



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

Board Members:

Michael L. Fitzgerald
Timothy L. Gartin

Joseph D. Barry
Dawn M. Carlson

Jeff. W. Robinson
Patricia J. Beck

Karen E. Andeweg
N. Kurt Mumm

Chuck Gipp
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., Thursday, August 28, 2014. **The meeting will be held at the Petroleum Marketers and Convenience Stores of Iowa office at 10430 New York Avenue, Suite F, Urbandale, IA 50322.**

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 am)
3. Public Comment Period
4. Board Issues
 - A. Aon Contract Renewal
 - B. Strategic Planning Session Overview
 - C. Actuarial Study Plan
 - 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 July 15, 2014 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

July 15, 2014

ANNUAL STRATEGIC PLANNING SESSION IOWA ARBORETUM EDUCATION CENTER 1875 PEACH AVENUE, MADRID, IA

Doug Beech, Chairperson, called the Iowa UST Board meeting to order at 9:47 A.M. A quorum was present with the following Board members present:

Doug Beech
Stephanie Devin (for Michael Fitzgerald)
Tim Hall (for Chuck Gipp)
Joseph Barry
Jeff Robinson
Karen Andeweg
Dawn Carlson
Patricia Beck
M. Kurt Mumm
Timothy Gartin

Also present were:

Dale Cira, Administrator
James Gastineau, Deputy Administrator
Jacob Larsen, Attorney General's Office

Elaine Douskey, Iowa Department of Natural Resources

STRATEGIC PLANNING SESSION

Mr. Beech welcomed the Board members and guests. He then reviewed the agenda for the day, which included a morning session of Strategic Planning for the current fiscal year (2015) and a regular Board meeting following a break for lunch. Mr. Beech noted that a brief summary of the history would be provided so as to allow time for discussion of the program sunset and planning for the future.

Mr. Beech introduced new Board member, Ms. Stephanie Devin, who is representing the Treasurer's Office.

Mr. Beech turned the meeting over to Dale Cira, Administrator, to lead the discussion. Mr. Cira indicated there was information in the Board packet that describes the background of the Program to where we are now. He noted that he was not going to belabor that process except to say that, after nearly 25 years, we are looking at the potential of a sunset provision that could impact the fund. He noted the original goals of the program were:

- Provide adequate and reliable financial assurance for the costs of cleanup on pre-existing releases.
- Create a financial responsibility assurance mechanism (insurance) to pay for future releases.
- The Fund was designed to be interim measure.
- Minimize societal costs and environmental damage.
- Maintain Iowa's rural petroleum distribution network.

Mr. Cira indicated the Board can feel confident that these goals have been achieved even though things have changed quite a bit. He noted that the first goal, providing for the cleanup of pre-existing sites, is still the primary objective. The second goal, establishment of a financial assurance mechanism, was completed and was the basis of the company now known as Petroleum Marketers Management Insurance Company (PMMIC). Mr. Cira noted that the remaining goals are important measures that must be kept in mind as progress is made to close the remaining leaking underground storage tank sites and as we strategize a plan for the future.

Mr. Cira pointed out that on pages 60 through 64 of the Board packet are the findings and recommendations of the Sunset Working Group. He noted the document outlines a snapshot of what was discussed in the sessions, the thinking processes and recommendations generated. A key objective of this strategy meeting is to take that document and transfer it into something that all can agree on and put into a concept paper to submit to the legislature. It was noted that the Board is here to take in money and spend money appropriately. Mr. Cira provided a quick overview of where we are today. Mr. Cira remarked that he wants to make sure everyone understands that progress is continuing to be made and claims are being closed.

Mr. Cira noted that on pages 19 through 22 of the Board packet, the fiscal year summary is provided which depicts the reductions in each of the open claims categories for FY 2014 as compared to the past two years. He noted that the number of open claims continue to decrease however also noted that the number of tank closure claims remains fairly steady over the years as that program is widely used. Mr. Cira noted that the graphs on pages 20 through 22 are a graphical depiction of the FY 2014 data.

Mr. Gastineau provided an overview of the State Lead projects still ongoing, noting that three projects were closed in the past year. He noted that several of the projects remain as long term concerns but noted progress is being made to identify problems and resolve the concerns in a manner approved by the Department. He noted the financials for the projects are provided in a memo in the Board packet. The most notable item was the payment of \$1.6 million to the City

of Sioux City for the closure of the Cook Park well field. He noted that agreement was signed in 2005 and that with the well field closure more than 10 sites had attained regulatory closure.

Mr. Gastineau also provided a synopsis of the NFA Re-Opener project noting that most of the projects are closed following limited assessment activities. A few sites however will require monitoring or remediation. He also provided a summary listing of 110 sites with open claims identified as stalled sites or possible closure contract sites. He noted that, in most cases, the claimants are innocent landowners who are protected from liability and essentially can choose whether or not to complete the required activities to get their site to closure. Ms. Douskey agreed noting if sites are put on a closure contract, the landowner does not have to handle the paperwork thus providing an incentive to hopefully get the work completed.

Mr. Cirra continued by providing a summary of the claim status in comparison to Department data on the open LUST site backlog. He noted that the number of open claims continues to be a subset of the total number of open sites, noting that approximately 70% of the high and low risk sites, and 50% of the NAR with free product sites are eligible for funding. He noted that the backlog of open claims and open LUST sites is being closed at a fairly steady rate.

Mr. Cirra continued by presenting a memo describing one projection for the future of the fund. He noted that the Program currently obtains its funding from the statutory allocation fund (Motor Vehicle Fees) not directly from or related to the collection of the Environmental Protection Charge (EPC). He also noted that the EPC collection has a sunset date of June 30, 2016 however no such provision is tied to the program funding. Mr. Cirra noted a key task is to get confirmation from the legislature of whether or not the funding stream will continue after 2016 and that a plan needs to be established to prepare for the possibility that the funding may or may not be extended.

Ms. Carlson questioned why we would want to bring this to someone's attention. Mr. Cirra indicated the need to acknowledge the possibility of the funding change and that by not doing so might be viewed as being non-responsive to the program needs. Mr. Beech noted that he does not believe that the Board should advocate for the elimination of the funding but should start the process with recommendations on what is needed for the future. Mr. Hall noted that as the program funding is not tied to the EPC, nothing should change and that the Board would continue to exist. Mr. Robinson noted that those who monitor the road use tax fund will see the changes that are coming in the future and will react to ensure that funding for the road program remains steady.

In discussing the UST Fund projection table, it was noted by the end of FY 2016, there may be an excess of \$17 million in comparison to projected liabilities. If funding continues beyond FY 2016 at the same rate as today, the excess would continue to increase. If funding is reduced, the excess balance will reduce over time as work continues to close claims or efforts are made to terminate the program liabilities.

Mr. Gartin inquired on the size of the reserves asking if they should be verified. Mr. Gastineau responded that the reserves are based on individual site information and historical information on what we expect will be needed to close a site. He noted the current reserves are approximately \$28 million for the claims open.

Mr. Gartin asked if there was an idea on how many unknown claims were yet to be discovered and if those unknowns were reflected in the reserve amount. Mr. Gastineau noted that the unknowns were not reflected in the reserves. He also noted that with the primary eligibility requirement to document a release prior to 10/26/1990, it was getting more difficult for people to provide that information. He did note however that tanks out of use prior to January 1, 1974 and those permanently closed prior to 1990, would generally be eligible however it is impossible to know how many new claims may materialize.

Mr. Cira reported that there are about 20 new claims per year, including claims related to governmental entities, orphan tanks, and NFA re-opener claims. He noted that there is no reason to believe that that number would change dramatically over the next few years. Mr. Gastineau noted that as 20 new sites are added each year about 100 claims are closed.

In continuing with the review, Mr. Cira noted that a summary sheet of income and expense is provided showing where expenditures were made for the fiscal year. He noted that in FY2014, the Fund took in \$14.117 million and paid out just over \$14 million. In excess of \$10 million was paid out directly for claims.

Mr. Cira noted that the fiscal year- end financial statement was provided for review noting no major discrepancies from what was planned. Mr. Gastineau did note that the appropriations were higher than expected due to a transfer of \$1.5 million to the Iowa DOT for a FY 2011 rail study bill. He also noted that \$500,000 remains possible for that same bill and that would be noted in the financials for FY 2015. Mr. Robinson asked if there were any other outstanding appropriations and Mr. Gastineau indicated there were none that he is aware of.

PRIOR YEAR GOALS

Mr. Gastineau provided a summary of the goals established for FY2014. He noted one of the goals was to implement a process to get No Further Action (NFA) certificates issued for those sites that qualify. He noted a pilot project was initiated for Polk County due to the number of possible certificates that could be issued. In discussing the project, it was noted that the work was not as easy as had been imagined, due to property owner changes, address changes, and new constructions that hindered the process of identifying sites and then in locating and closing old monitoring wells. It was noted that the project is working and that a large number of certificates will eventually be issued.

Mr. Gastineau noted that since neither the Department nor the fund track these sites, continuation of the project would not be a priority for 2015. Instead, it is hoped consultants will work with their clients to have certificates issued and that the fund would continue to provide funding on eligible claims to those who wish to obtain a certificate on their own.

Mr. Gastineau noted another goal was to identify sites with perceived obstacles to closure. He noted that the list of stalled sites discussed earlier was the result of the analysis, noting that the sites are those being considered for the State Lead Closure Contract. In considering these sites, letters are being sent offering landowners the opportunity to have work completed at no cost to them however they do have to agree to provide access. The letters will also notify the landowner and claimants that if they do not respond in a timely manner or bring the site into

compliance, that their claim will be closed. Mr. Gastineau also noted that with the uncertainty of what may happen in 2016, that there may not be enough time to complete work on all sites.

SUNSET DISCUSSION

Mr. Cira provided an overview of the working group sessions that led to the completion of the documents included on pages 60 through 64 of the Board packet. He noted that the consensus of the group was to set certain goals that are relevant for consideration, and these include:

1. Obtaining a NFA / DNR Regulatory Closure of Sites
2. Obtaining Fund Program Claim Closure
3. Providing funding for new identified sites and NFA Re-Openers
4. Meeting the Sunset Date of June 30, 2016
5. Providing a resource for tank removals
6. Providing a funding source for sites received by governmental entities
7. Providing funding for continued operator training

Mr. Gartin questioned why the Board should be concerned with removal of tank systems, and Mr. Gastineau noted that the intent of the funding was to assist owners and operators in closing their tank systems when no longer needed. It is hoped that with funding available, owners would pursue closure rather than leaving unused systems unattended and becoming a societal issue in the future. It was also noted that for some of the tank closures, contamination is discovered during the removal which may result in a new LUST site for the Department and may lead to a new fund claim. In discussion of the matter, it was also noted that tank removal, rather than closure in place, is generally the preferred approach for closure activities and given the limitations in drilling near tank systems, the contamination discovered under the removed system often leads to the question of when did the release occur. In cases where the site was previously a LUST site, the issue then becomes trying to discern if the contamination is related to an old release or related to something newer.

Tom Norris of Petroleum Marketers' Mutual Insurance Company (PMMIC) inquired about orphan tanks and asked how many new claims relate to true orphan tanks. Mr. Gastineau answered that the number of such claims is minor, noting he was aware of two in the past year. Mr. Gastineau commented that some of the true orphan sites are abandoned properties and when discovered efforts are made to encourage local governmental entities to take the property. He noted that they do continue to see a small number of governmental claims, especially right-of-way claims but noted that the claims for sites acquired by counties through the tax deed process are rare.

In discussing the options to end the program liabilities, Mr. Cira suggested that there is not going to be any one solution to address all of these goals. As the Sunset provision is pending, decisions need to be made on how to best allocate the resources that are available. Mr. Cira noted there are generally three categories of sites where continued funding will be needed, including (a) eligible sites with ongoing activities which are the majority of the claims (estimated at 480 claims), (b) eligible sites where work has stalled (estimated at 110 claims) and (c) new eligible sites.

Options for the Fund Program

Mr. Cira noted that the current estimate is that there will be about 200 open claims remaining from the first group by June 30, 2016. The closure rate for the stalled sites is expected to be far slower as many of the sites haven't been evaluated in years and with the addition of new claims, the overall number of open claims will likely be near 300 claims. Mr. Cira suggested that, based on history, it is an achievable number.

Mr. Cira noted an option to get closure quicker may be through settlements, noting this has been an existing option and was one of the recommendations of the Sunset Working Group. It was noted that settlements would need to be drafted such that those entering an agreement would have a requirement that they proceed with corrective actions to get their site to closure and that involvement by the Department may also be needed to ensure compliance.

Mr. Gartin asked how the settlements would be monitored so as to ensure that the claimant doesn't take the money and run. Mr. Beech answered that once a settlement is made, the Board would no longer be involved. He noted that the Board's role is to provide funding while the Department is the enforcement arm. Mr. Gastineau noted his opinion that settlements should be made only with those who are legally liable for activities or perhaps with an entity who would take on that role. Settlements with those parties who have no legal responsibility to perform would place the State in a difficult position.

Mr. Cira added the sites likely considered for settlements might be those classified low risk. Mr. Norris (PMMIC) however asked why the Board would limit settlement offers and instead suggested settlements should be offered for any site regardless of classification. Mr. Beech concurred noting that the advantage of doing a settlement is that the person entering the agreement would be provided the funds but would have to deal with the issues regardless of risk. He also noted that for someone to consider a settlement there has to be some incentive to settle, whether it be from fear of the program ending or with the thought that they can get the site to closure for less money than anticipated.

Mr. Gartin stated there is some safety as board members, as the legislature will likely have input into whatever plan is selected. Mr. Beech agreed noting that the Board's role for now is to determine who will be in control as the program winds down.

In discussing options for the future closure of the program, the idea of completing a third limited loss portfolio transfer (LPT) for those sites that PMMIC and the Fund have overlapping responsibility was presented. Mr. Gastineau noted that there are presently 10-15 claims in this category. Mr. Norris stated the issue is balancing the risk and noted that PMMIC would be willing to consider such a transfer but would also be interested in something where the risk is more manageable, such as in a larger group of sites.

Mr. Cira noted that the option for a larger LPT might be something that others may be interested in as well. This option has its challenges and would likely need an actuarial analysis of the current reserves to make sure there is confidence in the numbers being presented and then development of language as to what the receiving entity would need to agree to.

Mr. Beech asked if there are entities that might be willing to take all the claims. Mr. Cira responded that he thinks so, but noted it may be a matter of the money made available to the

third party. He also noted that the receiving entity would need to be confident that they too can make money on the transaction. Mr. Norris concurred noting if priced right, PMMIC would take a transfer of all of the existing claims.

Mr. Hall indicated there has been some discussion within the Department about the concept of taking over the Board's role by possibly using the Iowa Finance Authority (IFA) as a funding mechanism to manage the money while the Department administers the program. He noted that the Department is not set up to handle the money however they do have the long-term perspective on what the problems are for the sites and noted that they don't want to cut corners to close a site. It was agreed that there would be some merit in having the discussion with the IFA about such a transfer, and whether that would allow the funds to be secured so as to make the funds unavailable to legislative transfers.

Mr. Cirra noted the idea to provide the Department with access to funds is something that needs to be considered as there will always be new sites. He noted it may be possible to develop an insurance policy of some sort to cover this issue however thought would be needed on how to pay the premium for such a mechanism.

