



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

NOTICE OF PUBLIC MEETING

A public meeting of the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board has been scheduled for 10:00 A.M., Friday, March 27, 2015. The meeting will be held at the **State Capitol Building, 1005 East Grand Avenue, Room 15, Des Moines, IA 50319.**

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. Actuarial Study Presentation (estimated presentation length 30 minutes)
 - B. Legislative Update
 - C. DNR Update
5. Approval of Program Billings
6. Monthly Activity Report and Financials Reviewed
7. Attorney General's Report
8. Claim Payment Approval
9. Contracts Entered Into Since February 27, 2015 Board Meeting
10. Other Issues as Presented
11. Correspondence and Attachments

Approval of Prior Board Minutes

CLOSED SESSION

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

PUBLIC COMMENT

No public comments were presented.

BOARD ISSUES

A. Actuarial Study Update

Mr. Cira noted presented information on the status of the actuarial review requested by the Board. He noted that at the January Board meeting it was announced that Taylor & Mulder, Inc. would attend today's meeting to present their study findings. He noted that due to the number of Board members unable to attend today's meeting the presentation has been moved to the March 27th meeting. Mr. Cira noted that the text portion of the actuarial report was provided in the Board packet, but the underlying tables which show the calculations was not. He noted that if anyone would like to see the full report, it could be provided on request. Mr. Cira asked the Board members to review the study and identify anything they would like to bring up next month.

Mr. Cira provided a brief overview of the study findings noting the results are favorable indicating there has been good handle on the claims that have been reserved and that they are being reserved accurately. He noted that if funding continues at the current level and claims continue on the current path, there will be a sizable funding surplus developing in the upcoming years.

B. Legislative Update

Mr. Cira reported that at the time the Board packet was put together, there had been no bills introduced that might affect the Board. He noted that in the last week, House Study Bill 170 was introduced and noted that this bill is the legislation that Ms. Carlson presented for initial thoughts at last month's Board meeting.

Mr. Cira provided an overview of the proposed legislation noting it would take revenues from current funding source and split it, so that half would funnel into the UST program for closing sites and the other half to create a new program to provide up to \$100,000 in grants to UST owners and operators for replacing their tank systems. The bill would place the program with this Board and would provide up to \$50,000 per year to administer the program. The Board would also be tasked with developing the program rules. Mr. Cira noted that the legislation also proposes to change the make-up of the Board by adding two new members.

Mr. Cira noted that the bill was already reviewed by a subcommittee of the Natural Resources Committee and based on the comments presented some changes to the bill are likely. He noted the changes may include dropping the new Board members and limiting the rule making authority to decide who would be eligible for the funding. Mr. Cira also noted that a similar program is in

place now with the Renewable Fuels Infrastructure Fund and that some concern may exist if the funding programs overlap.

Mr. Cira indicated that staff would monitor the progress of the bill and noted that he would be happy to communicate the Board's thoughts to the legislature. Mr. Beech noted that this is the time to weigh in if Board members have concerns on this bill and invited the members to contact Mr. Cira with their thoughts.

C. Cost Recovery: City of Dallas Center

Mr. Gastineau provided an overview of the memo presented in the Board packet noting that in 1998 Dallas County acquired the former Smith Service Station in Dallas Center by obtaining title to the property through a tax sale. Subsequent to that event, the Iowa UST Fund Board entered into an agreement with Dallas County and the City of Dallas Center to provide the City with Iowa UST Fund benefits to complete the required corrective action activities.

Mr. Gastineau noted that the Agreement provides that, if the City sells the property before the 10th anniversary of the date that the city last received remedial account benefits, the City will use the net proceeds to reimburse the Board for the benefits that were paid. He noted that the City had received benefits in the amount of \$47,506.50, with the last payment in April 2008. The City has since marketed the property and recently sold the property in December 2014 for \$10,000. The City has submitted a request, seeking Board approval, to retain the \$10,000 received for the purchase of the property rather than submitting it to the Board for reimbursement of expenses as required by the agreement.

After discussion, Mr. Hall suggested tabling this request and asking the City to provide some documentation regarding the various expenses it has incurred maintaining the property and then re-visit this topic when data is available. Mr. Beech instructed staff to call the City to obtain the background of the expenses.

D. Amendment to the 3rd Contract Extension for Administration of the UST Fund

Mr. Steward provided an overview of the Contract Extension provided in the Board packet noting that the document was developed in response to the January discussion and agreement to provide an incentive for the closure of a certain number of claims during the current calendar year. He noted that an inconsistency had been identified in what the amount of the incentive might be if 50% of the Aon's fee as lowered was used as the benchmark. He noted that amount is \$66,292 rather than the \$56,986 recommended by Aon and agreed to at the prior Board meeting. Given the discrepancy, Mr. Beech recommended the Board stay with the \$56,986 as approved in the prior meeting.

In response to a question regarding the validity of offering an incentive payment, Mr. Steward advised that the State Contracting Guide notes that an incentive is a specifically recognized approved payment form. Mr. Steward also noted that no motion was needed to approve the document and the amendment to the agreement could be signed and dated at the meeting.

E. DNR Update

Ms. Elaine Douskey reported the DNR is managing 823 open LUST sites. She noted that 62 sites have been closed for the current federal fiscal year.

PROGRAM BILLINGS

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

- 1. Aon Risk Services\$97,838.00
Consulting Services March 2015 -- \$58,838.00
Claims Processing Services March 2015 -- \$39,000.00

- 2. Iowa Attorney General's Office\$4,236.65
Services provided for Underground Storage Tank Program
January 2015 (FY 2015) Billing

- 3. Iowa Department of Revenue\$3,964.41
Services provided for 2nd Quarter FY 2015 EPC billing
February 2015 (FY 2015) Billing

Mr. Mumm motioned to approve the billings as presented. Ms. Devin seconded the motion. Motion carried unanimously.

MONTHLY ACTIVITY REPORT

A. January 2015 Activities Report

Mr. Gastineau indicated that the activities report shows a summary of activities in January. Invoices were processed in the amount of \$627,118.71. A new table has been added at the bottom of the report showing the status toward meeting Aon's stretch goal; one claim was closed in January toward the goal of 115.

B. January 2015 Financial Report

Mr. Gastineau indicated there was nothing significant to report. Total Fund balance as of January 31, 2015 is \$31,676,398.86.

C. Year-to-Date Financials as of January 31, 2015

Mr. Gastineau indicated there was nothing significant to report.

D. Lien Status Update

Mr. Gastineau indicated a \$105 payment was received from the lienholder in Griswold.

ATTORNEY GENERAL'S REPORT

Mr. Steward presented information noting a provision in the Board's contract with Aon that if, after January 1, 2011, the number of claims are reduced by 50 percent, an opportunity opens up to renegotiate compensation. He noted that the number of open Global Settlement or Opt-In claims have been reduced by more than 50%, from 178 claims to 87 claims. Mr. Steward indicated he was bringing this to the Board's attention and noted that \$34,000 or 3.4 percent of the Aon's total fee was attributed to the Opt In Program. He noted that the decrease in the number of claims triggers an opportunity for renegotiation of this portion of the fee. He also noted that this could not be a voting item today but the Board can provide direction to vote on this at another meeting.

Following Mr. Steward's presentation, the Board indicated no desire to renegotiate the fee for the opt-in program.

CLAIM PAYMENT AUTHORITY

Mr. Gastineau presented the following claim authority requests:

1. Site Registration 8710556 – Land O'Lakes, Inc., Fremont (2nd Board Report)

The site is classified low risk for the potential groundwater vapor pathways. Free product has not been present for two years and, as a result, all product inspection activities have ceased. In addition, recent soil sampling has allowed the soil pathways to be classified no action required. Vapor target levels however were exceeded at the groundwater source when an attempt was made to clear the groundwater vapor pathway in 2014. The consultant is now recommending this area be excavated.

Mr. Gastineau noted the present claim reserve is \$95,000 and previous Board approval was given in August 2014 for costs up to \$100,000. Projected costs are \$35,000 to \$100,000+. Additional authority of \$60,000 was requested for a total authority of \$160,000. Mr. Hall moved to approve the request and Mr. Mumm seconded the motion. Motion carried unanimously.

