement.

**DEPARTMENT OF NATURAL RESOURCES  
ENVIRONMENTAL PROTECTION COMMISSION  
CONTESTED CASES**

June, 2015

<b>DATE RECEIVED</b>	<b>NAME OF CASE</b>	<b>F.O.</b>	<b>ACTION APPEALED</b>	<b>PROGRAM</b>	<b>ASSIGNED TO</b>	<b>STATUS</b>
11-21-12	Ag Processing Inc.	6	Permit Conditions	AQ	Preziosi	Continuing negotiations. Last communication with appellant on 5/20/14. Communication from appellant 7/22/14. Internal meeting 9/5/14. Letter sent to appellant 12/14 proposing terms of settlement.
3-04-13	Anderson Excavating Co., Inc.	4	Order/Penalty	SW	Crotty	Landfill closure underway. Settlement will occur after closure. Inspection on 8/20/14. Closure to be completed this fall.
6-10-13	Mike Jahnke	1	Dam Application	FP	Schoenebaum	Hearing held 7/30/14. ALJ upheld the permit issued by the Department. Mr. Jahnke appealed but on 11/3/14 he asked that his appeal be put on hold until April, 2015.
10-28-13	Regional Environmental Improvement Commission/Iowa Co. SLF	6	Variance	WW	Tack	2/20/15 – Settlement reached. Awaiting execution.
1-02-14	P & J Pork, LLC		Construction Permit Denial	AFO	Book	6/10/14 – Proposed decision affirming DNR permit denial. 6/18/14 – P & J Pork appeals proposed decision. 8/19/14 – EPC reverses proposed decision. 9/18/14 – Intervenor, Kossuth County, files Petition for Judicial Review in Kossuth County.
1/16/14	Council Bluffs Water Works	4	Permit Conditions	WW	Tack	Hearing continued. Settlement discussions ongoing.
4/17/14	REIC/Iowa Co. Sanitary Landfill	6	Permit Conditions	WW	Tack	4/27/15 Consent Order signed by REIC. Awaiting receipt.
9/08/14	Craig Ver Steegh	5	Permit Conditions	WW	Crotty	Hearing continued until 7/14/15.
10/01/14	Amsted Rail Company, Inc. (Griffin Wheel Co.)		Permit Conditions	SW	Crotty	Negotiating before filing.
11/13/14	Adam Timmerman	3	Order/Penalty	AFO	Book	Negotiating before filing.
1/21/15	Sidney, City of	4	Permit Conditions	WS	Hansen	<b>Negotiating before filing. 5/15 – Letter sent to City with settlement offer.</b>
2/05/15	Mahle Engine Components USA	4	Order/Penalty	WW	Hansen	<b>Negotiating before filing. 5/15 – Settlement conference to be scheduled.</b>
3/31/15	Duane Covington	5	Notice to Revoke License	WS	Hansen	<b>DIA hearing scheduled for 6/22/15.</b>

**DATE:** June, 2015

**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
Valley Machining Co dba Valley Machining Co. VMC Rock Valley (3)	Flood Plain	Construction Without Permit/Registration	Consent Order \$4,000	5/11/15
ABC Crane Co.; Troy L. Barringer; Laurie L. Barringer Rockwell City (3)	Air Quality	Open Burning	Consent Order \$5,000	5/11/15
Co-Line Welding, Inc. Sully (5)	Air Quality	Recordkeeping	Consent Order \$4,000	5/11/15
Vicky Kolker; Adams Dairy Clayton Co. (1)	Animal Feeding Operation	Prohibited Discharge – Confinement; WQ Violations – General Criteria	Consent Order \$6,000 \$26,023.35/Fish \$2,244.14/Inves.	5/20/15
Tim VanEaton Orient (4)	Animal Feeding Operation	Land Application Separation Distance; Uncertified Applicator	Order/Penalty \$6,000	5/21/15



IOWA DEPARTMENT OF NATURAL RESOURCES  
LEGAL SERVICES BUREAU

**DATE:** June 1, 2015  
**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	3,825	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
* Floyd Kroeze (Butler Co.)	AFO	1,500	2-20-01
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	9,735	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
# 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
Jon Knabel (Clinton Co.)	AQ/SW	2,000	12-16-08
# Rick Renken (LeMars)	AFO	996	7-03-09
# Robert Fangmann (Dubuque Co.)	AFO	1,000	7-15-09
# Brian Lill (Sioux Co.)	AFO	2,755	7-18-09
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
# 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

#Animal Feeding Operation  
**BOLD Entries Have Been Referred to DRF**

# Joe McNeill (Kossuth Co.)	AFO	2,460	12-23-10
Gonzalez & Sons Express, Inc. (DeSoto)	WW	8,000	4-20-11
David C. Kuhlemeier (Cerro Gordo Co.)	AQ/SW	1,000	6-30-11
Steve Friesth (Webster Co.)	AQ/SW	7,857	11-26-11
Josh Oetken (Worth Co.)	AQ/SW	8,245	3-11-12
Bhupinder Gangahar/Saroj Gangahar/International Business	UT	7,935	4-20-12
Finney Industrial Painting, Inc. (Fairfield)	AQ/WW	1,025	4-23-12
Terry Philips; TK Enterprises (Washington Co.)	AQ/WW	3,000	5-30-12
# Boerderij De Vedhoek, LLC (Butler Co.)	AFO	8,500	11-16-12
B Petro Corporation (Cedar Rapids)	UT	7,728	5-13-13
Ken Odom (Iowa Co.)	AQ/SW	5,000	4-26-13
Massey Properties, LLC; The Wharf (Dubuque)	WS	10,000	10-05-13
Robert Downing (Mahaska Co.)	AQ/SW	10,000	11-20-13
Shriners Hospital for Children, Inc. (Des Moines)	UT	8,890	12-03-13
Larry Eisenhower (Woodbury Co.)	AQ/SW	4,675	3-01-14
Randy Wise; Wise Construction (Buena Vista Co.)	AQ/SW	3,000	4-10-14
Advanced Electroforming, Inc. (Cedar Co.)	AQ	1,500	4-03-14
Western Iowa Telephone Assoc. (Lawton)	WW	4,000	5-24-14
Wendall Abkes (Parkersburg)	SW	3,000	7-30-14
Donna J. Jensen (Ringsted)	AQ/SW	3,000	10-17-14
Dennis Habben (Sioux Co.)	SW	3,000	11-01-14
Leda Properties, LTD (Dubuque)	WW	5,000	12-12-14
Annie's LLC; Togie Pub (Lime Springs)	WS	3,500	12-22-14
Joel Thys; Thys Chevrolet, Inc. (Benton Co.)	AQ/SW	10,000	1-04-15
West Central Cooperative (Halbur)	WW	4,000	1-04-15
Muscatine County Solid Waste Mgmt. Agency (Muscatine)	SW	6,000	2-11-15
# Mark Yeggy; Randalyn Yeggy (Washington Co.)	AFO	5,000	3-23-15
# Benjamin J. Waigand (Union Co.)	AFO	2,500	4-15-15
Aerial Crop Care; Tri State Agri; Hoppe Airspray (Lyon)	WW	3,500	4-23-15
# Cob Rollers Pork, LLC (Bremer Co.)	AFO	3,500	4-30-15
# Vicky Kolker; Adams Dairy, LLC (Clayton Co.)	AFO	6,000	5-15-15
Cedar Ridge Vineyard, LLC (Swisher)	WW	1,500	5-20-15
Woodland Park, LLC; Woodland MHP (Muscatine)	WW	1,500	5-29-15
	<b>TOTAL</b>	<b>349,885</b>	

**The following penalties have been assessed but are not due at this time:**

Valley Machining Co. (Rock Valley)	AQ	4,000	6-11-15
# Tim VanEaton (Orient)	AFO	6,000	7-21-15
	<b>TOTAL</b>	<b>10,000</b>	

**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
# Jerry Passehl (Latimer)	SW/WW/HC	2,695	7-01-09
Jerry Wernimont (Carroll)	AQ/SW	216	4-19-10
# Ernest Greiner (Keokuk Co.)	AFO	500	10-10-10

#Animal Feeding Operation

**BOLD Entries Have Been Referred to DRF**

Jim Scallon (Butler Co.)	SW	700	4-15-13
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	83	12-15-14
Ellsworth Excavating Co. (Muscatine Co.)	AQ/SW	150	3-01-15
# Steve Grettenberg; Dragster LLC	AFO	1,750	11-20-14
<b>Millard Elston III; The Earthman (Jefferson Co.)</b>	<b>AQ/SW</b>	<b>1,815</b>	<b>2-15-13</b>
Simon Simonson (Kossuth Co.)	SW	3,700	11-30-14
ADA Enterprises, Inc. (Worth Co.)	WW	2,500	6-15-15
Niehouse Cleaners & Draperies, Inc. (Marshalltown)	AQ	2,500	9-15-14
# David Dahlgren (Clarion)	AFO	2,250	12-15-14
	<b>TOTAL</b>	<b>37,520</b>	

**The following administrative penalties have been appealed:**

<b>Harlan Rudd; Karen Rudd; Rudd Bros. Tires (Drakesville)</b>	<b>UT</b>	<b>10,000</b>	
<b>Bondurant, City of</b>	<b>WW</b>	<b>10,000</b>	
Helen and Virgil Homer; Grandmas Snack Shop; (Aredale)	WS	8,461	
<b>Manson, City of</b>	<b>WS</b>	<b>10,000</b>	
<b>Anderson Excavating Company, Inc. (Pottawattamie Co.)</b>	<b>SW</b>	<b>10,000</b>	
# Adam Timmerman; AT Livestock Ent. South (Cherokee Co.)	AFO	4,250	
Mahle Engine Components USA, Inc. (Atlantic)	WW	10,000	
	<b>TOTAL</b>	<b>62,711</b>	

**The following administrative penalties have been collected:**

New London, City of	WW	1,500	
# MLS Legacy, LLP; Clinton Vos (Jasper Co.)	AFO	7,850	
Preston Ready Mix Corp. (Preston)	WW	4,000	
Ellsworth Excavating Co. (Muscatine Co.)	AQ/SW	75	
Co-Line Welding, Inc. (Lynnville)	AQ	4,000	
<b>Finney Industrial Painting, Inc. (Fairfield)</b>	<b>AQ/WW</b>	<b>250</b>	
<b>David C. Kuhlemeier (Cerro Gordo Co.)</b>	<b>AQ/SW</b>	<b>100</b>	
# <b>Brian Lill (Sioux Co.)</b>	<b>AFO</b>	<b>110</b>	
Simon Simonson (Kossuth Co.)	SW	100	
ADA Enterprises, Inc. (Worth Co.)	WW	2,500	
	<b>TOTAL</b>	<b>20,485</b>	

#Animal Feeding Operation

**BOLD Entries Have Been Referred to DRF**

**Iowa Department of Natural Resources  
Environmental Protection Commission**

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ITEM

6

**DECISION**

TOPIC

**Final Adoption, Chapter 64, “Wastewater Construction and Operation Permits” and Storm Water General Permit No. 2 for Construction Activities – Topsoil Preservation**

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The Commission is asked to approve the attached Final Rule for Chapter 567-64 IAC “Wastewater Construction and Operation Permits” and changes to storm water General Permit No. 2. The proposed changes to Chapter 64 amend General Permit No. 2. The changes to General Permit No. 2 implement the recommendations of an Executive Order 80 stakeholders’ group regarding topsoil preservation.

The current requirement is that if 4 inches or more of topsoil existed prior to development, a minimum of 4 inches is to be in place on the surface of the site after construction is complete unless land use precludes the practice. The proposed requirement is that the permittee(s) shall, unless infeasible, preserve topsoil. “Infeasible” shall mean not technologically possible, or not economically practicable and achievable in light of the best industry practices as determined by the permittee. “Unless infeasible, preserve topsoil” shall mean that, unless infeasible, topsoil from any areas of the site where the surface of the ground for the permitted construction activities is disturbed, shall remain within the area covered by the applicable General Permit No. 2. Soil may be used elsewhere in the development and no minimum retention requirement is applicable to an individual lot or portion of the project.

The public comment period for the proposed changes to Chapter 64 regarding topsoil preservation ended April 1, 2015 during which three public hearings were held in Cedar Rapids, Davenport and Des Moines. Over 700 mailed, e-mailed and verbal comments were received. These comments were supplied to the Commission and made available to the public on the Department’s website.

One modification in the changes to storm water General Permit No. 2 has been made since the Commission approved the Notice of Intended Action at its January meeting. The word “authorization” has been inserted at the end of the third sentence of the proposed new wording as follows:

“ ‘Unless infeasible, preserve topsoil’ shall mean that, unless infeasible, topsoil from any areas of the site where the surface of the ground for the permitted construction activities is disturbed, shall remain within the area covered by the applicable General Permit No. 2 authorization.”.

This insertion results in the requirement that topsoil must remain in the area of the construction covered by the authorization issued to the site under General Permit No. 2 rather than under General Permit No. 2 itself.

Joe Griffin, Environmental Specialist Senior  
NPDES Section, Water Quality Bureau  
Iowa Department of Natural Resources

May 26, 2015

## **ENVIRONMENTAL PROTECTION COMMISSION[567]**

### **Adopted and Filed**

Pursuant to the authority of Iowa Code sections 455B.103A and 455B.105(3), the Environmental Protection Commission (Commission) hereby gives Notice of Intended Action to amend Chapter 64, "Wastewater Construction and Operation Permits," Iowa Administrative Code.

The amendments to Chapter 64 will revise General Permit No. 2, which authorizes the discharge of stormwater from construction sites. Substantive changes in General Permit No. 2 are required to implement the federal effluent guidelines for construction and development point sources. These guidelines are found at 40 CFR 450.21. Most of the measures in the federal effluent guidelines are already included in General Permit No. 2. The changes being proposed in General Permit No. 2 involve topsoil preservation at construction sites. The Code of Federal Regulations requires permittees to minimize soil compaction and, unless infeasible, preserve topsoil. Currently, the Commission defines this requirement as the preservation of at least 4 inches of topsoil at construction sites when this is consistent with land use practices and if at least 4 inches of topsoil existed on the site prior to construction.

Notice of Intended Action was published in the Iowa Administrative Bulletin on February 18, 2015, as ARC 1873C. The public comment period for the proposed changes to Chapter 64 regarding topsoil preservation ended April 1, 2015, during which three public hearings were held in Cedar Rapids, Davenport and Des Moines. Over 700 mailed, e-mailed and verbal comments were received. These comments were supplied to the Commission and made available to the public on the Department's website.

One modification in the changes to storm water General Permit No. 2 has been made since the Commission approved the Notice of Intended Action at its January 21<sup>st</sup> meeting. The word “authorization” has been inserted at the end of the third sentence of the proposed new wording as follows:

“Unless infeasible, preserve topsoil” shall mean that, unless infeasible, topsoil from any areas of the site where the surface of the ground for the permitted construction activities is disturbed, shall remain within the area covered by the applicable General Permit No. 2 authorization.”

This insertion results in the requirement that topsoil must remain in the area of the construction covered by the authorization issued to the site under General Permit No. 2 rather than under General Permit No. 2 itself.

The following revisions to General Permit No. 2 are adopted:

Part IV.D.2.A.(2).(c) of the stormwater General Permit No. 2 is revised as follows:

**A.(2).(c).** Unless infeasible, the following measures shall be implemented at all sites: utilize outlet structures that withdraw water from the surface when discharging from basins, provide and maintain natural buffers around surface waters; and direct storm water to vegetated areas to both increase sediment removal and maximize storm water infiltration ~~and minimize soil compaction~~. ~~Topsoil shall be preserved at all construction sites unless land use precludes the practice. The requirement to preserve topsoil shall be met only when the depth of topsoil after soil disturbing activities have been completed and final stabilization achieved for the permitted activity is equal to, or greater than, 4.0 inches,~~

~~including soil contained in sod, on all areas of the site where the surface of the ground disturbed for the permitted construction activities is exposed and not covered by concrete, asphalt, gravel or other such material and where 4.0 inches or more of topsoil existed prior to the commencement of soil disturbing activities that are permitted under the current permit authorization for the site. On areas where less than 4.0 inches of topsoil existed prior to the commencement of soil disturbing activities that are permitted under the current permit authorization for the site, the minimum depth of topsoil after soil disturbing activities have been completed and final stabilization achieved for the permitted activity shall be equal to, or greater than, the depth of topsoil that existed prior to the commencement of soil disturbing activities that are permitted under the current permit authorization for the site. The final topsoil depth is to be measured after the soil has been compacted in a fashion generally considered adequate for an established lawn and so that the expected settling that will occur after measurement will be minimal and shall include the soil contained in any sod that has been placed on the site. The type of topsoil at the site after soil disturbing activities have been completed and final stabilization achieved for the permitted activity shall be similar to that which exists or existed in the general area of the site. The permittee(s) shall minimize soil compaction and, unless infeasible, preserve topsoil. "Infeasible" shall mean not technologically possible, or not economically practicable and achievable in light of the best industry practices. "Unless infeasible, preserve topsoil" shall mean that, unless infeasible, topsoil from any areas of the site where the surface of the ground for the permitted construction~~

activities is disturbed, shall remain within the area covered by the applicable General Permit No. 2 authorization. Minimizing soil compaction is not required where the intended function of a specific area of the site dictates that it be compacted. Preserving topsoil is not required where the intended function of a specific area of the site dictates that the topsoil be disturbed or removed. The permittee(s) shall control stormwater volume and velocity to minimize soil erosion in order to minimize pollutant discharges and shall control stormwater discharges, including both peak flowrates and total stormwater volume, to minimize channel and streambank erosion and scour in the immediate vicinity of discharge points. An affidavit signed by the permittee(s) may be submitted to demonstrate compliance.

For construction activity which is part of a larger common plan of development, such as a housing or commercial development project, in which a new owner agrees in writing to be solely responsible for compliance with the provisions of this permit for the property which has been transferred or in which the new owner has obtained authorization under this permit for a lot or lots (as specified in subrule 567--64.6(6) of the Iowa Administrative Code), the topsoil preservation requirements described above must be met no later than at the time the lot or lots have reached final stabilization as described in this permit.

~~For sites where less than 4.0 inches of topsoil is to be in place after soil disturbing activities have been completed and final stabilization achieved for the permitted activity, a soil survey conducted by properly qualified personnel who regularly conduct soil surveys as part of their normal job duties must be~~

~~conducted prior to commencement of soil disturbing activities that are permitted under the current permit authorization for the site. The results of the soil survey shall become part of the Pollution Prevention Plan and shall indicate the depth of topsoil at a suitable number of points on the site commensurate with standard engineering practices established for the size of the site.~~

The topsoil preservation requirement described above shall be implemented for projects that have not received an authorization under this permit prior to October 1, 2012. The topsoil preservation requirements are not required to be implemented for projects that have been authorized prior to October 1, 2012. In residential and commercial developments, a plat is considered a project. For other large areas that have been authorized for multiple construction sites, including those to be started at a future date, such as those located at industrial facilities, military installations and universities, a new construction project not yet surveyed and platted out is considered a project. This stipulation is intended to be interpreted as requiring the topsoil preservation requirements on development plats and construction activities on other extended areas that may have several construction projects permitted under the same authorization to be implemented on those projects not yet surveyed and platted out prior to October 1, 2012 even if other plats and construction activities in the same development or other extended area were authorized prior to October 1, 2012.

It is not the intent of the Commission that the textual changes in General Permit No. 2 be adopted in the Iowa Administrative Code but that these changes be made in the general permit itself which is adopted by reference into the Iowa Administrative Code.

Copies of the proposed revised General Permit No. 2 are available upon request from the Department at 502 East 9th Street, Des Moines, Iowa 50319; or by telephone at (515)725-8417.

After analysis and review of this rule making, a positive impact on jobs could exist. At the time the 4-inch topsoil preservation requirement was adopted, it was generally believed by the Commission and stakeholders that the fiscal impact of the requirement would be minimal and would not significantly impact developers, builders, or home buyers. In early 2014, various members of the development community requested that the language of General Permit No. 2 be changed to mirror the federal standard of preserving topsoil, unless feasible. These stakeholders reported that actual costs of implementation of the 4-inch topsoil preservation requirement were significantly higher than anticipated, including costs with having to verify the requirement was uniformly met throughout the construction site. Cost impact estimates have been reported to vary from several hundred dollars per lot to several thousand dollars per lot. This economic concern led to the formation of an Executive Order (EO) 80 stakeholder group, which convened meetings and obtained public input in 2014. The EO 80 stakeholder group recommended to the Commission that the topsoil preservation requirement in General Permit No. 2 be changed to more closely align with the federal language, with some additional verbiage added. The EO 80 stakeholder group indicated that the proposed revisions will result in a net reduction in costs to residential developers and home builders, which would lead to lower prices for home purchasers. On September 16, 2014, the Commission directed the Department of Natural Resources (Department) to initiate rule making to adopt the EO 80 stakeholder group recommendation for General Permit No. 2, with further, minor changes recommended by the Commission.

This amendment is intended to implement Iowa Code chapter 455B, division I.

This amendment shall become effective August 12, 2015.

The following amendment is adopted.

Amend subrule 64.15(2) as follows:

**64.15(2)** Storm Water Discharge Associated with Industrial Activity for Construction Activities, NPDES General Permit No. 2, effective October 1, 2012 to October 1, 2017, as amended on ~~March 26, 2014~~ July 15, 2015.

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Date

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Chuck Gipp, Director

**Iowa Department of Natural Resources  
Environmental Protection Commission**

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ITEM

7

Decision

TOPIC

**Adopted and Filed** – Chapters 50 “Scope of Division,” 52 “Criteria and Conditions for Authorizing Withdrawal, Diversion and Storage of Water,” and 53 “Protected Water Sources”

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The Commission is asked to approve the Adopted and Filed rulemaking to amend Chapters 50 “Scope of Division,” 52 “Criteria and Conditions for Authorizing Withdrawal, Diversion and Storage of Water,” and 53 “Protected Water Sources.” The amendments will revise the rules governing the use of the Cambrian-Ordovician Aquifer (commonly called the Jordan Aquifer) in Iowa.

**Reason for Rulemaking:**

The Jordan Aquifer extends underneath much of Iowa and is a significant well water source in the state. Protection from overuse of the resource (also known as dewatering the aquifer) is needed in some parts of the state. The rules create a three-tiered classification system for existing and future Jordan wells that are required to be permitted under the state’s water allocation rules, so that the resource will have a sustainable use into the future. A water allocation permit must be obtained by anyone withdrawing at least 25,000 gallons in a single day during the year. A permit holder withdrawing more water than the aquifer can sustain at that well location will be required to develop a water use reduction plan and implement measures so that the aquifer can recover to a sustainable level. Other proposed rule amendments require activities that result in closer oversight of the aquifer.

**Executive Order 80 Stakeholder Group:**

The three chapters were amended in consultation with an Executive Order 80 Stakeholder Group (Stakeholder Group) consisting of seven representatives of professional/technical organizations, water utilities, industry groups, and the agency, which met six times in 2014. The Stakeholder Group was tasked with evaluating the current rules to better manage the usage of the Jordan Aquifer. The Stakeholder Group’s recommendations were presented to the Commission at its June 17, 2014 meeting.

Department staff and the Stakeholder Group made a joint presentation addressing each recommendation at the November 19, 2014, Commission meeting. The Commission directed the Department to develop rules for those recommendations that required rulemaking. The Stakeholder Group and Department staff met on December 30, 2014, to finalize the recommended rule revisions. The amended rules, including the jobs impact statement and fiscal impact statement, were presented to the Commission at its meeting held on February 17, 2015, where the request for formal rulemaking was approved.

Members of this committee and the representation the members provided are as follows:

<i>Name</i>	<i>Organization</i>	<i>Representing</i>
John Crotty	Iowa Environmental Council	Environmental advocacy group
Shawn Kerrick	Koch Nitrogen	Industrial user from business located in affected area
Gale McIntosh	Northway Pump	Water well contractor
Jill Soenen	Iowa Association of Municipal Utilities	Municipal utility association
Todd Steigerwaldt	City of Marion (Water Works)	Municipal user in affected area
Becky Svatos	Stanley Consultants, Iowa ABI	Professional consulting engineering firm, Business association
Nancy Couser	Environmental Protection Commission	State agency

The amended rules were published as a Notice of Intended Action in the Iowa Administrative Bulletin XXXVII, #19, on March 18, 2015, as ARC 1914C. The Commission authorized three public hearings, which were conducted to receive public response to the proposed rules. Notice of the public hearings was provided over a several week period in 2015 through the following publications:

- The Department's EcoNewsWire (an electronic weekly newsletter sent to more than 700 people interested in the Department's activities and 400 news media) had three articles: the proposed rules and public hearings in the February 12<sup>th</sup> edition, the public hearings in the March 26<sup>th</sup> edition, and the public hearings in the April 2<sup>nd</sup> edition.
- The Des Moines Register newspaper published an article on February 15<sup>th</sup> which discussed the rules prior to the Commission's February 17<sup>th</sup> meeting and listed the public hearings and comment period.
- The Department's electronic Water Supply Listserv provided an article on the rulemaking and public comment opportunities to 996 people on March 25<sup>th</sup>.

Written comments to the three chapters were accepted through Tuesday, April 14, 2015, at 4:30 p.m., including comments that were postmarked that day.

The public hearings were held in Coralville (April 8, 2015), Des Moines (April 9, 2015), and Fort Dodge (April 10, 2015). There were 52 attendees (not including Department staff) at the hearings. Oral comments were received from six people at the hearings; written comments were received from six people. Hearing participants' questions were answered prior to and after each public hearing. The Responsiveness Summary addresses all comments received during the public comment period. Each comment is followed by the name of the commentor, a discussion of the issue raised, and any Department staff recommendation. As a result of the public comment process, changes have been made to clarify the rules.

The amended rules were also presented to the Administrative Rules Review Committee on April 10, 2015.

Jon Tack  
Chief, Water Quality Bureau  
May 15, 2015

PUBLIC PARTICIPATION  
RESPONSIVENESS SUMMARY

for

IAC 567—Chapters 50, 52, and 53

published as **ARC 1914C**

IOWA DEPARTMENT OF NATURAL RESOURCES  
ENVIRONMENTAL SERVICES DIVISION

May 15, 2015

## RESPONSIVENESS SUMMARY

### Public Hearings & Written Comments

The following document constitutes a summary of comments received in response to public hearings and public dissemination of the water use and allocation rules governing the use of the Cambrian-Ordovician Aquifer (commonly called the Jordan Aquifer) in Iowa: Iowa Administrative Code 567 Chapters 50, 52, and 53. The rules were amended as a result of recommendations from the Executive Order 80 Jordan Aquifer Stakeholder Group (Stakeholder Group) that was convened to evaluate the existing rules to better manage the aquifer.

The Stakeholder Group consisted of seven representatives of professional/technical organizations, water utilities, industry groups, and the agency, which met six times in 2014. The Stakeholder Group’s recommendations were presented to the Environmental Protection Commission (Commission) at its June 17, 2014 meeting. Department of Natural Resources (Department) staff and the Stakeholder Group made a joint presentation addressing each recommendation at the November 19, 2014, EPC meeting. The Commission directed the Department to develop rules for those recommendations that required rulemaking. The Stakeholder Group and Department staff met on December 30, 2014, to finalize the recommended rule revisions. The amended rules, including the jobs impact statement and fiscal impact statement, were presented to the Commission at its meeting held February 17, 2015, where the request for formal rulemaking was approved.

The amended rules were published as a Notice of Intended Action in the Iowa Administrative Bulletin XXXVII, #19, on March 18, 2015. The Commission authorized three public hearings. These public hearings were conducted to receive final public response to the proposed rules. The hearing schedule was as follows:

<b>Date</b>	<b>Time</b>	<b>Location</b>	<b>City</b>	<b>Attendees*</b>
April 8	1:00	Meeting Room A Coralville Public Library 1405 Fifth Street	Coralville	31 (7)
April 9	11:00	Wallace State Office Building WS Section Conference Room 2N 502 E. Ninth Street	Des Moines	7 (7)
April 10	11:00	Fort Dodge Public Library Large Meeting Room 424 Central Avenue	Fort Dodge	14 (5)
<b>Total (non-DNR attendees)</b>				<b>52</b>

\*Top number is the number of non-Department persons attending each hearing. Bottom number in parentheses is the number of Department staff attending the hearings, including the hearing officers. Only non-Department persons are included in the Total.

Notice of the public hearings was provided over a several week period in 2015 through the following publications:

- The Department’s EcoNewsWire (an electronic weekly newsletter sent to more than 700 people interested in the Department’s activities and 400 news media) had three articles:

the proposed rules and public hearings in the February 12<sup>th</sup> edition, the public hearings in the March 26<sup>th</sup> edition, and the public hearings in the April 2<sup>nd</sup> edition.

- The Des Moines Register newspaper published an article on February 15<sup>th</sup> which discussed the rules prior to the Commission's February 17<sup>th</sup> meeting and listed the public hearings and comment period.
- The Department's electronic Water Supply Listserv provided an article on the rulemaking and public comment opportunities to 996 people on March 25<sup>th</sup>.

Written comments to the three chapters were accepted through Tuesday, April 14, 2015, at 4:30 p.m., including comments that were postmarked that day.

Fifty-two members of the public participated in the public hearings, not including Department staff. Twelve people made comments; six submitted written comments and six made oral comments at a hearing. Hearing participants' questions were answered prior to and after each public hearing. This responsiveness summary addresses all comments received during the public comment period. Each comment is followed by the name of the commentor, a discussion of the issue raised, and any Department staff recommendation. As a result of the public comment process, changes have been made to clarify the rules.

The amended rules were also presented to the Administrative Rules Review Committee on April 10, 2015.

**PUBLIC PARTICIPATION RESPONSIVENESS SUMMARY**  
**JORDAN AQUIFER WATER USE RULES**  
**IAC 567—CHAPTERS 50, 52, and 53**  
**PUBLIC COMMENT PERIOD: MARCH 18 – APRIL 14, 2015**  
**May 15, 2015**

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<b>1. Comment:</b> {53.7(2) Protected Source, Cambrian-Ordovician Aquifer in Johnson & Linn Counties}	We respectfully request that the language in 53.7(2) be revised to specify that this section only refers to withdrawals from the Jordan Aquifer.
Commentor:	Heidi Peck, Environmental Quality Supervisor, Linn County Public Health
Discussion:	Staff agrees with the commentor. Clarify the language in the protected source subparagraphs to indicate that the Department will permit the wells withdrawing water from the Jordan Aquifer and not all water wells within the delineated area. Staff determined that clarification is needed in both the Johnson/Linn County protected source area subparagraph and the Webster County protected source area subparagraph.
Recommended Action:	<p>Amend the rules as follows:</p> <p>53.7“a”(2)(1) New or modified water use permits. Any new application for a permit to withdraw groundwater or to increase an existing permitted withdrawal of groundwater from <u>the Cambrian-Ordovician (Jordan) aquifer</u> within the protected water source area will be restricted or denied if necessary to preserve public health and welfare.</p> <p>53.7“a”(2)(2) Withdrawal of groundwater. Withdrawal of groundwater from within the protected water source area may also be restricted or denied from <del>any</del> <u>water supply wells constructed in the Cambrian-Ordovician (Jordan) aquifer</u>, public or private, and the construction of all new water supply wells <u>in the Cambrian-Ordovician (Jordan) aquifer</u> shall be restricted or denied, if necessary, to preserve public health and welfare or to minimize adverse effects to the “available” head (i.e., the original pressure head above the top of the aquifer). The Johnson and Linn County Health Departments are not authorized to issue a construction permit for a private well drilled into or through the Cambrian-Ordovician (Jordan) aquifer within the protected water source area without the approval of the department. The department’s water supply engineering section will determine whether the proposed well can be constructed and may require that the well meet public water well standards.</p> <p>53.7“a”(3)(1) New or modified water use permits. Any new application for a permit to withdraw groundwater or to increase an existing permitted withdrawal of groundwater from <u>the Cambrian-Ordovician (Jordan) aquifer</u> within the protected water source area will be restricted or denied if necessary to preserve public health and welfare.</p>

53.7“a”(3)(2) Withdrawal of groundwater. Withdrawal of groundwater from within the protected water source area may also be restricted or denied from ~~any~~ water supply wells constructed in the Cambrian-Ordovician (Jordan) aquifer, public or private, and the construction of all new water supply wells in the Cambrian-Ordovician (Jordan) aquifer shall be restricted or denied, if necessary, to preserve public health and welfare or to minimize adverse effects to the “available” head (i.e., the original pressure head above the top of the aquifer). The Webster County Health Department is not authorized to issue a construction permit for a private well drilled into or through the Cambrian-Ordovician (Jordan) aquifer within the protected water source area without the approval of the department. The department’s water supply engineering section will determine whether the proposed well can be constructed and may require that the well meet public water well standards.

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**2. Comment:**  
{52.4(3)“d”}

The wording says that no well would be issued a permit if they were not out of the protected area. This could be construed as to include Devonian and Silurian aquifer wells. I feel that it should be written in to be specific to the Jordan Aquifer, and not the idea that it could include all other wells in the area.

Commentor: Butch Kasperek, Novotny & Son Well Service; Past President of the Iowa Water Well Association

Discussion: Staff agrees with the commentor. Clarify the wording as shown below.

Recommended Action: Amend the rule as follows:  
*d. Jordan aquifer high-capacity permits and wells.* Water use permits for the Jordan aquifer shall be issued on a five-year permit cycle. The water use permit for a wells expected to pump over 25,000 gallons per day from the Jordan aquifer must be obtained from the department before ~~any~~the water well construction permit is issued. After the water use permit has been obtained, the county may issue a Cambrian-Ordovician (Jordan) aquifer water well construction permit for any nonpublic water supply system unless ~~the~~ that well is located in one of the protected-source areas listed in 567—subrules 53.7(2) and 53.7(3). The department may issue a Cambrian-Ordovician (Jordan) aquifer water well construction permit for ~~any~~ a public water supply system or a well located in the protected source areas listed in 567—subrules 53.7(2) and 53.7(3). All driller’s logs for water use wells completed in the Jordan aquifer shall be submitted to the department and the Iowa Geological Survey.

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**3. Comment:**  
{53.7(2)“a”(1) and (2)}

It states that no withdrawal can be denied or restricted in the protected area. Again, no distinction from the Jordan, Silurian, or Devonian aquifers.

It is not that we are not concerned with the levels of water in the Silurian and Devonian aquifers, it is the fact that this document pertains to the Jordan Aquifer and the effect of withdrawal of it from municipalities, industry, and large irrigation whereas the Silurian and Devonian are more for residential and farm wells.

Commentor: Butch Kasperek, Novotny & Son Well Service; Past President of the Iowa Water Well Association

Discussion: Staff agrees with the commentor. See Item 1.

Recommended Action: See Item 1.

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**4. Comment:** As a certified well contractor in the State of Iowa, I am constantly concerned with the quantity and quality of water in the State. As a third generation contractor with a son in the industry, I am extremely concerned that ground water stays a viable resource for generations to come. Many areas of the State have been blessed with an abundance of this precious resource, and protecting that is important to me and future generations. While I am typically not in favor of additional regulations and rules, I do understand the necessity of managing the Jordan Aquifer to ensure it is available for years to come.

{52.4(3)“d”  
53.7(2)“a”(1) and (2)  
53.7(3)“a”(1) and (2)}

For as long as I can remember, the single approach of the 200’ level that has been used in the past has concerned me. It seemed too stringent and inappropriate to be used today. I actually welcome the Tiered approach and applaud the work done by the committee. I know firsthand how much work these committees can be.

That being said, I do have a great concern with the language. There are several paragraphs in the document (I underlined some of them) where the document references “all wells.” My concern is that the way this is worded, someone in the future MAY interpret this as actually applying to all wells within the designated geographic area regardless of which aquifer they penetrate or utilize. From the presentation at the Iowa Water Well Association Convention in January 2015, and previous comments I have heard, I understood that the forthcoming document (I assume this one), that this document was only dealing with the Jordan. This document actually reads for the most part that it is only concerned with the Jordan. However I have had a Health Department official, and my legal counsel tell me that the language may allow for all wells within the designated geographic area to be limited by this document. If it is meant to apply to any well completed in or utilizing any aquifer, then I am strongly opposed to this document as it is overreaching a problem and considerably too stringent. If it is only intended to address those wells completed in the Jordan, than I believe clarification should be made.

While I do realize there are multiple times the Jordan is referenced, the “all or any well” does concern me. Additionally, the fact that several people I respect, and read this type of document, have seen the same potential for misinterpretation, I do believe it should be addressed.

As I understand that this document is only to cover wells into the Jordan, I believe additional clarification should be made so that there can be no chance that it may be misinterpreted to apply to any well not utilizing the Jordan.

Commentor: Klint Gingerich, Gingerich Well

Discussion: Staff agrees with the commentor. See Items 1 and 2.

Recommended Action: See Items 1 and 2.

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**5. Comment:** {50.2 Definition: Water Use Reduction Plan}

The new definition of “Water use reduction plan” in rule 567 – 50.2(455B): The definition as written may need to be clarified. It would appear that to meet the definition, a plan must establish reduction goals for all customer categories (residential, commercial, industrial, landscape irrigation, agricultural, recreational, or other), suggesting that there must be reduced usage for each category. My understanding is that the intent would be that each of these categories should be evaluated and that the permittee would make determinations as to which categories would require reduced usage to meet reduction goals.

Commentor: Shelli Lovell, Central Iowa Water Association

Discussion: Staff agrees with the commentor. The water use reduction goals can be met through one or more of the categories; a separate goal for each category is not required.

Recommended Action: Amend the rule as follows:  
*50.2 Water Use Reduction Plan. “Water use reduction plan” means a program that establishes numeric water reduction goals (e.g., percent or volume of water per day) on a short-term time frame through either voluntary or mandatory conservation regulatory requirements (e.g., plumbing codes, sprinkling ordinances, et al.) for each customer category (residential, commercial, industrial, landscape irrigation, agricultural, recreational, or other). Such a plan shall include a mechanism for evaluating the system’s unaccounted-for water (water audit or the equivalent). An industrial permittee water use reduction plan shall examine reduction of the use of water in heat transfer, use of water in materials transfer, use of water for washing, and use of water as an incorporated ingredient. Each customer category or use category should be evaluated by the permittee. The permittee will then determine how to meet the water reduction goals.*

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**6. Comment:** {Proposed amendments}

The Iowa Chapter offers the following comments on behalf of its 5000 members.

The Iowa Chapter supports policies that restrict unsustainable water withdrawal from the Jordan Aquifer and supports the rule changes as written in the Notice of Intended Action. Water shortages are obvious in the western United States. Iowans like to think the state has an abundance of water, and even an over-abundance during times of flood. What is less obvious is the need to protect Iowa’s aquifers from significant decline.

The Iowa Chapter supports the rule-making package, including

- Changing the water withdrawal permits from 10 years to 5 years
- Prohibiting once-through cooling water uses and geothermal uses (also known as pump-and-dump geothermal)
- Establishing protected resource areas in Johnson, Linn, and Webster Counties
- Requiring state approval for new wells in the protected resources areas
- Requiring that a water allocation permit be obtained before a well-construction permit can be issued for withdrawals larger than 25,000 gallons in a day

- 
- Classifying all wells using the Jordan Aquifer as Tier 1, 2, or 3 wells
  - Requiring water reduction plans for Tier 2 and Tier 3 wells, which are wells that are withdrawing water at an unsustainable rate.

The Iowa Chapter expects that the Department of Natural Resources (DNR) will closely monitor water levels in the Jordan Aquifer, including driller’s logs, and will act aggressively should further restrictions become necessary.

Further the Chapter expects the DNR to undertake aggressive enforcement actions to ensure compliance with and implementation of water reduction plans for Tier 2 and Tier 3 wells. The message from the DNR needs to be clear that the loss of the aquifer is serious.

It is necessary to act now to protect the Jordan aquifer for future uses for all Iowans. In the last century, water withdrawal from the Jordan aquifer has grown substantially; withdrawal from the aquifer clearly cannot continue on the same trajectory.

Commentor: Pamela Mackey Taylor, Conservation Chair, Sierra Club

Discussion: None

Recommended Action: None

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**7. Comment:**

{52.4(3)“a”: 200 gpm restriction on irrigation use, recreational and aesthetic use  
52.4(3)“b”: 2000 gpm restriction on industrial and power generation use }

These comments relate primarily to the new rules governing irrigation, recreational and aesthetic uses. Specifically, these comments relate to new subrule 52.4(3)(a) and the standards for modification or cancellation of permits issued for irrigation, recreational and aesthetic uses.

The existing subrule 52.4(3)(a) reads as follows:

*52.4(3) Withdrawals from the Cambrian-Ordovician (Jordan) aquifer.*

Withdrawals of water from the Cambrian-Ordovician (Jordan) Aquifer, including: the St. Peter Sandstone Formation, the Prairie Du Chien Group and the Jordan Sandstone Formation, shall be subject to the following conditions:

*a. Two hundred gallon per minute (200 gpm) restriction on irrigation use and recreational and aesthetic use.* New withdrawals of water for irrigation and recreational and aesthetic uses shall not be in excess of 200 gallons per minute (200 gpm). Existing permits for irrigation and recreational and aesthetic uses that authorize withdrawal rates in excess of 200 gallons per minute (200 gpm) may be modified by the department if, according to the department, any well in the vicinity experiences loss of water due to drawdown effects or the piezometric level is reduced significantly.

The proposed new subrule 52.4(3)(a) reads as follows:

*52.4(3) Withdrawals from the Cambrian-Ordovician (Jordan) aquifer.*

Withdrawals of water from the Cambrian-Ordovician (Jordan) Aquifer, including: the St. Peter Sandstone Formation, the Prairie Du Chien Group and the Jordan Sandstone Formation, shall be subject to the following conditions:

*a. Two hundred gallon per minute restriction on irrigation, recreational, or*

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*aesthetic uses*. New withdrawals of water for irrigation, recreational, or aesthetic uses shall not be in excess of 200 gallons per minute. Existing permits for irrigation, recreational and aesthetic uses that authorize withdrawal rates in excess of 200 gallons per minute may be modified or cancelled by the department if, as determined by the department, any well in the vicinity experiences loss of water due to pumping, or if the pumping water level is reduced to or below the [Tier 2 and Tier 3 levels].

There are certain recreational users, such as golf courses, that hold permits authorizing withdrawal rates in excess of 200 gallons per minute, which rates are necessary to operate the users' business, i.e. water the golf courses and replenish the golf course ponds. These users are regulated by both withdrawal rates and annual withdrawal quantities. The concern for these users is (i) that new rules grant the department the right to modify and cancel permits, which would substantially impact the users' business, and (ii) that there are no standards established for the action to be taken by the department.

Under the existing rules, a permit for irrigation, recreational and aesthetic use that authorize withdrawal rates in excess of 200 gallons per minute may be modified by the department if, according to the department, any well in the vicinity experiences loss of water due to drawdown effects. Under the new rules, such permit may be modified or cancelled by the department if, as determined by the department, any well in the vicinity experiences loss of water due to pumping, or if the pumping water level is reduced to or below the Tier 2 and Tier 3 levels. Presumably, a permit that authorizes withdrawal rates less than 200 gallons per minute is not subject to either modification or cancellation.

This writer suggests that the new rules should be revised to require the department to consider the impact of the specific user on the Jordan Aquifer, i.e. the impact of the user's withdrawals on wells in the vicinity or water level in the aquifer. The new rules should consider the overall impact of the specific user considering both withdrawal rates and annual withdrawal quantities. Further, the new rules should consider the specific user's business and the impact of any changes in the permitted right on the business. Finally, the new rules should consider the impact of industrial and power generation users, including their relative withdrawal rates and annual withdrawal quantities, when determining the scope of the action to be taken by the department.

The same issues are presented in proposed new subrule 52.4(3)(b) relating to industrial and power generation uses. For example, it appears that a permit that authorizes withdrawal rates less than 2000 gallons per minute is not subject to either modification or cancellation (referred to as rescission in this subrule). There are no stated standards for the action to be taken by the department. Further, this writer suggests that, due to the relative quantities of water consumed by industrial and power generation uses, including both withdrawal rates and annual withdrawal quantities, the new rules should direct the department to impose a greater burden of correction on this class when change is required.

Commentor: Tim Hogan, Hogan Law Office

Discussion: 

- Comment: "The concern for these users is (i) that new rules grant the

department the right to modify and cancel permits, which would substantially impact the users' business, and (ii) that there are no standards established for the action to be taken by the department."

Staff response: The 200 gpm maximum withdrawal rate of water from the Cambrian Ordovician (Jordan) Aquifer for irrigation, recreational, or aesthetic uses was recommended to be retained by the Stakeholder Group from the existing rules, with which the Department agreed. The Department already had the ability to modify and cancel permits, even though cancellation wasn't specifically listed in the previous rule. The procedures for the modification, cancellation, and emergency suspension of permits are contained in 567-IAC 52.7(455B).

- Comment: "Presumably, a permit that authorizes withdrawal rates less than 200 gallons per minute is not subject to either modification or cancellation."

Staff response: Any water withdrawal permit, even one withdrawing less than 200 gpm from the Jordan Aquifer, is still subject to the rules outlined in 567- IAC 52.7(455B), and could be subject to modification or cancellation. There are no changes from the existing rule in the review process of the Department. The impact of the specific user, including both the withdrawals from wells in the vicinity and on the water level in the aquifer, is already considered under the existing rules as part of the permitting process. The provisions for review are listed in 567-IAC 50.7(455B).

- Comment: "Further, the new rules should consider the specific user's business and the impact of any changes in the permitted right on the business."

Staff response: Consideration of the specific user's business and impact of changes on the permitted right on the business are subject to the priority allocation criteria that has been set in the Code of Iowa 455B.266, and is used in times of triggering events, such as drought.

- Comment: "The same issues are presented in proposed new subrule 52.4(3)(b) relating to industrial and power generation uses."

Staff response: The Department's water allocation program has the clear authority to set priorities in permitting water use. Allocation priorities are not changed by the proposed rule. Changing the defined priority for industrial and power generation uses, or changing the mechanism whereby the Department would "impose a greater burden of correction" is beyond the scope of this rulemaking effort. The 2,000 gpm for an industrial or power generation user is a maximum threshold, not a minimum. Any water withdrawal permit from an industrial or power generation user, even one withdrawing less than 2,000 gpm from the Jordan Aquifer, is still subject to the rules outlined in 567-IAC 52.7(455B), and could be subject to modification or cancellation.

Staff response: The variance provision from the existing 52.4(3) "d" is still retained in the proposed rules as paragraph 52.4(3) "j".

Recommended Action: None

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**8. Comment:**  
{Proposed  
amendments}

I was the chair of the EO80 Jordan Aquifer Stakeholder Committee. It was an interesting process and we learned a lot along the way. On behalf of the group, thanks to the DNR for assistance during the EO80 process. We met several times in the Wallace Building – six or seven meetings – and utilized DNR staff to update the committee. We asked a lot of questions and got good answers and history. The committee took its job seriously and put forward a lot of time and energy. Immediately, there is no one impacted by the rule changes, I want to make that clear. But there are areas based upon the modeling that’s been done and in the trends that we’re seeing, where we need to be proactive and conserve the water in the Jordan aquifer. We are using a lot of it and it’s very old water. The leaders here, the DNR staff, and those of us in the Jordan now, need to be proactive, start conserving, and look for alternative sources, so that in the future we’ll be prepared. We need smart growth and smart planning. There is a current rule on the books but it’s rather vague, with the 200 ft. The new rules will give more guidance and planning, and lead us into the future. I am supportive of the rule changes. Again thanks to the DNR staff for their work, and Mike Gannon in modeling, to support the committee.

Commentor: Todd Steigerwaldt, Chair of the EO80 Jordan Aquifer Stakeholder Committee, Marion Water Department

Discussion: None

Recommended Action: None

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**9. Comment:**  
{Tiers 2 and 3}

My main comments and questions relate to the Tier 2 and 3 levels and how they will be defined - the 300 & 400 foot levels below the 1978 Horick level. Is it 300 feet at a one-time excursion and one well, and the whole system is subject to water conservation? Or an annual average, or how will that be interpreted or defined by DNR?

Why was the Horick 1978 level selected as the point for the levels to be related to? Why not looking at the piezometric head above the Jordan aquifer and what’s actually available there?

Commentor: Steve Troyer, Fox Engineering/ North Liberty Water Supply

Discussion: The water levels are measured for each unique Jordan well. The water level determines the tiering classification for each well. The Tier 2 and 3 water levels are established for each unique Jordan well, and those are the values that will be used to require the additional water use reduction plan activities. The annual reported water level could be a single reading, as would be expected for a well clearly in the Tier 1 category, or an average of monthly readings, as would be expected for water levels nearing the Tier 2 and 3 categories, so that natural fluctuations are taken into consideration. Water reduction plans would be required for the permittee to develop and implement, and might involve all wells, or just the affected well.

The Horick and Steinhilber 1978 historic levels are being retained in the proposed rule for several reasons:

- 1) It is a well-researched and well-known published resource from the U.S. Geological Survey and the Iowa Geological Survey that characterizes and sets the baseline levels of the Jordan Aquifer. It is the best published measurement of the Jordan Aquifer's historic potentiometric surface available.
- 2) Many Jordan wells were designed and constructed to utilize the aquifer at historic water levels, not at a level of potential maximum decline.
- 3) Many wells do not have driller's logs that indicate the stratigraphic top of the aquifer needed in order to derive an accurate piezometric head.
- 4) It was the baseline recommended by the Stakeholder Group.

Certain areas of the state will utilize a hybrid piezometric/Horick surface when it is estimated that water levels cannot decline to the 300 or 400 foot levels without dewatering the aquifer.

Recommended Action: None

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**10. Comment:** I've heard a lot of water being taken out. What is being done to put clean water back into the Jordan aquifer?  
{Recharge of Jordan aquifer}

Commentor: Laura Brindle, citizen, member of the Science Discussion Group at the Iowa City Senior Center.

Discussion: Recharge is primarily a natural process for the Jordan Aquifer. Rain falls on the ground surface and water infiltrates down to the aquifer. In addition to vertical recharge, the Jordan Aquifer is primarily recharged in SE Minnesota and Wisconsin, which then moves horizontally through the aquifer into Iowa. Other parts of the country do attempt to recharge an aquifer, mostly arid and coastal areas. There is a different process in Iowa called "aquifer storage and recovery," where treated drinking water is injected into the Jordan Aquifer in a few locations around the state, for a public water supply to withdraw (or "recover") at a later time. It stabilizes their demand so they have water in times of scarcity. This process is not for recharging the aquifer, but rather the aquifer is used to store water for later withdrawal, such as during a drought.

Recommended Action: None

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**11. Comment:** I am concerned about water usage because water is the most important thing we have. I want to be sure use is being watched. I can live without ethanol, I cannot live without good drinking water.  
{Proposed amendments}

Commentor: Gene W. Holtorf, DDS

Discussion: None

Recommended Action: None

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**12. Comment:** I wasn't prepared for the information received today and the duties of my participation involved. My concern is that water is something that's difficult to  
{Proposed

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amendments} control and everybody needs it.

Commentor: Allen Borzich

Discussion: None needed

Recommended Action: None

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**13. Comment:** My only concern with the rules is this: is there any more monitoring required of  
{Monitoring current permittees within the protected areas? Will there be increased  
frequency} frequencies of drawdowns or static measurements?