Mr. Cirra followed with an outline of some steps that have been discussed and need further consideration before going to the legislature. These include:

1. Discuss options and alternatives for general concurrence by the Board, establish priorities and make a plan to provide notice to the appropriate legislative committees.
2. Issue letters to non-compliant site owners / claimants to seek compliance with Department regulations using the State Lead closure contract, or having the claimant take the lead on compliance.
3. Identify the sites where there is overlap with PMMIC insured policy holders and seek an expedited settlement between the fund and PMMIC to remove Fund obligations.
4. Conduct an actuarial analysis of the current program to establish a third-party estimation of fund obligations -- including current eligible claims and claim development as well as likelihood of future claims.
5. Establish Loss Portfolio Transfer (LPT) structure and draft contractual wording for review and eventual development into a request for a proposal.
6. Establish language for a settlement agreement for the closure of claims for claimants with two or more open claims.
7. Explore Pollution Legal Liability (PLL) market interest for Newly Eligible Claims.

Mr. Cirra indicated there is not a lot of time to consider activities, as a concept plan is needed that all can agree on to support and advocate for with the Legislature.

The Board broke for lunch at 11:48 a.m.

The Board reconvened at 12:50 p.m., with Mr. Beech as Chair.

Mr. Beech turned the meeting over to Mr. Cira.

Mr. Cira summarized the earlier discussions, noting again that options to be considered include

1. For the 480 'active' eligible sites, consider settlement agreements, consider a LPT where shared liabilities exist, and possibly a larger LPT after verification of reserves through an actuarial study.
2. For the 110 'stalled' sites, issue joint letters encouraging claimants take action toward compliance or participate in the State Lead closure contract project. Provide notice that non-compliance will result in loss of eligibility.

Mr. Cira suggested efforts be made to put together a proposal for presenting ideas to the legislature before the start of the next session. The proposal should encompass the range of tasks and processes that are currently ongoing. Ms. Carlson asked if someone on the legislative committees had asked us to communicate a plan and also asked if a report of the program status had been given to the legislature this year. Mr. Gastineau noted that several legislative entities are provided a copy of the Board packet and noted that he had received an email from one who had indicated that the Legislature would likely be interested in hearing about discussions regarding the program sunset.

In discussing the efforts to date, it was noted that the Board has had the intent to close the program in 2016 with the impetus being the sunset clause in the collection of the EPC. It was noted while the Board's funding is not directly tied to the EPC, it is the general consensus that should the EPC deposits cease, that funding of the program will likely be affected as well.

It was also accepted based on discussions from the working group sessions, that if the Board chose to do nothing, the program would eventually close however the time needed for that is uncertain and the concern over funding would remain.

It was noted that based on the projections table (page 42) that if funding continues through FY 2016, that an excess balance over the projected reserves of \$17 million may exist. If funding continues for an additional year and assuming claims close at the rate projected, at the end of FY 2017 the fund may have an excess balance of \$24 million.

Ms. Carlson noted that she was not sure that there was an agreement that the EPC will end and inquired whether the Board should ask the legislature for an extension of the EPC and program funding. In considering the question, it was noted that as of right now there has not been any indication that the program funding would cease although there is a strong likelihood that it might. It was also agreed that some funding in the future would be helpful. The question that may be asked is how much is needed and for how long? It was agreed that \$14 million was likely not needed, but instead perhaps only \$6 million for 5 years after FY 2016 would be sufficient to address the backlog and to provide funding for the other programs, such as the existing tank closure and operator training programs. It was also noted that funding may be

needed to address the aging tank population and compatibility issues of new fuels, and to help owners and operators comply with the pending new Federal regulations for underground storage tank systems.

The members agreed that a plan is needed to explain or educate the legislature on why the program is still needed, especially as it is generally accepted that not all site work will be completed by June 30, 2016.

Mr. Gartin referenced Page 64 in the Board packet, which outlines a series of “next steps” for the sunset implementation and inquired if it would be logical to take steps 2, 3 and 4? Those being to (a) issue letters to non-compliant site claimants seeking expedited response regarding future actions, (b) identifying those sites with overlapping liability between PMMIC and a fund eligible claim, and (c) conduct an actuarial study of the current program. He noted the remainder of the recommendations would likely need legislative approval and would also be heavily driven by the numbers attained in the actuarial study. Mr. Gartin moved that steps 2, 3 and 4 be implemented and that staff be directed to take those steps. Mr. Beech seconded the motion.

In considering the matter, Ms. Andeweg inquired as to how many were believed to have overlapping liability. Mr. Gastineau noted that there were likely 15 to 20 claims but that the information could be made available at the next board meeting. Ms. Carlson responded that the letter for the non-compliant sites should go out as soon as possible and Mr. Gastineau concurred noting letters would start being issued yet that month.

Regarding the actuarial analysis, Mr. Cirra indicated an analysis would likely have a cost of \$10,000 to \$15,000. He inquired if that is something that would require a RFP or is it something that the Board would consider Aon complete? In discussing the matter, it was mentioned that the limit for requiring a RFP was thought to be \$25,000 however it was asked that this be verified.

Mr. Gartin stated it would be a benefit that the study be done by someone other than Aon to have it at an arm’s length analysis. Mr. Hall concurred and noted that if a RFP is not needed, the Board could direct Aon to solicit quotes for the study and that Aon could then assist in the development of the evaluation criteria to make the process more efficient.

Mr. Beech asked if there was any more discussion on the motion. Hearing none, the motion was approved unanimously. Mr. Gartin remarked this is a big accomplishment and thanked everyone for their hard work.

Mr. Beech said that if there are some parties that want or think the EPC charge should go on, then they would need to move forward with notice on that. He noted that it would be important for the group to speak as one voice. In discussing the matter, it was noted that asking for a continuation of funding may be difficult as the need doesn’t appear to exist based on the existing reserves. It also noted that the actuarial study may be helpful in selling the idea if it can be shown that there is a need. The study may assist in making the argument that a lesser amount of funds may be sufficient. It was agreed that the Board should be proactive in

trying to determine how much might be needed for claims and other activities such as those currently funded or that may evolve based on the pending EPA regulations.

Mr. Beech observed the motion was a good step and then he thanked everyone for their conversation.

FY 2015 GOALS

In considering goals for the upcoming year, Mr. Cira indicated a set of proposed goals were identified on page 67 of the Board packet. He noted the Polk County project for getting NFA certificates issued had been discussed earlier and that it would not continue as a goal for the current year. A report on what transpired would however be given once the work is completed.

Mr. Gastineau noted to promote claim closures and as recommended, letters would start to be issued seeking access to stalled sites. He noted as work is done on these sites, that the reserves associated with the claims may increase substantially as the site conditions are made known. He also noted that the closure contract project was not designed with the intent of completing large-scale corrective actions however limited work was being completed. Sites needing a more aggressive approach might again become stalled given the projected two year time frame for the program and uncertainty on how to proceed with work.

Ms. Douskey gave kudos to Mr. Gastineau for giving his personal touch to the closure contract letter writing. She noted that his making calls to landowners and claimants with the follow-up of a letter seeking access for the closure contract would hopefully result in better rate of participation than someone just getting a letter from the government referencing non-compliance.

Mr. Gastineau identified one item for FY 2015 as a Process Improvement. He noted that the issue was how to implement the state records retention policy. Currently, the Fund does not have a file retention policy in effect other than to say everything is maintained. In lieu of that policy, Mr. Gastineau noted that he would be working with State Historical Society to develop a policy consistent with government requirements. The plan would be presented to the Board before implementation.

Mr. Gastineau noted that for the DNR coordinated piece, there is more work needed regarding NFA re-openers. It was noted that the current 28E agreement and vendor contracts would expire at the end of 2015, thus a new RFP may be needed if the language involving this program remains the same.

The Strategic Planning Session ended at 1:53 PM and the regular monthly Board meeting commenced.

Mr. Beech began the regular meeting by asking all present to introduce themselves by name.

APPROVAL OF PRIOR BOARD MINUTES

The minutes from the May 22, 2014 meeting were reviewed. Mr. Beech inquired if there were any other changes and, hearing none, Mr. Mumm made a motion to approve the minutes and Mr. Barry 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

There was no public comment from anyone present.

BOARD ISSUES

A. 12 Month Meeting Schedule

Mr. Gastineau presented a memo outlining the proposed schedule of Board meeting for FY 2015. He noted that there are more meetings planned for late 2014 due to requests from consultants so as to ensure funding can be obtained for late fall projects.

B. Fiscal 2015 Budget

Mr. Gastineau presented the Board with the proposed budget for the current fiscal year, noting projections for expenditures were based on prior year expenses and known contracting requirements. It was noted that the balance of the Unassigned Revenue Fund and ILO fund are sufficient thus the plan would be to move this year's appropriations into the remedial fund to allow for continued expenditures. In reviewing the material, Mr. Gartin noted it would helpful to have the proposed fiscal year budget depiction include the previous year budget as well as current year. Mr. Gastineau noted that such would be provided at the next meeting.

Mr. Gartin motioned to approve the budget and Mr. Hall seconded the motion. The budget for FY 2015 was approved by a vote of 9-0.

C. Fiscal Year 2015 Reimbursement Agreement with Attorney General's Office

Mr. Gastineau presented to the Board the proposed reimbursement agreement for FY15 with the Attorney General's Office. Mr. Gastineau noted that the agreement to the Board seeks reimbursement of \$50,000 for FY15 which mirrors that provided for FY14. Mr. Beech stated he would like the wording under Payment, 1A, changed for next year to remove the word "approximately", which would indicate this is a set fee. Mr. Gartin indicated he has been very pleased with Mr. Steward's responsiveness to questions and then motioned to approve the agreement and Mr. Mumm seconded the motion. The agreement was approved by a vote of 9-0.

D. Cost Recovery – Former G&M Mart, Greeley

Mr. Gastineau presented information to the Board to determine if a lien should be filed on this property. The owner of the G&M Mart had been determined to be eligible for benefits; however, was considered recalcitrant in regarding the necessary work. In 2001, an excavation

was completed followed by several years of monitoring. A public water system was also later installed for the community. In December 2013, the site was reclassified as “no action required”.

Mr. Gastineau noted that in 2005, the owner’s financial responsibility (FR) mechanism for the site lapsed and the owner was contacted regarding the lapse and offered the opportunity to pay a reinstatement fee of \$1,650. The owner has not submitted the fee thus the site remains ineligible for funding. Prior to the start of the State Lead project, the claimant had been reimbursed \$28,368.77; he had also paid \$5,000 in copayment. During the State Lead project, costs are \$209,924.94, of which \$54,291.75 were incurred after the October 2005 FR lapse date. Mr. Gastineau also noted that this is an interesting case in that, if the owner paid the reinstatement fee, the owner would also be eligible for a global settlement claim to offset the copayment already paid.

Ms. Carlson made a motion to file the lien; Mr. Gartin seconded the motion. It was unanimously passed 9-0.

E. Funding for RBCA Modeling Software

Mr. Gastineau noted a memo was provided to discuss this topic. It was noted that before his departure, Mr. Scheidel brought forth a concern as to whether the Board would provide funding to upgrade the software used by Department and public for completion of RBCA evaluations. Ms. Douskey noted the Department is seeking to hire a contractor to re-do the software to make it compliant with the newer versions of the Microsoft operating software, and to update the program to be consistent with current rules. She also noted that this same plan had to be approved by the Environmental Protection Committee that oversees Department activities however such was anticipated. Ms. Carlson moved to approve the request and Mr. Gartin seconded. The motion was passed unanimously, 9-0.

F. DNR Update

Ms. Douskey indicated that in regard to 2014 goals, the Department has issued 224 NFA certificates. Of those, 20 are for sites in the Des Moines pilot project. She also noted staffing has been evolving and that Jeff White had been hired as an Environmental Specialist Senior. She noted that he would be continuing in the role with the facilitation of meetings and that there will be another posting for an environmental analyst to work in both the LUST and UST sections.

Ms. Douskey noted that additional funds were recently made available by the US EPA for work on stalled sites where there is no funding mechanism. She noted the Department will be asking for \$140,000 to enable more work to be completed on non-funded sites.

Mr. Beech indicated that \$1 billion will be taken from the Federal LUST fund to support the highway funding bill and wondered how that would affect the Federal LUST Trust Fund? Ms. Douskey stated she did not know.

PROGRAM BILLINGS

Mr. Gastineau presented the monthly billings to the Board for approval.

- 1. Aon Risk Services..... \$104,560.00
 - Consulting Services August 2014 (FY2015) -- \$65,560.00
 - Claims Processing Services August 2014 -- \$39,000.00

Previously submitted to Treasurer’s Office

- 2. Aon Risk Services..... \$104,560.00
 - Consulting Services July 2014 (FY2015) -- \$65,560.00
 - Claims Processing Services June 2014 -- \$39,000.00
- 3. Attorney General’s Office \$ 3,496.09
 - Services provided for Underground Storage Tank Program
 - April 2014 (FY2014) Billing

Ms. Andeweg moved to approve; Mr. Mumm seconded. The measure passed with a unanimous vote.

MONTHLY REPORTS

Mr. Cira noted that information regarding the monthly reports had already been discussed with the morning conversation regarding the status of the program. No further questions were asked.

ATTORNEY GENERALS REPORT

Mr. Larsen stated there was no report to be given.

CLAIM PAYMENTS

Mr. Gastineau summarized the claim payment reports in the Board packet.

1. Site Registration 8604918 – Madsen Oil Co. , Elkhorn

This site is classified high risk for vapor pathways and low risk for the potential vapor pathways. An excavation of the historic tank pit area is proposed as vapor sampling continues to exceed the target levels. The excavation may result in the reclassification of the site to no action required following post-excavation monitoring.

Present claim reserve is \$135,000 and costs to date have been \$80,035.73. Projected costs are in range of \$45,000 to \$70,000+. Additional authority to \$140,000 was requested for the over-excavation and site monitoring. Motion to approve claim authority was submitted by Ms. Carlson and seconded by Mr. Gartin. The motion was approved on a vote of 9-0.

2. Site Registration 8605390 – Hy-Vee, Inc., Iowa City

This site is classified high risk for non-drinking water wells, water mains, and sewers. The site is low risk for the potential vapor pathways. The consultant is recommending a small excavation and a water line replacement. The excavation will likely reduce the concentrations below the target levels potentially allowing the site to be reclassified to no action required following post-excavation monitoring.

Present claim reserve is \$125,000 and costs to date have been \$26,270.55. Projected costs for future work are in range of \$85,000 to \$150,000+. Additional authority to \$150,000 was requested. Motion to approve claim authority was submitted by Mr. Gartin and seconded by Mr. Barry. The motion was approved on a vote of 9-0.

3. Site Registration 8605542 – Fatbutt Enterprises, LLC, Independence (3rd Report)

This site is a closed UST site. Contamination is present in non-granular bedrock and the public water supply wells are located within 1,000 feet of the site. A dual-phase extraction system was operated from 2005 thru 2010. The contaminant levels, while low, still exceed the target level for the groundwater ingestion pathway. A Tier 3 report recommending reclassification to NAR was submitted in 2012, but not accepted. Continued monitoring is required. Additional corrective action is also a possibility.

Present claim reserve is \$325,000 and costs to date have been \$305,908.01. Prior Board approval was given in July 2012 for costs up to \$295,000. Projected costs for future work are in range of \$25,000 to \$50,000+. Additional authority to \$350,000 was requested. Motion to approve claim authority was submitted by Ms. Beck and seconded by Ms. Andeweg. The motion was approved on a vote of 9-0.

4. Site Registration 8604400 – Greene County, Jefferson

This site is classified high risk for the water line pathway for both a main and service line receptor. The site is also low risk for the potential vapor pathways and soil gas sampling has been unsuccessful. Free product is also present at the site. It is recommended that the water main be relocated, and that a dual phase extraction system be installed to remove the free product and lower the contaminant concentrations sufficiently to allow the site to be reclassified to no action required.

