



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Scott M. Scheidel, *Administrator*

Board Members:

Michael L. Fitzgerald Joseph D. Barry Jeff W. Robinson Karen E. Andeweg Chuck Gipp
Timothy L. Gartin Dawn M. Carlson Patricia J. Beck N. Kurt Mumm

NOTICE OF PUBLIC MEETING

A public meeting of the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board has been scheduled for 10:00 A.M., Friday, February 22, 2013. **The meeting will be held at the Iowa Insurance Division located at 330 Maple Street, Des Moines, Iowa.**

The tentative agenda for the meeting is as follows:

10:00 a.m. Call to Order

1. Approval of Prior Board Minutes
2. Closed Session Discussion of Pending and Imminent Litigation (To adjourn by 10:30 a.m.)
3. Public Comment Period
4. Board Issues
 - A. Legislative Issue Discussion
 - B. LPT Agreement
 - C. DNR Update
5. Approval of Program Billings
6. Monthly Activity Report and Financials Reviewed
7. Attorney General's Report
8. Claim Payment Approval
9. Contracts Entered Into Since January 25, 2013 Board Meeting
10. Other Issues as Presented
11. Correspondence and Attachments

Approval of Prior Board Minutes

January 25, 2013 Board Minutes



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MINUTES IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND PROGRAM

January 25, 2013

COMMISSIONER'S CONFERENCE ROOM
PETROLEUM MARKETERS AND CONVENIENCE STORES OF IOWA
10430 NEW YORK AVENUE, SUITE F
URBANDALE, IOWA

Doug Beech called the Iowa UST Board meeting to order at 10:02 A.M. A quorum was present, with the following Board members present:

Karen Andeweg
Patricia Beck
Joseph Barry
Dawn Carlson
Jake Friedrichsen (for Michael Fitzgerald)
Timothy Gartin
Chuck Gipp
Jeff Robinson

Also present were:

David Steward, Attorney General's Office
Scott Scheidel, Administrator
Elaine Douskey, Iowa Department of Natural Resources

APPROVAL OF PRIOR BOARD MINUTES

Mr. Beech inquired if the members had reviewed the minutes and if there was any items for discussion. Mr. Robinson noted a correction was needed in the title for Ms. Carlson in the notes regarding approval of the prior minutes. Mr. Gipp also noted a correction in the notes for Item C (DNR Update) which in the second paragraph has the word "unmanned" but which should be changed to "unstaffed" facilities. With the corrections noted, Mr. Barry motioned to approve the minutes of the December 4, 2012 meeting, and Mr. Gartin seconded the motion. By a vote of 8-0, the minutes were approved.

CLOSED SESSION

Mr. Beech noted there were no matters dealing with litigation for discussion in closed session pursuant to Iowa Code Chapter 21.

PUBLIC COMMENT

Mr. Darren Binning of Seneca Companies read a letter several of his clients had recently received from one of the two environmental firms that the Iowa Department of Natural resources has retained for the purpose of reviewing technical reports. The letter from Trileaf was read in its entirety:

Recently Trileaf was reviewing your file at the Iowa Department of Natural Resources (IDNR) for the referenced site. The IDNR asked us to review it because your present consultant submitted a report for review. We have made specific comments in our review whether it meets the IDNR requirements.

I would like you to know that Trileaf can complete the remaining site classification and reporting including any on-going monitoring. Trileaf has been in business doing this work since 1992 and we have the best record of any consultant in the State completing the reports which are satisfactory to the IDNR. My advice to you is not to entrust your project to any consultant other than Trileaf, because we have moved hundreds of sites from active to no-further action in the past twenty years. The reason we are successful and others continue to fail is that they do not understand the regulations, and in some cases do not have your best interest in mind. Whereas you want the site CLOSED, they are content to keep it open so they can collect more fees.

Please call us to discuss your file and to receive free advice on how Trileaf can move your project forward in a way that benefits you, not your consultant.

Mr. Binning expressed his opinion that it is inappropriate for State contractors to use their position to try to market their firms and noted his opinion that the letter was bordering on slander.

Mr. Beech expressed his gratitude for Mr. Binning sharing the letter with the Board and stated he had not seen the letter. Mr. Scheidel noted that the Board had no involvement in the contracting for the services affected except that there is a statutory transfer of monies to the Department that allows them to retain the services of independent firms for technical reviewer assistance. Ms. Douskey stated the Department had seen the letters and had recently sent a letter to Trileaf asking that they modify the wording such that a reader would not think that the Department had authorized or approved of the work of Trileaf or that the Department in any way granted a favorable position to Trileaf. She also noted that Trileaf had responded to the Department's letter acknowledging the concern and indicating they would comply with the requested changes. Mr. Aaron Brees also noted that the Department's contract with Trileaf was set to expire in February 2013 and that actions could be taken to address the concerns at the time if necessary.

BOARD ISSUES

A. 2013 Legislative Session

Mr. Scheidel noted the current legislative session began on January 14th, 2013 with a similar political composition as the prior year including divided houses – Democratic Senate and Republican House. He noted that the Board does not have any agenda items planned at this time and since the State has a relatively sound financial position, that threat of diversion of funds to fill one-time gaps was not as likely as in past years. He noted that he would watch, listen and report any issues to the Board as they become known during the session.

B. LPT Agreements

Mr. Scheidel presented a memo to the Board that summarized the status of a potential transfer of liabilities to PMMIC at 17 sites that have an open active Board liability and an open active PMMIC insurance claim for separate releases on the same site. The memo included attachments for the Board's review and recommended approval, a master agreement with PMMIC and claimant release form for participating claimants to execute releasing the Board from future liability. The Board previously approved the Administrator to negotiate the potential transfer amount for the 17 outstanding claims, up to \$500,000 for the entire group of sites.

Mr. Scheidel initiated a review and discussion of the Master Agreement among the Board. Each section of the agreement was reviewed as to its function. The two most significant items noted were that nothing in the agreement requires either party to enter into a future transfer, both must agree to the terms of each transaction as well as any claimants in the future must agree to execute releases. And that the only potential future liabilities the Board would maintain under the agreement are for removal of tanks and response pursuant to the NFA agreement in force with the DNR. Since these potential future liabilities are not tied to the claims and are available to all, not just claimants, they would remain with the Board.

Ms. Carlson asked the why DNR does not automatically issue an NFA Certificate when NAR status is achieved. Ms. Douskey answered the question by explaining current practice is for DNR to notify the RP (who may not be the property owner) that the release has achieved NAR and that to issue a certificate they must forward a record of monitoring well closure and the property's legal description to include on the certificate so that it is proper for filing with the county. Upon receipt of the requested information DNR issues the certificate. Previously the DNR would simply notify owners that they may request a certificate upon achieving NAR status. Because of the previous practice there are hundreds of sites that are classified NAR but have never had a certificate issued.

Ms. Carlson inquired if there was a downside to not receiving the certificate. Mr. Scheidel explained that without the certificate, the site was not eligible to be addressed under the agreement with DNR to address potential future risk for the closed release. Once the certificate is issued DNR cannot go back against the RP for that release unless the certificate was issued based upon material misrepresentation. Not securing the certificate opens the RP to continued regulatory action by the DNR. Ms. Carlson asked if those older NAR sites without certificates

could be identified and issued. Mr. Scheidel volunteered that the Board contemplated providing for the well closures by the tank closure contractors. If DNR identifies the sites, the Board contractors could complete the well closures. Additionally, there was a discussion of how co-payment applies to claimants who seek to close their monitoring wells upon NAR classification.

Mr. Scheidel clarified, that the NFA certificate discussion was a great discussion, but in the interest of the agenda topic the only applicability is that the Master Agreement and Claimant Release both are very clear that if the liabilities transfer and receive NFA certificates then subsequently DNR identifies potential high risk condition arising from any portion of those closed releases, the Board will respond pursuant to the agreement with DNR and the RP's for those closed releases will not be subject to DNR regulation for that portion of any identified risk arising out of the closed releases.

The discussion moved to the second agreement in the materials, the Claimant Release, and how the NFA Certificate and NFA agreement with the department affects claimants who execute that release. Mr. Steward and Mr. Scheidel clarified that new releases at those sites would be treated as new releases, but risk from closed releases would be handled under the NFA Agreement for any sites transferred just like any other closed release.

Mr. Gartin inquired about the term in the Master Agreement and how any transferred liabilities would be impacted if the Master Agreement was not renewed at some future date. Mr. Beech indicated that he had expressed the same concern prior to the meeting and Mr. Scheidel and Mr. Steward had discussed with PMMIC. Sample language clarifying that the terms effective at the time of any transfer remain in effect regardless of the future status of the Master Agreement until those releases are closed. Mr. Steward indicated the language could be included in the agreement prior to execution.

Mr. Gartin also inquired about potentially including some dispute resolution in the Master Agreement. There was a discussion about the limited scope of any potential disputes given that the agreement is only applicable if all the parties agree. Mr. Steward indicated that non binding options could be included. Mr. Norris of PMMIC indicated to the Board that they were agreeable to adding such provisions as well.