2. Site Registration 8607205 – First Coop Association, Cleghorn (1st Board Report)

Contamination was discovered on this property in 2011 during a site check for the current UST system. The initial claim for benefits was denied due to an inability to document that the contamination was from a pre-10/26/90 release. The denial of benefits was appealed and following identification of new data a settlement agreement providing for 70% funding, subject to the co-pay requirements, was worked out.

The site is classified high risk for the water line pathway. Replacement of the at-risk water main will allow for the site to be reclassified to no action required.

Mr. Gastineau noted the present claim reserve is \$75,000 and costs incurred to date are \$19,173.34. Projected costs are in the range of \$55,000 to \$105,000+. Additional authority to \$100,000 was requested. Mr. Mumm moved to approve the request and Ms. Beck seconded the motion. Motion carried unanimously.

CONTRACTS ENTERED INTO SINCE THE JANUARY 23, 2015 BOARD MEETING

The Board has not entered into any contracts since the January 23, 2015 Board meeting.

OTHER ISSUES

No other issues were presented.

CORRESPONDENCE AND ATTACHMENTS

Mr. Beech indicated the correspondence and attachments could be read after the meeting adjourns.

Mr. Hall motioned to adjourn the meeting at 10:53 A.M. and Mr. Mumm seconded the motion. The measure passed with a unanimous vote.

Respectfully Submitted,

James Gastineau
Deputy Administrator

Board Issues

A. Actuarial Study

Iowa Comprehensive
Underground Petroleum Storage Tank Fund
Actuarial Reserve Study
as of November 30, 2014

Presented March 27, 2015



Taylor & Mulder

Scope of Work

- Review and opinion on adequacy of current claim reserves
- Review of current practices for establishing claim reserves
- Projection of future claim liabilities
- Analysis of impact and history of large losses

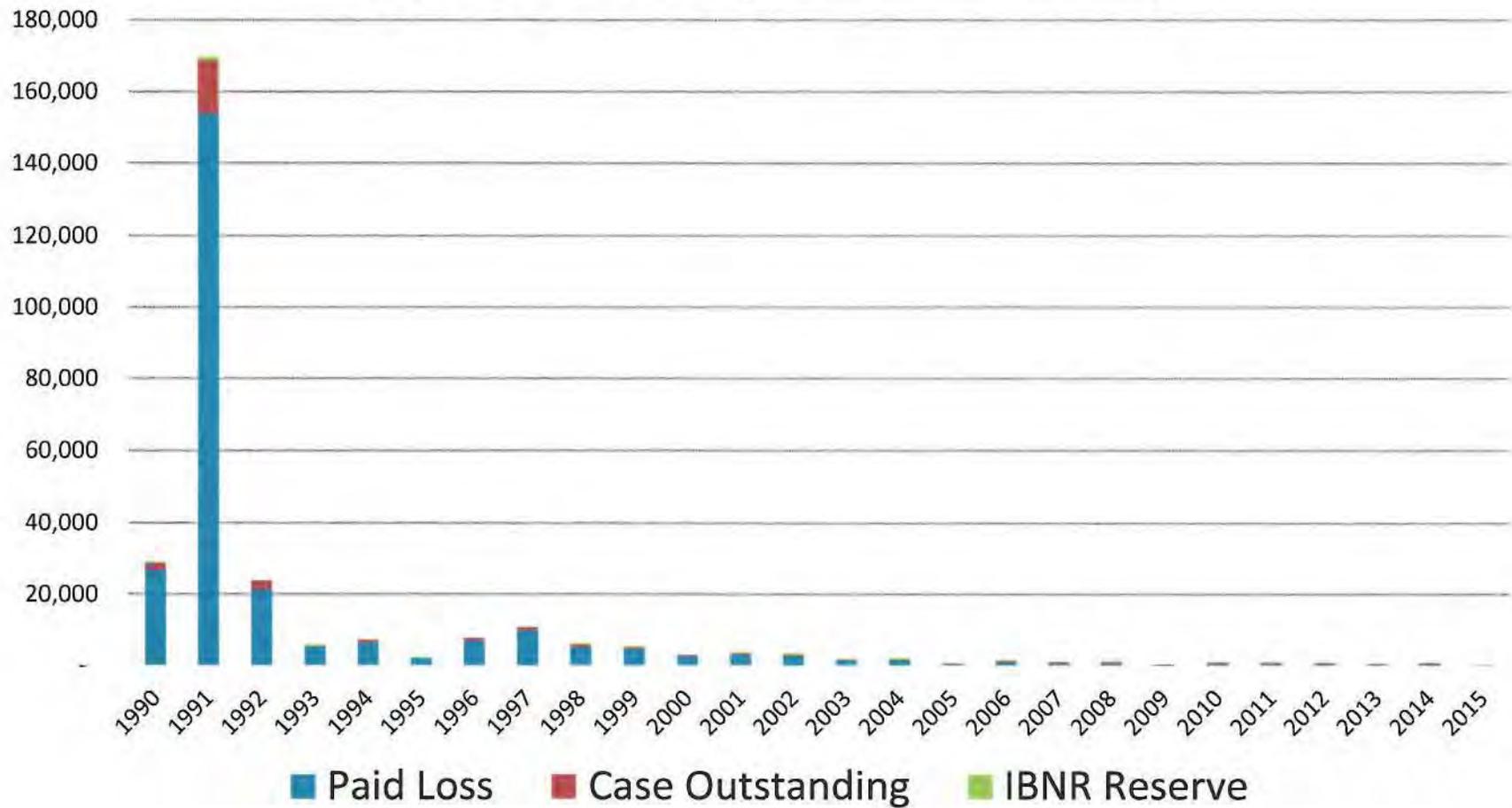
Terminology

- Case Outstanding / “Case Reserves”
 - Amount reserved for individual, known claims
- Incurred but Not Reported (IBNR) Reserve
 - Difference between current case outstanding and total anticipated ultimate losses for all claims that have been incurred as of the evaluation date
 - Basically, the additional needed reserves on top of current reserves
 - Narrow Definition vs Broad Definition
- Report Year
 - Year ending June 30 during which claims are reported.