Present claim reserve is \$350,000 and costs to date have been \$75,074.58. Projected costs for future work are in range of \$275,000 to \$325,000+. Additional authority to \$400,000 was requested. Motion to approve claim authority was submitted by Ms. Andeweg and seconded by Mr. Hall. The motion was approved on a vote of 9-0.

5. Site Registration 8605169 – Appanoose County, Centerville (2nd Report)

This site is classified high risk for one non-drinking water well and for water lines, and low risk for the potential vapor pathways. The site is a former gas station, now vacant property owned by the county.

Present claim reserve is \$500,000 and costs to date have been \$313,904.07. Projected costs for future work are in range of \$55,000 to \$100,000+. Additional authority to \$415,000 was requested. Motion to approve claim authority was submitted by Mr. Barry and seconded by Ms. Andeweg. The motion was approved on a vote of 9-0.

Anita Maher-Lewis inquired if the responsible party had been made aware of the terms of the 28E agreement regarding NFA re-openers and suggested more information be provided to owners before asking for environmental covenants. Mr. Gastineau noted that owners should be obtaining information regarding ECs from their consultant and that they should have an understanding of what the restriction entails. In discussing the matter further, Mr. Gartin requested a copy of the environmental covenant wording from the DNR website.

Mr. Gartin also asked that the Board be provided two to three sentences as to the way liability will be allocated when using an environmental covenant. Ms. Douskey noted the information regarding ECs would be provided to the Board members for their review and that the comments made would be given to their legal counsel for consideration on changes. She did however note that the wording of the EC stems largely for legislation regarding such actions.

6. Site Registration 8915763 – Easter Enterprises, Bedford (4th Report)

This site is classified high risk for groundwater ingestion and water line pathways. The site is also low risk for potential vapor receptors. A vapor extraction system operated from 2006 thru 2009 but had limited success due to tight soils and site constraints, including active USTs. Chemical injections were completed in 2011 and also had limited effect.

The consultant is now proposing a Tier 3 approach to show that the contaminant plume is not migrating and remains on the site. The high risk water lines will be replaced and an environmental covenant could then be used to reclassify the vapor pathways and allow the site to attain a no action required classification. The DNR is in agreement with this approach.

Present claim reserve is \$825,000 and costs to date have been \$630,132.52. Projected costs for future work are in range of \$40,000 to \$100,000+. Previous board approval to \$625,000 was granted in September 2010. Additional authority to \$700,000 was requested. Motion to approve the claim authority was submitted by Ms. Carlson and seconded by Ms. Andeweg. The motion was approved on a vote of 9-0.

7. Site Registration 8912964 – City of Swisher (5th Report)

This site is classified high risk for 13 nearby private drinking water wells and for a polyethylene water line connecting city hall to its drinking water well. The site is also low risk for the protected groundwater source pathway.

Present claim reserve is \$700,000 and costs to date have been \$489,219.70. Projected costs for future work are in range of \$160,000 to \$350,000+. The Board previously granted approval to \$700,000 in April 2014. Additional authority to \$800,000 was requested. Motion to approve the claim authority was submitted by Mr. Hall and seconded by Mr. Mumm. The motion was approved on a vote of 9-0.

8. Site Registration 8601289 – Cerro Gordo County, Rockwell

This Cerro Gordo County maintenance garage is classified as low risk for the groundwater to protected groundwater source and potential confined space pathways. Soil gas sampling has failed. Attempts have been made to show that the actual contaminant plume remains on-site, however, those have been unsuccessful. The consultant is now proposing an additional round of soil and groundwater sampling to further assess the plume and determine if an EC is possible, and if not will complete an excavation of the contamination area in excess of the target levels. Further low risk monitoring may also be required.

The current requirement by the DNR is annual sampling of four wells at a cost of just under \$2,000 per year. It will take many more years of monitoring without an institutional control to reclassify the site to no action required.

Present claim reserve is \$100,000 and costs to date have been \$79,049.11. Projected costs for future work are in range of \$25,000 to \$75,000+. Additional authority to \$150,000 was requested. Motion to approve the claim authority was submitted by Mr. Barry and seconded by Mr. Mumm. The motion was approved on a vote of 9-0.

9. Site Registration 8609993 – City of Ottumwa (2nd Report)

This site is classified low risk for the potential vapor pathways. The City of Ottumwa public works garage is highly contaminated in the area of the former USTs. However, there are no actual vapor receptors in the area of contamination. The consultant is recommending the completion of a large excavation to remove most of the contamination. Some contamination will likely remain in proximity to the site building, and as a result, low risk monitoring may continue after the excavation.

The current DNR requirement is annual monitoring of six monitoring wells at a cost of approximately \$2,000 per year. Unless rules change, monitoring may be necessary for an extended time frame.

Present claim reserve is \$150,000 and costs to date have been \$80,975.00. Projected costs for future work are in range of \$325,000 to \$400,000+. Additional authority to \$575,000 was requested. Motion to approve the claim authority was submitted by Ms. Carlson and seconded by Mr. Mumm.

Mr. Gartin asked why the Board was considering this matter. Mr. Gastineau noted that changes in legislation provided a claimant the opportunity to have remediation be considered at low risk sites. Mr. Beech stated that Mr. Gartin's point is well taken however he did note that the Board had advocated for the change to allow limited remediation at low risk sites and

noted that without the excavation, monitoring may continue indefinitely. Mr. Gartin indicated he would be voting against this as he does not agree with the idea of the proposed activity at a low risk site.

The motion was approved on a vote of 8-1.

10. State Lead Project CRPCA 9808-19 – Bevington (Change Order Request)

This state lead project was awarded to Apex Environmental in August 1998 to address contamination of one site in Bevington, Iowa. The project has included assessment, corrective action and free product recovery activities. Current activities are part of a Tier 3 approach aimed at verifying that the contaminant plumes are stable and unlikely to affect nearby receptors so as to attain a no action required classification.

Free product recovery is still ongoing. The free product plume encompasses a large area, including the area under Highway 92 and extends south to the property across the street. The neighboring property owner is unwilling to allow access. We do not have access to behind the building.

Free Product Recovery (\$6,000 annually)	\$18,000.00
Vacuum Recovery Events	\$30,000.00
Tier 3 monitoring/reporting (\$14,000 annually)	<u>\$42,000.00</u>
TOTAL	\$90,000.00
Original Contract (11/2/1998)	\$52,277.75
Current Board Authority (01/23/2009)	\$725,000.00
Current Change Order	\$90,000.00
Total Revised Authority	\$815,000.00

NOTE: Total cost incurred for work at this site is \$864,769.89.

Motion to approve change order request made by Mr. Beech and seconded by Mr. Hall. The motion was approved 9-0.

11. State Lead Project CRPCA 0309-33A – Bentley (Change Order Request)

This state lead project was originally awarded to Barker Lemar Engineering Consultants (BLEC) in 2003 to address contamination at one LUST site in the unincorporated community of Bentley (Pottawattamie County). During the initial contracting period, the site was classified high risk due to proximity to multiple drinking water wells. Due to site conditions, remedial options were limited. In 2007, a patented in-well air stripping technology was implemented. In 2009, the Board, through a sole-source contract, entered into a new agreement with BLEC to continue remediation efforts.

Following several years of operation, it was determined remedial goals are not being attained thus the remediation system has been shut down. In an effort to provide a safe source of drinking water to those in the contaminant plume, the contractor completed additional tests and

working with the DNR, has crafted a design for a new water well to replace the one private well located within the plume. Following the installation, the Department will require monitoring to assess stability of the plume.

Installation of double-cased well, water line, and pump	\$48,000.00
Project Management, reporting and monitoring	\$6,000.00
Reserve (well closure)	<u>\$16,000.00</u>
TOTAL	\$70,000.00

Original Contract (12/21/2009)	\$140,137.64
Current Board Authority (01/23/2009)	\$170,137.64
Current Change Order	\$70,000.00
Total Revised Authority	\$240,137.64

Costs incurred to date are \$504,084.61.

Mr. Mumm questioned if we could have started with the new well option. Mr. Gastineau indicated it was possible however the entire community would have had to be involved. Since remediation was believed possible, that was the preferred method. Given the results, the concept is now to replace one well and monitor the plume to verify that the other local wells are not threatened by the plume. Motion to approve the claim authority was submitted by Mr. Gartin and seconded by Ms. Andeweg. Motion was approved 9-0.

12. State Lead Project CRPCA 0005-22 – Dubuque (Change Order Request)

This state lead project was contracted to Barker Lemar Engineering Consultants in October 2000 to address contamination at four LUST sites formerly located along Highway 20 in Dubuque, Iowa. A combined RBCA evaluation was completed and the sites were assigned a low risk classification due to a protected groundwater source and potential vapor receptors. Low risk monitoring was completed between 2002 and 2010.

The City of Dubuque has a publicly owned water system available however an ordinance restricting the placement of private wells within the projected contaminant plumes does not yet exist. The groundwater professional has been working with the city of Dubuque to establish such an ordinance, however, it is questioned if or when the ordinance will be completed. It is also unknown if the County will agree to sign the necessary documents to support enforcement of the ordinance.

Groundwater sampling, analyses, reporting	\$12,000.00
Reserve (well closure)	<u>\$8,000.00</u>
TOTAL	\$20,000.00

Original Contract (10/27/2000)	\$48,790.00
Current Board Authority	\$99,830.00
Current Change Order	\$20,000.00
Total Revised Authority	\$119,830.00

Motion to approve the claim authority was submitted by Mr. Gartin and seconded by Ms. Andeweg. Motion was approved 9-0.

CONTRACTS ENTERED INTO SINCE MAY 22, 2014 BOARD MEETING

Mr. Gastineau noted that the Board had entered into one agreement since the May 22, 2014 board meeting: a second amendment to the 28E agreement between the Board and the Iowa DNR for assessment and corrective action at LUST sites for which a "No Further Action Certificate" has been issued.

OTHER ISSUES

No other issues were discussed.

Mr. Beech noted that there was no further business, and motioned to adjourn the meeting at 3:10 pm. Mr. Mumm seconded the motion and the motion was passed on a vote of 9-0.

Respectfully Submitted,



James R. Gastineau
Deputy Administrator

Closed Session

Discussion of Pending and Imminent Litigation

Public Comment

Board Issues

A. Aon Contract Extension

B. Strategic Planning Session Overview



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

Board Members:

Michael L. Fitzgerald
Timothy L. Gartin

Joseph D. Barry
Dawn M. Carlson

Jeff. W. Robinson
Patricia J. Beck

Karen E. Andeweg
N. Kurt Mumm

Chuck Gipp

MEMORANDUM

TO: UST Board Members
FROM: Dale Cira
DATE: August 21, 2014
SUBJECT: Strategic Planning Session Overview

The Iowa UST Board met for its annual strategic planning session as part of the monthly Board meeting on July 15, 2014. Considerable time was spent discussing the goals and plans for the future of the Fund with special focus on the potential sunset provisions that may take place in 2016. Most of the discussion is documented in the minutes of the meeting, but below is a brief overview and outcome/action items of the strategic planning session.

Through nearly 25 years of operation, the program is looking at the potential of a sunset provision that could impact this Fund. The original goals of the Program were:

- Provide adequate and reliable financial assurance for the costs of cleanup on pre-existing releases.
- Create a financial responsibility assurance mechanism (insurance) to pay for future releases.
- Implement the Fund as an interim measure.
- Minimize societal costs and environmental damage.
- Maintain Iowa's rural petroleum distribution network.

Based on a review of the claim closure status and financial standing, the Board can feel confident that these goals have been largely achieved and we continue to be met. The first goal, providing for the cleanup of pre-existing sites is still the primary goal and objective of the program.

While the Environmental Protection Charge (EPC) collection has a sunset date of June 30, 2016 no such provision is currently tied to the program or the program funding. A key task is to get confirmation from the legislature of whether or not the funding stream will continue after 2016 and that a plan needs to be established to prepare for the possibility that the funding may or may not be extended. There is a need to acknowledge the possibility of the funding change and that by not doing so might be viewed as non-responsive to the program needs. The Board would not advocate for the elimination of the funding but rather start the process with recommendations on what is needed, including budgeting, for the future.

Three main categories of claims were identified and discussed, with the main goal of successfully closing outstanding claims and meeting the IDNR criteria for closure. These categories include: 1) Fund-eligible sites with Fund ongoing activity (480 sites); 2) Stalled sites (90); and Newly Eligible sites (20/year). Options discussed to address these included:

- Offering settlement agreements to responsible parties and taking them out of the Fund program;
- Identify shared sites with PMMIC and negotiating a settlement for the sub-set portfolio;
- Identify a third-party insurance or liability transfer firm that would be in a position to aggregate the remaining claims and transfer the claims to the third party for a fee with funding.
- Consider a combined DNR/Iowa Finance Authority (IFA) approach to address recalcitrant and stalled sites, as well as new sites that come to the light in the event the Fund is concluded.

The path forward was discussed and was generally agreed that any major changes in process will be vetted for support with the Legislature. The steps below would need to be accomplished before presenting any plans to the Legislature.

- Continue to discuss options and alternatives for general concurrence by the Board and establish priorities and schedule for submission to the appropriate legislative committees.
- Issue letters to non-compliant claimants to request expedited response for future action/participation in the Fund for corrective action and closure.
- Identify the sites where there is overlap with PMMIC insured policy holders and seek an expedited settlement between the Fund and PMMIC to remove Fund obligations where shared liability for claims exist.
- Conduct an actuarial analysis of the current program to establish a third-party estimation of Fund obligations – including current eligible claims and claim development as well as likelihood of future claims.
- Establish Loss Portfolio Transfer (LPT) structure and draft contractual wording for review and eventual development into a Request for proposals (RFP).
- Establish language for a settlement agreement for the closure of claims for claimants with two or more open claims.
- Explore options including DNR/IFA or similar for new or stalled claims.

Supplemental Information

, 2014

Re: **NOTICE OF NON-COMPLIANCE**

Iowa DNR Site Registration #:

Site:

Dear :

Based on our records, _____ is the current owner of the subject site and is also an eligible claimant for benefits through one or more of the programs administered by the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board (Board). According to Iowa Department of Natural Resources (DNR) records, the referenced site is also an identified leaking underground storage tank (LUST) site and is currently considered to be a _____ risk site. It's understood that some corrective actions were previously completed however no work has been completed in the last few years, thus the site is no longer in compliance with the Department's underground storage tank regulations. In order to bring your site in compliance, address the risk and in an effort to get your site classified to a *no action required* status, further work is required.

As an eligible claim exists, your firm has the option to continue work using a consulting firm of your choice or as an alternative I would invite you to consider a different approach to allow the work to be completed.

The Iowa Department of Natural Resources (DNR) and the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board (Board) have entered into a joint agreement in order to complete certain activities at underground storage tank (UST) sites where for various reasons the responsible party is unknown, unable or unwilling to complete the required activities.

The work that needs to be done would include further assessment of the contamination identified and may include installation of borings and monitoring wells, sampling of the soil, subsurface vapor, and groundwater, and the completion of a report to identify risks to public health, safety and the environment. It is expected that any activities on the site would not significantly interfere with normal on-site activities and all efforts would be made to accommodate your reasonable concerns. If, after the testing is completed, it is determined further action is required, we will be in contact with you to explain what is needed and to solicit your input.

As noted above, an eligible IUSTF claim exists for the site. Thus, the Board will pay for the work requested by the DNR at no cost to you, subject to the statutory limit for funding.