Ms. Carlson asked about how future sites with liabilities that might be transferred would be handled. Mr. Scheidel directed her to the memo which recommended allowing the Administrator to transfer any liabilities for which the Board had already delegated fiscal claim authority at a dollar level that would cover the transfer payment. Mr. Gipp indicated that the DNR is open to those transfers but would certainly like to see the transfers as they may be proposed to claimants. Ms. Carlson inquired about the money already approved and whether excess monies in that approval not used for the current pending transfer could be used by the Administrator to transfer other future sites. Mr. Scheidel clarified that was not the case, that the monies approved are only approved for those specific sites identified presently.

Mr. Robinson asked about the current liabilities for transfer and whether the amount of the transfer remained sufficient. Mr. Scheidel indicated that was the case, that due to the time lapsed and activities at the sites, consultants had been asked to update the estimates at three sites. Mr.

Robinson also inquired about the calculation methodology for the single payment. Mr. Scheidel distributed a copy of a spreadsheet showing the calculations. Mr. Scheidel explained the methodology was the same as the previous transfer with the only changes being the interest rates and risk factors used. The Treasurers' office provided input on the current rates to use. The Board walked through the calculation flow steps.

Mr. Gipp made a motion to authorize counsel and the Administrator to enter into the agreements subject to the addition of dispute resolution language and language to clarify the survival of terms and conditions beyond the Master Agreement on any transfers agreed to by the parties. The motion was seconded by Mr. Barry. Ms. Carlson indicated she would like more time to review the agreements before voting on them. Mr. Gipp withdrew his motion for approval and Mr. Barry withdrew his second pending consideration of the matter at the next meeting. Mr. Scheidel and Mr. Steward indicated that they would distribute a revised Master Agreement to the Board prior to the next meeting.

Mr. Scheidel indicated that if the Board was agreeable, that the Administrator would begin to solicit claimant releases contingent upon a Master Agreement being executed. Board discussion indicated they would prefer the Administrator wait until all the agreements were approved.

C. 2nd Quarter FY 2013 Results

Mr. Scheidel reviewed the claims closure and corrective action meeting activity relative to the goals discussed at the strategic planning meeting.

D. DNR Update

Ms. Douskey provided an update on the Department's UST Section LUST statistics, noting that in the first quarter of FY 2013, 42 sites were closed and in the second quarter, 23 sites were closed. Mr. Scheidel noted that this fits into the FY 2013 results just discussed and noted Board claim files usually remain open for several months after the regulatory closure due to the need to wait for the monitoring well closure and issuance of a NFA certificate. Ms. Douskey also noted that there is currently one staffer assigned to complete the NFA certificates and presently, there is no backlog on issuing the certificates.

For LUST stats, Ms. Douskey noted that there are currently 1,058 open LUST sites; 547 are high risk, 265 are low risk, 63 are No Action Required with Free Product and 183 sites are not yet classified.

Ms. Douskey also provided an update to the noted that in the past week Department staff met with various stakeholders about a rule involving equipment needs at unmanned UST facilities. She noted that rule requires equipment be in place to shut down the pumps in the event a pre-determined trigger is reached. She indicated that there are a number of concerns and that the Department is working with the stakeholders to resolve the issue.

PROGRAM BILLINGS

Mr. Scheidel presented the current monthly billings to the Board for approval.

- 1. Aon Risk Services\$101,024.00
Consulting Services for January 2013 -- \$62,024.00
Claims Processing Services for January 2013 -- \$39,000.00

- 2. Aon Risk Services\$101,024.00
Consulting Services for February 2013 -- \$62,024.00
Claims Processing Services for February 2013 -- \$39,000.00

- 3. Iowa Department of Revenue\$6,123.92
Environmental Protection Charge Collection
3rd Quarter Billing, July – September 2013

- 4. Iowa Attorney General’s Office\$3,388.34
Legal Services provided for Underground Storage Tank Program
November FY2013 Billing

- 5. Iowa Attorney General’s Office\$3,899.73
Legal Services provided for Underground Storage Tank Program
December FY2013 Billing

On a motion by Ms. Andeweg and a second by Mr. Friedrichsen all billings were approved by a vote of 8-0.

MONTHLY ACTIVITY REPORT

Mr. Scheidel noted that the November and December 2012 activity reports were included in the packet, and noted the trend continues downward for remedial, ILO, and global claims, while the number of retroactive claims has remained steady. Mr. Scheidel noted that expenditures are also in line with prior months and that corrective action meetings continue to be scheduled as needed. Mr. Scheidel referenced the financial reports noting no concerns with the balances of each fund, but did note that funds would be transferred into the remedial non-bonding fund consistent with the budget for continued expenses on sites. No questions were presented regarding the financials or activity reports.

ATTORNEY GENERAL’S REPORT

Mr. Steward stated there was nothing to report.

CLAIM PAYMENT AUTHORITY

Mr. Gastineau presented the following claim authority requests:

1. Site Registration 8607024 – Bro Oil Co., Winterset

The site is high risk for the vapor pathways and for a gasketed water main. Mr. Gastineau noted that the site is currently an operating station however plans were to close the station in the next 60 days and remove the tanks, at which time an excavation could be completed to remove the largest area of contamination. It was also noted if excavation is not successful, a prior remediation system which remains on site could be restarted to address the remaining contamination. Mr. Gastineau also noted that the site is presently a candidate for the Loss Portfolio Transfer previously discussed in the meeting, and that the IUST Fund program was currently paying 20% of the costs while the responsible parties for newer releases were paying 80% of the costs to address the contamination.

Mr. Gastineau noted the reserve was \$100,000, and that costs to date have been \$49,505.52. Projected costs are \$60,000 to \$100,000 and it was requested total authority be extended to \$130,000. Mr. Gastineau noted that the low cost to date was related to the cost sharing due to multiple releases at the site.

Mr. Beech motioned to approve the request and Ms. Beck seconded the motion. The measure passed on a vote of 8-0.

2. Site Registration 8608209 – Casey's General Store, Harlan

The site is high risk due to soil and groundwater contamination in proximity to multiple vapor receptors. Soil gas sampling has been attempted to clear the pathway however without success. Site conditions are also complicated by the presence of free product near the tank pit and plans are in place to remove the existing tank system in early 2013. Mr. Gastineau noted that during the tank removal an excavation was planned to remove as much of the contamination as possible, which may result in the site attaining a no action required classification after a year of post excavation monitoring.

Mr. Gastineau noted the present claim reserve is \$100,000, with the costs incurred to date at \$63,677.16. The projected cost for future work is in the range of \$40,000 to \$75,000+. Mr. Gastineau requested authority for work be increased to \$120,000 for work at the site.

Following brief discussion, Ms. Carlson motioned to approve the request, and Mr. Barry seconded the motion. The measure passed on a vote of 7-0, with Mr. Beech abstaining from the vote.

CONTRACTS ENTERED INTO SINCE THE DECEMBER 4, 2012 BOARD MEETING

Mr. Scheidel reported that an updated memo had been given to each member as one additional vendor, in addition to the first 3 listed, had signed an extension agreement to seek reimbursement

for the training of Class A and/or Class B UST Operators. The agreement provides for reimbursement of training activities completed prior to 12/31/2013.

OTHER ISSUES

Mr. Scheidel reported that the next 3 Board meetings (February, March, and April 2013) would be held at the Iowa Insurance Commissioner's office near the State Capitol Complex but noted that the May and future meetings would likely be in a new location as the Insurance Division is moving to a new location. Mr. Scheidel reported that he would seek help from the Department of Administrative Services in finding a suitable location for future meetings and would keep the Board members apprised of all meeting locations.

CORRESPONDENCE AND ATTACHMENTS

Mr. Scheidel noted the last item in Board packet was in regard to Mr. Neil Searcy, who after working with the program for many years had retired shortly before the December 2012 meeting. Mr. Scheidel reported the sad news that Neil had died suddenly on December 28, 2012. Mr. Scheidel noted that the Board had approved a nominal amount for a retirement gift however with the Neil's passing other options were being considered.

Mr. Beech asked if there was any further business. Hearing none, Mr. Gipp moved to adjourn, and Mr. Barry seconded the motion. By a vote of 8-0, the Board adjourned at 11:24 a.m.

Respectfully Submitted,



Scott M. Scheidel
Administrator

Closed Session

Public Comment

Board Issues

A. 2013 Legislative Session



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ΦΦΦ MEMO ΦΦΦ

TO: **UST Board**

FROM: **Scott Scheidel**

DATE: **February 14, 2013**

RE: **2013 Legislative Session**

The 2013 Legislative Session continues to move along. February 15th marks the last day for individual Senator or Legislator bill requests. March 8th represents the first funnel date, the day all House bills must be reported out of House committees and all Senate bills must be reported out of Senate committees. Thus far no bills have a significant direct impact on the Board or its mission.

We will continue to monitor bills and committees and report any issues that may affect the Board.

B. LPT Agreements



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Φ Φ Φ *MEMO* Φ Φ Φ

TO: **UST Board**

FROM: Scott Scheidel

DATE: February 14, 2013

RE: Loss Portfolio Transfer

Background

The Board has previously (2007) entered into an agreement to transfer liabilities to PMMIC at sites where the Board had an active open liability and PMMIC also had a separate open active liability (claim). Since that time additional sites have manifested themselves either through a new release or the reevaluation of the legacy contamination relative to risk. The Board discussed entering another transaction or transactions with PMMIC for the group of sites that currently have coincidental open liability and future such occurrences. The Board approved and delegated authority up to \$500,000 for the group of 17 sites with open Board and PMMIC liabilities to the Administrator in August 2012 pending Board approval of the negotiated master agreement as well as a release to be executed by the Board's claimants who agree to participate in the transfer. At the January Board meeting the Board discussed the agreements in detail and recommended some minor additions.