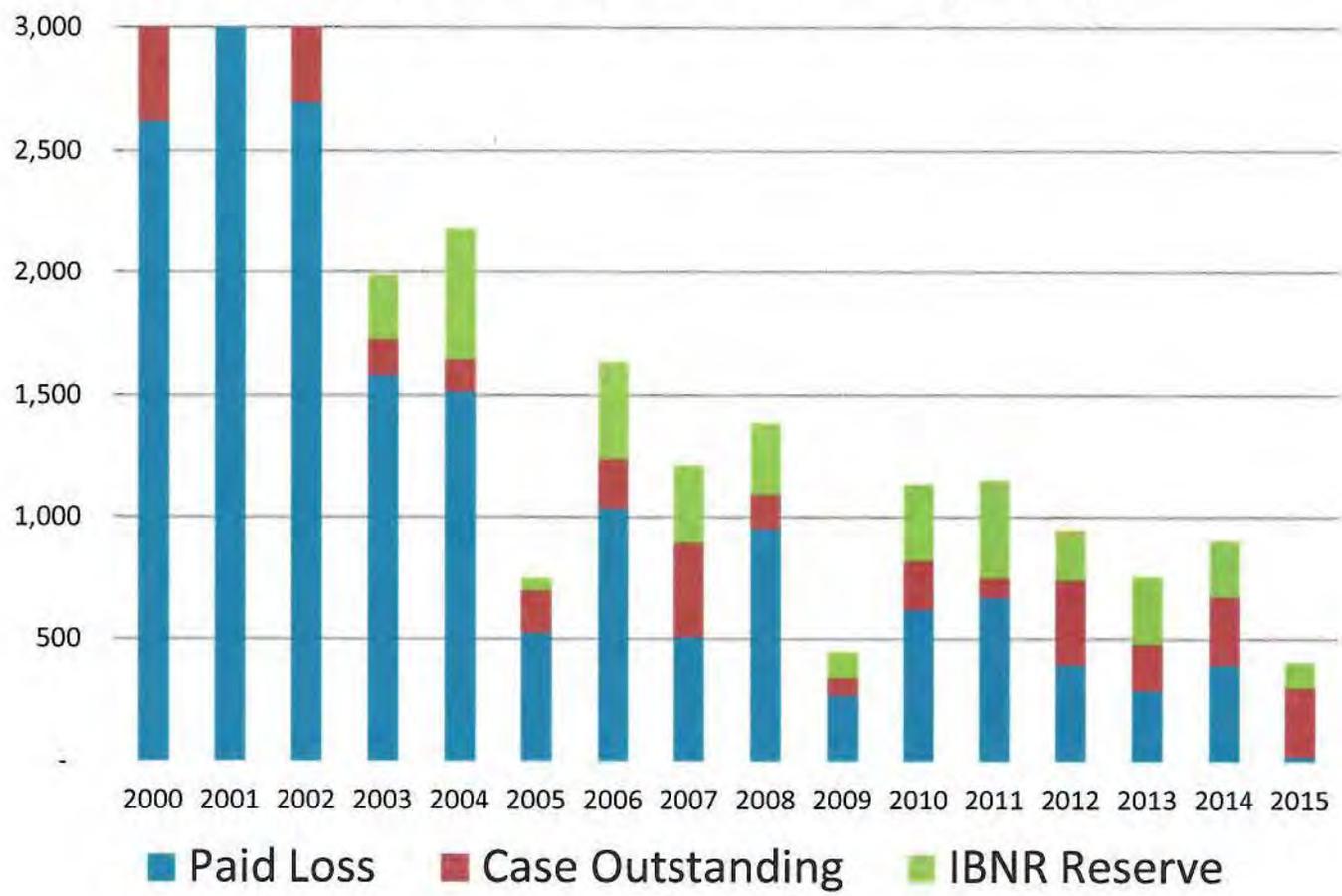
Claim Reserve Adequacy

Iowa Comprehensive Petroleum Underground Storage Tank Fund			
Reserves as of November 30, 2014 (\$000s)			
Claim Type	Case Outstanding	IBNR Reserve	Total
Remedial	\$19,980	\$6,142	\$26,121
Retroactive	\$1,477	\$214	\$1,692
Innocent Landowner	\$4,808	\$1,527	\$6,335
Reopened Claims	\$377	\$344	\$721
Total	\$26,642	\$8,227	\$34,869

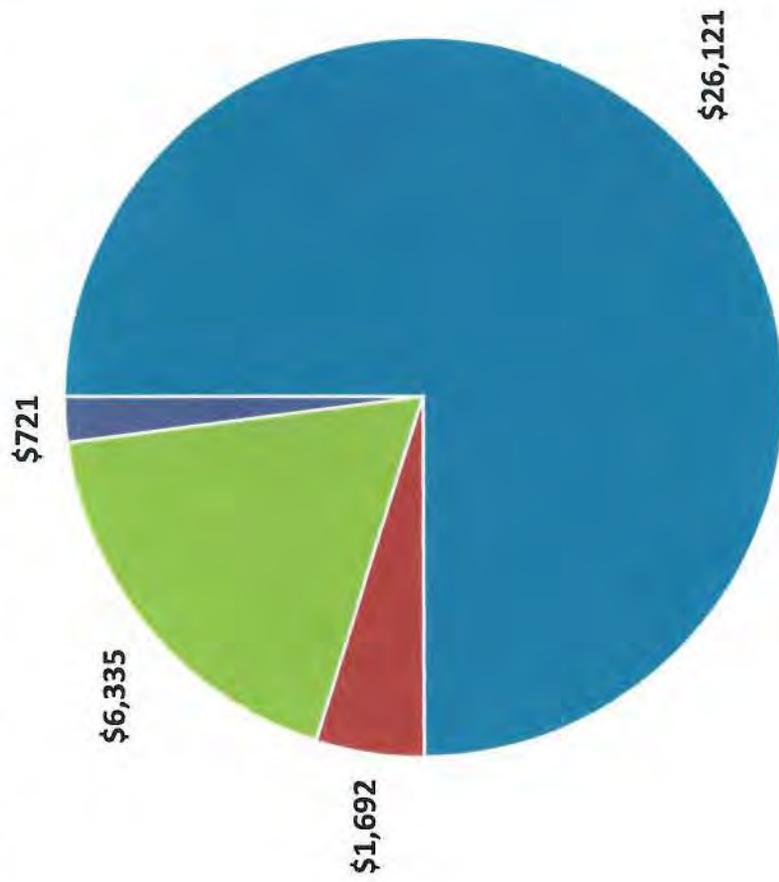
Ultimate Losses by Report Year (000s)



Ultimate Losses by Report Year July 1, 1999 – Nov. 30, 2014 (000s)