Private contractors have been retained by the Board for this work and have been required to establish all the necessary insurance to cover the risk of personal or property damage arising out of their activities on site. The contractors will be required to restore the property to reasonably the same condition it was prior to entry. The contractors will not begin any work until you have had the opportunity to jointly inspect the site, discuss proposed activities and have granted written approval for access. The contractor working on your site will be _____; the point of contact with this firm is _____.

A standard Right of Entry and Indemnity Agreement is enclosed. You are asked to carefully review the document, and if acceptable, sign and return the document to the following address:

Iowa UST Fund Program
2700 Westown Parkway, Suite 320
West Des Moines, IA 50266

If the access agreement is not acceptable, please contact me at (515) 440-7106 or (877) 312-5020 to discuss your concerns. If you have questions regarding the regulatory requirements for your site, please call Ms. Elaine Douskey, Supervisor, Iowa DNR Tanks Section at 515-281-8011.

Be advised if you do not respond to this letter within 60 days of the date of this letter, either by returning the access agreement or submitting a letter regarding your intent to comply with the DNR regulations for underground storage tank sites, your claim for Iowa UST Fund benefits will be closed. You will be provided notice if this action is taken.

Sincerely,

James R. Gastineau
Deputy Administrator

Attachment: Access Agreement

c: Sandi Porter, Cunningham Lindsey
Elaine Douskey, Iowa DNR

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
PROPOSED
FISCAL YEAR 2015 BUDGET**

	FISCAL 2014 ACTUAL	FISCAL 2015 BUDGET
0471 - UST REVENUE FUND (Bonding)		
Balance of Fund, July 1, 2014	\$14,470,480.24	\$524,210.38
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$14,000,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$53,730.14	\$100,000.00
Interest Income - Capital Reserve Fund	\$0.00	
	\$14,053,730.14	\$14,100,000.00
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)	\$7,000,000.00	\$0.00
Transfer to Innocent Landowner Fund (0485)	\$9,000,000.00	\$0.00
Transfer to Remedial Non-Bonding Fund (0208)	\$12,000,000.00	\$14,000,000.00
	\$28,000,000.00	\$14,000,000.00
Balance of Fund, June 30, 2014	\$524,210.38	\$624,210.38
0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)		
Balance of Fund, July 1, 2014	\$8,133,085.03	\$11,681,366.83
Receipts:		
Request for Proposal Fees	\$0.00	
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	\$5,000.00
Refund/Overpayment	\$19,550.41	
Transfer From UST Revenue Fund (0471)	\$7,000,000.00	\$0.00
Compensation for Pooled Money Investments	\$0.00	
Amort / Accretion	\$0.00	
Buys/ Sells	\$0.00	
Interest Income	\$48,917.45	\$125,000.00
	\$7,068,467.86	\$130,000.00
Disbursements:		
UST Administrator's Fees	\$1,133,443.36	\$1,240,000.00
Adjustment	\$0.00	
Attorney General's Fees	\$48,121.04	\$50,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$55.00	\$150.00
Actuarial Fees	\$0.00	
Auditor of the State Fees	\$5,033.00	\$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	\$8,241.66	\$37,500.00

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
PROPOSED
FISCAL YEAR 2015 BUDGET**

	FISCAL 2014 ACTUAL	FISCAL 2015 BUDGET
Innovative Technology	\$0.00	
Department of Inspection & Appeals Service Fees	\$243.95	\$500.00
Legal and Professional Fees	\$0.00	
Postage / Printing / Miscellaneous	\$0.00	\$500.00
Professional Admin Services (Investments)	\$0.00	
Professional Services - Owner/Operator Training	\$32,830.00	\$100,000.00
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$279,223.17	\$800,000.00
Travel Expenses-UST Board Members	\$0.00	\$700.00
Warrant Float Expense	\$0.00	
Statutory Transfer to DNR (technical review - recurring)	\$0.00	\$200,000.00
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$0.00	\$250,000.00
Statutory Transfer to IDOT (railway study)	\$1,500,000.00	\$500,000.00
Appropriations FY 2013 / 2014	\$29,375.45	
Appropriations FY 2014 / 2015	\$470,798.43	
Transfer of Funds to Remedial Fund (208)		
Transfer of Funds to Innocent Land Owner Fund (485)	\$12,821.00	
	\$3,520,186.06	\$3,184,450.00
Balance of Fund, June 30, 2015	\$11,681,366.83	\$8,626,916.83
0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, July 1, 2014	\$4,347,071.02	\$8,681,846.71
Receipts:		
Remedial Refunds	\$0.00	\$0.00
Misc. Income (i.e. eligibility settlements)	\$0.00	\$0.00
Interest Income	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$12,000,000.00	\$14,000,000.00
	\$12,000,000.00	\$14,000,000.00
Disbursements:		
Retroactive Claims	\$513,611.19	\$700,000.00
Remedial Claims	\$7,504,064.04	\$6,000,000.00
Adjustment	\$0.00	\$0.00
28E Agreement - NFA Claims	\$226,359.97	\$500,000.00
Transfer of Funds to Innocent Landowner Fund (485)	(\$562,391.00)	
Transfer to Unassigned Revenue Fund	\$6,912.00	
Balance of Outdated Warrants	(\$23,331.89)	
	\$7,665,224.31	\$7,200,000.00
Balance of Fund, June 30, 2015	\$8,681,846.71	\$15,481,846.71
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2014	\$742,024.35	\$755,308.99
Receipts:		
Interest	\$13,284.64	\$25,000.00
Use Tax	\$0.00	\$0.00
	\$13,284.64	\$25,000.00

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
PROPOSED
FISCAL YEAR 2015 BUDGET**

	FISCAL 2014 ACTUAL	FISCAL 2015 BUDGET
Disbursements:		
Intra State Fund Transfer	\$0.00	\$0.00
Transfer to Innocent Landowners Fund	\$0.00	\$0.00
	\$0.00	\$0.00
Balance of Fund, June 30, 2015	\$755,308.99	\$780,308.99
0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, July 1, 2014	\$2,176,164.40	\$8,604,467.48
Receipts:		
Cost Recovery (i.e. lien settlements)	\$1,690.00	\$25,000.00
ILO Refunds	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$9,000,000.00	\$0.00
Outdated Warrants	\$0.00	\$0.00
Miscellaneous Income	\$0.00	\$0.00
	\$9,001,690.00	\$25,000.00
Disbursements:		
Cost Recovery Reimbursement	\$0.00	\$0.00
Cost Recovery Global Settlement	\$0.00	\$0.00
Adjustment	\$0.00	\$0.00
Intra State Fund Transfers Paid (to Unassigned Revenue)	(\$12,821.00)	
Other Contractual Services	\$0.00	
Global Settlement Claims	\$101,736.53	\$80,000.00
Innocent Landowner Claims	\$2,184,969.37	\$2,000,000.00
Transfer to Remedial Fund (0208)	\$309,750.72	
Balance of Outdated Warrants	(\$10,248.70)	
	\$2,573,386.92	\$2,080,000.00
Balance of Fund, June 30, 2015	\$8,604,467.48	\$6,549,467.48
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, July 1, 2014	\$0.00	\$0.00
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Combined UST Capital Reserve Fund Balances, July 1, 2014	\$0.00	\$0.00
TOTAL FUND BALANCES, June 30, 2015	\$30,247,200.39	\$32,062,750.39

FOOTNOTES:

Note 1: Funds labeled "Bonding" were created as a result of the issuance of 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 R



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *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: Dale Cira
DATE: August 21, 2014
SUBJECT: Shared Liability Sites

The following sites have been identified as those with both an IUST claim and an open liability claim with PMMIC:

- 1) 9117224 (NFA Re-Op) Jo-Ro's, St. Mary's
- 2) 8608513 (NFA Re-Op) Casey's, Sheldon
- 3) 8607110 (NFA Re-Op) Diamond Oil, West Des Moines (RP 85%)
- 4) 8607932 (Retro claim) Johnson Oil, Bettendorf
- 5) 8608757 (Remedial claim) T&W Boatworks, Onawa
- 6) 8601016 (Remedial claim) Shivram Service, Cedar Rapids (RP 30%)
- 7) 8603224 (Remedial claim) Bussanmus Apco, Bevington
- 8) 8607024 (Remedial claim) Bro Oil, Winterset
- 9) 8604952 (Retro claim) Hancock Co Coop, Klemme
- 10) 8607082 (Retro claim) Fauser Oil, Oelwein
- 11) 8606840 (Remedial claim) Gene Moeller Oil, Fort Dodge
- 12) 8607205 (ILO claim) First Cooperative, Cleghorn
- 13) 8605613 (CLOSED) – IUST to pay for well closures only upon DNR approval

There are also 10 sites where an independent review is possible or in progress to determine if a shared liability exists. Additional sites are added to this list as issues are identified either by PMMIC or IUST Fund staff.

In addition, it was determined that there are currently 113 LUST sites with open IUST fund claims that have operating tank systems insured through PMMIC.

C. Actuarial Study Status



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *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: Dale Cira
DATE: August 21, 2014
SUBJECT: Actuarial Study Update

Following the discussion of the Iowa UST Board meeting on July 15, 2014, research was initiated to determine State of Iowa contracting requirements as it may pertain to solicitation of bids for an actuarial study. Based on a review of the applicable Iowa purchasing requirements, it was determined that a competitive bid selection using informal process is permitted if the cost for the services is less than \$50,000. To obtain bids through an informal process, rules provide that the request can be completed electronically, by telephone or fax, or by any other means determined by the Board.

Based on a preliminary bid by Aon Consulting and information obtained from our neighboring UST Fund, it is our opinion that an actuarial study will cost less than the State's stated threshold for informal bidding.

Thus, we would request the Board authorize the Administrator's office to solicit bids for a firm to conduct an actuarial analysis of the current program to establish a third-party estimation of Fund obligations, including current eligible claims and claim development as well as likelihood of future claims. A tabulation of the bids will be created following their submittal and we will make every effort to deliver a bid recommendation by the next regularly scheduled UST Fund Board meeting on September 25, 2014.

D. DNR Update

Approval of Program Billings



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *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: James Gastineau
DATE: August 21, 2014
SUBJECT: Summary of Bills for Payment

NOTICE

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

1. Aon Risk Services \$104,560.00
 Consulting Services September 2014 (FY 2015) -- \$65,560.00
 Claims Processing Services September 2014 -- \$39,000.00

2. Aon Risk Services \$1,079.57
 Annual Strategic Planning Session (FY 2015) – catering and facility rental

3. Iowa Department of Inspections & Appeals \$87.75
 Administrative & Clerical Services provided for the Underground
 Storage Tank Program; April – June 2014 (FY 2014) Billing

4. Iowa Department of Revenue \$6,230.50
 Services provided for Underground Storage Tank Program
 4th Quarter FY 2014 EPC Collection (FY 2014) Billing

5. Iowa Attorney General's Office \$712.09
 Services provided for Underground Storage Tank Program
 June GAAP (FY 2014) Billing

6. Iowa Attorney General's Office \$2,371.12
 Services provided for Underground Storage Tank Program
 July 2014 (FY 2015) Billing

7. Office of Auditor of State \$4,404.75
 Audit Services performed during FY 2014

Iowa Comprehensive Petroleum

Invoice No. 9500000114965

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
CA License # 0D04043
2700 Westown Parkway, Suite 320
West Des Moines IA 50266
(515) 267-9101 FAX (515) 267-9045



Client Account No. 10756349 Invoice Date Jul-15-2014 Currency US DOLLAR Account Executive James Gastineau

Named Insured	Service Term	Trans. Eff. Date	Description	Amount
Iowa Comprehensive Petroleum	Jan-01-2014 - Jan-01-2015	Sep-01-2014	Renewal - Service Fee	
Comments				
Installment 9 of 12 Monthly Fee			Service Fee	65,560.00
Payment due 21 days after Transaction Effective Date.			Consulting Expense	39,000.00
Thank you for your business!				
			TOTAL INVOICE AMOUNT DUE	104,560.00

TO AVOID POTENTIAL DISRUPTION IN YOUR COVERAGE, PAYMENT IS DUE UPON RECEIPT.
Please Make Payable to Aon Risk Services.

FATCA Notice: Please go to Aon.com/FATCA to obtain the appropriate W-9.

Please see reverse side for statement regarding Aon compensation.

Page 1 of 2

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	9500000114965	Jul-15-2014	US DOLLAR	104,560.00

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

Remit to:

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

Iowa Comprehensive Petroleum

Invoice No. 9500000115132

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
CA License # 0DD4043
2700 Westown Parkway, Suite 320
West Des Moines IA 50266
(515) 267-9101 FAX (515) 267-9045



Client Account No. 10756349 Invoice Date Jul-23-2014 Currency US DOLLAR Account Executive James Gastineau

Named Insured	Service Term	Trans. Eff. Date	Description	Amount
Iowa Comprehensive Petroleum	Jan-01-2014 - Jan-01-2015	Jul-15-2014	Renewal - Service Fee	
Comments Annual Strategic Planning Session 7/15/14 - catering and facility rental			Service Fee	0.00
			Travel/Related Expenses	1,079.57
TOTAL INVOICE AMOUNT DUE				1,079.57

TO AVOID POTENTIAL DISRUPTION IN YOUR COVERAGE, PAYMENT IS DUE UPON RECEIPT.
Please Make Payable to Aon Risk Services.

FATCA Notice: Please go to Aon.com/FATCA to obtain the appropriate W-9.

Please see reverse side for statement regarding Aon compensation.

Page 1 of 2

This is a Reissued Invoice

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	9500000115132	Jul-23-2014	US DOLLAR	1,079.57

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

Remit to:

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

HICKORY PARK CATERING

1404 S. Duff Ave. * P.O. Box 765 * Ames, IA 50010
 515.233.5344 ~ Email: catering@hickorypark-bbq.com

INVOICE

Date of Event:	<u>Tuesday July 15, 2014</u>	Guest Number:	<u>45</u>
Organization:	<u>AON Risk Services</u>	Serve Time:	<u>12:00pm</u>
Contact:	<u>Diana Neth</u>	End Time:	<u>1:30pm</u>
Phone Number:	<u>402-697-5204</u>	Event Location:	<u>Iowa Arboretum</u>
Email:	<u>diana.neth@aon.com</u>		<u>Madrid</u>
HP Ready Time:	<u>10:10am</u>	HP Leave Time:	<u>10:30am</u>

#	qty	DESCRIPTION	UNIT PRICE	LINE TOTAL
45.00	ea	Hickory Park Sandwich Sampler	\$ 7.50	\$ 337.50
45.00	ea	Assorted cheese Slices	\$ 1.00	\$ 45.00
45.00	ea	Lettuce, Tomato, Onion	\$ 1.00	\$ 45.00
2.00	Gallons	Iced Tea	\$ 10.00	\$ 20.00
2.00	Doz	Assorted Cookies	\$ 15.00	\$ 30.00
1.00	Doz	Brownies	\$ 15.00	\$ 15.00
1.00	Doz	Dessert Bars	\$ 24.00	\$ 24.00
0.00			\$ -	
0.00			\$ -	
0.00			\$ -	
0.00			\$ -	
			SUBTOTAL	\$ 516.50
			<i>Service Charge</i> 10%	\$ 51.65
			<i>Sales Tax</i> 7%	\$ 39.77
			<i>Venue Catering Fee - Hilton/ Alumni Center</i> 15%	\$ -
			TOTAL	\$ 607.92
			Less Deposit	-
			TOTAL	\$ 607.92

County: Story

PAYMENT

CASH: Received by:
 CHECK: Number Drivers License # State DOB

DIRECT BILL:
 All direct billing must be preapproved by a manager!

