

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

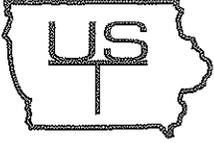
A public meeting of the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board has been scheduled for 10:00 a.m., Friday, April 26, 2013. **The meeting will be held at the Iowa Insurance Division located at 330 Maple St, Des Moines, Iowa.**

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 Update
 - B. Fiscal Year 2013 Goals – 3rd Quarter
 - C. Lien – Griswold
 - D. 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 March 25, 2013 Board Meeting
10. Other Issues as Presented
11. Correspondence and Attachments

Approval of Prior Board Minutes



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MINUTES IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND PROGRAM

March 25, 2013

COMMISSIONER'S CONFERENCE ROOM
IOWA INSURANCE DIVISION
330 MAPLE STREET
DES MOINES, IOWA

Doug Beech called the Iowa UST Board meeting to order at 1:02 P.M. A quorum was present, with the following Board members present:

Karen Andeweg
Patricia Beck (by telephone)
Joseph Barry
Dawn Carlson
Jake Friedrichsen (for Michael Fitzgerald)
Timothy Gartin (by telephone)
Chuck Gipp
Kurt Mumm

Also present were:

David Steward, Attorney General's Office
Scott Scheidel, Administrator
James Gastineau, Administrator's Office
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 were any items for discussion. Hearing none, Mr. Barry motioned to approve the minutes of the February 27, 2013 meeting, and Mr. Mumm seconded the motion. By a vote of 9-0, 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

No public comment was presented.

BOARD ISSUES

A. 2013 Legislative Session

Mr. Scheidel noted the current legislative session is continuing and that presently no matters concerning the Board have been noted. Mr. Scheidel mentioned there have been some news articles regarding a proposed gasoline tax and should that become a topic in the legislature it may be of importance to the Board as all road use taxes, such as the EPC may be reviewed. Mr. Scheidel noted he would continue to watch, listen and report any issues to the Board as they become known during the session.

B. DNR Update

Ms. Douskey noted that 6,647 LUST sites have been identified since the program inception of which 5,391 have been closed, 548 are now high risk, 254 are low risk, and 186 are listed as not classified. She also noted that 56 files have been closed in the Federal fiscal year which began October 1, 2012, but that the number of open projects isn't changing much due to new reports coming in. Presently, there are 1,056 open sites being tracked.

Ms. Douskey noted that the inspection database upgrade is near completion and that training will be offered to certified users in the next week. She also noted that staff had met with stakeholders regarding proposed changes to the unstaffed facility rules which will be needed for implementing new procedures.

Ms. Douskey noted that due to complexities involved in the water line evaluation process for a RBCA investigation, a checklist was being developed for both groundwater professionals and for internal staff to use. She also noted that staff had identified three good evaluations which would be provided to the public as an example of how to perform the required evaluations.

PROGRAM BILLINGS

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

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

2. Iowa Attorney General's Office\$3,917.93
 Legal Services provided for Underground Storage Tank Program
 February FY2013 Billing

On a motion by Ms. Andeweg and a second by Mr. Friedrichsen all billings were approved by a vote of 9-0.

MONTHLY ACTIVITY REPORT

Mr. Scheidel noted that the February 2013 activity report was included in the packet, and noted that the trend continues downward for remedial claims. He noted that the number of ILO claims is up by one and that two new unassigned revenue claims had been created for the State Lead Closure Contractor project. Mr. Beech inquired on the number of corrective action meetings being held while noting that the goal was to have 100 meetings this year. Mr. Scheidel noted that the number is down this year as the number of high risk sites needing a meeting is dwindling. He noted that both DNR and fund staff have been looking more closely at the low risk sites trying to determine which sites would benefit for a targeted corrective action or looking at ways to modify the monitoring plan so that monitoring is done with a planned end in mind and indicated that corrective action meetings for the low risk sites will be encouraged.

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 8606884 – Granneman-Brown Enterprises, Ottumwa**

Mr. Gastineau presented information noting the site is high risk for the groundwater and soil leaching pathways for an adjacent lake. The site is also low risk for vapor pathways for potential receptors. He noted a Tier 3 monitoring plan was approved and that monitoring is ongoing to assess the risk to the receptors.