Breakdown of Unpaid Losses by Claim Type



■ Remedial ■ Retroactive ■ Innocent Landowner ■ Reopen

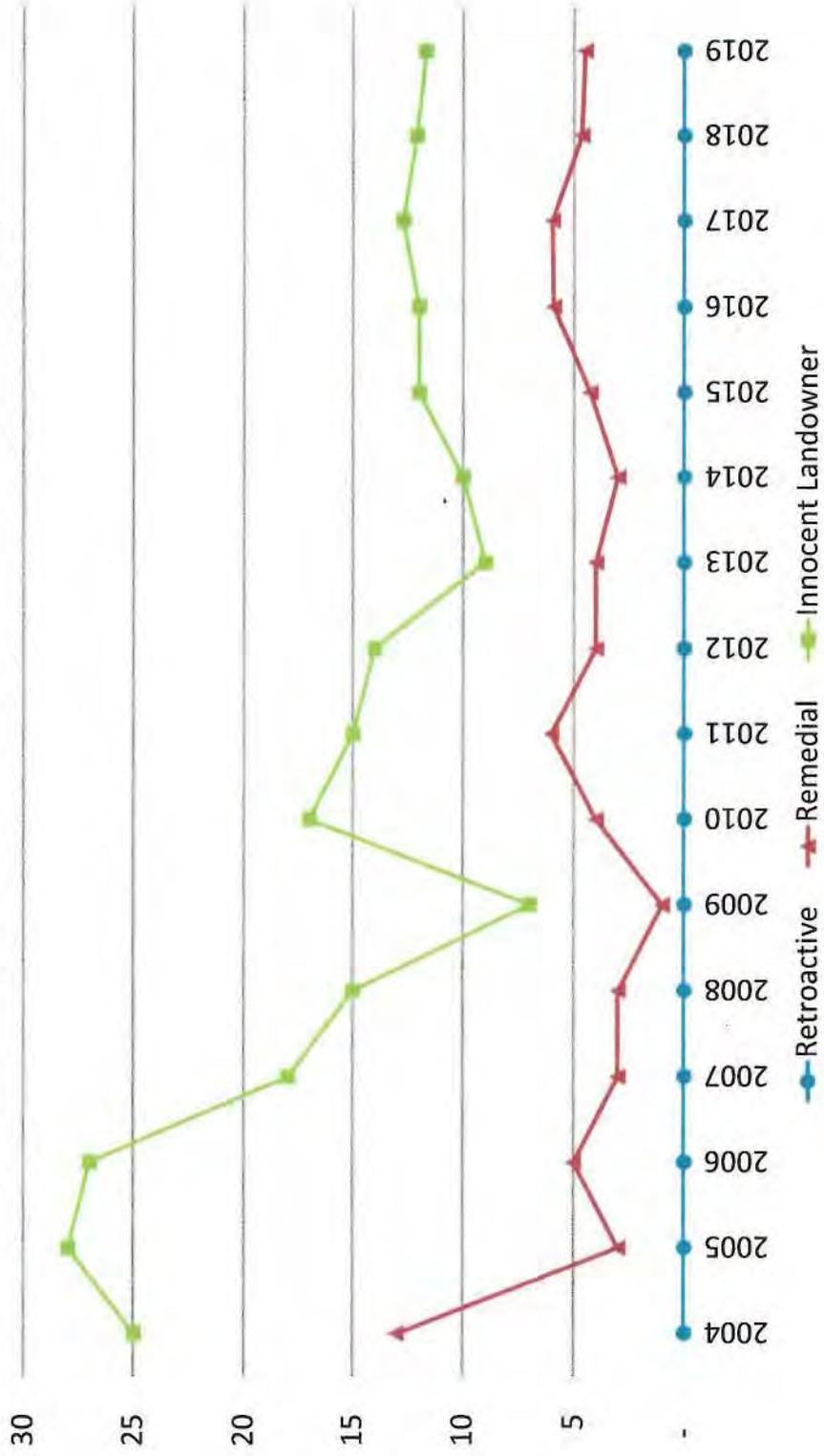
Claims Reserving Practices

- Handled by Aon Risk Solutions through Cunningham Lindsey.
- Threat of competitive bids and no fixed price schedule seems adequate to keep costs reasonable over time.
 - Average claim severities have not increased or decreased over time.
- Low development of incurred losses implies reserves are reasonable.
- Possible low reserves for low-risk sites; not reflected in historical data.

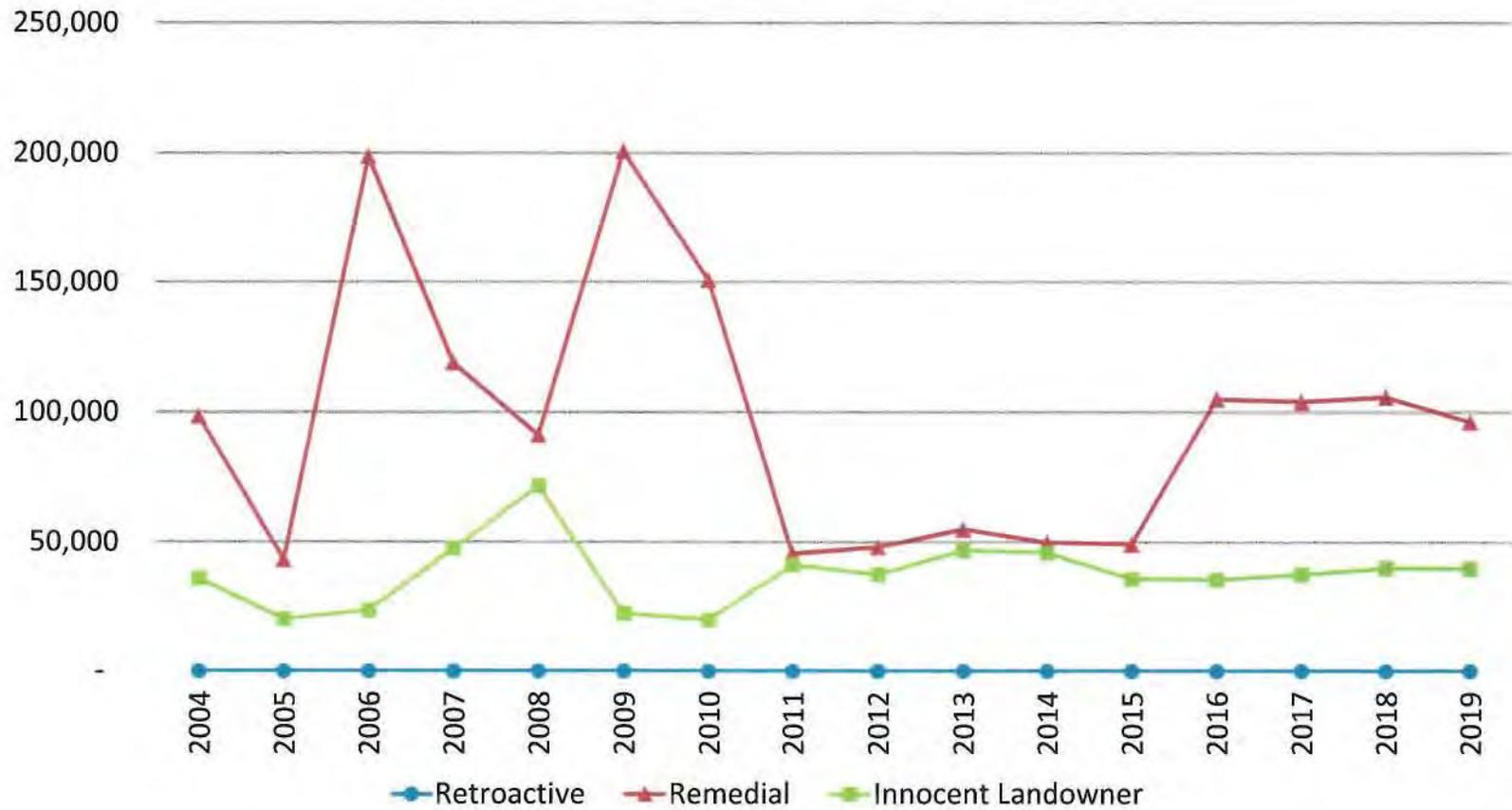
Projection of Future Claim Liabilities

- Projected forward anticipated reported claim counts by year for each claim type
- Calculated and projected forward average claim severities by year for each claim type
- Product of claim count and claim severity = Projected Ultimate Loss
- Ultimate losses by report year were then spread out over time based on anticipated payment patterns to determine loss in any single year

Projected Reported Claim Counts By Claim Type



Projected Average Claim Severities



Projected Financial Results

Projected Claim Payments by Fiscal Year			
Fiscal Year	Paid Claim Expenses	Beginning Cash Balance	Ending Cash Balance
2015	\$11,891,187	\$30,643,412	\$30,461,969
2016	\$4,346,468	\$30,461,969	\$37,882,421
2017	\$3,832,601	\$37,882,421	\$46,569,216
2018	\$3,531,612	\$46,569,216	\$56,492,402
2019	\$3,162,169	\$56,492,402	\$66,966,229

Note: Projections include annual revenue, administration expenses, and other miscellaneous expenses based on discussions with Fund personnel.

Large Loss Analysis

- Claims that exceed \$250,000
- On average, it takes 16 years from initial report of a claim to develop to “large loss” level
- Large losses:
 - Account for 3.3% of claims overall
 - Account for approximately \$82.8m, or 28% of ultimate losses
 - This is relatively consistent with what we have seen in some other LUST funds.

**Iowa Comprehensive
Underground Petroleum Storage Tank Fund
Actuarial Reserve Study
as of November 30, 2014**

Presented March 27, 2015

Daniel Lupton, FCAS, MAAA, MBA
dlupton@taylorandmulder.com
(301) 956-9199



Taylor & Mulder

B. Legislative Update



IOWA UNDERGROUND STORAGE TANK FUND

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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
FROM: Dale T. Cira
DATE: March 27, 2015
RE: 2015 Legislative Session

House File 170 (An Act relating to underground storage tanks, establishing an underground storage tank cost share grant program) was introduced in the Natural Resources Committee on February 25, 2015. HF 170 passed the Committee and is now referred to as House File 537. HF 537 was referred to the Appropriations Committee on March 6th.

HF 537 passed subcommittee on March 16th. A Fiscal Note was prepared on March 18, 2015 identifying the fiscal impact of the legislation (see attached).

The most current version of the bill (3/18/2015, attached) has changed somewhat to address the following aspects:

- Does not include a change in the Board membership
- Instead of Board determining eligibility, bill provides "Any owner or operator of a location where petroleum is marketed in this state is eligible to apply for and receive funding from the grant program".
- An eligible applicant may be awarded a grant worth up to fifty percent of the cost to replace infrastructure, with a maximum grant of \$100K. The total grants awarded to an eligible applicant shall not exceed \$1M per calendar year.

We will continue to watch HF 537 and provide communication on this and any other bills that may materially affect the Board throughout the Session.