Commentor: John Horrell, Fort Dodge Water Supply

Discussion: There are already monthly reporting requirements for municipal public water systems and on-site visits as part of their public water supply permits. Non-public water system Jordan permittees will have more water level measurement and reporting requirements than in the past, and also have on-site visits.

Recommended Action: None

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## **ENVIRONMENTAL PROTECTION COMMISSION[567]**

### **Adopted and Filed**

Pursuant to the authority of Iowa Code sections 455B.105, 455B.173 and 455B.263, the Environmental Protection Commission hereby amends Chapter 50, “Scope of “Division–Definitions–Forms–Rules of Practice,” Chapter 52, “Criteria and Conditions for Authorizing Withdrawal, Diversion and Storage of Water,” and Chapter 53, “Protected Water Sources–Purposes–Designation Procedures–Information in Withdrawal Applications–Limitations–List of Protected Resources,” Iowa Administrative Code.

The amendments will revise the rules governing the use of the Cambrian-Ordovician Aquifer (commonly called the Jordan Aquifer) in Iowa. The amendments are a result of the recommendations made to the Commission by the Executive Order 80 Stakeholder Group (Stakeholder Group) that was tasked with evaluating the current rules to better manage the usage of the Jordan Aquifer. Department of Natural Resources (Department) staff and the Stakeholder Group made a joint presentation addressing each recommendation at the Commission meeting held November 19, 2014. The Commission directed the Stakeholder Group and the Department to develop rules for those recommendations that required rule changes. The Stakeholder Group and Department staff met on December 30, 2014, to finalize the recommended rule revisions. The amended rules, including the jobs impact statement and the fiscal impact statement, were presented to the Commission at its meeting held February 17, 2015, where the request for formal rulemaking was approved.

The Jordan Aquifer extends underneath much of Iowa and is a significant well water source in the state. Protection from overuse of the resource (also known as dewatering the aquifer) is needed in some parts of the state. The Stakeholder Group developed a tiered classification system for existing and future Jordan wells that are required to be permitted under the state's water allocation rules, so that the resource will have a sustainable use into the future. A water allocation permit must be obtained by anyone withdrawing at least 25,000 gallons in a single day during the year. A permit holder withdrawing more water than the aquifer can sustain at that well location will be required to develop a water use reduction plan and implement measures so that the aquifer can recover to a sustainable level. Other rule amendments require activities that result in closer oversight of the aquifer. The amendments are summarized below:

1. In Chapter 50, the definition of aquifer is amended, and definitions of "confined aquifer" and "water use reduction plan" are added.

2. In Chapter 52, the current subrule pertaining to the withdrawal of water from the Cambrian-Ordovician (Jordan) Aquifer is rescinded and replaced with a new subrule that:

- Adds tiering criteria to classify each Jordan well requiring a water allocation permit into one of three tiers, depending upon the pumping water levels as compared to the 1978 Horick and Steinhilber potentiometric surface and the top of the Jordan Aquifer at that location. Permittees whose wells are in the Tier 1 category shall follow standard water use reporting procedures with no additional requirements. Permittees with Tier 2 and Tier 3 category wells have the additional requirements of site-specific water use reduction plans. The new subrule also includes the actions the Department may take if water levels continue to decline beyond the Tier 3 level.

- Changes the permit cycle for Jordan water allocation permits from ten years to five years.
- For new Jordan wells, requires that a water allocation permit be obtained before a water well construction permit is issued (to ensure adequate water allocation before the expense of the well construction is incurred).
- Retains the current 200-gallons-per-minute restriction on irrigation, recreational, and aesthetic uses.
- Retains the 2,000-gallons-per-minute restriction on industrial and power generation uses.
- Replaces the measurement level of piezometric head with the pumping level.
- Prohibits once-through cooling or geothermal use, with an allowance for geothermal use only if all of the withdrawn water is injected back into the aquifer.

3. In Chapter 53, two areas, one in Johnson and Linn Counties and one in Webster County, are added to the protected-source rule, and a requirement that only the Department issue the well construction permits inside of those defined areas is included.

The Stakeholder Group included the following people:

<b>Name</b>	<b>Organization</b>	<b>Representing</b>
John Crotty	Iowa Environmental Council	Environmental advocacy group
Shawn Kerrick	Koch Nitrogen	Industrial user from business located in affected area
Gale McIntosh	Northway Pump	Water well contractor
Jill Soenen	Iowa Association of Municipal Utilities	Municipal utility association
Todd Steigerwaldt	City of Marion (Water Works)	Municipal user in affected area
Becky Svatos	Stanley Consultants, Iowa Association of Business and Industry	Professional consulting engineering firm, business association
Nancy Couser	Environmental Protection Commission	State agency

Notice of Intended Action was published in the Iowa Administrative Bulletin on March 18, 2015, as ARC 1914C. Three public hearings were held to receive public response to the proposed amendments. There were 52 attendees, not including Department staff, at the hearings. Oral comments were received from six people at the hearings and written comments were received from six people. A Responsiveness Summary which addresses all comments received during the public comment period is available from the Department upon request, by contacting Diane Moles at (515)725-0281 or [diane.moles@dnr.iowa.gov](mailto:diane.moles@dnr.iowa.gov). There were no adverse comments received as a result of the public comment process, however, the following changes have been made to the Notice of Intended Action to clarify the amendments:

In 50.2, clarify the definition of a “Water use reduction plan” to indicate that the water use reduction goals can be met through one or more of the categories and that a separate goal for each category is not required.

In 52.4(3) “d,” clarify the language to differentiate the well construction permitting duties for the Jordan Aquifer wells between the Department and the county. The Department will issue the well construction permits for all public water supply wells and for the wells within a protected source area withdrawing water from the Jordan Aquifer. The county will issue the well construction permits for the non-public water supply wells withdrawing water from the Jordan Aquifer that are not within a protected source area as outlined in IAC 567-53.7(455B).

In the following subparagraphs, 567-53.7 “a”(2)(1) and (2), and 567-53.7 “a”(3)(1) and (2), clarify the language to indicate that within the delineated protected source areas, the Department will issue the permits for the construction of wells withdrawing water from the Jordan Aquifer, and not all water wells within the delineated area.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code sections 455B.105, 455B.171, 455B.173, 455B.261 to 455B.274 and 455B.278.

The following amendments are adopted.

These rules will become effective on August 12, 2015.

ITEM 1. Amend rule **567—50.2(455B)**, definition of “Aquifer,” as follows:

“*Aquifer*” means a water-bearing geologic formation (soil or rock) of sufficient volume, porosity, and permeability to be capable of yielding a usable quantity of water to a well or spring.

ITEM 2. Adopt the following **new** definitions of “Confined aquifer” and “Water use reduction plan” in rule **567—50.2(455B)**:

“*Confined aquifer*” means an aquifer which contains water under pressure overlain by impermeable formations such as clay or shale. In a well penetrating a confined aquifer, pressure will cause water to rise above the top of the aquifer. If the pressure in a confined aquifer is sufficiently great, water will rise above the ground surface and flow from a well, thus resulting in a “flowing artesian well” or a “naturally flowing well.”

“*Water use reduction plan*” means a program that establishes numeric water reduction goals (e.g., percent or volume of water per day) on a short-term time frame through either voluntary or mandatory conservation regulatory requirements (e.g., plumbing codes, sprinkling ordinances, et. al.) for each customer category (residential, commercial, industrial, landscape irrigation, agricultural, recreational, or other). Such a plan shall include a mechanism for evaluating the system’s unaccounted-for water (water audit or the equivalent). An industrial permittee water use reduction plan shall examine reduction of the use of water in heat transfer, use of water in materials transfer, use of water for washing, and use of water as an incorporated ingredient. Each customer category or use category should be evaluated by the permittee. The permittee will then determine how to meet the water reduction goals.

ITEM 3. Rescind subrule 52.4(3) and adopt the following **new** subrule in lieu thereof:

**52.4(3)** *Withdrawals from the Cambrian-Ordovician (Jordan) aquifer.* Withdrawals of water from the Cambrian-Ordovician (Jordan) aquifer, including the St. Peter sandstone formation, the Prairie du Chien group and the Jordan sandstone formation, shall be subject to the following conditions:

*a. Two-hundred-gallon-per-minute restriction on irrigation, recreational, or aesthetic uses.*

New withdrawals of water for irrigation, recreational, or aesthetic uses shall not be in excess of 200 gallons per minute. Existing permits for irrigation, recreational and aesthetic uses that authorize withdrawal rates in excess of 200 gallons per minute may be modified or rescinded by the department if, as determined by the department, any well in the vicinity experiences loss of water due to pumping or if the pumping water level is reduced to or below the levels described in paragraphs “f” and “g” of this subrule.

*b. Two-thousand-gallon-per-minute restriction on industrial or power generation uses.* New withdrawals of water for industrial or power generation uses at one plant location shall not exceed 2,000 gallons per minute. Existing permits for industrial or power generation use that authorize withdrawal rates in excess of 2,000 gallons per minute may be modified or rescinded by the department if any well in the vicinity experiences loss of water due to pumping or if the pumping water level is reduced to or below the levels described in paragraphs “f” and “g” of this subrule.

*c. Limited cooling and geothermal use.* No once-through (single pass with disposal to storm sewer or equivalent) cooling water or geothermal usage is allowed. Withdrawals for geothermal purposes are prohibited unless 100 percent of the withdrawn water is reinjected into the aquifer in accordance with the requirements of the department.

*d. Jordan aquifer high-capacity permits and wells.* Water use permits for the Jordan aquifer shall be issued on a five-year permit cycle. The water use permit for wells expected to pump over 25,000 gallons per day from the Jordan aquifer must be obtained from the department before any water well construction permit is issued. After the water use permit has been obtained, the county may issue a Cambrian-Ordovician (Jordan) aquifer water well construction permit for any nonpublic water supply system unless that well is located in one of the protected-source areas listed in 567—subrules 53.7(2) and 53.7(3). The department may issue a Cambrian-Ordovician (Jordan) aquifer water well construction permit for a public water supply system or a well located in the protected source areas listed in 567—subrules 53.7(2) and 53.7(3). All driller's logs for water use wells completed in the Jordan aquifer shall be submitted to the department and the Iowa Geological Survey.

*e. Tier 1 Jordan wells.* A Jordan water use well is classified as Tier 1 when pumping water levels have not reached Tier 2 or Tier 3 levels described in paragraphs “*f*” and “*g*” of this subrule. Permittees with Tier 1 Jordan wells shall follow standard water use reporting procedures for the Jordan aquifer pursuant to rule 567—52.6(455B).

*f. Tier 2 Jordan wells.* A Jordan well is classified as Tier 2 when the pumping water level measured at the well declines over 300 feet below the 1978 Horick and Steinhilber potentiometric surface or the pumping water level declines over 50 percent from the 1978 Horick and Steinhilber potentiometric surface and the top of the Jordan aquifer, whichever is more conservative. Permittees with Tier 2 wells shall comply with paragraph “*h*” of this subrule.

*g. Tier 3 Jordan wells.* A Jordan well is classified as Tier 3 when the pumping water level measured at the well declines over 400 feet below the 1978 Horick and Steinhilber potentiometric surface or the pumping water level declines over 75 percent from the 1978 Horick

and Steinhilber potentiometric surface and the top of the Jordan aquifer, whichever is more conservative. Permittees with Tier 3 wells shall comply with paragraph “i” of this subrule.

*h. Site-specific water use reduction plan for Tier 2 Jordan wells.* Permittees with Jordan wells that have reached the Tier 2 level pursuant to paragraph “f” of this subrule shall develop a water use reduction plan and submit the plan to the department. The plan must be reviewed and approved by the department. The water use reduction plan shall set a defined usage percent reduction target that will minimize Jordan aquifer withdrawals and prevent the decline of the water level from reaching the Tier 3 category pursuant to paragraph “g” of this subrule. Guidance for writing and implementing water use reduction plans is available in paragraph “k” of this subrule. If the water use reduction plan is not implemented, the department may reduce the permitted water use allocation, pursue enforcement of the permit, or rescind the permit.

*i. Enhanced site-specific water use reduction plan and predictive model for Tier 3 Jordan wells.* Permittees with Jordan wells that have reached the Tier 3 level pursuant to paragraph “g” of this subrule shall develop an aggressive water use reduction plan using an approved predictive model that will lead to recovery of the pumping water level to elevations above Tier 3 levels. The plan and model predictions shall be reviewed and approved by the department. If water levels continue to decline beyond the Tier 3 level, the department may reduce the permitted water use allocation, pursue enforcement of the permit including aspects of the water use reduction plan, or rescind the permit.

*j. Variances.* Variances from the restrictions imposed by these rules will be considered by the department through the procedures found in rule 567—50.9(455B) and in 561—Chapter 10.

*k. Resources for developing water use reduction plans.* The resources suggested by and available from the department as guidance for developing water use reduction plans are listed in

paragraph 52.9(3)“d.”

ITEM 4. Adopt the following **new** paragraph **52.9(3)“d”**:

*d. Resources for water conservation and water use reduction planning.*

(1) The following resources are suggested by and available from the department as guidance for the development of water conservation plans and water use reduction plans:

1. “Water Wise—Efficiency Planning and Water Conservation Plan Workbook for Water and Wastewater Utilities,” Iowa Association of Municipal Utilities, 2013 (available online through the department’s Web site).

2. “Water Conservation Programs—A Planning Manual,” Manual of Water Supply Practices M52, American Water Works Association, 2006.

3. “Handbook of Water Use and Conservation,” Amy Vickers, Waterplow Press, Amherst, Massachusetts, 2001.

(2) Water conservation plans and water use reduction plans shall comply with the standards of the American Water Works Association or a reasonable equivalent as determined by the department.

ITEM 5. Adopt the following **new** subrules 53.7(2) and 53.7(3):

**53.7(2)** *Cambrian-Ordovician (Jordan) aquifer in Johnson and Linn Counties.*

*a. Geographical area.* The protected water source area includes portions of Johnson and Linn Counties. The actual geographical boundaries of the area are defined in subparagraph 53.7(2)“a”(3).

(1) New or modified water use permits. Any new application for a permit to withdraw

groundwater or to increase an existing permitted withdrawal of groundwater from the Cambrian-Ordovician (Jordan) aquifer within the protected water source area will be restricted or denied if necessary to preserve public health and welfare.

(2) Withdrawal of groundwater. Withdrawal of groundwater from within the protected water source area may also be restricted or denied from water supply wells constructed in the Cambrian-Ordovician (Jordan) aquifer, public or private, and the construction of all new water supply wells in the Cambrian-Ordovician (Jordan) aquifer shall be restricted or denied, if necessary, to preserve public health and welfare or to minimize adverse effects to the “available” head (i.e., the original pressure head above the top of the aquifer). The Johnson and Linn County Health Departments are not authorized to issue a construction permit for a private well drilled into or through the Cambrian-Ordovician (Jordan) aquifer within the protected water source area without the approval of the department. The department’s water supply engineering section will determine whether the proposed well can be constructed and may require that the well meet public water well standards.

(3) Map of protected water source area. The department shall maintain a map of the protected water source area.

1. The entire following described area within Johnson County and within Linn County is defined as a protected water source.

**Johnson County**

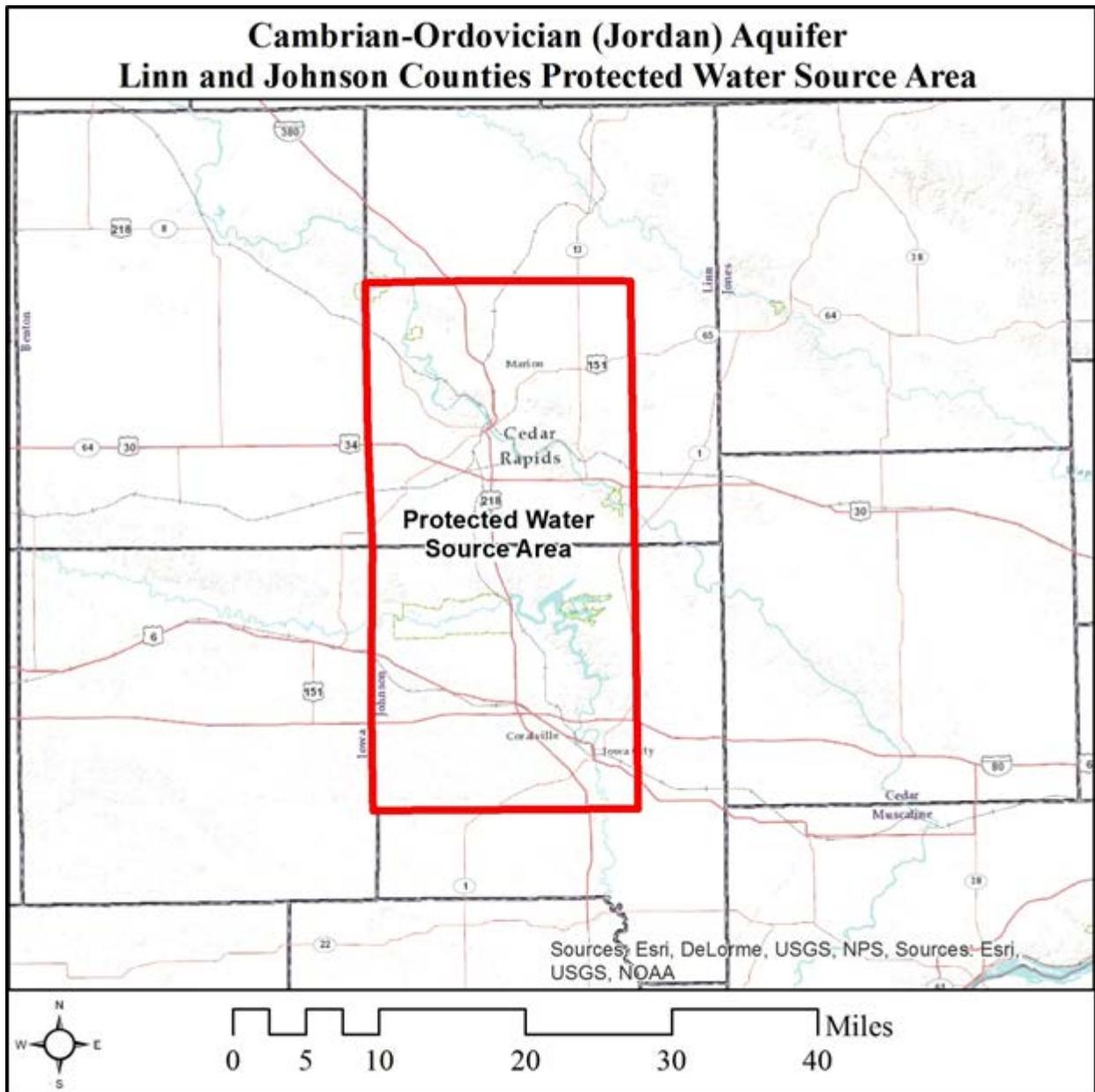
- All areas of Township 79 North, Range 6 West.
- All areas of Township 79 North, Range 7 West.
- All areas of Township 79 North, Range 8 West.
- All areas of Township 80 North, Range 6 West.

- All areas of Township 80 North, Range 7 West.
- All areas of Township 80 North, Range 8 West.
- All areas of Township 81 North, Range 6 West.
- All areas of Township 81 North, Range 7 West.
- All areas of Township 81 North, Range 8 West.

**Linn County**

- All areas of Township 82 North, Range 6 West.
- All areas of Township 82 North, Range 7 West.
- All areas of Township 82 North, Range 8 West.
- All areas of Township 83 North, Range 6 West.
- All areas of Township 83 North, Range 7 West.
- All areas of Township 83 North, Range 8 West.
- All areas of Township 84 North, Range 6 West.
- All areas of Township 84 North, Range 7 West.
- All areas of Township 84 North, Range 8 West.

2. Map of the described protected water source area in Linn and Johnson Counties.



b. Reserved.

**53.7(3) Cambrian-Ordovician (Jordan) aquifer in Webster County.**

a. *Geographical area.* The protected water source area includes portions of Webster County.

The actual geographical boundaries of the area are defined in subparagraph 53.7(3)“a”(3).

(1) New or modified water use permits. Any new application for a permit to withdraw groundwater or to increase an existing permitted withdrawal of groundwater from the Cambrian-

Ordovician (Jordan) aquifer within the protected water source area will be restricted or denied if necessary to preserve public health and welfare.

(2) Withdrawal of groundwater. Withdrawal of groundwater from within the protected water source area may also be restricted or denied from water supply wells constructed in the Cambrian-Ordovician (Jordan) aquifer, public or private, and the construction of all new water supply wells in the Cambrian-Ordovician (Jordan) aquifer shall be restricted or denied, if necessary, to preserve public health and welfare or to minimize adverse effects to the “available” head (i.e., the original pressure head above the top of the aquifer). The Webster County Health Department is not authorized to issue a construction permit for a private well drilled into or through the Cambrian-Ordovician (Jordan) aquifer within the protected water source area without the approval of the department. The department’s water supply engineering section will determine whether the proposed well can be constructed and may require that the well meet public water well standards.

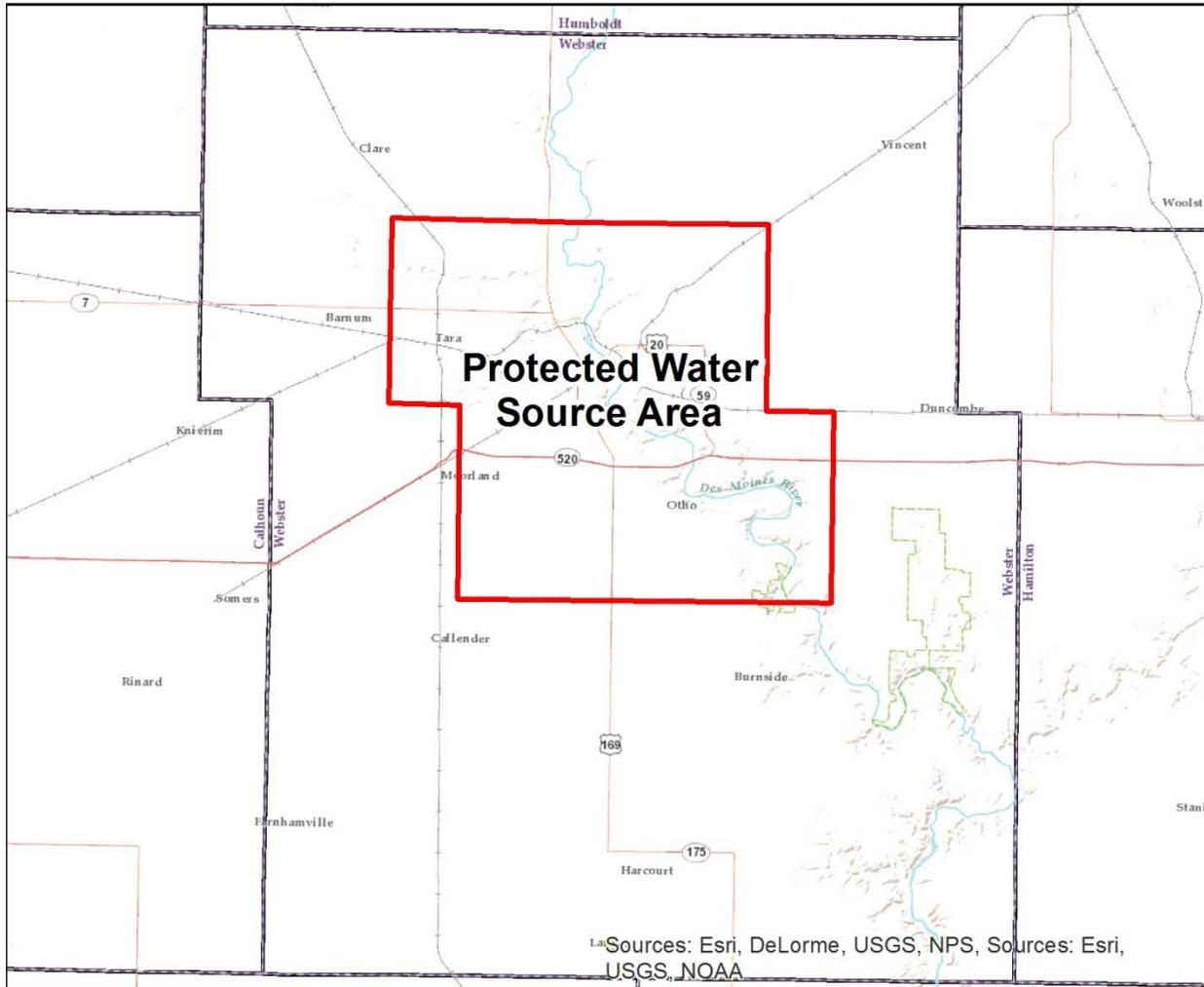
(3) Map of protected water source. The department shall maintain a map of the protected water source area.

1. The entire following described area within Webster County is defined as a protected water source.

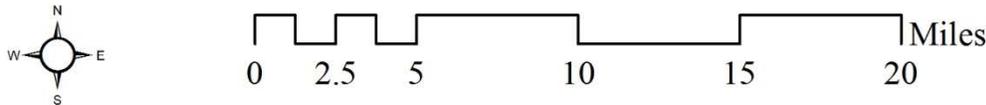
- All areas of Township 88 North, Range 28 West.
- All areas of Township 88 North, Range 29 West.
- All areas of Township 89 North, Range 28 West.
- All areas of Township 89 North, Range 29 West.

2. Map of the described protected water source area in Webster County.

# Cambrian-Ordovician (Jordan) Aquifer Webster County Protected Water Source Area



Sources: Esri, DeLorme, USGS, NPS, Sources: Esri, USGS, NOAA



*b. Reserved.*

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Date

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Chuck Gipp, Director

**Iowa Department of Natural Resources  
Environmental Protection Commission**

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**ITEM**

**8**

**DECISION**

**TOPIC      Clean Water and Drinking Water State Revolving Loan Fund – FY 2016  
Intended Use Plans**

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Commission approval is requested for the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) Intended Use Plans (IUPs) for FY 2016 (July 1, 2015 – June 30, 2016).

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). DNR administers the environmental and permitting aspects of the programs, with IFA providing financial assistance including loan approval and disbursements. Other important partners include the U.S. Environmental Protection Agency (EPA), the Iowa Department of Agriculture and Land Stewardship, Soil and Water Conservation Districts, county sanitarians, participating lenders, and others.

The FY 2016 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. A public meeting was held May 7, 2015 to receive comments on the proposed IUP updates. No oral comments were provided at the hearing. The written comment period closed on May 14, 2015. A written comment was received from the City of Prairie City concerning the eligibility of sanitary sewer projects under Water Resource Restoration Sponsored Projects. The comment and the Department's response are addressed on page 21 of the draft Clean Water SRF IUP.

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 quarterly during FY 2016. Iowa continues to be able to fund all projects that are eligible for SRF assistance.

Patti Cale-Finnegan, DNR SRF Coordinator  
May 22, 2015

Lori Beary, IFA SRF Coordinator



## INTENDED USE PLANS

Clean Water State Revolving Fund  
 Drinking Water State Revolving Fund  
 Fiscal Year 2016

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Clean Water State Revolving Fund  
 Drinking Water State Revolving Fund  
 Fiscal Year 2016

Iowa Department of Natural Resources  
 Iowa Finance Authority

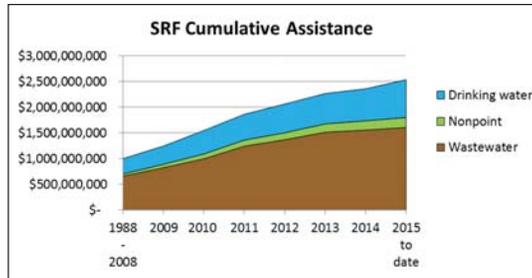


# INTRODUCTION TO THE IOWA SRF

**WATER – its availability, its cleanliness, its cost – is one of the primary issues facing Iowans now and into the future. The State Revolving Fund (SRF) offers a wide range of tools to help Iowans address water resources, water quality, and water affordability – to invest in Iowa's water.**

Iowa's State Revolving Fund provides financial assistance for water and wastewater infrastructure, agricultural best management practices, and other water quality projects. To date, the SRF has financed:

- \$1.6 billion for wastewater and sewer system upgrades;
- \$194 million to prevent nonpoint source pollution runoff; and
- \$735 million for drinking water supply and treatment.



SRF assistance recipients are cities, counties, rural water systems, sanitary districts, farmers, livestock producers, watershed organizations, and others. The SRF staff strives to provide financial tools that meet the needs of each of these groups, as well as streamlined program procedures and good customer service. With this approach, Iowa's SRF program has become one of the most innovative and far-reaching in the United States.

Each state has an SRF. 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. For example, many states only offer loans for water and sewer infrastructure. As shown in the image, Iowa's SRF has branched out from that core mission to addressing a wide variety of other program and financial needs.



Strong partnerships between three state agencies form the basis for the SRF programs. First, 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, disburses loan funds, and services the loans. 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 carried out without the involvement of a third state agency partner, the Iowa Department of Agriculture and Land Stewardship (IDALS). Working with local Soil and Water Conservation Districts, IDALS staff administer loan programs for both agricultural and urban water quality practices. They also bring in the expertise of the federal Natural Resources Conservation Service staff located in each local district office. IDALS urban conservationists and basin coordinators have also been instrumental in advancing the Water Resource Restoration Sponsored Project effort.

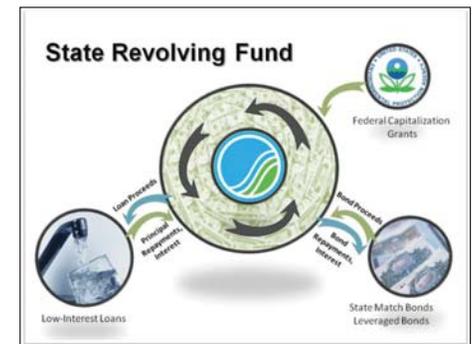
Iowa's SRF also depend on several other types of partners to implement program and financial goals, including:

- County environmental health boards and staff, who participate in a program to help homeowners replace failing onsite septic systems.
- Watershed and land trust organizations, including the Iowa Natural Heritage Foundation, county conservation boards, and watershed management authorities, which make the critical links between water quality and other benefits such as flooding prevention, wildlife habitat, and outdoor recreation.
- More than 400 lending institutions across the state, who make low-costs loans available to borrowers through a linked deposit arrangement with the SRF.

The federal legislation created the programs as revolving loan funds to provide an ongoing source of financing. 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. Not all states leverage, but in Iowa, issuing bonds has allowed the SRF to keep up with program demand and make greater gains in environmental protection and public health. For the Clean



Water SRF, an additional \$824 million in loans has been made due to leveraging, with an additional \$208 million provided through the Drinking Water SRF.

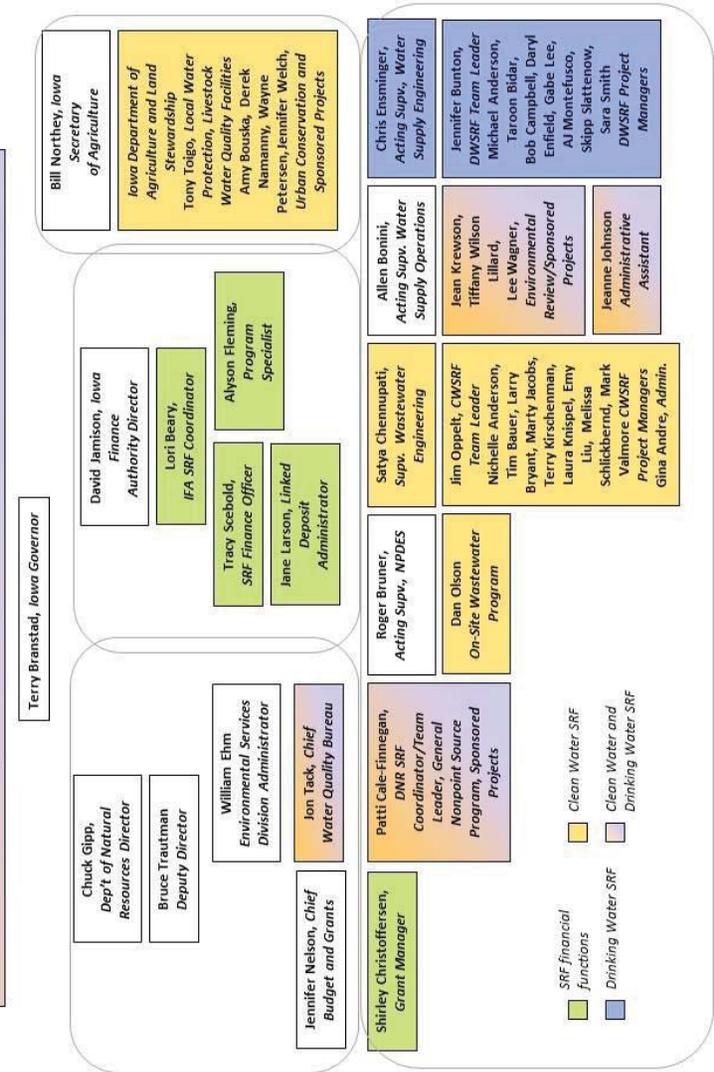
- Loan repayments and interest income. All repayments and interest must be re-deposited in the SRF loan accounts, keeping the funds revolving.

Iowa's SRF staff is committed to transparency and accountability in the programs. The primary mechanism is the publication of the Intended Use Plans (IUPs). All IUPs as well as program 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 requirements for reporting in the Federal Funding Accountability and Transparency Act (FFATA).

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 2016 (July 1, 2015 – June 30, 2016). The IUPs are developed and updated quarterly, in June, September, December, and March or more often as needed.

## State Revolving Fund Organizational Structure -- Iowa





**Clean Water State Revolving Fund  
Intended Use Plan  
Fiscal Year 2016**

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**Clean Water State Revolving Fund  
Intended Use Plan  
Fiscal Year 2016**

**I. STATE FISCAL YEAR 2016 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 three 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. Third, Water Resource Restoration sponsored projects address nonpoint source problems via interest rate reductions on wastewater loans.

The SFY 2016 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 2016 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 2016 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 2016, quarterly updates to the IUP will be prepared to add projects and update program financial information.*
- Goal: Require applicants to engage a registered Municipal Advisor (MA). *Objective: During SFY 2016, all applicants submitting an Intended Use Plan application must demonstrate that they have hired an MA to assist with cash flows, rate setting, debt service coverage, and other financial aspects of their wastewater utility.*

- Goal: Implement the “Use of American Iron and Steel (AIS)” requirements enacted by Congress on January 17, 2014. *Objective: During SFY 2016, SRF staff will help applicants determine eligibility for the exemptions and waivers provided for in the Act and EPA guidance. SRF staff will provide information to those applicants required to comply on necessary documentation and inspection procedures.*
- Goal: Fund green projects to meet the requirements of the Green Project Reserve. *Objective: During SFY 2016, the Iowa SRF plans to fund green projects equivalent to at least 10% of the FFY 2015 capitalization grant. Iowa has already complied with the GPR requirements in the FFY 2010 – 2014 cap grants.*
- Goal: Apply additional subsidization required in FFY 2012 - 2014 capitalization grants to disadvantaged community projects and green projects. *Objective: During SFY 2016 SRF staff plans to approve plans and specifications and execute loans or loan amendments with loan forgiveness for the amounts required in the FFY 2012-2014 cap grants. Starting with the FY 2015 cap grant, additional subsidization is no longer required.*
- Goal: Promote and identify sustainable practices in projects proposed for funding. *Objective: During SFY 2016 SRF staff will provide information on the EPA’s Sustainability Policy to applicants and include sustainability features in project descriptions.*
- Goal: Continue to implement the Water Resource Restoration Sponsor Program authorized in Iowa Code 384.84. *Objective: During SFY 2016, SRF staff will receive applications twice per year for sponsored project funding. Application deadlines will be in September and March. 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: Comply with EPA guidance on reporting under the Federal Funding Accountability and Transparency Act (FFATA). *Objective: In the SFY 2016 Annual Report, SRF staff will list loans that met the several requirements of FFATA.*
- Goal: Comply with the EPA Signage Guidance. *Objective: During SFY 2016 SRF staff and recipients will notify the public in the most effective ways possible about assistance agreements and benefits of the CWSRF program in order to enhance public awareness of EPA assistance agreements nationwide.*
- Goal: Update the CWSRF Operating Agreement. *Objective: During SFY 2016 SRF staff will work with EPA Region 7 to update the Clean Water SRF Operating Agreement between DNR and EPA. The agreement has not been updated since 2007.*
- Goal: Apply program requirements that are simple and understandable and do not add unnecessary burdens to applicants or recipients. *Objectives: During SFY 2016 SRF staff will continue to assist applicants with completing the federal cross-cutting requirements for environmental and historical review. Staff will not 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 2016 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 2016 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 2016 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 2016 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 available to fund current requests as of April 2015. 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 SFY 2015 and state match bonds for FFY 2014 and FFY 2015 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. 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 2016 include \$29.8 million for nonpoint source set-asides, and \$1.3 million for ongoing program administration.

Iowa’s cap grants and state match amounts are shown below. State match bonds are issued at the same time that leveraged bond issues are done for greater cost effectiveness. The state match for the FFY 2014 and 2015 cap grants was obtained in February 2015. Iowa will draw down the remainder of the FFY 2014 cap grant in SFY 2016. Iowa has applied for the FFY 2015 cap grant and will begin drawing on those funds when received.

Additional long-term goals include:

- Goal: Work with other state and federal agencies to coordinate water quality funding. *Objective: During SFY 2016, SRF staff will meet regularly 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.*

FFY 2014	Cap Grant Amount	State Match Needed	Excess State Match
CWSRF state match from February 2015 bond issue		\$3,632,046	
Excess state match		\$163,154	
<b>Total CWSRF state match available</b>		<b>\$3,795,200</b>	
FFY 2014 cap grant	\$18,976,000	\$3,795,200	\$0

FFY 2015	Cap Grant Amount	State Match Needed	Excess State Match
CWSRF state match from February 2015 bond issue		\$3,795,200	
Excess state match		\$0	
Non-program income		\$5,400	
<b>Total CWSRF state match available</b>		<b>\$3,800,600</b>	
FFY 2015 cap grant	\$19,003,000	\$3,800,600	\$0

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 2016 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 2016. 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 may 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 2016 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 2016 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 2016 project priority list as received.

**New Section 212 Projects.** New applications for assistance during SFY 2016 will be added to the project priority list. Applications will be accepted on a continuous basis during SFY 2016 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 - 2015 capitalization grants include requirements for certain percentages of the funds to be allocated for green projects and for additional subsidization.

	2010	2011	2012	2013	2014	2015	Total
CW Cap Grants	\$27,528,000	\$19,985,000	\$19,128,000	\$18,069,000	\$18,976,000	\$19,003,000	\$122,689,000
CW GPR	\$ 5,515,000	\$ 3,997,000	\$ 1,912,800	\$ 1,806,900	\$ 1,897,600	\$ 1,900,300	\$17,029,600
CW Add Subs Minimum	\$ 4,129,860	\$ 1,851,928	\$ 1,063,065	\$ 851,127	\$ 1,032,630	\$0	\$8,928,610
CW Add Subs Maximum	\$13,766,200	\$ 6,173,093	\$ 1,594,597	\$ 1,276,691	\$ 1,548,944	\$ 5,700,900	\$30,060,425

The following outlines the amounts and the projects that have been or will be counted for each cap grant. The highlighted projects met the qualifications for the Green Project Reserve. Not all GPR projects received loan forgiveness. The remaining projects met disadvantaged criteria. The projects for which additional subsidization has been committed but which have not signed loan agreements as of April 2015 are shown in bold.

Project	Current Request	Loan Amount	Amount Green	Amount Add Subs	Grant Year Reported
Charles City		1,400,000	1,400,000	420,000	2010
Lohrville		3,724,000		1,117,200	2010
Spirit Lake		103,000	103,000	30,900	2010

Conesville		1,350,000	230,689	2010	
Ocheyedan		2,065,000	227,398	2010	
Terril		1,077,000	335,400	2010	
Odebolt		1,599,000	319,800	2010	
Odebolt		500,000	100,000	2010	
McCallsburg		810,000	147,400	2010	
Washington		16,316,000	1,000,000	2010	
Walker		2,158,000	431,600	2010	
Nonpoint Source		1,975,574	1,975,574	2010	
Nonpoint Source		10,024	10,024	2010	
Nonpoint Source		1,435,320	1,435,320	2010	
Nonpoint Source		189,874	189,874	2010	
Nonpoint Source		403,000	403,000	2010	
Pisgah		650,000	195,000	2010	
Meriden		329,000	64,485	2011	
Dubuque (sponsored)		9,400,000	9,400,000	-	2011
Nonpoint Source		827,000	827,000	2011	
Ottumwa (Richmond Ave)		4,800,000	1,440,000	2011	
Coralville		1,751,000	525,300	2011	
Albert City	2,787,264	400,000	120,000	2012	
Dubuque (methane)		3,048,000	3,048,000	2012	
Nonpoint Source		647,700	647,700	2012	
Nonpoint Source		129,420	129,420	2012	
Nonpoint Source		98,940	98,940	2012	
Nonpoint Source		300,000	300,000	2013	
Nonpoint Source		342,000	342,000	2013	
Nonpoint Source		2,835,000	2,835,000	2013	
Buffalo (sponsored)		35,000	35,000	2014	
Monona (sponsored)		245,000	245,000	2014	
Wastewater Reclamation Authority (sponsored)		2,200,000	2,200,000	2014	
<b>Dubuque (Upper Bee Branch) (Status: Bidding spring 2015)</b>	<b>28,823,000</b>	<b>28,823,000</b>	<b>4,430,100</b>	<b>2011</b>	
<b>TOTAL</b>	<b>31,610,264</b>	<b>63,153,852</b>	<b>56,263,337</b>	<b>11,239,316</b>	

**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.

The map shows the project locations for approved sponsored projects as of April 2015.

1	Albert City	20	Kalona
2	Ames	21	Keokuk
3	Blakesburg	22	Keokuk
4	Buffalo	23	Kingsley
5	Cedar Rapids	24	Kiron
6	Clinton	25	Laurens
7	Coggon	26	Lohrville
8	Davenport	27	Monona
9	Donnellson	28	New London
10	Dubuque	29	Newhall
11	Dubuque	30	Ottumwa
12	Durant	31	Prairie City
13	Epworth	32	Rockwell City
14	Fairbank	33	Seymour
15	Fairfield	34	Sioux City
16	Fort Dodge	35	Sioux City
17	Fort Madison	36	State Parks (DNR)
18	Granger	37	Des Moines WRA
19	Hampton	38	Des Moines WRA



<b>Pilot Project (FY 2013)</b>	<b>\$ 9,400,000</b>
<b>Round 1 (FY 2014)</b>	<b>\$ 12,900,000</b>
<b>Round 2 (FY 2015)</b>	<b>\$ 5,900,000</b>
<b>Round 3 (FY 2015)</b>	<b>\$ 4,000,000</b>
<b>Total</b>	<b>\$ 32,200,000</b>

The following applications are proposed for funding during SFY 2016:

SRF Number	Applicant	Project Description	Project Partners
WRR15-001	City of Lake View	Black Hawk Lake -- urban practices to reduce sediment and nutrient loadings to the lake	Sac County SWCD, IDALS, DNR Fisheries, Black Hawk Lake Protective Association
WRR15-002	City of Monona	Silver Creek - urban practices to reduce sediment and nutrient transport	Turkey River WMA, Clayton SWCD, Northeast Iowa RC&D,
WRR15-003	City of Spencer	Little Sioux River - agricultural and urban practices to address runoff of sediment and nutrients	Clay SWCD, Clay County Conservation Board, IDALS
WRR15-004	City of Ames	Squaw Creek - implement green infrastructure practices in ultra-urban area - Phase 2	Story County SWCD, Ames High School, Squaw Creek WMA, Prairie Rivers of Iowa, Iowa Association of Municipal Utilities, Iowa Stormwater Education Program
WRR15-005	City of North Liberty	Clear Creek and Muddy Creek - green infrastructure, soil quality restoration, bank	IDALS, City of Coralville, Clear Creek Watershed Enhancement Board, Harbit Landscaping LLC

		stabilization to reduce impact of urbanizing area	
WRR15-006	City of Dyersville	Bear Creek and North Fork Maquoketa River - stream corridor restoration	Dubuque SWCD
WRR15-008	City of Calamus	Lower Wapsipinicon River - green infrastructure practices to infiltrate stormwater	IDALS, Clinton SWCD
WRR15-010	City of Northwood	Shell Rock River and Cedar River - nutrient removal wetland	Iowa Agricultural Water Alliance, Worth County Conservation Board, IDALS, ISU, ISU Extension, Iowa League of Cities, Northland Area Chamber of Commerce, Iowa Environmental Council, Iowa Water Environment Association, City of Cedar Rapids, City of Storm Lake, Iowa Soybean Association, Iowa Pork Producers Association, Iowa Corn
WRR15-011	City of Ruthven	Lost Island Outlet - green infrastructure practices to address sediment and nutrient runoff	Palo Alto SWCD, Palo Alto County Conservation Board, IDALS

The next application deadline will be September 1, 2015. The same requirements apply.

- 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 in FY 2016 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.

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.
2. Applicants with wastewater projects already included on the fundable list of the CWSRF Intended Use Plan which are still in the “Planning” phase.

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 the sponsored project application deadline. 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 2016 sponsored project applications are explained on Page 19.

**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 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 fewer than 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
Larson Property, Winneshiek County	Purchase of 113 acres of mixed woodland, cropland, and cold-water trout stream	The diverse property is composed of approximately 45 acres of cropland and 68 acres of natural area composed of native woodland, prairie, and 3/10 mile of North Bear Creek, a DNR-designated cold-water trout stream. North Bear Creek is one of several trout streams designated as an Outstanding Iowa Water. Additional protection and restoration will help maintain this status as a high quality water with exceptional ecological significance. The property is adjacent to the DNR's 825 acre North Bear Wildlife Management Area.	\$500,500
Otdorfer Property, Clayton County	Purchase of a 75 acre addition to Ensign Hollow Wildlife Management Area	The property includes a blend of woodland, steep cropped areas and a cold-water trout stream. Due to the sloping row crop field, INHF will explore options for haying and Conservation Reserve Program. Stream restoration work will be investigated through partnerships with DNR and Trout Unlimited.	\$277,500

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 2016 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
<b>TOTAL</b>	<b>\$29.8 million</b>

Individual projects under the GNS program that involve purchase of land must be approved by the Environmental Protection Commission. The City of Storm Lake requests a loan of \$1,619,000 for a green storm water infrastructure project involving rain gardens, grassed waterways, and retention. Approximately \$90,000 will be used to purchase land on which to site the best management practices.

**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. There is approximately \$5 million available in funds considered program income. A portion of these funds will be used in SFY 2016 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.

**Non-Program Income.** There is approximately \$5 million available in funds considered non-program income. The DNR proposes the following uses for a portion of these funds during SFY 2016:

Purpose	Explanation	Amount
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 sewerred.	\$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
	<b>TOTAL</b>	<b>\$1,213,000</b>

An estimated additional amount of \$400,000 may be needed from this account for wastewater program expenses in FY 2016.

**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 2016. 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 40% 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 2016, it is projected that only 25% 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. Iowa has been able to use its federal capitalization grant funds in a timely way due to a robust and sustained demand for loans. 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 \$6 million per month.

The practices described above are currently working well for Iowa and will be continued through FY 2016.

#### **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 2016 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 and will be updated during SFY 2016.