Approved *Not Approved*

VOUCHER/PURCHASE ORDER

CREDIT CARD:
Name on Card: Card Number: Exp Date:

HICKORY PARK CATERING

1404 S. Duff Ave. * P.O. Box 765 * Ames, IA 50010
 515.233.5344 ~ Email: catering@hickorypark-bbq.com

INVOICE

Date of Event: Tuesday July 15, 2014
 Organization: AON Risk Services
 Contact: Diana Neth
 Phone Number: 402-697-5204
 Email: diana.neth@aon.com

Guest Number: 45
 Serve Time: 9:00am
 End Time: Drop-off
 Event Location: Iowa Arboretum
Madrid

HP Ready Time: 7:50am

HP Leave Time: 8:00am

#	qty	DESCRIPTION	UNIT PRICE	LINE TOTAL
45.00	ea	Fruit Salad	\$ 3.00	\$ 135.00
2.00	Doz	Assorted Rolls	\$ 24.00	\$ 48.00
1.00	Doz	Bagels and Cream cheese	\$ 18.00	\$ 18.00
3.00	Gallons	Regular and Decaf Coffee	\$ 12.00	\$ 36.00
80.00	ea	Assorted Sodas and Bottled Water	\$ 1.25	\$ 100.00
0.00			\$ -	
0.00			\$ -	
0.00			\$ -	
0.00			\$ -	
0.00			\$ -	
0.00			\$ -	
0.00			\$ -	
0.00			\$ -	
			SUBTOTAL	\$ 337.00
			Service Charge 10%	\$ 33.70
			Sales Tax 7%	\$ 25.95
			Venue Catering Fee - Hilton/ Alumni Center 15%	\$ -
			TOTAL	\$ 396.65
			Less Deposit	-
			TOTAL	\$ 396.65

County: Story

Venue Catering Fee - Hilton/ Alumni Center

PAYMENT

CASH: Received by:
 CHECK: Number Drivers License # State DOB

DIRECT BILL:
 All direct billing must be preapproved by a manager!

Approved *Not Approved*

VOUCHER/PURCHASE ORDER

CREDIT CARD:
Name on Card: Card Number: Exp Date:

Iowa Arboretum, Inc.

1875 Peach Ave.
Madrid, IA 50156
Phone 515.795.3216 515.795.2619

DATE: July 16, 2014



Bill To:
James Gastineau
AON Risk Services
c/o Iowa UST Fund Program

2700 Westown Parkway, Suite 320
West Des Moines, IA 50266

DESCRIPTION	AMOUNT
Hughes Education Center rental - July 15 (Non-profit rate \$75.00/day)	\$75.00
TOTAL	\$ 75.00

Make all checks payable to **Iowa Arboretum**
If you have any questions concerning this invoice, contact Heather, 515.795.3216, heather@iowaarboretum.org

THANK YOU FOR YOUR BUSINESS!

INSPECTIONS & APPEALS

TERRY E. BRANSTAD
GOVERNOR

RODNEY A. ROBERTS, DIRECTOR

KIM REYNOLDS
LT. GOVERNOR



Invoice Date: 7/16/2014

Buyer: Iowa Underground Storage Tank Fund
2700 Westown Parkway Suite #320
West Des Moines, Iowa 50265

Seller: Department of Inspections and Appeals
Lucas State Office Building
Des Moines, Iowa 50319

Services For: Administrative hearings on behalf of Iowa Underground Storage Tank Fund

Period of Service: April - June 2014

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

Document Number	Fund	Agency	Org	Revenue	Hours	Amount
427GS197018	0001	427	3101	0304	0.75	\$ 72.75

This billing is in accordance with Section 10A.107, Code of Iowa, 2013

Please direct questions to Gabe Stafford at (515) 281-7523

LUCAS STATE OFFICE BUILDING, 321 EAST 12TH STREET, DES MOINES, IOWA 50319-0083

ADMINISTRATION	ADMINISTRATIVE HEARINGS	HEALTH FACILITIES	INVESTIGATIONS
(515) 281-5457	(515) 281-6468	(515) 281-4115	(515) 281-5714
FAX: (515) 242-6863	FAX (515) 281-4477	FAX: (515) 242-5022	FAX: (515) 242-650

Telephone Number for the Hearing Impaired: (515) 242-6515

INSPECTIONS & APPEALS

TERRY E. BRANSTAD
GOVERNOR

RODNEY A. ROBERTS, DIRECTOR

KIM REYNOLDS
LT. GOVERNOR

Invoice Date: 7/16/2014

Buyer: Iowa Underground Storage Tank Fund
2700 Westown Parkway Suite #320
West Des Moines, Iowa 50265

Seller: Department of Inspections and Appeals
Lucas State Office Building
Des Moines, Iowa 50319

Services For: Clerical support on behalf of Iowa Underground Storage Tank Fund

Period of Service: April - June 2014

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

Document Number	Fund	Agency	Org	Revenue	Hours	Amount
427GS197113	0001	427	3501	0304	0.25	\$ 15.00

This billing is in accordance with Section 10A.107, Code of Iowa, 2013

Please direct questions to Gabe Stafford at (515) 281-7523

LUCAS STATE OFFICE BUILDING, 321 EAST 12TH STREET, DES MOINES, IOWA 50319-0083

ADMINISTRATION	ADMINISTRATIVE HEARINGS	HEALTH FACILITIES	INVESTIGATIONS
(515) 281-5457	(515) 281-6468	(515) 281-4115	(515) 281-5714
FAX: (515) 242-6863	FAX (515) 281-4477	FAX: (515) 242-5022	FAX: (515) 242-650

Telephone Number for the Hearing Impaired: (515) 242-6515



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

August 6, 2014

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

AUG 2014
RECEIVED
Aon Risk Services

Dear Mr. Scheidel:

I am enclosing our 4th quarter FY 14 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,

A handwritten signature in cursive script that reads "Roxane Foster".

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
 APRIL - JUNE FY 2014

Compliance Division

Examination Section:

Personnel	\$167.05
Indirect Costs	\$0.00
	<u>\$167.05</u>

Field Audit Section:

Personnel	\$5,260.23
Indirect Costs	\$0.00
	<u>\$5,260.23</u>

Customer Accounts Section:

Personnel	\$327.25
Postage	\$0.00
Indirect Costs	\$0.00
	<u>\$327.25</u>

Total Compliance Division	\$5,754.53
---------------------------	------------

Revenue Operations Division

Processing Section:

Personnel	\$76.21
Indirect Costs	\$0.00
	<u>\$76.21</u>

Total Revenue Operations Division	\$76.21
-----------------------------------	---------

Processing Innovation

Personnel	\$399.76
Postage	\$0.00
Printing	\$0.00
Indirect Costs	\$0.00
	<u>\$399.76</u>

Total Processing Innovation Division	
--------------------------------------	--

DEPARTMENT TOTAL	<u>\$6,230.50</u>
-------------------------	--------------------------

IOWA ATTORNEY GENERAL'S OFFICE

Hoover State Office Bldg - 2nd Floor
Des Moines, Iowa 50319-0141



Invoice Date: 07/21/14

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

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: June GAAP

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

Document Number	Account Coding					Description	Amount
	Fund	Agency	Org	Sub Org	Rev Source		
112AG072114042	0001	112	2301		0302		\$ 712.09

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

IOWA ATTORNEY GENERAL'S OFFICE

Hoover State Office Bldg - 2nd Floor
Des Moines, Iowa 50319-0141

AUG 2014
RECEIVED
Aon Risk Services

Invoice Date: 08/06/14

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

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: July

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

Document Number	Account Coding				Description	Amount
	Fund	Agency	Org	Sub Org		
112AG080614042	0001	112	2301		0302	\$ 2,371.12

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

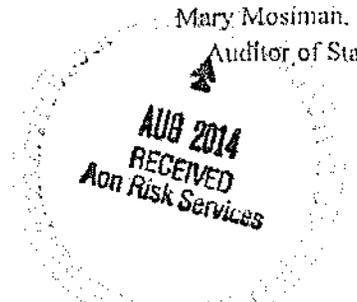


OFFICE OF AUDITOR OF STATE
STATE OF IOWA

State Capitol Building
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

Mary Mosiman, CPA
Auditor of State



BILL TO:
SCOTT M. SCHEIDEL, ADMINISTRATOR IOWA UST PROGRAM 2700 WESTOWN PARKWAY, SUITE 320 WEST DES MOINES, IOWA 50266

INVOICE	
DATE	6/30/2014
NUMBER	22541
AMOUNT DUE	\$ 4,404.75

FOR AUDIT SERVICES PERFORMED DURING FISCAL YEAR 2014

DESCRIPTION	HOURS	PER DIEM	EXPENSE	TOTAL
A. FISCAL YEAR TO DATE:				
Ruben, Ernest	8.0	\$ 726.00	\$ -	\$ 726.00
Smith, Kyle	26.5	1,788.75	-	1,788.75
Soda, Brandon	28.0	1,890.00	-	1,890.00
TOTAL	62.5	\$ 4,404.75	\$ -	\$ 4,404.75
OFFICE USE ONLY	Please make payment for the audit bill with the attached Internal Exchange Transaction (IET) to the Office of Auditor of State.			
	If you have any questions, please contact Dave Simmons (515-281-6504).			

Monthly Activity Report and Financials Reviewed

A. July 2014 Activities Report

Iowa UST Fund
Monthly Activities Report

Jul-14

Claims	Open Claims June Ending	Monthly Net Changes	Open Claims July Ending	Open & Closed Totals since Inception
RETROACTIVE				
number	31	0	31	447
reserve	\$1,682,588.42	(\$14,458.00)	\$1,618,130.39	\$1,618,130.39
paid	\$6,467,273.24	\$89,458.03	\$6,576,731.27	\$17,412,064.87
	\$8,169,861.66	\$25,000.00	\$8,194,861.66	\$19,030,195.26
REMEDIAL				
number	414	(2)	411	4,458
reserve	\$21,068,796.45	(\$248,262.38)	\$20,520,404.07	\$20,520,404.07
paid	\$74,256,940.45	(\$298,656.29)	\$73,888,284.16	\$210,745,455.45
total	\$95,325,736.90	(\$247,348.67)	\$94,408,688.23	\$231,265,859.52
INNOCENT LANDOWNER				
number	140	(1)	139	1,124
reserve	\$4,778,187.28	(\$33,917.87)	\$4,744,270.21	\$4,744,270.21
paid	\$11,448,924.36	\$9,699.85	\$11,458,624.21	\$29,824,145.36
total	\$16,227,111.64	(\$34,217.22)	\$16,202,894.42	\$34,568,415.57
GLOBAL OPT-IN				
number	95	(7)	94	1,299
reserve	\$477,419.22	\$342.75	\$477,761.97	\$477,761.97
paid	\$782,602.21	(\$14,342.75)	\$768,259.46	\$9,639,929.36
total	\$1,260,021.43	(\$14,000.00)	\$1,246,021.43	\$10,117,691.35
UNASSIGNED REVENUE FUND PROJECTS				
number	42	3	45	238
reserve	\$865,020.89	\$57,946.59	\$922,967.48	\$922,967.48
paid	\$310,979.11	\$27,053.41	\$338,032.52	\$2,718,621.37
total	\$1,176,000.00	\$85,000.00	\$1,261,000.00	\$3,641,588.85
NFA RE-EVALUATIONS				
number	19	0	19	50
reserve	\$400,957.04	\$23,384.77	\$424,341.81	\$424,341.81
paid	\$364,042.96	\$1,615.23	\$365,658.19	\$883,098.23
total	\$765,000.00	\$25,000.00	\$790,000.00	\$1,307,440.04
TANK PULLS				
number	38	4	42	337
reserve	\$492,358.00	\$57,000.00	\$549,358.00	\$549,358.00
paid	\$0.00	\$0.00	\$0.00	\$3,449,750.86
total	\$492,358.00	\$57,000.00	\$549,358.00	\$3,999,108.86

Corrective Action Meetings (7/15)	
Scheduled:	7
Completed:	1,219
MOA's	487

UST Operator Training	
UST Operators (A / B)	2,823
UST Operators (C)	338
A/B (FY2011-14)	\$272,160.00
C (to date)	\$57,390.00

RT Claims	#
New	0
Reopened	0
Closed	0

RM Claims	#
New	0
Reopened	0
Closed	3

ILO Claims	#
New	0
Reopened	0
Closed	1

GS Claims	#
New	0
Reopened	4
Closed	5

USTCA	#
New	2
Reopened	0
Closed	0

NFA Re-Eval	#
New	1
Reopened	0
Closed	1

Tank Pull	#
New	5
Reopened	0
Closed	1

DNR @ 8-2014	
Total LUST	6579
High Risk	495
Low Risk	203
NAR-FP	75
Not Class.	134

Invoice Type Totals	JULY	FYTD	Program to Date
Aon - Admin	\$ 131,120.00	\$ 131,120.00	
Aon - Claims	\$ 78,000.00	\$ 78,000.00	
Government	\$ 102,415.72	\$ 102,415.72	
2004 Tank Pull	\$ -	\$ -	\$ 1,761,013.44
2010 Tank Pull	\$ -	\$ -	\$ 3,508,859.97
American Soils	\$ -	\$ -	\$ 5,678,422.58
AST Removal	\$ -	\$ -	\$ 3,306,435.24
AST Upgrade	\$ -	\$ -	\$ 7,911,496.87
CADR Charges	\$ -	\$ -	\$ 4,517,552.84
Corrective Action	\$ 30,519.92	\$ 30,519.92	\$ 52,361,599.30
Expenses / OT	\$ 6,700.00	\$ 6,700.00	\$ 273,460.00
Free Prod Recover	\$ 65,890.37	\$ 65,890.37	\$ 10,610,304.52
Monitoring	\$ 106,400.81	\$ 106,400.81	\$ 29,361,897.04
Operations/Maint	\$ 32,442.84	\$ 32,442.84	\$ 9,926,257.24
Over-excavation	\$ 197,680.45	\$ 197,680.45	\$ 30,575,175.37
Water Lines	\$ 43,868.40	\$ 43,868.40	\$ 2,258,173.30
Post RBCA Evals	\$ 1,161.00	\$ 1,161.00	\$ 217,434.31
RBCA	\$ 925.00	\$ 925.00	\$ 26,137,242.02
Remed Imp/Const	\$ 98,585.00	\$ 98,585.00	\$ 28,245,468.61
SCR Charges	\$ -	\$ -	\$ 54,217,410.26
Site Check	\$ -	\$ -	\$ 140,052.59
Soil Disposal	\$ -	\$ -	\$ 738,386.66
Tank (UST) Pull	\$ 4,951.33	\$ 4,951.33	\$ 3,966,335.58
Tank (UST) Upgrade	\$ -	\$ -	\$ 3,440,849.83
Tier III	\$ 4,817.77	\$ 4,817.77	\$ 1,328,980.21
Utilities	\$ 14,949.50	\$ 14,949.50	\$ 1,983,046.83
Well Closure	\$ 9,802.90	\$ 9,802.90	\$ 3,622,757.00
Total Invoice Types	\$ 618,695.29	\$ 618,695.29	\$ 285,138,315

Remediation Budgets Approved to Date		
last month (July '14)	4	\$388,967
Trailing 12 mos	51	\$3,601,760
Prev Trail 12 mos	47	\$3,335,723
Total Since Jan 2003	1,134	\$46,983,674

Project Contracts	Open	Closed	Pending
CRP's	9	37	0
Tank Closure	2	5	0
Plastic Water Line	0	2	0

B. July 2014 Financial Report

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JULY 31, 2014**

0471 - UST REVENUE FUND (Bonding)