Mr. Gastineau noted the reserve is \$110,000 and that costs to date have been \$82,103.85. Projected costs for future monitoring are in the range of \$10,000 - \$75,000. Mr. Gastineau requested total authority be extended to \$125,000.

Mr. Beech inquired as to how much more monitoring would be needed. Mr. Gastineau noted future monitoring would likely be needed for an additional 5 to 10 years. Ms. Douskey added that a Tier 3 approach is a modified approach in lieu of direct remediation and that it is up to the groundwater professional to justify an endpoint perhaps by demonstrating that the plume is stable and not likely to impact the receptor.

Following a brief discussion, Mr. Beech asked for a motion. Mr. Gipp motioned to approve the claim authority and Mr. Friedrichsen seconded the motion. The measure passed on a vote of 9-0.

2. Site Registration 8607430 – Kwik Shop, Inc., Council Bluffs

Mr. Gastineau presented information noting that the site is classified high risk for vapor pathways, and attempts to clear with soil gas sampling have failed. He noted that as the site is an active station with complex geology, there are few remedial options available to address the risks posed by the contamination. The consultant working on the project has recommended injection of chemical compounds to remediate the contamination in the source area.

Mr. Gastineau noted the reserve is \$160,000 and that costs to date have been \$82,705.99. Projected costs for future corrective action and monitoring are in the range of \$75,000 - \$250,000+. Mr. Gastineau requested total authority be extended to \$250,000.

Ms. Carlson motioned to approve the claim authority, and Ms. Andeweg seconded the motion. The measure passed on a vote of 9-0.

3. Site Registration 8607484 – St. Matthews Capital, LLC., Fort Madison

Mr. Gastineau presented information noting that the site is low risk for the vapor pathways noting that soil gas sampling attempts have failed. Mr. Gastineau noted that as the site is no longer an active station and is accessible for an excavation additional work is planned to delineate the soil plume and then remove the contamination by excavation.

Mr. Gastineau noted the reserve is \$60,000 and that costs to date have been \$41,996.06. Projected costs for future corrective action and monitoring are in the range of \$25,000 to \$125,000. Mr. Gastineau requested total authority be extended to \$120,000.

Mr. Friedrichsen motioned to approve the claim authority, and Ms. Carlson seconded the motion. The measure passed on a vote of 9-0.

4. Site Registration 8610023 – City of Des Moines, Des Moines (2nd Board Report)

Mr. Gastineau provided information relating to the site and noted that the site was currently designated high risk due to vapor pathways. Mr. Gastineau noted free product was recently discovered at the site and an assessment would be necessary in an attempt to map where the product is present. Mr. Gastineau noted that the property had been previously excavated to remove as much of the contamination as possible, so as to allow a new housing development to be built on the same site. It was noted that with the buildings present, defining the plume may be difficult.

Mr. Gastineau noted the reserve is \$175,000 and that costs to date have been \$150,341.04. Prior Board approval had been given in January 2011 for reimbursement up to \$150,000.00. Mr. Gastineau reported that projected costs for future corrective action and monitoring are in the range of \$25,000 to \$75,000, and requested total authority be extended to \$200,000.

Ms. Carlson motioned to approve the claim authority, and Ms. Andeweg seconded the motion. The measure passed on a vote of 9-0.

5. Site Registration 8602728 – Gold Buffet / Aldo Gas, Winterset (5th Board report)

Mr. Gastineau provided information relating to the site and noting that site is currently designated high risk due to vapor pathways. He noted that the site was previously considered low risk however in an attempt to clear the site soil plume delineation began late in 2012 which has now shown that the plume is much larger than anticipated and that free product is present at the site. Mr. Gastineau noted that with the prior approval, funding for the proposed excavation would be possible however if costs increase, additional authority would be needed.

Mr. Gastineau noted the present claim reserve is \$550,000, and that prior Board approval had most recently been given in November 2012 for costs up to \$450,000. He noted the costs incurred to date are at \$162,734.59 and projected costs for future work is in the range of \$325,000 to \$550,000+. Mr. Gastineau requested an additional \$200,000 in authority for total authority for work at the site to \$650,000.