### **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 2010-2014 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 2016 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. **Next deadline: September 1, 2015.**
- Applicants with wastewater projects already included on the fundable list of the CWSRF Intended Use Plan which are still in the "Planning" phase. **Next deadline: September 1, 2015.**

Wastewater utilities are 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 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

- o Evaluation of possible water quality practices that could be implemented, considering the unique demographic, topographic, hydrologic, and institutional characteristics of the planning area
- o Description of potential practices to be implemented with the expected water quality outcomes
- o Discussion of project locations, land ownership, and any plans for acquiring properties or easements
- o Identification of any other organizations or resources to be involved in the project and their expected contributions
- o Proposed project schedule with major milestones, along with a discussion of how the sponsored project construction schedule coordinates with the infrastructure project schedule
- o Proposed evaluation procedures and measures
- o 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 2016. 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 2016 IUP and Project Priority List was held May 7, 2015, 10:00 a.m., at the Wallace State Office Building, Conference Room 5E, 502 E. 9<sup>th</sup> Street, 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 public hearing. The public comment period was open until May 14, 2015. A written comment was received from the City of Prairie City. The summarized comment and the DNR’s response are shown below:

Prairie City Comment	Iowa Code and Iowa Administrative Code References	DNR Response
DNR staff have interpreted the Iowa Code and Iowa Administrative Code to disallow sanitary sewer overflow (SSO) projects as eligible for Water Resource Restoration Sponsored Project funding. Iowa Code 455B.199 defines eligible	455B.199 6. A proposed sponsor project must be compatible with the goals of the water resource restoration sponsor program, shall include the application of best management practices for the primary purpose of water quality protection and improvement, and may include but not be limited to any of the following: a. Riparian buffer acquisition, enhancement, expansion, or restoration.	As the City of Prairie City states in their comment, the DNR has established the Water Resource Restoration Sponsored Project effort under the Clean Water SRF program. In November 2012, the DNR developed a draft sponsored project application to carry out the

sponsored project categories. SSO projects are not on the list of eligible projects, but the Code language states that the list is not all inclusive. SSO project also are not on the list of ineligible projects. The City of Prairie City requests the EPC to grant a variance to allow Sponsored Project funding to be used for the City’s SSO project under Iowa Administrative Code 567.92.6(6).	<p>b. Conservation easements.</p> <p>c. Riparian zone or wetland buffer extension or restoration.</p> <p>d. Wetland restoration in conjunction with an adjoining high-quality water resource.</p> <p>e. Stream bank stabilization and natural channel design techniques.</p> <p>f. In-stream habitat enhancements and dam removals.</p> <p>g. Practices related to water quality or water quality protection that are included in a field office technical guide published by the natural resources conservation service of the United States department of agriculture or are included in the Iowa stormwater management manual published by the department of natural resources.</p> <p>7. A proposed sponsor project shall not include any of the following:</p> <p>a. Passive recreation activities and trails including bike trails, playgrounds, soccer fields, picnic tables, and picnic grounds.</p> <p>b. Parking lots, unless a parking lot is constructed in a manner to improve water quality and construction is consistent with a field office technical guide published by the natural resources conservation service of the United States department of agriculture or the Iowa stormwater management manual published by the department of natural resources.</p> <p>c. Diverse habitat creation contrary to the botanical history of the area.</p> <p>d. Planting of nonnative plant species.</p> <p>e. Dredging.</p> <p>f. Supplemental environmental projects required as a part of a consent decree.</p> <p>567.92.6(6) <b>92.6(6) Special considerations.</b> Exemptions to the point source rating criteria may be considered by the department, and funding variances may be granted by the commission for projects that have unique or unusual circumstances but that do not logically fit into the criteria. The commission may grant interest rate reductions or other favorable loan incentives to applicants that sponsor a project that improves the quality of the water in the watershed where a city water or wastewater facility is located.</p>	<p>Iowa Code and Iowa Administrative Code regulations. The draft application, which included a full list of eligible projects, was published for public review and comment. Two public meetings were held in Coralville, Harlan, and Des Moines. Public comments were incorporated into the draft application which was then submitted to the EPC and approved on January 15, 2013.</p> <p>The language approved by EPC in 2013 included the list from 455B.199 and stated:</p> <p>“Eligible projects are not limited to this list, however. Other projects that meet the criteria of best management practices for the primary purpose of water quality protection and improvement may also be eligible. These include the following categories of projects that are eligible for the Clean Water SRF under the Section 319 (nonpoint source) Clean Water Act authority.”</p> <p>Section 319 nonpoint source projects do not include sanitary sewer overflow projects which typically involved relining or replacing sewer pipes.</p> <p>The language in 567.92.6(6) references two separate special considerations EPC can use. The first is a variance to the funding procedure for point source (Section 212 of the Clean Water Act) projects. This variance does not apply to Prairie City’s request, and is not</p>
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		in use in general because the CWSRF is able to fund all eligible projects, not just the ones with the highest priority ranking. The second special consideration is the ability to allow interest rate reductions for sponsored projects, which the EPC has already approved for projects meeting the sponsored project eligibility criteria.
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**VII. PROJECT PRIORITY LIST**

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

**APPENDIX A**

**Iowa CWSRF State Fiscal Year 2016 1Q  
Estimated Funding Sources and Funding Uses  
As of 4/20/2015**

**Funding Sources**

Funds Available in Equity Fund and Program Accounts	\$164,655,000 *
<b>FFY 2014 Capitalization Grant</b>	\$14,767,000 *
<b>State Match for FFY 2014 Capitalization Grant</b>	\$0
<b>FFY 2015 Capitalization Grant</b>	\$19,003,000
<b>State Match for FFY 2015 Capitalization Grant</b>	\$2,376,000 **
Issuance of Leveraged Bonds (next bond issue expected SFY 2017)	\$0
Equity Fund and Program Interest Earnings	\$446,000
Loan Repayments	\$70,770,000
<b>Total Funding Sources</b>	<b>\$272,017,000</b>

**Funding Uses**

Undisbursed Amounts Committed to Existing Loans (55% disbursement rate)	\$38,314,000
Section 212 Project Requests (FNSI/CX issued; 40% disbursement rate)***	\$74,736,000
Section 212 Project Requests (FNSI/CX not issued; 25% disbursement rate)***	\$60,819,000
Planning & Design Requests (60% disbursement rate)	\$3,188,000
Non-Point Source Program Assistance	\$29,800,000
Principal Payments on Outstanding Bonds	\$33,980,000
Interest Payments on Outstanding Bonds	\$27,756,000
Program Administration From FFY 2014 Capitalization Grant	\$542,000
Program Administration From FFY 2015 Capitalization Grant	\$760,000
Program Administration From ARRA Capitalization Grant	\$2,122,000
<b>Total Funding Uses</b>	<b>\$272,017,000</b>

\* Funds Available for disbursements as of 4/20/2015

\*\* Amount Rounded to the nearest \$1,000, Actual will be 20% of Cap Grant

\*\*\* 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 2016 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 40% 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  
Intended Use Plan  
Fiscal Year 2016**

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## Drinking Water State Revolving Fund Intended Use Plan Fiscal Year 2016

### I. STATE FISCAL YEAR 2016 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 2016 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 2016 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 2016 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 2016, 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 2016, 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: Require applicants to engage a registered Municipal Advisor (MA). *Objective: During SFY 2016, all applicants submitting an Intended Use Plan application must demonstrate that they have hired an MA to assist with cash flows, rate setting, debt service coverage, and other financial aspects of their wastewater utility.*
- Goal: Implement the "Use of American Iron and Steel (AIS)" requirements enacted by Congress on January 17, 2014. *Objective: During SFY 2016, SRF staff will help applicants determine eligibility for the exemptions and waivers provided for in the Act and EPA guidance. SRF staff will provide information to those applicants required to comply on necessary documentation and inspection procedures.*
- Goal: Apply additional subsidization available in FFY 2014 - 2015 capitalization grants to disadvantaged community projects and public health projects. Identify additional projects as needed when the FFY 2015 cap grant is available. *Objective: During SFY 2016 SRF staff plans to approve plans and specifications and execute loans or loan amendments with loan forgiveness for the amounts required in the FFY 2014 - 2015 cap grants.*
- Goal: Promote and identify sustainable practices in projects proposed for funding. *Objective: During SFY 2016 SRF staff will provide information on the EPA's Sustainability Policy to applicants and include sustainability features in project descriptions.*
- Goal: Comply with EPA guidance on reporting under the Federal Funding Accountability and Transparency Act (FFATA). *Objective: In the SFY 2016 Annual Report, SRF staff will list loans that met the several requirements of FFATA.*
- Goal: Comply with the EPA Signage Guidance. *Objective: During SFY 2016 SRF staff and recipients will notify the public in the most effective ways possible about assistance agreements and benefits of the DWSRF program in order to enhance public awareness of EPA assistance agreements nationwide.*
- Goal: Update the DWSRF Operating Agreement. *Objective: During SFY 2016 SRF staff will work with EPA Region 7 to update the Drinking Water SRF Operating Agreement between DNR and EPA. The agreement has not been updated since 2007.*

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 related to drinking water quality 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 2016 SRF staff will continue to assist applicants with completing the federal cross-cutting requirements for environmental and historical review. Staff will not 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 2016 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 2016 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 2016 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 2016 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 sources of funds for this IUP include the FFY 2014 federal capitalization grant. A bond issue was completed in SFY 2015 and state match bonds for the FFY 2014 and FFY 2015 cap grants were issued at that time.

Iowa’s cap grants and state match amounts are shown below. State match bonds are issued at the same time that leveraged bond issues are done for greater cost effectiveness. The cap grant amounts are not always known at that time, so there may be an overmatch that can be rolled into the next fiscal year’s state match.

FFY 2014	Cap Grant Amount	State Match Needed	Excess State Match
DWSRF state match from February 2015 bond issue		\$2,464,341	
Excess state match		\$181,459	
<b>Total DWSRF state match available</b>		<b>\$2,645,800</b>	
FFY 2014 cap grant	\$13,229,000	\$2,645,800	\$0

FFY 2015	Cap Grant Amount	State Match Needed	Excess State Match
DWSRF state match from February 2015 bond issue		\$2,645,800	
Excess state match		\$0	
<b>Total DWSRF state match available</b>		<b>\$2,645,800</b>	
FFY 2015 cap grant	\$13,229,000	\$2,645,800	\$0

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 2016 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 2016:

**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 2016 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 2016. These projects may be moved to fundable status if their schedules indicate they will require funding during SFY 2016.

**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 - 2015 capitalization grants include requirements for certain percentages of the funds to be allocated for green projects and/or for additional subsidization.

	2010	2011	2012	2013	2014	2015	TOTAL
DW Cap Grants	\$23,169,000	\$16,077,000	\$15,322,000	\$14,375,000	\$13,229,000	\$13,229,000	\$95,401,000
DW GPR	\$ 4,633,000	\$ 3,164,200	\$ 0	\$ 0	\$ 0	\$ 0	\$7,797,200
DW Add Subs Minimum	\$ 6,950,700	\$ 4,746,300	\$ 3,064,400	\$ 2,875,000	\$ 2,645,800	\$2,645,800	\$22,928,000
DW Add Subs Maximum	\$23,200,000	\$15,821,000	\$ 4,596,600	\$ 4,312,500	\$ 3,968,700	\$3,968,700	\$55,867,500

The following outlines the amounts and the projects that have been or will be counted for each cap grant. Projects are labeled as D (Disadvantaged), P (Public Health), or G (Green Project Reserve). The projects for which additional subsidization has been committed but which have not signed loan agreements as of April 2015 are shown in bold.

Project	D, P, or G	Current Request	Loan Amount	Amount Green	Amount Add Subs	Grant Year Reported
New Hartford	D		\$ 81,000		\$ 16,200	2010
Charlotte	PH		\$ 93,000		\$ 46,500	2010
Colfax	G		\$ 510,000	\$ 510,000	\$ 153,000	2010
Durant	G		\$ 182,000	\$ 182,000	\$ 36,400	2010
Keokuk	D		\$ 1,600,000		\$ 480,000	2010
Lidderdale	D		\$ 400,000		\$ 240,000	2010
Lyon-Sioux RWS	G		\$ 455,000	\$ 455,000	\$ 90,900	2010
Maquoketa	G		\$ 492,000	\$ 492,000	\$ 98,400	2010
Ottumwa	D		\$ 1,400,000		\$ 560,000	2010
Ottumwa	D		\$ 1,666,000		\$ 666,400	2010
Rathbun RWA	D		\$ 5,380,000		\$ 1,614,000	2010
Rolfe	D		\$ 1,122,000		\$ 561,000	2010
Union	D		\$ 658,000		\$ 197,400	2010

Wall Lake	G		\$ 132,000	\$ 132,000	\$ 26,400	2010
Lidderdale	D		\$ 1,301,000		\$ 780,600	2010
Shenandoah	G		\$ 14,057,000	\$ 5,228,000	\$ 1,050,000	2010
Humboldt	G		\$ 6,814,000	\$ 1,800,000	\$ 360,000	2010
Ottumwa	G		\$ 1,250,000	\$ 1,250,000	\$ 250,000	2011
College Springs	PH		\$ 110,000		\$ 37,661	2011
Timber Ridge Water Utility Corporation	PH		\$ 225,000		\$ 112,500	2011
Hills	PH		\$ 4,151,000		\$ 2,075,250	2011
LeMars	G		\$ 1,010,000	\$ 1,010,000	\$ 202,000	2011
Ames	G		\$ 76,325,000	\$ 30,000,000	\$ 6,599,000	2011, 2012, 2013, 2014
Churdan	PH		\$ 1,120,000		\$ 560,000	2011
<b>Ottumwa</b>	<b>D</b>	<b>\$ 4,000,000</b>			<b>\$ 1,600,000</b>	<b>2014</b>
<b>Frankville (Status: in design)</b>	<b>PH</b>	<b>\$ 762,000</b>			<b>\$ 381,000</b>	<b>2014</b>
<b>Kelley (Status: in planning)</b>	<b>D</b>	<b>\$ 1,825,000</b>			<b>\$ 548,000</b>	<b>2014</b>
<b>Ralston (Status: in planning)</b>	<b>D</b>	<b>\$ 344,000</b>			<b>\$ 138,000</b>	<b>2014</b>
<b>Shenandoah</b>	<b>G</b>	<b>\$ 81,000</b>		<b>\$ 81,000</b>	<b>\$ 16,000</b>	<b>2014</b>
<b>TOTAL</b>		<b>\$ 3,012,000</b>	<b>\$ 120,534,000</b>	<b>\$ 41,140,000</b>	<b>\$ 194,966,611</b>	

## 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 2016. 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%	Please see below, "Extended Financing and Disadvantaged Status," for an explanation.
Extended (21 to 30 years based on useful life)	All	2.75%	.25%	3.00%	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 65% 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 2016, it is projected that only 60% of total funds will be disbursed to the project this fiscal year.

**Extended Financing and Disadvantaged Status.** During SFY 2015 the Iowa SRF received approval from the U.S. EPA to provide extended terms for a loan to any borrower 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. For borrowers designated as disadvantaged, the interest rate on extended term loans will be 1.75%. For non-disadvantaged borrowers, the interest rate will be 2.75%.

The Safe Drinking Water 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 receiving the 1.75% interest rate on an extended term loan. 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.

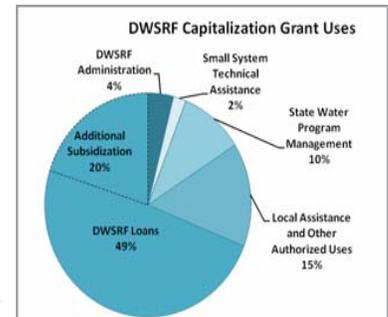
Extended term loans are limited to public water supply infrastructure improvements. Projects eligible for funding from set-asides, such as source water protection projects, are not eligible in accordance with federal program requirements.

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.

**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 2016 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 using the set-asides and drawing upon reserved funds as needed to meet the 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 use this set-aside including loan administrative fees 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;
- 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 support for the operator certification program including the administration and proctoring of examinations in all six regions of the state, and to provide training for new Grade A water system operators and continuing education for existing Grade A water system operators. Grade A is the certification grade for the smallest public water supply systems, with only disinfection treatment.

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 provide wasteload allocations at public water systems with loans, and to evaluate disinfection contact time determinations, approve corrosion control strategies, and make influenced groundwater determinations.

Other uses include:

- Updating the SDWIS database including support systems and provide compliance determinations and information technology database support;
- Adopting final federal rules and revisions to the Iowa Administrative Code.

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 the eight elements and providing direct capacity development technical assistance;
- Training of inspectors in comprehensive performance evaluation protocols;
- Provision of technical assistance related to capacity development through the area wide optimization program (AWOP);
- Contracts with five counties to complete sanitary surveys and conduct annual visits at transient non-community public water supply systems;
- Provision of performance based training for the AWOP program; and
- System-specific capacity development assistance by contractor.

The SWP activities include the following:

- Coordination and administration of the Source Water Protection program;
- 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 for all new systems and new wells at existing public water supply systems;
- Technical assistance for well siting; and
- Maintenance of the *Source Water Mapper and Tracker* online database.

#### **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 April 2105, there was approximately \$6 million in the fee account encompassing program income. A portion of these funds will be used in SFY 2016 for program administration, and the remainder will be reserved for future administrative expenses.

**Non-Program Income.** As of April 2015, there was \$4.3 million available in funds considered non-program income. DWSRF non-program income may be used in SFY 2016 to provide part of the required state match for the State Program Management set-aside and for state match for the FFY 2015 capitalization grant.

***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 \$2.50 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 and will be updated during SFY 2016.

**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 2010-2015 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 2016. 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 2016 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 2016 IUP and Project Priority List will be held May 7, 2015, 10:00 a.m., at the Wallace State Office Building, Conference Room 5E, 502 E. 9<sup>th</sup> Street, 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 public comment period will be open until May 14, 2015.

**VII. PROJECT PRIORITY LIST**

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

**APPENDIX A**

**Iowa DWSRF State Fiscal Year 2016 1Q  
Estimated Funding Sources and Funding Uses  
As of 4/20/2015**

**Funding Sources for Loans**

Funds Available in Equity Fund and Program Accounts	\$92,947,000	*
<b>FFY 2014 Capitalization Grant</b>	<b>\$10,662,000</b>	
<b>State Match for FFY 2014 Capitalization Grant</b>	<b>\$0</b>	
<b>FFY 2015 Capitalization Grant</b>	<b>\$11,245,000</b>	
<b>State Match for FFY 2015 Capitalization Grant</b>	<b>\$707,000</b>	**
Issuance of Leveraged Bonds (next bond issue expected SFY 2017)	\$0	
Equity Fund and Program Interest Earnings	\$269,000	
Loan Repayments	\$31,645,000	
<b>Total Funding Sources for Loans</b>	<b>\$147,475,000</b>	

**Funding Uses for Loans**

Undisbursed Amounts Committed to Existing Loans (60% disbursement rate)	\$62,592,000
Project Requests (FNSI/CX issued; 65% disbursement rate)***	\$26,184,000
Project Requests (FNSI/CX not issued; 60% disbursement rate)***	\$34,670,000
Planning & Design Requests (50% disbursement rate)	\$584,000
Principal Payments on Outstanding Bonds	\$14,075,000
Interest Payments on Outstanding Bonds	\$9,370,000
<b>Total Funding Uses for Loans</b>	<b>\$147,475,000</b>

\* Funds Available for disbursements as of 4/20/2015

\*\* Amount Rounded to the nearest \$1,000, Actual will be 20% of Cap Grant

\*\*\* 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 60% of the total project amounts may be disbursed during SFY 2016 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 65% of the loan request amount.

**Funding Sources for Set Asides (Includes FFY 2014 & previous Cap Grants)**

Available Balance under Existing Capitalization Grants for set asides:	
Administration	\$0
Small Systems Technical Assistance	\$363,000
State Program	\$1,445,000
Other Authorized Activities	\$3,017,000
<b>Total Funding Sources for Set-Asides</b>	<b>\$4,825,000</b>

**Funding Uses for Set Asides**

Administration	\$0
Small Systems Technical Assistance	\$363,000
State Program	\$1,445,000
Other Authorized Activities	\$3,017,000
<b>Total Uses for Set Asides</b>	<b>\$4,825,000</b>

**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 2016 application period were considered for funding in FY 2016; if not funded by the end of FY 2016, these projects will be moved to the FY 2017 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 2016, 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 2016. 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.

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
Eastern Iowa Regional Utility Service System			PD-CW-16-08	Construction of wastewater system	2016	I	P&D	1	R	\$ 25,000				
Fort Atkinson	9641001	S2015-0087	PD-CW-16-02	Construct a larger lagoon to meet the new NPDES permit limits and compliance schedule	2016	I	P&D	1	R	\$ 82,000				
Harris	7222001		PD-CW-16-03	Rehabilitation of existing sanitary sewer system	2016	IIIB	P&D	1	R	\$ 192,000				
Mediapolis	2948001	S2015-0002	PD-CW-16-04	Lagoon Improvements	2016	I	P&D	1	R	\$ 110,000				
Osceola	2038002		PD-CW-16-05	Wastewater Treatment Improvements	2016	II	P&D	1	R	\$ 67,500				
Grimes	7736001	S2012-0348	1920751 01	Water & Wastewater Improvements	2016	I, IIIA	185	1	P	\$ 4,221,000				
Lake View	8127001	S2015-0174	1920748 01	Construction of ultraviolet disinfection system	2016	II	224	1	P	\$ 482,400				
Sabula	4975001	S2015-0208	1920749 01	Collection System Improvements	2016	IIIA	157	1	P	\$ 389,940				
Underwood	7869001	S2013-0176	1920742 01	2015 Sanitary Sewer & Lift Station	2016	IVA	137	1	P	\$ 505,967				
Wastewater Reclamation Authority	7727001	S2015-0261	1920750 01 (Phase 27, Segment 1-8)	Eastside Interceptor	2016	IVB	135	1	P	\$ 68,340,000				
Wastewater Reclamation Authority (supplemental)	7727001	S2015-0186	1920657 02	WRA Southern Tier Interceptor Phase 10 Segment 22	2016	IVB	115	1	P	\$ 665,310				
Fort Madison			PD-CW-15-38	Planning & design of renovations to City's wastewater treatment plant	2015	II	P&D	4	R	\$ 1,571,575				
Greene	1253001	S2015-0235	PD-CW-16-02	New Submerged Attached Growth Reactor system for their existing acrated lagoon & UV disinfection system	2015		P&D	4	R	\$ 124,500				
Ames	8503001	S2013-0327	1920741 01	Sanitary Sewer Rehabilitation	2015	IIIA	160	4	P	\$ 2,588,970				
Aplington	1207001	S2014-0154	1920731 01	UV disinfection, standby generator, remove sludge and replace synthetic lagoon liners and several older surface aerators and install new flow meter.	2015	II	250	4	P	\$ 844,200				
Belle Plaine	0610001	S2012-0141	1920744 01	Wastewater Disposal System Improvements	2015	II, IIIA	259	4	P	\$ 2,448,180				
Brooklyn	7909001	S2014-0047	1920735 01	Treatment Plant Upgrade	2015	II	240	4	P	\$ 4,120,500				
Duncombe	9427001	S2015-0164	1920740 01	Lift Station	2015	IIIB	165	4	P	\$ 404,990				
Edgewood	2820001	S2014-0317	1920730 01	Construction of a new lift station	2015	IIIB	147	4	P	\$ 262,000				
Fort Madison	5625001	S2013-0017	1920746 01	Replace aging equipment, repair structures, implement nutrient removal, add biosolids storage	2015	II	237	4	P	\$ 15,497,000				
Granville	8429001	S2015-0163	1920738 01	2015 Sanitary Sewer project	2015	IIIA	152	4	P	\$ 696,968				
Keokuk	5640001	S2015-0088	1920732 01	Sewer Rehabilitation - Phase 1	2015	IIIA	237	4	P	\$ 1,484,700				
Keystone	064001	S2014-0164	1920743 01	WWTF Upgrade	2015	II	247	4	P	\$ 3,239,919				
Monona	2264001	S2014-0307	1920734 01	Sanitary Sewer Collection Systems and Lift Station Improvements	2015	IIIA	170	4	P	\$ 2,954,550				
Northwood	0032395	S2014-0292	1920733 01	Wastewater Treatment Improvements	2015	II	260	4	P	\$ 8,970,630				
Pleasantville	6377001	S2013-0174	1920737 01	WWTP Improvements	2015	II	229	4	P	\$ 4,120,500				
Readlyn	0965001	S2009-0030	1920736 01	WWTF Improvements	2015	II	207	4	P	\$ 3,326,500				

Spencer	2171004	S2014-0044	1920745 01	Treatment Plant Upgade, 4th Ave west storm sewer separation	2015	II,V	300	4	P	\$ 5,864,175				
West Liberty	7073001	S2014-0165	1920739 01	WTF Improvements - Phase 1	2015	II	260	4	P	\$ 2,605,086				
Lime Springs	4535001	S2014-0243	1920747 01	Wastewater System Improvements	2015	II	245	4	C	\$ 2,454,009				
Hospers			PD-CW-15-17	Wastewater treatment plant expansion	2015	II	P&D	3	R	\$ 156,000				
Underwood			PD-CW-1516	Install an additional lift station	2015	IIIB	P&D	3	R	\$ 80,000				
Atkins	0603001	S2013-0314	1920727 01	WWTP Improvements	2015	II	247	3	P	\$ 4,190,850				
Cascade	3118001	S2013-0002	1920723 01	Wastewater treatment plant upgrade	2015	II	247	3	P	\$ 7,524,500				
Davenport	8222003	S2013-0386	1920725 01	WPCP Optimization Design Project	2015	I	157	3	P	\$ 8,800,000				
Fort Dodge	9433003	S2015-0080	1920728 01	Sanitary Sewer Rehabilitation	2015	IIIA, IIIB	195	3	P	\$ 30,000,000				
Gladbrook	8640001	S2014-0128	1920729 01	Install UV disinfection equipment, install back-up power at lift station and WWTF; repair/replace existing fencing at WWTF	2015	II	242	3	P	\$ 1,356,750				
Mount Ayr	8055001	S2013-0111	1920722 01	Wastewater Treatment and Conveyance	2015	II	237	3	P	\$ 502,500				
Postville	0375001	S2004-0442	1920726 01	Wastewater treatment facility improvements	2015	II	255	3	P	\$ 4,871,637				
Prairie City	5064001	S2015-0047	1920724 01	Wastewater Collection System Rehabilitation	2015	IIIA	129	3	P	\$ 211,251				
Elliott (supplemental)	7825001	S2013-0120	1920666 02	Wastewater Collection and Treatment System	2015	IIIA	150	2	R	\$ 100,000				
Gladbrook			PD-CW-15-14	Disinfection to achieve e.coli compliance	2015	II	P&D	2	R	\$ 90,000				
Arthur	4703001	S2014-0054	1920717 01	Lagoon & Pump Station Improvements	2015	I	187	2	P	\$ 835,982				
Blencoe	6709001	S2014-0409	1920720 01	Main Lift Station Improvements	2015	IIIB	142	2	P	\$ 179,694				
Deloit	2421001	S2013-0234	1920716 01	Lagoon Rehabilitation	2015	IIIB	147	2	P	\$ 496,634				
New Hampton	1970001	S2014-0034	1920721 01	Wastewater treatment plant improvements	2015	II	224	2	P	\$ 2,095,750				
Newhall	310650154	S2014-0245	1920718 01	Wastewater Treatment System Improvements	2015	II	237	2	C	\$ 2,552,700				
Ruthven	7465001	S2014-0412	1920719 01	Wastewater System Improvements	2015	IIIA	129	2	C	\$ 1,549,710				
Wastewater Reclamation Authority (supplemental)	7727001	S2009-0219	1920457 05 (Phase 17, multiple phases)	New Main Outfall, supplemental loan to finalize costs	2015	IVB	160	1	R	\$ 3,000,000				
Knoxville	6342001	S2014-0209	1920702 01	Wastewater Collection System Rehabilitatin Phase 1	2015	IIIA	169	1	R	\$ 2,467,500				
Letts	5847001	S2014-0208	1920711 01	Sanitary Sewer I/I Rehabilitation	2015	IIIA	170	1	R	\$ 581,100				
Wastewater Reclamation Authority (supplemental)	7727001	S2009-0219	1920499 02 (Phase 17, Segment 7)	New Main Outfall, Phase 17 Segment 7 final costs	2015	IVB	160	1	R	\$ 10,400,000				
Ames	8503001	S2014-0223	1920713 01	Lift Station Improvements	2015	IIIB	160	1	P	\$ 1,155,440				
Burlington	2909001	S2013-0301	1920708 01	Construction of a new plastic sanitary main, set within the existing box.	2015	V	189	1	P	\$ 1,001,920				
Fairfield	5131001	S2014-0008	1920704 01	Inflow & Infiltration reduction by replacing existing sewers	2015	IIIA	167	1	P	\$ 8,286,225				

Fairfield	5131001	S2013-0368	1920705 01	Construction of a new influent and stormwater pumping building, headworks bldg, third oxidation ditch, UV disinfection system and aerobic digester.	2015	II	252	1	P	\$ 14,856,848				
Fairfield	5131001	S2013-0368	1920706 01	Construction of a forcemain	2015	IVB	157	1	P	\$ 3,817,548				
Keokuk	5640001	S2012-0406	1920709 01	Update the water pollution control plant	2015	V	197	1	P	\$ 6,009,500				
North Liberty	5252001	S2012-0245	1920703 01	Phase II Wastewater Treatment Plant	2015	II	190	1	P	\$ 14,264,000				
Readlyn			PD-CW-15-42	New activated sludge treatment process	2015		P&D	1	P	\$ 325,000				
Roland	8570001	S2014-0203	1920710 01	Cottonwood Street Sanitary Swere	2015	IIIA	160	1	P	\$ 1,788,900				
Sumner	0970001	S2012-0127	1920712 01	Disinfection and Sludge Storage	2015	II	209	1	P	\$ 402,000				
Winterset	6171001	S2012-0027	1920715 01	Replace trickling filter arms, move controls for North Lift Station and construct dump station	2015	I	137	1	P	\$ 1,444,868				
Chariton			PD-CW-14-36	Increase capacity of 12th St Lift Station and replace NW Lift Station with new structures and equipment.	2014	IVB	P&D	4	R	\$ 137,900				
Fairbank	1025001	S2012-0184	1920700 01	Wastewater System Improvements	2014	II	234	4	R	\$ 3,114,500				
Maxwell	8557001	S2014-0169	1920698 01	Sanitary sewer rehabilitation	2014	IIIA	130	4	R	\$ 271,800				
Rockwell City	1376001	S2014-0177	1920699 01	Replacement of broken sewer mains and replacement and repair of manholes	2014	IIIA	137	4	R	\$ 1,623,123				
Arlington	3307001	S2014-0186	1920694 01	Sanitary sewer rehabilitation	2014	IIIA	117	4	P	\$ 349,961				
Blakesburg	6827001	S2014-0172	1920695 01	Sanitary sewer rehabilitation	2014	IIIA	132	4	P	\$ 383,000				
Chariton	5903001	2014-0106	1920697 01	Increase capacity of 12th St Lift Station and replace NW Lift Station with new structures and equipment.	2014	IVB	135	4	P	\$ 350,000				
Keosauqua	8938001	S2013-0110	1920693 01	PER Wastewater Improvements	2014	IIIA	145	4	P	\$ 546,000				
Ames	8503001	S2013-0326	1920686 01	WPCF Biosolids Storage Tank	2014	II	180	3	R	\$ 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				
Farley	3135001	S2013-0378	DROPPED	WWTF Disinfection	2014	II	199	3	P	\$ 241,390				
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				
Spragueville	4982001	S2013-0202	1920685 01	Septic tank/sand mound treatment system.	2014	XII	199	3	P	\$ 316,544				
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				
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				
Martensdale	9147001	S2013-0292	1920682 01	Sewer rehabilitation	2014	IIIB	150	2	P	\$ 833,800				
Granger	2537001	2012-0169	1920667 01	Wastewater treatment plant improvements	2013	II	240	4	R	\$ 2,195,000				
Maynard	3350001	S2013-0123	1920668 01	Wastewater I/I Reduction	2013	IIIA	142	4	R	\$ 315,606				
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	R	\$ 1,031,715				
Pleasantville			PD-CW-13-31		2013	I	P&D	4	R	\$ 527,500				
Wellman			PD-CW-13-32		2013	I	P&D	4	R	\$ 81,283				
Henderson	66529001	2013-0147	1920674 01	Wastewater Improvements	2013	IVA	125	4	P	\$ 100,000				
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				
Tama	8670002	S2013-0103	1920669 01	Sanitary Sewer System Improvements	2013	IIIA	145	4	P	\$ 677,205				
Worthington	3089001	S2011-0241	1920676 01	Disinfection Project	2013	II	242	4	P	\$ 131,250				
Marengo	4843001	S2013-0052	1920661 01	Infiltration/inflow correction to address permit violations at treatment facility	2013	IIIA	162	3	R	\$ 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				
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				
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				
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	P	\$ 1,600,000				
Dakota City			PD-CW-13-15	Infiltration/inflow correction through sewer relining	2013	IIIA	P&D	2	R	\$ 85,000				
Sioux City	9778001	S2010-0080	1920647 02	The Iowa Department of Transportation is constructing improvements to Interstate 29, which requires Sioux City to relocate existing sanitary sewer interceptor and storm sewers.	2013	IVB	130	1	R	\$ 20,434,000				

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			
Hamburg			PD-CW-12-29		2012		P&D	4	R	\$ 100,000			
Calamus	23200001	S2012-0126	1920628 01	WWTP Upgrades 2011-add 3rd lagoon cell	2012	I	149	4	P	\$ 1,360,000			
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			
Elkhart	7730001	S2012-0137	1920634 01	Inflow and infiltration correction	2012	IIIA	129	4	P	\$ 609,030			
Fort Madison	5625001	S2012-0013	1920622 01	Gravity sewers, submersible pump station and force main	2012	IVA	145	3	R	\$ 3,865,422			
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			
Nemaha	Unsewered		PD-CW-12-04		2012	I,IIIB	P&D	2	R	\$ 75,000			
La Porte City	0743001	S2009-0187	1920620 01	Wastewater treatment plant improvements	2012	I,II	220	2	P	\$ 917,822			
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%		
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			
Wyoming	5392001	S2009-0239	1920606 01	Lagoon upgrade	2011	I	97	3	P	\$ 1,480,812			
Wastewater Reclamation Authority	7727001	S2010-0310	1920593 03 (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			
Earling	8320001	S2010-0187	1920584 01	Controlled discharge lagoon	2011	II	184	2	P	\$ 2,985,661	30%		
Mondamin	4349001	S2007-0165	1920587 01	Sewer rehabilitation	2011	IIIA	139	2	P	\$ 83,578			
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			
Charles City	3405001	S2010-0232	1920551 01	Disinfection	2011	II	170	1	R	\$ 2,840,120			
Hampton	3544001	S2006-0242	1920530 01	New wastewater treatment plant	2011	II,IVB	160	1	R	\$ 7,409,158			
Lamont	1061001	S2010-0116	1920576 01	Lagoon upgrade, pump station upgrade	2011	I	140	1	R	\$ 1,169,665			
Libertyville	5148001		PD-CW-10-51		2011	I,IIIA,IIIB, VI	P&D	1	R	\$ 95,000			
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			
Grinnell	7930001	S2010-0229	1920554 01	Sewer rehabilitation	2011	IIIA	129	1	P	\$ 1,295,625			
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	\$ 1,900,000			

Gilbertville	0733001	S2009-0110	1920548 01	New activated sludge treatment plant, disinfection	2010	II	165	4	R	\$ 1,692,760				
Coralville			GNS10-4	Green infrastructure practices at the Iowa River Landing	2010	VIIK	120	4	P	\$ 2,950,000	30%			
Mingo	5052001	S2008-0304	1920510 01	Lagoon expansion	2010	I	172	3	R	\$ 1,515,000				
Wheatland	2394001		PD-CW-10-10		2010	IIIA, IIIB,V	P&D	3	R	\$ 67,000				
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				
Everly	2115001	S2007-0141	1920344 01	Sewer rehabilitation	2007	IIIB	160	4	C	\$ 753,000				
										\$ 433,446,631			\$ -	\$ -
<b>Project Status</b>														
				<b>Needs Categories</b>										
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 (*indicates that a business case is required)			V		Correction of combined sewers									
			VI		Stormwater management programs									
Add Subs			VII		Non-point source control projects; subcategories below:									
					VIIA Agricultural cropland sources									
					VIIIB Animal sources									
					VIIIC Silviculture									
					VIIID Urban sources									
					VIIIE Groundwater protection (unknown sources)									
					VIIIF Marinas									
					VIIIG Resource extraction									
					VIIIH Brownfields									
					VIIII Storage tanks									
					VIIJ Landfills									
					VIIK Hydromodification									
					XII Decentralized septic systems									

Project Name	DWSRF No.	Project Description	IUP Yr	Project Type	Priority Points	Quarter	Populati on	Project Status	Current Requests	Loan Forgiveness	Loan Signed	Original Request	Loan Amount
Farley	PD-DW-16-06	Resolve radium issues	2016	G	P&D	1	1537	R	\$ 125,000				
State Center	PD-DW-16-07	Upgrade water plant by adding a Reverse Osmosis system	2016	G	P&D	1		R	\$ 365,000				
Adel	FS-25-16-DWSRF-002	New alluvial well, raw water transmission main, water treatment plant study	2016	B,E	30	1	3682	C - eligibility of some project components TBD	\$ 2,291,400				
Farley	FS-31-16-DWSRF-001	Resolve radium issues	2016	A,E	60	1	1537	P	\$ 1,507,500				
Grimes	FS-77-16-DWSRF-003	Constuction of new lime storage silo	2016	B,E	25	1	10500	P	\$ 703,500				
Aplington	FS-12-15-DWSRF-017	New single pedestal elevated tank solution.	2015	B,E	30	4	1158	P	\$ 1,448,909				
Dakota City	FS-46-15-DWSRF-020	Construct a 2nd well	2015	B,C,E	55	4	843	P	\$ 708,525				
Emmetsburg	FS-74-15-DWSRF-017	Water meter replacement	2015	B,C,E	30	4	3931	P	\$ 366,825				
Guthrie Center	FS-39-15-DWSRF-018	Water main replacement and new water service connection	2015	B,C,E	40	4	1569	P	\$ 518,660				
Moville	FS-97-15-DWSRF-021	Install new watermain	2015	B,E	30	4	1618	P	\$ 460,414				
Sabula	FS-49-15-DWSRF-019	Water main replacement on Broad street	2015	B,C,E	40	4	576	P	\$ 787,920				
Van Meter	FS-25-15-DWSRF-020	New Water Main Treatment Plant	2015	B,E	45	4	1054	P	\$ 4,608,000				
Washington	FS-92-15-DWSRF-009	Construct a new water tower	2015	F	10	4	7266	P	\$ 1,759,000				
Mt Ayr	FS-80-15-DWSRF-013	Water main replacement and water plant demo	2015	B,C,E	40	3	1691	P	\$ 1,005,000				
Sioux Rapids	FS-11-15-DWSRF-015	Water System Improvements, new treatment plant	2015	B,E	45	3	775	P	\$ 586,000				
West Liberty	FS-70-15-DWSRF-014	Add secondary treatment	2015	B,C,E	35	3	3776	P	\$ 1,482,878				
Maquoketa (supplemental)	FS-49-11-DWSRF-027(2)	Meter replacement with addition of radio read	2015	B,D,E	35	2		R	\$ 88,000	20%			
Moville	PD-DW-15-15	Water main replacement project	2015	G	P&D	2	1618	R	\$ 52,475				
Washington	PD-DW-15-11	Construction of a new water tower.	2015	G	P&D	2	7266	R	\$ 75,000				
Blencoe	FS-67-15-DWSRF-005	Replace influent piping, inspect and refurbish detention tank, pressure filter improvements, misc. chemical feed improvements, update building air handling equip. new main along Main and Maple St.	2015	B,E	30	2	224	P	\$ 595,161				
Coralville	FS-52-15-DWSRF-008	Water plant expansion and pumping improvements at main booster station to provide redundancy and capacity	2015	B	15	2	18907	P	\$ 4,116,580				
Little Sioux	FS-43-15-DWSRF-010	Water distribution system improvements	2015	B,C,E	40	2	170	P	\$ 186,000				
Poweshiek Water Assoc	FS-48-15-DWSRF-011	Holiday Lake Booster Pump Station	2015	B	35	2	18836	P	\$ 1,283,000				
Poweshiek Water Assoc	FS-48-15-DWSRF-012	Conway Tower to provide additional storage to the Amana Service Area	2015			2	2000	P	\$ 415,000				
Ruthven	FS-74-15-DWSRF-006	New well to replace Well #1, aeralator rehab, control panel replacement, water main replacement to improve pressure and add new valves and hydrants	2015	B,C,E	55	2	779	P	\$ 1,316,550				

Swea City	FS-55-15-DWSRF007	Replace Well #2, change out well pump in Well #3, replace aerator, control panel and process piping	2015	B,C,E	55	2	536	P	\$ 949,725				
Asbury	FS-31-15-DWSRF-001	Constructing water main looping, installing new well and elevated storage tank	2015	B,E	45	1	4545	P	\$ 3,404,700				
Dyersville	FS-31-15-DWSRF-003	Hydrous Manganese Oxide (HMO) addition.	2015	A,B,E	95	1	4058	P	\$ 1,021,080				
Ottumwa	FS-90-15-DWSRF-002	Ultra Violet Water Treatment and related facility improvements	2015	A,B	80	1	25023	P	\$ 4,000,000	40%			
Bonaparte	FS-89-14-DWSRF-016	Complete Phases 3 & 4 as presented in 2013 update. These 2 phases will replace cast-iron water main with new main and add new hydrants	2014	B,C,E	40	4	433	R	\$ 304,010				
Muscatine Power & Water	PD-DW-14-44	Water Site Source Analysis	2014	G	P&D	4	24386	R	\$ 215,915				
Tripoli	PD-DW-14-23	New water treatment facility	2014	G	P&D	4	1343	R	\$ 143,000				
Breda	FS-14-14-DWSRF-017	Construction of a new water tower.	2014	B,C,E	55	4	486	P	\$ 440,000				
Buffalo Center	FS-95-14-DWSRF-019	Construct water treatment plant, water town upgrades and well rehabilitation including new treatment building, treatment plant equipment, rehabilitation of Well #1.	2014	B,C,E	55	4	905	P	\$ 1,174,350				
Keosauqua	FS-89-14-DWSRF-015	Phase 4 of improvements to city's water distribution system by replacing 2250 feet of water mains, 5 hydrants.	2014	B,C,E	40	4	1006	P	\$ 455,000				
Lawler	FS-19-14-DWSRF-018	Well improvements and water main installation including well house, piping, control panel, chemical feed system, water main, valves and hydrants	2014	B,C,E	35	4	439	P	\$ 241,300				
Muscatine Power & Water	FS-70-14-DWSRF-022	Watermain replacement project	2014	B	15	4	24386	P	\$ 2,432,416				
North Liberty	FS-52-14-DWSRF-020	Design and construction of a new reverse osmosis water treatment plant	2014	B	30	4	13386	P	\$ 13,200,000				
Thurman	FS-36-14-DWSRF-021	Construction of a second well and a new filtration system	2014	B,C,E	55	4	229	P	\$ 532,169				
Hull	FS-84-14-DWSRF-023	Improvements for increased service	2014	B,C,E	55	4	2185	C	\$ 3,839,000				
Spencer	FS-21-14-DWSRF-010	Water Supply and Treatment Improvements	2014	B	35	3	11235	R	\$ 14,680,754				
De Soto	FS-24-14-DWSRF-011	New water treatment facility	2014	B,E	25	3	1050	P	\$ 3,295,000				
Ida Grove	FS-47-14-DWSRF-008	Add new permanent well	2014	B,E	45	3	2158	P	\$ 339,017				
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	18907	R	\$ 191,000				
Salix	FS-97-14-DWSRF-001	Construction of a new water tower.	2014	B,C,E	55	1	363	P	\$ 500,000				
Anita	FS-15-13-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				
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				

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	DROPPED	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				
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-001	I-29 Utility Relocation	2013	B	20	1	82684	R	\$ 2,541,000				
Shenandoah	FS-73-12-DWSRF-020	Water meter replacement	2012	B,C,D,E	45	4	5546	R	\$ 80,800	20%			
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%			
Albia	FS-68-12-DWSRF-008	Water main replacement	2012	B,C,E	40	2	3706	P	\$ 350,000				
Ryan	FS-28-12-DWSRF-005	New Silurian well with emergency power and control building	2012	B,E	45	2	410	P	\$ 128,000				
Palo	FS-57-12-DWSRF-003	New water treatment plant for new municipal system	2012	A,E	55	1	899	R	\$ 1,040,200				
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	DROPPED	Water meter replacement	2011	B,E	30	4	3228	P	\$ 207,000	20%			
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%			
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	\$ 741,000				
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%			
Ainsworth	FS-92-10-DWSRF-066	Water main looping and replacement	2010	B,C,E	40	4	524	R	\$ 325,000				
Oto	FS-97-09-DWSRF-016	New water storage tank	2009	B,C,E	40	4	145	P	\$ 61,065				
									\$ 100,688,040			\$ -	\$ -
<b>Project Status</b>	<b>Project Type</b>												
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													



## STATE REVOLVING FUND FY 2016 Intended Use Plans

**SRF**  
STATE  
REVOLVING FUND

Patti Cale-Finnegan, Iowa Department of Natural Resources  
Lori Beary, Iowa Finance Authority

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## Background

The SRF is Iowa's primary source of financing for drinking water and wastewater infrastructure, storm water quality, and nonpoint source protection



**SRF**  
STATE  
REVOLVING FUND

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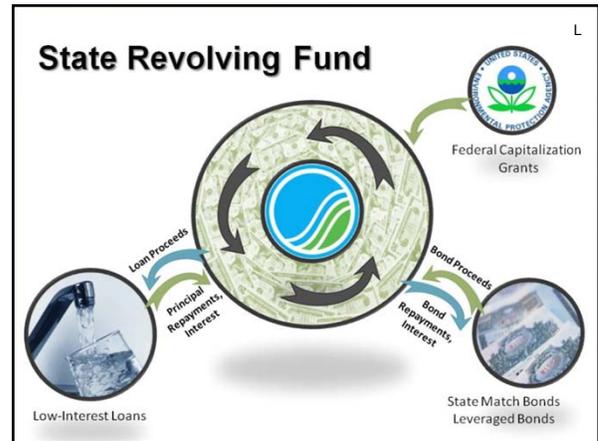
## Background

SRF programs authorized by Clean Water Act and Safe Drinking Water Act and administered by U.S. Environmental Protection Agency



**SRF**  
STATE  
REVOLVING FUND

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## Background

Program frameworks and eligibility set by federal law, but each state can set its own priorities for use of funds



**SRF**  
STATE  
REVOLVING FUND

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## Background

- **Iowa Code**
  - 455B.291-299 (DNR)
  - 16.131-133A (IFA)
- **Iowa Administrative Code**
  - 567 Chapters 40 and 44 – DWSRF (adopted by EPC)
  - 567 Chapters 90-93 – CWSRF (adopted by EPC)
  - 265 Chapter 16 – SRF (adopted by Iowa Finance Authority Board)
- "The program shall be a joint and cooperative undertaking of the department and the authority."

**SRF**  
STATE  
REVOLVING FUND

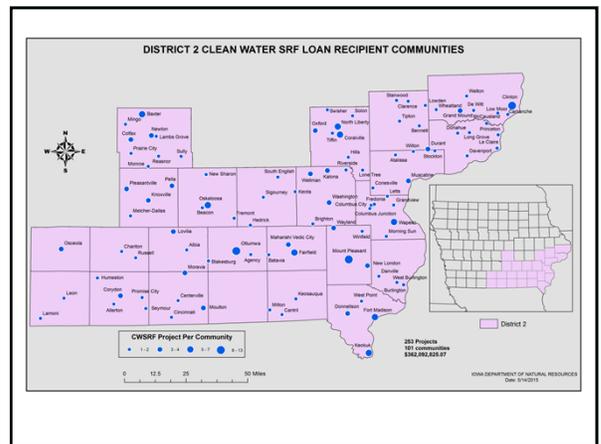
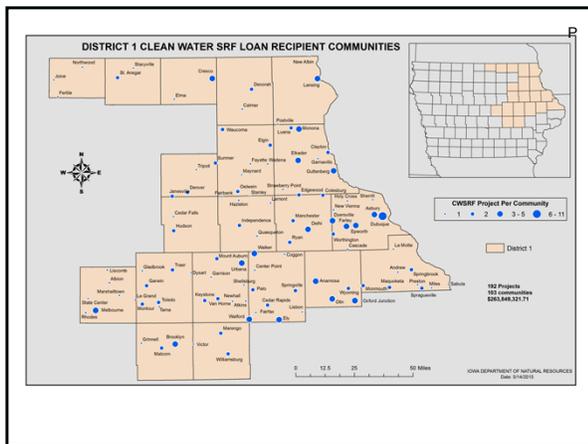
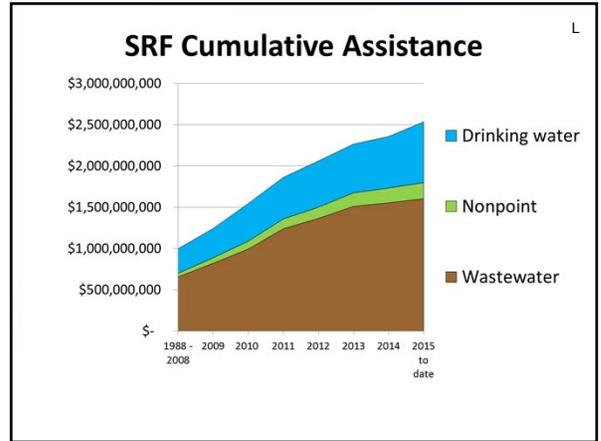
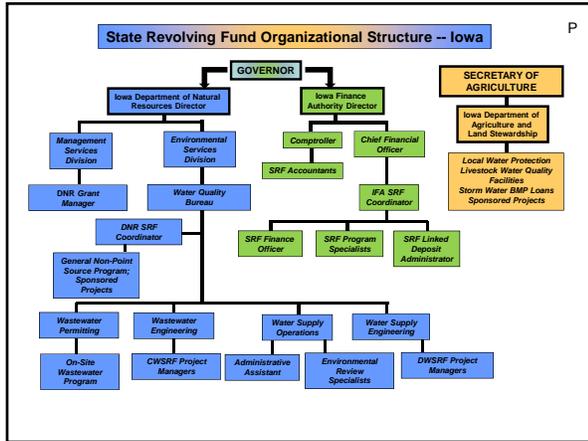
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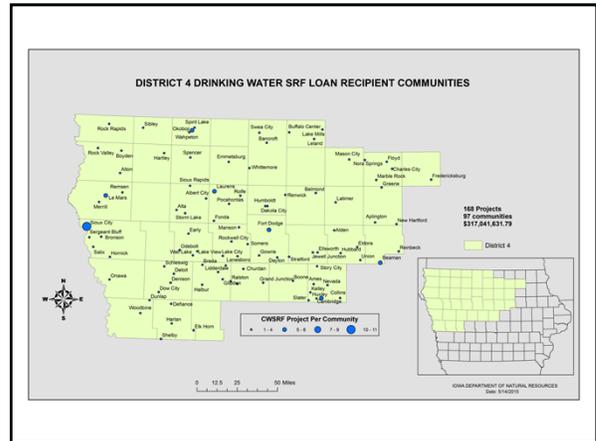
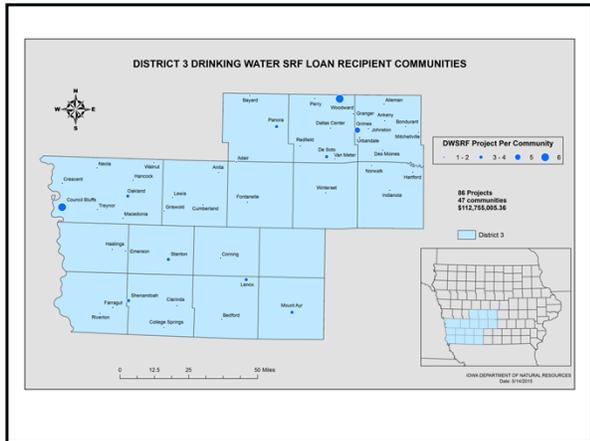
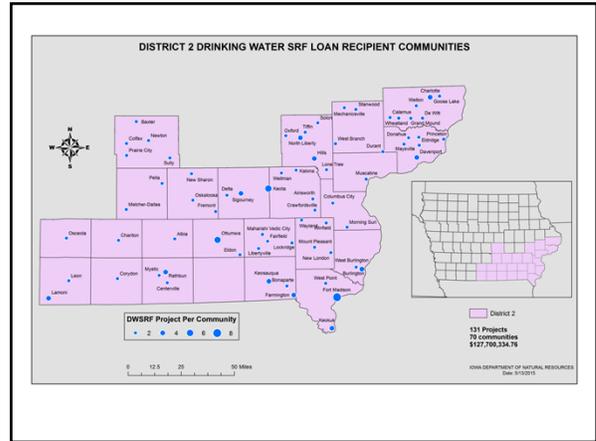
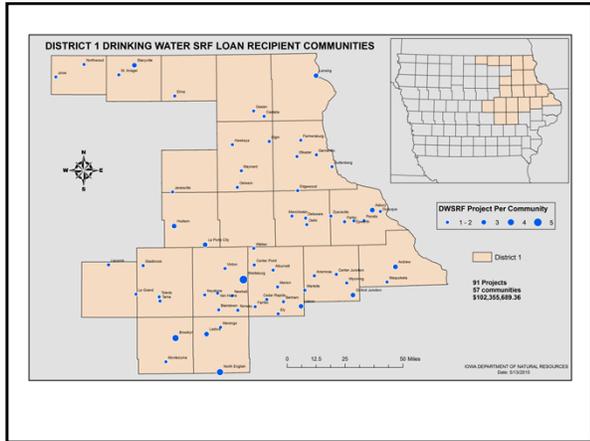
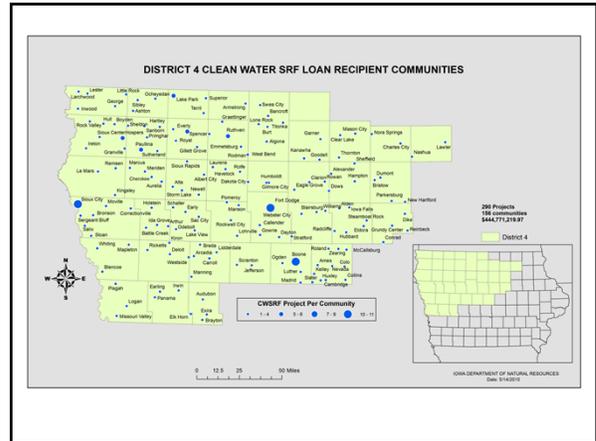
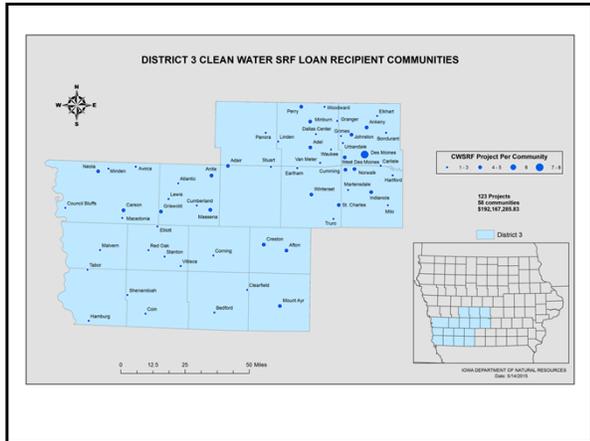
# Background

- Iowa Department of Natural Resources
  - Program planning and prioritization
  - Project planning and permitting
  - Environmental review
  - Federal compliance
- Iowa Finance Authority
  - Financial management
  - Bond issues
  - Loan processing
  - Loan disbursements



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## Intended Use Plans

- EPA requirement
- Outlines funding available and proposed uses
- Sets goals and objectives, policies and procedures
- Public review and comment
- Approval by EPC




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## Drinking Water SRF

- Loans for:
  - Improvements to public water supply systems
  - Consolidations and connections
  - Source water protection
- DWSRF set-asides fund technical assistance, capacity development, state drinking water program, SWP




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## Drinking Water SRF

Applicant	Project	Request
City of State Center	Planning and design loan	\$365,000
Poweshiek Water Association	Water storage tower to better serve customer area	\$415,000
City of Farley	Treatment to remove cancer-causing radium from well water	\$1,500,000
City of Van Meter	New water treatment plant to remove iron for better water quality	\$4,600,000
City of North Liberty	New Jordan well, new water treatment plant to meet expanding population's needs	\$13,000,000



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## Clean Water SRF

- Loans for:
  - Point sources:
    - Publicly owned wastewater treatment facilities
    - Sewer system rehabilitation
    - New systems for unsewered communities
  - Nonpoint sources:
    - Ag best management practices
    - Green infrastructure
    - Sponsored projects




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## Clean Water SRF

Applicant	Project	Request
City of Mediapolis	Planning and design loan	\$110,000
City of Worthington	Disinfection to meet bacteria standards	\$131,000
City of Granville	Relining to prevent infiltration and inflow into aging sewers	\$696,000
City of New Hampton	Improvements to wastewater plant to meet ammonia, bacteria, and nitrogen standards	\$2,000,000
City of Fort Madison	Wastewater upgrades to replace aging equipment, remove nutrients, add biosolids storage, and protect from floods	\$15,000,000



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## Loan Types

- Planning and design
  - 0% financing for up to 3 years
- Water and wastewater construction
  - 1.75% interest rate
  - Terms up to 30 years for some projects
- Source water protection
  - 0% interest for 20 years

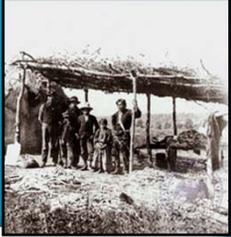


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## Environmental Review

- Environmental review specialists assist with ER process
- Brick sewers, historic water towers, pioneer cemeteries, Native American sites, Indiana bats, Topeka Shiner, flood plains, wetlands, etc.