Balance of Fund, July 1, 2014		\$524,210.38
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$2,079.81	
Interest Income - Capital Reserve Fund	\$0.00	
		\$2,079.81
Disbursements:		
Bond Interest Payment	\$0.00	
Bond Principal Payment	(\$981.16)	
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)	\$0.00	
		(\$981.16)
Balance of Fund, July 31, 2014		\$527,271.35

0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)

Balance of Fund, July 1, 2014		\$11,681,366.83
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	\$4,799.06	
		\$4,799.06
Disbursements:		
UST Administrator's Fees	\$209,120.00	
Adjustment	\$0.00	
Attorney General's Fees	\$7,398.36	
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	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JULY 31, 2014**

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	\$6,400.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$27,053.41	
Travel Expenses-UST Board Members	\$0.00	
Warrant Float Expense	\$0.00	
28E Agreement - DNR Plume Study	\$300.00	
Statutory Transfer to DNR (technical review - recurring)	\$0.00	
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$0.00	
Appropriation 2014	\$92,140.29	
Appropriation 2015	\$2,877.07	
Transfer of Funds to Innocent Land Owners	\$0.00	
		\$345,289.13
Balance of Fund, July 31, 2014		\$11,340,876.76
 0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, July 1, 2014		\$8,681,846.71
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	\$89,458.03	
Remedial Claims	\$421,204.22	
Adjustment	\$0.00	
28E Agreement - NFA Claims	\$11,120.64	
Transfer to ILO/GS Fund	\$0.00	
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants & Cancelled Warrants	\$0.00	
		\$521,782.89
Balance of Fund, July 31, 2014		\$8,160,063.82
 0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2014		\$755,308.99
Receipts:		
Interest	\$2,323.54	
Use Tax	\$0.00	
		\$2,323.54
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
Balance of Fund, July 31, 2014		\$757,632.53

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JULY 31, 2014**

0485 - UST INNOCENT LANDOWNERS FUND

Balance of Fund, July 1, 2014		\$8,604,467.48
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	\$31,113.20	
Innocent Landowner Claims	\$37,311.90	
Transfer to Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	\$0.00	
		\$68,425.10
Balance of Fund, July 31, 2014		\$8,536,042.38

0238 - UST LOAN GUARANTEE FUND (Non-Bonding)

Balance of Fund, July 31, 2014		\$0.00
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0614 - UST CAPITAL RESERVE FUNDS (Bonding)

Balance of Fund, July 31, 2014		\$0.00
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Combined UST Capital Reserve Fund Balances, July 31, 2014	\$0.00
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TOTAL FUND BALANCES, July 31, 2014	\$29,321,886.84
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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 July 31, 2014

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JULY 31, 2014**

		FISCAL 2015 BUDGET
0471 - UST REVENUE FUND (Bonding)		
Balance of Fund, July 1, 2014	\$524,210.38	\$524,210.38
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$0.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$2,079.81	\$100,000.00
Interest Income - Capital Reserve Fund	\$0.00	
	\$2,079.81	\$14,100,000.00
Disbursements:		
Bond Interest Payment	\$0.00	
Bond Principal Payment	(\$981.16)	
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)	\$0.00	\$14,000,000.00
	(\$981.16)	\$14,000,000.00
Balance of Fund, July 31, 2014	\$527,271.35	\$624,210.38
0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)		
Balance of Fund, July 1, 2014	\$11,681,366.83	\$11,681,366.83
Receipts:		
Request for Proposal Fees	\$0.00	
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	\$5,000.00
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	\$4,799.06	\$125,000.00
	\$4,799.06	\$130,000.00
Disbursements:		
UST Administrator's Fees	\$209,120.00	\$1,240,000.00
Adjustment	\$0.00	
Attorney General's Fees	\$7,398.36	\$50,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$0.00	\$150.00
Actuarial Fees	\$0.00	
Auditor of the State Fees	\$0.00	\$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	\$0.00	\$37,500.00
Innovative Technology	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JULY 31, 2014**

		FISCAL 2015 BUDGET
Department of Inspection & Appeals Service Fees	\$0.00	\$500.00
Legal and Professional Fees	\$0.00	
Postage / Printing / Miscellaneous	\$0.00	\$500.00
Professional Admin Services (Investments)	\$0.00	
Professional Services - Owner/Operator Training	\$6,400.00	\$100,000.00
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$27,053.41	\$800,000.00
Travel Expenses-UST Board Members	\$0.00	\$700.00
Warrant Float Expense	\$0.00	
28E Agreement - DNR Plume Study	\$300.00	
Statutory Transfer to DNR (technical review - recurring)	\$0.00	\$200,000.00
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$0.00	\$250,000.00
Statutory Transfer to IDOT (railway study)	\$0.00	\$500,000.00
Appropriations FY 2014	\$92,140.29	
Appropriations FY 2015	\$2,877.07	
Transfer of Funds to Innocent Land Owners	\$0.00	
	<u>\$345,289.13</u>	<u>\$3,184,450.00</u>
Balance of Fund, July 31, 2014	\$11,340,876.76	\$8,626,916.83
0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, July 1, 2014	\$8,681,846.71	\$8,681,846.71
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	\$14,000,000.00
	<u>\$0.00</u>	<u>\$14,000,000.00</u>
Disbursements:		
Retroactive Claims	\$89,458.03	\$700,000.00
Remedial Claims	\$421,204.22	\$6,000,000.00
Adjustment	\$0.00	
28E Agreement - NFA Claims	\$11,120.64	\$500,000.00
Transfer to ILO/GS Fund	\$0.00	
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants	\$0.00	
	<u>\$521,782.89</u>	<u>\$7,200,000.00</u>
Balance of Fund, July 31, 2014	\$8,160,063.82	\$15,481,846.71
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2014	\$755,308.99	\$755,308.99
Receipts:		
Interest	\$2,323.54	\$25,000.00
Use Tax	\$0.00	
	<u>\$2,323.54</u>	<u>\$25,000.00</u>
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
	<u>\$0.00</u>	<u>\$0.00</u>
Balance of Fund, July 31, 2014	\$757,632.53	\$780,308.99

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JULY 31, 2014**

		FISCAL 2015 BUDGET
0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, July 1, 2014	\$8,604,467.48	\$8,604,467.48
Receipts:		
Cost Recovery (i.e. lien settlements)	\$0.00	\$25,000.00
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	\$25,000.00
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	\$31,113.20	\$80,000.00
Innocent Landowner Claims	\$37,311.90	\$2,000,000.00
Transfer to/from Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	\$0.00	
	\$68,425.10	\$2,080,000.00
Balance of Fund, July 31, 2014	\$8,536,042.38	\$6,549,467.48
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, July 31, 2014	\$0.00	\$0.00
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Combined UST Capital Reserve Fund Balances, July 31, 2014	\$0.00	\$0.00
TOTAL FUND BALANCES, July 31, 2014	\$29,321,886.84	\$32,062,750.39

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.

D. Lien Status Update

Iowa Underground Storage Tank Fund Liens Filed (UPDATED 7-28-2014)

Liens #	County	Site #	Color #	Site Address	Property Owner	Owner Address	Cost Recovery Letter	Cost Item I.U. Section Date	Liens Fee Registered	UICF Assess & Fee	Liens Amount	Liens Filed Date	Original Page
0310004	Palo Alto	8916647	13007	510 Inman Ave, Mallard	Theodore J and Norma J Larson	510 Inman Ave, Mallard 50562	10/1/2003		10/2/2003	10/24/2003	\$59,055.50	10/30/2003; renewed 10/30/2013	
0404009	Butler	8608131	12039	12682 Highway 3, Dumont	Dave Dohlman	11794 195th St, Dumont 50625-7504	1/20/2004		3/24/2004	4/12/2004	\$13,650.00	4/14/2004; renewed 3/17/2014	2004- 1676, 2014-1057
0404010	Ida	8710293	73001 & 73013	Hwy 59 & 175, Ida Grove	Robin Hill Trust, %Vernus Wunschel	Box 113, Ida Grove 51445	?		4/19/2004	4/29/2004	\$330,131.40	4/30/2004; renewed 6/24/14	6-349; 140442
0605012	Keokuk	8609694	73040 / 11003	407 South Barnes St, What Cheer 50268	Melvin & Karen Foubert	601 N. Barnes St, What Cheer 50268- 1033	2/2/2006	3/31/2006	4/24/2006	5/15/2006	\$82,373.75	5/16/2006	2006-0962
0610017	Jefferson	8601629	11023 & 14009	206 West Main St, Lockridge 52635	Richard & Connie Richardson	206 West Main St, Lockridge 52635- 9705	7/13/2006	8/30/2006	10/13/2006	10/24/2006	\$35,202.00	10/25/2006	2006-2472
0611018	Taylor	300033	13053 & 15001	NE Corner Adams & 3rd St, Gravity 50848	Terry J Smith	PO Box 133, Gravity IA 50848	7/6/2006	8/15/2006	10/18/2006	11/7/2006	\$52,090.00	11/9/2006	6-265,266
0611019	Clay	8915566	15012	502 North Main St, Everly, 51338	Roger Ginger	Box 347, Everly, IA 51338	5/26/2006		10/18/2006	11/7/2006	\$14,932.00	11/13/2006	2006-3529
0701022	Van Buren	8600890	11032 / 14002	SW Corner Hwy. 1 & 180th St., Keosauqua	Henry Robbins	102 Greenvale Drive, Mansfield, TX 76063- 5556	10/20/2006	11/30/2006	12/22/2006	1/16/2007	\$32,980.90	1/19/2007	136-856
0702023	Montgomery	8607574	15013	Tennville IA 50864	Marvin G. Shipley	2048 Tennville Avenue, Villisca 50864	10/30/2006	11/30/2006	1/23/2007	2/13/2007	\$2,795.00	2/16/2007	302- 663,664
0704025	Tama	9017159	14005	TJ's Gas & Bait, 100 Jacobs St., Chelsea 52215	Tony J. & Christie Jacobi	2772 370th Street, Chelsea, IA 52215	12/7/2006	1/30/2007	4/25/2007	5/15/2007	\$17,839.00	5/17/2007	43-474
0706029	Woodbury	9217516	73002	29 Deer Run Trail, Climbing Hill 51015	Pat Benjamin	7 Movable Blacktop, PO Box 25, Climbing Hill 51501	3/27/2007	4/30/2007	6/1/2007	8/1/2007	\$14,400.00	8/7/2007	692 - 10744, 10745
0801030	Cass	8608073	82102	Griswold Custom Classics, LC 802 Main St., Griswold, IA	Griswold Custom Classics LC	Clifford Speck, 802 Main St., Griswold, IA 51535	10/12/2007	11/30/2007	1/11/2008	1/31/2008	\$7,835.50	2/1/2008	2008 - 223

Attorney General's Report

Claim Payment Approval

**IOWA UNDERGROUND STORAGE TANK PROGRAM
SECOND BOARD REPORT
AUGUST 15, 2014
CASEY'S GENERAL STORE
200 SOUTH ELM STREET
CRESTON
SITE REGISTRATION NUMBER: 8606584
LUST NUMBER: 7LTF70**

RISK CLASSIFICATION:

HIGH

LOW

UNDETERMINED

PRESENT CLAIM RESERVE: \$ 200,000.00

PREVIOUS BOARD APPROVAL: \$ 150,000.00

Number and Date of each previous Board Report: 1: February 5, 2008

PREVIOUS COSTS INCURRED: \$ 32,457.63

COSTS INCURRED SINCE LAST BOARD APPROVAL:

1. Site monitoring reports 22,797.75
2. Water line replacement engineering 11,770.00

TOTAL COSTS INCURRED TO DATE: \$ 67,025.38

PROJECTED COSTS:

❖ Site Monitoring Report

❖ Water line replacement

TOTAL PROJECTED COSTS: \$ 150,000.00 to 200,000.00 +

ADDITIONAL AUTHORITY RECOMMENDED:

TOTAL AUTHORITY:*

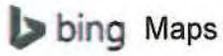
\$ 250,000.00

COMMENTS: The site is high risk for the water line pathway. The water mains in the vicinity of the site will be replaced with petroleum resistant materials. The site will remain low risk for the potential vapor pathways. This is an active Casey's and corrective action options for the low risk pathways are limited. Tier 3 options will be pursued in an attempt to reclassify the vapor pathways. Affected population likely less than 20.

*Previous approval + additional recommended

Site Timeline

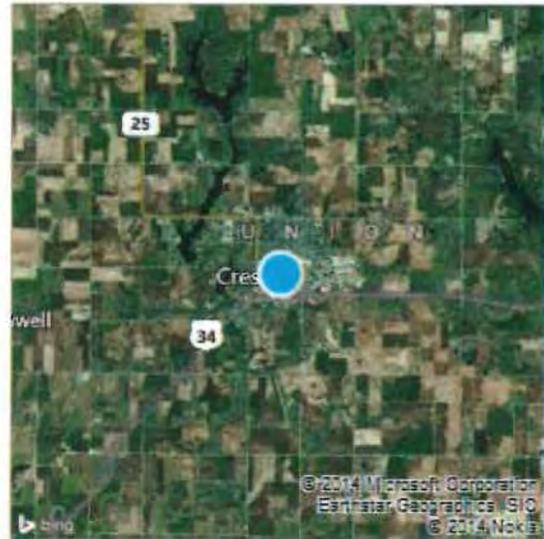
- 1969 – Two USTs, including the 6,000 gallon gasoline UST which is currently in use, were installed.
- 1989 – Vapors were noted in a school one block from the station, and contaminated soils were also discovered in a trench dug by the city during utility work in the area. Tank and line tightness tests were conducted. The tanks passed while the product lines failed. The product lines were replaced.
- 1990 - Claim filed by Casey's General Store. A Site Assessment was completed confirming that the contaminant levels exceed the corrective action target levels. Site becomes part of the Creston Community Remediation Project (CRP).
- 1993 – Free product discovered during site investigation activities.
- 1994 – SCR is submitted recommending a high risk classification.
- 2000 – RBCA Tier 2 is submitted as high risk. DNR issues 'not accepted' letter.
- 2001 – Revised Tier 2 submitted and accepted as high risk. CADR due in 120 days.
- 2002 – The site is reclassified to low risk after additional soil plume delineation is completed.
- 2003-2007 – Low risk monitoring completed.
- 2008 – Site is reclassified to high risk after the city informs the consultant that one of the water mains is constructed of PVC rather than cast iron as previously thought.
- 2010 – The DNR requires the replacement of the PVC water main or on-site corrective action.
- 2011 – The new water line rules are applied to the site and determine that the cast iron main with non-petroleum resistant gaskets is also high risk.
- 2011-present – High risk monitoring and the completion of an engineering study for the replacement of the water mains so that accurate bids can be collected.



200 S Elm St, Creston, IA 50801

LUST site at SW corner of intersection

On the go? Use m.bing.com to find maps, directions, businesses, and more



Bird's eye view maps can't be printed, so another map view has been substituted.