Mr. Scheidel noted that prior Board approval was originally given in the 1992 and 1993 after which the site was designated low risk, and with the plan to get the site to NFA, additional investigations in 2012 has moved the site to high risk and projected costs to the level now requested. Ms. Andeweg motioned to approve the request and Mr. Friedrichsen seconded the motion. The measure passed on a vote of 9-0.

CONTRACTS ENTERED INTO SINCE THE FEBRUARY 27, 2013 BOARD MEETING

Mr. Scheidel reported that the master agreement for the loss portfolio transfer of the select group of claims has been signed with Petroleum Marketer's Mutual Insurance Company. Mr. Scheidel noted that 4 transfer agreements had been received from claimants and that he had been in contact from 2 others regarding the transfer. Mr. Scheidel noted that contact would be made with the 5 other claimants in the near future. Ms. Andeweg inquired on the timing of the transfer

and Mr. Scheidel indicated that by the next meeting, it should be known how many would opt in for the transfer. Ms. Carlson asked if the transfer was for the entire group or none, and Mr. Scheidel noted that the transfers were not dependent on the entire group. He explained that the total amount to be transferred would be solely dependent on which sites opted for the transfer.

OTHER ISSUES

Mr. Scheidel reported that next three Board meetings were scheduled for April 26th, May 23rd, and July 16th, the last of which would be the annual strategic planning session. Mr. Scheidel noted that the Board members would be contacted to verify their availability for the July meeting so that plans could be confirmed.

Mr. Beech asked if there was any further business. Hearing none, Mr. Barry moved to adjourn, and Mr. Gartin seconded the motion. By a vote of 9-0, the Board adjourned at 1:28 p.m.

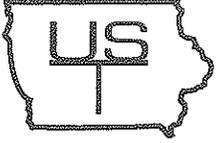
Respectfully Submitted,

A handwritten signature in black ink that reads "Scott M. Scheidel". The signature is written in a cursive, flowing style.

Scott M. Scheidel
Administrator

Board Issues

A. Legislative Update



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Φ Φ Φ **MEMO** Φ Φ Φ

TO: UST Board

FROM: Scott Scheidel

DATE: April 17, 2013

RE: 2013 Legislative Session

The 2013 Legislative Session continues to move along. There are still not any bills that have a direct material impact on the Board after the second funnel, the possibility of amendment or leadership bills still exists however. As the discussions of Gasoline Tax options progress, the possibility of impacting the Environmental Protection Charge exists so we will continue to monitor that as negotiations continue toward closure of the session.

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

B. Fiscal Year 2013 – 3rd Quarter Results

Fiscal Year 2013 Goals - - 3rd Quarter Results

Claims Closures

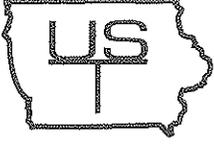
- Close 165 (remedial, retro, and/or ILO) claims by the end of the fiscal year; **41** claims closed by the end of the 3rd quarter of fiscal year
- Have 100 Corrective Action meetings by the end of the fiscal year; **50** meetings held by the end of the 3rd quarter of the fiscal year.
- Jointly evaluate sites with DNR to identify potential sites for State Lead projects such as the Closure Contract project; encourage claimants who qualify as innocent landowners to move forward if eligible for 100% funding.

Short/Long Term Solvency

- Continue RBCA evaluation/calibration work with DNR. Evaluate pending USEPA Vapor Intrusion guidance, scheduled for release in November 2012, to determine applicability to RBCA processes for evaluating risk to vapor receptors. The release of the final document has been postponed to a future date.

	September 2012	December 2012	March 2013	June 2013
Closed Claims	12 closed 3 new / re-opened	2 nd Q 22 closed 1 new / re-opened	3 rd Q 7 closed 8 new / re-opened	4 th Q
CA Meetings	17 completed 4 new MOA	18 completed 1 new MOA	15 completed 1 new MOA	

C. Lien - Griswold



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~~ MEMO ~~

To: UST Fund Board

From: Scott Scheidel, Administrator

RE: Lien # 08010300 - Griswold Custom Classics, 802 Main Street, Griswold, IA
 Registration No. 8608073 LUST No. 8LTB69

BACKGROUND

The DNR requested that the Griswold Custom Classics site be added to the State Lead Closure Contractor project in 2005 for assessment and corrective action. The original fund eligible claimant had died leaving no responsible party. Work was completed and the site has since been classified 'No Action Required' and was issued a NFA certificate.