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## Environmental Review

- Master contracts with archeology and/or architectural history firms reduce delays and problems
- SRF pays for needed surveys out of fees paid by applicants




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## Nonpoint Source Loans



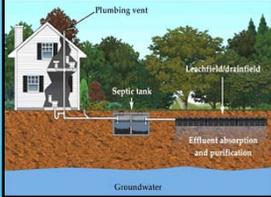
- Low-cost financing for nonpoint source projects
- Project approval by environmental agency
- Financing approval by participating lender
- Interest rate max 3%
- Can be used with cost-share, EQIP, other grants



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## On-Site Wastewater Systems



- Helps homeowners replace inadequate septic systems
- Contact county sanitarian
- All 99 counties participate



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## Partnership with IDALS

- Iowa Department of Agriculture and Land Stewardship agreement
- Soil and Water Conservation Districts
- Natural Resources Conservation Service




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## Ag Best Practices

- Soil erosion
- Manure management
- Non-CAFO size livestock operations
- IDALS administers through contract with DNR
- Apply through Soil and Water Conservation Districts
- NRCS technical help




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- **Green Infrastructure**
  - Water quality benefit in lowering volume and treating stormwater
  - Use Iowa Stormwater Management Manual standards
  - Review by SWCDs and IDALS Urban Conservationists
  - Both public and private borrowers



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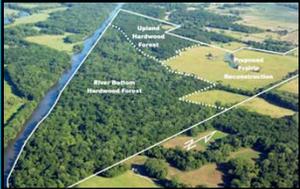


- **Land Quality**
  - Brownfield cleanup
  - Landfill closure
  - Apply to DNR
  - Review by DNR Contaminated Sites staff or Solid Waste engineers

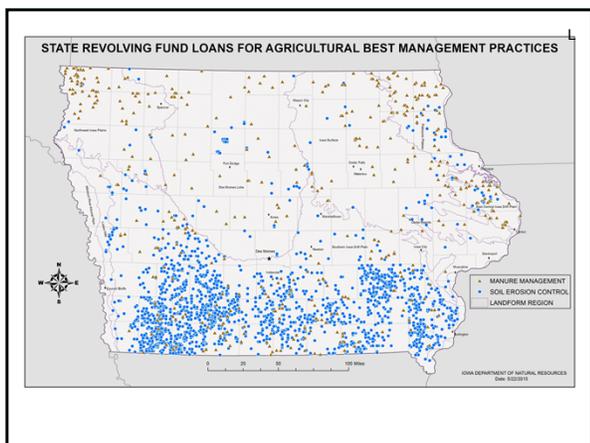
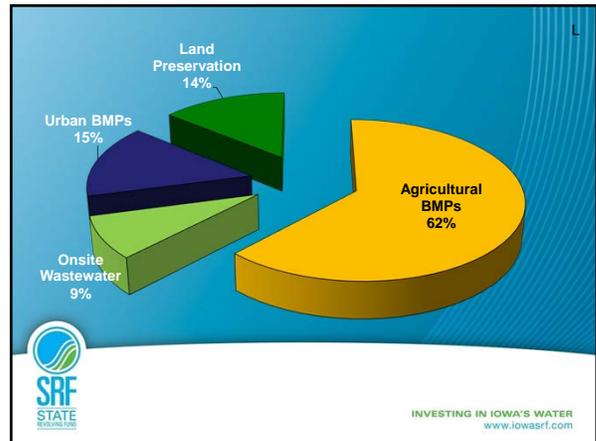


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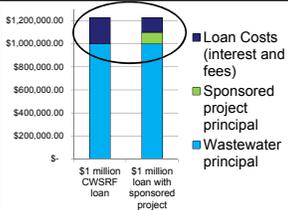
- **Land Preservation / Wetland Restoration**
  - Partnerships between Iowa Natural Heritage Foundation, DNR, County Conservation Boards, etc.
  - INHF gets loan from local bank which uses SRF funds
  - INHF holds properties for 3-5 years while government agency assembles funding
  - Land turned over to public ownership




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### Sponsored Projects

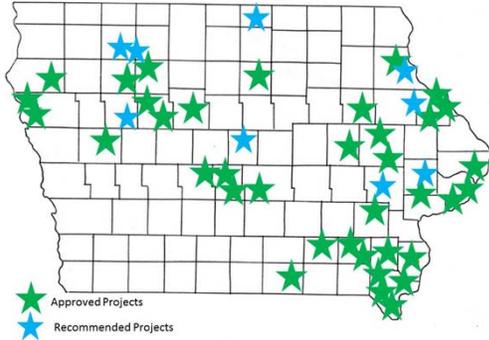


- Allows wastewater utilities to also address nonpoint source problems
- \$42 million allocated to date
- Applications due twice each year
- Recommendations included in this IUP



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## Sponsored Projects



## Loan Forgiveness

- Started with federal stimulus
- Attached to annual capitalization grants
- Must provide certain percentage of cap grant amount as “additional subsidization”
- Have committed loan forgiveness to help disadvantaged communities, promote solutions to public health problems, and incentivize green projects



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## Program Income

Fee	Description	Uses
Origination fee	0.5% of loan amount added to the loan amount	“Program income” – can only be used to administer the SRF programs. This includes water supply and wastewater engineering section project managers, environmental review, nonpoint source program administrators, financial officers, loan coordinators, program managers, and financial and legal advisors.
Servicing fee (first 1-3 years of loan)	0.25% annual fee on outstanding principal	



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## Non-Program Income

Fee	Description	Uses
Servicing fee (final 19 – 30 years of loan)	0.25% annual fee on outstanding principal	CWSRF: • DNR wastewater field staff • DNR Water Quality Bureau staff  DWSRF: • State match for Public Water Program set-aside



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## Coming up in FY 2016

- Taking applications year-round
- Quarterly updates of the IUPs in September, December, March
- Anticipated project activity:
  - Wastewater infrastructure: 140 projects totaling \$400 million
  - Drinking water infrastructure: 70 projects totaling \$100 million
  - Nonpoint source: 400 projects totaling \$25 million
  - Sponsored projects: 35 projects totaling \$40 million



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## Questions?

Patti Cale-Finnegan  
 Iowa Department of Natural Resources  
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[Patti.cale-finnegan@dnr.iowa.gov](mailto:Patti.cale-finnegan@dnr.iowa.gov)

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 Iowa Finance Authority  
 515-725-4965  
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**Environmental Protection Commission  
Iowa Department of Natural Resources**

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ITEM

9
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DECISION

TOPIC

**Contract Amendments with Wapsi Valley Archaeology and The University of Iowa, Office of State Archaeologist for Archaeological and Architectural History Services**

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**Recommendations:**

Commission approval is requested for two-year year-service contract extensions with Wapsi Valley Archaeology of Anamosa, Iowa and The University of Iowa, Office of State Archaeologist of Iowa City, Iowa. The contract amendments will begin on June 30, 2015 and terminate on June 30, 2017. The total amount of these contracts shall not exceed:

Wapsi Valley Archaeology:     \$90,000  
Office of State Archaeologist:   \$120,000

DNR shall have the option to renew these contracts long as these contracts and any extensions do not exceed a six-year period.

**Funding Source:**

These contracts will be funded through the administrative accounts of the Clean Water and Drinking Water State Revolving Fund (SRF). These accounts are partially funded through loan fees paid by SRF borrowers. DNR may contract for Phase IA Survey or Phase I Survey archeological services and/or Reconnaissance Survey architectural history services as needed for specific applicant projects. This level of investigation is typically adequate, but if additional investigation or effort is required, the cost and procurement of these surveys will be the responsibility of the SRF applicant.

**Background:**

Drinking water and wastewater construction projects funded by the SRF are considered federal undertakings and subject to the National Environmental Policy Act and the National Historic Preservation Act. Each project must either have a Categorical Exclusion (CX) or must demonstrate a Finding of No Significant Impact (FNSI), which must include documentation of the process of determining potential impacts on natural and cultural resources.

Since 2006, SRF Environmental Review Specialists have been assisting SRF applicants by determining and issuing CXs, seeking clearances from consulting parties, contracting for archeological and/or architectural history investigations, preparing documentation for the State Historic Preservation Office, compiling the Environmental Information Documents, and issuing FNSIs. This service is unique among the water and sewer funding programs; in the other programs applicants must pay a grant administrator or consulting engineer to conduct the review and cover any expenses for archeology or architectural history surveys.

Prior to 2006, the environmental review process was considered by many applicants to be a barrier to participating in the SRF programs. Providing environmental review services has removed that barrier and has contributed to the growth of the SRF.

Since 2007, when SRF began contracting for these archeology and architectural history surveys on behalf of SRF applicants, a total of \$991,754 has been awarded for contracts. During that same timeframe, the SRF programs committed \$1.7 billion for water and wastewater infrastructure.

**Purpose:**

The parties propose to enter into these contract amendments for the purpose of continuing to retain the contractors to provide archeological and/or architectural history services relating to State Revolving Fund-financed water supply and wastewater construction projects. DNR intends to execute contracts with these service providers on a retainer basis. As the need for specific archeological and/or architectural history investigations is identified, the DNR will solicit bid proposals from the selected contractors for the specific scope of work. The DNR will then select the most appropriate bid proposal and will execute an addendum to the contract with the selected contractor to provide the specific services. This will speed the process of contracting for these services which are often time-sensitive.

**Contractor Selection Process:**

The contractors were originally chosen in 2013 using a formal, competitive process.

**Contract History:**

The proposed contract amendments extend the contracts signed in 2013. SRF program has had master contracts for archeology and architectural history since 2007.

Patti Cale-Finnegan, SRF Coordinator  
Water Quality Bureau  
May 26, 2015

Iowa Department of Natural Resources  
Environmental Protection Commission

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ITEM

10

DECISION

TOPIC

Region XII Council of Governments - Grant Awardee for  
delivery of the Iowa Waste Exchange program

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**Recommendation:**

The Department requests Commission approval of a renewed grant award, amended to the amount of \$430,000, to the Region XII Council of Governments for a one year extension of the grant previously renewed last year, and with the option now of two additional year extensions, for the delivery of the Iowa Waste Exchange (IWE) program.

**Funding Source:**

This project is funded through the Groundwater Protection Fund, Solid Waste Account where monies are received from the tonnage fee imposed under Iowa Code section 455B.310. The specific allocation from the Fund directed to this grant is in Iowa Code section 455E.11 Ground Water Protection Fund Established Appropriations.

**Background:**

According to Iowa Code section 455E.11(2)(a)(2)(c), in the Groundwater Protection Fund, Solid Waste Account, out of the first \$1.50 per ton collected:

*Six and one-half percent [shall be used] for the department to establish a program to provide competitive grants to [one or more community colleges or councils of governments] for projects ... related to a by-products and waste exchange system.*

**Purpose:**

Since 1990, the IWE has been a free, confidential, non-regulatory program that enables the recycling of used and unwanted materials by matching parties that have those materials with others who look to obtain and add value to such resources. The Grantee under this Agreement sub-contracts and supervises the work of regionally-based Resource Specialists. Performing the direct work of the IWE, Resource Specialists facilitate the waste exchange matches, as well as provide a range of services to help divert many thousands of tons of by-products and excess materials from Iowa landfills, help manage and reduce waste streams, and enhance pollution prevention.

**Consulting Firm Selection Process:**

On June 19, 2012, the Environmental Protection Council approved the award of an IWE grant, which provided for up to five annual renewal extensions depending on satisfactory performance by the Grantee, Region XII Council of Governments. On June 18, 2013, and on June 17, 2014, the Council approved the first and second extension renewals of this Grant Agreement.

Based on Iowa Code, and on the continued satisfactory performance by the Region XII Council of Governments, we request the third extension renewal of the Iowa Waste Exchange grant award as amended be approved.

Jennifer Wright, Supervisor  
Land Quality Bureau  
Environmental Services Division

June 16, 2015

Attachment: Agreement Statement of Work

## **STATEMENT OF WORK**

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The Iowa Waste Exchange (IWE) Grantee is principally responsible for the work of regionally-based Resource Specialists who provide to Iowa businesses, schools, hospitals, government institutions, industries, and individuals a range of services for diverting by-products and excess materials from Iowa landfills, managing and reducing waste streams, and enhancing pollution prevention.

**I. Grantee DUTIES.** With DNR approval, the Grantee recruits and subcontracts IWE Resource Specialists; directs and oversees their work; reviews and evaluates on-going performance. Grantee assures that the IWE Resource Specialists —

1. Actively search for generators and users of materials and promote the transfer and use of excess materials and by-products between generators and users.
2. Establish working relationships with the above-listed clients by:
  - Responding to written or telephone requests from client groups for information or technical assistance on a variety of waste management issues no more than 2 business days after receiving the request
  - Assisting customers and potential customers with opportunities and answers
  - Conducting 'walk-through's of customer facilities to identify opportunities for improvement in the areas of waste management and pollution prevention
  - Working with solid waste agencies to help them meet their waste diversion goals
  - Identifying client needs and accessing the team of experts from the IWE, the Iowa Economic Development Authority (IEDA), the Iowa Waste Reduction Center (IWRC), and the DNR to help meet those client needs
3. Visit Solid Waste Alternatives Program (SWAP) projects, as requested; report site visit results to SWAP program managers; and provide technical assistance as requested.
4. Visit with communities having populations of 5,000 or less to assist with applications to the DNR's Derelict Building Program. Assist with subsequent diversion of materials from disposal in landfills.
5. Focus on achieving the optimum reduction in by-product generation and the landfilling of excess materials. Priority materials, in no particular order, are:
  - Old corrugated containers and kraft bags
  - Food and food processing residuals
  - Plastic film/wrap/bags
  - Mixed recyclable paper
  - Demolition/renovation/construction debris
  - Non-treated wood
  - Compostable paper
  - Renewable energy by-products
  - Hazardous materials
  - Industrial by-products/materials
6. Identify client operations that would benefit from DNR assistance regarding pollution prevention, financial and technical services, and help coordinate services delivery by inputting data in the IWE database.
7. Complete high-quality bi-weekly updates of the IWE program via the IWE database to reflect work activities and program-related outcomes.

**II. Promotion and Information.** In collaboration with the DNR, the Grantee assures that the IWE Resource Specialists —

1. Represent the DNR and its financial and business assistance programs by making presentations to public and professional groups on current waste management and pollution prevention programs and techniques
2. Engage in active sharing of materials uses and markets information with IWE program partners via e-mail, phone calls, and at quarterly meetings

3. Maintain familiarity with statewide needs and opportunities related to matching by-products
4. Inform clients of the environmental and economic benefits of recycling and reuse. Results may include customer's purchasing, process changes, and enhanced waste management practices through participating in the IWE program or other FABA programs.
5. Inform IWE clients of the services of the Iowa Waste Reduction Center and provide referrals as appropriate
6. Involve stakeholders in the delivery and promotion of the IWE program and in identification of customers that may benefit from the services of the IWE. Stakeholders include, but are not limited to, solid waste agencies, local governments, and local leaderships groups (i.e. city councils, local chambers of commerce, local industry and business groups)
7. Seek proactive opportunities for the IWE and its partners to assist in increasing recycling markets and in lowering operating costs for businesses by prompting waste reduction, recycling, and the exchange of materials through the IWE database and general IWE program.
8. Identify statewide recycling market gaps and market development opportunities for diversion of materials from Iowa landfills and other disposal sites
9. Identify barriers to business expansion opportunities related to the solid waste management system (ex. collection/processing)
10. Identify, on an ongoing basis, anticipated training needs for IWE customer groups and the role(s) the Grantee and subcontractors can undertake to address those training needs.
11. With the use of designated fiscal year 2015 grant funds, proactively promote, publicize and market the IWE through activities that include, but are not limited to:
  - obtaining business cards and program brochures as needed
  - placing print and broadcast ads (perhaps as modified Success Stories) in local news and public information outlets
  - purchasing booth space at trade fairs and other exhibition events
  - attending conferences where the IWE Resource Specialists would be able to make promotional/informational presentations
  - helping sponsor Community Clean-up Days, E-Waste collections, etc.

### **III. Other.**

1. Attend training sessions, seminars, and professional meetings.
2. Complete other special projects as directed or approved by the DNR.

### **IV. Grantee TASKS.** In collaboration with the DNR, the Grantee—

1. Subcontracts for, and maintains, no less than 5.5 Full-Time Equivalent (FTE) Waste Exchange Resource Specialist positions to deliver statewide services across at least six contiguous service areas.
2. When subcontracting for Waste Exchange Resource Specialists, pays particular attention to Applicants' qualifications related to - •high productivity, •being team players, •interpersonal skills, •customer focus, and •technical competence.
3. Submits all subcontract Applicant resumes and pre-interview evaluations to the DNR for approval prior to commencing the interview process. The DNR's interests are represented in the interviewing process. All selected Applicants and interview summaries are sent to the FABA Supervisor prior to the offering of IWE Resource Specialist positions.
4. Provides quality supervision, management, leadership, training and mentoring for all of the Grantee's staff and subcontractors.
5. Ensures that IWE Resource Specialists update the data base on a bi-weekly basis. The Grantee is responsible for submitting the Quarterly Reports to the DNR.
6. Completes all Grant Agreement reporting requirements.
7. Delivers all tangible products listed in the Grant Agreement.

8. Works toward more efficient use of IWE program resources, including funding and program staff time, talents and expertise.
9. Provides feedback and recommendations to the DNR on means for improving the overall IWE program on a monthly basis.
10. Oversees consistent delivery methodologies and quality among all program service regions.
11. Requires attendance of all FTEs under this Grant Agreement to attend four quarterly meetings where these items will be discussed, but not limited to: progress on quarterly objectives, budget, roundtable discussion of problems and suggested solutions, training for professional development and other items as requested by the FTEs or the DNR.
12. When requested, meets with DNR, IEDA, and the IWRC to discuss program progress, budget items, progress on goals, primary duties listed in this RFP and other items as needed.

**V. Tangible Products.** The Grantee provides, on an annual basis:

1. Tracked progress toward the goal of diverting at least 100,000 tons of materials and by-products from Iowa landfills.
2. Coordinated and tracked delivery of additional services from the DNR's Financial and Business Assistance (FABA) section; particularly as to —
  - Assisting with SWAP applications, or making referrals to local Councils of Governments for assistance in completing grant applications, or referring clients to SWAP staff.
  - Promoting the Pollution Prevention (P2) Services and providing referrals to the P2 program managers and engineers.
  - Assisting with Pollution Prevention Intern applications or referring to P2 engineers.
  - Assisting with applications to the DNR's Derelict Building Program, and with the subsequent diversion of materials from disposal in landfills.
3. Completion of a combined minimum of 3,200 IWE client contacts, with the tracking of numbers per full-time equivalent employee (FTE) of both on-site visits to assist clients and in-house (telephone, email, letters, etc.) client assists.
4. Submittal to the DNR of at least one IWE success story per each of the primary service areas per year.
5. Quarterly reports that follow the format provided for IWE database information entry, submitted to the DNR. Quarterly reports are due the fifteenth day of the month immediately following the three months covered by the report. All quarterly reports must be submitted to the FABA IWE program manager. Quarterly reports must describe the performance of each IWE Resource Specialist, and record actions taken, or planned to be taken, for meeting Grant Agreement goals.

**VI. Definitions for Statement of Work.**

1. On-site visits include site visits to, and tours of, business facilities for purposes of offering assistance. A single client can be counted for multiple on-site visits, as long as each visit counted is a legitimate, new assistance initiative. An on-site visit does not include subsequent follow-ups by telephone, email or letters relating to the initial on-site visit.
2. In-house assistance includes calls, emails and letters to clients to provide assistance with a specific market referral or other specific business assistance information. A client can be counted as in-house assistance multiple times for legitimate, new assistance. In-house assistance does not include subsequent assistance via telephone, email or letter relating to the initial in-house assistance.
3. FABA goals can include the following activities: client referrals to the Pollution Prevention (P2) Services Program Manager or P2 Engineers; assistance with P2 intern applications; SWAP grant application assistance and SWAP site visits as assigned; assistance with Derelict building Program applications and with subsequent materials diversions.

# Iowa Department of Natural Resources Environmental Protection Commission

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ITEM

11

DECISION

TOPIC

**University of Northern Iowa, Iowa Waste Reduction Center –  
Iowa Waste Exchange Program technical assistance, database  
management and training**

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**Recommendation:**

The Department requests Commission approval of a contract in the amount of \$30,000 with the University of Northern Iowa, Iowa Waste Reduction Center (IWRC) for one year. The contract is for the IWRC to provide technical assistance, database management and training for the Iowa Waste Exchange program.

**Funding Source:**

This project will be funded through the Groundwater Protection Fund, Solid Waste Account where monies are received from the tonnage fee imposed under section 455B.310.

**Background:**

Iowa Code section 455E.11(2)(a)(2)(c) Groundwater Protection Fund, requires that:

The Department shall expend not more than thirty thousand dollars of the moneys appropriated under this subparagraph subdivision to contract with Iowa Waste Reduction Center (IWRC) at the University of Northern Iowa to provide training and other technical services to the Iowa Waste Exchange program.

**Purpose:**

The purpose of this contract is for the IWRC to provide technical assistance, database management and training to the Iowa Waste Exchange program and its Representatives.

**Consulting Firm Selection Process:**

A selection process was not conducted because these moneys are legislated to be distributed to the University of Northern Iowa, Iowa Waste Reduction Center.

**Statement of Work:**

For an outline of the statement of work, see attached.

Based on the Iowa Code and existing relationships with the University of Northern Iowa, we recommend the contract with the University of Northern Iowa, Iowa Waste Reduction Center be approved.

Jennifer Wright, Supervisor  
Land Quality Bureau  
Environmental Services Division

June 16, 2015

Attachment: Contract Statement of Work

## **STATEMENT OF WORK**

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The Department's stated objective is for the Iowa Waste Reduction Center (the Contractor) to provide technical assistance, and database maintenance and coordination for the Iowa Waste Exchange program as approved by the Department. The services included below may be amended at any time by the Department or the Contractor upon prior approval by the Department. The Contractor will provide the following tangible products:

### **I. Technical Assistance Services**

The Contractor shall deliver technical assistance services requested by the Department to the Iowa Waste Exchange (IWE) program to improve overall service of the IWE database and beneficial results for the program's clients. Services may include the following:

1. Reviewing sample listings of potential markets to determine if they meet the minimum qualifications necessary to be listed on the IWE database
2. Electronically updating and distributing the IWE Handbook to the Department and to all IWE area Resource Specialists
3. Conducting database training for all IWE program staff and partners
4. Assisting the Department with the maintenance of the IWE database
5. Identifying database improvements and updates and serving as a team member for additional database improvements
6. Maintaining lists of bugs utilizing the Iowa DNR's 'BugTracker.net' application that is provided to the Contractor
7. Verifying available and wanted materials submitted by the public
8. Coordinating the testing of fixes and new features within 10 days of the release.
9. Maintaining and prioritizing a list of future enhancements for the upcoming version of the database.
10. Maintaining Group Messages in the database

### **II. Reports**

The Contractor shall submit monthly and final annual performance reports that have a narrative discussion of technical assistance services delivered, including, but not limited to:

1. All work conducted related to Section I above, Technical Assistance Services, for which the Contractor is seeking reimbursement
2. Training provided to the IWE program representatives
3. IWE services provided to IWE clients contacting the Contractor including number of contacts and services provided
4. Current status of open bugs from the 'BugTracker.net' application
5. Media related contacts received by or initiated by the Contractor related to the IWE, and number of client inquiries for IWE assistance received directly by UNI staff, and
6. Other services provided by the Contractor not listed above but that are related to the IWE.

**Iowa Department of Natural Resources  
Environmental Protection Commission**

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**ITEM**

**12**

**DECISION**

**TOPIC:      Solid Waste Alternatives Program – Contract Recommendation**

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The Department received 11 proposals requesting \$414,765 in financial assistance during the April 2015, round of funding. The review committee selected seven (7) projects for funding for a total of \$296,842. Two (2) proposals recommended for funding are greater than \$25,000 awarding a total of \$221,213 in a combination of forgivable and zero 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.

A description of the recommended projects, the project type, and the amount and type of funding assistance is attached.

Tom Anderson, Executive Officer II  
Land Quality Bureau  
Environmental Services Division

Attachment

a) Proposal description

May 22, 2015

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## SOLID WASTE ALTERNATIVES PROGRAM - PROPOSAL RECOMMENDATIONS

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

<b>GreenRU</b>	<b>Forgivable Loan:</b>	<b>\$20,000</b>
<b>2255 Little Wall Lake Road</b>	<b>0% Loan:</b>	<b><u>\$40,000</u></b>
<b>Blairsburg, Iowa 50034</b>	<b>Total Award Amount:</b>	<b>\$60,000</b>

	<b>Cash Match:</b>	<b><u>\$15,000</u></b>
	<b>Total Project Cost:</b>	<b>\$75,000</b>

**Project Title:** Food Waste Collection Program Expansion

**Contact:** Dave Klockau **Phone:** 515-450-6907

**Project Type:** Best Practices

**Applicant:** Private For Profit

**Description:** With the project the applicant will expand collection of food waste from commercial, industrial and institutional generators. On-site collection successfully eliminates such barriers as handling and transportation of organic waste, diverting the material from sanitary landfills. Collected organics are delivered as valuable feedstocks to composting facilities, animal feed operations and anaerobic digester facilities for waste to energy generation.

Funding assistance is requested for the purchase of specialized 3 cubic yard food waste collection containers. Containers will be cited at food waste generator locations for service on a regular basis. The applicant has, based on generator interest and end market feedstock needs, estimated the project will increase landfill diversion by 5,000 tons in the first year of operation with 20% annual diversion increases over the next 5 years.

The project addresses a targeted waste stream and is compatible with current and planned food waste related landfill diversion activities in the state.

Primary service area is central Iowa and other areas of the state with high concentrations of food waste generators.

**Service Area:**

<b>AgriReNew</b>	<b>Forgivable Loan:</b>	<b>\$20,000</b>
<b>26618 20<sup>th</sup> Avenue</b>	<b>0% Loan:</b>	<b><u>\$141,213</u></b>
<b>Stockton, Iowa 52769</b>	<b>Total Award Amount:</b>	<b>\$161,213</b>

	<b>Cash Match:</b>	<b><u>\$53,738</u></b>
	<b>Total Project Cost:</b>	<b>\$214,951</b>

**Project Title:** Recycling Program Expansion

**Contact:** Bryan Sievers **Phone:** 563-340-6541

**Project Type:** Best Practices

**Applicant:** Private For Profit

**Description:** The applicant operates a large custom cattle feeding operation with approximately 2,444 head of cattle. In 2013, an anaerobic digester was placed into operation for manure management and was designed to accept food processor waste as well as pre and post-consumer food wastes. Obtaining food waste as additional feedstocks will enhance overall operation of the anaerobic digesters.

Biogas resulting from the anaerobic digesters is converted to electricity and placed back into the grid. Heat generated from the digesters is used to heat buildings associated with the operation. The resulting biosolids are used as bedding and fertilizer and the liquid digestate is also used as a nutrient rich fertilizer.

Funding assistance is requested for the purchase of a screener/crusher, a separator system to depackage incoming food items separating the organic and inorganic fractions and a curbed concrete pad for unloading incoming feedstock. The requested items will allow the applicant to begin accepting food waste from industrial food processors, grocery stores and other commercial food establishments. The screener/crusher will properly size the organic material to facilitate the anaerobic digestion process. The addition of food waste to the digesters will increase biogas production and increase the beneficial value of the resulting fertilizers. For the first year of operation the applicant has set a diversion goal of 8,000 tons.

The project addresses a targeted waste stream and is compatible with current and planned food waste landfill diversion activities in the state.

**Service Area:** Primary service area is eastern Iowa

**Natural Resources Commission/ Environmental Protection Commission  
Iowa Department of Natural Resources**

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ITEM

**13**

DECISION

TOPIC

**Contract with THE UNIVERSITY OF IOWA on behalf of THE STATE HYGIENIC LABORATORY (SHL) for Laboratory Services provide to the Contaminated Sites Section -IDNR**

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**Recommendations:**

Commission approval is requested for a [2] year-service contract with the State Hygienic Laboratory at the University of Iowa. The contract will begin on July 1, 2015 and terminate on June 30, 2017. The total amount of this contract shall not exceed \$129,600.

**Funding Source:**

This contract will be funded through State Hazardous Waste Fund Fees and EPA Federal grant funds.

**Background:**

Under various state and federal programs the Contaminated Sites Section of IDNR conducts investigations of environmental contamination. This process involves the collection of samples of unknown chemicals or environmental media (soil, groundwater and soil air) potentially contaminated by chemicals. In order to positively identify and quantify the concentration of those chemicals it is necessary to have them analyzed by a qualified laboratory.

**Purpose:**

The parties have entered into this Contract for the purpose of retaining the Contractor to provide assistance to DNR in monitoring the condition of the state of Iowa. Assistance will include analysis of samples from environmental media for a variety of chemistry parameters.

**Contractor Selection Process:**

The purpose of this Contract is for the UI to provide laboratory services necessary to implement the provisions of this chapter, chapter 459, and chapter 459A. The DNR is allowed to contract with the University of Iowa pursuant to Iowa Code section 455B.103.

**Contract History:**

This contract is being repeated. The previous contract was for the same laboratory services as the in the proposed contract. The value of the original 2013-15 contract (\$129,600) is the same as the proposed contract. The length of the original contract was for two years (2013-15). All lab services provided in the original contract are the same in the proposed contract. There no changes to the scope of work or budget of the proposed contract.

Presenter's name and Presenter's Title: **Matt Culp, Senior Environmental Specialist**

Presenter's Bureau and Division: **Land Quality Bureau in the Environmental Services Division**

Commission Date: **June 16, 2015**

Attachment(s): Scope of Work from the Special Conditions for Contract: (see below)

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**STATEMENT OF WORK**

**Statement of Work:** Contractor shall perform the following Tasks. Contractor shall complete its obligations under this Contract by the Task Milestone Dates set out in the following table.

Obligation	Task Milestone Date
<p><b>Task 1: Contaminated Sites Laboratory Support.</b> SHL shall analyze and report results for environmental media samples collected by Department staff during contaminated sites investigations (Waste Management Super Fund-WMSF).</p> <p><b>Description:</b></p> <ul style="list-style-type: none"> <li>○ SHL shall analyze samples of water, soils, soil-gas, solvents, solid wastes, and other environmental media collected by the Department during contaminated sites investigations. The samples shall be tested for parameters as specified by the collector in consultation with laboratory.</li> <li>○ Samples submitted for analysis shall be coded WMSF. All samples submitted to SHL by Department or SHL staff shall be coded to a specific monitoring activity and shall include a detailed list of the analyses to be performed unless other arrangements have been made before shipment of the sample to SHL. SHL log-in procedures shall accommodate this code. A monthly report of the logged-in samples shall be provided in a mutually agreeable format. Any deviation from normal sampling procedures, including but not limited to a change in sampling location or omission of samples for analysis, shall be identified to DNR in writing prior to transmittal of analytical results. Analytical test results determined at “less than” quantitation limit shall be reported as such, and or flagged as appropriate. Test results for samples analyzed after recommended “holding time” shall be qualified as appropriate.</li> </ul>	<p>Ongoing for the term of the contract</p> <p>A sample log-in report shall be attached to each monthly invoice. The format for this report shall be agreed upon by the parties. The sample log-in report shall be submitted to DNR by the last date of each month during the term of this contract.</p>
<p><b>Task 2: Submission of Information and Manuals.</b> SHL shall submit information and manuals to DNR upon request.</p> <p><b>Description:</b></p> <ul style="list-style-type: none"> <li>○ SHL shall submit information on data quality requirements and assessments (such as detection limit, quantitation limit, estimated accuracy, accuracy protocol, estimated precision, and precision protocol) to DNR for any sample upon request. Information on the analytical reference method, sample preservation and holding time also shall be provided if requested.</li> <li>○ SHL shall provide copies of revised Methods Manuals and Standard Operating Procedure Manuals to the Department upon request. Copies of manuals and procedures shall be available from the laboratory.</li> </ul>	<p>Ongoing for the term of the contract</p>
<p><b>Task 3: Data Transfer</b></p> <p><b>Description:</b> SHL shall make the data generated pursuant to this Contract available to DNR electronically through the State Hygienic Laboratory Open ELIS database web portal. Data shall be available for download by DNR staff in a mutually agreeable format. The available sample information shall include the STORET station identification number, which will be provided by DNR for all station locations. Data shall be retrievable via the web portal by DNR staff.</p> <p>Analytical reports may be retrieved electronically by DNR staff having the appropriate authorization. SHL shall assist DNR staff in obtaining appropriate authorization when requested.</p> <p>When accessing electronic data, the following information is required:</p> <ul style="list-style-type: none"> <li>● SHL Open ELIS/Telcor Organization ID number 547</li> <li>● SHL Project Code: WMSF</li> </ul>	<p>Analytical chemistry data shall be made available to DNR staff no later than 15 calendar days following the end of the month of collection. If the contractor determines that extra time is needed to complete required analyses, then a written notification shall be made to the DNR submitter or contract manager. The notification shall include the reason for the delay and the specific analytical chemistry data requiring delayed reporting. The notification shall occur as soon as possible after the contractor has determined the need for a reporting delay.</p>

**Iowa Department of Natural Resources  
Environmental Protection Commission**

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**ITEM**

**14**

**DECISION**

**TOPIC**

**Contract – Iowa Department of Agriculture and Land Stewardship –  
Lake Geode Watershed Improvement Project**

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**Recommendation:**

The Department requests Commission approval of a contract in the amount of \$117,250 with the Iowa Department of Agriculture and Land Stewardship for two years to promote best management practices in the Lake Geode watershed.

**Funding Source:** Federal – Environmental Protection Agency

This project will be funded through Section 319 of the Clean Water Act.

**Background:**

Lake Geode, located in Henry and Des Moines Counties, is a 174 acre lake encompassed by a 1,640-acre state park. The entire Lake Geode Watershed consists of approximately 10,327 acres. The watershed is located in Hydrologic Unit Code (HUC) 12, 070801071004, Cedar Creek-Skunk River. The lake was constructed in 1950 and is known for excellent fishing and scenic views. Geode State Park is owned and operated by the Iowa Department of Natural Resources. Lake Geode is on the 303(d) impaired waters list due to high levels of bacteria and high levels of pH. The high pH was determined to be linked to excess phosphorous. Lake Geode is a man-made reservoir created by an earthen embankment that impounds its primary tributary, Cedar Creek. The lake's hydrology is driven primarily by surface water inflows from Cedar Creek and several smaller tributaries that either drain to Cedar Creek or directly to the lake. Precipitation events, runoff and interflow have the most influence on water quality and water level fluctuations in Lake Geode.

**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.

**Scope of Work:**

For an outline of the **scope of work**, see the attached project summary.

Rachel Glaza, Environmental Specialist  
Watershed Improvement Section, Water Quality Bureau  
Environmental Services Division

May 26, 2015

## **DNR Section 319-Funded Watershed Project Summary**

### **PROJECT NAME: LAKE GEODE WATERSHED IMPROVEMENT PROJECT**

Amount: \$117,250

Time Frame: July 1, 2015 – June 30, 2017

Description: Funding for an existing watershed project.

Project Goal: Reduce Phosphorus and Bacteria delivery to Lake Geode

Lake Geode, located in Henry and Des Moines Counties, is a 174 acre lake encompassed by a 1,640-acre state park. The entire Lake Geode Watershed consists of approximately 10,327 acres. The watershed is located in Hydrologic Unit Code (HUC) 12, 070801071004, Cedar Creek-Skunk River. The lake was constructed in 1950 and is known for excellent fishing and scenic views. Geode State Park is owned and operated by the Iowa Department of Natural Resources. Lake Geode is on the 303(d) impaired waters list due to high levels of bacteria and high levels of pH. The high pH was determined to be linked to excess phosphorous. Lake Geode is a man-made reservoir created by an earthen embankment that impounds its primary tributary, Cedar Creek. The lake's hydrology is driven primarily by surface water inflows from Cedar Creek and several smaller tributaries that either drain to Cedar Creek or directly to the lake. Precipitation events, runoff and interflow have the most influence on water quality and water level fluctuations in Lake Geode.

A Total Maximum Daily Load (TMDL) for bacteria and pH for Lake Geode was accepted and approved by EPA on September 25, 2009. A 9-element Watershed Management Plan (WMP) was created and reviewed by EPA and approved by DNR in March of 2010. The TMDL indicates that high pH in the lake is associated with photosynthesis by algae, for which total phosphorus (TP) is the limiting nutrient. The sources contributing to the bacteria and phosphorus impairments include livestock, septic's, wildlife, and sediment. The primary objective for Phase 1 of the Lake Geode Watershed Project is to implement best management practices that will address the bacteria and pH impairments within Lake Geode. This goal will be achieved through the installation of a variety of traditional best management practices including structural practices, nutrient management, waterways, septic system improvements, and wildlife management techniques that will target identified source contributors from state and private land. Information and education efforts including one on one landowner contacts, signage, press releases and field days targeting landowners, residents, and lake users will encourage stakeholders to embrace this effort. This 2-year proposal will complete phase 1 of the WMP, providing a delivery reduction of 1,180 tons/year of sediment and 1,823 lbs. of TP, forwarding the project into phase 2. It is estimated that Lake Geode will attain its fully designated uses after 15 years of management and conservation work.

**Environmental Protection Commission  
Iowa Department of Natural Resources**

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ITEM

15

DECISION

TOPIC

**2016 Contract University of Northern Iowa – Iowa Air Emissions Assistance Program (IAEAP):  
Small Business Assistance Program**

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**Recommendations:**

Commission approval is requested for a one year-service contract with the University of Northern Iowa (UNI); Cedar Falls, Iowa. Services are to be provided by the Iowa Air Emission Assistance Program (IAEAP) of UNI's Iowa Waste Reduction Center (IWRC). The contract will begin on July 1, 2015 and terminate on June 30, 2016. The total amount of this contract shall not exceed \$303,463.00. This contract is an Iowa Code Chapter 28E contract.

**Funding Source:**

The statutory authority for the DNR to enter into this contract is under Section 507 of the Clean Air Act and Iowa Code § 455B.133(8)(a). This contract will be funded by cost reimbursable payments funded solely by Title V program fees.

**Background:**

The Small Business Assistance Program, which is mandated by Section 507 of the Clean Air Act Amendments of 1990, provides technical and non-technical assistance to small businesses. This contract establishes the requirements of Iowa's technical assistance program.

**Purpose:**

The parties propose to enter into this contract to outline UNI's activities and projects related to providing technical assistance to Iowa's small businesses. Particular emphasis is placed on providing general education and outreach to assist small businesses in determining and understanding their regulatory obligations, and training small businesses on how to complete and submit emissions inventories.

**Contractor Selection Process:**

The DNR is allowed to contract with the University of Northern Iowa without using a competitive selection process pursuant to state law.

**Contract History:**

The Iowa Air Emission Assistance Program (IAEAP) was formally designated as the technical and compliance small business assistance provider in a State Implementation Plan revision that was submitted to and approved by the EPA in the early 1990s. The University of Northern Iowa's IAEAP has demonstrated itself to be an effective assistance provider to Iowa's small businesses.

In comparison to last year (SFY 2015), the contract currently being requested for approval has primarily the same scope of work. A few changes have been made to the "special work products" section of the contract; similar to other contract years, the DNR and UNI make changes to this section based on the needs for new outreach projects or other technical projects that may need UNI's expertise and assistance. The DNR's budget contribution went up by \$4,956.00 - with the budget increase being due to personnel, fringe benefit, and indirect charge increases.

Christina liams  
Program Planner 2  
Air Quality Bureau – Environmental Services Division  
June 16, 2015

Attachment(s): Special Conditions for Contract 16ESDAQBCIAM-0003

**Section 5 STATEMENT OF WORK**

**5.1** The responsibilities of UNI shall be to perform the following tasks. Projects or activities, including solicitation of additional projects or activities, shall not be conducted with the resources provided for in this Contract unless written approval is granted by the DNR in advance. UNI shall complete its obligations under this Contract by the Task Milestone Dates set out in Section 5.1.19.

**5.1.1 Personnel**

**1. Personnel Commitment.** UNI represents that it has or will acquire all personnel required for the performance of the work specified under this Contract. Sufficient personnel shall be employed to perform the services of this Contract during the period of performance. Staffing requirements are specified in Table 1.

**a)** UNI shall employ two and one-half (2.5) full time equivalent (FTE) positions under this Contract. These two and one-half (2.5) positions shall be devoted to fulfilling the requirements of this Contract.

**1)** Two of the 2.5 FTE positions shall be "professional staff" positions of fulltime IWRC employees. The "professional staff" positions shall include any of the following: "Waste Reduction Specialist", "Environmental Specialist", and "Program Manager/Associate Director."

**2)** Half of one (.50) of the 2.5 FTE positions shall be "support staff" positions of fulltime IWRC employees. The "support staff" positions shall include any of the following: "Director", "Associate Director", "Office Coordinator", "Information Technology Specialist", and "Graphic Designer".

**Table 1: Staffing Requirements**

Position	FTE
<b>Professional Staff</b>	
Program Manager/Associate Director	0.55
Waste Reduction/Environmental Specialist	1.45
<b>Support Staff</b>	
Office Manager	0.10
Information Technology Specialist	0.25
Director	0.05
Graphic Designer	0.10
<b>Total FTE</b>	<b>2.50</b>

**2. Personnel Qualification.** All of the work and services required hereunder shall be performed by UNI and all personnel engaged in the work shall be fully qualified and shall be authorized under state and local law to perform such services.

**3. Training.** All professional staff shall maintain familiarity with relevant air quality regulations by:

- a)** Routinely completing training courses UNI deems beneficial to providing assistance small business.
- b)** Receiving training from DNR as required in writing by the DNR.

**4. Key Personnel.** The following individuals are designated as key personnel:

- a)** Dan Nickey, IAEAP Program Manager & Associate IWRC Director
- b)** Brian Gedlinske, Environmental Specialist
- c)** Jen Trent, Environmental Specialist
- d)** Jennifer Whittenburg, Environmental Specialist
- e)** Matt Cox, Waste Reduction Specialist

Individuals specified as "Key Personnel" are considered essential to the work and services to be performed. If for any reason substitution for a specified individual becomes necessary, UNI shall, within ten business days, provide written notification of such to the DNR. UNI shall provide the name and qualifications of the replacement individual.

**5.1.2 Fiscal Reporting.**

**1. Expenditure Reports.** UNI shall report expenditures per Section 7 of this Contract. At minimum, the expenditure reports shall contain the following line item descriptions. UNI may incorporate additional sub items as are reflected in their actual accounting practices.

EXPENDITURE CATEGORY	OVERALL TOTAL
Personnel/Benefits (Total) – Not to Exceed	\$ 261,584.00
Personnel (FTE)	\$ 190,097.00
Benefits (FTE)	\$ 71,487.00
Travel/Training (Total)	\$ 9,650.00

Out of State	\$ 2,000.00
In State	\$ 7,500.00
Registration/Conference Fee	\$ 150.00
Supplies (Total)	\$ 4,000.00
Computer & AV/Electronics	\$ 2,500.00
General Supplies	\$ 1,500.00
Equipment (Total)	0.00
Other (Total)	\$ 5,750.00
Postage	\$ 1,500.00
Printing (on/off campus)	\$ 4,000.00
Software License Fee	\$ 250.00
Indirect charges	\$ 22,479.00
<b>Total Project Costs – Not to Exceed</b>	<b>\$303,463.00</b>

### 5.1.3 Data Management

**1. General Database.** UNI shall develop and maintain, for a minimum of three (3) years from the last date of modification, a database of small businesses contacted by UNI. The database shall include, but not be limited to, the following:

- a) Company name;
- b) Company address; and
- c) Company phone number.

This database shall be used by UNI to collect summary statistics for the purposes of the reporting activities required by this Contract. If requested by the DNR, facility information as maintained in the database shall be provided to the DNR within twenty-four (24) hours, unless both DNR and UNI agree that Iowa Code section 455B.484A is applicable.

**2. NESHAP Database.** UNI shall continue to maintain databases, for a minimum of three (3) years from the last date of modification, created for the purpose of tracking facilities assisted for the following NESHAP:

- a) Paint Stripping and Miscellaneous Surface Coating Operations (6H);
- b) Gasoline Distribution Bulk Terminals, Bulk Plants, and Pipeline Facilities (6B);
- c) Nine Metal Fabrication and Finishing Source Categories (6X); and
- d) Prepared Feeds Manufacturing (7D)

As per Section 5.1.3/1, UNI shall provide information to the DNR as requested.

**3. Toll-Free Telephone.** UNI shall establish and operate a toll-free telephone line to provide free assistance to small business stationary sources. Repairs to the toll free-line are the responsibility of UNI.

**4. Web Site.** UNI shall maintain a web-site that describes services and assistance provided by the Iowa Air Emissions Assistance Program (IAEAP) and provides small business stationary sources with information on their obligations under CAAA. UNI shall ensure that:

- a) The web-site and any links remain functional;
- b) The web-site shall be reviewed, at a minimum, on a quarterly basis and updated as needed, or as requested by DNR; and
- c) The DNR has reviewed and approved all content and format changes that occur on the web-site prior to live production of the changes.

### 5.1.4 Initial Contract

**1.** By January 31, 2016, UNI shall submit the following items to the DNR for the period of July 1, 2016 through June 30, 2017.

**a) Workplan.** UNI shall submit written justification for any proposed changes to the current work duties/responsibilities or staffing plan.

**1)** The work plan may propose any NESHAP assistance and compliance tool development projects identified by UNI. UNI shall include at least the following information in the detailed description of each proposed project:

- a) Type of assistance;
- b) Format for assistance;
- c) Identify whether existing assistance or new assistance or tool development;
- d) Identify UNI resources necessary to complete the assistance and development.

If NESHAP assistance and compliance tool development is not being recommended as a work product, the work plan shall identify that UNI is not considering any projects. UNI shall not proceed with the creation of any assistance or development project without specific written permission from the DNR.

**b) Draft Budget.** A draft salary and non-salary itemized budget. UNI shall use the current budget line items (Section 5.1.2/1) to assist in establishing the draft budget. If requested by the DNR, UNI shall include a written justification for the proposed budget items.

**1) Salary items.** UNI shall provide the following information for each staff member as it relates to necessary SFY 2016 salary changes for the budget.

- a) Staff member's name,
- b) Position title,
- c) Personnel (salary) amounts; and
- d) Benefit amounts

**2. Review.** By April 1, 2016, UNI shall submit to DNR comments and changes proposed to the draft Contract, for the period of July 1, 2016 through June 30, 2017. Review comments shall include any proposed deletions, revisions, and additions. Justification shall be provided for any change in the draft Contract.

#### **5.1.5 Final Contract Review**

1. By May 15, 2016, UNI shall submit to DNR any comments regarding the final draft Contract.

#### **5.1.6 Addressing Concerns**

1. UNI shall address any comments DNR may have on any financial, non-financial report or other work product within fifteen (15) days.

#### **5.1.7 Documentation**

1. UNI shall place the following statement on the cover page of all non-financial reports, including compliance assistance tools, or other informational material prepared pursuant to this Contract. This statement shall not be necessary on any quarterly or annual status reports submitted to DNR pursuant to this Contract, provided such reports are not also being used as part of a public information program.

a) The following language shall be included on all documents:

*"This (document or tool) is intended solely as guidance, cannot be used to bind the Iowa Department of Natural Resources and is not a substitute for reading applicable statutes and regulations."*

b) Any air quality compliance assistance tools funded in whole or in part by the DNR shall contain the following language:

*"The publication of this (document or tool) has been funded in part by the Iowa Department of Natural Resources. This (document or tool) is intended solely as guidance, cannot be used to bind the Iowa Department of Natural Resources and is not a substitute for reading applicable statutes and regulations."*

2. All of the information generated by the terms and conditions of this Contract shall become the property of the State of Iowa.