Fiscal Note

Fiscal Services Division

HF 537 – Underground Storage Tank Cost Share Grant Program (LSB1613HV)
Analyst: Jeff Robinson (Phone: (515) 281-4614) (jeff.robinson@legis.iowa.gov)
Fiscal Note Version – New

Description

House File 537 relates to finances of the Road Use Tax Fund and the Underground Storage Tank (UST) Program. The Bill:

- Extends the one-cent per gallon Environmental Protection Charge (EPC) applied to motor fuel for 10 years. This tax is currently set to expire June 30, 2016.
- Creates a new infrastructure replacement grant fund and program for owners and operators of underground petroleum storage tanks.
- Dedicates one-half (\$7.0 million) of the UST Program's annual allocation from the Statutory Allocations Fund to the new infrastructure grant program.
- Assigns administration of the new grant program to the UST Fund Board. The Board is directed to award grants to owners and/or operators of locations where petroleum is marketed and the grant funds are to be used to replace underground storage tank infrastructure. Grants for a project cannot exceed the lesser of 50.0% of the cost of replacing the infrastructure, or \$100,000. A single applicant may not receive more than \$1.0 million in grants in a calendar year.
- Specifies that the Board may expend up to \$50,000 annually from the grant fund to administer the grant program.

Background

The UST Program pays to remediate environmental contamination from leaking underground petroleum storage tanks. In most instances, the contamination must have been reported to the UST Board by October 26, 1990, to be eligible for UST Program financing. The UST Program is funded through an annual allocation of \$14.0 million from the Statutory Allocations Fund. That annual allocation does not sunset.

The EPC is a tax that is equal to one-cent per gallon of petroleum deposited into underground and certain aboveground tanks at retail outlets. The EPC revenue is deposited to the Road Use Tax Fund. The EPC sunsets June 30, 2016.

Additional history and background for the EPC and the UST Program, including financial projections through FY 2019, is available in the following two Legislative Services Agency **Issue Reviews**, released November 10, 2014.

Environmental Protection Charge - Future Repeal

Underground Storage Tank Program Financial Outlook

Iowa Code section **159A.14** currently provides for an infrastructure cost share program available to owners and operators to improve retail motor fuel sites. Grants are available for up to 70.0%

of the infrastructure installation costs, or \$50,000, whichever is less. Owners and operators may receive multiple grants for a single site.

Fiscal Impact

Extending the current EPC for ten years (July 1, 2016 through June 30, 2026) will increase tax revenue approximately \$21.0 million annually, starting FY 2017 and ending FY 2026. The tax revenue will be deposited to the Road Use Tax Fund.

Creating a new grant program and fund for petroleum infrastructure will increase UST Program expenditures by \$7.0 million per year, beginning FY 2016. This new grant program does not sunset. Creation of the new grant program will reduce money available for UST site cleanup by \$7.0 million annually.

The Renewable Fuels Infrastructure Board operates a cost-share program available for owners and operators of retail motor fuel locations. The new infrastructure grant program created in this Bill would apply to the same infrastructure expenditures and could allow owners and operators to benefit from two State grant programs, each providing 50.0% or more State cost share benefits.

The Bill allocates a maximum of \$50,000 per year from the new grant program to administer the program.

Sources

Legislative Services Agency analysis
UST Board financial records

/s/ Holly M. Lyons

March 18, 2015

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

House File 537 - Introduced

HOUSE FILE 537
BY COMMITTEE ON NATURAL
RESOURCES

(SUCCESSOR TO HSB 170)

A BILL FOR

1 An Act relating to underground storage tanks, including by
2 establishing an underground storage tank cost share grant
3 program and fund and making an appropriation.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.145, subsection 2, paragraph a,
2 subparagraph (1), Code 2015, is amended to read as follows:

3 (1) First, ~~three one million five hundred~~ seven hundred
4 fifty thousand dollars per quarter shall be deposited into
5 and credited to the Iowa comprehensive petroleum underground
6 storage tank fund created in section 455G.3, and the moneys so
7 deposited are a continuing appropriation for expenditure under
8 chapter 455G, and moneys so appropriated shall not be used for
9 other purposes.

10 Sec. 2. Section 321.145, subsection 2, paragraph a, Code
11 2015, is amended by adding the following new subparagraph:

12 NEW SUBPARAGRAPH. (3) Third, one million seven hundred
13 fifty thousand dollars per quarter shall be deposited into
14 and credited to the underground storage tank cost share
15 grant program fund created in section 455G.6A. The moneys so
16 deposited are a continuing appropriation for expenditure under
17 that section and shall not be used for other purposes.

18 Sec. 3. Section 424.19, Code 2015, is amended to read as
19 follows:

20 **424.19 Future repeal.**

21 This chapter is repealed effective June 30, ~~2016~~ 2026.

22 Sec. 4. NEW SECTION. **455G.6A Underground storage tank cost**
23 **share grant program and fund.**

24 1. For purposes of this section, "*grant program fund*" means
25 the underground storage tank cost share grant program fund
26 established by this section.

27 2. An underground storage tank cost share grant program fund
28 is created as a separate fund in the state treasury under the
29 control of the board. The grant program fund is separate from
30 the general fund of the state.

31 3. *a.* The grant program fund is composed of moneys
32 deposited in the fund pursuant to section 321.145, subsection
33 2, paragraph "a", subparagraph (3), other moneys appropriated
34 by the general assembly for deposit in the grant program fund,
35 and moneys available to and obtained or accepted by the board

1 from the United States government or private sources for
2 placement in the grant program fund.

3 *b.* The recapture of awards or penalties, or other repayments
4 of moneys originating from the grant program fund, shall be
5 deposited into the grant program fund.

6 *c.* Notwithstanding section 12C.7, interest or earnings on
7 moneys in the grant program fund shall be credited to the grant
8 program fund.

9 *d.* Notwithstanding section 8.33, unencumbered and
10 unobligated moneys remaining in the grant program fund at the
11 close of each fiscal year shall not revert but shall remain
12 available in the grant program fund for the purposes of this
13 section.

14 *e.* Any owner or operator of a location where petroleum is
15 marketed in this state is eligible to apply for and receive
16 funding from the grant program.

17 4. The grant program fund shall be administered by the
18 board.

19 5. Moneys in the grant program fund are appropriated to and
20 shall be used by the board as provided in this subsection.

21 *a.* Up to fifty thousand dollars shall be allocated each
22 fiscal year to the board to support the administration of
23 the grant program. The board may use up to one and one-half
24 percent of the moneys in the grant program fund each fiscal
25 year to market the grant program. Otherwise the moneys shall
26 not be transferred, used, obligated, appropriated, or otherwise
27 encumbered except to allocate as grants by the board in
28 accordance with this subsection.

29 *b.* The board shall establish a grant program to award grants
30 from moneys in the grant program fund to eligible applicants to
31 replace underground storage tank infrastructure, including but
32 not limited to tanks, lines, pipes, hoses, connections, seals,
33 and pumps.

34 (1) The board shall adopt rules pursuant to chapter 17A
35 for implementation and administration of the grant program and

1 grant program fund.

2 (2) At a minimum, replacement infrastructure must be listed
3 by an independent testing laboratory as compatible for use with
4 ethanol blended gasoline classified as E-85.

5 (3) An eligible applicant may be awarded a grant worth up
6 to fifty percent of the cost to replace infrastructure, with
7 a maximum grant of one hundred thousand dollars. The total
8 grants awarded to an eligible applicant shall not exceed one
9 million dollars per calendar year.

10

EXPLANATION

11 The inclusion of this explanation does not constitute agreement with
12 the explanation's substance by the members of the general assembly.

13 This bill creates an underground storage tank cost share
14 grant program and a corresponding fund within the state
15 treasury in Code chapter 455G. The bill reduces the amount
16 deposited in the Iowa comprehensive petroleum underground
17 storage tank fund each quarter from \$3.5 million to \$1.75
18 million. The grant program fund shall be credited \$1.75
19 million per quarter from the statutory allocations fund
20 pursuant to Code section 321.145. The grant program fund shall
21 be administered by the Iowa comprehensive petroleum underground
22 storage tank fund board. The grant program funds shall be
23 allocated as grants by the board to replace underground storage
24 tank infrastructure, including but not limited to tanks, lines,
25 pipes, hoses, connections, seals, and pumps. At a minimum,
26 replacement infrastructure must be listed by an independent
27 testing laboratory as compatible for use with ethanol blended
28 gasoline classified as E-85.