Site Timeline

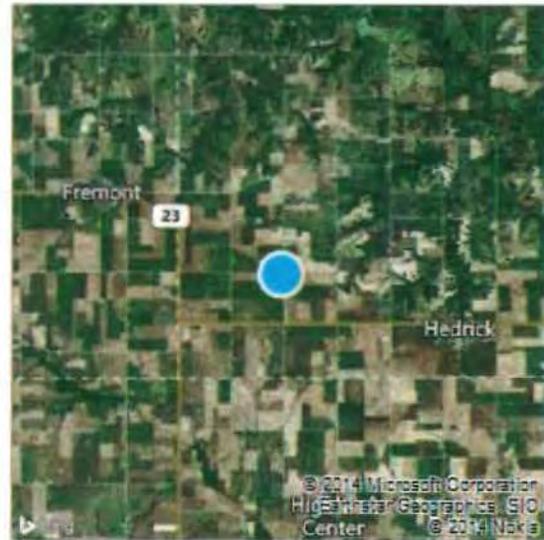
- 1990 - Only known UST is removed. Contamination is discovered and additional investigation required.
- 1993 - Site cleanup report (SCR) is submitted. DNR issues 'not accepted' letter on November 24, 1993.
- 1994 - Revised SCR submitted and accepted as high risk. A CADR is due in 120 days.
- 1995 - Requirement to submit CADR withdrawn until RBCA rules are implemented.
- 2000 - Tier 2 submitted and accepted as high risk. CADR due in 120 days.
- 2002 - Site reclassification to low risk recommended, rejected in a DNR letter dated December 29, 2003. Monitoring approach is accepted in lieu of a CADR.
- 2002 – 2005 – Annual SMRs continue to recommend site reclassification to low risk. A low risk classification is accepted in a DNR letter dated September 26, 2005.
- 2012 - During annual monitoring event, a small amount of free product is observed in three monitoring wells. This is the only time that free product has been observed.



32035 120th Ave, Fremont, IA 52561

My Notes

On the go? Use m.bing.com to find maps, directions, businesses, and more



 Bird's eye view maps can't be printed, so another map view has been substituted.

Site Timeline

- 1990 - Claim filed by West Branch Oil Company after contamination discovered during a tank pull in 1989. New tanks were not installed. Site is an auto repair shop now.
- 1995 - SCR submitted as high risk. DNR issues 'not accepted' letter.
- 1996 - Revised SCR submitted and accepted as high risk. CADR due in 120 days.
- 1996 - Free product discovered during site activities.
- 1996 - CADR submitted but recommends continued monitoring and hand bailing of free product rather than remediation.
- 2000 - RBCA Tier 2 submitted as high risk. DNR issues 'not accepted' letter.
- 2001 - Revised Tier 2 submitted and accepted as high risk. CADR due in 120 days.
- 2004 - An excavation of accessible areas is completed. Contamination remains beneath the building and under the street and right of way.
- 2005 - First corrective action teleconference held on January 6, 2005. Additional field work is necessary before deciding on the best approach.
- 2010 - Benefits are transferred to the current property owner, Bruce Barnhart.
- 2013 - Second corrective action teleconference held on November 21, 2013. Corrective action options are discussed and will be presented after some additional site work.
- 2014 - Third corrective action teleconference held on February 11, 2014. Still more work needed to determine how to address the contamination which is not accessible to excavation.
- 2014 - Fourth corrective action teleconference held on July 8, 2014. Agreed that chemical oxidation injections is the best option for the inaccessible contaminated areas. The accessible areas will be remediated through excavation.

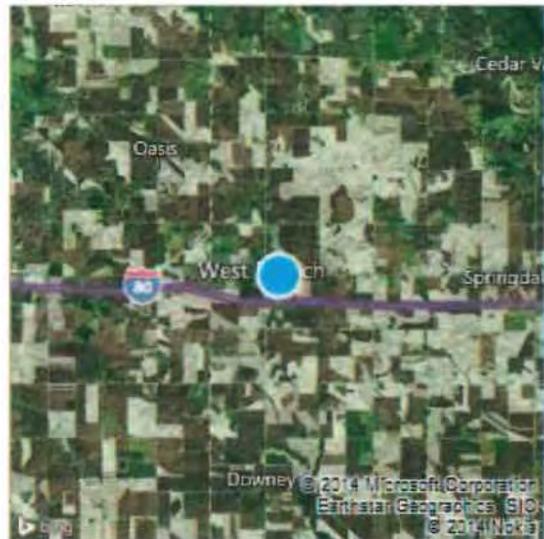


412 E Main St, West Branch, IA 52358

My Notes



On the go? Use m.bing.com to find maps, directions, businesses, and more



Bird's eye view maps can't be printed, so another map view has been substituted.

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 THIRD BOARD REPORT
 JULY 17, 2014
 MOLO OIL COMPANY
 1300 WEST BREMER
 WAVERLY
 SITE REGISTRATION NUMBER: 8606845
 LUST NUMBER: 7LTP50**

RISK CLASSIFICATION:

HIGH

LOW

UNDETERMINED

PRESENT CLAIM RESERVE:

\$ 200,000.00

PREVIOUS BOARD APPROVAL:

\$ 215,000.00

Number and Date of each previous Board Report: 1st: October 16, 2006, 2nd: May 17, 2012

PREVIOUS COSTS INCURRED:

\$ 123,187.46

COSTS INCURRED SINCE LAST BOARD APPROVAL:

- | | |
|----------------------------|---------------|
| 1. Site monitoring reports | 18,802.04 |
| 2. CADR | <u>802.50</u> |

TOTAL COSTS INCURRED TO DATE:

\$ 142,792.00

PROJECTED COSTS:

Site Monitoring Reports (SMR)

Implementation of over-excavation

TOTAL PROJECTED COSTS:

\$ 250,000.00 to 350,000.00 +

ADDITIONAL AUTHORITY RECOMMENDED:

235,000.00

TOTAL AUTHORITY:*

\$ 450,000.00

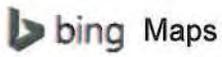
COMMENTS: The site is high risk for the water line and soil leaching to protected groundwater source pathways. The site is also low risk for the potential vapor and protected groundwater source pathways. Because it is a bedrock site, corrective action for the soil contamination is required.

An excavation is proposed and may address the risk conditions as most of the soil contamination appears to be above the bedrock and is accessible. Some contamination may remain beneath the on-site building, in the right-of-way, and onto the adjacent Casey's property. Access will be sought from Caseys to extend the excavation onto their property. Post-excavation monitoring will then be performed to determine if any additional corrective action will be necessary. Affected population: approx.. 50.

*Previous approval + additional recommended

Site Timeline

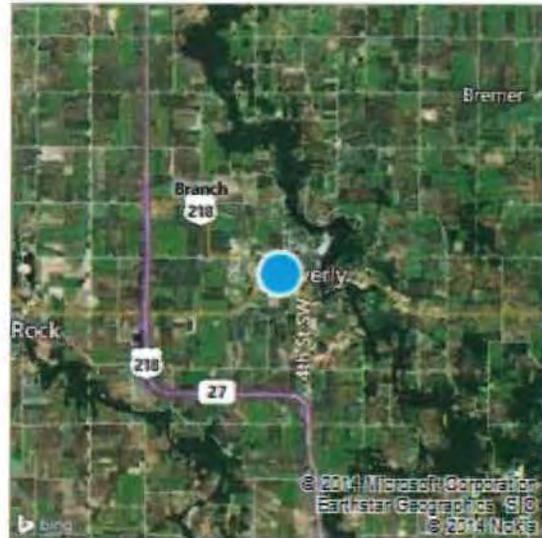
- 1990 - Claim filed by Molo Oil Company after contamination discovered during an insurance site check.
- 1993 - USTs are removed and site ceases to operate as a gas station.
- 1997 - SCR is submitted as high risk.
- 1999 - Free phase product is discovered during site activities. Free product recovery begins.
- 2001 - Tier 2 is submitted as high risk. DNR issues a 'not accepted' letter.
- 2002 - Revised Tier 2 is accepted as high risk. CADR due in 120 days.
- 2004 - Site is reclassified to low risk.
- 2005 – 2011 - Annual low risk monitoring and monthly free product recovery is completed.
- 2012 - The site is reclassified to high risk after completing the water line evaluation. 1st corrective action meeting held to discuss high risk condition; all agreed with plan to do additional plume delineation to determine how much contaminated soil to excavate.
- 2014 - The additional plume delineation completed; results in a high risk classification for the soil leaching to protected groundwater source pathway. An area of excavation is mostly defined and a proposal is submitted.



1300 W Bremer Ave, Waverly, IA 50677

My Notes

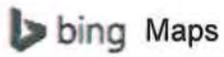
On the go? Use m.bing.com to find maps, directions, businesses, and more



 Bird's eye view maps can't be printed, so another map view has been substituted.

Site Timeline

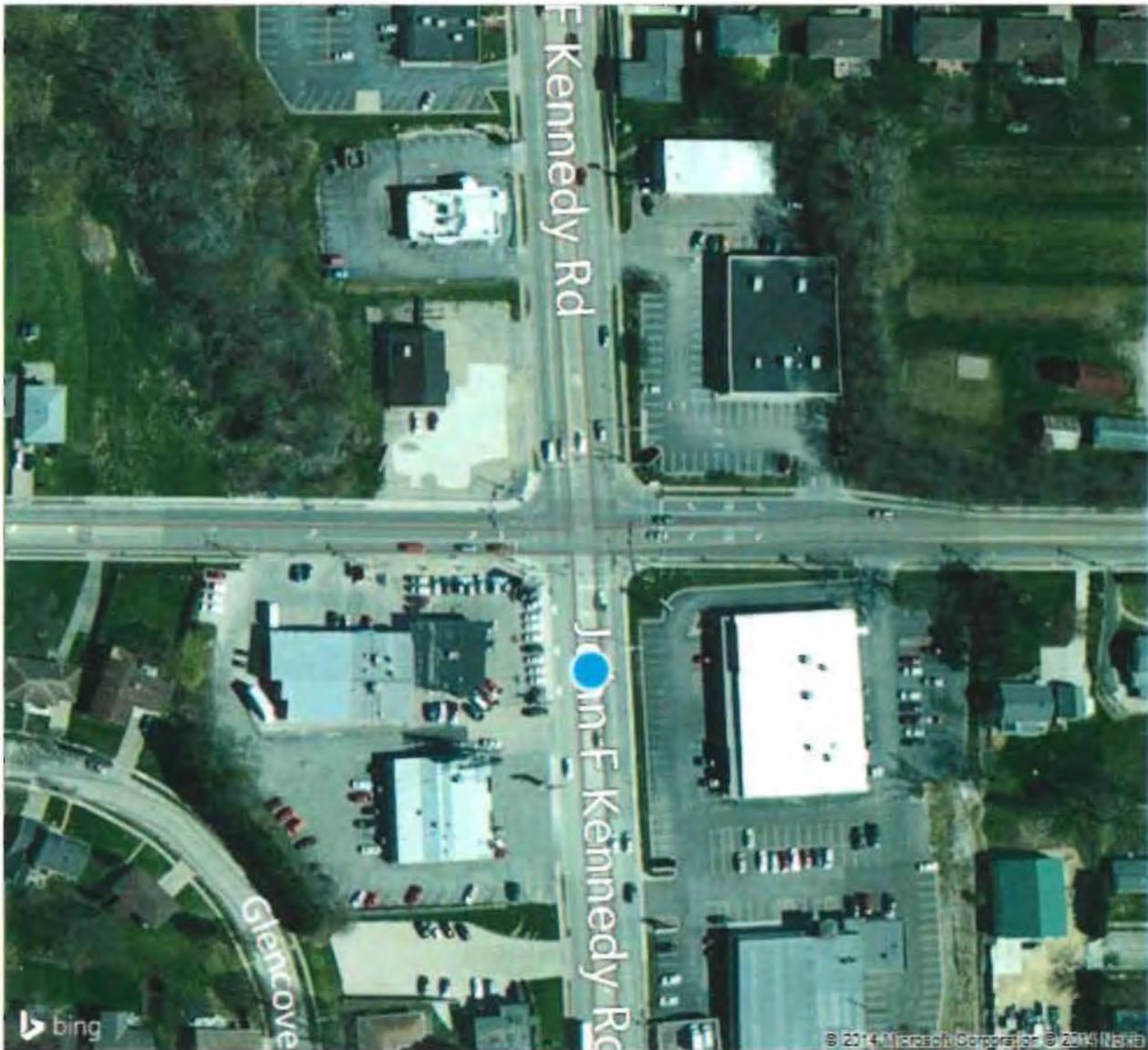
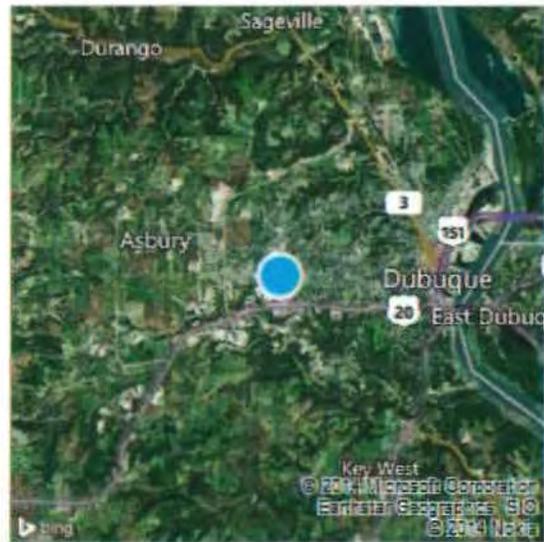
- 1990 – A timely claim is filed by Holiday Oil Distributing, Inc.
- 1992 – Free product is discovered in February and monthly free product recovery by hand bailing begins.
- 1995 – The SCR is submitted and accepted as high risk. DNR gives the option of submitting a CADR within 120 days or waiting for the RBCA rules to be established.
- 1999 – The RBCA Tier 2 is submitted as high risk. DNR issues ‘not accepted’ letter.
- 2000 – Revised Tier 2 is submitted and accepted as high risk. CADR due in 120 days.
- 2003 – The USTs are permanently removed. The site becomes a used car dealership.
- 2003 – Board report requesting funds to complete an excavation which would not remove all of the contamination due to site restrictions is not approved.
- 2005 – First corrective action teleconference held on September 6th. Agreed to collecting more data and combining corrective action effort with an adjacent commingled site (KC Amoco – 8LTZ40).
- 2005 – Second corrective action teleconference is held on December 2nd. Agreed to conduct a pilot study comparing SVE and MPE on both LUST sites.
- 2006 – The pilot tests completed at the two sites indicated that SVE and MPE systems would not be successful in removing the contamination.
- 2006 – Third corrective action teleconference is held on May 17th. Agreed consultant will submit a feasibility study comparing the costs and potential for success of OE, MPE, and chemical oxidation.
- 2006 – Fourth corrective action teleconference is held on August 8th. Chemical oxidation using Biox is picked by the consultant as the most feasible corrective action choice.
- 2006 – Fifth corrective action teleconference is held on October 6th to finalize plans for using Biox injections on both LUST sites.
- 2006 – First round of Biox injections is completed in December.
- 2009 – Second round of Biox injections is completed in May.
- 2014 – Sixth corrective action teleconference is held on March 21st. Though Biox did reduce the concentrations somewhat, free product is still present and the target levels are exceeded. Excavation is again ruled out due to site constraints. The consultant will review other chemical oxidation products/vendors.
- 2014 – Seventh corrective action teleconference is held on August 8th. The consultant will compare BOS 200 Trap and Treat by Alpine Remediation with Plume Stop by Regenesis.



1685 John F Kennedy Rd, Dubuque, IA 52002

My Notes

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Bird's eye view maps can't be printed, so another map view has been substituted.

**Contracts Entered Into
Since July 15, 2014 Board Meeting**



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: Dale Cira
DATE: August 21, 2014
SUBJECT: Contracts Entered Into Since July 15, 2014 Board Meeting.

The Board has entered into two agreements since the July 15, 2014 meeting. This are:

- 1) Contract extension for the USTCA 1104-01: State of Iowa Closure Contract – for work through August 31, 2015. Agreement with Seneca Environmental Services.

- 2) Contract extension for the USTCA 1104-01: State of Iowa Closure Contract – for work through August 31, 2015. Agreement with Barker Lemar Engineering Consultants.