3. No document involving the small business assistance program created under the scope of this contract shall be withheld from the DNR by UNI.

#### **5.1.8 Intergovernmental Cooperation**

1. UNI shall collaborate, as needed, with the DNR–Air Quality Bureau, DNR–Pollution Prevention Services (P2), and the Small Business Liaison – Air Quality to develop and implement joint collaboration projects, evaluate the outcomes, and identify concerns.

2. In order to assure uniform adoption of emissions inventory procedures UNI shall participate in the development of public workshops and other educational projects, as needed.

**3. Compliance Advisory Panel.** Once the Compliance Advisory Panel (CAP) is functional, UNI shall provide assistance to the CAP as is required pursuant to section 507(e) of the federal Clean Air Act Amendments of 1990, 42 U.S.C. § 7661f.

#### **5.1.9 Notice of Clean Air Act Rights and Obligations**

1. UNI shall ensure small business stationary sources receive notice of their rights and obligations under the Clean Air Act (CAA) in such a manner and form as to assure reasonably adequate time for such sources to evaluate compliance methods, and any relevant or applicable proposed or final state or federal regulation or standard.

#### **5.1.10 Compliance Methods**

1. UNI shall provide mechanisms for developing, collecting, and coordinating information concerning compliance methods and technologies for small business stationary sources, and programs and workshops as needed to encourage lawful cooperation among such sources, and other persons to further compliance with the CAA.

#### **5.1.11 Modification Requests**

1. UNI shall assist DNR in the consideration of requests from small business stationary sources for the modification of any work practice or technological method of compliance, or the schedule of milestones for implementing such work practice or method of compliance preceding any applicable date, based on technological and financial capability of any such small business stationary source. Assistance shall include UNI communicating to the DNR any requests for modifications and shall participate in meetings, as requested.

#### **5.1.12 Pollution Prevention**

1. UNI shall provide mechanisms for assisting small business stationary sources with air pollution prevention and accidental release detection and prevention, including providing information concerning alternative technologies, process changes, products, and methods of operation that help reduce air pollution.

#### **5.1.13 Rule Development**

1. As necessary or requested by the DNR, UNI shall provide written comment during the rule development and promulgation of DNR air quality rules with emphasis on impacts to small business stationary sources. Written comments shall be provided within the timeframe requested by the DNR or, in the case of proposed rules, no later than the day public comment closes.

#### **5.1.14 Compliance Assistance Tools and Outreach**

1. **Compliance Assistance Tool.** "Compliance assistance tool" shall include, but shall not be limited to, any of the following items that are developed or distributed by IWRC and used to help small businesses comply with federal and/or Iowa air quality statutes, rules, or programs.

- a) Plain language guides or guidance sheets upon publication of final rules that may have a significant impact on small business stationary sources;
- b) Fact sheets or other explanatory documents that state or explain any aspect of the federal or Iowa air quality statutes, rules, or programs;
- c) Training documents or manuals that state or explain any aspect of the federal or Iowa air quality statutes, rules, or programs; and
- d) Computer applications or programs.

Assistance efforts and correspondence to specific businesses shall not be considered a compliance assistance tool.

2. **Outreach.** "Outreach" shall include, but shall not be limited to, face-to-face workshops, webinars, mailings, or presentations developed or distributed by IWRC and used to help small businesses comply with federal and/or Iowa air quality statutes, rules, or programs.

3. **Development and Distribution.** UNI shall comply with the following during the development and distribution of all compliance assistance tools and outreach:

- a) UNI shall provide compliance assistance tools and outreach as requested by the facility or the DNR. UNI shall coordinate with the DNR to develop and distribute compliance assistance tools and outreach.
- b) DNR and UNI shall meet, as requested by the DNR, to plan for compliance assistance tools and outreach, as necessary.
- c) Should additional updates be required of any compliance assistance tools, UNI shall receive DNR approval prior to commencing updates.
- d) Prior to distribution, UNI shall obtain DNR approval of any air quality compliance assistance tools or outreach funded by this Contract, to ensure the accuracy and consistency of air quality compliance assistance tools;
- e) UNI shall also provide DNR the opportunity to review and comment on other air quality compliance assistance tools or outreach developed outside the scope of this Contract; and
- f) Compliance tools and outreach shall be in accordance with the requirements of Section 5.1.7/1.
- g) UNI shall provide the DNR with a final copy of all compliance assistance tools.

#### **5.1.15 NESHAP**

1. UNI shall coordinate with the DNR to evaluate the impact of new Area Source NESHAP (NESHAP) on existing Iowa small businesses, and assist those businesses in understanding and complying with NESHAP. If approved in advance by the DNR for each NESHAP, the coordination shall include:

**a) Prioritization.** UNI shall meet with the DNR to determine the need or level of assistance to provide to Iowa small businesses. Establishing priorities may include, but is not limited to the following factors:

- 1) Facility demographics;
- 2) Number of affected small businesses;
- 3) EPA established compliance dates;
- 4) Compliance requirements (i.e. work practices, control requirements); and
- 5) Current level of air regulation (i.e. existing permit knowledge, associations providing education)

**b) Compliance Assistance Tools/Outreach.** UNI shall coordinate with the DNR, as per Section 5.1.14, regarding the development of necessary compliance assistance tools and/or outreach.

#### 5.1.16 On-Site Visits

1. UNI shall provide on-site audits upon request or shall refer such a source to qualified auditors.

**a)** In accordance with the prioritization guidelines established by the parties in SFY 2011, UNI shall provide on-site reviews to businesses that meet the following criteria.

- 1) Qualify under the CAA Section 507 for assistance.
- 2) Have not been inspected within the last three months by the DNR.
- 3) There are no other compliance resources that are applicable (i.e. webinar or workshops).
- 4) The industry has a compliance deadline in the near future (i.e. facilities under area source rules).
- 5) As requested by DNR Air Quality management.

A business must meet the first two criteria for an on-site visit. A business that meets any additional criteria will receive higher priority.

#### 5.1.17 Emission Inventory

1. UNI shall complete the following to provide assistance to small business stationary sources (as defined in Section 507 of the CAA) with complying with Minor Source Emissions Inventory (MSEIs) requirements.

**a) Training.** UNI shall provide training to small business stationary sources to ensure compliance with MSEI requirements. Training may be requested by the facility or the DNR. Training shall be conducted in a format that includes, but is not limited to face-to-face workshops, webinars, presentations, telephone or electronic conversations.

**b) Planning Meeting.** UNI shall meet with the DNR, no later than September 15, 2015 to determine the need and/or level of training assistance to provide to Iowa small businesses. Agenda for the meeting shall include:

**1) Prioritization.** Prioritization of which small businesses to train may include, but is not limited to the following factors:

- a) Facility demographics;
- b) Number of affected small businesses; and
- c) Necessary MSEI Assistance Tool Development

**2) Draft Training Proposal.** Discuss ideas for the draft training proposal (Section 5.1.17/1c) as submitted by UNI;

**3) Additional Items.** Additional items, as determined by both parties shall be discussed as necessary.

**c) Training Proposal.** UNI shall provide the DNR with a proposal for conducting MSEIQ trainings to be completed by April 30, 2016.

**1)** The proposal shall identify, but is not limited to:

- a) Number of trainings to schedule;
- b) Formats to use for conducting the training;
- c) MSEIQ assistance tools to be used or developed for use;
- d) Summarized plan for training on electronic and hard copy submittal; and
- e) Additional topics to cover during the proposed training dates.

**2) Draft Proposal.** A draft version of the training proposal shall be submitted to the DNR no later than November 3, 2015. DNR will have any comments on the draft proposal available to UNI by November 18, 2015.

**3) Final Draft Proposal.** No later than February 2, 2016, UNI shall submit a final draft proposal to the DNR.

- a) The final draft shall include all DNR comments which were provided by November 18, 2015. DNR will have any comments or approval on the final draft proposal available to UNI by February 16, 2016.
- b) The final draft shall not be published or incorporated until after written DNR approval of all items.

**d) Compliance Assistance Tools/Outreach.** As per Section 5.1.14, regarding the development and distribution of necessary compliance assistance tools and/or outreach, UNI shall:

- 1) Obtain DNR approval prior to distribution of any air quality compliance assistance tools or outreach funded by this Contract, to ensure accuracy and consistency;
- 2) Provide DNR with when and where the outreach is being held, the time of the event, and any other logistical information as necessary; and
- 3) Provide the DNR with a final copy of all materials used to conduct the workshops. Materials shall include but not be limited to PowerPoint presentations, handouts, calculations, and brochures.

**e) Site Visits.** Provide site visits, as determined necessary by UNI, to small business stationary sources required to complete a MSEIQ. UNI shall follow the prioritization protocol established in 5.1.16 for determining sites to visit.

#### 5.1.18 Special Work Products

**1. SLEIS Project Implementation.** As requested by the DNR, UNI shall assist with the implementation of the State and Local Emission Inventory System (SLEIS) program. Implementation assistance may include, but is not limited to, beta-testing, training material development, and SLEIS program user technical assistance.

**2. Open Burning.** As requested during this contract period, UNI shall assist the DNR in disseminating to small businesses outreach materials developed and provided by the DNR to discourage open burning.

**3. Compliance Assistance Calendars.** No later than June 30, 2016, UNI shall update and distribute as necessary the following Compliance Assistance Tools following the requirements of Section 5.1.14.

- a) 2 year *Dry Cleaning Compliance Calendar*;
- b) 2 year *Gasoline Bulk Plant Compliance Calendar*

#### 5.1.19 Summary of Obligations

The following are obligations UNI shall complete to meet tasks identified in this Contract.

Obligation	Reference	Task Milestone Date
Training	5.1.1/3	As Needed/Determined
Key Personnel Changes	5.1.1/4	As Needed
Maintain General and NESHAP Database	5.1.3/1 & 2	Ongoing, minimum of 3 years
Toll-free Number	5.1.3/3	Ongoing
Maintain Website	5.1.3/4	Ongoing
Address DNR Concerns	5.1.6	Within 15 days
Documentation	5.1.7/1	Ongoing
Intergovernmental Collaboration	5.1.8	As Needed
Notice of CAA Rights & Obligations	5.1.9	Ongoing
Compliance Methods	5.1.10	Ongoing
Modification Requests	5.1.11	As Requested
Air Pollution Prevention	5.1.12	Ongoing
Rule Development	5.1.13	As Requested/Necessary
Develop Compliance Assistance Tools	5.1.14/3	As Requested/Necessary
Distribute Compliance Assistance Tools	5.1.14/3	Ongoing
Prioritization of NESHAP	5.1.15/1a	As Requested/Necessary
NESHAP Compliance Assistance Tools & Outreach	5.1.15/1b	As Requested/Necessary
Provide On-Site Audits	5.1.16	As Requested
MSEI Training	5.1.17/1a	As Requested
MSEI Site Visit	5.1.17/1e	As Determined
SLEIS Project Implementation	5.1.18/1	As Requested/Necessary
Open Burning	5.1.18/2	As Requested/Necessary
Late Work Products	6.1.2	No later than 10 days
Review Meetings	6.2.1	Tri-annually/As Requested
Task Force/Workgroup Participation	6.2.2	As Determined
Outreach Meetings	6.2.3	As Requested
Small Business Meetings/Event Participation	6.2.4	Within 2 weeks of request
Equipment Reports	6.3.3	Monthly, As Applicable
Special Reports	6.3.5	As Requested/Necessary

Obligation	Reference	Task Milestone Date
July Monthly Report	6.3.1 & 6.3.2	August 15, 2015
MSEI Planning Meeting	5.1.17/1b	September 15, 2015
August Monthly Report	6.3.1 & 6.3.2	September 15, 2015
July Invoice	7.5	September 15, 2015
September Monthly Report	6.3.1 & 6.3.2	October 15, 2015
August Invoice	7.5	October 15, 2015
Draft MSEI Training Proposal	5.1.17/1c2	November 3, 2015
October Monthly Report	6.3.1 & 6.3.2	November 15, 2015
September Invoice	7.5	November 15, 2015
November Monthly Report	6.3.1 & 6.3.2	December 15, 2015
October Invoice	7.5	December 15, 2015
December Monthly Report	6.3.1 & 6.3.2	January 15, 2016
November Invoice	7.5	January 15, 2016
Work Plan	5.1.4/1a	January 31, 2016
Budget	5.1.4/1b	January 31, 2016
Final Draft MSEI Training Proposal	5.1.17/1c3	February 2, 2016
January Monthly Report	6.3.1 & 6.3.2	February 15, 2016
December Invoice	7.5	February 15, 2016
February Monthly Report	6.3.1 & 6.3.2	March 15, 2016
January Invoice	7.5	March 15, 2016
Initial Contract Review	5.1.4/2	April 1, 2016
March Monthly Report	6.3.1 & 6.3.2	April 15, 2016
February Invoice	7.5	April 15, 2016
MSEI Training Completed	5.1.17/1c	April 30, 2016
Final Contract Review	5.1.5	May 15, 2016
April Monthly Report	6.3.1 & 6.3.2	May 15, 2016
March Invoice	7.5	May 15, 2016
May Monthly Report	6.3.1 & 6.3.2	June 15, 2016
April Invoice	7.5	June 15, 2016
Compliance Assistance Tool Updates	5.1.18/1	June 30, 2016
June Monthly Report	6.3.1 & 6.3.2	July 15, 2016
May Invoice	7.5	July 15, 2016
Final Report	6.3.4	July 30, 2016
Final Invoice	7.5	August 5, 2016

**5.2** The responsibilities of the DNR shall be to perform the following tasks.

**5.2.1 Review of UNI**

- 1. Review of Work Product.** Within 15 days of receipt, DNR shall review each non-financial, informational document, compliance assistance tools, or reports submitted by UNI. DNR shall provide comments based on its review. Failure of DNR to provide comments within the allotted time constitutes approval by DNR.
- 2. Initial Draft Contract.** By March 1, 2016, DNR shall submit to UNI the initial draft Contract for the period of July 1, 2016 through June 30, 2017. DNR shall provide written justification for any changes to the Contract.
- 3. Final Draft Contract.** By April 30, 2016, DNR shall submit to UNI the final draft Contract for the period of July 1, 2016 through June 30, 2017.
- 4. Contract Negotiations.** Annually, if requested by UNI and/or the DNR, the two parties shall meet to discuss final changes to the Contract.

**5.2.2 Other Duties**

- 1. Technical Assistance.** Upon request from UNI, or as deemed necessary, the DNR shall provide technical assistance as needed.

**2. Payment.** The DNR shall withhold final payment until:

- a) Receipt and acceptance of UNI's final performance report; and
- b) Receipt and acceptance of all work products as required through this Contract.

**3. Training.** DNR shall provide UNI with access to training videos, workshops, and site visits that would serve as a development tool for UNI.

**4. Workspace Accommodations.** DNR shall accommodate UNI with workspace, staff accessibility, and resources should UNI decide to work in the DNR office on Air Quality projects. UNI IAEAP staff shall contact the DNR Project Manager to set up the logistics of working in the DNR office.

### **5.2.3 Intergovernmental Cooperation**

**1. Program development.** To assure uniform adoption of emissions inventory procedures DNR shall participate in the development of public workshops and other educational projects, as deemed necessary.

**2. Program changes.** In addition to the assistance and cooperation noted regarding specific issues above, the DNR shall make every effort to keep UNI informed of state and federal developments, which may affect the program.

**3. Joint Collaboration Projects.** The DNR shall collaborate, as needed, with UNI and the Small Business Liaison – Air Quality to develop and implement joint collaboration projects, evaluate the outcomes, and identify concerns.

**Environmental Protection Commission  
Iowa Department of Natural Resources**

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ITEM

16

DECISION

TOPIC            **2016 Contract with Linn County Air Quality Division: Air Pollution Control in Linn County**

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**Recommendations:**

Commission approval is requested for a one year-service contract with the county government of Linn County; Cedar Rapids, Iowa. The contract will begin on July 1, 2015 and terminate on June 30, 2016. The total amount of this contract shall not exceed \$873,507. This contract is an Iowa Code Chapter 28E contract.

**Funding Source:**

The statutory authority for the DNR to enter into this contract is 455B.145. This contract will be funded by cost reimbursable payments from Title V program fees (not to exceed \$729,355), 105 federal grant dollars (not to exceed \$126,652), and 103 federal grant dollars (not to exceed \$17,500). Linn County has a funding commitment of \$225,766.

**Background:**

Under Iowa Code § 455B.134 (11) and Iowa Code § 455B.144 local political subdivisions are able to address air quality problems in their jurisdictions and can establish their own rules. Linn County had a local program, including ordinances and enforcement, in place prior to the DNR's delegation from EPA for an air program.

As specified in Iowa Code § 455B.145 and 567 Iowa Administrative Code (IAC) Chapter 27, the Linn County Air Quality Division meets the conditions necessary to retain a local program. As established under the requirements of this contract, the Linn County Air Quality Division is responsible for the ongoing implementation of an air program within their county.

**Purpose:**

The parties propose to enter into this contract to specify the extent and manner of cooperation between the two agencies in conducting programs for the abatement, control, and prevention of air pollution within Linn County. Particular emphasis is placed on the collection and assessment of information regarding air quality, the permitting of sources of air emissions, the enforcement of emission limits, and the attainment and maintenance of ambient air quality standards.

**Contractor Selection Process:**

The DNR is allowed to contract with Linn County without using a competitive selection process pursuant to state law.

**Contract History:**

Records indicate that DNR has been contracting with Linn County for implementation of an air program within Linn County since at least 1992. The contract is renegotiated annually with Linn County to provide services that allow for the ongoing implementation of an air program.

In comparison to last year (SFY 2015), the contract currently being requested for approval has the same scope of work. The DNR's budget contribution increased by \$23,413 (Title V program fees) and Linn County's funding commitment increased by \$4,151. The majority of the budget increase (\$17,117) is due to personnel, fringe benefit, and indirect increases and a small increase (\$5,800) in the ambient monitoring equipment line.

Christina liams  
Program Planner 2  
Air Quality Bureau – Environmental Services Division  
June 16, 2015

Attachment(s): Special Conditions for Contract 16ESDAQBCIIAM-0001

**Section 5 STATEMENT OF WORK – RESPONSIBILITIES OF THE PARTIES**

**5.1** The responsibilities of the Local Program shall be to perform the following tasks. Projects or activities not in accordance with Section 5.1 shall not be conducted with the resources provided for in this Contract unless written approval is granted by the DNR in advance. The Local Program shall complete its obligations under this Contract by the Task Milestone Dates set out in Section 5.1.6.

**5.1.1 Program Management Provisions**

**5.1.1.1 Personnel**

**1. Personnel Commitment.** The Local Program represents that it has or will acquire all personnel required for the performance of the work specified under this Contract and 567 IAC 27.4(1) "c". Staffing requirements are specified in Table 1 below.

**Table 1: Staffing Requirements**

<b>Position</b>	<b>FTE</b>
Environmental Public Health Manager	0.36
Air Quality Branch Supervisor	1.00
Senior Air Permitting Engineer	1.00
Senior Air Quality Scientist	2.00
Air Quality Specialist	1.00
Ambient Air Monitoring Supervisor	0.55
Ambient Air Monitoring QA/QC Specialist	1.00
Ambient Air Monitoring Specialist	2.10
Air Quality Administrative Support Staff	0.50
<b>TOTAL</b>	<b>9.51</b>

Knowledge, skills, and ability requirements for Local Program staff are as identified below.

- a) Visible Emissions Observers.** The Local Program shall have at least two (2) staff members certified in visible emission observation as specified in 567 IAC Chapter 29.
- b) Dispersion Modeling Personnel.** The Local Program shall have at least one (1) staff member trained in conducting air dispersion modeling. Personnel with modeling responsibilities shall demonstrate during DNR audits and in construction permit review documentation, an adequate knowledge of:
  - 1) Current EPA and DNR procedures, policies, and guidance related to dispersion modeling;
  - 2) Techniques and methods used to perform or review air dispersion modeling analyses;
  - 3) Air dispersion model output data and its use in determining compliance with the applicable ambient air quality standards; and
  - 4) Strategies and/or control measures necessary to mitigate modeled exceedances of the applicable air quality standards.
- c) Inspection Personnel.** Inspection personnel shall:
  - 1) Maintain state visible observation certification;
  - 2) Demonstrate an adequate understanding of the principles, practices, laws, procedures and control methods during joint inspections and through inspection documentation; and
  - 3) Demonstrate an adequate understanding of the principles of and methods employed in:
    - a) Stack testing for the purpose of observing stack tests, and
    - b) Continuous emission monitoring for the purpose of monitor certification.
- d) Monitoring Personnel.** Monitoring personnel shall demonstrate, during EPA and DNR audits and in monitoring program documentation, an adequate knowledge of and ability to perform:
  - 1) Monitoring operations;
  - 2) Quality control and quality assurance methods; and
  - 3) Standard operating procedures.
- e) Permit Review Personnel.** Permit review personnel shall:
  - 1) Demonstrate an adequate understanding of the principals, practices, laws, procedures and control methods applicable to the determination of permit completeness, review of permit applications and the issuance of permits, particularly as they apply to the determination of:
    - a) Applicability of Prevention of Significant Deterioration (PSD) major source and "synthetic minor" review;

- b) Applicability of New Source Performance Standards (NSPS);
- c) Applicability of Title V (Operating Permits); and
- d) Applicability of Title I and section 112.

2) Demonstrate an understanding of stack testing methods and application, and the review of stack test results.

**2. Personnel Qualification.** All of the work and services required hereunder shall be performed by the Local Program and all personnel engaged in the work shall be fully qualified and shall be authorized under state and local law to perform such services.

**3. Key Personnel.** The following individuals are designated as key personnel:

- a) James Hodina (Environmental Public Health Manager)
- b) Shane Dodge (Air Quality Branch Supervisor)
- c) Kyle Lundberg (Air Monitoring Supervisor)
- d) Carole Lamphier (Air Monitoring QA Officer)

Individuals specified as "Key Personnel" are considered essential to the work and services to be performed. If for any reason substitution for a specified individual becomes necessary, the Local Program shall, by the next business day, provide written notification of such to the DNR. The Local Program shall provide the name and qualifications of the replacement individual.

**4. Training.** All permit writing, enforcement, and ambient monitoring personnel shall maintain familiarity with applicable air quality permitting, inspection, and monitoring procedures, techniques, and technologies by routinely attending pertinent EPA, DNR, or other public or private training classes (or similar training). Attendance at Air and Waste Management Association (AWMA) and National Association of Clean Air Agencies (NACAA) conferences is encouraged. The Local Program shall submit to DNR a training plan for all permit writing, enforcement, and ambient monitoring staff. The training plan shall be submitted on an annual basis (as per Section 5.1.6), for DNR review and recommendation.

**5. Personnel Report.** The Local Program shall submit a semi-annual report, per Section 6.3.4 of this Contract, containing the following information:

a) A summary, for each staff member working under this Contract, of how staff time was utilized, in full-time equivalent (FTEs) percentages, for the following program activities:

- 1) Minor Source Construction/Local Operating Permitting;
- 2) Major Source Construction Permitting;
- 3) PSD Permitting;
- 4) Title V Operating Permitting;
- 5) Program Development;
- 6) Ambient Air Monitoring Supervision;
- 7) Ambient Air Monitoring Quality Assurance;
- 8) Ambient Air Monitoring Field Operations;
- 9) Minor Source Compliance/Inspections;
- 10) Major Source Compliance/Inspections;
- 11) Training/Conferences;
- 12) Administration & Management;

Totals shall be provided for each category and;

b) Minor source, major source, and PSD permitting shall identify the portion of permitting time utilized for performing air dispersion modeling;

c) A training summary to include dates, training provider/sponsor, location, and names of staff who attended; and

d) A brief, written summary of air quality work activities completed or in progress by the Environmental Public Health Manager.

**6. Personnel Changes.** The Local Program may make personnel changes, which include but are not limited to promotions, transfers, and terminations, during this Contract, provided the total FTE requirements indicated in Table 1 are maintained and the provisions of Section 5.1.1.1/3 regarding key personnel are followed. The Local Program shall submit, no later than ten (10) working days from the effective date of a personnel change, a report containing the following information:

a) The changes in personnel, including staff name, position before/after the changes, personnel and benefit amounts, and effective date of the changes; and

b) Identification of work products and program activities being affected by the change and how and when the work products will be completed.

**7. New Personnel.** For new hires, including temporary hires that will be paid using funds awarded under this Contract, the Local Program shall submit, no later than ten (10) working days from the start date of the new hire, a report containing the following information:

- a) The new staff member's name, position, and personnel and benefit amounts,
- b) A new employee background summary, including name of the employee and a description of their education and experience; and
- c) A special training schedule to be used for training the new employee.

**8. Personnel Plan.** By January 15, 2016, the Local Program shall submit to DNR a staffing plan for the period of July 1, 2016 through June 30, 2017. This plan should document current utilization of staff time, as categorized above, and propose and explain any changes to the current utilization.

**5.1.1.2 Fiscal Reporting**

**1. Budget.** By January 15, 2016, the Local Program shall submit to the DNR proposed salary and non-salary itemized budgets for the period of July 1, 2016 through June 30, 2017. If requested by the DNR, the Local Program shall include a written justification for the proposed budget items. The Local Program may use the current Contract’s responsibilities and shall use line items, as provided in Section 5.1.1.2/2, to assist in establishing the draft budget. Any new responsibilities or requests should be shown separately in the budget as a decision package.

**2. Expenditure Reports.** The Local Program shall report expenditures of State Grant funds and the Local match quarterly, per Section 7.5 of this Contract. This shall be itemized based on the following minimum line items. The Local Program may incorporate additional sub items as are reflected in their actual accounting practices with written approval by the DNR.

Expenditure Category	STATE CONTRIBUTION NOT TO EXCEED	105 FG NOT TO EXCEED	Title V NOT TO EXCEED	103FG NOT TO EXCEED	OVERALL TOTAL (including LP Match)
Personnel (1)	763,547	114,365	631,682	17,500	953,044
Travel/Training (2)	8,218	913	7,305	0	11,414
Meeting Expense	2,854	317	2,537	0	3,964
Training Expense	5,364	596	4,768	0	7,450
Supplies (Total) (3)	9,828	1,092	8,736	0	13,650
Vehicle Operation & Maintenance	6,300	700	5,600	0	8,750
Office Supplies & Equipment	3,528	392	3,136	0	4,900
Other (Total) (4)	20,783	2,309	18,474	0	28,865
Lease/Maintenance Agreement	10,422	1,158	9,264	0	14,475
Utilities (phone, electric)	2,664	296	2,368	0	3,700
Postage, Printing, Reproductions	1,440	160	1,280	0	2,000
Community Outreach/Reporting	720	80	640	0	1,000
Computing (Website, Software)	5,537	615	4,922	0	7,690
Monitoring Expenses (Total) (5)	71,131	7,973	63,158	0	92,300
Engineering & Scientific Equipment	18,570	2,422	16,148	0	25,000
Repair & Maintenance Equipment	12,627	1,647	10,980	0	17,000
Power & Data Transfer Expense	12,627	1,647	10,980	0	17,000
Telephone & Telegraph	7,902	1,422	6,480	0	11,000
Electric Light & Power	4,725	225	4,500	0	6,000
Vendor Training	10,000		10,000		10,000
Lab Supplies	17,307	2,257	15,050	0	23,300
<b>Total</b>	<b>873,507</b>	<b>126,652</b>	<b>729,355</b>	<b>17,500</b>	<b>1,099,273</b>

**3.** The Local Program shall verify with the Linn County department accounting clerk that expenditure reports have been submitted as specified in Section 7.5 of this Contract.

#### **5.1.1.3 Initial Contract Review**

By March 15, 2016, the Local Program shall submit to DNR comments and changes proposed to the draft Contract for the period of July 1, 2016 through June 30, 2017, to include any deletions, revisions, and additions. Justification shall be provided for any change in the draft Contract.

#### **5.1.1.4 Final Contract Review**

By April 30, 2016, the Local Program shall submit to DNR any comments of the final draft Contract.

#### **5.1.1.5 Information Technology**

- 1. Web Site.** The Local Program shall continue to develop and maintain a website to disseminate information regarding the air program. The Local Program website shall be reviewed, at a minimum, on a quarterly basis and updated as needed, or as directed by DNR.
  - a)** Updates that are beyond normal maintenance or upkeep of deficiencies shall be reviewed by the DNR prior to establishing a "release of work".
- 2.** The Local Program shall ensure that its website includes real-time ambient air monitoring data within the requirements established in Section 5.1.5.4/6.
- 3.** The Local Program may contract with a third party, Informatics, for the sole purpose of upgrading the Linn County Air Quality Section website. The Local Program shall:
  - a)** Within seven (7) business days, provide the DNR with a copy of the signed "Release of Work" entered into between the Local Program and Informatics for work to be completed during July 1, 2015 through June 30, 2016.
  - b)** For projects requiring a "release of work", the Local Program shall submit, in accordance with the schedule identified in Section 6.3.2, quarterly reports to the DNR Project Manager. The following shall be included in the quarterly report:
    - 1)** Activities completed to meet the deliverables identified above;
    - 2)** A description of any obstacles that would delay timely completion of each respective work item; and
    - 3)** The number of hours used by the subcontractor to complete each deliverable.
- 4. Web Site Planning.** By January 15, 2016, the Local Program shall submit to the DNR a proposed website plan for the period of July 1, 2016 through June 30, 2017. The plan shall include:
  - a)** Identification of the Local Program's current website deficiencies or problems;
  - b)** A description of how the Local Program will address the deficiencies or problems, including all deficiencies or problems as identified in writing by the DNR;
  - c)** A process for continual maintenance of the website during the period of July 1, 2016 through June 30, 2017; and
  - d)** A budget proposal for SFY 2017.

#### **5.1.1.6 Legal Authority**

- 1. Enforcement.** The Local Program is authorized to enforce Chapter 10 of the Linn County rules within Linn County. The Local Program is further authorized to fulfill its responsibilities under the Clean Air Act and Iowa Code chapter 455B.
- 2. Linn County Rules.** The Local Program shall update Chapter 10 of the Linn County Code of Ordinance to be no less stringent than federal and state statutes and rules, including NSPS and NESHAP regulations. The Local Program shall provide:
  - a)** A thirty-day public comment period and public hearing, as required by 40 CFR 51.102, to allow for federal approval of the rule amendments. The thirty-day comment period must occur prior to any final action by the Linn County Board of Supervisors taken pursuant to the provisions of Iowa Code section 331.305;
  - b)** Public notice by publishing the notice in a local newspaper;
  - c)** The DNR, prior to final action by the Linn County Board of Supervisors, a compilation of public comments and the County's response to all comments to any interested party; and
  - d)** The DNR and EPA Region VII with a copy of the rule amendments prior to the conclusion of the comment period.
- 3.** The Local Program shall confer with the DNR on the need, content and timing of revisions and updates to Chapter 10 of the Linn County Code of Ordinance by January 1, 2016, to ensure the Linn County Code of Ordinance is no less stringent than federal and state statutes and rules, including NSPS and NESHAP regulations. If the Local Program or DNR determines that revisions or updates to Chapter V are necessary, the Local Program shall initiate revisions and updates to Chapter 10 no later than June 15, 2016. "Initiate" shall be defined in this article as having submitted to DNR and EPA a final proposed rule for review and comment.

#### **5.1.1.7 Minority and Women Business Enterprise (MBE/WBE)**

The Local Program shall submit a quarterly MBE/WBE report to DNR, per Section 5.1.6 of this Contract, on Standard Form 5700-52A. For instances where there is no information to submit, the Local Program shall correspond via electronic media to the DNR Project Manager that there are no items to report.

#### **5.1.1.8 Intergovernmental Cooperation**

**1. EPA Grants.** The Local Program shall submit such information as DNR may require for demonstration of compliance with EPA grant output requirements.

**2. Semi-Annual Meetings.** Commencing with beginning performance of this Contract, the Local Program and DNR shall meet semi-annually to discuss:

a) Progress toward the development and implementation of a comprehensive state-wide air quality program, and national and state air quality priorities and issues; and

b) Progress made by the Local Program during the performance of this Contract.

As agreed upon by the parties, additional meetings may occur. Representatives of each agency shall be present. The meetings shall occur, either in person or by telephone conference call. Meetings may be postponed only on a case-by-case basis by mutual written agreement of the parties.

**3. SIP Assistance.** The Local Program shall also provide, within Local Program budget, legal and jurisdictional limitations, such other assistance as DNR may request in order to implement the State of Iowa Air Pollution Implementation Plan (SIP).

#### **5.1.2 Construction Permitting Provisions**

##### **5.1.2.1 Source Review**

The Local Program shall review all proposed new emission units and modifications to existing sources of air pollution.

##### **5.1.2.2 Permit Issuance**

Local Program issuance of construction and operating permits for all new or altered equipment capable of emitting air contaminants into the atmosphere shall neither:

1. Result in a violation of applicable portions of the control strategy (as provided in 40 CFR Part 52, Subpart Q), nor
2. Interfere with the attainment or maintenance of a national ambient air quality standard (NAAQS) (determined by application of appropriate EPA Guideline air quality model or equivalent review).

##### **5.1.2.3 Permit/Modeling Procedures**

**1.** The Local Program shall utilize the procedures described in the latest version of the DNR Construction Permit Manual, on-line DNR PSD guidance documents, check-sheets, templates, forms (or approved equivalents), and EPA Guidelines. The Local Program shall, at a minimum, utilize the procedures and guidance described in the latest version of the DNR's "Air Dispersion Modeling Guidelines for Non-PSD, Pre-Construction Permit Applications", "Air Dispersion Modeling Checklist for Non-PSD Construction Permit Applications", and the "Air Dispersion Modeling Guidelines for PSD Projects".

**2. Modeling Meetings.** If requested by the Local Program and/or the DNR, the two parties shall meet to discuss modeling issues. The Local Program technical staff involved in ambient air modeling shall be present. This meeting will focus on DNR modeling guidance, procedures/checklists and their application, and specific questions related to conducting and review of dispersion modeling.

##### **5.1.2.4 Permit Transfer**

**1.** The DNR pre-approved classes of sources based on the agreement of permit content for that class of source. This pre-approval includes tanks, generators, paint booths at minor sources, and modifications for administrative corrections and changes in stack characteristics. Such approval shall remain in effect until such time as the permit content changes.

**2.** The Local Program shall transfer directly for DNR review, any construction permit applications for projects that triggers review under the provisions of Section 112(g) of the Clean Air Act.

##### **5.1.2.5 Permit Content**

Draft construction permits submitted pursuant to Section 5.1.2.4 shall include:

1. Potential to emit calculations;
2. A statement specifying the Local Program determination of the applicable regulation(s) for permit issuance;
3. Documentation of any measures used to avoid major Prevention of Significant Deterioration (PSD) source review;
4. Predicted actual emission calculations; and

5. Language in accordance with requirements set out in 567 IAC 22.3 (3); which are the conditions of approval.

#### 5.1.2.6 Data Management

1. The Local Program shall submit to the DNR, via electronic media, quarterly Excel reports containing construction permitting information and updates. These reports shall include the following information:

- a) Source name;
- b) Source location;
- c) ICIS ID number;
- d) Emission unit description;
- e) Emission point identification;
- f) Date application received;
- g) Date permit issued;
- h) Major pollutants emitted;
- i) Type of permit issued (i.e. new, modification, as-built, synthetic minor, PSD); and
- j) Primary standard industrial classification codes.

If desired, the Local Program may also update the Integrated Compliance Information Systems (ICIS) with construction permitting information in addition to the excel spreadsheet identified above.

#### 5.1.2.7 PSD Permit Activities

1. **Permit Review.** The Local Program shall review all permit applications and associated modeling analyses for PSD Permits submitted for facilities located within Linn County.

2. **Permit Application Processing and Draft Permit Content.** The Local Program shall process the permit applications and prepare draft permits following the rules specified in 567 IAC Chapters 22 and 33.

3. **Final Permit Issuance.** The Local Program shall provide the final PSD permit(s) for issuance within 180 days of receiving the final application, plus the time necessary for DNR review of the draft permits. The Local Program shall use the pre-application meeting protocol (see Section 5.1.2.8) in order to expedite the final permit issuance.

#### 5.1.2.8 Pre-application Requirements

1. The Local Program shall utilize the on-line DNR pre-application PSD meeting protocol; this is found at:

[http://www.iowadnr.gov/portals/idnr/uploads/air/insidednr/conpermit/pre\\_app.pdf](http://www.iowadnr.gov/portals/idnr/uploads/air/insidednr/conpermit/pre_app.pdf)

2. A pre-application meeting for PSD projects shall be conducted prior to a PSD permit application being reviewed. The pre-application meeting shall occur at a location within Linn County mutually agreed to by the applicant and the Local Program.

- a) In order for the pre-application meeting to take place, an 80% complete application shall be submitted by the company to the Local Program a minimum of two (2) weeks prior to the meeting date.
- b) The Local Program shall submit no later than ten (10) business days prior to the pre-application meeting a copy of the 80% complete application to the DNR and to EPA Region VII staff respectively.
- c) If a pre-application meeting is held, the Local Program shall provide DNR and EPA Region VII staff the opportunity to be present at each pre-application meeting.

#### 5.1.2.9 PSD Permit Application Review

1. **Permit Application Completeness.** The Local Program shall use DNR's written and on-line guidance documents and checklists for determining application completeness.

2. **Permit Application.** The Local Program shall process permit applications in accordance with requirements set out in 567 IAC Chapters 22 and 33 and as specified in this Contract. If, while processing an application that has been determined to be complete, the Local Program determines that additional information is necessary to evaluate the application, the Local Program shall request from the source, in writing, such information and set a reasonable deadline for a response.

3. **Decision to Deny a Permit Application.** If the Local Program judges that a permit application should be denied, the Local Program shall notify DNR as soon as possible. The notification to DNR shall include a summary of the basis of the decision and a copy of all information relevant to the decision including a chronology of any requests for additional information and other relevant correspondence with the source.

#### 5.1.2.10 PSD Permit Content

The Local Program shall prepare draft permits using the DNR permit template in accordance with 567 IAC Chapters 22 and 33 such that all permit conditions are enforceable as a practical matter. Prepared permits shall include, but are not limited to, the items listed below.

**1. Enforceable Emission Limitations and Standards.** Each draft permit shall include emissions limitations and standards, including those operational requirements and limitations that ensure compliance with all applicable requirements at the time of permit issuance as defined in 567 IAC Chapter 22.

**2. Monitoring.** Each draft permit shall contain the requirements with respect to applicable monitoring. Each draft permit shall include reporting requirements no less stringent than those required in the applicable emission or operating limit and necessary to make those conditions enforceable as a practical matter.

**3. Record Keeping.** Each draft permit shall include record keeping requirements no less stringent than those required in the applicable emission or operating limit and necessary to make those conditions enforceable as a practical matter.

**4. Reporting.** Each draft permit shall contain the requirements with respect to reporting where applicable. Each draft permit shall include reporting requirements no less stringent than those required in the applicable emission or operating limit and necessary to make those conditions enforceable as a practical matter.

**5. Operating Scenarios.** Terms and conditions for reasonably anticipated operating scenarios identified by the source in its application and which are approved by the Local Program shall be incorporated into the draft permit.

#### **5.1.2.11 Preparation of a Draft PSD Permit and Fact Sheet**

The Local Program shall prepare a draft permit and a fact sheet using the DNR template. The Local Program shall provide the fact sheet to any other person who requests it. The fact sheet shall include, but is not limited to:

1. The rationale for issuance of the permit;
2. A brief description of the type of facility;
3. A summary of the type, quantity, ambient impact, increment consumption, and BACT decisions of air pollutants being emitted;
4. A brief summary of the legal and factual basis for the draft permit conditions, including references to applicable statutes and rules;
5. A description of the procedures for reaching final decision on the draft permit including the comment period, the address where comments will be received, and procedures for requesting a hearing and the nature of the hearing; and

6. The name, email address and telephone number for a person to contact for additional information.

#### **5.1.2.12 PSD Permit Review by DNR**

Prior to beginning the public comment period, unless otherwise requested by the DNR, the Local Program shall convey to DNR via electronic media the following for all draft permits:

1. A copy of the draft permit on DNR's construction permit template and fact sheet in *Microsoft Word*.
2. All correspondence (in *Microsoft Word*) generated by the Local Program with regard to the permit, including but not limited to:
  - a) Completeness review and results,
  - b) Engineer evaluations,
  - c) Application package,
  - d) Requests made by the Local Program for additional information and the response, and
  - e) Any additional information.
3. All modeling related analyses and documentation, including but not limited to:
  - a) Local Program modeling report(s);
  - b) Modeling protocol;
  - c) All modeling files generated by the applicant and the Local Program, including input, output, downwash, growth, soil and vegetation, and visibility files; and
  - d) Any additional modeling information.

#### **5.1.2.13 Facility Review of PSD Permit**

After the draft permit has been reviewed by DNR, and any objection(s) has/have been resolved, the Local Program shall provide a draft permit to the facility for review. The draft permit shall be provided to the facility prior to the commencement of the public comment period.

#### **5.1.2.14 PSD Permit Review by EPA**

Unless otherwise approved by the DNR, the Local Program shall provide EPA with a copy of the public comment materials a minimum of ten (10) days prior to the beginning of the public comment period.

#### **5.1.2.15 Public Notice and Public Participation**

**1. Public Notice.** The Local Program shall provide public notice and an opportunity for public comments, including an opportunity for a hearing, before issuance, denial or renewal of a permit; or significant modification or revocation or re-issuance of a permit.

**2. Website.** The final draft permit and fact sheet shall be prepared and made available on both the Local Program and DNR websites prior to the beginning of the comment period. Availability of the final draft permit and fact sheet on the Local Program website may be through a link to the DNR website.

**3. Mailing List.** The Local Program shall provide notice to the persons/entities listed in 567 IAC 33.3(17). The Local Program shall include DNR and EPA Region VII on the mailing list.

**4. Publication and Availability of Notice.** Notice shall be given by publication in a newspaper of general circulation in the area where the source is located or in a state publication designed to give general public notice. Notice also shall be given to persons on a mailing list developed by the Local Program, including those who request in writing to be on the list. The Local Program may use additional means if necessary to ensure adequate notice to the affected public. The public notice shall include the following:

- a) Identification of the source;
- b) Name and address of the permittee;
- c) Name and address of the permitting authority processing the permit;
- d) The activity or activities involved in the permit action;
- e) The emissions change involved in any permit modification;
- f) The air pollutants or contaminants to be emitted;
- g) Notice of the degree of increment consumption that is expected from the source or modification;
- h) The time and place of any possible public hearing;
- i) A statement that any person may submit written and signed comments, or may request a public hearing, or both, on the proposed permit. A statement of procedures to request a public hearing shall be included;
- j) The name, address, and telephone number of a person from whom additional information may be obtained; and
- k) Locations (including any website addresses) where copies of the permit application and the proposed permit may be reviewed and the times at which they shall be available for public inspection.

**5. Public Comment Period.** The Local Program shall provide for a public comment period as required under CFR Title 40 §124.10.

**6. Public Hearing.** Any person may request a public hearing. The Local Program shall hold a public hearing (following the requirements under CFR Title 40 §124.10(b) (2) upon finding, on the basis of requests, a significant degree of relevant public interest in a draft permit. A public hearing may also be held at the Local Program's or the DNR's discretion.

**7. Response to Comments.** The Local Program shall keep a record of the comments and of the issue(s) raised during the public participation process and shall prepare written responses to all comments received. The Local Program shall revise the draft permit in response to comments made during the comment period if the Local Program or the DNR determines that modifications to the draft permit are warranted. The Local Program shall not make the written responses or subsequent changes to the draft permit public until the time that the DNR makes a final decision on the permit. The record of persons commenting, issues raised and the written responses shall be conveyed to the DNR and EPA with the final permits. A copy of the responses to comments shall be sent to all parties that request the document and placed at the same location as the public documents for a period of thirty (30) days.

#### **5.1.2.16 Final PSD Permit Issuance**

**1. Changes to the Draft Permit.** Prior to drafting the final permit the Local Program shall incorporate those changes, as it deems appropriate into the proposed permit.

**2. Conveyance of Proposed Permit to DNR.** The Local Program shall convey to DNR via electronic media the following for all final permits:

- a) A copy of the final draft permits in *Microsoft Word*;
- b) Rationale for any changes made to the draft permit; and
- c) All correspondence related to the changes.

**3. Re-notification of Permit.** Once the Local Program has submitted the final permit and all corresponding information to the DNR, the DNR will determine if the changes require the permit to be re-noticed in accordance with Section 5.1.2.14.

**4. BACT Data.** Within thirty (30) days of the Local Program being informed by the DNR that a final permit has been issued, the Local Program will enter BACT information into the RACT, BACT, LAER Clearinghouse (RBLC).

**5.1.2.17 PSD Permit Modifications**

The Local Program shall modify PSD permits using the same procedural requirements that apply to initial permit issuance, including those for public participation and review by EPA.

**5.1.2.18 Intergovernmental Cooperation**

1. In order to ensure uniform implementation of PSD application procedures the Local Program shall:

- a) Use the application forms, templates, and procedures (identified in Section 5.1.2.3) employed by DNR; and
- b) Participate in the development of public workshops and other educational projects as requested.

**2. Transfer of Duties.** The Local Program may request on a case by case basis that the DNR process a PSD application, as described throughout Section II, for a designated facility. The DNR will either deny or accept this request within fifteen (15) days of the request submittal. Upon acceptance of this request, the DNR shall become the responsible party for the PSD application and the Local Program shall no longer participate in processing the identified PSD application.

**5.1.3 Title V Permitting Provisions**

**5.1.3.1 Title V Permit Activities**

**1. Permit Review.** Upon receipt or notification by the DNR, the Local Program shall review all permit applications for Title V Operating Permits submitted for facilities located within Linn County.

**2. Permit Application Processing and Draft Permit Content.** The Local Program shall process the permit applications and prepare draft permits following the guidelines specified in 567 IAC 22.107, 22.108, and 22.110-116, including all of the elements specified in Section 5.1.3 of this Contract. The Local Program shall use the DNR's review manual and review check sheet as an aide in the process of drafting permits.

**5.1.3.2 Permit Application Review**

**1. Permit Application Completeness.**

a) The Local Program shall develop and maintain a protocol for determining application completeness. This protocol shall be employed in the review of all permit applications for operating permitting.

b) The Local Program shall, within 60 days of application receipt or notification by the DNR, make a completeness determination on the application and issue to the applicant a notice of whether the application is complete.

**2. Permit Application.** The Local Program shall process permit applications in accordance with requirements set out in 567 IAC 22.107 and as specified in this Contract.

a) **Prioritization of review.** The Local Program shall review the permit applications in accordance with the priority schedule established in 567 IAC 22.107(1)"c."

b) If, while processing an application that has been determined to be complete, the Local Program determines that additional information is necessary to evaluate the application, the Local Program shall request from the source, in writing, such information and set a reasonable deadline for a response.

**3. Decision to Deny a Permit Application.** If the Local Program judges that a permit application should be denied, the Local Program shall notify DNR as soon as possible. The notification to DNR shall include a summary of the basis of the decision and a copy of all information relevant to the decision including a chronology of any requests for additional information and other relevant correspondence with the source.

**4. Performance Expectation.** The Local Program shall draft for issuance or denial a minimum of three (3) initial or renewal Title V Operating Permits, annually. Consistent with the allocation of effort for this activity (1 FTE), deviation from this minimum performance expectation in order to address priority DNR projects may be negotiated with the agreement of both parties.

a) **Schedule.** No later than May 15, 2016, the Local Program shall submit to the DNR, via electronic media, a proposed schedule that identifies what Title V Operating Permits the Local Program intends to issue during the period of July 1, 2016 through June 30, 2017. The schedule shall include, but is not limited to:

- 1) Facility Name;
- 2) Title V Permit Number;
- 3) Type of Permit (renewal or initial);
- 4) EIQ number;
- 5) DNR Facility number;
- 6) AIRS number; and

7) Months since Issued Date.

Any changes to the proposed schedule shall be submitted to the DNR within thirty (30) days of revision.

**b) Quarterly Status Report.** In accordance with Section 5.1.6 of this Contract, the Local Program shall submit to the DNR a quarterly status report of Title V Operating Permits being drafted for issuance by the Local Program for the period of July 1, 2015 through June 30, 2016. The status report shall include, but is not limited to:

- 1) Facility Name;
- 2) Title V Permit Number;
- 3) Type of Permit (renewal or initial);
- 4) EIQ number;
- 5) Name of Staff Member working on the permit;
- 6) Stage of Review (may include, but not limited to: facility follow-up/information gathering, facility review, DNR review, public notice; or submitted to DNR for issuance) and date to be completed;
- 7) Identification of any problems/obstacles with the permit; and
- 8) Identification of being able to meet the issuance requirements identified in Section 5.1.3.2/4.

### 5.1.3.3 Permit Content

The Local Program shall prepare draft permits in accordance with 567 IAC 22.108 including but not limited to the items listed below.

1. **Enforceable Emission Limitations and Standards.** Each draft permit shall include emissions limitations and standards, including those operational requirements and limitations that ensure compliance with all applicable requirements at the time of permit issuance as defined in 567 IAC 22.108(1).
2. **Permit Duration.** The draft permit shall specify a fixed term not to exceed five years except:
  - a) Draft permits for Title IV affected sources shall have a fixed term of five years.
  - b) Draft permits prepared for solid waste incineration units combusting municipal waste subject to standards under section 129(e) of the Act shall have a term not to exceed 12 years. Such permits shall be reviewed every five years.
3. **Monitoring.**
  - a) Each draft permit shall contain the requirements with respect to monitoring as set forth in 567 IAC 22.108(3). Each draft permit shall include monitoring requirements no less stringent than those required in the applicable requirement, applicable Compliance Assurance Monitoring (CAM) requirements, or in the guidelines established in accordance with "b)" below, whichever is more stringent.
  - b) The Local Program shall, where the applicable requirement does not require periodic testing or instrumental or non-instrumental monitoring (which may consist of record keeping designed to serve as monitoring) or CAM requirements, establish protocols (consistent for each type of process or control) for periodic monitoring sufficient to yield reliable data for the relevant time period that are representative of the source's compliance with the permit.
    - 1) The Local Program shall compile such protocols as established for the purposes of "b)" above, and establish a guideline showing generally acceptable monitoring practices for certain types of air pollution control equipment. These guidelines should represent a minimum standard. The guideline shall include all equipment types included in any draft permits made available for public comment. The Local Program shall provide DNR with a copy of the guideline upon request.
4. **Record Keeping.**
  - a) Each draft permit shall contain the requirements with respect to record keeping as established in 567 IAC 22.108(4). Each draft permit shall include record keeping requirements no less stringent than those required in the applicable requirement or in the guidelines established in accordance with "b)" below, whichever is more stringent.
  - b) The Local Program shall establish protocols, in concert with those established for monitoring, (consistent for each type of process or control) for record keeping which meet the requirements of 567 IAC 22.108(4) and are sufficient to ensure that the data collected will ensure the use of terms, test methods, units, averaging periods, and other statistical conventions consistent with the applicable requirement. The protocols shall ensure that the data required for record keeping must be reliable for the relevant time period that are representative of the source's compliance with the permit [as required in 567 IAC 22.108(3)(Monitoring)].