Issue

Attached behind this memo are proposed documents negotiated between the Board (Administrator and Counsel) and PMMIC and their counsel with the changes discussed at the January meeting integrated. There is a master agreement that allows for the transfer of liabilities at sites where both the Board and PMMIC have an open active liability. Under the Master Agreement, the Board would retain the future potential payment for tank removal as well as any investigation at the sites pursuant to the No Further Action agreement in place with the Department of Natural Resources. The changes added to the Master Agreement were non binding dispute resolution language and clarification that once liabilities transfer to PMMIC that the terms of the Master Agreement in place at that time survive whether or not the Master Agreement remains in place in the future. The Claimant release likewise serves to release the Board from liability with the two exceptions noted in the Master Agreement.

Recommendation

The Master Agreement and Claimant Release provide both for the transfer of existing liabilities that coincide with existing PMMIC open claims as well as provide a framework to allow for future such transfers as the sites arise. We would recommend approval of the agreements. We will execute the Master Agreement and immediately pursue releases from the claimants on sites where there is a current coincidence of liabilities by the Board and PMMIC. For future sites that meet the criteria of an open Board liability and an open PMMIC claim, we will present them to the Board for consideration of transfer actions.

For reference, the list of sites currently contemplated for transfer is attached with the relevant reserve and allocation information along with a proposed calculation of current transfer amount accounting for future development, inflation, present value of money and tax implications.

LOSS PORTFOLIO TRANSFER AGREEMENT

This Loss Portfolio Transfer Agreement is entered into by and between the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board, an Iowa governmental agency created pursuant to Iowa Code chapter 455G (the "Board"), and Petroleum Marketers Management Insurance Company, a licensed, for-profit insurance company domiciled in Iowa ("PMMIC"). This Agreement is effective as of the date it is fully executed by all parties.

WHEREAS, Iowa Code section 455G.6(17) authorizes the Board to adopt rules providing for the transfer of all or a portion of the liabilities of the Board under Iowa Code chapter 455G (the "Liabilities"), and the Board has adopted rules contained in 591 Iowa Admin. Code 9 providing for the transfer of the Board Liabilities to third parties; and

WHEREAS, PMMIC and the Board desire to enter into this Agreement allowing for the transfer of Liabilities for certain sites containing contamination from underground petroleum storage tanks ("Covered Sites") for which the following conditions exist: (1) a party (the "Claimant") is eligible for, or is currently receiving, statutory benefits from the Board, and (2) an eligible insurance claim exists with PMMIC for the site; and

WHEREAS, the Board has evaluated the transfer of Liabilities pursuant to the criteria contained in 591 Iowa Admin. Code 9.3, and deems the transfer to be in the best interest of the program; and

WHEREAS, the Board has considered the practicability of seeking competitive public bids for each Covered Site pursuant to 591 Iowa Admin. Code 9.5, and determined public bidding is not practical because: (1) each Covered Site Claimant already has an eligible insurance claim with PMMIC, (2) a transfer of Board Liabilities to PMMIC will provide a single source of funding and management for each Covered Site claim, and (3) it is unlikely that another party can provide as efficient and cost-effective services for each Covered Site under the circumstances;

THEREFORE, in consideration of the commitments made herein, the Board and PMMIC agree as follows:

1. **Term.** The term of this Agreement shall begin upon its execution by both parties hereto and shall run for one (1) calendar year. Upon the mutual agreement of the Board and PMMIC, the term shall extend for successive one-year terms. Each such extension of this Agreement shall not be considered a separate agreement and shall not require public bidding. Either party may terminate this Agreement at any time, with or without cause, upon thirty (30) days written notice to the other party.
2. **Estimated Corrective Costs.** With respect to each Covered Site, the Covered Site's incumbent consultant, or another person mutually agreed upon by the parties hereto, (the "Consultant") shall estimate the total corrective cost necessary for the Covered Site to reach a No Further Action classification with the Iowa Department of National Resources ("DNR"). The parties may adopt either the corrective cost estimate established by the Consultant or any other

amount mutually agreed to by the parties. In the event that either the Board or PMMIC disagrees with the corrective cost estimate established by the Consultant, and the parties are unable to agree upon a mutually acceptable corrective cost estimate, then the disagreeing party may, at its sole cost and expense, submit an alternative estimated corrective cost from an independent consultant. If the estimated corrective cost values submitted by the Consultant and the independent consultant vary by more than five-percent (5%), the average of the two values shall represent the agreed-upon estimated corrective cost for the Covered Site. If the estimated corrective cost submitted by the independent consultant does not vary by more than five-percent (5%) from the value submitted by the Consultant, then the estimated corrective cost submitted by the Consultant shall be adopted by the parties.

All corrective cost estimates shall account for future corrective activities, including the time and cost of such activities. The projected schedule of activities and costs will be present valued, using the most recently published Iowa Comprehensive Annual Financial Report investment rate. Each corrective cost estimate shall account for expected inflation. Additionally, if the parties mutually agree that there is significant risk of early closure or additional corrective work, the parties may require that the corrective cost estimate include an additional, mutually agreeable, "risk factor" value.

3. **Third Party Review.** The Board and PMMIC will contract with a mutually-selected third party to evaluate the nature and scope of the contamination of each Covered Site. The third party will conclusively determine an allocation of liability between the Board and PMMIC for reimbursement of corrective action costs. The parties shall share the costs of each third party Covered Site review in proportion to each party's allocated responsibility for each Covered Site. Notwithstanding anything to the contrary contained herein, if the allocated responsibility of either the Board or PMMIC is five-percent (5%) or less of the estimated corrective cost for a particular site, and the total estimated corrective cost for such site is less than one-hundred thousand dollars (\$100,000), then the party bearing the greater allocated responsibility shall be solely responsible for the cost of the third party review and for all corrective action costs at the site.

4. **Claimant Release.** With respect to each Covered Site, the Claimant's consent to the transfer of Board Liabilities to PMMIC shall be an express condition of such transfer. The Board must obtain an executed Agreement, Waiver, and General Release, substantially in the form attached hereto as "Exhibit A" (a "Release"), from each Covered Site Claimant. Only once the Board and the relevant Claimant have executed a Release may the Board Liabilities with respect to a particular Covered Site be transferred to PMMIC pursuant to this Agreement. Notwithstanding anything to the contrary contained herein, if a Claimant for a particular Covered Site refuses to execute a Release, then the Board Liabilities associated with that site are not subject to transfer.

5. **Transfer of Liabilities.** Subject to the Claimant Release in Section 4, above, PMMIC shall assume those Board Liabilities with respect to the Covered Sites mutually selected by the parties. Nothing herein shall be construed to require that PMMIC assume Board Liabilities for any particular Covered Site, or that PMMIC assume the Board Liabilities for a certain number or percentage of Covered Sites. Any Covered Site(s) Liabilities assumed by PMMIC (each an "Assumed Site") shall be added to a schedule attached hereto and marked as "Exhibit B." Every new edition of Exhibit B shall be signed by both parties.

a. For each Assumed Site, PMMIC shall assume any and all known and unknown Liabilities of the Board under Iowa Code sections 455G.9 and 455G.21 to reimburse the Claimant for corrective action costs. PMMIC shall assume no less liability to reimburse the Claimant than the Board's Liabilities as outlined in Iowa Code sections 455G.9 and 455G.21 and 591 Iowa Admin. Code 11 as may exist at the time of the transfer. The Board Liabilities assumed by PMMIC shall not be terminated or otherwise affected by the termination of this Agreement.

b. The transferred Liabilities shall include any and all Board responsibilities and activities relating to the Assumed Site, including but not limited to, project funding and management, claim adjustment, and consultation with Claimant, contractors and DNR. PMMIC is not restricted, however, from offering benefits in excess of the statutory and regulatory authority granted to the Board. Any Board responsibilities and activities that may be created by future amendments to the Iowa Code, other than amendments to Iowa Code sections 455G.9 and 455G.21 and Iowa Admin. Code chapter 591, shall not be transferred to or assumed by PMMIC pursuant to this Agreement.

c. Notwithstanding anything to the contrary contained herein, Board Liabilities transferred hereunder shall not include reimbursement claims for the permanent closure of an underground storage tank system pursuant to Iowa Code section 455G.9(1)(l), or the assessment of corrective action costs pursuant to an agreement with DNR as authorized by Iowa Code section 455G.9(1)(k) after a No Further Action certificate has been issued. The Board shall retain liability for such claims and activities unless otherwise agreed to by the parties in writing.

d. With respect to each Assumed Site, the Board shall provide PMMIC and the Claimant access to, and copies of, information contained in Board documents and files related to the site.

6. **Transfer of Funds.** In consideration for the assumption of Board Liabilities, the Board shall pay to PMMIC a single cash sum for each individual Assumed Site (each a "Transfer Payment"). The Transfer Payment for a particular Assumed Site shall be equal to the Board's allocated responsibility percentage multiplied by the total corrective cost estimate for the site. The parties agree that the Transfer Payment shall represent the full and final payment of consideration for PMMIC's assumption of the Board Liabilities with respect to each Assumed Site. PMMIC hereby waives any and all rights it may have, or may ever have, to seek additional funds from the Board in relation to the transferred Liabilities. This waiver includes any additional funds made available by future amendments to Iowa Code sections 455G.9 and 455G.21. The Board hereby waives any right to a refund from PMMIC of the Transfer Payments based upon future amendments to Iowa Code sections 455G.9 or 455G.21 or Iowa Admin. Code chapter 591.