29 Any owner or operator of a location where petroleum is
30 marketed in this state is eligible to apply for and receive
31 funding from the grant program. An eligible applicant may be
32 awarded a grant worth up to 50 percent of the cost to replace
33 infrastructure, with a maximum grant of \$100,000. Total grants
34 awarded to an eligible applicant shall not exceed \$1 million
35 per calendar year. The bill requires the Iowa comprehensive

1 petroleum underground storage tank fund board to adopt rules to
2 implement and administer the grant program and fund.

3 The bill changes the amount credited from the statutory
4 allocations fund to the Iowa comprehensive petroleum
5 underground storage tank fund per quarter from \$3.5 million to
6 \$1.75 million.

7 The bill extends the duration of the environmental
8 protection charge on petroleum diminution collected from
9 underground storage tank owners or operators until June 30,
10 2026.

C. 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: March 20, 2015
SUBJECT: Summary of Bills for Payment

NOTICE

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

1. Aon Risk Services \$97,838.00
 Consulting Services April 2015 -- \$58,838.00
 Claims Processing Services April 2015 -- \$39,000.00

2. Iowa Attorney General's Office \$3,980.91
 Services provided for Underground Storage Tank Program
 February 2015 (FY 2015) Billing

Monthly Activity Report and Financials Reviewed

A. February 2015 Activities Report

	Open Claims		Open Claims
Claims	January Ending	Monthly Net Changes	February Ending
RETROACTIVE			
number	30	(1)	29
reserve	\$1,528,290.17	(\$22,459.10)	\$1,505,831.07
paid	\$6,454,542.85	(\$131,851.64)	\$6,322,691.21
	\$7,982,833.02	(\$154,310.74)	\$7,828,522.28
REMEDIAL			
number	378	0	378
reserve	\$20,076,639.74	(\$340,493.44)	\$19,736,146.30
paid	\$71,644,207.89	\$288,441.29	\$71,932,649.18
total	\$91,720,847.63	(\$52,052.15)	\$91,668,795.48
INNOCENT LANDOWNER			
number	134	(3)	131
reserve	\$4,594,988.93	(\$49,936.72)	\$4,545,052.21
paid	\$11,092,068.26	(\$29,568.28)	\$11,062,499.98
total	\$15,687,057.19	(\$79,505.00)	\$15,607,552.19
GLOBAL OPT-IN			
number	87	(4)	83
reserve	\$398,958.40	\$27,950.50	\$426,908.90
paid	\$720,813.24	(\$17,773.28)	\$703,039.96
total	\$1,119,771.64	\$10,177.22	\$1,129,948.86
UNASSIGNED REVENUE FUND PROJECTS			
number	61	5	66
reserve	\$1,614,668.44	\$202,536.00	\$1,817,204.44
paid	\$351,331.56	\$17,464.00	\$368,795.56
total	\$1,966,000.00	\$220,000.00	\$2,186,000.00
NFA RE-EVALUATIONS			
number	18	0	18
reserve	\$361,151.25	(\$50,013.50)	\$311,137.75
paid	\$528,848.75	\$15,013.50	\$543,862.25
total	\$890,000.00	(\$35,000.00)	\$855,000.00
TANK PULLS			
number	44	(4)	40
reserve	\$571,408.00	(\$81,000.00)	\$490,408.00
paid		\$11,232.34	\$11,232.34
total	\$571,408.00	(\$69,767.66)	\$501,640.34

Corrective Action Meetings (02/13/2015)	
Scheduled:	11
Completed:	1,237
MOA's	488

UST Operator Training
UST Operators (A / B)
A/B/C (FY2011-15)

2015 Discretionary Incentive Goal	115	Net Closed YTD
Claims closed - Feb (RT, RM, ILO, NFA)	7	Re-Open < 30 days
Claims closed YTD	10	Re-Open YTD < 30 days

Feb-15

Open & Closed	
Totals since Inception	
	447
	\$1,505,831.07
	\$17,690,583.28
	\$19,196,414.35
	4,457
	\$19,736,146.31
	\$212,637,894.40
	\$232,374,040.71
	1,130
	\$4,545,052.21
	\$30,853,963.45
	\$35,399,015.66
	1,303
	\$440,908.90
	\$9,732,129.08
	\$10,173,037.98
	272
	\$1,817,204.44
	\$2,832,575.70
	\$4,649,780.14
	55
	\$311,137.75
	\$1,125,352.04
	\$1,436,489.79
	375
\$	490,408.00
\$	4,030,917.41
	\$4,521,325.41
	2,946
	\$341,750.00
	7
	1
	3

RT Claims		#
New		0
Reopened		0
Closed		1
RM Claims		#
New		1
Reopened		1
Closed		2
ILO Claims		#
New		1
Reopened		0
Closed		4
GS Claims		#
New		0
Reopened		0
Closed		3
USTCA		#
New		4
Reopened		0
Closed		0
NFA Re-Eval		#
New		0
Reopened		0
Closed		0
Tank Pull		#
New		1
Reopened		1
Closed		5
DNR @ 2-2015		
Open LUST		828
High Risk		464
Low Risk		180
NAR-FP		70
Not Class.		114
Open Claims		
(RM,RT,IL,NFA)		556

Invoice Type Totals	FEB
Aon - Admin	\$ 117,676.00
Aon - Claims	\$ 78,000.00
Government	\$ 10,528.03
2004 Tank Pull	\$ -
2010 Tank Pull	\$ 65,864.03
American Soils	\$ -
AST Removal	\$ -
AST Upgrade	\$ -
CADR Charges	\$ -
Corrective Action	\$ 380.70
Expenses / OT	\$ 100.00
Free Prod Recover	\$ 71,163.96
Monitoring	\$ 135,586.84
Operations/Maint	\$ 17,861.72
Over-excavation	\$ 187,880.28
Water Lines	\$ 115,495.66
Post RBCA Evals	\$ 2,422.48
RBCA	\$ 26,832.41
Remed Imp/Const.	\$ 75,403.95
SCR Charges	\$ -
Site Check	\$ -
Soil Disposal	\$ -
Tank (UST) Pull	\$ -
Tank (UST) Upgrade	\$ -
Tier III	\$ 2,581.00
Utilities	\$ 5,591.07
Well Closure	\$ 9,644.48
Total Invoice Types	\$ 716,808.58

Remediation Budgets Approved	
last month (FEB 2015)	2
Trailing 12 mos	39
Prev Trail 12 mos	55
Total Since Jan 2003	1,154

Project Contracts	Open
CRP's	7
Tank Closure	2
Plastic Water Line	0

FYTD		Program to Date	
\$	512,115.57		
\$	312,000.00		
\$	257,339.93		
\$	-	\$	1,761,013.44
\$	571,084.08	\$	4,079,944.05
\$	-	\$	5,678,422.58
\$	-	\$	3,306,435.24
\$	-	\$	7,911,496.87
\$	54,726.11	\$	4,572,278.95
\$	80,574.73	\$	52,411,654.11
\$	17,600.00	\$	284,360.00
\$	447,239.63	\$	10,991,653.78
\$	1,061,214.49	\$	30,316,710.72
\$	193,871.77	\$	10,087,686.17
\$	1,608,077.18	\$	31,985,572.10
\$	317,933.39	\$	2,532,238.29
\$	9,912.03	\$	226,185.34
\$	259,051.11	\$	26,395,368.13
\$	561,685.38	\$	28,708,568.99
\$	-	\$	54,217,410.26
\$	2,433.73	\$	142,486.32
\$	-	\$	738,386.66
\$	18,350.00	\$	3,979,734.25
\$	-	\$	3,440,849.83
\$	32,601.58	\$	1,356,764.02
\$	81,270.15	\$	2,049,367.48
\$	165,395.07	\$	3,778,349.17
\$	5,483,020.43	\$	290,002,641