In 2005, the property owner, Griswold Custom Classics, had in use one 12,000 gallon UST that had been installed several years after the original claim had been filed. With the rules in effect at the time (below), the tank removal cost was not an eligible item for reimbursement.

IAC 591 – 11.3 (11) Permanent closure of an underground storage tank system. Costs for the permanent closure of underground storage tank systems are eligible for reimbursement from the board if all of the following requirements are met: a. The underground storage tank system to be permanently closed was already in place on the date an eligible claim was submitted to the board.

In 2007, Griswold Custom Classics agreed to the tank removal by the closure contractor and the filing of a lien on the property for the removal costs. The lien was perfected with notice to Cass County in January 2008.

In 2010, legislation passed which altered the rules for granting tank closure benefits. Presently those rules allow the Board to reimburse an owner for the closure of an underground storage tank at any time they choose to close the system, if the work is performed after July 1, 2010. If the tank closure at the site had been completed after July 1, 2010, no lien would have been filed as the total costs incurred (\$9,840.50) are less than the allowable limit of \$15,000 per tank site.

Summary

According to the Cass County Assessor's web site as of today (4/10/2013), Griswold Custom Classics, L.C., remains the deed holder of the site. The property however is subject to a foreclosure action by a lender.

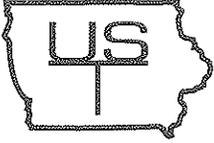
Recommendation

Per Board agreement, current cost recovery policy is that recovery would be pursued in those cases where UST closure costs exceed \$15,000, except on sites where the current property owner is a governmental entity, school district or a financial entity that acquired the property by foreclosure or to protect a financial interest.

Since the tank closure would have been eligible had it been done today due to the costs less than the \$15,000 cap and as the property is being acquired by foreclosure action, it is recommended that the Board authorize the release of the lien. The former owner of the tank system, Griswold Custom Classics does not benefit from the release but it will allow the lender the opportunity to place the property back into productive use for the community.

D. DNR Update

Approval of Program Billings



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MEMORANDUM

TO: UST Board Members
FROM: Scott Scheidel
DATE: April 17, 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 May 2013 -- \$62,024.00
 Claims Processing Services May 2013 -- \$39,000.00

2. Iowa Attorney General's Office\$3,916.61
 Services provided for Underground Storage Tank Program
 March FY 2013 Billing