7. **Annual Reporting.** PMMIC agrees to provide the Board with ongoing information and data for each Assumed Site so that the Board may audit the amounts paid by PMMIC to the Claimants. Such information and data shall be provided for each Assumed Site on at least an annual basis from the date of this Agreement until each such site achieves a No Further Action designation.

8. **General Release.** In consideration for the Transfer Payments, PMMIC hereby releases, acquits, and forever discharges the Board and its officers, employees, assigns, agents, and successors in interest from any and all claims, rights, demands, actions, obligations, liabilities, and causes of action of any and every kind, nature, and character whatsoever, known or unknown, whether based on federal, state, or local law, or for claims based on tort, contract (implied, oral, or written), or any other theory of recovery for any matter related to or concerning the Assumed Sites.

9. **Indemnification.** PMMIC agrees to indemnify and hold harmless the Board against any and all loss, liability, expenses and costs (including attorneys' fees, judgments and amounts paid in settlement) actually and reasonably incurred by the Board in connection with any threatened, pending, completed or future action, suit, or proceeding to which the Board is, or is threatened to be, made a party arising from or related to the Liabilities transferred in connection with an Assumed Site.

10. **Waiver, Dispute Resolution and Consent to Jurisdiction.** No failure or delay on the part of either party in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

The parties agree to submit all claims, disputes, and controversies arising out of or in relation to the performance, interpretation, application, or enforcement of this Agreement to non-binding mediation. The parties further agree that their respective good faith participation in mediation is a condition precedent to pursuing any other available legal or equitable remedy, including litigation. If the parties cannot agree upon a mediator, each party shall select the name of a preferred mediator, and the two selected shall then choose a third person who will serve as mediator. Mediation fees, if any, shall be divided equally among the parties.

If mediation is unsuccessful, either party may pursue other available legal or equitable remedies, including litigation. The parties agree to submit to the non-exclusive jurisdiction of the Iowa District Court sitting in Polk County, Iowa in any action or proceeding arising out of or relating to this Agreement, and the parties agree that all claims in respect of such action or proceeding may be heard and determined in any such Iowa District Court.

11. **Addresses.** The parties' addresses and fax numbers for official communications and notices are:

PMMIC
2894 - 106th Street
PO Box 7628
Urbandale, IA 50323
(Tel.) 515-334-3001
(Fax) 515-334-3013

Iowa Underground Storage
Tank Fund Board
2700 Westown Parkway, Suite 320
West Des Moines, IA 50266
(Tel.) 515-225-9263
(Fax) 515-225-9361

Either party may change their address or fax number by notifying the other party, in writing, of any change.

12. **Public Record.** The parties acknowledge this Agreement is a public record under Iowa Code chapter 22, and is available for public inspection and copying.

13. **Titles.** Paragraph titles are provided for the parties convenience and do not limit the scope or meaning of any paragraph.

14. **Joint Drafting.** This Agreement was drafted jointly by the parties and shall not be construed in favor of, or against, either party because of which party was responsible for drafting a particular portion of the Agreement.

15. **Complete Agreement.** This Agreement reflects the parties' entire agreement on this matter and may not be altered or amended except by a subsequent written document signed by all parties to the Agreement.

16. **Authority to Sign.** The parties, and their representatives, by signing below, acknowledge that they have complied with all the legal requirements for approval of this Agreement and that their representatives are authorized to bind their respective agencies or bodies by their signatures to this contract.

17. **Applicable Law.** This Agreement shall be governed by, and construed in accordance with, Iowa law.

18. **Execution.** All parties are executing this Agreement solely in reliance upon their own knowledge, belief and judgment and not upon any representations made by any of the other party hereto or others on their behalf.

IOWA UNDERGROUND STORAGE
TANK FUND BOARD

PETROLEUM MARKETERS
MANAGEMENT INSURANCE CO.

By: _____
Scott Scheidel, Fund Administrator

By: _____
Patrick Rounds, President

Date: _____

Date: _____

AGREEMENT, WAIVER AND GENERAL RELEASE

This Agreement, Waiver and General Release ("Agreement") is entered into by and between the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board ("Board"), an Iowa governmental agency created pursuant to Iowa Code chapter 455G, and [NAME], of [City] ("Claimant"). This Agreement is effective as of the date it is fully executed by all parties.

WHEREAS, Claimant is currently eligible to receive benefits from the Board to reimburse corrective action costs for a site at [ADDRESS], [REG AND LUST #S], ("Site");

WHEREAS, Iowa Code section 455G.6(17) authorizes the Board to adopt rules providing for the transfer of all or a portion of the liabilities of the Board under Iowa Code chapter 455G, and the Board has adopted rules contained in 591 Iowa Admin. Code 9 providing for the transfer of the Board's liabilities to third parties; and

WHEREAS, Petroleum Marketers Management Insurance Company, a licensed, for-profit insurance company domiciled in Iowa ("PMMIC") and the Board have entered into a separate Agreement allowing for the transfer of Board liabilities to PMMIC to provide a single source of funding and management for the corrective action activities at the Site;

THEREFORE, in consideration of the commitments made herein, the Board and Claimant agree as follows:

1. **Consent to Transfer of Liabilities.** Claimant hereby consents to the transfer to PMMIC of any and all liabilities of the Board contained in Iowa Code sections 455G.9 and 455G.21 to reimburse Claimant for corrective action costs related to the Site. Claimant acknowledges a copy of Iowa Code 455G.5(17) and 591 Iowa Admin. Code 9 have been provided with this Agreement for reference and review.

a. Claimant understands that upon completion of the transfer of liabilities, PMMIC shall assume any and all responsibilities and activities of the Board related to the liabilities transferred, including but not limited to, project funding and management, claim adjustment, and consultation with Claimant, contractors and the Iowa Department of Natural Resources.

b. Claimant further understands the Board shall cease to maintain any ongoing duty whatsoever to Claimant in relation to the liabilities transferred, and Claimant will become ineligible to again receive benefits from the Board in relation to the Site for benefit claims made pursuant to Iowa Code sections 455G.9 or 455G.21.

c. Notwithstanding language in this Agreement to the contrary, the liabilities transferred to PMMIC do not include reimbursement claims for the permanent closure of an underground storage tank system pursuant to Iowa Code section 455G.9(1)(l), or the assessment and corrective action costs conducted pursuant to an agreement with the Iowa Department of Natural Resources as authorized by Iowa Code section 455G.9(1)(k) after a No Further Action Certificate has been issued. The Board will retain liability for such claims and activities unless otherwise agreed to by the Board, PMMIC and Claimant in writing.

2. **Waiver of Benefits.** In consideration for the transfer of liabilities described in paragraph 1 of this Agreement, Claimant hereby voluntarily waives any and all right to receive benefits from the Board pursuant to Iowa Code sections 455G.9 and 455G.21, and 591 Iowa Admin. Code 11 upon signing this Agreement. Claimant understands that by consenting to the transfer of Board liabilities to PMMIC, PMMIC shall assume all duties and liabilities of the Board to provide benefits to Claimant.
3. **Release of Claims.** In consideration for the transfer of liabilities described in paragraph 1 of this Agreement, Claimant hereby releases, acquits, and forever discharges the Board and its officers, employees, assigns, agents, and successors in interest from any and all claims, rights, demands, actions, obligations, liabilities, and causes of action of any and every kind, nature, and character whatsoever, known or unknown, whether based on federal, state, or local law, or for claims based on tort, contract (implied, oral, or written), or any other theory of recovery, and whether for compensatory or punitive damages, for any matter related to or concerning the liabilities transferred.
4. **Transfer to PMMIC.** In consideration for Claimant's waiver of benefits and release of claims, the Board and PMMIC may, pursuant to a separate agreement, effectuate the transfer of liabilities and payment of a sum of money to PMMIC.
5. **No Representation of Future Right to Benefits.** With the exception of paragraph 1(c) of this Agreement, Claimant understands and agrees that upon completion of the transfer of Board liabilities to PMMIC, Claimant's continued eligibility to receive benefits pursuant to Iowa Code sections 455G.9 and 455G.21 is a matter to be determined exclusively between the Claimant and PMMIC. Claimant understands and agrees the Board has not made any representation regarding Claimant's future eligibility for, or receipt of, benefits.
6. **No Representation of Protection by Insurance Guaranty Association.** Claimant understands that upon transfer the Board's liabilities to PMMIC, Claimant's reimbursement for corrective action costs is subject to PMMIC's continued ability to pay for such costs. Claimant understands that in the event PMMIC becomes insolvent and is liquidated, Claimant may lose all rights to receive reimbursement. Claimant understands and agrees the Board has not made any representation regarding Claimant's future eligibility for recovery from the Iowa Guaranty Association, under Iowa Code chapter 515B, in the event PMMIC becomes insolvent and is liquidated.
7. **Public Record.** The parties acknowledge this Agreement is a public record under Iowa Code chapter 22, and is available for public inspection and copying.
8. **Titles.** Paragraph titles are provided for the parties' convenience and do not limit the scope or meaning of any paragraph.
9. **Complete Agreement.** This Agreement reflects the parties' entire agreement on this matter and may not be altered or amended except by a subsequent written document signed by all parties to the Agreement.