Program to Date
\$275,101
\$2,783,426
\$3,322,383
\$48,098,876

Closed	Pending
38	0
5	0
2	0

B. February 2015 Financial Report

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING FEBRUARY 28, 2015**

0471 - UST REVENUE FUND (Bonding)

Balance of Fund, February 1, 2015		\$7,530,013.02
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$1,220.65	
Interest Income - Capital Reserve Fund	\$0.00	
		\$1,220.65
Disbursements:		
Bond Interest Payment	\$0.00	
Bond Principal Payment	\$0.00	
EPC Charges	\$0.00	
Adjustments	\$0.00	
Transfer to General Fund	\$0.00	
Transfer to Unassigned Revenue Fund (0450)	\$0.00	
Transfer to Innocent Landowner Fund (0485)	\$0.00	
Transfer to Remedial Non-Bonding Fund (0208)	\$7,000,000.00	
		\$7,000,000.00
Balance of Fund, February 28, 2015		\$531,233.67

450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)

Balance of Fund, February 1, 2015		\$10,700,859.63
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	\$5,424.44	
		\$5,424.44
Disbursements:		
UST Administrator's Fees	\$195,676.00	
Adjustment	\$0.00	
Attorney General's Fees	\$0.00	
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$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 FEBRUARY 28, 2015**

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	\$100.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$17,464.00	
Travel Expenses-UST Board Members	\$0.00	
Warrant Float Expense	\$0.00	
28E Agreement - DNR Plume Study	\$0.00	
Statutory Transfer to DNR (technical review - recurring)	\$0.00	
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$10,528.03	
Appropriation 2014	\$0.00	
Appropriation 2015	\$0.00	
Transfer of Funds to Innocent Land Owners	\$0.00	
		\$223,768.03
Balance of Fund, February 28, 2015		\$10,482,516.04

0208 - UST REMEDIAL NON-BONDING FUND

Balance of Fund, February 1, 2015		\$4,551,995.34
Receipts:		
Remedial Refunds	\$0.00	
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer From UST Revenue Fund (0471)	\$7,000,000.00	
		\$7,000,000.00
Disbursements:		
Retroactive Claims	\$11,054.84	
Remedial Claims	\$534,338.85	
Adjustment	\$0.00	
28E Agreement - NFA Claims	\$15,013.50	
Transfer to ILO/GS Fund	(\$550,337.46)	
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants & Cancelled Warrants	\$0.00	
		\$10,069.73
Balance of Fund, February 28, 2015		\$11,541,925.61

0478 - UST MARKETABILITY FUND

Balance of Fund, February 1, 2015		\$773,640.52
Receipts:		
Interest	\$2,784.37	
Use Tax	\$0.00	
		\$2,784.37
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
Balance of Fund, February 28, 2015		\$776,424.89

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING FEBRUARY 28, 2015**

0485 - UST INNOCENT LANDOWNERS FUND

Balance of Fund, February 1, 2015		\$8,119,890.35
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	\$105.00	
		\$105.00
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	\$4,523.03	
Innocent Landowner Claims	\$685,123.07	
Transfer to Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	\$0.00	
		\$689,646.10
Balance of Fund, February 28, 2015		\$7,430,349.25

0238 - UST LOAN GUARANTEE FUND (Non-Bonding)

Balance of Fund, February 28, 2015		\$0.00
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0614 - UST CAPITAL RESERVE FUNDS (Bonding)

Balance of Fund, February 28, 2015		\$0.00
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Combined UST Capital Reserve Fund Balances, February 28, 2015		\$0.00
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TOTAL FUND BALANCES, February 28, 2015		\$30,762,449.46
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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 February 28, 2015

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING FEBRUARY 28, 2015**

		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)	\$7,000,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$47,842.43	
Interest Income	\$6,042.13	\$100,000.00
Interest Income - Capital Reserve Fund	\$0.00	
	\$7,053,884.56	\$14,100,000.00
Disbursements:		
Bond Interest Payment	\$0.00	
Bond Principal Payment	(\$981.16)	
EPC Charges	\$0.00	
Adjustments	\$47,842.43	
Transfer to General Fund	\$0.00	
Transfer to Unassigned Revenue Fund (0450)	\$0.00	
Transfer to Innocent Landowner Fund (0485)	\$0.00	
Transfer to Remedial Non-Bonding Fund (0208)	\$7,000,000.00	\$14,000,000.00
	\$7,046,861.27	\$14,000,000.00
Balance of Fund, February 28, 2015	\$531,233.67	\$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	\$100.00	
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	\$42,327.81	\$125,000.00
	\$42,427.81	\$130,000.00
Disbursements:		
UST Administrator's Fees	\$824,203.32	\$1,240,000.00
Adjustment	\$0.00	
Attorney General's Fees	\$29,176.12	\$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	\$4,404.75	\$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	\$11,525.30	\$37,500.00
Innovative Technology	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING FEBRUARY 28, 2015**

		FISCAL 2015 BUDGET
Department of Inspection & Appeals Service Fees	\$0.00	\$500.00
Legal and Professional Fees	\$2,371.12	
Postage / Printing / Miscellaneous	\$0.00	\$500.00
Professional Admin Services (Investments)	\$0.00	
Professional Services - Owner/Operator Training	\$17,600.00	\$100,000.00
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$142,222.80	\$800,000.00
Travel Expenses-UST Board Members	\$0.00	\$700.00
Warrant Float Expense	\$0.00	
28E Agreement - DNR Plume Study	\$0.00	
Statutory Transfer to DNR (technical review - recurring)	\$0.00	\$200,000.00
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$117,006.90	\$250,000.00
Statutory Transfer to IDOT (railway study)	\$0.00	\$500,000.00
Appropriations FY 2014	\$92,768.29	
Appropriations FY 2015	\$0.00	
Transfer of Funds to Innocent Land Owners	\$0.00	
	\$1,241,278.60	\$3,184,450.00
Balance of Fund, February 28, 2015	\$10,482,516.04	\$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)	\$7,000,000.00	\$14,000,000.00
	\$7,000,000.00	\$14,000,000.00
Disbursements:		
Retroactive Claims	\$367,976.44	\$700,000.00
Remedial Claims	\$4,068,907.67	\$6,000,000.00
Adjustment	\$0.00	
28E Agreement - NFA Claims	\$253,374.45	\$500,000.00
Transfer to ILO/GS Fund	(\$550,337.46)	
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants	\$0.00	
	\$4,139,921.10	\$7,200,000.00
Balance of Fund, February 28, 2015	\$11,541,925.61	\$15,481,846.71
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2014	\$755,308.99	\$755,308.99
Receipts:		
Interest	\$21,115.90	\$25,000.00
Use Tax	\$0.00	
	\$21,115.90	\$25,000.00
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
	\$0.00	\$0.00
Balance of Fund, February 28, 2015	\$776,424.89	\$780,308.99

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING FEBRUARY 28, 2015**

		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.c. lien settlements)	\$4,556.20	\$25,000.00
ILO Refunds	\$105.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Transfer From Loan Gaurantee Fund (0238)	\$0.00	
Outdated Warrants	\$0.00	
Miscellaneous Income	\$735.00	
	\$5,396.20	\$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	\$123,312.90	\$80,000.00
Innocent Landowner Claims	\$1,067,089.99	\$2,000,000.00
Transfer to/from Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	(\$10,888.46)	
	\$1,179,514.43	\$2,080,000.00
Balance of Fund, February 28, 2015	\$7,430,349.25	\$6,549,467.48
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, February 28, 2015	\$0.00	\$0.00
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Combined UST Capital Reserve Fund Balances, February 28, 2015	\$0.00	\$0.00
TOTAL FUND BALANCES, February 28, 2015	\$30,762,449.46	\$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 03-09-2015)

Liens #	County	Owner	Garment	Site Address	Debtor/Owner	Owner Address	Cost Recovery Letter	Cost Rec. 12 - month date	Loan Fee	1st Notice & Fee	Loan Amount	Loan Filed Date	UICM # Page	Records/Inquiries Fee	Loan Expiration
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-		
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		
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 Merville 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	\$6,475.50	2/1/2008	2008 - 223		Payment plan started 9/2013

Attorney General's Report

Claim Payment Approval

**IOWA UNDERGROUND STORAGE TANK PROGRAM
FIRST BOARD REPORT
MARCH 11, 2015
MIDWAY OIL COMPANY
409 5TH STREET
DURANT
SITE REGISTRATION NUMBER: 7910570
LUST NUMBER: 9LTM71**

RISK CLASSIFICATION:

HIGH LOW UNDETERMINED

PRESENT CLAIM RESERVE: \$ 80,000.00

ELIGIBILITY: Contamination was discovered on this property in 2006 during an investigation prior to a property transaction. The UST was out of use prior to 1974 and was removed in 1991. This is an eligible innocent landowner (pre-regulation) claim.