Monthly Activity Report and Financials Reviewed

A. March Activity Report

Iowa UST Fund
Monthly Activities Report

Mar-13

	Open Claims		Open Claims	Open & Closed
Claims	February Ending	Monthly Net Changes	March Ending	Totals since inception
RETROACTIVE				
number	37	(1)	36	444
reserve	\$2,003,060.67	(\$102,240.78)	\$1,900,819.89	\$1,900,819.89
paid	\$6,576,800.99	(\$53,759.22)	\$6,523,041.77	\$16,643,903.94
	\$8,579,861.66	(\$156,000.00)	\$8,423,861.66	\$18,544,723.83
REMEDIAL				
number	502	(1)	501	4,450
reserve	\$23,383,139.20	(\$249,021.26)	\$23,134,117.94	\$23,134,117.94
paid	\$79,076,983.76	\$92,019.76	\$79,169,003.52	\$202,874,031.12
total	\$102,460,122.96	(\$157,001.50)	\$102,303,121.46	\$226,008,149.06
INNOCENT LANDOWNER				
number	159	1	160	1,110
reserve	\$6,489,140.18	(\$52,122.83)	\$6,437,017.35	\$6,437,017.35
paid	\$11,890,009.58	\$66,077.93	\$11,956,087.51	\$27,262,837.61
total	\$18,379,149.76	\$13,955.10	\$18,393,104.86	\$33,699,854.96
GLOBAL OPT-IN				
number	129	0	129	1,298
reserve	\$731,123.22	(\$3,528.60)	\$727,594.62	\$727,594.62
paid	\$1,017,208.78	\$3,528.60	\$1,020,737.38	\$9,471,269.85
total	\$1,748,332.00	\$0.00	\$1,748,332.00	\$10,198,864.47
UNASSIGNED REVENUE FUND PROJECTS				
number	6	2	8	198
reserve	\$160,000.00	(\$159,830.00)	\$170.00	\$170,000.00
paid	\$0.00	\$0.00	\$0.00	\$2,353,854.85
total	\$160,000.00	(\$159,830.00)	\$170.00	\$2,523,854.85
NFA RE-EVALUATIONS				
number	20	2	22	40
reserve	\$423,470.75	\$48,480.00	\$471,950.75	\$471,950.75
paid	\$388,269.25	(\$3,220.00)	\$385,049.25	\$626,415.42
total	\$811,740.00	\$45,260.00	\$857,000.00	\$1,098,366.17
TANK PULLS				
number	31	7	38	234
reserve	\$392,630.00	\$108,499.00	\$501,129.00	\$501,129.00
paid	\$0.00	\$0.00	\$0.00	\$2,229,268.44
total	\$392,630.00	\$108,499.00	\$501,129.00	\$2,730,397.44

Corrective Action Meetings	
Scheduled:	14
Completed:	1,144
MOA's	483

UST Operators (A / B)	2587
UST Operators (C)	62
Paid (FY2011-12)	\$271,490.00
Paid (FY2013)	\$7,940.00

RT Claims	#
New	0
Reopened	0
Closed	1
RM Claims	
New	0
Reopened	0
Closed	1
ILO Claims	
New	1
Reopened	0
Closed	0
GS Claims	
New	0
Reopened	0
Closed	0
Tank Pull	
New	16
Reopened	0
Closed	9

Invoice Type Totals	March	FYTD	Program to Date
2004 Tank Pull	0.00	0.00	\$ 1,761,013
2010 Tank Pull	131,227.93	838,554.00	\$ 2,226,900
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	2,811.75	28,457.78	\$ 4,285,901
Corrective Action	3,528.60	222,253.13	\$ 51,259,852
Expenses (OT)	1,300.00	9,640.00	\$ 249,660
Free Prod Recover	59,005.66	413,933.96	\$ 9,667,757
Monitoring	176,641.43	1,321,553.79	\$ 27,041,435
Operations/Maint	45,791.79	385,464.54	\$ 9,376,771
Over-excavation	1,968.80	1,217,376.50	\$ 27,617,054
Plastic Water Lines	0.00	108,348.58	\$ 2,005,386
Post RBCA Evals	2,905.00	15,588.46	\$ 199,196
RBCA	13,081.98	139,570.07	\$ 25,739,528
Remed Imp/Const.	57,486.84	766,239.71	\$ 26,244,156
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	1,825.00	9,741.80	\$ 1,263,899
Utilities	25,074.07	137,894.72	\$ 1,785,712
Well Closure	4,916.85	104,923.27	\$ 3,267,112
Total Invoice Types	527,565.70	5,736,001.72	\$ 272,357,107

Remediation Budgets Approved to Date		
last month (Mar '13)	2	\$36,254
Trailing 12 mos	41	\$3,056,998
Prev Trail 12 mos	31	\$1,315,548
Total Since Jan 2003	1,060	\$42,029,320

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

B. March Financial Report

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

0471 - UST REVENUE FUND (Bonding)

Balance of Fund, March 1, 2013		\$7,416,941.84
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$3,500,000.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$8,154.25	
Interest Income - Capital Reserve Fund	<u>\$0.00</u>	\$3,508,154.25
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)	<u>\$0.00</u>	\$0.00
Balance of Fund, March 31, 2013		<u>\$10,925,096.09</u>

0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)