10. **Authority to Sign.** The parties, and their representatives, by signing below, acknowledge that they have complied with all the legal requirements for approval of this Agreement and that their representatives are authorized to bind their respective agencies or bodies by their signatures to this contract.

11. **Applicable Law.** This Agreement shall be governed by, and construed in accordance with, Iowa law.

12. **Execution.** Claimant is executing this Agreement solely in reliance upon Claimant's own knowledge, belief and judgment and not upon any representations made by the Board or others on the Board's behalf. Furthermore, Claimant acknowledges reading this entire Agreement, understanding the Agreement constitutes a contract, and entering into this Agreement voluntarily only after being advised by the Board of the right to consult with an attorney.

PLEASE READ CAREFULLY. THIS AGREEMENT INCLUDES A WAIVER OF BENEFITS AND A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

Claimant's Printed Name

Scott Scheidel, Administrator
Iowa Comprehensive Petroleum
Underground Storage Tank Fund Board

Claimant's Signature

DATE: _____

DATE: _____

I, _____, a notary public in and for the State of Iowa, do hereby certify that _____ personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Subscribed and Sworn to before me on this _____ day of _____, 20____.

Notary Public in and for the State of Iowa

My commission expires:

LPT Calculations

Year 1	\$	58,123.77		
Year 2	\$	59,111.87	ase Reserve Figure	\$ 387,491.80
Year 3	\$	60,116.78	Risk Premium	\$ 19,374.59
Year 4	\$	61,138.76	total to be discounted	\$ 406,866.39
Year 5	\$	62,178.12		
Year 6	\$	63,235.15		
Year 7	\$	64,310.15		
Sum of Payments	\$	406,866.39		
Sum of Payments w/	\$	428,214.60		
Net Present Value		\$366,197.72		
One time tax	\$	12,816.92	3.50%	
Payment Including T		\$379,014.64		

Sites with shared liability between UST Fund and PMMIC 8/14/12 (excl prior LPT sites)	City	Risk	consultant	IUSTF Reserve Balance (1-16-13)	PMMIC Reserve Balance (8-5-11)	FR Status	Groundwater Professional Estimate	PMMIC share	Fund Share
1 8601819 (IUSTF = 15% / PMMIC = 85%)	S. Cent. COOP	Lacona	High BLEC	24,564.54	15,000.00	PMMIC	47,750.00	40,587.50	7,162.50
2 8602918 (IUSTF = 10% / PMMIC = 30% / RP = 6)	River Valley	Durant	High Seneca	12,933.52	na	closed	355,000.00	106,500.00	35,500.00
3 8603271 (IUSTF = 75% / PMMIC = 25%)	Raine	Humboldt	Low Apex	8,400.56	na	closed	5,500.00	1,375.00	4,125.00
4 8603853 (IUSTF = 50% / PMMIC = 50%)	Cig Outlet	Washington	High Seneca	9,905.28	20,000.00	PMMIC	5,000.00	2,500.00	2,500.00
5 8604799 (IUSTF = 35% / PMMIC = 65%)	Casey's	Cedar Rapids	NAR BLEC	4,769.89	na	Self Assurar	17,500.00	11,375.00	6,125.00
6 8607024 (IUSTF = 20% / PMMIC=80%)	KG/Bro	Winterset	High BLEC	55,805.48	25,000.00	PMMIC	325,000.00	260,000.00	65,000.00
7 8607082 (IUST = 75/15% // PMMIC = 25/85% RE)	Bumper to Bumper	Olwein	High VJ	100,792.84	25,000.00	PMMIC	144,055.00	36,013.75	108,041.75
8 8607932 (Soil (PMMIC), GW (mixed))	JOCO	Bettendorf	Low Terracon	12,276.83	30,000.00	PMMIC	7,500.00	750.00	6,750.00
9 8608458 (IUSTF = 85% / PMMIC = 15%)	QT/Music Station	Cedar Falls	Low Apex	13,939.02	25,000.00	PMMIC	15,000.00	2,250.00	12,750.00
10 8608757 (IUSTF = 75% / PMMIC = 25%)	Country Store	Onawa	High RDG	62,581.08	na	closed	7,625.50	1,906.38	5,719.12
11 8710384 (IUSTF = 25% / PMMIC = 75%)	Joti/Johnson	Mt. Vernon	High BLEC	39,808.74	15,000.00	PMMIC	240,000.00	180,000.00	60,000.00
12 8710665 (IUSTF = 20% / PMMIC = 80%)	Taylor Quik Pik	Missouri Valley	Low RDG	8,043.83	15,000.00	PMMIC	137,237.90	109,790.32	27,447.58
13 8603566 (NFA claim - 40% IUST / 60% PMMIC)	Farmers Coop	Fredricksburg	High Blackhawk	8,073.03	na	PMMIC	63,689.00	38,213.40	25,475.60
14 8710504 (NFA claim - 35% PMMIC / 65% IUSTF former KG)	KG	Ellsworth	High Seneca	30,844.75	na	closed	41,130.00	26,734.50	14,395.50
15 8606451 (NFA 28E site - 12.5% IUST, 80% PMMI former Amoco)	Amoco	Stuart	High Seneca	6,598.57	na	closed	24,080.00	19,264.00	3,010.00
16 8608410 (NFA 28E (85% PMMIC - - 15% IUSTF) former KG)	KG	Sioux City	High Seneca	10,016.55	na	closed	23,265.00	19,775.25	3,489.75
				409,354.51			1,459,332.40	857,035.10	387,491.80

C. DNR Update

Approval of Program Billings



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Scott M. Scheidel, *Administrator*

Board Members:

Michael L. Fitzgerald Joseph D. Barry Jeff W. Robinson Karen E. Andeweg Chuck Gipp
Timothy L. Gartin Dawn M. Carlson Patricia J. Beck N. Kurt Mumm

MEMORANDUM

TO: UST Board Members
FROM: Scott Scheidel
DATE: February 22, 2013
SUBJECT: Summary of Bills for Payment

NOTICE

The following is a summary of UST bills requiring Board approval for payment:

1. Aon Risk Services..... \$101,024.00
 Consulting Services for – March 2013 - \$62,024.00
 Claims Processing Services for – March 2013 - \$39,000.00

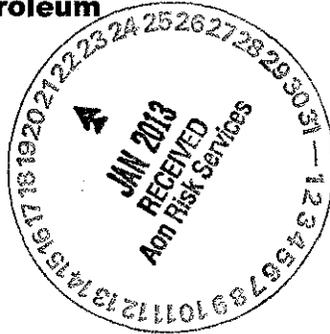
2. Iowa Attorney General's Office\$3,916.61
 Services provided for UST Fund January FY2013

3. Iowa Department of Revenue\$1,508.88
 Environmental Protection Charge
 4th Quarter Billing October – December FY2013

Iowa Comprehensive Petroleum

Invoice No. 9500000103838

Iowa Comprehensive Petroleum
Underground Storage Tank Fund
2700 Westown Pkwy, #320
West Des Moines IA 50266 USA



Aon Risk Services Central, Inc.
West Des Moines IA Office
Aon Risk Insurance Services Central, Inc
CA License # 0D04043
2700 Westown Parkway, Suite 320
West Des Moines IA 50266
(515) 267-9101 FAX (515) 267-9045

Client Account No.	Invoice Date	Currency	Account Executive
10756349	Jan-15-2013	US DOLLAR	Scott Scheidel

Named Insured	Service Term	Trans. Eff. Date	Description	Amount
Iowa Comprehensive Petroleum	Jan-01-2013 - Jan-01-2014	Mar-01-2013	Renewal - Service Fee	
Comments Installment 3 of 12			Service Fee	62,024.00
			Consulting Expense	39,000.00
TOTAL INVOICE AMOUNT DUE				101,024.00

TO AVOID POTENTIAL DISRUPTION IN COVERAGE, PLEASE PAY IMMEDIATELY.
For Wire instructions, contact your Account Executive.

Please see reverse side for statement regarding Aon compensation.

Please detach here. Top portion is for your records, bottom portion to be returned with your payment.

Client Account No.	Invoice No.	Invoice Date	Currency	Amount Due
10756349	9500000103838	Jan-15-2013	US DOLLAR	101,024.00

Iowa Comprehensive Petroleum
Underground Storage Tank Fund
2700 Westown Pkwy, #320
West Des Moines IA 50266 USA

Send remittance to:

Aon Risk Services Central, Inc.
Aon Risk Services Companies, Inc.
75 Remittance Drive - Suite 1943
Chicago IL 60675-1943

IOWA ATTORNEY GENERAL'S OFFICE

Hoover State Office Bldg - 2nd Floor

Des Moines, Iowa 50319-0141



Invoice Date: 02/04/13

Buyer: Aon Risk Services
2700 Westown Pkwy, Ste 320
West Des Moines, IA 50266
Attn: Scott Scheidel

Seller: Iowa Attorney General's Office
Hoover State Office Bldg - 2nd Floor
Des Moines, IA 50319-0141

Services For: Assistant Attorneys General
Period of Service: January FY2013

Please use the following accounting information for (IET) transfer/payment:

Document Number	Account Coding					Description	Amount
	Fund	Agency	Org	Sub Org	Rev Source		
112AG020413042	0001	112	2301		0302		\$ 3,916.61

Please direct billing questions to Karen Redmond at (515)281-6362.