1) The Local Program shall compile such protocols and establish a guideline showing generally acceptable record keeping practices for certain types of air pollution control equipment. These guidelines should represent a minimum standard. The guideline shall include all equipment types included in any draft permits made available for public comment. The Local Program shall provide DNR with a copy of the guideline upon request.

**5. Reporting.**

a) Each draft permit shall contain the requirements with respect to reporting as established in 567 IAC 22.108(5) where applicable. Each draft permit shall include reporting requirements no less stringent than those required in the applicable requirement or in the guidelines established in accordance with (b) below, whichever is more stringent.

b) The Local Program shall compile a guideline establishing acceptable reporting frequencies for activities requiring reporting. These guidelines should represent a minimum standard. The guideline shall include all equipment types included in any draft permits made available for public comment. The Local Program shall provide DNR with a copy of the guideline upon request.

**6. Risk Management Plan.** If the source is required to develop and register a risk management plan (RMP) the draft permit shall state the requirement for submission of the plan. The permit shall also require filing the plan with appropriate authorities and an annual certification to the DNR that the plan is being properly implemented. The Local Program shall ensure RMPs are submitted to the local emergency planning committee.

**7. Incorporating Allowances.** The Local Program shall ensure that the draft permit incorporates provisions, when applicable, which prohibit emissions exceeding any allowances that the affected source lawfully holds under Title IV of the Act or the regulations promulgated thereunder. Each draft permit shall meet permit requirements with respect to emissions as required by 567 IAC 22.108(7) where applicable.

**8. Severability Clause.** The draft permit shall contain a severability clause to ensure the continued validity of the various permit requirements in the event of a challenge to any portions of the permit.

**9. Other Provisions Required to be Listed in the Draft Permit.**

a) The draft permit shall contain provisions establishing those conditions established in 567 22.108(9).

b) The Local Program shall develop a guideline establishing minimum standards for the operation and maintenance of pollution control equipment sufficient to determine continued operation of such equipment necessary to maintain compliance with applicable requirements. The guideline shall include all equipment types included in any draft permits made available for public comment. The Local Program shall provide DNR with a copy of the guideline upon request.

**10. Fees.** The draft permit shall include a provision to ensure that the permittee pays fees and supplies all annual emissions reports to the DNR pursuant to 567 IAC 22.106.

**11. Emissions Trading.** A provision of the draft permit shall state that no permit revision shall be required, under any approved economic incentives, marketable permits, emissions trading and other similar programs or processes for changes that are provided for in the draft permit.

**12. Operating Scenarios.** Terms and conditions for reasonably anticipated operating scenarios identified by the source in its application and which are approved by the Local Program shall be incorporated into the draft permit if requirements established in 567 IAC 22.108(12) and other related requirements are met.

**13. Terms and Conditions of Trading Emissions Increases and Decreases.** Terms and conditions of trading emissions increases and decreases shall be included in the draft permit if they meet the conditions and requirements established in 567 IAC 22.108(13).

**14. Federally Enforceable Requirements.** The draft permit shall meet requirements as established in 567 IAC 22.108(14).

**15. Compliance Requirements.** All draft permits shall contain the elements with respect to compliance as established in 567 IAC 22.108(15).

**16. Emergency Provisions.** All draft permits shall contain the elements with respect to emergency situations as established in 567 IAC 22.108(16).

**17. Permit Shield.** As provided in 567 IAC 22.108(18) the draft permit shall include those provisions, as applicable, with regard to permit shields.

**18. Permit Reopening.** The Local Program shall include provisions in the draft permit specifying the conditions under which the permit may be reopened and revised prior to the expiration of the permit. A permit shall be reopened and revised under the circumstances indicated in 567 IAC 22.108(17) and 22.114.

#### 5.1.3.4 Preparation of a Draft Permit and Fact Sheet

The Local Program shall prepare a draft permit and a fact sheet. The Local Program shall provide the fact sheet to any other person who requests it. The fact sheet shall include:

1. The rationale for issuance or denial of the permit;
2. A brief description of the type of facility;
3. A summary of the type and quantity of air pollutants being emitted;
4. A brief summary of the legal and factual basis for the draft permit conditions, including references to applicable statutes and rules;
5. A description of the procedures for reaching final decision on the draft permit including the comment period, the address where comments will be received, and procedures for requesting a hearing and the nature of the hearing; and
6. The name and telephone number for a person to contact for additional information.

#### 5.1.3.5 Permit Review by DNR

1. The Local Program shall provide DNR with the draft permit and fact sheet as soon as practical. Once the draft permit has been reviewed and any objections have been resolved, then the draft permit shall be provided to the facility for review.
2. **Conveyance of Proposed Permit to DNR.** The Local Program shall convey to DNR by electronic media or hard copy the following for all draft permits:
  - a) Copy of the draft permit and fact sheet in *Microsoft Word*.
  - b) All correspondence (in *Microsoft Word*) generated by the Local Program with regard to the permit, including but not limited to:
    - 1) Completeness review and results, and
    - 2) Requests made by the Local Program for additional information and the response.

#### 5.1.3.6 Facility Review

The Local Program shall provide the facility no more than 30 days to review the draft permit prior to the start of the public comment period.

#### 5.1.3.7 Permit review by EPA

1. **Transfer of Draft Permit.** The Local Program shall provide EPA with a copy of the draft permit at the start of the public comment period.
2. **Response to EPA Comments.** The Local Program shall formulate a draft written response to written objections submitted by EPA if those objections are received within 45 days of EPA receipt of the draft permit. The Draft written response to EPA shall be submitted to DNR no later than 45 days from receipt of the objections if the objection has not been resolved.

#### 5.1.3.8 Public Notice and Public Participation

1. **Public Notice.** The Local Program shall provide public notice and an opportunity for public comments, including an opportunity for a hearing, before recommending to DNR any of the following actions: issuance, denial or renewal of a permit; or significant modification or revocation or re-issuance of a permit.
2. **Mailing List.** The Local Program shall establish and maintain a mailing list for the distribution of public notices. The Local Program shall include DNR and EPA, Region VII, on the mailing list.
3. **Publication and Availability of Notice.** Notice shall be given by publication in a newspaper of general circulation in the area where the source is located or in a state publication designed to give general public notice. Notice also shall be given to persons on a mailing list developed by the Local Program, including those who request in writing to be on the list. The Local Program may use other means if necessary to ensure adequate notice to the affected public. The public notice shall include the following:
  - a) Identification of the Title V source;
  - b) Name and address of the permittee;
  - c) Name and address of the permitting authority processing the permit;
  - d) The activity or activities involved in the permit action;
  - e) The emissions change involved in any permit modification;
  - f) The air pollutants or contaminants to be emitted;
  - g) The time and place of any possible public hearing;

- h) A statement that any person may submit written and signed comments, or may request a public hearing, or both, on the proposed permit. A statement of procedures to request a public hearing shall be included;
- i) The name, address, and telephone number of a person from whom additional information may be obtained; and
- j) Locations where copies of the permit application and the proposed permit may be reviewed, including the closest department office, and the times at which they shall be available for public inspection.

**4. Public Comment Period.** At least 30 days shall be provided for public comment. Notice of any public hearing shall be given at least 30 days in advance of the hearing.

**5. Public Hearing.** Any person may request a public hearing. The Local Program shall hold a public hearing upon finding, on the basis of requests, a significant degree of relevant public interest in a draft permit. A public hearing may also be held at the Local Program's or the Director's discretion.

**6. Response to Comments.** The Local Program shall keep a record of the comments and of the issues raised during the public participation process and shall prepare written responses to all comments received. The Local Program shall revise the draft permit in response to comments made during the comment period if the Local Program determines that modifications to the draft permit are warranted. The record of persons commenting, issues raised and the written responses shall be conveyed to the DNR with the final draft permit. The Local Program shall not make the written responses or subsequent changes to the draft permit public until the time that the DNR makes a final decision on the permit.

#### **5.1.3.9 Final Permit Issuance**

**1. Changes to the Draft Permit.** Subsequent to fulfilling all requirements for public notice, hearings and review by EPA, the Local Program shall incorporate those changes, as it deems appropriate into the proposed permit.

**2. Conveyance of Proposed Permit to DNR.** The Local Program shall convey to DNR by electronic media or hard copy the following for all final proposed permits:

a) The final proposed permits in *Microsoft Word*.

b) All correspondence (in *Microsoft Word*) generated by the Local Program with regard to the permit, including but not limited to:

- 1) Completeness review and results;
- 2) Requests made by the Local Program for additional information and the response;
- 3) Copy of all comments made during the comment period, including comments made by EPA if submitted during the comment period; and
- 4) The Local Program's response to written and oral comments made during the comment period by the public or by EPA.

#### **5.1.3.10 Reopening issued Title V permits**

**1. Reopening.** Proceedings to reopen and reissue a Title V permit shall follow the procedures applicable to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. The Local Program shall reopen permits under the circumstances listed in 567 IAC 22.114(1) "a-e."

**2. Public Notice.** The Local Program shall issue a notice of intent to the Title V source at least 30 days in advance of the date the permit is to be reopened, or as established under the authority defined in 567 IAC 22.114(3).

**3. Proposed Determination.** Within 75 days of receipt of a notice from the administrator that cause exists to reopen a permit, the Local Program shall forward to the DNR a proposed determination of termination, modification, revocation, or re-issuance of the permit, as appropriate. The submission to DNR shall include all elements as required for initial final draft permit submittal.

#### **5.1.3.11 Title V Permit Renewals**

The Local Program shall renew Title V permits using the same procedural requirements that apply to initial permit issuance, including those for public participation and review by EPA.

#### **5.1.3.12 Emissions Data**

**1.** The Local Program shall, within the staffing and funding limitations specified in this Contract, conduct emissions inventory audits as identified by DNR to insure accurate and appropriate emission estimates are provided by air pollution sources.

**2.** The Local Program shall, within seven (7) days of determination of errors or missing data, request corrections or additional information from those facilities for which the emissions inventory submittal is determined to be flawed.

3. The Local Program shall notify the DNR upon receipt and determination of acceptability of the requested inventory information. The Local Program shall transmit to the DNR any corrected hard copy documentation provided by the facility for DNR data entry into SPARs and filing in the DNR Records Center.

#### 5.1.3.13 Permit Changes

The Local Program shall process any permit changes to valid Title V permits as follows:

1. Changes allowed without a Title V permit revision: 567 IAC 22.110;
2. Administrative amendments to Title V permits: 567 IAC 22.111;
3. Minor Title V permit modifications: 567 IAC 22.112; and
4. Significant Title V permit modifications: 567 IAC 22.113.

#### 5.1.3.14 Data Management

The Local Program shall work with the DNR to determine:

1. Training needs of the Local Program staff to complete their job functions using the operational SPARS web-enablement program; and
2. Accessibility, logistics, and security measures that need to be evaluated to ensure that the Local Program is able to complete work using the SPARS program.

#### 5.1.3.15 Intergovernmental Cooperation

In order to assure uniform adoption of emissions inventory and operating permit application procedures the Local Program shall:

1. Adopt the inventory and application forms and data entry formats employed by DNR; and
2. Participate in the development of public workshops and other educational projects.

#### 5.1.4 Compliance and Inspection Provisions

##### 5.1.4.1 Compliance

1. **Local Program.** The Local Program has the primary responsibility for conducting the air pollution control program within Linn County. Nothing in this Contract, however, shall constitute (or be construed to constitute) a valid defense by regulated parties in violation of any local, state or federal statute, regulation or permit.
2. **Compliance Status.** The Local Program shall routinely track, evaluate, and document the compliance status of major, synthetic minor, and minor facilities within Linn County.
3. **Violations.** The Local Program shall identify violations and initiate appropriate and timely enforcement actions as follows:

a) **High Priority Violations.** The Local Program shall determine if the violation should be classified as a High Priority Violation (HPV), as outlined in the August 25, 2014, EPA policy, The Timely and Appropriate (T&A) Enforcement Response to High Priority Violations. If the violation meets the qualification of a HPV, the Local Program shall issue a notice of violation (NOV) within sixty (60) days of designating a violation as an HPV. The violation shall be resolved and/or addressed by no later than 270 days after this designation is made or as otherwise provided under the EPA policy.

b) **Other Violations.** If the violation does not meet the criteria for a HPV, the Local Program shall compile documentation within thirty (30) days of the date the violation was discovered and shall issue an NOV or other correspondence within sixty (60) days of the date of this date.

c) The Local Program shall resolve and/or address all violations (including HPVs) by taking one of the following actions:

- 1) Issuance of an NOV or other correspondence containing an outline of corrective action(s) which, if accomplished, will achieve compliance with the applicable provisions of the Linn County Rules; or
- 2) Issuance of a compliance schedule or an emission reduction program; or
- 3) Issuance of a fine (or other financial penalty as appropriate); or
- 4) Issuance of a unilateral or consent order with or without a fine (or other financial penalty as appropriate); or
- 5) Referral to the County Attorney, Board of Health, DNR, or EPA.

d) The Local Program shall copy the DNR on all NOVs or other correspondence for sources as described in Section 5.1.4.5/1 a-f, all follow-up correspondences, all demands for payment, fine issuances, order issuances, and referrals to the County Attorney.

4. **Compliance Schedules.** Compliance schedules for addressing HPVs and any compliance schedule included in an enforcement order at major, synthetic minor and minor facilities within Linn County shall be conveyed to the DNR via hard copy or electronic media.

- 5. Noncompliance Penalties.** As part of unilateral or consent orders, the Local Program shall inform the source of noncompliance penalties contained in Section 120 of the Clean Air Act, as amended, and Iowa Code § 455B.131-.149.
- 6. PSD/DNR Permits.** For Construction or PSD permits issued by DNR for sources within Linn County, the Local Program shall assume ongoing source inspection responsibilities.
- 7. Title V Permits.** For Title V permits issued by DNR for facilities within Linn County the Local Program shall assume ongoing facility inspections, compliance, and evaluation responsibilities.
- 8. State Enforcement.** The DNR shall handle the enforcement for PSD and Title V applicability issues unless it is mutually agreed upon that the Local Program will handle the enforcement. Also, DNR shall handle the enforcement for Title V fee payment and the emission inventory. Once DNR permits are issued the Local Program shall handle the enforcement of the permits. In all cases where compliance with DNR issued permits cannot be achieved in a timely and appropriate manner through enforcement of Local Program restrictions, the Local Program shall forward all documentation to DNR for state enforcement action

#### 5.1.4.2 Stack Tests

The DNR and the Local Program shall jointly conduct a minimum of one (1) stack test observation and evaluation during the period of performance. The joint observation will include review of the facility's testing protocol, attendance at any pre-test meeting, observation of the stack test, and review of the testing results. The DNR and Local Program will mutually agree upon which stack test will be jointly observed and evaluated.

#### 5.1.4.3 Inspections

- 1. Schedule.** The Local Program shall, at a minimum, conduct inspections according to the plan submitted to EPA under EPA's Clean Air Act Stationary Source Compliance Monitoring Strategy, -July 14, 2014 and the following:
  - a) Complaints/"Problem" facilities take priority over inspections;
  - b) Compliance assistance visits shall be scheduled by the Local Program with the affected facility. Inspections shall be conducted in an unannounced manner except in cases where facility key personnel are unavailable for the facility is not operating and a return visit is needed to conduct the inspection.
  - c) The Local Program shall be observant of facilities that are not inspected and/or have unpermitted sources.
  - d) As Local Program resources allow, the following shall be completed:
    - 1) NESHAP Facilities (for standards identified in 567 IAC 23.1(3) and (4)). Area Source NESHAP facilities shall receive a compliance assistance visit<sup>1</sup>, upon initial identification, to ensure new and existing facilities are aware of the promulgated NESHAPs and their responsibilities under such standard;
    - 2) Portable Sources shall be inspected annually;
    - 3) New Minors shall receive a compliance assistance visit to ensure they are aware of air quality regulations; and
    - 4) Existing Minors shall be inspected following issuance of new construction permit or conditional operating permit.
- 2. Joint Inspections.** At a minimum, two (2) compliance inspections of facilities (2 major sources) within the Local Program's jurisdiction shall be conducted jointly by staff of DNR and the Local Program during the time of performance. The facilities to be inspected shall be mutually agreed upon by the Local Program and DNR, Field Office #1. Prior to the joint inspection, the Local Program shall submit or make available to Field Office #1 copies of the applicable permits, the previous inspection report, and other pertinent data upon request. In addition, within thirty (30) days following the joint inspection, the Local Program shall submit to Field Office #1 a copy of the inspection report and NOV or other correspondence, if applicable.

#### 5.1.4.4 Variances

- 1. Issuance.** The Local Program may issue a variance<sup>2</sup> for sources within Linn County in accordance with §10.15 of the Linn County Code of Ordinance. For purposes of 567 IAC 27.3(4) "c", "Administrative Officer" shall not include Pramod Dwivedi, James Hodina or Shane Dodge.
- 2. Training Fires.** Prior to issuance of a training fire permit, the Local Program shall inform the training agency of the requirements to submit an Asbestos NESHAP notification to DNR, as required by 567 IAC Paragraph 23.2(3) "g." This can be done by stating the requirement to submit a notification to the DNR and by providing the name and number

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<sup>1</sup> A compliance assistance visit is a tool to disseminate information on what the facility needs to do to come into or remain in compliance.

<sup>2</sup> Each open burning permit issued for items other than those exempted by 567 IAC Subrule 23.2(3) shall constitute a variance.

of the state asbestos NESHAP contact on each training fire permit issued. The Local Program shall copy DNR at the time of issuance on all training fire permits issued.

#### 5.1.4.5 Data Management

**1. Compliance Monitoring Strategy (CMS) Flags.** No later than September 1, 2015, the Local Program shall send to the DNR the CMS plan that identifies facilities intended to be inspected during SFY 2016.

a) Any changes to the CMS plan, which would include the adding or the removal of flags, shall be submitted to the DNR, within thirty (30) days of revision.

**2. Integrated Compliance Information System (ICIS) Reporting.** Per Section 6.3.1 of this Contract, the Local Program shall update ICIS, and submit via electronic media a copy of the summary of facility actions to the DNR, on a quarterly basis (in accordance with Section 6.3.2) with compliance and enforcement information concerning federally reportable sources. Updates and transfer of information shall meet the Minimum Data Requirements (MDRs) and codes specified in the most recent version existing on the first day of each month that the report is required of EPA's MDRs for CAA Stationary Sources Compliance, plus any data elements negotiated with EPA's Region VII. Monthly updated information may include, but is not limited to:

- a) Major facilities; and
- b) Synthetic Minor facilities; and
- c) Part 61 NESHAP Minor facilities; and
- d) Other facilities identified within the CMS Evaluation Plan; and
- e) Any facility with a formal enforcement action; and
- f) Any facility with an active HPV.

**3. Quarterly Reports.** The Local Program shall submit quarterly reports for compliance actions, inspections and variances for minor, major, and non-point sources during each quarter to the DNR, per Section 6.3.2 of this Contract. The report shall contain the following information:

- a) Name of facility;
- b) Facility address;
- c) Type of compliance action (if applicable);
- d) Reason for compliance action, inspection or granting variance;
- e) HPV designation (if applicable);
- f) Type of source or materials burnt;
- g) Rule citation; and
- h) Local Program contact.

#### 5.1.4.6 Emissions Data

**1. Source Testing.** The Local Program shall observe emission tests or require emissions testing as provided for in the Linn County Rules. Any emission test performed within Linn County as a determination of compliance for existing sources shall be consistent with federal reference methods. The results of such tests shall be reported to EPA through ICIS.

**2. Records.** The Local Program shall retain reports of excess emissions for all principle emission points at major, synthetic minor, and minor facilities in accordance with 567 IAC Chapter 24.

#### 5.1.5 Ambient Air Monitoring Provisions

##### 5.1.5.1 Monitoring Network

###### 1. Network Modifications.

a) **Scheduled Network Modifications.** The Local Program shall operate the monitoring network indicated in Table 2 with modifications indicated in Table 3. Sampling frequencies are as indicated in Table 2 and 3.

b) **Unscheduled Network Modifications.** The Local Program, upon request, shall work with the DNR to add or remove monitoring sites as requested by the DNR. Changes shall be negotiated and agreed upon in writing between DNR's monitoring contact and the Ambient Air Monitoring Supervisor.

**TABLE 2: Ambient Air Monitoring Network**

Site	Parameter	# of Monitors	Sampling Frequency
Coggon Elementary School 408 E. Linn St., Coggon	O <sub>3</sub> (with daily auto-calibration)	2	Continuous (collocated)
Kirkwood Community College 6301 Kirkwood Blvd. SE, Cedar Rapids	O <sub>3</sub> (with daily auto-calibration)	2	Continuous (collocated)
Prairie Creek 3000 C St. SW, Cedar Rapids	Trace level SO <sub>2</sub>	1	Continuous
Linn County Public Health 501 13 <sup>th</sup> Street; Cedar Rapids	O <sub>3</sub> (with daily auto-calibration)	2	Continuous (collocated)*
	PM <sub>2.5</sub> (FRM) (collocated)	2	Primary Daily Collocated Every 3 <sup>rd</sup> Day
	PM <sub>2.5</sub> (BAM)	2	Continuous
	PM <sub>2.5</sub> (Speciation – Nitrate and Sulfate analyzed by SHL)	2	Every 6 <sup>th</sup> Day
	PM <sub>10</sub> (FRM) (collocated)	2	Primary: Every 3 <sup>rd</sup> Day. Collocated: Every 6 <sup>th</sup> Day.
	MET (including RH and Temp)	1	Continuous
	Trace level SO <sub>2</sub>	1	Continuous
	Trace level CO	1	Continuous
	Toxics Carbonyls and TO-15	1	Canisters: Every 12 <sup>th</sup> Day. Carbonyl Cartridges: Every 6 <sup>th</sup> Day Inside Ozone Season, and Every 12 <sup>th</sup> Day Outside Ozone Season.

**TABLE 3: Ambient Air Monitoring Network Modifications**

Change	Description	Date Due

**2. Equipment Procurement.** The Local Program shall coordinate equipment purchases with the DNR in order to maintain the existing network and accomplish network modifications.

**a) Final Equipment List.** By July 1, 2015, the Local Program shall submit a list of equipment it intends to purchase with funds as identified in the Section 5.1.1.2/2 budget, item 5. The items on this list shall be mutually agreed upon (as per Section 5.1.5.3/4a and b) by the DNR and the Ambient Air Monitoring Supervisor.

**b) Revision of Equipment List.** Changes to the equipment list submitted shall be negotiated and agreed upon in writing between the DNR’s monitoring contact and the Ambient Air Monitoring Supervisor.

**3. Monitoring Sites.** The Local Program's monitoring network shall meet or exceed the minimum specification set indicated in Appendices D and E of 40 CFR 58.

**4. Daily Polling.** The Local Program shall poll its continuous monitors each day and issue immediate reports to DNR as described in Section 5.1.5.4/10.

**5. High Concentration Reports.** The Local Program shall designate an individual on its monitoring staff to be on call during off hours in order to respond to high level reports generated by ESC data loggers at its continuous monitoring sites. When these levels indicate a likely exceedance of ambient health thresholds, the staff member shall evaluate the validity of the data. If the data is determined to be suspect or invalid, the staff member shall suspend real time posting of the data. If the data is determined to be valid, then the staff member shall supply notifications of high concentrations as indicated in the Local Program QAPP.

#### 5.1.5.2 Quality Assurance

**1. Quality System.** The Local Program shall develop and implement an EPA Quality System to assure the quality of its air monitoring activities. The Quality System developed by the Local Program shall be completely autonomous from that of DNR. For autonomy, the Local Program has the responsibility for developing procedures and oversight sufficient to demonstrate that the environmental data generated meets the requirements of EPA and/or DNR. The Local Program Quality System shall include:

a) Development and implementation of a Quality Management Plan (QMP) according to EPA guidance document QA/R-2;

b) Development and implementation of Quality Assurance Project Plans (QAPPs) consistent with EPA guidance document QA/R-5; and

c) Development and implementation of Standard Operating Procedures (SOPs) for operation of air monitoring equipment, data handling, and other repetitive procedures. The QAPP/SOP shall be modified as necessary to remain current with EPA requirements outlined in 40 CFR Part 58, the current edition of EPA's Quality Assurance Handbook for Air Pollution Measurement Systems ("the Redbook"), and applicable EPA guidance. The Local Program shall designate members of its Air Monitoring Staff as QAPP/SOP reviewers. A complete set of QMP/QAPPs/SOPs for all air monitoring activities shall be submitted to DNR and EPA in hardcopy and in PDF format as a component of the annual review of air monitoring activities.

**2. Revision of Quality Assurance Documents.** Substantive revisions of the Local Program's QMP/QAPPs/SOPs require approval of DNR and EPA. Except as otherwise indicated in this Contract, QAPP/SOP revisions shall be submitted to EPA/DNR within forty (40) working days following:

a) Promulgation of new monitoring rules or procedures by EPA;

b) Written notification of a deficiency in procedures by EPA/DNR; or

c) Receipt of new equipment for which no QAPP/SOP exists.

The Local Program shall not deploy monitoring equipment without an associated QAPP/SOP.

**3. Prevention of Significant Deterioration Ambient Monitoring Sites.** Within 30 days of DNR's written request the Local Program shall review and provide written comments on the standard operating procedures and quality assurance plans, associated with the PSD ambient monitoring projects within the Local Program's jurisdiction. The DNR may request the Local Program to perform (quarterly) site audits of facility-run PSD ambient monitoring sites at specified PSD facilities. These site audits are to be performed in accordance with Appendix A of 40 CFR Pt. 58.

Within two (2) weeks following the site audit, the Local Program shall provide, in writing, the audit results and any recommendations for corrective actions to both DNR and the field staff operating the PSD site(s). To ensure that the data gathered at PSD monitoring sites meets EPA acceptance criteria for completeness, precision and accuracy, and to establish format compatibility with EPA's Air Quality System (AQS) database, the Local Program shall provide quality assurance reviews on ambient monitoring data generated by facility-run PSD monitoring sites, as specified by DNR. The number of PSD monitoring sites shall be limited to no more than four (4) sites per year.

**4. External Audits.** The Local Program shall participate in EPA's National Performance Audit Program (NPAP), performance evaluation program (PEP) for PM<sub>2.5</sub> monitoring, and EPA technical systems audits (TSA's). In addition, the Local Program shall participate in quality assurance systems audits conducted by the State Hygienic Laboratory (SHL). The Local Program shall fund at least one annual NPAP audit for all monitors for which NPAP audit devices are available. The Local Program shall respond promptly to address deficiencies identified in these audits.

**5. Annual Network/Quality Assurance Review.** By March 15, 2016, the Local Program shall complete and submit to DNR an annual network/quality assurance review for calendar year 2015 in order to demonstrate that its quality

system is sufficiently developed, and its monitors are appropriately sited and adequate in number to meet EPA's minimum requirements. In addition, the Local Program shall review its AQS and Precision and Accuracy data and site/monitor parameters in the AQS database for errors during calendar year 2015, and generate graphical and statistical summaries of the data. The Local Program shall evaluate the data relative to EPA acceptance criteria for data completeness, precision and accuracy. On the basis of this review, the Local Program shall submit its annual SLAMs certification letter. The Annual Network/Quality Assurance review shall contain the following components and the review shall be submitted to the DNR via both hard copy and electronic media. Any emails shall contain in the subject line a specific reference to the applicable Section 5.1.6 obligation.

- a) A complete, current set of Quality Assurance documentation (QMP/QAPPs/SOPs);
- b) AQS and Precision and Accuracy raw data listings generated from the AQS system [AQS QA Raw Assessment report (AMP 251), and AQS Raw Data Report (AMP 350)] for all monitors operated by the Local Program during calendar year 2015;
- c) Graphs of concentration vs. time (and concentration vs. wind direction where applicable) for all monitors operated by the Local Program during calendar year 2015;
- d) Complete, current network review checklists to document conformance with 40 CFR Part 58 Appendix E requirements;
- e) An annual quality assurance report following the example contained in Volume II, Appendix I, of EPA's Quality Assurance Handbook for Air Pollution Measurement Systems (rev 12/10/08);
- f) An annual State and Local Air Monitoring Stations (SLAMS) report consisting of an AMP 600 and 450NC along with a letter certifying the accuracy of the report based on a review of all materials contained in the annual review; and
- g) A report from the Ambient Air Monitoring Supervisor indicating the results of an audit comparing the procedures actually used by the field operators to operate and maintain air monitoring equipment with the written standard operating procedures for the equipment. In the event that discrepancies exist between the actual and written procedures, the report shall detail these discrepancies, establish the validity of the data gathered with the undocumented procedures, and update standard operating procedures, where necessary, to reflect actual field practice.

#### 5.1.5.3 Network Planning

**1. Training and Safety Plan.** The Local Program shall develop training and safety plans for air monitoring staff. The Local Program shall insure that its staff are adequately trained and work in a safe environment.

**2. Quarterly Coordination Meetings.** The Local Program shall participate in quarterly coordination meetings for technical and management staff involved in the ambient air monitoring program. The technical meeting shall focus on data collection, transmission and quality assurance issues and trends. The management meeting shall focus on the status of work products contained in the Contract and strategic planning issues.

**3. Inventory and Inventory Reporting.** The Local Program shall maintain a complete and current list of all equipment in its air monitoring network purchased in full or in part with state or federal funding, including the percentage of state and federal funds used to procure the equipment, the location, description of equipment type, model number, serial number, ownership agency, and both DNR and the Local Program inventory tag number. The Local Program shall record in the equipment inventory the installation date for equipment newly installed in the air monitoring system. Equipment purchased by the DNR for use by the Local Program shall be included on the Local Program's equipment inventory. The Local Program shall supply the DNR a copy of the up to date equipment inventory within seven (7) days of a request by the DNR.

**4. Development of the Equipment Procurement List for the Next Contract Period.**

- a) By January 15, 2016, the Local Program shall submit for DNR review:
  - 1) A list of anticipated equipment purchases needed to maintain and operate its existing air monitoring network during the next Contract period; and
  - 2) A multi-year replacement schedule for air monitoring equipment. To develop this schedule, the Local Program shall consider the age and condition of the current instruments, as well as the maintenance requirements and capabilities of current instruments relative to new instruments.
- b) By March 15, 2016, the Local Program shall submit for DNR review a list of anticipated equipment purchases needed to expand its air monitoring network during the next Contract period.

c) The above mentioned lists shall contain monitoring equipment or monitoring quality assurance equipment that the Local Program intends to procure with funds designated for this purpose under this Contract as identified in Section 5.1.1.2/2, budget item 5.

**5. Network Modifications.** The Local Program shall work with the DNR to ensure that network modifications are made according to 40 CFR Pt. 58, Subpart B.

#### **5.1.5.4 Data Management**

**1. Data Validation.** Data obtained from ambient monitors shall be validated as specified in the approved QAPP and in this scope of work.

**2. Site Setup and Closure in AQS.** The Local Program shall be responsible for opening and closing sites and monitors in the AQS database for its reporting organization, and for its monthly data uploads. The Local Program shall notify the DNR when it closes sites or monitors in the AQS database.

**3. AQS/Precision, Bias, and Accuracy Data Submission.** Validated monitoring data (AQS data) and precision and accuracy data (PARS data), for all monitors, shall be uploaded by the Local Program staff monthly, in accordance with Section 5.1.6 (Ambient Air Monitoring) of this Contract. To expedite data generation by SHL, the Local Program shall provide validated sampler run data at the same time integrated samples are submitted to SHL for laboratory analysis. If PM<sub>2.5</sub> data from the SHL laboratory has not been received before the scheduled monthly upload, it shall be entered at the next scheduled monthly upload. The Local Program shall inform the DNR via e-mail after completing its monthly data upload. In the event that the monthly data upload is not complete, the Local Program shall indicate in the report the reason for the backlog and the anticipated date when the backlogged data will be uploaded.

**4. Data Screening.** To prevent data coding errors, the Local Program shall lock data for upload only after the screening file passes all AQS system edit checks. The Local Program shall archive a copy of any data uploaded to AQS immediately before locking the data for upload.

#### **5. Recordkeeping Requirements.**

**a) Monthly AQS Recordkeeping Requirements.** On a monthly basis, the Local Program shall run and review the AQS Raw Data Report (AMP 350) to determine the completeness and accuracy of the AQS and PARS data uploaded by the Local Program to the AQS system.

**b) Quarterly AQS Recordkeeping Requirements.** On a quarterly basis, the Local Program shall:

**1)** Run and review AQS QA Raw Assessment Report (AMP 251) and AQS QA Data Quality Indicator Report (AMP 256) to evaluate the Precision, Bias, and Accuracy of data uploaded by the Local Program in accordance with 40 CFR Part 58;

**2)** Run and review the AQS Data Completeness Report (AMP 430) in order to evaluate the quarterly data completeness of the monitors operated by the Local Program; and

**3)** Run and review the AQS Site Description Report (AMP 380) in order to evaluate the accuracy and completeness of the site setup parameters of the monitors operated by the Local Program.

**6. Real-time Monitoring.** The Local Program shall post all continuous ambient monitoring data (including collocated monitoring data) to EPA's AIRNOW website. In addition, the Local Program shall post all continuous ambient data to the Local Program's website, along with up to date Air Quality Index reports. The Local Program shall update its QAPP and SOPs to insure that all real-time monitoring data is complete and accurate.

**7. Toxics Monitoring Activities.** The Local Program shall use SHL's analytical laboratory for toxics sample analysis. The Local Program shall be responsible for setting up or shutting down toxics sites in AQS, and shall validate toxics data in cooperation with the SHL laboratory. The Local Program shall upload the AQS strings provided by SHL into EPA's AIRS database.

**8. Metals Monitoring Activities.** The Local Program shall use SHL's analytical laboratory for metals sample analysis. The Local Program shall be responsible for setting up or shutting down metals sites in AQS, and shall validate metals data in cooperation with the SHL laboratory. The Local Program shall upload the AQS strings provided by SHL into EPA's AQS database.

**9. PM<sub>2.5</sub> Speciation Activities.** The Local Program shall perform the following activities in support of the State's PM<sub>2.5</sub> speciation network:

**a) Field Activities.** The Local Program shall perform all field activities at speciation sites specified in this Contract including cyclone replacement, filter collection and transmission of sampler performance data to EPA's National

Speciation Laboratory. In addition, the Local Program shall be responsible for the performance of all calibrations, audits, and routine maintenance for all PM<sub>2.5</sub> speciation monitors;

**b) Data Validation and AQS Maintenance.** The Local Program shall work in cooperation with EPA's National Speciation Laboratory to set-up or shut down speciation sites in AQS and to validate speciation data; and

**c) Support of EPA Intensive Studies.** When requested by DNR, the Local Program shall adopt an accelerated sampling frequency at its speciation sampling site for a period of up to one month.

**10. Reporting Requirements.** The Local Program shall submit regular reports to DNR as identified below. Reports shall be submitted to the DNR via both hard copy and electronic media. Any emails shall contain in the subject line a specific reference to the applicable Section 5.1.6 obligation. Monthly and Quarterly reports shall contain an executive summary where the data is compared to the applicable acceptance criteria, and in the event that the acceptance criteria are not met, a corrective action plan. All reports shall be reviewed and certified by the quality assurance officer. All corrective action plans shall be reviewed and certified by the program manager.

**a) Immediate Reports.** The Local Program shall notify DNR immediately upon identification of any exceedance of an ambient air quality standard, emergency episode or potential emergency episode (as defined in 567 IAC 26.2); or exceedance of any other pollutant threshold provided in writing by the DNR.

**b) Weekly Network Status Report.** The Local Program shall transmit a written report of the status of air monitoring systems to DNR on the first working day of every week. This report will address the following items with respect to monitoring completed each week. For each site that is modified or for which data are missed, the report shall include:

- 1) Date of last valid data;
- 2) Date inoperative condition detected;
- 3) Cause of inoperative condition;
- 4) Step(s) taken to correct condition; and
- 5) Date and time data collection resumed (if applicable), and expected date data reporting will resume (if applicable).

**c) Monthly Report for Continuous Monitors.** The Local Program shall submit a monthly report to DNR in accordance with Section 6.3.1 of this Contract. This report will include a list of fixed station air monitoring sites in operation during the report period, and for each station:

- 1) The number of samples collected or received;
- 2) The number and type of analysis performed;
- 3) The number and exceedances of ambient air quality standards, the number of emergency episodes or potential emergency episodes, and the number of exceedances of pollutant thresholds;
- 4) A listing of all sampling that was omitted or invalidated because of equipment failure, calibration, zero and span checks, sample handling accidents, laboratory accidents or failure of the operator to collect samples; the type and number of equipment failures;
- 5) The dates of precision and accuracy checks; an explanation for precision checks that occur with a separation greater than 2 weeks for both primary and collocated samplers;
- 6) The percentage of total possible samples which were translated into valid air quality data; including data from primary and collocated samplers;
- 7) A performance evaluation of the "Smart Heaters" on the BAM 1020 PM<sub>2.5</sub> monitor(s).

**d) Monthly Reports for Data Generated by Outside Contractors.** SHL-PM<sub>2.5</sub> and PM<sub>10</sub> FRM, SHL-Air Toxics, and SHL PM<sub>2.5</sub> Speciation. The Local Program shall submit a report to the DNR twenty (20) working days upon receiving data from each outside contractor. Reports will include:

- 1) Documentation of the dates data were received from outside contractors and submitted to DNR;
- 2) NAAQS exceedances including: the number and exceedances of ambient air quality standards, the number of emergency episodes or potential emergency episodes, and the number of exceedances of pollutant thresholds;
- 3) Pollutant Data Summaries including: a listing of all sampling that was omitted or invalidated because of equipment failure, calibration, zero and span checks, sample handling accidents, laboratory accidents or failure of the operator to collect samples, the type and number of equipment failures, and the percentage of total possible samples which were translated into valid air quality data including data from primary and collocated samplers. In the event the percentages do not meet EPA completeness criteria, an explanation of the reasons for the insufficient data capture and a corrective action plan for the monitor;

- 4) The precision and accuracy for each primary and collocated continuous monitor, calculated as specified in 40 CFR Pt. 58 App. A;
- 5) The precision and accuracy for PM<sub>2.5</sub> FRM, PM<sub>10</sub> FRM, and toxics monitors audited during the quarter, calculated as specified in 40 CFR Pt. 58 App. A; and
- 6) Data Summary for PM<sub>2.5</sub> Speciation and Air Toxics including: results from monthly flow verification, results of leak checks, and list of flagged/voided data.

**e) Monthly Equipment Procurement Report.** The Local Program shall submit a monthly report to the DNR which itemizes monitoring equipment purchases. This report shall include:

- 1) A description of the equipment, the quantity purchased;
- 2) The cost per unit and total cost, the dates the items were ordered and received; and
- 3) A running total of all expended equipment funds during the Contract period.

**f) Quarterly Monitoring Report.** The Local Program shall submit a quarterly report to DNR in accordance with Section 5.1.6 of this Contract. For data received from outside contractors (SHL-PM<sub>2.5</sub> and PM<sub>10</sub> FRM, SHL-Air Toxics, and PM<sub>2.5</sub> Speciation), quarterly reports will be submitted twenty (20) working days upon receiving the data. This report shall include a list of fixed station air monitoring sites in operation during the report period, and for each station:

- 1) The data completeness associated with each monitor, and in the event the percentages do not meet EPA completeness criteria, an explanation of the reasons for the insufficient data and corrective action plan for the monitor;
- 2) The precision and accuracy of the monitors audited during the quarter, calculated as specified in 40 CFR Pt. 58 App. A;
- 3) AMP Reports 430 and 251 generated from AQS;
- 4) Two AQS AMP 256 reports, one for the current quarter, and a cumulative AMP 256 covering all quarters since the previous data certification, along with an explanation of any deficiencies indicated in the report, and a corrective action plan to address any deficiencies.
- 5) A listing of all backlogged AQS or PARS data, the reason for the backlog, and the date when the backlogged data will be uploaded to AQS; and
- 6) A records audit, conducted by the QA officer, listing monitoring records logged during the quarter and certifying compliance with the recordkeeping requirements of this Contract.

**5.1.5.5 Special Projects.**

- 1. **Zero Air Testing.** Zero air testing of all continuous PM<sub>2.5</sub> monitors shall be performed at least semi-annually.
- 2. **Security and Backup of Computers Used for Ambient Monitoring.** By September 1, 2015, the Local Program IT staff shall perform an audit to ensure that all computers used in the ambient monitoring network are secured and adequately "backed up".
- 3. **Thermo 43i Training.** The Local Program shall host a one-day training session conducted by instructors from Thermo for the model 43i SO<sub>2</sub> analyzer no later than November 30, 2015. The training shall cover topics such as routine operation and data processing.
- 4. **Deployment of Thermo 2025i's.** The Local Program shall deploy two 2025i's as the primaries for PM<sub>2.5</sub> and PM<sub>10</sub> at the Health Department site by January 1, 2016.

**5.1.6 Summary of Obligations.** The following are obligations the Local Program shall complete to meet tasks identified in this Contract.

Obligation	Reference	Task Milestone Date
<b>Program Management</b>		
Copy of Release of Work	5.1.1.5/3a	within 7 days of release for work
Personnel Changes	5.1.1.1/6	10 days from effective date
New Personnel Report	5.1.1.1/7	10 days from start date
Website – Review & Update As Needed	5.1.1.5/1	November 15, 2015
Website Quarterly Report (As Needed)	5.1.1.5/3b	November 15, 2015
MBE/WBE	5.1.1.7	November 15, 2015
Rule Revision (confer)	5.1.1.6/3	January 1, 2016
Proposed training plan	5.1.1.1/4	January 15, 2016

Obligation	Reference	Task Milestone Date
Personnel Plan	5.1.1.1/8	January 15, 2016
Proposed Budget	5.1.1.2/1	January 15, 2016
Website Plan	5.1.1.5/4	January 15, 2016
Personnel Report	5.1.1.1/5	February 15, 2016
Website – Review & Update As Needed	5.1.1.5/1	February 15, 2016
<b>Program Management cont'd</b>		
Website Quarterly Report (As Needed)	5.1.1.5/3b	February 15, 2016
MBE/WBE	5.1.1.7	February 15, 2016
Initial Contract Review	5.1.1.3	March 15, 2016
Final Contract Review	5.1.1.4	April 30, 2016
Website – Review & Update As Needed	5.1.1.5/1	May 15, 2016
Website Quarterly Report (As Needed)	5.1.1.5/3b	May 15, 2016
MBE/WBE	5.1.1.7	May 15, 2016
Rule Revision (initiate)	5.1.1.6/3	June 1, 2016
Website – Review & Update As Needed	5.1.1.5/1	August 1, 2016
Website Quarterly Report (As Needed)	5.1.1.5/3b	August 1, 2016
Personnel Report	5.1.1.1/5	August 1, 2016
MBE/WBE	5.1.1.7	August 1, 2016
<b>Construction Permitting</b>		
Final PSD permit issued	5.1.2.7/3	180 days plus DNR review time
Receipt of 80% PSD pre-application	5.1.2.8/2a	2 weeks prior to pre-meeting
Copy of PSD pre-application to DNR & EPA	5.1.2.8/2b	10 days prior to pre-meeting or after receipt of 100% application
Electronic Copy of Draft PSD permit	5.1.2.12	Prior to public comment period
Public Comment Materials	5.1.2.14	10 days prior to public comment
BACT Data	5.1.2.16/4	30 days after issued
Excel Report (and ICIS if desired)	5.1.2.6/1	November 15, 2015
Excel Report (and ICIS if desired)	5.1.2.6/1	February 15, 2016
Excel Report (and ICIS if desired)	5.1.2.6/1	May 15, 2016
Excel Report (and ICIS if desired)	5.1.2.6/1	August 1, 2016
<b>Title V Permitting</b>		
Status Reports	5.1.3.2/4b	November 15, 2015
Status Reports	5.1.3.2/4b	February 15, 2016
Status Reports	5.1.3.2/4b	May 15, 2016
Issuance Schedule	5.1.3.2/4a	May 15, 2016
4 initial/renewal permits	5.1.3.2/4	June 30, 2016
Status Reports	5.1.3.2/4b	August 1, 2016
<b>Compliance</b>		
Compliance Submission to ICIS	5.1.4.5/2	Monthly on 15 <sup>th</sup>
Joint Inspection Schedule	5.1.4.3/2	Prior to each
Joint Inspection Report	5.1.4.3/2	30 days following each
CMS Plan	5.1.4.5	September 1, 2015
Compliance Qtrly	5.1.4.5/3	November 15, 2015
Compliance Qtrly	5.1.4.5/3	February 15, 2016
Compliance Qtrly	5.1.4.5/3	May 15, 2016
Minimum 1 Joint Stack Test	5.1.4.2	June 30, 2016
Compliance Qtrly	5.1.4.5/3	August 1, 2016

Obligation	Reference	Task Milestone Date
<b>Ambient Air Monitoring</b>		
Exceedence Report	5.1.5.4/10a	Immediate
Monthly Report: SHL-PM FRM Monthly Report: SHL-Air Toxics Monthly Report: SHL-Speciation	5.1.5.4/10d	20 days after receipt from outside contractor
Weekly Network Status Report	5.1.5.4/10b	Weekly – 1 <sup>st</sup> working day
Monthly Continuous Monitor Report	5.1.5.4/10c	Monthly on 15 <sup>th</sup>
AQS/PARS Data Submission	5.1.5.4/3	Monthly on 15 <sup>th</sup>
Monthly AQS Recordkeeping Requirements	5.1.5.4/5a	Monthly
Monthly Equipment Procurement Report	5.1.5.4/10e	Monthly
Quarterly AQS Recordkeeping Requirements	5.1.5.4/5b	Quarterly
Coordination Meetings	5.1.5.3/2	Quarterly
Zero-air testing	5.1.5.5/1	Semi-annually
Final Equipment List	5.1.5.1/2a	July 1, 2015
Computer audit (security and adequacy of backup)	5.1.5.5/2	September 1, 2015
Qtrly Monitoring Report (Continuous)	5.1.5.4/10f	September 1, 2015
Thermo 43i training	5.1.5.5/3	November 30, 2015
Qtrly Monitoring Report (Continuous)	5.1.5.4/10f	December 1, 2015
Deploy two Thermo 2025i's	5.1.5.5/4	January 1, 2016
List of equipment to maintain & operate existing network	5.1.5.3/4a1	January 15, 2016
Equipment Replacement Schedule	5.1.5.3/4a2	January 15, 2016
Qtrly Monitoring Report (Continuous)	5.1.5.4/10f	March 1, 2016
Annual Network/Quality Assurance Review	5.1.5.2/5	March 15, 2016
List equipment to expand network (next Contract)	5.1.5.3/4b	March 15, 2016
Qtrly Monitoring Report (Continuous)	5.1.5.4/10f	June 1, 2016

**5.2** The responsibilities of the DNR shall be to perform the following tasks.

**5.2.1 Review of Local Program**

- 1. Review of Rules.** DNR shall review proposed changes to the rules, policies, and procedures of the Local Program for consistency with the Iowa Code and Iowa Administrative Code.
- 2. Program Audit.** Biennially, the DNR shall audit the Local Program to document compliance with the Contract, specifically with Section 5.1 – Statement of Work, and to identify aspects of the program that either party should further improve. The DNR shall provide a draft written report of the audit to the Local Program within thirty (30) days of the audit. The DNR shall provide the final written report of the audit to the Local Program within ninety (90) days of the audit.
- 3. Training Plan Recommendations.** By February 1, 2016, DNR shall provide the Local Program with any recommendations to the training plans as submitted. DNR shall provide written justification in conjunction with all recommendations.
- 4. Contract Planning.** The DNR shall with Local Program assistance, determine if a meeting should be held prior to January 15, 2016 to identify priorities and responsibilities being considered for the SFY 2017 Contract. DNR shall afford the Local Program an additional meeting as per Section 5.2.1/7.
- 5. Initial Draft Contract.** By February 15, 2016, DNR shall submit to the Local Program the initial draft Contract for the period of July 1, 2016 through June 30, 2017. DNR shall provide written justification for any changes to the Contract.
- 6. Final Draft Contract.** By April 15, 2016, DNR shall submit to the Local Program the final draft Contract for the period of July 1, 2016 through June 30, 2017.

**7. Contract Negotiations.** Annually, if requested by the Local Program and/or the DNR, the two parties shall meet to discuss final changes to the Contract.

**8. Program Changes.** The DNR shall submit information on significant changes to program requirements and staffing as a result of the DNR's audit of the Local Program within ninety (90) days of the audit.

### 5.2.2 Construction Permitting Provisions

**1. Construction Permit Manual.** DNR shall inform the Local Program of all updates or attachments to the construction permit manual during their development and transmit copies of these to the Local Program as soon as they are finalized.

**2. PSD/Construction Permit Applications.** On receipt of a complete application and draft permit from the Local Program, DNR shall review the draft permit and complete application package for PSD and 112(g) applicability and will notify the Local Program within three (3) weeks of receipt as to the disposition. Should the Local Program request DNR review of a draft permit for PSD synthetic minor and federal NSPS and NESHAPS sources, the DNR shall concur or object to the Local Program's draft permit within three (3) weeks of receipt.

**3. Issuance of PSD Permit.** For Linn County facilities, the DNR shall

- a) Review draft permits and issue final PSD permits; and
- b) Review applications and issue 112(g) permits.

**4. Progress of Review.** DNR shall keep the Local Program informed of developments during this review. Upon request DNR shall review the associated dispersion modeling analyses and assess the impact on ambient air quality. DNR shall forward the results of such modeling back to the Local Program within three (3) weeks of receipt of an application or request from the Local Program, as resources allow.

**5. Technical Assistance.** Upon request, DNR shall provide technical assistance for review of other permit applications. This assistance may include conducting or reviewing dispersion modeling analyses associated with the permit applications. DNR shall forward the results of such modeling back to the Local Program within the time period agreed upon by the Local Program and DNR.

**6. Modeling Meetings.** If requested by the Local Program and/or the DNR, the two parties shall meet to discuss modeling issues. The DNR shall meet with Local Program technical staff involved in ambient air modeling. This meeting will focus on DNR modeling guidance, procedures/checklists and their application, and specific questions related to conducting and review of dispersion modeling.

**7. Local Program Copies.** The DNR shall convey to the Local Program one copy of each of the following as applicable:

- a) PSD Permit Application Package received for any source operating within the Local Program's jurisdiction;
- b) Each signed, final permit after the permit has been issued; and
- c) Applications submitted to DNR, for the modification of permits issued for sources in the Local Program's jurisdiction

### 5.2.3 Title V Permitting Provisions

**1.** DNR shall convey to the Local Program one copy of any Title V Operating Permit Application received for any source operating within the Local Program's jurisdiction or notify the Local Program if the application is received in SPARS.

**2.** DNR shall review draft Title V operating permits and provide response within two weeks of submittal by the Local Program.