Balance of Fund, March 1, 2013		\$8,880,903.98
Receipts:		
Request for Proposal Fees	\$0.00	
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	
Refund/Overpayment	\$500.00	
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	<u>\$8,835.54</u>	\$9,335.54
Disbursements:		
UST Administrator's Fees	\$101,024.00	
Adjustment	\$0.00	
Attorney General's Fees	\$3,916.61	
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$0.00	
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	<u>\$1,508.88</u>	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING MARCH 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	\$1,300.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$0.00	
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)	\$115,415.62	
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$0.00	
Appropriation 2013	\$0.00	
Transfer of Funds to Innocent Land Owners	\$0.00	
		\$223,165.11
Balance of Fund, March 31, 2013		\$8,667,074.41

0208 - UST REMEDIAL NON-BONDING FUND

Balance of Fund, March 1, 2013		\$6,317,614.84
Receipts:		
Remedial Refunds	\$0.00	
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
		\$0.00
Disbursements:		
Retroactive Claims	\$17,346.91	
Remedial Claims	\$447,972.26	
Adjustment	\$0.00	
28E Agreement - NFA Claims	\$1,780.00	
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants & Cancelled Warrants	\$0.00	
		\$467,099.17
Balance of Fund, March 31, 2013		\$5,850,515.67

0478 - UST MARKETABILITY FUND

Balance of Fund, March 1, 2013		\$738,527.04
Receipts:		
Interest	\$620.28	
Use Tax	\$0.00	
		\$620.28
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
Balance of Fund, March 31, 2013		\$739,147.32

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

0485 - UST INNOCENT LANDOWNERS FUND

Balance of Fund, March 1, 2013		\$2,518,006.04
Receipts:		
Cost Recovery (i.e. lien settlements)	\$0.00	
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	
		\$0.00
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	\$3,528.60	
Innocent Landowner Claims	\$72,295.13	
Transfer to Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	\$0.00	
		\$75,823.73
Balance of Fund, March 31, 2013		\$2,442,182.31

0238 - UST LOAN GUARANTEE FUND (Non-Bonding)

Balance of Fund, March 1, 2013		\$74.60
Receipts:		
Loan Application Fees	\$0.00	
Interest Income	\$205.94	
		\$205.94
Disbursements:		
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
Balance of Fund, March 31, 2013		\$280.54

0614 - UST CAPITAL RESERVE FUNDS (Bonding)

Balance of Fund, March 31, 2013		\$0.00
Combined UST Capital Reserve Fund Balances, March 31, 2013		\$0.00
TOTAL FUND BALANCES, March 31, 2013		\$28,624,296.34

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 March 31, 2013

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING MARCH 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)	\$10,500,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$98,861.44	
Interest Income - Capital Reserve Fund	\$0.00	
	\$10,598,861.44	\$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, March 31, 2013	\$10,925,096.09	\$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	\$3,337.72	
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	\$91,176.34	\$25,000.00
	\$9,094,514.06	\$9,035,000.00
Disbursements:		
UST Administrator's Fees	\$791,112.00	\$1,100,000.00
Adjustment	(\$198,132.84)	
Attorney General's Fees	\$37,591.63	\$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	\$32,473.99	\$25,000.00
Innovative Technology	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING MARCH 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	\$33,270.00	\$100,000.00
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	(\$19,188.00)	\$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)	\$132,182.10	\$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	
	\$1,172,562.45	\$2,946,050.00
Balance of Fund, March 31, 2013	\$8,667,074.41	\$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	\$140,264.87	\$700,000.00
Remedial Claims	\$4,383,778.51	\$6,000,000.00
Adjustment	\$144,887.76	
28E Agreement - NFA Claims	\$59,434.65	\$500,000.00
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants	(\$68,072.98)	
	\$4,660,292.81	\$7,200,000.00
Balance of Fund, March 31, 2013	\$5,850,515.67	\$2,276,236.34
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2012	\$730,433.06	\$717,263.77
Receipts:		
Interest	\$8,714.26	\$50,000.00
Use Tax	\$0.00	
	\$8,714.26	\$50,000.00
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
	\$0.00	\$0.00
Balance of Fund, March 31, 2013	\$739,147.32	\$767,263.77