**Iowa Attorney General's Office
Invoiced Services**

Billing Period:	January 2013
Billing Total:	\$3,916.61
DSS @ 22%	\$1,368.55
RCH @10%	\$424.09
CLJ @12%	\$414.60
11/8/2012	\$2,207.24
DSS @ 22%	\$1,128.32
RCH @10%	\$306.25
CLJ @12%	\$276.12
11/22/2012	\$1,710.69
DSS @ 22%	
RCH @10%	
CLJ @12%	
Payroll:	
Imputed Income Reimbursement	(\$1.32)
	\$3,916.61

DSS = David Steward

22%

Dave is our Asst Attorney General who provides the Board with legal counsel, drafts agreements and settlements with other State agencies and claimants.

RCH = Richard Heathcote

10%

Rich is a PhD hydrogeologist who consults for the Board by reviewing claim files and DNR records to assist in the determination of technologies used at sites. Rich reviews site files for the usage of RBCA Tier 3 reports; he also reviews proposals for CRP's or special projects.

CLJ = Cindy Jacobs

12%

Cindy is a legal secretary for the Environmental/UST Division of the Attorney General's Office located in the Lucas Building. Cindy completes status reports and maintains appeal files for UST claimants with regard to their UST Fund benefits' eligibility.



Iowa Department of Revenue

Director: Courtney M. Kay-Decker
Hoover State Office Building
Des Moines, Iowa 50319
www.iowa.gov/tax
Phone (515) 281-3204

January 16, 2013

Scott Scheidel
Underground Storage Tank Program
2700 Westown Parkway, Suite 320
West Des Moines, Iowa 50266



Dear Mr. Scheidel:

I am enclosing our 4th quarter EPC billing. Please direct the billing to the appropriate person for approval and payment.

If you or the board requires more detailed info, please call or email me at anytime.

Your assistance is fully appreciated.

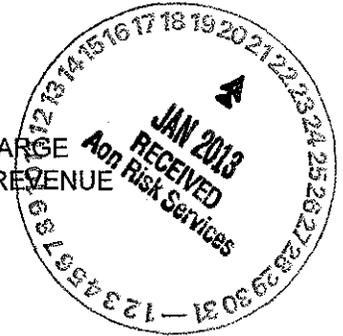
Sincerely,

Roxane Foster
Accountant 2
Iowa Department of Revenue
Roxane.Foster@iowa.gov
(515)281-5228

Enclosures

cc: Stefanie Devin, Treasurer's Office

ENVIRONMENTAL PROTECTION CHARGE
 COSTS INCURRED BY THE DEPARTMENT OF REVENUE
 OCTOBER - DECEMBER FY 2013



Compliance Division

Examination Section:

Personnel	\$96.40
Indirect Costs	\$7.00
	<u>\$103.40</u>

Field Audit Section:

Personnel	\$459.28
Indirect Costs	\$12.00
	<u>\$471.28</u>

Total Compliance Division \$574.68

Revenue Operations Division

Customer Accounts Section:

Personnel	\$353.90
Postage	\$0.00
Indirect Costs	\$23.00
	<u>\$376.90</u>

Processing Section:

Personnel	\$75.98
Indirect Costs	\$3.00
	<u>\$78.98</u>

Total Revenue Operations Division \$455.88

Technology & Information Management Division

Personnel	\$444.32
Postage	
Printing	
Indirect Costs	\$34.00
	<u>\$478.32</u>

Total Technology & Information Management Div.

DEPARTMENT TOTAL

\$1,508.88

1/16/2013

Please use the following accounting codes for the Environmental Protection Charges for the 4th quarter FY 13.

13-0001-625- EX04 - 0304	\$	96.40
indirect costs		7.00
		<u>103.40</u>
FO04 - 0304		459.28
indirect costs		12.00
		<u>471.28</u>
CA01 - 0304		353.90
indirect costs		23.00
		<u>376.90</u>
PR01 - 0304		75.98
indirect costs		3.00
		<u>78.98</u>
TM03 - 0304		444.32
indirect costs		34.00
		<u>478.32</u>
Total for Revenue	\$	1,508.88

S:\BUDGET\EPC2.xls]Oct-Dec

Monthly Activity Report and Financials Reviewed

A. January 2013 Activity Report

Iowa UST Fund
Monthly Activities Report

Jan-13

Claims	Open Claims December Ending	Monthly Net Changes	Open Claims January Ending	Open & Closed Totals since Inception
RETROACTIVE				
number	37	0	37	444
reserve	\$1,644,951.95	(\$23,738.78)	\$1,621,213.17	\$1,621,213.17
paid	\$6,540,909.95	\$19,738.54	\$6,560,648.49	\$16,610,404.53
	\$8,185,861.90	(\$4,000.24)	\$8,181,861.66	\$18,231,617.70
REMEDIAL				
number	507	(1)	506	4,450
reserve	\$24,537,576.53	(\$1,050,577.62)	\$23,486,998.91	\$23,486,998.91
paid	\$78,166,982.12	\$764,582.62	\$78,931,564.74	\$202,140,098.56
total	\$102,704,558.65	(\$285,995.00)	\$102,418,563.65	\$225,627,097.47
INNOCENT LANDOWNER				
number	159	(1)	158	1,108
reserve	\$6,624,230.54	(\$114,299.86)	\$6,509,930.68	\$6,509,930.68
paid	\$11,722,015.22	\$126,298.86	\$11,848,314.08	\$26,946,248.22
total	\$18,346,245.76	\$11,999.00	\$18,358,244.76	\$33,456,178.90
GLOBAL OPT-IN				
number	131	(2)	129	1,296
reserve	\$747,952.14	(\$9,156.64)	\$738,795.50	\$738,795.50
paid	\$1,028,379.86	(\$18,843.36)	\$1,009,536.50	\$9,458,373.60
total	\$1,776,332.00	(\$28,000.00)	\$1,748,332.00	\$10,197,169.10
UNASSIGNED REVENUE FUND PROJECTS				
number	4	2	6	195
reserve	\$60,000.00	\$60,000.00	\$120,000.00	\$12,000.00
paid	\$0.00	\$0.00	\$0.00	\$2,384,654.85
total	\$60,000.00	\$60,000.00	\$120,000.00	\$2,396,654.85
NFA RE-EVALUATIONS				
number	20	1	21	37
reserve	\$447,838.25	\$19,805.00	\$467,643.25	\$467,643.25
paid	\$374,161.75	\$10,195.00	\$384,356.75	\$621,332.92
total	\$822,000.00	\$30,000.00	\$852,000.00	\$1,088,976.17
TANK PULLS				
number	31	11	42	190
reserve	\$346,978.69	\$136,835.22	\$483,813.91	\$483,813.91
paid	\$0.00	\$117,103.22	\$117,103.22	\$1,879,764.89
total	\$346,978.69	\$253,938.44	\$600,917.13	\$2,363,578.80

Corrective Action Meetings	
Scheduled:	14
Completed:	1,137
MOA's	483

UST Operators (A / B)	2574
UST Operators (C)	62
Paid (FY2011-12)	\$271,490.00
Paid (FY2013)	\$4,400.00

RT Claims		#
New	0	
Reopened	0	
Closed	0	
RM Claims		#
New	1	
Reopened	0	
Closed	2	
ILO Claims		#
New	0	
Reopened	0	
Closed	1	
GS Claims		#
New	1	
Reopened	1	
Closed	3	
Tank Pull		#
New	12	
Reopened	1	
Closed	2	

Invoice Type Totals	January	FYTD	Program to Date
2004 Tank Pull	0.00	0.00	\$ 1,761,013
2010 Tank Pull	48,808.24	391,490.99	\$ 1,779,837
American Soils	0.00	0.00	\$ 5,678,423
AST Removal	0.00	0.00	\$ 2,121,637
AST Upgrade	0.00	0.00	\$ 5,460,479
CADR Charges	6,130.00	25,646.03	\$ 4,283,089
Corrective Action	9,736.21	209,356.88	\$ 51,246,956
Expenses (OT)	2,200.00	8,340.00	\$ 248,360
Free Prod Recover	83,142.16	281,395.59	\$ 9,535,219
Monitoring	275,524.57	964,554.69	\$ 26,684,436
Operations/Maint	65,475.59	297,801.56	\$ 9,289,109
Over-excavation	710,235.61	1,145,168.48	\$ 27,544,846
Plastic Water Lines	0.00	71,883.85	\$ 1,968,921
Post RBCA Evals	996.26	9,583.46	\$ 193,192
RBCA	10,195.00	114,238.09	\$ 25,714,196
Remed Imp/Const.	139,206.53	676,916.48	\$ 26,154,833
SCR Charges	0.00	0.00	\$ 54,192,575
Site Check	0.00	2,582.50	\$ 140,053
Soil Disposal	0.00	13,878.91	\$ 684,706
Tank (UST) Pull	0.00	0.00	\$ 5,146,330
Tank (UST) Upgrade	0.00	0.00	\$ 5,891,868
Tier III	1,890.00	4,863.08	\$ 1,259,020
Utilities	21,032.86	92,820.89	\$ 1,740,639
Well Closure	29,735.20	90,917.12	\$ 3,253,106
Total Invoice Types	1,404,308.23	4,401,438.60	\$ 271,022,547