**3.** DNR shall issue Title V operating permits to Linn County Facilities.

**4.** DNR shall provide the Local Program with one copy of each final permit after the permit has been issued.

**5.** Applications submitted to DNR, for the modification of permits issued for sources in the Local Program's jurisdiction, shall be conveyed to the Local Program for processing the same way as initial or renewal applications unless the modification applications are received in SPARS, in which case the Local Program shall be notified by the DNR of such submittals.

**6. Issuance Schedule Comments.** DNR shall review and make initial comments on proposed issuance schedule submitted by the Local Program within seven (7) working days. .

### 5.2.4 Compliance and Inspection Provisions

#### 5.2.4.1 Compliance

- 1. DNR Involvement.** Except for DNR issued permits, DNR shall limit its involvement in compliance activities to Local Program audits as well as review and comment on proposed compliance schedules unless:
  - a) The Local Program specifically requests DNR involvement;
  - b) DNR determines that the Local Program's enforcement response is inappropriate or untimely (see Section 5.2.4.1/5); or
  - c) Emergency conditions (as prescribed in Iowa Code 455B.139) exist (see Section 5.2.4.1/6).
- 2. Compliance Schedule Comments.** DNR shall review and make initial comments on proposed compliance schedules submitted by the Local Program within seven (7) working days. DNR shall provide written comments to the Local Program within twenty (20) days.
- 3. Local Program Compliance Schedules.** DNR shall recognize compliance schedules required by the Local Program in accordance with Chapter 10 of the Linn County Code of Ordinance in lieu of granting a variance and approval of an emission reduction program by DNR under 567 IAC Chapter 21 for any source within the jurisdiction of the Local Program.
- 4. Compliance Monitoring Strategy (CMS) Flags.** DNR shall data enter the CMS flags and any revisions to the CMS plan into the ICIS system after receiving the information from the Local Program.
- 5. Review of ICIS Inputs.** DNR will routinely review ICIS inputs (as well as other compliance/enforcement information available to the DNR through audit activities and other sources) to determine if the Local Program is taking timely and appropriate action in response to noted violations.
- 6. Enforcement Actions.** DNR may initiate enforcement actions where specific Local Program actions regarding a specific individual set of circumstances are determined by DNR to not be timely or appropriate. DNR shall provide a written position with regard to the enforcement action and allow the Local Program a reasonable opportunity to act prior to initiating any DNR enforcement actions, except as provided in Items 6 and 7 below.
- 7. Emergencies.** DNR shall notify the Local Program at the earliest possible time upon any determination of an emergency pursuant to Iowa Code 455B.139. As soon as the situation allows, DNR shall initiate discussions with the Local Program for the purpose of transferring mitigation efforts to the Local Program.
- 8. Enforcement by DNR.** In cases where compliance with DNR issued permits is not achieved in a timely and appropriate manner through enforcement of Local Program restrictions, DNR shall initiate enforcement action to ensure compliance with DNR issued permits.

#### 5.2.4.2 Inspections

During the Contract period, DNR shall conduct two (2) compliance inspections in conjunction with the Local Program. DNR shall review joint compliance inspection reports and will submit written critiques of jointly conducted inspections to the Local Program within two (2) weeks of receipt of the inspection report.

#### 5.2.4.3 Stack Tests

1. DNR shall coordinate with the Local Program in scheduling and conducting a minimum of one (1) joint stack test observation and evaluation per year. DNR shall review the facility's testing protocol, the testing results reports and will submit written critiques of the joint stack test observation to the Local Program within 30 days of receipt of the test results.
2. DNR shall notify the Local Program once the Stack Test Database has been established and identify the tools available to the Local Program for their use of the database.

#### 5.2.4.4 Variances

1. DNR shall accept variances granted in the manner described in Section 5.1.4.4.
2. DNR shall notify the Local Program of any SIP requirements that may be impacted by the issuance of a variance.

#### 5.2.4.5 Emission Data

1. **Assessment of Reports.** DNR shall, upon request by the Local Program, assist in the assessment of any emission source testing reports submitted by firms within the Local Program's jurisdiction and serve as expert witnesses in the field of emission source testing, should the need arise.
2. **CEM.** Upon request, DNR shall provide technical assistance to the Local Program in evaluating continuous emission monitoring systems (CEM) and will aid in establishing review procedures consistent with those used by DNR.

#### 5.2.5 Air Quality Monitoring Provisions

- 1. Network Changes.** DNR shall submit written justification for any proposed monitoring network change, which they initiate. DNR shall consider Local Program resources when proposing monitoring network changes.
- 2. EPA Concurrence.** DNR shall respond in writing, within one (1) month of receipt, to all monitoring network change justifications submitted by the Local Program. DNR shall be responsible for obtaining all necessary EPA concurrence for network changes.
- 3. Equipment.** Within budget limitations, DNR shall assist in the repair, replacement and evaluation of monitoring equipment and monitoring sites.
- 4. Laboratory Services.** DNR shall be responsible for payment of analytical laboratory services as indicated in Table 2.

#### **5.2.6 Emergency Episodes**

- 1.** Upon notification of an emergency episode by the Local Program, or determination of an episode by the DNR, the DNR shall take the appropriate emergency actions provided for in 567 IAC Chapter 26 and in accordance with Iowa Code chapter 455B.
- 2.** DNR shall immediately notify the Local Program of any air pollution emergency conditions that DNR determines to exist.

#### **5.2.7 Intergovernmental Cooperation**

- 1. Program Development.** To assure uniform adoption of emissions inventory, PSD, and operating permit application procedures DNR shall:
  - a) Provide the Local Program with inventory and application forms and data entry formats employed by DNR,
  - b) Participate in the development of public workshops and other educational projects.
- 2. Program Changes.** In addition to the assistance and cooperation noted regarding specific issues above, the DNR shall make every effort to keep the Local Program informed of state and federal developments, which may affect the program.
- 3. State Implementation Plan (SIP) Submittal.** DNR shall submit SIP amendments for Local Program administrative rules and SIPs in relation to NAAQS exceedances.

**Environmental Protection Commission  
Iowa Department of Natural Resources**

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ITEM

17

DECISION

**TOPIC**            **2016 Contract with Polk County Air Quality Division: Air Pollution Control in Polk County**

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**Recommendations:**

Commission approval is requested for a one year-service contract with the county government of Polk County; Des Moines, Iowa. The contract will begin on July 1, 2015 and terminate on June 30, 2016. The total amount of this contract shall not exceed \$939,177. This contract is an Iowa Code Chapter 28E contract.

**Funding Source:**

The statutory authority for the DNR to enter into this contract is 455B.145. This contract will be funded by cost reimbursable payments from Title V program fees (not to exceed \$748,139), 105 federal grant dollars (not to exceed \$171,038), and 103 federal grant dollars (not to exceed \$20,000). Polk County has a funding commitment of \$242,356.

**Background:**

Under Iowa Code § 455B.134 (11) and Iowa Code § 455B.144 local political subdivisions are able to address air quality problems in their jurisdictions and can establish their own rules. Polk County had a local program, including ordinances and enforcement, in place prior to the DNR's delegation from EPA for an air program.

As specified in Iowa Code § 455B.145 and 567 Iowa Administrative Code (IAC) Chapter 27, the Polk County Air Quality Division meets the conditions necessary to retain a local program. As established under the requirements of this contract, the Polk County Air Quality Division is responsible for the ongoing implementation of an air program within their county.

**Purpose:**

The parties propose to enter into this contract to specify the extent and manner of cooperation between the two agencies in conducting programs for the abatement, control, and prevention of air pollution within Polk County. Particular emphasis is placed on the collection and assessment of information regarding air quality, the permitting of sources of air emissions, the enforcement of emission limits, and the attainment and maintenance of ambient air quality standards.

**Contractor Selection Process:**

The DNR is allowed to contract with Polk County without using a competitive selection process pursuant to state law.

**Contract History:**

Records indicate that DNR has been contracting with Polk County for implementation of an air program within Polk County since at least 1994. The contract is renegotiated annually with Polk County to provide services that allow for the ongoing implementation of an air program.

In comparison to last year (SFY 2015), the contract currently being requested for approval has the same scope of work. The DNR's budget contribution increased by \$37,011 (Title V program fees) and Polk County's funding commitment increased by \$2,520. \$16,031 of the budget increase is due to personnel, fringe benefit, and indirect increases; the remaining \$23,500 is for a one-time allocation of a specific piece of ambient monitoring equipment.

Christina liams  
Program Planner 2  
Air Quality Bureau – Environmental Services Division  
June 16, 2015

Attachment(s): Special Conditions for Contract 16ESDAQBCIAM-0002

**Section 5 STATEMENT OF WORK – RESPONSIBILITIES OF THE PARTIES**

**5.1** The responsibilities of the Local Program shall be to perform the following tasks. Projects or activities not in accordance with Section 5.1 shall not be conducted with the resources provided for in this Contract unless written approval is granted by the DNR in advance. The Local Program shall complete its obligations under this Contract by the Task Milestone Dates set out in Section 5.1.6.

**5.1.1 Program Management Provisions**

**5.1.1.1 Personnel**

**1. Personnel Commitment.** The Local Program represents that it has or will acquire all personnel required for the performance of the work specified under this Contract and 567 IAC 27.4(1) "c". Staffing requirements are specified in Table 1 below.

**Table 1: Staffing Requirements**

Position	FTE
Air Quality Division Manager	1.05
Air Permit Engineer	2.00
Ambient Air Monitoring Specialist	3.00
Air Quality Specialist	2.00
Air Quality Administrative Support Staff	1.00
<b>Total FTE</b>	<b>9.05</b>

Knowledge, skills, and ability requirements for Local Program staff are as identified below.

- a) Visible Emissions Observers.** The Local Program shall have at least two (2) staff members certified in visible emission observation as specified in 567 IAC Chapter 29.
- b) Dispersion Modeling Personnel.** The Local Program shall have at least one (1) staff member trained in conducting air dispersion modeling. Personnel with modeling responsibilities shall demonstrate during DNR audits and in construction permit review documentation, an adequate knowledge of:
  - 1) Current EPA and DNR procedures, policies, and guidance related to dispersion modeling;
  - 2) Techniques and methods used to perform or review air dispersion modeling analyses;
  - 3) Air dispersion model output data and its use in determining compliance with the applicable ambient air quality standards; and
  - 4) Strategies and/or control measures necessary to mitigate modeled exceedances of the applicable air quality standards.
- c) Inspection Personnel.** Inspection personnel shall:
  - 1) Maintain state visible observation certification;
  - 2) Demonstrate an adequate understanding of the principles, practices, laws, procedures and control methods during joint inspections and through inspection documentation; and
  - 3) Demonstrate an adequate understanding of the principles of and methods employed in:
    - a) Stack testing for the purpose of observing stack tests, and
    - b) Continuous emission monitoring for the purpose of monitor certification.
- d) Monitoring Personnel.** Monitoring personnel shall demonstrate, during EPA and DNR audits and in monitoring program documentation, an adequate knowledge of, and ability to perform:
  - 1) Monitoring operations;
  - 2) Quality control and quality assurance methods; and
  - 3) Standard operating procedures.
- e) Permit Review Personnel.** Permit review personnel shall:
  - 1) Demonstrate an adequate understanding of the principles, practices, laws, procedures and control methods applicable to the determination of permit completeness, review of permit applications and the issuance of permits, particularly as they apply to the determination of:
    - a) Applicability of Prevention of Significant Deterioration (PSD) "synthetic minor" review;
    - b) Applicability of New Source Performance Standards (NSPS);
    - c) Applicability of Title V (Operating Permits); and
    - d) Applicability of Title I and section 112.
  - 2) Demonstrate an understanding of stack testing methods and application, and the review of stack test results.

**2. Personnel Qualification.** All of the work and services required shall be performed by the Local Program and all personnel engaged in the work shall be fully qualified and shall be authorized under state and local law to perform such services.

**3. Key Personnel.** The following individuals are designated as key personnel:

- a) Jeremy Becker (Air Quality Manager)
- b) Brent Blanchard (Air Permit Engineer)
- c) Jim Voigt (Air Quality Specialist)

Individuals specified as "Key Personnel" are considered essential to the work and services to be performed. If for any reason substitution for a specified individual becomes necessary, the Local Program shall provide immediate written notification of such to the DNR. The Local Program shall provide the name and qualifications of the replacement individual.

**4. Training.** All permit writing, enforcement, and ambient monitoring personnel shall maintain familiarity with applicable air quality permitting, inspection, and monitoring procedures, techniques, and technologies by routinely attending pertinent EPA, DNR, or other public or private training classes. Attendance at Air and Waste Management Association (AWMA) and National Association of Clean Air Agencies (NACAA) conferences is encouraged. The Local Program shall submit to DNR a training plan for all permit writing, enforcement, and ambient monitoring staff. The training plan shall be submitted on an annual basis (as per Section 5.1.6) for DNR review and recommendation.

**5. Personnel Report.** The Local Program shall submit a semi-annual report, per Section 6.3.4 of this Contract, containing the following information:

a) A summary, for each staff member working under this Contract, of how staff time was utilized, in full-time equivalent (FTEs) percentages, for the following program activities:

- 1) Minor Source Construction/Local Operating Permitting
- 2) Major Source Construction Permitting,
- 3) Title V Operating Permitting,
- 4) Program Development,
- 5) Ambient Air Monitoring Quality Assurance,
- 6) Ambient Air Monitoring Field Operations,
- 7) Minor Source Compliance/Inspections,
- 8) Major Source Compliance/Inspections,
- 9) Training/Conferences,
- 10) Administration & Management,
- 11) Minor Source Air Dispersion Modeling, and
- 12) Major Source Air Dispersion Modeling

Totals shall be provided for each category; and

b) A training summary to include dates, training provider/sponsor, location, and names of staff who attended.

**6. Personnel Changes.** The Local Program may make personnel changes, which include but are not limited to promotions, transfers, and terminations, during this Contract, provided the total FTE requirements indicated in Table 1 are maintained and the provisions of Section 5.1.1.1/3 regarding key personnel are followed. The Local Program shall submit, no later than ten (10) working days from the effective date of a personnel change, a report containing the following information:

- a) The changes in personnel, including the staff name, position before/after the changes, personnel and benefit amounts, and effective date of the changes; and
- b) Identification of work products being affected by the change and how and when the work products will be completed.

**7. New Personnel.** For new hires, including temporary hires that will be paid using funds awarded under this Contract, the Local Program shall submit, no later than ten (10) working days from the start date of the new hire, a report containing the following information:

- a) The new staff member's name, position, and personnel and benefit amounts,
- b) A new employee background summary, including name of the employee and a description of their education and experience; and
- c) A special training schedule to be used for training the new employee.

**8. Personnel Plan.** By January 15, 2016, the Local Program shall submit to DNR a staffing plan for the period of July 1, 2016 through June 30, 2017. This plan should document current utilization of staff time, as categorized above, and propose and explain any changes to the current utilization.

**5.1.1.2 Fiscal Reporting**

**1. Budget.** By January 15, 2016, the Local Program shall submit to the DNR the dollar per square foot rental rate and proposed salary and non-salary itemized budgets for the period of July 1, 2016 through June 30, 2017. If requested by the DNR, the Local Program shall include a written justification for the proposed budget items. The Local Program may use the current Contract's responsibilities and shall use line items, as provided in Section 5.1.1.2/2, to assist in establishing the draft budget. Any new responsibilities or requests should include a written justification for the proposed budget item.

**2. Expenditure Reports.** The Local Program shall report expenditures of State Grant funds and the Local match quarterly, per Section 7.5 of this Contract. At a minimum, the expenditure reports shall contain the following line item descriptions. The Local Program may incorporate additional sub items as are reflected in their actual accounting practices with written approval by the DNR.

Expenditure Category	STATE CONTRIBUTION NOT TO EXCEED	105 FG NOT TO EXCEED	Title V NOT TO EXCEED	103FG NOT TO EXCEED	OVERALL TOTAL (including LP Match)
Personnel (1)	777,576	144,147	613,429	20,000	979,389
Travel/Training (2)	3,813	750	3,063	0	5,000
Supplies (Total) (3)	8,358	1,666	6,692	0	10,750
Vehicle Operation & Maintenance	5,209	1,038	4,171		6,700
Gas & Vehicle Repairs	5,209	1,038	4,171		6,700
Office Supplies & Equipment	3,149	628	2,521		4,050
Stationary & Forms	778	154	624		1,000
Data Processing Supplies	194	39	155		250
Central Store Charge/Misc.	194	39	155		250
Furniture & Safety Equipment	389	78	311		500
A/V Equipment	39	8	31		50
PC Equipment	1,555	310	1,245		2,000
Other (Total) (4)	15,450	3,000	12,450	0	20,000
Lease/Maintenance Agreement	463	90	373		600
Utilities (phone, electric)	10,815	2,100	8,715		14,000
Postage, Printing, Reproductions	3,708	720	2,988		4,800
Contract Carriers	464	90	374		600
Miscellaneous Other	0	0	0		0
Equipment (Total) (5)	92,781	13,389	79,392	0	113,200
General Expense	69,281	13,389	55,892		89,700
Engineering & Scientific Equipment	50,241	10,465	39,776		66,200
Equipment Repair & Maintenance	5,047	1,051	3,996		6,650
Vendor Training	5,000	0	5,000		5,000
Data Processing Equipment	7,538	1,570	5,968		9,932
Lab Supplies	1,455	303	1,152		1,918
One Time Allocation	23,500	0	23,500		23,500
BAM 1022 Monitor	23,500	0	23,500		23,500
Indirect charges	41,199	8,086	33,113		53,194
Total	939,177	171,038	748,139	20,000	1,181,533

**3. Unobligated Title V Funds.** Annually, the DNR shall reduce the unobligated Title V fund balance by 3,964 square feet times the current square foot rental rate.

**5.1.1.3 Initial Contract Review**

By March 15, 2016, the Local Program shall submit to DNR comments and changes proposed to the draft Contract, for the period of July 1, 2016 through June 30, 2017, to include any deletions, revisions, and additions. Justification shall be provided for any change in the draft Contract.

**5.1.1.4 Fiscal Final Contract Review**

By April 30, 2016, the Local Program shall submit to DNR any comments of the final draft Contract.

**5.1.1.5 Information Technology**

**1. Web Site.** The Local Program shall continue to develop and maintain a website to disseminate information regarding the air program. The Local Program website shall be reviewed, at a minimum, on a quarterly basis and updated as needed, or as directed by DNR.

**a)** For projects that require "updates", the Local Program shall submit, in accordance with the schedule identified in Section 6.3.2, a quarterly report to the DNR Project Manager. The following shall be included in the quarterly report:

- 1)** Activities completed to meet the deliverables;
- 2)** A description of any obstacles that may delay timely completion of each respective work item; and
- 3)** The number of hours to complete each deliverable.

**2.** The Local Program shall ensure that its website includes real-time ambient air monitoring data within the requirements established in Section 5.1.5.1/5.

**3. Web Site Planning.** By January 15, 2016, the Local Program shall submit to the DNR a proposed website fiscal year plan for the period of July 1, 2016 through June 30, 2017. The plan shall include:

- a)** Identification of the Local Program's current website deficiencies or problems;
- b)** A description of how the Local Program will address the deficiencies or problems, including all deficiencies or problems as identified in writing by the DNR;
- c)** A process for continual maintenance of the website during the period of July 1, 2016 through June 30, 2017; and
- d)** A budget proposal, for SFY 2017.

**5.1.1.6 Legal Authority**

**1. Enforcement.** The Local Program is authorized to enforce Chapter V of the Polk County Rules and Regulations within Polk County. The Local Program is further authorized to fulfill its responsibilities under the Clean Air Act and Iowa Code Chapter 455B.

**2. Polk County Rules.** The Local Program shall update Chapter V of Polk County Rules and Regulations to be no less stringent than federal and state statutes and rules, including NSPS and NESHAP regulations. The Local Program shall provide:

- a)** A thirty-day public comment period and public hearing, as required by 40 CFR 51.102, to allow for federal approval of the rule amendments. The thirty-day comment period must occur prior to any final action by the Polk County Board of Supervisors taken pursuant to the provisions of Iowa Code section 331.305;
- b)** Public notice by publishing the notice in a local newspaper;
- c)** The DNR, prior to final action by the Polk County Board of Supervisors, a compilation of public comments and the County's response to all comments to any interested party; and
- d)** The DNR and U.S. Environmental Protection Agency (EPA), Region VII with a copy of the rule amendments prior to the conclusion of the comment period.

**3.** The Local Program shall confer with the DNR on the need, content and timing of revisions and updates to Chapter V of the Polk County Rules and Regulations by January 1, 2016, to ensure the Polk County rules are no less stringent than federal and state statutes and rules, including NSPS and NESHAP regulations. If the Local Program or DNR determines that revisions or updates to Chapter V are necessary, the Local Program shall initiate revisions and updates to Chapter V no later than June 15, 2016. "Initiate" shall be defined in this article as having proposed the first notice of rules.

**5.1.1.7 Minority and Women Business Enterprise (MBE/WBE)**

The Local Program shall submit a quarterly MBE/WBE report to the DNR, per Section 5.1.6 of this Contract, on Standard Form 5700-52A. For instances where there is no information to submit, the Local Program shall correspond via electronic media to the DNR Project Manager that there are no items to report.

#### **5.1.1.8 Intergovernmental Cooperation**

- 1. EPA Grants.** The Local Program shall submit such information as DNR may require for demonstration of compliance with EPA grant output requirements.
- 2. Semi-Annual Meetings.** Commencing with beginning performance of this Contract, the Local Program and DNR shall meet semi-annually to discuss:
  - a) Progress toward the development and implementation of a comprehensive statewide air quality program, and national and state air quality priorities and issues; and
  - b) Progress made by the Local Program during the performance of this Contract.

As agreed upon by the parties, additional meetings may occur. Representatives of each agency shall be present. The meetings shall occur, either in person or by telephone conference call. Meetings may be postponed only on a case-by-case basis by mutual written agreement of the parties.

- 3. SIP Assistance.** The Local Program shall also provide, within Local Program budget, legal and jurisdictional limitations, such other assistance as DNR may request in order to implement the State of Iowa Air Pollution Implementation Plan (SIP).

#### **5.1.2 Construction Permitting Provisions**

##### **5.1.2.1 Source Review**

The Local Program shall review all proposed new emission units and modifications to existing sources of air pollution.

##### **5.1.2.2 Permit Issuance**

Local Program issuance of construction and operating permits for all new or altered equipment capable of emitting air contaminants into the atmosphere shall neither:

1. Result in a violation of applicable portions of the control strategy (as provided in 40 CFR Part 52, Subpart Q), nor
2. Interfere with the attainment or maintenance of a national ambient air quality standard (NAAQS) (determined by application of appropriate EPA Guideline air quality model or equivalent review).

##### **5.1.2.3 Permit/Modeling Procedures**

1. The Local Program shall utilize the procedures described in the latest version of the DNR Construction Permit Manual, check-sheets and forms (or approved equivalents), and EPA Guidelines. For modeling, the Local Program shall, at a minimum, utilize the procedures and guidance described in the latest version of the DNR's "Air Dispersion Modeling Guidelines for Non-PSD, Pre-Construction Permit Applications" and the "Air Dispersion Modeling Checklist for Non-PSD Construction Permit Applications".
- 2. Modeling Meetings.** If requested by the Local Program and/or the DNR, the two parties shall meet to discuss modeling issues. The Local Program technical staff involved in ambient air modeling shall be present. This meeting will focus on DNR modeling guidance, procedures/checklists and their application, and specific questions related to conducting and review of dispersion modeling.

##### **5.1.2.4 Permit Transfer**

1. The DNR has pre-approved classes of sources based on the agreement of permit content for that class of source. This pre-approval includes tanks, generators, paint booths at minor sources, and modifications for administrative corrections and changes in stack characteristics. Such approval shall remain in effect until such time as the permit content changes.
2. The Local Program shall transfer directly for DNR review, any construction permit applications for any new or major modifications<sup>1</sup> of existing PSD major facilities within Polk County; and any projects that trigger review under the provisions of Section 112(g) of the Clean Air Act.

##### **5.1.2.5 Permit Content**

Draft construction permits submitted pursuant to Section 5.1.2.4 shall include:

1. Potential to emit calculations;
2. A statement specifying the Local Program's determination of the applicable regulation(s) for permit issuance;
3. Documentation of any measures used to avoid major Prevention of Significant Deterioration (PSD) source review;

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<sup>1</sup> Major modification means any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any regulated pollutant.

4. Predicted actual emission calculations; and
5. Language in accordance with requirements set out in 567 IAC 22.3(3); which are the conditions for approval.

#### 5.1.2.6 Referrals

Construction permit applications for any proposed new major PSD air pollution source or for any major modifications at any existing major PSD source shall be referred to DNR for review and permit issuance determination.

#### 5.1.2.7 Data Management

1. The Local Program shall submit to the DNR, via electronic media, quarterly Excel reports containing construction permitting information and updates. These reports shall include the following information:
  - a) Source name;
  - b) Source location;
  - c) ICIS ID number;
  - d) Emission unit description;
  - e) Emission point identification;
  - f) Date application received;
  - g) Date permit issued;
  - h) Major pollutants emitted;
  - i) Type of permit issued (i.e. new, modification, as-built, synthetic minor); and
  - j) Primary standard industrial classification codes.

If desired, the Local Program may also update the Integrated Compliance Information System (ICIS) with construction permitting information in addition to the excel spreadsheet identified above.

#### 5.1.3 Title V Permitting Provisions

##### 5.1.3.1 Title V Permit Activities

1. **Permit Review.** Upon receipt or notification by the DNR, the Local Program shall review all permit applications for Title V Operating Permits submitted for facilities located within Polk County.
2. **Permit Application Processing and Draft Permit Content.** The Local Program shall process the permit applications and prepare draft permits following the guidelines specified in 567 IAC 22.107, 22.108, and 22.110-116, including all of the elements specified in Section 5.1.3 of this Contract. The Local Program shall use the DNR's review manual and review check sheet as an aide in the process of drafting permits.

##### 5.1.3.2 Permit Application Review

1. **Permit Application Completeness.**
  - a) The Local Program shall develop and maintain a protocol for determining application completeness. This protocol shall be employed in the review of all permit applications for operating permitting.
  - b) The Local Program shall, within 60 days of application receipt or notification by the DNR, make a completeness determination on the application and issue to the applicant a notice of whether the application is complete.
2. **Permit Application.** The Local Program shall process permit applications in accordance with requirements set out in 567 IAC 22.107 and as specified in this Contract.
  - a) **Prioritization of review.** The Local Program shall review the permit applications in accordance with the priority schedule established in 567 IAC 22.107(1)"c."
  - b) If, while processing an application that has been determined to be complete, the Local Program determines that additional information is necessary to evaluate the application, the Local Program shall request from the source, in writing, such information and set a reasonable deadline for a response.
3. **Decision to Deny a Permit Application.** If the Local Program judges that a permit application should be denied, the Local Program shall notify DNR as soon as possible. The notification to DNR shall include a summary of the basis of the decision and a copy of all information relevant to the decision including a chronology of any requests for additional information and other relevant correspondence with the source.
4. **Performance Expectation.** The Local Program shall draft for issuance or denial a minimum of four (4) initial or renewal Title V Operating Permits, annually. Consistent with the allocation of effort for this activity (1 FTE), deviation from this minimum performance expectation in order to address priority DNR projects may be negotiated with the agreement of both parties.
  - a) **Schedule.** No later than May 15, 2016, the Local Program shall submit to the DNR, via electronic media, a proposed schedule that identifies what Title V Operating Permits the Local Program intends to issue during the period of July 1, 2016 through June 30, 2017. The schedule shall include, but is not limited to:

- 1) Facility Name;
- 2) Title V Permit Number;
- 3) Type of Permit (renewal or initial);
- 4) EIQ number;
- 5) IDNR Facility number;
- 6) AIRS number; and
- 7) Months since Issued Date.

Any changes to the proposed schedule shall be submitted to the DNR within thirty (30) days of revision.

**b) Quarterly Status Report.** In accordance with Section 5.1.6 of this Contract, the Local Program shall submit to the DNR a quarterly status report of Title V Operating Permits being drafted for issuance by the Local Program for the period of July 1, 2015 through June 30, 2016. The status report shall include, but is not limited to:

- 1) Facility Name;
- 2) Title V Permit Number;
- 3) Type of Permit (renewal or initial);
- 4) EIQ number;
- 5) Name of Staff Member working on the permit;
- 6) Stage of Review (may include, but not limited to: facility follow-up/information gathering, facility review, DNR review, public notice; or submitted to DNR for issuance) and date to be completed;
- 7) Identification of any problems/obstacles with the permit; and
- 8) Identification of being able to meet the issuance requirements identified in Section 5.1.3.2/4.

#### **5.1.3.3 Permit Content**

The Local Program shall prepare draft permits in accordance with 567 IAC 22.108 including but not limited to the items listed below.

1. **Enforceable Emission Limitations and Standards.** Each draft permit shall include emissions limitations and standards, including those operational requirements and limitations that ensure compliance with all applicable requirements at the time of permit issuance as defined in 567 IAC 22.108(1).
2. **Permit Duration.** The draft permit shall specify a fixed term not to exceed five years except:
  - a) Draft permits for Title IV affected sources shall have a fixed term of five years.
  - b) Draft permits prepared for solid waste incineration units combusting municipal waste subject to standards under section 129(e) of the Act shall have a term not to exceed 12 years. Such permits shall be reviewed every five years.
3. **Monitoring.**
  - a) Each draft permit shall contain the requirements with respect to monitoring as set forth in 567 IAC 22.108(3). Each draft permit shall include monitoring requirements no less stringent than those required in the applicable requirement, applicable Compliance Assurance Monitoring (CAM) requirements, or in the guidelines established in accordance with "b)" below, whichever is more stringent.
  - b) The Local Program shall, where the applicable requirement does not require periodic testing or instrumental or non-instrumental monitoring (which may consist of record keeping designed to serve as monitoring) or CAM requirements, establish protocols (consistent for each type of process or control) for periodic monitoring sufficient to yield reliable data for the relevant time period that are representative of the source's compliance with the permit.
    - 1) The Local Program shall compile such protocols as established for the purposes of "b)" above, and establish a guideline showing generally acceptable monitoring practices for certain types of air pollution control equipment. These guidelines should represent a minimum standard. The guideline shall include all equipment types included in any draft permits made available for public comment. The Local Program shall provide DNR with a copy of the guideline upon request.
4. **Record Keeping.**
  - a) Each draft permit shall contain the requirements with respect to record keeping as established in 567 IAC 22.108(4). Each draft permit shall include record keeping requirements no less stringent than those required in the applicable requirement or in the guidelines established in accordance with "b)" below, whichever is more stringent.

**b)** The Local Program shall establish protocols, in concert with those established for monitoring, (consistent for each type of process or control) for record keeping which meet the requirements of 567 IAC 22.108(4) and are sufficient to ensure that the data collected will ensure the use of terms, test methods, units, averaging periods, and other statistical conventions consistent with the applicable requirement. The protocols shall ensure that the data required for record keeping must be reliable for the relevant time period that are representative of the source's compliance with the permit [as required in 567 IAC 22.108(3)(*Monitoring*)].

**1)** The Local Program shall compile such protocols and establish a guideline showing generally acceptable record keeping practices for certain types of air pollution control equipment. These guidelines should represent a minimum standard. The guideline shall include all equipment types included in any draft permits made available for public comment. The Local Program shall provide DNR with a copy of the guideline upon request.

**5. Reporting.**

**a)** Each draft permit shall contain the requirements with respect to reporting as established in 567 IAC 22.108(5) where applicable. Each draft permit shall include reporting requirements no less stringent than those required in the applicable requirement or in the guidelines established in accordance with "b)" below, whichever is more stringent.

**b)** The Local Program shall compile a guideline establishing acceptable reporting frequencies for activities requiring reporting. These guidelines should represent a minimum standard. The guideline shall include all equipment types included in any draft permits made available for public comment. The Local Program shall provide DNR with a copy of the guideline upon request.

**6. Risk Management Plan.** If the source is required to develop and register a risk management plan (RMP) the draft permit shall state the requirement for submission of the plan. The permit shall also require filing the plan with appropriate authorities and an annual certification to the DNR that the plan is being properly implemented. The Local Program shall ensure RMPs are submitted to the local emergency planning committee.

**7. Incorporating Allowances.** The Local Program shall ensure that the draft permit incorporates provisions, when applicable, which prohibit emissions exceeding any allowances that the affected source lawfully holds under Title IV of the Act or the regulations promulgated there under. Each draft permit shall meet permit requirements with respect to emissions as required by 567 IAC 22.108(7) where applicable.

**8. Severability Clause.** The draft permit shall contain a severability clause to ensure the continued validity of the various permit requirements in the event of a challenge to any portions of the permit.

**9. Other Provisions Required to be Listed in the Draft Permit.**

**a)** The draft permit shall contain provisions establishing those conditions established in 567 22.108(9).

**b)** The Local Program shall develop a guideline establishing minimum standards for the operation and maintenance of pollution control equipment sufficient to determine continued operation of such equipment necessary to maintain compliance with applicable requirements. The guideline shall include all equipment types included in any draft permits made available for public comment. The Local Program shall provide DNR with a copy of the guideline upon request.

**10. Fees.** The draft permit shall include a provision to ensure that the permittee pays fees and supplies all annual emissions reports to the DNR pursuant to 567 IAC 22.106.

**11. Emissions Trading.** A provision of the draft permit shall state that no permit revision shall be required, under any approved economic incentives, marketable permits, emissions trading and other similar programs or processes for changes that are provided for in the draft permit.

**12. Operating Scenarios.** Terms and conditions for reasonably anticipated operating scenarios identified by the source in its application and which are approved by the Local Program shall be incorporated into the draft permit if requirements established in 567 IAC 22.108(12) and other related requirements are met.

**13. Terms and conditions of Trading Emissions Increases and Decreases.** Terms and conditions of trading emissions increases and decreases shall be included in the draft permit if they meet the conditions and requirements established in 567 IAC 22.108(13).

**14. Federally Enforceable Requirements.** The draft permit shall meet requirements as established in 567 IAC 22.108(14).

**15. Compliance Requirements.** All draft permits shall contain the elements with respect to compliance as established in 567 IAC 22.108(15).

**16. Emergency Provisions.** All draft permits shall contain the elements with respect to emergency situations as established in 567 IAC 22.108(16).

**17. Permit Shield.** As provided in 567 IAC 22.108(18) the draft permit shall include those provisions, as applicable, with regard to permit shields.

**18. Permit Reopening.** The Local Program shall include provisions in the draft permit specifying the conditions under which the permit may be reopened and revised prior to the expiration of the permit. A permit shall be reopened and revised under the circumstances indicated in 567 IAC 22.108(17) and 22.114.

#### **5.1.3.4 Preparation of a Draft Permit and Fact Sheet**

The Local Program shall prepare a draft permit and a fact sheet. The Local Program shall provide the fact sheet to any other person who requests it. The fact sheet shall include:

1. The rationale for issuance or denial of the permit;
2. A brief description of the type of facility;
3. A summary of the type and quantity of air pollutants being emitted;
4. A brief summary of the legal and factual basis for the draft permit conditions, including references to applicable statutes and rules;
5. A description of the procedures for reaching final decision on the draft permit including the comment period, the address where comments will be received, and procedures for requesting a hearing and the nature of the hearing; and
6. The name and telephone number for a person to contact for additional information.

#### **5.1.3.5 Permit Review by DNR**

1. The Local Program shall provide DNR with the draft permit and fact sheet as soon as practical. Once the draft permit has been reviewed and any objections have been resolved, then the draft permit shall be provided to the facility for review.

**2. Conveyance of Proposed Permit to DNR.** The Local Program shall convey to DNR by electronic media or hard copy the following for all draft permits:

- a) Copy of the draft permit and fact sheet in *Microsoft Word*.
- b) All correspondence (in *Microsoft Word*) generated by the Local Program with regard to the permit, including but not limited to:
  - 1) Completeness review and results, and
  - 2) Requests made by the Local Program for additional information and the response.

#### **5.1.3.6 Facility Review**

The Local Program shall provide the facility no more than 30 days to review the draft permit prior to the start of the public comment period.

#### **5.1.3.7 Permit review by EPA**

**1. Transfer of Draft Permit.** The Local Program shall provide EPA with a copy of the draft permit at the start of the public comment period.

**2. Response to EPA Comments.** The Local Program shall formulate a draft written response to written objections submitted by EPA if those objections are received within 45 days of EPA receipt of the draft permit. The draft written response to EPA shall be submitted to DNR no later than 45 days from receipt of the objections if the objection has not been resolved.

#### **5.1.3.8 Public Notice and Public Participation**

**1. Public Notice.** The Local Program shall provide public notice and an opportunity for public comments, including an opportunity for a hearing, before recommending to DNR any of the following actions: issuance, denial or renewal of a permit; or significant modification or revocation or reissuance of a permit.

**2. Mailing List.** The Local Program shall establish and maintain a mailing list for the distribution of public notices. The Local Program shall include DNR and EPA, Region VII, on the mailing list.

**3. Publication and Availability of Notice.** Notice shall be given by publication in a newspaper of general circulation in the area where the source is located or in a state publication designed to give general public notice. Notice also shall be given to persons on a mailing list developed by the Local Program, including those who request in writing to be on the list. The Local Program may use other means if necessary to ensure adequate notice to the affected public. The public notice shall include the following:

- a) Identification of the Title V source;
- b) Name and address of the permittee;
- c) Name and address of the permitting authority processing the permit;

- d) The activity or activities involved in the permit action;
- e) The emissions change involved in any permit modification;
- f) The air pollutants or contaminants to be emitted;
- g) The time and place of any possible public hearing;
- h) A statement that any person may submit written and signed comments, or may request a public hearing, or both, on the proposed permit. A statement of procedures to request a public hearing shall be included;
- i) The name, address, and telephone number of a person from whom additional information may be obtained; and
- j) Locations where copies of the permit application and the proposed permit may be reviewed, including the closest department office, and the times at which they shall be available for public inspection.

**4. Public Comment Period.** At least 30 days shall be provided for public comment. Notice of any public hearing shall be given at least 30 days in advance of the hearing.

**5. Public Hearing.** Any person may request a public hearing. The Local Program shall hold a public hearing upon finding, on the basis of requests, a significant degree of relevant public interest in a draft permit. A public hearing may also be held at the Local Program's or the Director's discretion.

**6. Response to Comments.** The Local Program shall keep a record of the comments and of the issues raised during the public participation process and shall prepare written responses to all comments received. The Local Program shall revise the draft permit in response to comments made during the comment period if the Local Program determines that modifications to the draft permit are warranted. The record of persons commenting, issues raised and the written responses shall be conveyed to the DNR with the final draft permit. The Local Program shall not make the written responses or subsequent changes to the draft permit public until the time that the DNR makes a final decision on the permit.

#### **5.1.3.9 Final Permit Issuance**

**1. Changes to the Draft Permit.** Subsequent to fulfilling all requirements for public notice, hearings and review by EPA, the Local Program shall incorporate those changes, as it deems appropriate into the proposed permit.

**2. Conveyance of Proposed Permit to DNR.** The Local Program shall convey to DNR by electronic media or hard copy the following for all final proposed permits:

a) The final proposed permits in *Microsoft Word*.

b) All correspondence (in *Microsoft Word*) generated by the Local Program with regard to the permit, including but not limited to:

- 1) Completeness review and results;
- 2) Requests made by the Local Program for additional information and the response;
- 3) Copy of all comments made during the comment period, including comments made by EPA if submitted during the comment period; and
- 4) The Local Program's response to written and oral comments made during the comment period by the public or by EPA.

#### **5.1.3.10 Reopening Issued Title V Permits**

**1. Reopening.** Proceedings to reopen and reissue a Title V permit shall follow the procedures applicable to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. The Local Program shall reopen permits under the circumstances listed in 567 IAC 22.114(1) "a-e."

**2. Public Notice.** The Local Program shall issue a notice of intent to the Title V source at least 30 days in advance of the date the permit is to be reopened, or as established under the authority defined in 567 IAC 22.114(3).

**3. Proposed Determination.** Within 75 days of receipt of a notice from the administrator that cause exists to reopen a permit, the Local Program shall forward to the DNR a proposed determination of termination, modification, revocation, or reissuance of the permit, as appropriate. The submission to DNR shall include all elements as required for initial final draft permit submittal.

#### **5.1.3.11 Title V Permit Renewals**

The Local Program shall renew Title V permits using the same procedural requirements that apply to initial permit issuance, including those for public participation and review by EPA.

#### **5.1.3.12 Emissions Data**

**1.** The Local Program shall, within the staffing and funding limitations specified in this Contract, conduct emissions inventory audits as identified by DNR to insure accurate and appropriate emission estimates are provided by air pollution sources.

2. The Local Program shall, within seven (7) days of determination of errors or missing data, request corrections or additional information from those facilities for which the emissions inventory submittal is determined to be flawed.
3. The Local Program shall notify the DNR upon receipt and determination of acceptability of the requested inventory information. The Local Program shall transmit to the DNR any corrected hard copy documentation provided by the facility for DNR data entry into SPARs and filing in the DNR Records Center.

#### **5.1.3.13 Permit Changes**

The Local Program shall process any permit changes to valid Title V permits as follows:

1. Changes allowed without a Title V permit revision: 567 IAC 22.110;
2. Administrative amendments to Title V permits: 567 IAC 22.111;
3. Minor Title V permit modifications: 567 IAC 22.112; and
4. Significant Title V permit modifications: 567 IAC 22.113.

#### **5.1.3.14 Data Management**

The Local Program shall work with the DNR to determine:

1. Training needs of the Local Program staff to complete their job functions using the operational SPARS web-enablement program; and
2. Accessibility, logistics, and security measures that need to be evaluated to ensure that the Local Program is able to complete work using the SPARS program.

#### **5.1.3.15 Intergovernmental Cooperation**

In order to assure uniform adoption of emissions inventory and operating permit application procedures the Local Program shall:

1. Adopt the inventory and application forms and data entry formats employed by DNR; and
2. Participate in the development of public workshops and other educational projects.

### **5.1.4 Compliance and Inspection Provisions**

#### **5.1.4.1 Compliance**

1. **Local Program.** The Local Program has the primary responsibility for conducting the air pollution control program within Polk County. Nothing in this Contract, however, shall constitute (or be construed to constitute) a valid defense by regulated parties in violation of any local, state or federal statute, regulation or permit.
2. **Compliance Status.** The Local Program shall routinely track, evaluate, and document the compliance status of major, synthetic minor, and minor facilities within Polk County.
3. **Violations.** The Local Program shall identify violations and initiate appropriate and timely enforcement actions as follows:
  - a) **High Priority Violations.** The Local Program shall determine if the violation should be classified as a High Priority Violation (HPV), as outlined in the August 25, 2014, EPA policy, The Timely and Appropriate (T&A) Enforcement Response to High Priority Violations. If the violation meets the qualification of a HPV, the Local Program shall issue a notice of violation (NOV) within sixty (60) days of designating a violation as an HPV. The violation shall be resolved and/or addressed by no later than 270 days after this designation is made or as otherwise provided under the EPA policy.
  - b) **Other Violations.** If the violation does not meet the criteria for a HPV, the Local Program shall compile documentation within thirty (30) days of the date the violation was discovered and shall issue an NOV or other correspondence within sixty (60) days of the date of this date.
  - c) The Local Program shall resolve and/or address all violations (including HPVs) by taking at least one or more of the following actions:
    - 1) Issuance of an NOV or other correspondence containing an outline of corrective action(s) which, if accomplished, will achieve compliance with the applicable provisions of the Polk County Rules; or
    - 2) Issuance of a compliance schedule or an emission reduction program; or
    - 3) Issuance of a fine (or other financial penalty as appropriate); or
    - 4) Issuance of a unilateral or consent order with or without a fine (or other financial penalty as appropriate); or
    - 5) Referral to the County Attorney, Board of Supervisors, DNR, or EPA.
  - d) The Local Program shall copy the DNR on all NOVs or other correspondence for sources as described in Section 5.1.4.5/1 a-f, all follow-up correspondences, all demands for payment, fine issuances, order issuances, and referrals to the County Attorney.

- 4. Compliance Schedules.** Compliance schedules for major, synthetic minor, and minor facilities within Polk County shall be conveyed to the DNR via hard copy or electronic media.
- 5. Noncompliance Penalties.** As part of unilateral or consent orders, the Local Program shall inform the source of noncompliance penalties contained in Section 120 of the Clean Air Act, as amended, and Iowa Code § 455B.131-.149.
- 6. PSD/DNR Permits.** For Construction or PSD permits issued by DNR for sources within Polk County, upon notification by DNR of initial compliance with the permit, the Local Program shall assume ongoing source inspection responsibilities.
- 7. Title V Permits.** For Title V permits issued by DNR for facilities within Polk County, the Local Program shall assume ongoing facility inspections, compliance, and evaluation responsibilities.
- 8. State Enforcement.** The DNR shall handle the enforcement for PSD and Title V applicability issues. Also, DNR shall handle the enforcement for Title V fee payment and the emission inventory. Once DNR permits are issued, the Local Program shall handle the enforcement of the permits. In all cases where compliance with DNR issued permits cannot be achieved in a timely and appropriate manner through enforcement of Local Program restrictions, the Local Program shall forward all documentation to DNR for state enforcement action.

#### 5.1.4.2 Stack Tests

The DNR and the Local Program shall jointly conduct a minimum of one (1) stack test observation and evaluation during the period of performance. The joint observation will include review of the facility's testing protocol, attendance at any pre-test meeting, observation of the stack test, and review of the testing results. The DNR and Local Program will mutually agree upon which stack test will be jointly observed and evaluated.

#### 5.1.4.3 Inspections

- 1. Schedule.** The Local Program shall, at a minimum, conduct inspections according to the plan submitted to EPA under EPA's Clean Air Act Stationary Source Compliance Monitoring Strategy, July 14, 2014 and the following:
  - a) Complaints/"Problem" facilities take priority over inspection;
  - b) Compliance assistance visits shall be scheduled by the Local Program with the affected facility. Inspections shall be conducted in an unannounced manner except in cases where facility key personnel are unavailable or the facility is not operating and a return visit is needed to conduct the inspection;
  - c) NESHAP Facilities (for standards identified 567 IAC 23.1(3) and (4)), Area Source NESHAP facilities shall receive a compliance assistance visit<sup>2</sup>, upon initial identification, to ensure new and existing facilities are aware of the promulgated NESHAPs and their responsibilities under such standard;
  - d) Portable Sources shall be inspected annually;
  - e) New Minors shall receive a compliance assistance visit to ensure they are aware of air quality regulations;
  - f) Existing Minors shall be inspected following issuance of new construction permit or conditional operating permit; and
  - g) The Local Program shall be observant of facilities that are not inspected and/or have unpermitted sources.
- 2. Joint Inspections.** At a minimum, two (2) compliance inspections of facilities (2 major source) within the Local Program's jurisdiction shall be conducted jointly by staff of DNR and the Local Program during the Contract's time of performance. The facilities to be inspected shall be mutually agreed upon by the Local Program and DNR, Field Office #5. Prior to the joint inspection, the Local Program shall submit or make available to Field Office #5 the following: copies of the applicable permits, the previous inspection report, and other pertinent data upon request. In addition, within 30 days following the joint inspection, the Local Program shall submit to Field Office #5 a copy of the completed field sheet and NOV or other correspondence, if applicable.

#### 5.1.4.4 Variances

- 1. Issuance.** The Local Program, may issue a variance<sup>3</sup> for sources within Polk County in accordance with Article XIV of Chapter V of the Polk County Board of Health Rules and Regulations. The Local Program must, at a minimum, copy DNR on all burn permits that would constitute a variance from state rules. For purposes of 567 IAC 27.3(4) "c", "Administrative Officer" shall not include Jeremy Becker or Brent Blanchard.

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<sup>2</sup> A compliance assistance visit is a tool to disseminate information on what the facility needs to do to come into or remain in compliance.

<sup>3</sup> Each open burning permit issued for items other than those exempted by 567 IAC Subrule 23.2(3) shall constitute a variance.

**2. Training Fires.** Prior to issuance of a training fire permit, the Local Program shall inform the training agency of the requirements to submit an Asbestos NESHAP notification to DNR, as required by 567 IAC Paragraph 23.2(3) "g." This can be done by stating the requirement to submit a notification to the DNR and by providing the name and number of the state asbestos NESHAP contact on each training fire permit issued. The Local Program shall copy DNR, at the time of issuance, on all training fire permits issued.

#### **5.1.4.5 Data Management**

**1. Compliance Monitoring Strategy (CMS) Flags.** No later than September 1, 2015, the Local Program shall send to the DNR the CMS plan that identifies facilities intended to be inspected during SFY 2016.

a) Any changes to the CMS plan, which would include the adding or the removal of flags, shall be submitted to the DNR within thirty (30) days of revision.

**2. Integrated Compliance Information System (ICIS) Reporting.** Per Section 6.3.1 of this Contract, the Local Program shall update ICIS, and submit via electronic media a copy of the summary of facility actions to the DNR, on a monthly basis with compliance and enforcement information concerning federally reportable sources. Updates and transfer of information shall meet the Minimum Data Requirements (MDRs) and codes specified in the most recent version existing on the first day of each month that the report is required of EPA's MDRs for CAA Stationary Sources Compliance, plus any data elements negotiated with EPA's Region VII. Monthly updated information may include, but is not limited to:

- a) Major facilities; and
- b) Synthetic Minor facilities; and
- c) Part 61 NESHAP Minor facilities; and
- d) Other facilities identified within the CMS Evaluation Plan; and
- e) Any facility with a formal enforcement action; and
- f) Any facility with an active HPV.

**3. Quarterly Reports.** The Local Program shall submit quarterly reports for compliance actions, inspections and variances for minor, major, and non-point sources during each quarter to the DNR, per Section 6.3.2 of this Contract. The report shall contain the following information:

- a) Name of facility;
- b) Facility address;
- c) Type of compliance action (if applicable);
- d) Reason for compliance action, inspection or granting variance;
- e) Type of source or materials burnt;
- f) Rule citation; and
- g) Local Program contact.

#### **5.1.4.6 Emissions Data**

**1. Source Testing.** The Local Program shall observe emission tests or require emissions testing as provided for in the Polk County Rules. Any emission test performed within Polk County as a determination of compliance for existing sources shall be consistent with federal reference methods. The results of such tests shall be reported to EPA through ICIS.

**2. Records.** The Local Program shall retain reports of excess emissions for all principle emission points at major, synthetic minor, and minor facilities in accordance with 567 IAC Chapter 24.

#### **5.1.5 Ambient Air Monitoring Provisions**

##### **5.1.5.1 Monitoring Network**

###### **1. Network Modifications.**

a) **Scheduled Network Modifications.** The Local Program shall operate the monitoring network indicated in Table 2, with the modifications shown in Table 3. Sampling frequencies are as indicated in Table 2 and 3.

b) **Unscheduled Network Modifications.** The Local Program, upon request, shall work with the DNR to add or remove monitoring sites as requested by the DNR. Changes shall be negotiated and agreed upon in writing between DNR's monitoring contact and the Local Program.

**2. Equipment Procurement.** The Local Program shall coordinate equipment purchases with the DNR in order to maintain the existing network and accomplish network modifications.