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING MARCH 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)	\$278,228.41	\$277,788.24
Outdated Warrants	\$8,517.20	
Miscellaneous Income	\$0.00	
	\$311,258.43	\$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	\$64,686.36	\$75,000.00
Innocent Landowner Claims	\$765,167.76	\$1,500,000.00
Transfer to Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	(\$2,300.00)	
	\$832,448.55	\$1,575,000.00
Balance of Fund, March 31, 2013	\$2,442,182.31	\$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	\$785.94	\$0.00
	\$785.94	\$0.00
Disbursements:		
Transfer to Innocent Landowners Fund	\$278,228.41	\$277,788.24
	\$278,228.41	\$277,788.24
Balance of Fund, March 31, 2013	\$280.54	\$0.00
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Combined UST Capital Reserve Fund Balances, March 31, 2013	\$0.00	\$0.00
TOTAL FUND BALANCES, March 31, 2013	\$28,624,296.34	\$23,617,531.06

FOOTNOTES:

Note 1: Funds labeled "Bonding" were created as a result of the issuance of UST Revenue Bonds. Disbursements from 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.

Claim Payment Approval

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 THIRD BOARD REPORT
 APRIL 16, 2013
 COUNTRY STORES OF CARROLL
 320 DIVISION ST.
 ARCADIA
 SITE REGISTRATION NUMBER: 8606249
 LUST NUMBER: 7LTY24**

RISK CLASSIFICATION:

HIGH

LOW

UNDETERMINED

PRESENT CLAIM RESERVE:

\$ 430,000.00

PREVIOUS BOARD APPROVAL:

\$ 300,000.00

Number and Date of each previous Board Report: 1st: August 21, 2001, January 22, 2009

PREVIOUS COSTS INCURRED:

\$ 97,567.94

COSTS INCURRED SINCE LAST BOARD APPROVAL:

- | | |
|----------------------------|-------------------|
| 1. Site monitoring reports | 30,756.00 |
| 2. Over-excavation | <u>142,433.80</u> |

TOTAL COSTS INCURRED TO DATE:

\$ 270,757.74

PROJECTED COSTS:

Site Monitoring Report (SMR)

Free Product Recovery (FPR)

Corrective Action Design Report (CADR)

Implementation of Over-excavation

TOTAL PROJECTED COSTS:

\$ 160,000.00 to 240,000.00+

ADDITIONAL AUTHORITY RECOMMENDED:

\$ 200,000.00

TOTAL AUTHORITY:*

\$ 500,000.00

COMMENTS: The site is high risk for the groundwater and soil vapor pathways for residential sewers and basements. The soil source is submerged, so vapor sampling cannot be used to assess the vapor risk. The entire soil plume exceeding the target levels is not submerged. A large excavation was completed in 2009. The contamination which remains is in the right-of-way and under the city streets at the intersection. A second excavation will be completed in the street and will involve the removal and replacement of a water main to gain access to the contamination. The work will potentially result in the reclassification of the site to no further action following post-over-excavating monitoring.

*Previous approval + additional recommended

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 FIRST BOARD REPORT
 APRIL 16, 2013
 BODE DUE INC.
 1100 E MAIN STREET
 GRISWOLD
 SITE REGISTRATION NUMBER: 7910140
 LUST NUMBER: 8LTY88**

RISK CLASSIFICATION:

HIGH LOW NFA

PRESENT CLAIM RESERVE: \$ 150,000.00

ELIGIBILITY: The underground storage tanks (USTs) were removed from this site in 1982. The current property owner purchased the property in 1986. Contamination was discovered in 1996 during a RBCA investigation on an adjacent property. A claim was received on September 9, 1999. This is an eligible innocent landowner claim.

COST INCURRED TO DATE:

1. RBCA Tier II report	18,914.30
2. Site monitoring reports	3,639.18
3. Free product recovery	<u>5,330.87</u>
TOTAL COST TODATE	\$ 27,884.35

PROJECTED COSTS:

<input checked="" type="checkbox"/> Site Monitoring Report	<input checked="" type="checkbox"/> Free Product Recovery
<input type="checkbox"/> Corrective Action Design Report	<input checked="" type="checkbox"/> Implementation of Over-excavation (OE)

TOTAL PROJECTED COSTS: \$ 125,000.00 - \$325,000.00+

TOTAL AUTHORITY RECOMMENDED: \$250,000.00

COMMENTS: The site is high risk for the soil to water line pathway and the groundwater vapor pathway for a residential basement. The site is also low risk for the potential vapor pathways. Free product is present in several wells. An excavation is proposed to remove the contamination to below the target levels. The excavation may result in the reclassification of the site to no further action following post-OE monitoring and free product inspections.