Remediation Budgets Approved to Date		
last month (Jan '13)	2	\$59,585
Trailing 12 mos	42	\$3,080,282
Prev Trail 12 mos	35	\$1,564,411
Total Since Jan 2003	1,057	\$41,855,268

Project Contracts	Open	Closed	Pending
CRP's	13	33	0
Tank Closure	2	5	0
Plastic Water Line	0	2	0

B. January 2013 Financial Report

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JANUARY 31, 2013**

0471 - UST REVENUE FUND (Bonding)

Balance of Fund, January 1, 2013		\$14,357,035.19
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$36,047.95	
Interest Income - Capital Reserve Fund	\$0.00	
	\$36,047.95	\$36,047.95
Disbursements:		
Bond Interest Payment	\$0.00	
Bond Principal Payment	\$0.00	
EPC Charges	\$0.00	
Transfer to General Fund	\$0.00	
Transfer to Unassigned Revenue Fund (0450)	\$0.00	
Transfer to Innocent Landowner Fund (0485)	\$0.00	
Transfer to Remedial Non-Bonding Fund (0208)	\$7,000,000.00	
	\$7,000,000.00	\$7,000,000.00
Balance of Fund, January 31, 2013		\$7,393,083.14

0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)

Balance of Fund, January 1, 2013		\$9,236,270.86
Receipts:		
Request for Proposal Fees	\$0.00	
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	
Refund/Overpayment	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Compensation for Pooled Money Investments	\$0.00	
Amort / Accretion	\$0.00	
Buys/ Sells	\$0.00	
Interest Income	\$34,702.61	
	\$34,702.61	\$34,702.61
Disbursements:		
UST Administrator's Fees	\$0.00	
Adjustment	\$0.00	
Attorney General's Fees	\$0.00	
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$12.00	
Actuarial Fees	\$0.00	
Auditor of the State Fees	\$0.00	
Bond Trustee's Fees - Bankers Trust	\$0.00	
Claim Settlement	\$0.00	
Custodial Fees - BONY	\$0.00	
Department of Revenue EPC Collection Fees	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JANUARY 31, 2013**

Innovative Technology	\$0.00	
Inspection & Appeals Service Fees	\$0.00	
Legal and Professional Fees	\$0.00	
Postage / Printing / Miscellaneous	\$0.00	
Professional Admin Services (Investments)	\$0.00	
Professional Services - Owner/Operator Training	\$340.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$1,860.00	
Travel Expenses-UST Board Members	\$0.00	
Warrant Float Expense	\$0.00	
28E Agreement - DNR Plume Study	\$0.00	
Statutory Transfer to DNR (technical review - recurring)	\$0.00	
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$12,839.25	
Appropriation 2013	\$200,000.00	
Transfer of Funds to Innocent Land Owners	\$0.00	
		\$215,051.25
Balance of Fund, January 31, 2013		\$9,055,922.22

0208 - UST REMEDIAL NON-BONDING FUND

Balance of Fund, January 1, 2013		\$1,273,058.26
Receipts:		
Remedial Refunds	\$0.00	
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer From UST Revenue Fund (0471)	\$7,000,000.00	
		\$7,000,000.00
Disbursements:		
Retroactive Claims	\$46,459.52	
Remedial Claims	\$1,120,470.59	
Adjustment	\$0.00	
28E Agreement - NFA Claims	\$10,195.00	
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants & Cancelled Warrants	\$0.00	
		\$1,177,125.11
Balance of Fund, January 31, 2013		\$7,095,933.15

0478 - UST MARKETABILITY FUND

Balance of Fund, January 1, 2013		\$736,520.73
Receipts:		
Interest	\$1,061.21	
Use Tax	\$0.00	
		\$1,061.21
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
Balance of Fund, January 31, 2013		\$737,581.94

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JANUARY 31, 2013**

0485 - UST INNOCENT LANDOWNERS FUND

Balance of Fund, January 1, 2013		\$2,511,841.00
Receipts:		
Cost Recovery (i.e. lien settlements)	\$4,497.33	
ILO Refunds	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Transfer From Loan Gaurantee Fund (0238)	\$0.00	
Outdated Warrants	\$0.00	
Miscellaneous Income	\$0.00	
		\$4,497.33
Disbursements:		
Cost Recovery Reimbursement	\$0.00	
Cost Recovery Global Settlement	\$0.00	
Adjustment	\$0.00	
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	
Other Contractual Services	\$0.00	
Global Settlement Claims	\$13,018.15	
Innocent Landowner Claims	\$203,663.44	
Transfer to Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	\$0.00	
		\$216,681.59
Balance of Fund, January 31, 2013		\$2,299,656.74

0238 - UST LOAN GUARANTEE FUND (Non-Bonding)

Balance of Fund, January 1, 2013		\$278,153.77
Receipts:		
Loan Application Fees	\$0.00	
Interest Income	\$74.64	
		\$74.64
Disbursements:		
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
Balance of Fund, January 31, 2013		\$278,228.41

0614 - UST CAPITAL RESERVE FUNDS (Bonding)

Balance of Fund, January 31, 2013		\$0.00
Combined UST Capital Reserve Fund Balances, January 31, 2013		\$0.00
TOTAL FUND BALANCES, January 31, 2013		\$26,860,405.60

FOOTNOTES:

Note 1: Funds labeled "Bonding" were created as a result of the issuance of UST Revenue Bonds. Disbursements from these funds are restricted by the Revenue Bond indenture.
Funds labeled "Non-Bonding" are funds not restricted as to use by the Revenue Bond indenture.

C. Year-to-Date Financials as of January 31, 2013

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JANUARY 31, 2013**

		FISCAL 2013 BUDGET
0471 - UST REVENUE FUND (Bonding)		
Balance of Fund, July 1, 2012	\$16,326,234.65	\$9,290,721.00
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$7,000,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$66,848.49	
Interest Income - Capital Reserve Fund	\$0.00	
	\$7,066,848.49	\$14,000,000.00
Disbursements:		
Bond Interest Payment	\$0.00	
Bond Principal Payment	\$0.00	
EPC Charges	\$0.00	
Transfer to General Fund	\$0.00	
Transfer to Unassigned Revenue Fund (0450)	\$9,000,000.00	\$9,000,000.00
Transfer to Innocent Landowner Fund (0485)	\$0.00	\$7,000,000.00
Transfer to Remedial Non-Bonding Fund (0208)	\$7,000,000.00	\$7,000,000.00
	\$16,000,000.00	\$23,000,000.00
Balance of Fund, January 31, 2013	\$7,393,083.14	\$290,721.00
0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)		
Balance of Fund, July 1, 2012	\$745,122.80	\$4,701,809.63
Receipts:		
Request for Proposal Fees	\$0.00	
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	\$10,000.00
Refund/Overpayment	\$2,837.72	
Transfer From UST Revenue Fund (0471)	\$9,000,000.00	\$9,000,000.00
Compensation for Pooled Money Investments	\$0.00	
Amort / Accretion	\$0.00	
Buys/ Sells	\$0.00	
Interest Income	\$59,891.35	\$25,000.00
	\$9,062,729.07	\$9,035,000.00
Disbursements:		
UST Administrator's Fees	\$488,040.00	\$1,100,000.00
Adjustment	(\$198,132.84)	
Attorney General's Fees	\$26,386.95	\$65,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$12.00	\$150.00
Actuarial Fees	\$0.00	
Auditor of the State Fees	\$4,962.88	\$5,100.00
Bond Trustee's Fees - Bankers Trust	\$0.00	
Claim Settlement	\$0.00	
Custodial Fees - BONY	\$0.00	
Department of Revenue EPC Collection Fees	\$28,799.97	\$25,000.00
Innovative Technology	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JANUARY 31, 2013**

		FISCAL 2013 BUDGET
Inspection & Appeals Service Fees	\$0.00	
Legal and Professional Fees	\$0.00	
Postage / Printing / Miscellaneous	\$0.00	\$100.00
Professional Admin Services (Investments)	\$0.00	
Professional Services - Owner/Operator Training	\$30,110.00	\$100,000.00
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$13,472.00	\$500,000.00
Travel Expenses-UST Board Members	\$25.74	\$700.00
Warrant Float Expense	\$0.00	
28E Agreement - DNR Plume Study	\$0.00	\$500,000.00
Statutory Transfer to DNR (technical review - recurring)	\$0.00	\$200,000.00
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$60,336.61	\$250,000.00
Appropriation 2013	\$297,916.34	\$200,000.00
Transfer of Funds to Innocent Land Owners	\$0.00	
	\$751,929.65	\$2,946,050.00
Balance of Fund, January 31, 2013	\$9,055,922.22	\$10,790,759.63
0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, July 1, 2012	\$3,510,808.48	\$2,476,236.34
Receipts:		
Remedial Refunds	\$0.00	\$0.00
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer From UST Revenue Fund (0471)	\$7,000,000.00	\$7,000,000.00
	\$7,000,000.00	\$7,000,000.00
Disbursements:		
Retroactive Claims	\$106,765.46	\$700,000.00
Remedial Claims	\$3,176,942.94	\$6,000,000.00
Adjustment	\$144,887.76	
28E Agreement - NFA Claims	\$54,352.15	\$500,000.00
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants	(\$68,072.98)	
	\$3,414,875.33	\$7,200,000.00
Balance of Fund, January 31, 2013	\$7,095,933.15	\$2,276,236.34
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2012	\$730,433.06	\$717,263.77
Receipts:		
Interest	\$7,148.88	\$50,000.00
Use Tax	\$0.00	
	\$7,148.88	\$50,000.00
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
	\$0.00	\$0.00
Balance of Fund, January 31, 2013	\$737,581.94	\$767,263.77