**a) Final Equipment List.** By July 1, 2015, the Local Program shall submit a list of equipment it intends to purchase with funds as identified in the Section 5.1.1.2/2 budget, item 5. The items on this list shall be mutually agreed upon (as per Section 5.1.5.3/3a and b) by the DNR and the Local Program.

**b) Revision of Equipment List.** Changes to the final equipment list shall be negotiated and agreed upon in writing between the DNR’s monitoring contact and the Local Program.

**3. Monitoring Sites.** The Local Program’s monitoring network shall meet or exceed the minimum specification set indicated in Appendices D and E of 40 CFR 58.

**4. Daily Polling.** The Local Program shall poll its continuous monitors each day and issue immediate reports to DNR as described in Section 5.1.5.4/6a. The Local Program shall archive short term data from all continuous monitors in order to validate the associated hourly averages.

**5. Real-time Monitoring.** The Local Program shall post all continuous ambient monitoring data (including collocated monitoring data) to EPA’s AIRNOW website. In addition, the Local Program shall post all continuous ambient data to the Local Program’s website, along with up to date Air Quality Index reports. The Local Program shall update its real-time monitoring QAPP and SOPs to insure that all real-time monitoring data is complete and accurate.

**6. High Concentration Reports.** The Local Program shall designate an individual on its staff to be on standby status with remote paging capability during off hours in order to respond to high level reports generated by ESC data loggers at its continuous monitoring sites. When these levels indicate a likely exceedance of ambient health thresholds, the staff member shall evaluate the validity of the data. If the data is determined to be suspect or invalid, the staff member shall suspend real time posting of the data. If the data is determined to be valid, then the staff member shall supply notifications of high concentrations as indicated in the Local Program QAPP.

**TABLE 2: Existing Air Monitoring Network**

Site	Parameter	# of Monitors	Sampling Frequency
Des Moines, Polk Co. Health Dept. Building at 19th & Carpenter	Trace CO	1	Continuous
	Trace SO <sub>2</sub>	1	Continuous
	Toxics (canisters and carbonyl cartridges)	1	For Canisters Every 12 <sup>th</sup> Day. For Carbonyl Cartridges, Every 6 <sup>th</sup> Day Inside Ozone Season, and Every 12 <sup>th</sup> Day Outside Ozone Season.
	PM-10	2 (collocated site)	Every 3 <sup>rd</sup> Day, Collocated every 6 <sup>th</sup> Day
	PM <sub>2.5</sub> (FRM)	2 (collocated site)	Every Day Collocated every 6 <sup>th</sup> Day
	PM <sub>2.5</sub> (BAM)	2 (collocated site)	Continuous
	MET (including temperature and humidity)	1	Continuous
	O <sub>3</sub> (with daily auto-calibration)	2 (collocated back-up)	Continuous – (Seasonal)
Des Moines, Near Road NO <sub>2</sub> , 6011 Rollins Avenue	NO <sub>x</sub>	1	Continuous
	NO <sub>x</sub>	1	Continuous
Slater (Story Co.)	O <sub>3</sub> (with daily auto-calibration)	2 (collocated back-up)	Continuous – (Seasonal)

	MET	1	Continuous
West Des Moines, Indian Hills Jr. High	PM <sub>2.5</sub> (FRM)	1	Every 3 <sup>rd</sup> Day
	PM-10	1	Every 3 <sup>rd</sup> Day

**TABLE 3: Monitoring Network Modifications**

Change	Description	Date Due
Replace	Discontinue a Polk Co. Health Dept. BAM 1020 PM2.5 Sampler and Replace with a BAM 1022 PM2.5 Sampler	1/1/2016

**5.1.5.2 Quality Assurance**

**1. Quality System.** The Local Program shall develop and implement an EPA Quality System to assure the quality of its air monitoring activities. The Quality System developed by the Local Program shall be completely autonomous from that of DNR. For autonomy, the Local Program has the responsibility for developing procedures and oversight sufficient to demonstrate that the environmental data generated meets the requirements of EPA and/or DNR. The Local Program Quality System shall include:

- a) Development and implementation of a Quality Management Plan (QMP) according to EPA guidance document QA/R-2;
- b) Development and implementation of Quality Assurance Project Plans (QAPPs) consistent with EPA guidance document QA/R-5; and
- c) Development and implementation of Standard Operating Procedures (SOPs) for operation of air monitoring equipment, data handling, and other repetitive procedures consistent with QA/G-6. The QAPP/SOP shall be modified as indicated in the QMP/QAPPs to remain current with EPA requirements outlined in 40 CFR Part 58, the current edition of EPA’s Quality Assurance Handbook for Air Pollution Measurement Systems (“the Redbook”), and applicable EPA guidance. The Local Program shall designate members of its Air Monitoring Staff as QAPP/SOP reviewers. As part of the annual network review, the final SOPs shall be approved by the designated Quality Assurance Officer (QAO) or Air Quality Manager (AQM). A complete set of QMP/QAPPs/SOPs for all air monitoring activities shall be submitted to DNR and EPA in hardcopy and in PDF format as a component of the annual review of air monitoring activities.

**2. Revision of Quality Assurance Documents.** Substantive revisions of the Local Program’s QMP/QAPPs/SOPs require approval of DNR and EPA. Except as otherwise indicated within this Contract, QAPP/SOP revisions shall be submitted to EPA/DNR within forty (40) working days following:

- a) Promulgation of new monitoring rules or procedures by EPA; or
- b) Written notification of a deficiency in procedures by EPA/DNR.

QAPPs/SOPs for new equipment shall be submitted to EPA/DNR in accordance with deadlines established in Contract Section 5.1.5.5 Special Projects. The Local Program shall not initiate data collection without an associated QAPP/SOP.

**3. Prevention of Significant Deterioration Ambient Monitoring Sites.** Within 30 days of DNR’s written request the Local Program shall review and provide written comments on the standard operating procedures and quality assurance plans, associated with the PSD ambient monitoring projects within the Local Program’s jurisdiction. The DNR may request Local Programs to perform (quarterly) site audits of facility-run PSD ambient monitoring sites at specified PSD facilities. These site audits are to be performed in accordance with Appendix A of 40 CFR Pt. 58. Within two (2) weeks following the site audit, the Local Program shall provide, in writing, the audit results and any recommendations for corrective actions to both DNR and the field staff operating the PSD site(s). To ensure that the data gathered at PSD monitoring sites meets EPA acceptance criteria for completeness, precision and accuracy, and to establish format compatibility with EPA’s Air Quality System (AQS) database, the Local Program shall provide quality assurance reviews on ambient monitoring data generated by facility-run PSD monitoring sites, as specified by DNR. The number of PSD monitoring sites shall be limited to no more than four (4) sites per year.

**4. External Audits.** The Local Program shall participate in EPA’s National Performance Audit Program (NPAP), performance evaluation program (PEP) for PM<sub>2.5</sub> monitoring, and EPA technical systems audits (TSA’s). In addition, the Local Program shall participate in quality assurance systems audits conducted by the State Hygienic Laboratory

(SHL). The Local Program shall fund at least one annual NPAP audit for all monitors for which NPAP audit devices are available. The Local Program shall respond promptly to address deficiencies identified in these audits.

**5. Annual Network/Quality Assurance Review.** By March 15, 2016, the Local Program shall complete and submit to DNR an annual network/quality assurance review for calendar year 2015 in order to demonstrate that its quality system is sufficiently developed, and its monitors are appropriately sited and adequate in number to meet EPA's minimum requirements. In addition, the Local Program shall review its AQS/PARS data and site/monitor parameters in the AQS database for errors during calendar year 2015, and generate graphical and statistical summaries of the data. The Local Program shall evaluate the data relative to EPA acceptance criteria for data completeness, precision and accuracy. On the basis of this review, the Local Program shall submit its annual SLAMs certification letter. The Annual Network/Quality Assurance review shall contain the following components and the review shall be submitted to the DNR via both hard copy and electronic media. Any emails shall contain in the subject line a specific reference to the applicable Section 5.1.6 obligation.

- a) A complete, current set of Quality assurance documentation (QMP/QAPPs/SOPs);
- b) AQS/PARS raw data listings generated from the AQS system [AQS QA Raw Assessment Report (AMP 251), AQS Raw Data (AMP 350)] for all monitors operated by the Local Program during calendar year 2015;
- c) Graphs of concentration vs. time (and concentration vs. wind direction where applicable) for all monitors operated by the Local Program during calendar year 2015;
- d) Complete, current network review checklists to document conformance with 40 CFR Part 58 Appendix E requirements;
- e) An annual quality assurance report following the example contained in Volume II, Appendix I, of EPA's Quality Assurance Handbook for Air Pollution Measurement Systems (rev 12/10/08);
- f) An annual State and Local Air Monitoring Stations (SLAMS) report consisting of an AMP 600 and 450NC along with a letter certifying the accuracy of the report based on a review of all materials contained in the annual review; and
- g) A report from the quality assurance manager indicating the results of an audit comparing the procedures actually used by the field operators to operate and maintain air monitoring equipment with the written standard operating procedures for the equipment. In the event that discrepancies exist between the actual and written procedures, the report shall detail these discrepancies, establish the validity of the data gathered with the undocumented procedures, and update standard operating procedures, where necessary, to reflect actual field practice.

**6. Quality Assurance FTE Commitment.** The Local Program shall maintain 0.40 FTE for Quality Assurance activities. The Local Program shall dialogue with the DNR prior to the reallocation of Quality Assurance FTEs. This FTE allocation (0.40) shall be apportioned from and shall not be in addition to the FTEs specified in Section 5.1.1.1, Table 1.

### 5.1.5.3 Network Planning

**1. Quarterly Coordination Meetings.** The Local Program shall participate in quarterly coordination meetings for technical and management staff involved in the ambient air monitoring program. The technical meeting will focus on data collection, transmission and quality assurance issues and trends. The management meeting will focus on the status of the work products contained in the Contract and strategic planning issues.

**2. Inventory and Inventory Reporting.** The Local Program shall maintain a complete and current list of all equipment in its air monitoring network purchased in full or in part with state or federal funding, including the percentage of state and federal funds used to procure the equipment, the location, description of equipment type, model number, serial number, ownership agency, and both DNR and the Local Program inventory tag number. The Local Program shall record in the equipment inventory the installation date for equipment newly installed in the air monitoring system. Equipment purchased by the DNR for use by the Local Program shall be included on its equipment inventory. The Local Program shall supply the DNR a copy of the up to date equipment inventory within seven (7) days of a request by the DNR.

**3. Development of the Equipment Procurement List for the Next Contract Period.**

- a) By January 15, 2016, the Local Program shall submit for DNR review:
  - 1) A list of anticipated equipment purchases needed to maintain and operate its existing air monitoring network during the next Contract period; and

2) A multi-year replacement schedule for air monitoring equipment. To develop this schedule, the Local Program shall consider the age and condition of the current instruments, as well as the maintenance requirements and capabilities of current instruments relative to new instruments.

b) By March 15, 2016, the Local Program shall submit for DNR review a list of anticipated equipment purchases needed to expand its air monitoring network during the next Contract period.

c) The above mentioned lists shall contain monitoring equipment or monitoring quality assurance equipment that the Local Program intends to procure with funds designated for this purpose under this Contract as identified in Section 5.1.1.2/2, budget item 5.

4. **Network Modifications.** The Local Program shall work with the DNR to ensure that network modifications are made according to 40 CFR Pt. 58, Subpart B.

#### 5.1.5.4 Data Management

1. **Data Validation.** Data obtained from ambient monitors shall be validated as specified in the approved QAPP and in this scope of work.

2. **Site Setup and Closure in AQS.** The Local Program shall be responsible for opening and closing sites and monitors in the AQS database for its reporting organization, and for its monthly data uploads. The Local Program shall notify the DNR when it closes sites or monitors in the AQS database.

3. **AQS/PARS Data Submission.** Validated monitoring data (AQS data) and precision and accuracy data (PARS data), for all monitors, shall be uploaded by the Local Program staff monthly, in accordance with Section 5.1.6 (Ambient Air Monitoring) of this Contract. To expedite data generation by SHL, the Local Program shall provide validated sampler run data at the same times integrated samples are submitted to SHL for laboratory analysis. If PM<sub>2.5</sub> data from the SHL laboratory has not been received before the scheduled monthly upload, it shall be entered at the next scheduled monthly upload. The Local Program shall inform the DNR via e-mail after completing its monthly data upload. In the event that the monthly data upload is not complete, the Local Program shall indicate by mail or e-mail the reason for the backlog and the anticipated date when the backlogged data will be uploaded.

4. **Data Screening.** To prevent data coding errors, the Local Program shall lock data for upload only after the screening file passes all AQS system edits (Edit Error Details, Scan Report, and Stat Evaluation). The Local Program shall archive a copy of any data uploaded to AQS immediately before locking the data for upload.

#### 5. Recordkeeping Requirements.

a) **Monthly AQS Recordkeeping Requirements.** On a monthly basis, the Local Program shall run and review the AQS QA Raw Assessment Report (AMP 251) and AQS Raw Data Report (AMP 350) to determine the completeness and accuracy of the AQS and PARS data uploaded by the Local Program to the AQS system.

b) **Quarterly AQS Recordkeeping Requirements.** On a quarterly basis, the Local Program shall:

1) Run and review the AQS QA Data Quality Indicator Report (AMP 256) to evaluate the PARS data uploaded by the Local Program;

2) Run and review the AQS Data Completeness Report (AMP 430) in order to evaluate the quarterly data completeness of the monitors operated by the Local Program; and

3) Run and review the AQS Site Description Report (AMP 380) in order to evaluate the accuracy and completeness of the site setup parameters of the monitors operated by the Local Program.

6. **Reporting Requirements.** The Local Program shall submit regular reports to DNR as identified below. Reports shall be submitted to the DNR via both hard copy and electronic media. Any emails shall contain in the subject line a specific reference to the applicable Section 5.1.6 obligation. Monthly and quarterly reports shall contain an executive summary where the data is compared to the applicable acceptance criteria, and in the event that the acceptance criteria are not met, a corrective action plan. All reports shall be reviewed and certified by the quality assurance manager. All corrective action plans shall be reviewed and certified by the quality assurance manager. Expenditures associated with corrective action plans shall be reviewed and certified by the program manager.

a) **Immediate Reports.** The Local Program shall notify DNR immediately upon identification of any exceedance of an ambient air quality standard, emergency episode or potential emergency episode (as defined in 567 IAC 26.2); or exceedance of any other pollutant threshold provided in writing by the DNR.

b) **Weekly Network Status Report.** The Local Program shall transmit a written report of the status of air monitoring systems to DNR on the first working day of every week. This report will address the following items with respect to monitoring completed each week. For each site that is modified or for which data are missed, the report shall include:

- 1) Date of last valid data;
- 2) Date inoperative condition detected;
- 3) Cause of inoperative condition;
- 4) Step(s) taken to correct condition; and
- 5) Date and time data collection resumed (if applicable), and expected date data reporting will resume (if applicable).

**c) Monthly Report for Continuous Monitors.** The Local Program shall submit a monthly report to DNR in accordance with Section 6.3.1 of this Contract. This report will include a list of fixed station air monitoring sites in operation during the report period, and for each station:

- 1) A copy of the NOAA F-6 Report from the internet titled – Preliminary Local Climatological Data;
- 2) PARS-data reduction for precision;
- 3) NAAQS Exceedances including: the number and exceedances of ambient air quality standards, the number of emergency episodes or potential emergency episodes, and the number of exceedances of pollutant thresholds;
- 4) Pollutant Data Summaries including: a listing of all sampling that was omitted or invalidated because of equipment failure, calibration, zero and span checks, sample handling accidents, laboratory accidents or failure of the operator to collect samples; the type and number of equipment failures, and the percentage of total possible samples which were translated into valid air quality data including data from primary and collocated samplers;
- 5) Precision Summaries including: the dates of PARS precision and accuracy checks; an explanation for precision checks that occur with a separation greater than 2 weeks for both primary and collocated samplers;
- 6) ESC Parameter report including graphs of the data;
- 7) Raw AQS string data in either hard copy or electronic media;
- 8) Corrective Action Report Forms; and
- 9) A performance evaluation of the “Smart Heaters” on the BAM 1020 PM<sub>2.5</sub> monitor(s).

**d) Monthly Reports for Data Generated by Outside Contractors:** SHL-PM<sub>2.5</sub> and PM<sub>10</sub> FRM, SHL-Air Toxics. The Local Program shall submit a report to the DNR fifteen (15) working days upon receiving data from each outside contractor. Reports will include:

- 1) Documentation of the dates data were received from outside contractors and submitted to DNR;
- 2) NAAQS Exceedances including: the number and exceedances of ambient air quality standards, the number of emergency episodes or potential emergency episodes, and the number of exceedances of pollutant thresholds;
- 3) Pollutant Data Summaries including: a listing of all sampling that was omitted or invalidated because of equipment failure, calibration, zero and span checks, sample handling accidents, laboratory accidents or failure of the operator to collect samples, the type and number of equipment failures, and the percentage of total possible samples which were translated into valid air quality data;
- 4) Precision and Accuracy Summaries for PM<sub>2.5</sub> FRM, PM<sub>10</sub> FRM, and toxics including the dates of these checks; and an explanation for checks that occur off-schedule.
- 5) PARS-data reduction for Precision of PM<sub>2.5</sub> and PM<sub>10</sub> FRM;
- 6) Raw AQS string data of PM<sub>2.5</sub> and PM<sub>10</sub> FRM;
- 7) Data Summary for PM<sub>2.5</sub> Speciation and Air Toxics including: results from monthly flow verification, results of leak checks, list of flagged/voided data; and
- 8) Corrective Action Report Forms.

**e) Monthly Equipment Procurement Report.** The Local Program shall submit a monthly report to the DNR which itemizes monitoring equipment purchases. This report shall include:

- 1) A description of the equipment, the quantity purchased;
- 2) The cost per unit and total cost, the dates the items were ordered and received; and
- 3) A running total of all expended equipment funds during the Contract period.

**f) Quarterly Monitoring Report.** The Local Program shall submit a quarterly report to DNR in accordance with Section 5.1.6 of this Contract. For data received from outside contractors (SHL-PM<sub>2.5</sub> and PM<sub>10</sub> FRM, SHL-Air Toxics), quarterly reports will be submitted 30 working days upon receiving the data. This report shall include a list of fixed station air monitoring sites in operation during the report period, and for each station:

- 1) Pollutant Data Summaries including: a listing of all sampling that was omitted or invalidated because of equipment failure, calibration, zero and span checks, sample handling accidents, laboratory accidents or failure of the operator to collect samples; the type and number of equipment failures, and the percentage of total

possible samples which were translated into valid air quality data including data from primary and collocated samplers. In the event the percentages do not meet EPA completeness criteria, an explanation of the reasons for the insufficient data capture and a corrective action plan for the monitor;

- 2) AMP Reports: 430 and 251 generated from AQS;
- 3) Two AQS AMP 256 reports, one for the current quarter, and a cumulative AMP 256 covering all quarters since the previous data certification, along with an explanation of any deficiencies indicated in the report, and a corrective action plan to address any deficiencies;
- 4) The precision and accuracy for each primary and collocated continuous monitor calculated as specified in 40 CFR Pt. 58 App A;
- 5) The precision and accuracy for PM<sub>2.5</sub> FRM, PM<sub>2.5</sub> Speciation, PM<sub>10</sub> FRM, and toxics monitors audited during the quarter, calculated as specified in 40 CFR Pt. 58 App. A;
- 6) A listing of all backlogged AQS or PARS data, the reason for the backlog, and the date when the backlogged data will be uploaded to AQS; and
- 7) Data Management Report Log for individual sites including: A records audit, conducted by the QA manager, listing monitoring records logged during the quarter and certifying compliance with the recordkeeping requirements of this Contract.

**7. PM<sub>2.5</sub> Speciation Activities.** The Local Program shall perform the following activities in support of the State's PM<sub>2.5</sub> speciation network:

- a) **Field Activities.** The Local Program shall perform all field activities at speciation sites specified in this Contract including cyclone replacement, filter collection and transmission of sampler performance data to EPA's National Speciation Laboratory. In addition, the Local Program shall be responsible for the performance of all calibrations, audits, and routine maintenance for all PM<sub>2.5</sub> speciation monitors.
- b) **Data Validation and AQS maintenance.** The Local Program shall work in cooperation with EPA's National Speciation Laboratory to set-up or shut down speciation sites in AQS and to validate speciation data.
- c) **Support of EPA Intensive Studies.** When requested by DNR, the Local Program shall adopt an accelerated sampling frequency at its speciation sampling site for a period of up to one month.

**8. Toxics Monitoring.** The Local Program shall use SHL's analytical laboratory for toxics sample analysis. The Local Program shall be responsible for setting up or shutting down toxics sites in AQS, and shall validate toxics data in cooperation with the SHL laboratory. The Local Program shall upload the AQS strings provided by SHL into EPA's AQS database.

**5.1.5.5 Special Projects**

- 1. **Deployment of Thermo 2025i's.** The Local Program shall deploy two 2025i's as the primaries for PM<sub>2.5</sub> and PM<sub>10</sub> at the Health Department site by July 31, 2015.
- 2. **Security and Backup of Computers Used for Ambient Monitoring.** By September 1, 2015, the Local Program IT staff shall perform an audit to ensure that all computers used in the ambient monitoring network are secured and adequately "backed up".
- 3. **Met One BAM 1020-1022 Training.** The Local Program shall host a one-day training session conducted by instructors from Met One for BAM 1020-1022 Particulate Samplers no later than September 1, 2015. The training shall cover topics such as routine operation, maintenance, and data processing.
- 4. **Install Met One BAM 1022.** The Local Program shall replace a BAM 1020 with a new BAM 1022 PM<sub>2.5</sub> sampler utilizing an SCC separator on the roof of the Health Department site by January 1, 2016. The Local Program shall submit to the DNR a draft SOP by October 1, 2015 and a final SOP by December 15, 2015. Final SOP submission shall be contingent upon IDNR submitting comments to the Local Program by November 16, 2015.

**5.1.6 Summary of Obligations.** The following are obligations the Local Program shall complete to meet tasks identified in this Contract.

Obligation	Reference	Task Milestone Date
<b>Program Management</b>		
Personnel Changes	5.1.1.1/6	10 days from effective date
New Personnel Report	5.1.1.1/7	10 days from start date
Website – Review & Update As Needed	5.1.1.5/1	November 15, 2015

Obligation	Reference	Task Milestone Date
Website Quarterly Report (As Needed)	5.1.1.5/1a	November 15, 2015
MBE/WBE	5.1.1.7	November 15, 2015
Rule Revision (confer)	5.1.1.6/3	January 1, 2016
Proposed training plans	5.1.1.1/4	January 15, 2016
Personnel Plan	5.1.1.1/8	January 15, 2016
Proposed Budget	5.1.1.2/1	January 15, 2016
Website Plan	5.1.1.5/4	January 15, 2016
Personnel Report	5.1.1.1/5	February 15, 2016
Website – Review & Update As Needed	5.1.1.5/1	February 15, 2016
Website Quarterly Report (As Needed)	5.1.1.5/1a	February 15, 2016
MBE/WBE	5.1.1.7	February 15, 2016
Initial Contract Review	5.1.1.3	March 15, 2016
Final Contract Review	5.1.1.4	April 30, 2016
Website – Review & Update As Needed	5.1.1.5/1	May 15, 2016
Website Quarterly Report (As Needed)	5.1.1.5/1a	May 15, 2016
MBE/WBE	5.1.1.7	May 15, 2016
Rule Revision (initiate)	5.1.1.6/3	June 15, 2016
Website – Review & Update As Needed	5.1.1.5/1	August 1, 2016
Website Quarterly Report (As Needed)	5.1.1.5/1a	August 1, 2016
MBE/WBE	5.1.1.7	August 1, 2016
<b>Construction Permitting</b>		
Excel Report (and ICIS if desired)	5.1.2.7/1	November 15, 2015
Excel Report (and ICIS if desired)	5.1.2.7/1	February 15, 2016
Excel Report (and ICIS if desired)	5.1.2.7/1	May 15, 2016
Excel Report (and ICIS if desired)	5.1.2.7/1	August 1, 2016
<b>Title V Permitting</b>		
Status Reports	5.1.3.2/4b	November 15, 2015
Status Reports	5.1.3.2/4b	February 15, 2016
Status Reports	5.1.3.2/4a	May 15, 2016
Issuance Schedule	5.1.3.2/4b	May 15, 2016
4 initial/renewal permits	5.1.3.2/4	June 30, 2016
Status Reports	5.1.3.2/4b	August 1, 2016
<b>Compliance</b>		
Compliance Submission to ICIS	5.1.4.5/2	Monthly on 15 <sup>th</sup>
Joint Inspection Schedule	5.1.4.3/2	Prior to each
Joint Inspection Report	5.1.4.3/2	30 days following each
CMS plan	5.1.4.5	September 1, 2015
Compliance Qtrly	5.1.4.5/3	November 15, 2015
Compliance Qtrly	5.1.4.5/3	February 15, 2016
Compliance Qtrly	5.1.4.5/3	May 15, 2016
Minimum 1 Joint Stack Tests	5.1.4.2	June 30, 2016
Compliance Qtrly	5.1.4.5/3	August 1, 2016
<b>Ambient Air Monitoring</b>		
Exceedence Report	5.1.5.4/6a	Immediate
Monthly Report: SHL-PM FRM	5.1.5.4/6d	15 days after receipt from outside contractor
Monthly Report: SHL – Air Toxics		
Weekly Network Status Report	5.1.5.4/6b	Weekly – 1 <sup>st</sup> working day

Obligation	Reference	Task Milestone Date
Monthly Continuous Monitor Report	5.1.5.4/6c	Monthly on 15 <sup>th</sup>
AQS/PARS Data Submission	5.1.5.4/3	Monthly on 15 <sup>th</sup>
Monthly AQS Recordkeeping Requirements	5.1.5.4/5a	Monthly
Monthly Equipment Procurement Report	5.1.5.4/6e	Monthly
Qtrly AQS Recordkeeping Requirements	5.1.5.4/5b	Quarterly
Coordination Meetings	5.1.5.3/1	Quarterly
Final Equipment List	5.1.5.1/2a	July 1, 2015
Deployment of Thermo 2025i's	5.1.5.5/1	July 31, 2015
Qtrly Monitoring Report (Continuous)	5.1.5.4/6f	September 1, 2015
Computer audit (security and adequacy of backup)	5.1.5.5/2	September 1, 2015
Met One BAM 1020-1022 Training	5.1.5.5/3	September 1, 2015
Submit Met One BAM 1020-1022 Draft SOP	5.1.5.5/3	October 1, 2015
Qtrly Monitoring Report (Continuous)	5.1.5.4/6f	December 1, 2015
Submit Final Met One BAM 1022 SOP	5.1.5.5/3	December 15, 2015 (IDNR comments by November 16 <sup>th</sup> , 2015)
<b>Ambient Air Monitoring cont'd</b>		
List equipment to maintain & operate existing network	5.1.5.3/3a	January 15, 2016
Install Met One BAM 1022 at Polk Co. Health Dept.	5.1.5.5/3	January 1, 2016
Multi-year Replacement Schedule for air monitoring equipment	5.1.5.3/3a	January 15, 2016
Qtrly Monitoring Report (Continuous)	5.1.5.4/6f	March 1, 2016
Annual Network/Quality Assurance Review	5.1.5.2/5	March 15, 2016
List equipment to expand network (next Contract)	5.1.5.3/3b	March 15, 2016
Qtrly Monitoring Report (Continuous)	5.1.5.4/6f	June 1, 2016

## 5.2 The responsibilities of the DNR shall be to perform the following tasks.

### 5.2.1 Review of Local Program

- 1. Review of Rules.** DNR shall review proposed changes to the rules, policies, and procedures of the Local Program for consistency with the Iowa Code and Iowa Administrative Code.
- 2. Program Audit.** Biennially, the DNR shall audit the Local Program to document compliance with the Contract, specifically with Section 5.1 – Statement of Work, and to identify aspects of the program that either party should further improve. The DNR shall provide a draft written report of the audit to the Local Program within thirty (30) days of the audit. The DNR shall provide the final written report of the audit to the Local Program within ninety (90) days of the audit.
- 3. Training Plan Recommendations.** By February 1, 2016, DNR shall provide the Local Program with any recommendations to the training plans as submitted. DNR shall provide written justification in conjunction with all recommendations.
- 4. Contract Planning.** The DNR shall, with Local Program assistance, determine if a meeting should be held prior to January 15, 2016 to identify priorities and responsibilities being considered for the SFY 2017 Contract. DNR shall afford the Local Program an additional meeting as per Section 5.2.1/7.
- 5. Initial Draft Contract.** By February 15, 2016, DNR shall submit to the Local Program the initial draft Contract for the period of July 1, 2016 through June 30, 2017. DNR shall provide written justification for any changes to the Contract.
- 6. Final Draft Contract.** By April 15, 2016, DNR shall submit to the Local Program the final draft Contract for the period of July 1, 2016 through June 30, 2017.
- 7. Contract Negotiations.** Annually, if requested by the Local Program and/or the DNR, the two parties shall meet to discuss final changes to the Contract.
- 8. Program Changes.** The DNR shall submit information on significant changes to program requirements and staffing as a result of the DNR's audit of the Local Program within ninety (90) days of the audit.

### 5.2.2 Construction Permitting Provisions

1. **Construction Permit Manual.** DNR shall inform the Local Program of all updates or attachments to the construction permit manual during their development and transmit copies of these to the Local Program as soon as they are finalized.
2. **PSD/Construction Permit Applications.** On receipt of a complete application from the Local Program, DNR shall review the application for PSD and 112(g) applicability and will notify the Local Program within three (3) weeks of receipt as to the disposition. Should the Local Program request DNR review of a draft permit for PSD synthetic minor and federal NSPS and NESHAPS sources, the DNR will concur or object to the Local Program's draft permit within three (3) weeks of receipt.
3. **Permit Review.** DNR shall review applications and issue construction permits for:
  - a) Major modifications to existing major PSD facilities;
  - b) New major PSD facilities; and
  - c) 112(g) sources.
4. **Progress of Review.** DNR shall keep the Local Program informed of developments during this review. Upon request DNR shall review the associated dispersion modeling analyses and assess the impact on ambient air quality. DNR shall forward the results of such modeling back to the Local Program within three (3) weeks of receipt of an application or request from the Local Program, as resources allow.
5. **Modeling Meetings.** If requested by the Local Program and/or the DNR, the two parties shall meet to discuss modeling issues. The DNR shall meet with Local Program technical staff involved in ambient air modeling. The meeting will focus on DNR modeling guidance, procedures/checklists and their application, and specific questions related to conducting and review of dispersion modeling.
6. **Technical Assistance.** Upon request, DNR shall provide technical assistance for review of other permit applications. This assistance may include conducting or reviewing dispersion modeling analyses associated with the permit applications. DNR shall forward the results of such modeling back to the Local Program within the time period agreed upon by the Local Program and DNR.

### 5.2.3 Title V Permitting Provisions

1. DNR shall convey to the Local Program one copy of any Title V Operating Permit Application received for any source operating within the Local Program's jurisdiction or notify the Local Program if the application is received in SPARS.
2. DNR shall review draft Title V operating permits and provide response within two weeks of submittal by the Local Program.
3. DNR shall issue Title V operating permits to Polk County facilities.
4. DNR shall provide the Local Program with one copy of each final permit after the permit has been issued.
5. Applications submitted to DNR, for the modification of permits issued for sources in the Local Program's jurisdiction, shall be conveyed to the Local Program for processing the same way as initial or renewal applications unless the modification applications are received in SPARS, in which case the Local Program shall be notified by the DNR of such submittals.
6. **Issuance Schedule Comments.** DNR shall review and make initial comments on proposed issuance schedule submitted by the Local Program within seven (7) working days.

### 5.2.4 Compliance and Inspection Provisions

#### 5.2.4.1 Compliance

1. **DNR Involvement.** Except for DNR issued permits, DNR shall limit its involvement in compliance activities to Local Program audits as well as review and comment on proposed compliance schedules unless:
  - a) The Local Program specifically requests DNR involvement;
  - b) DNR determines that the Local Program's enforcement response is inappropriate or untimely (see Section 5.2.4.1/5); or
  - c) Emergency conditions (as prescribed in Iowa Code 455B.139) exist (see Section 5.2.4.1/6).
2. **Compliance Schedule Comments.** DNR shall review and make initial comments on proposed compliance schedules submitted by the Local Program within seven (7) working days. DNR shall provide written comments to the Local Program within twenty (20) days.

**3. Local Program Compliance Schedules.** DNR shall recognize compliance schedules required by the Local Program in accordance with Chapter V of the Polk County Rules in lieu of granting a variance and approval of an emission reduction program by DNR under 567 IAC Chapter 21 for any source within the jurisdiction of the Local Program.

**4. Compliance Monitoring Strategy (CMS) Flags.** DNR shall data enter the CMS flags and any revisions to the CMS plan into the ICIS system after receiving the information from the Local Program.

**5. Review of ICIS Inputs.** DNR will routinely review ICIS inputs (as well as other compliance/enforcement information available to the DNR through audit activities and other sources) to determine if the Local Program is taking timely and appropriate action in response to noted violations.

**6. Enforcement actions.** DNR may initiate enforcement actions where specific Local Program actions regarding a specific individual set of circumstances are determined by DNR to not be timely or appropriate. DNR shall provide a written position with regard to the enforcement action and allow the Local Program a reasonable opportunity to act prior to initiating any DNR enforcement actions, except as provided in Items 6 and 7 below.

**7. Emergencies.** DNR shall notify the Local Program at the earliest possible time upon any determination of an emergency pursuant to Iowa Code 455B.139. As soon as the situation allows, DNR shall initiate discussions with the Local Program for the purpose of transferring mitigation efforts to the Local Program.

**8. Enforcement by DNR.** In cases where compliance with DNR issued permits is not achieved in a timely and appropriate manner through enforcement of Local Program restrictions, DNR shall initiate enforcement action to ensure compliance with DNR issued permits.

#### **5.2.4.2 Inspections**

During the Contract period, DNR shall conduct two (2) compliance inspections in conjunction with the Local Program. DNR shall review joint compliance inspection reports and will submit written critiques of jointly conducted inspections to the Local Program within two (2) weeks of receipt of the inspection report.

#### **5.2.4.3 Stack Tests**

1. DNR shall coordinate with the Local Program in scheduling and conducting a minimum of one (1) joint stack test observation and evaluation per year. DNR shall review the facility's testing protocol, the testing results reports and will submit written critiques of the joint stack test observation to the Local Program within thirty (30) days of receipt of the test results.

2. DNR shall notify the Local Program once the Stack Test Database has been established and identify the tools available to the Local Program for their use of the database.

#### **5.2.4.4 Variances**

1. DNR shall accept variances granted in the manner described in Section 5.1.4.4.

2. DNR shall notify the Local Program of any SIP requirements that may be impacted by the issuance of a variance.

#### **5.2.4.5 Emission Data**

1. **Assessment of Reports.** DNR shall, upon request by the Local Program, assist in the assessment of any emission source testing reports submitted by firms within the Local Program's jurisdiction and serve as expert witnesses in the field of emission source testing, should the need arise.

2. **CEM.** Upon request, DNR shall provide technical assistance to the Local Program in evaluating continuous emission monitoring systems (CEM) and will aid in establishing review procedures consistent with those used by DNR.

#### **5.2.5 Air Quality Monitoring Provisions**

1. **Network Changes.** DNR shall submit written justification for any proposed monitoring network change, which they initiate. DNR shall consider Local Program resources when proposing monitoring network changes.

2. **EPA Concurrence.** DNR shall respond in writing, within one (1) month of receipt, to all monitoring network change justifications submitted by the Local Program. DNR shall be responsible for obtaining all necessary EPA concurrence for network changes.

3. **Equipment.** Within budget limitations, DNR shall assist in the repair, replacement and evaluation of monitoring equipment and monitoring sites.

#### **5.2.6 Emergency Episodes**

1. Upon notification of an emergency episode by the Local Program, or determination of an episode by the DNR, the DNR shall take the appropriate emergency actions provided for in 567 IAC Chapter 26 and in accordance with Iowa Code chapter 455B.

2. DNR shall immediately notify the Local Program of any air pollution emergency conditions that DNR determines to exist.

#### **5.2.7 Intergovernmental Cooperation**

1. **Program Development.** To assure uniform adoption of emissions inventory, PSD, and operating permit application procedures DNR shall:
  - a) Provide the Local Program with inventory and application forms and data entry formats employed by DNR,
    - b) Participate in the development of public workshops and other educational projects.
2. **Program Changes.** In addition to the assistance and cooperation noted regarding specific issues above, the DNR shall make every effort to keep the Local Program informed of state and federal developments, which may affect the program.
3. **State Implementation Plan (SIP) Submittal.** DNR shall submit SIP amendments for Local Program administrative rules and SIPs in relation to NAAQS exceedances.

#### **5.2.8 Indirect Cost Assistance**

Annually, the DNR shall reduce the unobligated Title V fund balance according to the information submitted in accordance with Section 5.1.1.2/3.

**Iowa Department of Natural Resources  
Environmental Protection Commission**

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**ITEM**

18

**DECISION**

**TOPIC**

**Referrals to the Attorney General**

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The Director requests the referral of the following to the Attorney General for appropriate legal action. Litigation reports have been provided to the commissioners and are confidential pursuant to Iowa Code section 22.7(4). The parties have been informed of this action and may appear to discuss this matter. If the Commission needs to discuss strategy with counsel on any matter where the disclosure of matters discussed would be likely to prejudice or disadvantage its position in litigation, the Commission may go into closed session pursuant to Iowa Code section 21.5(1)(c).

- Sabeer, LLC, dba Sleepy Hollow Campground & RV Park (Oxford) – Water Supply/Wastewater/Air Quality

Edmund J. Tormey, Chief  
Legal Services Bureau

May 26, 2015

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## LITIGATION REPORT

**Prepared By: Diana Hansen**  
**Date: May 20, 2015**

### I. Summary

The Department of Natural Resources (Department) seeks referral of SABEER, L.L.C. D/B/A Sleepy Hollow Campground & RV Park (Sleepy Hollow) to the Attorney General's Office for appropriate enforcement action due to violations related to its wastewater treatment facility (WWTF), its public water supply (PWS) system, and open burning. This referral includes the following violations:

#### **Wastewater Violations**

- Operation of a wastewater disposal system contrary to any condition of the NPDES permit and failure to comply with all conditions of the NPDES permit,
- Violation of the rule requirement to timely submit wastewater Monthly Operating Reports (MORs),
- Failure to comply with the monitoring requirements of the NPDES permit, and
- Failure to comply with the NPDES permit requirements for proper operation and maintenance.

#### **Water Supply Violations**

- Violations of the compliance schedule in the water supply operation permit (WS permit),
- Failure to treat all water intended for human consumption for radionuclides as required by the October 2013 WS permit revision,
- Drinking water maximum contaminant level (MCL) violations for Gross Alpha, excluding Rn and U,
- Drinking water MCL violations for combined Radium 226/228,
- Operation of a PWS system contrary to WS permit conditions.

#### **Open Burning Violations**

- Open Burning (air quality) violations.

Sleepy Hollow has a history of violations related to failure to timely submit wastewater MORs and failure to properly operate and maintain the WWTF. Sleepy Hollow was issued an administrative consent order (ACO) for water supply violations in 2011. The order was issued due to Gross Alpha and Combined Radium MCL violations and due to

# LITIGATION REPORT for EPC MEETING

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operation and maintenance deficiencies. The ACO included a construction schedule to correct deficiencies at the water treatment facility.

## II. Alleged Violator

SABEER, L.L.C. D/B/A Sleepy Hollow Campground & RV Park  
James I. and Sandra K. Gingerich  
3340 Black Hawk Ave. NW  
Oxford, Iowa 52322

## III. Description of Facility

Sleepy Hollow owns the Sleepy Hollow Campground & RV Park located at 3340 Black Hawk Ave. NW, Oxford, Iowa 52322. James I. and Sandra K. Gingerich are the organizers of the L.L.C. that owns this campground and RV Park. The WWTF serving this facility consists of a single cell controlled discharge lagoon that provides wastewater treatment for permanent mobile home sites and camping sites.

The Sleepy Hollow PWS system obtains its water from one well, which is 565 feet deep and pumps about 20 gallons per minute. Treatment consists of ion exchange softening for radionuclide removal, iron filtration and chlorination. Four hydropneumatic tanks provide storage and pressure. Water is supplied to the store, mobile homes, one house and RV water hook-ups.

## IV. Alleged Violations

### a. Facts

#### Wastewater

1. This facility has had a history of late submittal of wastewater MORs. Field Office No. 6 (FO 6) issued notices of violations to this facility due to late submittal of MORs on November 15, 2010, July 19, 2013, April 11, 2014, and November 17, 2014. The November 15, 2010 and July 19, 2013 NOV's were also issued due to failure to report all required information on the MORs.

2. FO 6 indicated in the NOV's issued on November 15, 2010, July 19, 2013, April 11, 2014 and November 17, 2014 that Sleepy Hollow had failed to properly maintain the WWTF in good working order as required by the facility's NPDES permit and Department rules. The July 19, 2013 and April 11, 2014 NOV's and inspection reports noted that the discharge control system for the WWTF was in poor condition causing the continuous discharge of water. This structure was repaired by the next visit to the facility in mid-October 2014. All four NOV's and inspection reports noted that vegetation such as trees and bushes were growing on the inner berm of the lagoon. This was noted in all

## LITIGATION REPORT for EPC MEETING

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reports of site visits and inspections since 2010. During the October 15, 2015 visit, it was noted that vegetation was growing from the lagoon liner around the entire perimeter of the lagoon and that this vegetation was also observed during the March 2014 visit. The inspectors observed that the lagoon was not surrounded by adequate fencing and did not have adequate warning signs as provided for in Department design chapter 18C which has been adopted by Department rule.

### **Water Supply**

3. The Sleepy Hollow PWS system received NOV's for non-acute violation of the Gross Alpha MCL (excluding Rn and U) on December 13, 2010, February 16, 2011, October 16, 2012, and August 19, 2013. On May 17, 2011, Sleepy Hollow was issued an ACO requiring the facility to upgrade its PWS water treatment facility to correct Gross Alpha and Combined Radium MCLs. No penalty was assessed. The schedule required Sleepy Hollow to submit engineering plans and specifications (P & S) within 90 days of receipt of the order to upgrade the water treatment facility. The facility did not submit the required P & S by the compliance date. An NOV was issued for a compliance schedule violation on November 7, 2014.

4. The Sleepy Hollow PWS system was issued an NOV for a non-acute coliform bacteria MCL on May 25, 2011. Sleepy Hollow was issued an NOV on October 18, 2012 for failure to monitor for TTHM and HAA5; an NOV on December 5, 2012 for failure to provide public notification concerning lead; an NOV on January 21, 2014 for failure to monitor for coliform bacteria; and an NOV on March 31, 2014 for a non-acute MCL violation of the Di(2-Ethylhexyl) Phthalate MCL. An NOV was issued on May 16, 2014 due to failure to monitor for coliform bacteria and sodium (S/EP). An NOV was issued on October 16, 2014 for failure to monitor for coliform bacteria.

5. On March 31, 2014, FO 6 conducted a sanitary survey at the Sleepy Hollow facility. The inspector found significant deficiencies that included not having a bacterial sampling plan for review and not having a certified operator for the PWS water treatment system and the PWS distribution system. Minor deficiencies included not having monitoring records available for review and not having a disinfection byproduct rule sampling plan available for review. An NOV was issued based on the deficiencies found in this sanitary survey.

6. On November 7, 2014, an NOV was issued due to failure to meet a compliance schedule date as required by the WS permit issued October 29, 2013 for this PWS. The permit schedule required the PWS to submit documents that showed plan and profile views of the treatment plant and distribution system by December 23, 2013. This due date was not met and the facility was considered to be in violation of the compliance schedule in the WS permit. The NOV required public notice which was not given.

## LITIGATION REPORT for EPC MEETING

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7. On November 17, 2014, an NOV was issued due to an exceedance of the combined radium 226 and 228 MCL and operation of a PWS system contrary to the conditions of the WS permit. The NOV noted a violation of the Di(2Ethylhexyl)Phthalate MCL, which was ongoing.

8. On January 23, 2015, an NOV was issued for violation of a compliance schedule. The NOV was issued due to failure to meet a compliance schedule date specified in the revised WS permit issued on October 23, 2013. The schedule required the PWS to submit plans that showed plan and profile views of the treatment train and distribution system. The plans were required to be submitted by a Professional Engineer and submitted to the Department's Water Supply Engineering Section by December 23, 2013. This requirement was not met. The NOV required providing public notification and submitting a copy of the notice provided to the Department. The plans have not been submitted to date. Proof of providing public notice has not been submitted to the Department to date.

### **Open Burning**

9. Sleepy Hollow was issued an NOV for open burning on November 17, 2014. During the inspection visits on October 15, 2014 and November 7, 2014, FO 6 inspectors observed charred remains of non-exempt combustible materials. On October 15, 2014, there were also additional non-exempt materials in the burn pile that had not been burned. During the return visit on November 7, 2014, the inspectors noted that these additional materials had been burned and were still smoldering.

### **b. Law**

1. Department subrule 567 IAC 64.3(1) states that "no person shall operate any wastewater disposal system or part thereof without, or contrary to any condition of, an operation permit issued by the director." Department paragraph 567 IAC 64.7(4)"e" provides that failure to comply with a permit requirement is considered a violation of the permit and could result in enforcement action or permit suspension, revocation or modification.

2. Department rule 567 IAC 63.7 provides for the submission of records of operation for WWTFs to the Department. Under this rule MORs are required to be submitted to the Department within fifteen days following the close of the reporting period and in accordance with monitoring requirements derived from chapter 63 and included in the operation permit for the facility. Rule 63.9 requires MORs to include the results of all monitoring specified in or authorized by chapter 63. NOV letters issued as a result of inspections and review of monitoring data for the Sleepy Hollow WWTF set forth violations of the monitoring and reporting requirements for this facility.

## LITIGATION REPORT for EPC MEETING

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3. The NPDES permit for the Sleepy Hollow WWTF requires that this WWTF be adequately operated and maintained. Standard condition 8 of the permit provides that all facilities and control systems shall be operated as efficiently as possible and maintained in good working order. This standard permit condition is based upon paragraph 64.7(7)“f”. This paragraph states “the permittee at all times shall maintain in good working order and operate as efficiently as possible any facilities and systems of control to achieve compliance with the terms and conditions of the permit.” Based on the inspection reports for this facility, there has not been proper operation and maintenance of this facility.

4. Iowa Code section 455B.172 makes this Department the agency of the state to conduct the PWS program. Iowa Code section 455B.171 defines a PWS as a system for the provision of piped water for human consumption, if the system has at least fifteen service connections or regularly serves at least twenty-five individuals. Iowa Code sections 455B.173(3), (5), and (6) authorize the Environmental Protection Commission (Commission) to promulgate rules relating to the operation of PWS systems and to adopt drinking water standards to assure compliance with federal standards adopted pursuant to the federal Safe Drinking Water Act. The Commission has the authority to adopt rules relating to monitoring, record keeping, and reporting requirements for any PWS. The Commission has adopted such rules at 567 IAC chapters 40-43.

5. Rule 567 IAC 40.2(455B), further defines PWS by defining "community water system" as a PWS which has at least 15 service connections used by year-round residents or regularly serves at least 25 year-round residents, consistent with federal regulations. A “noncommunity water system” is any other PWS. This facility is classified as a community water system.

6. Subrule 567 IAC 41.2(1) requires a community water system serving a population between 25 and 1,000 to be sampled for coliform bacteria once per month. More frequent sampling may be required. When positive results are obtained in a routine sample, additional follow-up sampling is required. Subrule 83.1(3) requires the samples to be analyzed at a certified laboratory. Subrule 42.4(1) requires that the analytical results be reported to the Department within ten days after the test. Subrule 42.5(1) requires a PWS system to retain records of bacteria analyses of its water supply for a period of five years.

7. Subrule 567 IAC 43.2(2) requires that no person shall operate any PWS system or part thereof without, or contrary to any condition of, an operation permit issued by the director. Subrule 43.2(5), subparagraph “a,” states that operation permits may contain such conditions as are deemed necessary by the director to ensure compliance with all applicable rules of the Department, to ensure that the PWS system is properly maintained, to ensure that potential hazards to the water consumer are eliminated promptly, and to ensure that the requirements of the Safe Drinking Water Act are met. Paragraph 43.2(5)“b” states that where one or more MCLs, treatment techniques,

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designated health advisories, or action levels cannot be met immediately, a compliance schedule for achieving compliance with standards may be made a condition of the permit. Failure to comply with the compliance schedule in the 2013 WS permit constitutes a violation of subrule 43.2(2) and paragraph 43.2(5)“b”.

8. Paragraph 41.8(1)“e” states that monitoring frequency for gross alpha will be set forth in the water supply operation permit. Subrule 83.1(3) requires the samples to be analyzed at a certified laboratory. Paragraph 567 IAC 41.8(1)“b” establishes the MCL for gross alpha. The MCL for gross alpha, which includes Radium 226 and excludes radon and uranium, is 15 pCi/L. Paragraph 41.8(1)“c” states that for a system that samples more than once per year, compliance with the MCL is determined by a running annual average (RAA) at each sampling point. If the RAA of any sampling point is greater than the MCL, the system is immediately in violation of the MCL. If any sampling point causes the RAA to exceed the MCL, the system is immediately in violation of the MCL. Subparagraph 567 IAC 43.3(10)“b”(3) states that the Best Available Technology for systems serving fewer than 10,000 people is reverse osmosis.

9. Subrule 567 IAC 42.1(4) requires the owner or operator of a PWS system which fails to perform monitoring required by rule to notify persons served by the system within three months. Noncommunity systems may provide public notice by continuous posting in conspicuous places within the area served by the system.

10. The public notice is required to provide a clear and readily understandable explanation of the violation, the steps the system is taking to correct the violation, and include the telephone number of the owner, operator, or designee of the system as a source of additional information. Paragraph 567 IAC 42.4(1)“c”, provides that the PWS shall submit a representative copy of the public notice to the Department within ten days of completion of the notice.

11. Rule 567 IAC 23.2 states that “No person shall allow, cause or permit open burning of combustible materials except as provided in subrules 567 IAC 23.2(2) and 567 IAC 23.2(3).” Exemptions listed in 567 IAC 23.2(3) include trees and tree trimmings, landscape waste, various residential wastes, recreational cooking and heating fires. The burn piles observed by FO 6 inspectors included non-exempt waste.

12. Iowa Code section 455B.191(5) authorizes the Attorney General to institute legal proceedings necessary to secure enforcement of the water quality provisions of the law. Iowa Code section 455B.191(2) authorizes civil penalties not to exceed \$5,000.00 per day of violation of statutory provisions, permits, rules or orders. Iowa Code section 455B.191(3) authorizes more serious criminal sanctions for negligent or knowing violations. Iowa Code section 455B.146 authorizes penalties of up to \$10,000.00 per day for air quality violations, including open burning.

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### **V. Witnesses**

The following Department personnel will be potential witnesses: Jim Kacer, Environmental Specialist, Field Office No. 6; Ryan Stouder, Environmental Specialist, Field Office No. 6; and Cecilia Naughton, Environmental Specialist, Water Supply Operations Section.