Other Issues as Presented

Correspondence and Attachments

Notes of Seventh Corrective Action Conference
Iowa Department of Natural Resources (DNR)

Held: Friday, August 8, 2014 at 9:30 in room 5W of the Wallace building
Site: Former Holiday Oil at 1685 J.F.K. Rd, Dubuque
LUST No. 8LTG25
Status: This was the seventh meeting; no further conferences are scheduled.
Synopsis: The site is high risk for soil leaching to protected groundwater source and soil vapor. The certified groundwater professional (CGP) will seek additional funding authorization by 8/18/14; conduct soil sampling to better define the soil corrective action area; install an additional monitoring well; and provide a revised corrective action design report (CADR) by 9/26/14 with more details of the planned injection of activated carbon.

Participating

Holiday Oil: Did not participate
CGP: Gaylen Hiesterman of Cardno ATC (by phone)
Funding: Steve Reinders of Cunningham Lindsey (by phone)
DNR: Ruth Hummel, Project Manager, & Jeff White, Facilitator (in person)

Funding Report by Steve Reinders of Cunningham Lindsey (CL)

- \$316,516 spent to date.
- The \$14,400 copay has been met with the aid of the Global Settlement.
- Spending authority from the UST Fund Board extends to \$310,000 (plus the copay). Additional spending authority will have to be sought from the Board in order to pay the \$7,000 CADR invoice and to complete the corrective action.

Deficiencies by Ruth Hummel of DNR

The abbreviated CADR we received on 7/22/14 falls short of our expectations. We need technical details about the proposed injection of activated carbon: where injections will be done, what and how much will be injected, how, when, etc. A monitoring well is needed at the soil source (CB-34). Cunningham Lindsey needs details and a breakdown of the costs.

Discussion

CL: We need estimated costs for the proposed remediation for Aon Risk Services to provide to the Fund Board by 8/18/14 and a revised CADR for the DNR. Include in the estimate whether one treatment will be sufficient or will a second be necessary.

DNR: The CADR proposed vertical injection but the CCP just recently suggested horizontal drilling for at least a part of the injections. We would need more information (how, costs, advantages, etc.) to evaluate that option.

CGP: I am still researching. We have talked with Alpine Remediation (using Bos 200) and Regenesis (PlumeStop) regarding horizontal boring. Alpine has not done this; Regenesis has some limited experience. I will put out a Cardno email to see if someone has experience with horizontal boring.

We have suggested horizontal boring because it could provide better treatment. The zone of soil contamination is generally from 15 or 17 feet down to bedrock at 20 or 22 feet. The contamination is fairly thin; horizontal boring could move above the bedrock and inject multiple times into the soil contamination from the same borehole. This could minimize the injectate flowing up the borehole to the surface (daylighting). Also, horizontal boring could reach under the site building and roads which are not accessible to vertical borings.

DNR: We had a bad experience with daylighting at one site, which like this one had previous injection events. Significant amounts of injectate flowed into a house and basement. There were some extenuating factors: drought, soil fractures, etc.

CGP: We would likely need about 100 vertical probe locations for injection. The site has new asphalt pavement, so we hate to drill a bunch of holes in it. The two products are similar but the Bos 200 product contains some sulfate for bioremediation while the PlumeStop does not.

DNR: I think that Regenesys recommends the sulfate be injected separately.

The lowest site specific target level (SSTL) for this site is for the soil leaching to protected groundwater source (PGWS). If you can meet the groundwater target levels for the PGWS pathway for three years, the SL to PGWS pathway could be cleared. We would not require post-remediation soil sampling for the soil leaching pathway in this case. The site is also high risk for groundwater vapor and soil vapor to sanitary sewers. If the post-remediation monitoring shows the groundwater target levels are met for the PGWS pathway, we would review and consider a post-remediation soil gas sampling plan for the vapor receptor pathways.

CL: You are recommending injection locations to the south and southwest of the site building, but we don't have information about contamination in that area. Additional soil samples would be worthwhile to determine if that area needs treatment. You might not need as much treatment to the northwest of the building as you propose either.

CGP: I will provide costs based upon several different scenarios: Bos 200 versus PlumeStop and horizontal versus vertical drilling. We might recommend a combination of horizontal and vertical drilling for injection.

DNR: Install the monitoring well, conduct soil sampling, and SMR groundwater sampling, and include the results in your revised CADR. The revised CADR must provide the technical details about the proposed injection; where injections will be done, how it will be injected, what and how much will be injected, when, etc. Be sure to include relevant parameters in your remediation monitoring plan. Not just what you will sample for or measure, but why and when that sampling is needed and what the changes to parameters could mean with regards to monitoring the effectiveness of the remediation.

You will need to contact Kurt Hildebrandt with Underground Injection Control with EPA Region 7. He will have to determine if you need an injection permit.

Selected Corrective Actions and Schedule

- CGP will provide estimated costs for revised CADR and remediation of the site to the Fund Board by 8/18/14.
- CGP will provide a revised CADR by 9/26/14.
- DNR will evaluate the revised CADR and get back to everyone by 10/26/14.
- CGP will provide detailed costs and budget by 11/3/14.

Everyone agreed to this approach and the proposed schedule.

Jeff White, Conference Facilitator

Note: These notes are generalizations of ideas and comments made by participants in the meeting. They were not recorded verbatim or transcribed. If you have any questions or suggestions, please contact Ruth Hummel at the UST Section of the DNR.

Notes of Third Corrective Action Conference Iowa Department of Natural Resources (DNR)

Held: Thursday, August 7, 2014 at 1:30 in room 5E of the Wallace building
Site: Former Short Stop #10, Agency
LUST No. 7LTN73
Status: Third conference; no further meetings are scheduled
Synopsis: The site is high risk for soil leaching to protected groundwater source and low risk for soil vapor and groundwater to enclosed space. The certified groundwater professional (CGP) will conduct additional soil sampling in preparation for an over-excavation (OE) of contaminated soil for source removal. If an OE is conducted to remove the soil source; quarterly groundwater monitoring shows a stable groundwater plume that is not moving; an environmental covenant prohibits water wells on the site; and the vapor pathways are addressed, the site could be eligible for reclassification after four quarters of groundwater sampling.

Participating:

RP: Did not participate
Owner: Dennis Durlinger, owner and operator of station (by phone)
Funding: Steve Reinders of Cunningham Lindsey (by phone)
CGP: Leslie Nagel of Seneca (in person)
DNR: Lee Osborn, Project Manager, & Jeff White, Conference Facilitator (in person)

Funding Report by Steve Reinders of Cunningham Lindsey (CL)

- \$289,168 spent to date.
- No Global Settlement; copay has been met.
- The UST Fund Board has authorized spending to \$350,000.

Background and Recommendations by Leslie Nagel, CGP

- The site is high risk for soil leaching to protected groundwater source and low risk for groundwater to protected groundwater source, soil vapor, and groundwater vapor to potential enclosed space.
- We conducted BLOX injections in 2009. It worked, but we have not been able to show the groundwater plume is stable and not moving.
- We want to get the site to no action required. We recommend conducting over-excavation (OE) in two locations, as shown on the maps. We would like to dig as close as possible to the pumps, haul the soil to a nearby landfarm, and treat it by spreading it out.

Discussion

Owner: I'm okay with digging it out, but I'm not ready to retire, so leave the pumps and canopy supports.

DNR: The injections in 2009 helped a lot, but there are still pockets of soil and groundwater contamination that are pretty hot. If we can take out the soil sources, the groundwater will likely decrease too.

CGP: We would like to do the OE as soon as possible: this year after the harvest, in late fall.

CL: I am not on board with an OE. The groundwater concentration statistics look okay. The contamination is fluctuating; it's not moving. The OE can't take care of the entire plume and the Fund Board needs to feel confident that the OE will close the site. More soil samples on the north side of the pump island would help. Can we get clean sidewall samples on the south side of the excavation north of the pumps?

CGP: We can conduct some additional soil sampling to the north of the pumps.

CL: If we OE and don't remove all the soil over the target level and we have an environmental covenant prohibiting a drinking water well on the property, can we monitor quarterly for a year to show a stable plume and close the site?

DNR: I would consider reclassification after a year of quarterly sampling; we have lots of historical data. If reasonable, I could grant the request. I would want to see graphs, statistics, and justifications. You could show groundwater plumes through time to show the plume is not moving. But I can't guarantee reclassification in four quarters. It might take longer.

CGP: I recommend three boreholes north of the dispenser islands. We can drill them with a hand auger.

DNR: You only need to analyze soil for these boreholes for OA1. We would need to have the sampling data and logs by 9/15/14.

CL: We need an estimate for the OE for the Fund Board by then, too. The Board meeting will be held 9/26/14.

Selected Corrective Action

- DNR sends out conference notes within a week.
- CGP submits a budget for drilling and sampling by 8/11/14.
- CL evaluates the budget by 8/16/14.
- CGP provides the results of the drilling and sampling by 9/15/14.
- CGP provides a proposal and estimated budget for an OE for the UST Fund Board by 9/15/14.
- If an OE is conducted to remove the soil source; quarterly groundwater monitoring shows a stable groundwater plume that is not moving; an environmental covenant prohibits water wells on the site; and the vapor pathways are addressed, the site could be eligible for reclassification after four quarters of groundwater sampling.

Everyone agreed to this approach and schedule.

Jeff White, Conference Facilitator

Note: These notes are generalizations of ideas and comments made by participants in the meeting. They were not recorded verbatim or transcribed. If you have any questions or suggestions, please contact Lee Osborn at the UST Section of the DNR.

Notes of Fifth Corrective Action Conference Iowa Department of Natural Resources (DNR)

Held: Thursday, July 24, 2014 at 9:30 in 5E of the Wallace building
Site: Former Quasky Mart, Quasqueton, Iowa
LUST No. 8LTY61
Status: Fifth conference; no further meetings are scheduled, but another conference could be held after a report is submitted and reviewed.
Synopsis: This bedrock site is high risk for groundwater to drinking water wells (DWWs). Groundwater bioremediation through the use of iSOC started in 2006, but concentrations have not reached target levels.
The certified groundwater professional (CGP) will provide a work plan by 8/29/14 for drilling and bedrock investigation; DNR will respond by 9/10/14. CGP will conduct the investigation and provide a report by 11/21/14.

Participating

RP: Lowell Kress (by phone)
Funding: Steve Reinders of Cunningham Lindsey (by phone)
CGP: Angela Erhardt of Cardno ATC (by phone)
DNR: Matt Graesch, Project Manager, & Jeff White, Facilitator (in person)

Funding Report by Steve Reinders of Cunningham Lindsey (CL)

- \$239,926 spent to date.
- The copay has been met with the aid of the Global Settlement.
- Pre-approved costs should be reimbursed to a cap of \$1,000,000.
- The UST Fund Board has authorized up to \$400,000 of spending.

Background and Recommendations by Angela Erhardt, CGP

- The site is non-granular bedrock and high risk for groundwater to several drinking water wells (DWWs). Years ago, several DWWs reported petroleum in them.
- An iSOC system was installed in 2006 and we inherited the site in 2007.
- Quarterly sampling has shown the concentrations are fluctuating and iSOC is not taking the groundwater to the target levels.
- Options:
 - Use high vacuum extraction (HVE) with periodic pump truck events to flush out the contamination.
 - Inject oxygen release compounds (ORC) or activated carbon (Trap and Treat) using existing monitoring wells.

Discussion

DNR: The hydraulic conductivity value (k) used in the latest software submittals is too low. The slug test calculations in 1998 showed about 2.11×10^{-2} m/d, but the K used was 2.11 m/d.

CL: The volume of groundwater is too large to remove with periodic vac truck events. And the iSOC wells are not providing enough coverage. If injection is used, more monitoring wells will be needed.

CGP: Are there any Tier 3 options?

DNR: We have looked at possible Tier 3. I spoke with Mike Gannon of the Iowa Geological Survey. There is no confining layer deep and some of the DWWs are pretty shallow. Mike and boring logs indicate two bedrock formations: shallow weathered dolomite and lower, tighter limestone. We need new K values and we need to isolate the upper zone.

Additional investigation is warranted. Lowell, what was the rock like during the excavation of the tank pit?

RP: We didn't have to blast the bedrock. It was broken lime rock and we just dug it out.

DNR: If you plot benzene concentrations in groundwater with water table elevations, the data indicate an inverse relationship: when the water table drops, the contamination in the groundwater goes up. This is generally an indication of LNAPL (non-aqueous phase liquid) trapped in the soil or bedrock somewhere beneath the water table. A reasonable scenario might be less competent dolomite over more competent limestone, with LNAPL at the interface. The low-level contamination has the potential to last a long time in this situation. More slug tests? Additional borings with coring of bedrock? There is a bedrock outcrop about 100 feet west of the site, near the river.

The Casey's site across the street (7LTA63) has a long history of impacting DWWs, remediation, and evaluation. You could look at those records and learn a lot about the subsurface.

CGP: We need more investigation. Should we install nested monitoring wells, some deep and others shallow? We could core one or more.

CL: Better information will save money in the end. You should get more than one bid for cores and bedrock drilling.

The iSOC doesn't seem to be working. Could we shut it down?

DNR: Yes, shut it down.

Please send us a work plan for your field work, drilling, historical and geological investigation, conductivity calculations, etc.

RP: Could we transfer the insurance policy to the new owner? It's been sold four times. The Trust has been closed for years but I still have to sign checks.

CGP: I will contact the new owner.

Selected Actions Prior to Another Conference and Schedule

- DNR sends out conference notes by 7/29/14.
- By 8/29/14, CGP submits a work plan and budget for drilling, coring, vertical nested wells, slug tests, historical and geological research, and report submittal.
- DNR and CL evaluate the work plan and the budget by 9/10/14.
- CGP will provide a report of the investigation by 11/21/14.
- Another corrective action conference could be held after review of the results of the investigation.

Everyone agreed to this approach and schedule.

Jeff White, Conference Facilitator

Note: These notes are generalizations of ideas and comments made by participants in the meeting. They were not recorded verbatim or transcribed. If you have any questions or suggestions, please contact Matt Graesch at the UST Section of the DNR.

James Gastineau

From: White, Jeff [DNR] <Jeff.White@dnr.iowa.gov>
Sent: Wednesday, July 02, 2014 2:55 PM
To: James Gastineau
Subject: FW: Rapid Lube Bettendorf 198600808 / 9LTB51

From: Vander Bloemen, Tammy [DNR]
Sent: Wednesday, July 02, 2014 2:40 PM
To: Todd Felderman; MDiehl@senecaco.com; hgoettsch@mediacombb.net; Reinders, Steven
Cc: White, Jeff [DNR]
Subject: Rapid Lube Bettendorf 198600808 / 9LTB51

All,

Thank you for attending the teleconference today on the referenced site. The following resulted from the teleconference:

Seneca will submit an activity schedule by July 16, 2014.

It will contain information for the soil borings on the northern portion of the property to define the excavation area around monitoring wells MW2R and MW9.

Excavation dates.

Type of surfactant to be injected while the high vacuum extraction events are occurring on the southern portion of the property.

Schedule of high vacuum extraction / surfactant injection events.

Milestone for determine if this option should continue or others need to be explored.

Cunningham Lindsey will provide a budget decision by July 23, 2014.

A Site Monitoring Report is due by October 30, 2014.

Seneca will work with the active business on the site to minimize disruption to the business.

Permission from EPA to use the surfactant is required before injections begin.

Please contact me if you have any questions or concerns.

Tammy Vander Bloemen Underground Storage Tank Section



Iowa Department of Natural Resources
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502 East 9th St | Des Moines, IA 50319

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