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 SECOND BOARD REPORT
 APRIL 16, 2013
 CASEY MARKETING CO.
 106 HWY 69 S
 FOREST CITY
 SITE REGISTRATION NUMBER: 8600610
 LUST NUMBER: 7LTQ60**

RISK CLASSIFICATION:

HIGH LOW UNDETERMINED

PRESENT CLAIM RESERVE: \$ 325,000.00

PREVIOUS BOARD APPROVAL: \$ 250,000.00
 Number and Date of each previous Board Report: 1st: March 10, 2008

PREVIOUS COSTS INCURRED: \$ 77,028.70

COSTS INCURRED SINCE LAST BOARD APPROVAL:

1. Site monitoring reports	17,427.27
2. Post-RBCA evaluation conference	1,000.00
3. CADR	10,895.30
4. Remediation implementation	37,286.82
5. Operation and maintenance	27,490.84
6. Over-excavation	<u>60,499.94</u>

TOTAL COSTS INCURRED TO DATE: \$ 231,628.87

PROJECTED COSTS:

<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"/> Expansion of SVE system

TOTAL PROJECTED COSTS: \$ 60,000.00 to 160,000.00 +

ADDITIONAL AUTHORITY RECOMMENDED:

TOTAL AUTHORITY:* \$365,000.00

COMMENTS: An excavation was completed followed by the installation of an SVE system. This has been effective in cleaning up the location of the former UST basin. Contamination remains near the building where it is not accessible to excavation. Free product has also appeared in a monitoring well in this area. The SVE system will be extended to this area to address the free product and hopefully will result in the reclassification of the site to no further action after the product has been removed.

*Previous approval + additional recommended

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 FIRST BOARD REPORT
 APRIL 16, 2013
 HEART OF IOWA COOP
 MAIN AND WALNUT STREETS
 ROLAND
 SITE REGISTRATION NUMBER: 8605621
 LUST NUMBER: 8LTF11**

RISK CLASSIFICATION:

HIGH LOW NFA

PRESENT CLAIM RESERVE: \$ 105,000.00

ELIGIBILITY: The contamination was found during an insurance investigation on October 19, 1990. The IDNR was notified and a timely claim was filed. This is an eligible remedial claim.

COST INCURRED TO DATE:

1. Site check and site clean-up report	\$ 43,834.27
2. Tank Pull	2,601.87
3. Site monitoring reports	18,423.39
4. RBCA Tier II report	4,077.96
5. RBCA Tier III report	2,923.42
6. Free product recovery	<u>9,132.20</u>
TOTAL COST TODATE	\$ 80,993.11

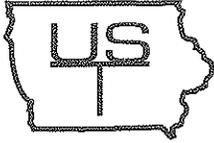
PROJECTED COSTS:

<input checked="" type="checkbox"/> Site Monitoring Report	<input checked="" type="checkbox"/> Free Product Recovery
<input type="checkbox"/> Corrective Action Design Report	<input checked="" type="checkbox"/> Implementation of over-excavation?

TOTAL PROJECTED COSTS: \$ 20,000.00 - \$60,000.00+

TOTAL AUTHORITY RECOMMENDED: \$125,000.00

COMMENTS: The site was recommended for reclassification to low risk for the protected groundwater source pathway in an SMR dated 12/02/2010. The IDNR has not reviewed the reclassification request. Assuming it is accepted, it is possible to reclassify the site to no further action using an institutional control. However, free product is present in two monitoring wells. The area appears to be accessible to an excavation. Corrective action has not been proposed at this time and we are asking for an extension in authority to continue monitoring and free product recovery.



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

~~ *MEMO* ~~

TO: **UST Board**

FROM: Scott Scheidel

DATE: April 19, 2013

RE: Contracts Entered Into Since March 25, 2013

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