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JANUARY 31, 2013**

		FISCAL 2013 BUDGET
0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, July 1, 2012	\$2,963,372.43	\$3,789,762.08
Receipts:		
Cost Recovery (i.e. lien settlements)	\$24,512.82	\$0.00
ILO Refunds	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	\$7,000,000.00
Transfer From Loan Gaurantee Fund (0238)	\$0.00	\$277,788.24
Outdated Warrants	\$8,517.20	
Miscellaneous Income	\$0.00	
	\$33,030.02	\$7,277,788.24
Disbursements:		
Cost Recovery Reimbursement	\$0.00	
Cost Recovery Global Settlement	\$0.00	
Adjustment	\$4,894.43	
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	\$0.00
Other Contractual Services	\$0.00	
Global Settlement Claims	\$51,790.11	\$75,000.00
Innocent Landowner Claims	\$642,361.17	\$1,500,000.00
Transfer to Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	(\$2,300.00)	
	\$696,745.71	\$1,575,000.00
Balance of Fund, January 31, 2013	\$2,299,656.74	\$9,492,550.32
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, July 1, 2012	\$277,723.01	\$277,788.24
Receipts:		
Loan Application Fees	\$0.00	
Interest Income	\$505.40	\$0.00
	\$505.40	\$0.00
Disbursements:		
Transfer to Innocent Landowners Fund	\$0.00	\$277,788.24
	\$0.00	\$277,788.24
Balance of Fund, January 31, 2013	\$278,228.41	\$0.00
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Combined UST Capital Reserve Fund Balances, January 31, 2013	\$0.00	\$0.00
TOTAL FUND BALANCES, January 31, 2013	\$26,860,405.60	\$23,617,531.06

FOOTNOTES:

Note 1: Funds labeled "Bonding" were created as a result of the issuance of UST Revenue Bonds. funds are restricted by the Revenue Bond indenture. All bond funds are \$0.00 8/31/08
Funds labeled "Non-Bonding" are funds not restricted as to use by the Revenue Bond indenture.

Attorney General's Report

Claim Payment Approval

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 SECOND BOARD REPORT
 FEBRUARY 11, 2013
 WINSTON'S SERVICE CENTER
 605 WEST 7TH STREET
 ATLANTIC
 SITE REGISTRATION NUMBER: 8610182
 LUST NUMBER: 8LTI16**

RISK CLASSIFICATION:

HIGH LOW UNDETERMINED

PRESENT CLAIM RESERVE: \$ 225,000.00

PREVIOUS BOARD APPROVAL: \$ 130,000.00

Number and Date of each previous Board Report: 1st: January 9, 2009

PREVIOUS COSTS INCURRED: \$ 83,117.24

COSTS INCURRED SINCE LAST BOARD APPROVAL:

- | | |
|----------------------------|-----------------|
| 1. Site monitoring reports | 27,323.33 |
| 2. Free product recovery | 20,924.55 |
| 3. Post-RBCA evaluation | 1,000.00 |
| 4. Over-excavation | <u>1,250.00</u> |

TOTAL COSTS INCURRED TO DATE: \$ 133,615.12

PROJECTED COSTS:

- | | |
|---|--|
| <input type="checkbox"/> Risked Based Corrective
Action Tier II Report | <input type="checkbox"/> Tank Pull/Upgrade |
| <input checked="" type="checkbox"/> Site Monitoring Reports
(SMR) | <input checked="" type="checkbox"/> Free Product Recovery
(FPR) |
| <input type="checkbox"/> Corrective Action Design Report
(CADR) | <input checked="" type="checkbox"/> Implementation of
over-excavation |

TOTAL PROJECTED COSTS: \$ 90,000.00 to 125,000.00 +

ADDITIONAL AUTHORITY RECOMMENDED:

TOTAL AUTHORITY:* \$ 240,000.00

COMMENTS: This site is high risk for the soil leaching to protected groundwater source (PGWS) pathway, and low risk for the potential vapor pathways. Free product has been persistent in the area of a former tank basin. An ordinance has been accepted for the City of Atlantic which will remove the PGWS pathway. An over-excavation (OE) was completed in November to remove the remaining soil contamination exceeding the potential vapor target levels and the free product. The OE appears to have been successful. Following post-OE monitoring and free product inspections, the site may be reclassified to no action required.

*Previous approval + additional recommended

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 SECOND BOARD REPORT
 FEBRUARY 14, 2013
 ANDY'S MINI-MART
 203 EAST MAIN
 RICEVILLE
 SITE REGISTRATION NUMBER: 8600690
 LUST NUMBER: 8LTD83**

RISK CLASSIFICATION:

HIGH

LOW

UNDETERMINED

PRESENT CLAIM RESERVE:

\$ 145,000.00

PREVIOUS BOARD APPROVAL:

\$ 125,000.00

Number and Date of each previous Board Report: 1st: January 16, 2007;

PREVIOUS COSTS INCURRED:

\$ 83,873.47

COSTS INCURRED SINCE LAST BOARD APPROVAL:

- | | |
|----------------------------|------------------|
| 1. Site monitoring reports | 13,070.00 |
| 2. Free product recovery | <u>38,950.00</u> |

TOTAL COSTS INCURRED TO DATE:

\$ 135,893.47

PROJECTED COSTS:

Risked Based Corrective
Action Tier II Report

Tank Pull/Upgrade

Site Monitoring Reports
(SMR)

Free Product Recovery
(FPR)

Corrective Action Design Report
(CADR)

Implementation of
CADR

TOTAL PROJECTED COSTS:

\$ 20,000.00 to 50,000.00 +

ADDITIONAL AUTHORITY RECOMMENDED:

\$ 40,000.00

TOTAL AUTHORITY:*

\$ 165,000.00

COMMENTS: The site is low risk for the groundwater vapor and protected groundwater source pathways. There is also free product present in two wells. A water main is present near the wells with free product and by rule; water lines must be relocated if in an area of free product regardless of pipe construction. The existing water line is not considered to be susceptible to petroleum. Additional delineation of the free product plume will be completed to determine if the water main is within the area of free product. If within the defined area of free product, the water main may need to be relocated. Authority requested at this time is for continued monitoring, free product recovery, and free product plume delineation, but does not include possible costs for the water main replacement.

*Previous approval + additional recommended

**IOWA UNDERGROUND STORAGE TANK PROGRAM
THIRD BOARD REPORT
FEBRUARY 14, 2013
DILLAVOU OIL
600 W. BREMER AVENUE
WAVERLY
SITE REGISTRATION NUMBER: 8607330
LUST NUMBER: 7LTA38**

RISK CLASSIFICATION:

HIGH LOW UNDETERMINED

PRESENT CLAIM RESERVE: \$ 400,000.00

PREVIOUS BOARD APPROVAL: \$ 305,000.00
Number and Date of each previous Board Report: 1st: October 31, 2002; 2nd: May 13, 2005

PREVIOUS COSTS INCURRED: \$ 131,825.63

COSTS INCURRED SINCE LAST BOARD APPROVAL:

1. Site monitoring reports	56,250.80
2. Free product recovery	5,085.00
2. Remediation implementation	29,826.21
3. Operation and maintenance	37,168.00
4. Over-excavation	40,128.51
5. Utilities	<u>17,711.21</u>

TOTAL COSTS INCURRED TO DATE: \$ 317,995.36

PROJECTED COSTS

<input checked="" type="checkbox"/> Site Monitoring Reports (SMR)	<input type="checkbox"/> Free Product Recovery (FPR)
<input type="checkbox"/> Corrective Action Design Report (CADR)	<input checked="" type="checkbox"/> Implementation of water line replacement or other corrective action.

TOTAL PROJECTED COSTS: \$ 60,000.00 to 125,000.00 +

ADDITIONAL AUTHORITY RECOMMENDED:

TOTAL AUTHORITY:* \$ 400,000.00

COMMENTS: The site is high risk for the groundwater ingestion pathway, the groundwater and soil vapor pathways, soil to water lines, and the protected groundwater source pathway. Corrective action to date has included an excavation, a SVE/AS system from 2003 thru 2008, and an ISOC system from 2008 thru 2009. The groundwater concentrations are nearing the low risk target levels, but soil contamination remains. Additional corrective action for the soil contamination will likely be necessary.

*Previous approval + additional recommended

**Contracts Entered Into Since
January 25, 2013
Board Meeting**



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Scott M. Scheidel, *Administrator*

Board Members:

Michael L. Fitzgerald Joseph D. Barry Jeff W. Robinson Karen E. Andeweg Chuck Gipp
Timothy L. Gartin Dawn M. Carlson Patricia J. Beck N. Kurt Mumm

Φ Φ Φ *MEMO* Φ Φ Φ

TO: **UST Board**

FROM: Scott Scheidel

DATE: February 15, 2013

RE: Contracts Entered Into Since January 25, 2013

The Board has not entered into any contracts or agreements since the last Board meeting.

Other Issues as Presented

Correspondence and Attachments