COST INCURRED TO DATE:

1. RBCA Tier II report	20,538.85
2. Site monitoring reports	11,358.05
3. Corrective action teleconference	<u>1,000.00</u>
TOTAL COST TO DATE	\$ 32,896.90

PROJECTED COSTS:

❖ Site Monitoring Report	❖ Over-excavation
<u>TOTAL PROJECTED COSTS:</u>	<u>\$ 30,000.00 to 60,000.00+</u>

TOTAL AUTHORITY RECOMMENDED:

\$100,000.00

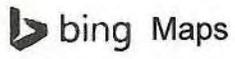
COMMENTS:

The site is high risk for the groundwater ingestion pathway for a drinking water well, and for the water line pathway. The site is also low risk for the potential vapor pathways. The site owner (not the RP) has demolished and removed the site building at his cost so that an excavation can be completed after we informed him that the fund will not cover demolition costs. A successful excavation will allow for the reclassification of the site to no action required following post-OE monitoring.

Affected population likely less than 20.

Site Timeline

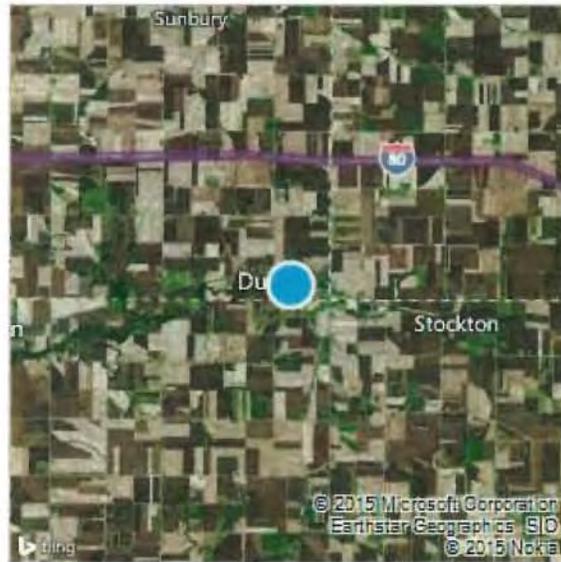
- 2006 - Contamination is discovered during an investigation prior to Midway Oil selling the property.
- 2007 - RBCA Tier 2 submitted and accepted as high risk.
- 2007 - The first corrective action teleconference was held in September of 2007. Prior to corrective action, attempts would be made to clear the high risk pathways thru additional assessment.
- 2015 - Alternative methods for clearing the RBCA pathways have been unsuccessful. Physical removal of the contamination thru excavation, which was not possible prior to the recent building demolition, is considered to be the best course of action.



4000 5th St, Durant, IA 52747

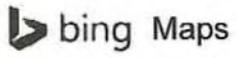
My Notes

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Site Timeline

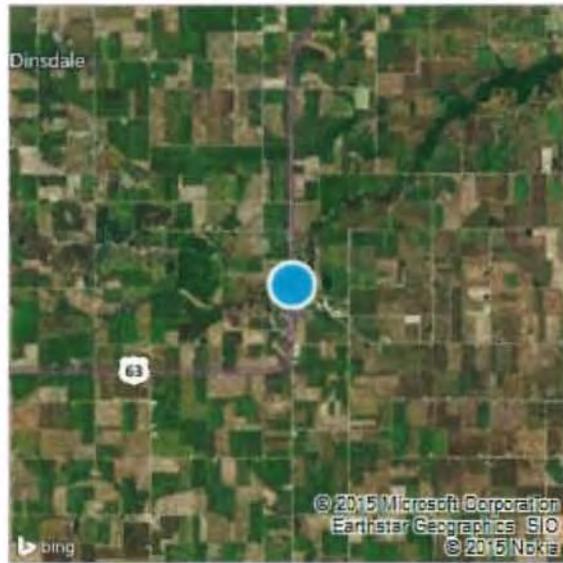
- 1986 - Contamination discovered after product piping and a UST were found to be leaking.
- 1990 – A claim for benefits is filed by Wieck Bros. This is an eligible retroactive claim to be paid by the primary insurance (Western Insurance), with the IUST Fund as secondary. The copay share was reimbursed by the IUST Fund.
- 1986-2009 – SCR, RBCA Tier 2, and FPR efforts were completed by the primary insurance provider (Western Insurance) until the \$100,000 cap on coverage was reached.
- 2009-2012 – IUST Funding begins and monitoring and free product recovery are completed.
- 2013 – The first corrective action teleconference was held on January 3, 2013. Agreed to better define the area for chemical injection and water line relocation and then meet again.
- 2013 – The second corrective action teleconference was held on July 3, 2013. Agreed to a corrective action plan for the chemical injection and water line relocation.
- 2013 – First Board Report presented and approved by the board on August 8, 2013.
- 2013 – The first chemical injection event was completed in December of 2013.
- 2014 – The second chemical injection event was completed in May of 2014.
- 2015 – Post-remediation monitoring indicates that an additional chemical injection event is needed.



2 Main St, Traer, IA 50675

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**IOWA UNDERGROUND STORAGE TANK PROGRAM
 SECOND BOARD REPORT
 MARCH 17, 2015
 CASEY'S GENERAL STORE
 33280 335TH STREEET
 MINDEN
 SITE REGISTRATION NUMBER: 8605536
 LUST NUMBER: 8LTB67**

RISK CLASSIFICATION:

HIGH

LOW

UNDETERMINED

PRESENT CLAIM RESERVE:

\$ 550,000.00

PREVIOUS BOARD APPROVAL:

\$ 475,000.00

Number and Date of each previous Board Report: 1st: April 20, 2004

PREVIOUS COSTS INCURRED:

\$ 77,060.88

COSTS INCURRED SINCE LAST BOARD APPROVAL:

1. Site monitoring reports/Tier 3 monitoring	119,658.75
2. Free product recovery	48,817.00
3. CADR	4,200.00
4. Water line replacement	145,193.67
5. Well closure	4,950.00

TOTAL COSTS INCURRED TO DATE:

\$ 399,880.30

PROJECTED COSTS:

❖ Site Monitoring Report

❖ Free Product Recovery

❖ Over-excavation

TOTAL PROJECTED COSTS:

\$ 100,000.00 to 200,000.00+

ADDITIONAL AUTHORITY RECOMMENDED:

\$ 125,000.00

TOTAL AUTHORITY:*

\$ 600,000.00

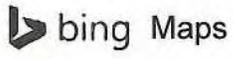
COMMENTS:

The site is classified as low risk for the potential groundwater ingestion and potential vapor pathways. There is also significant free product at the site in the vicinity of the dispenser islands. Previous work was completed to connect the site and adjacent property owners to the rural water distribution network. The site has been inaccessible to remediation due to the soil type and the presence of an active station. Casey's plans to redevelop the station this spring including removing and replacing the canopy and product dispensers. This will allow for the completion of an excavation which may result in the reclassification of the site to no action required following post-OE monitoring. Population affected likely less than 50.

*Previous approval + additional recommended

Site Timeline

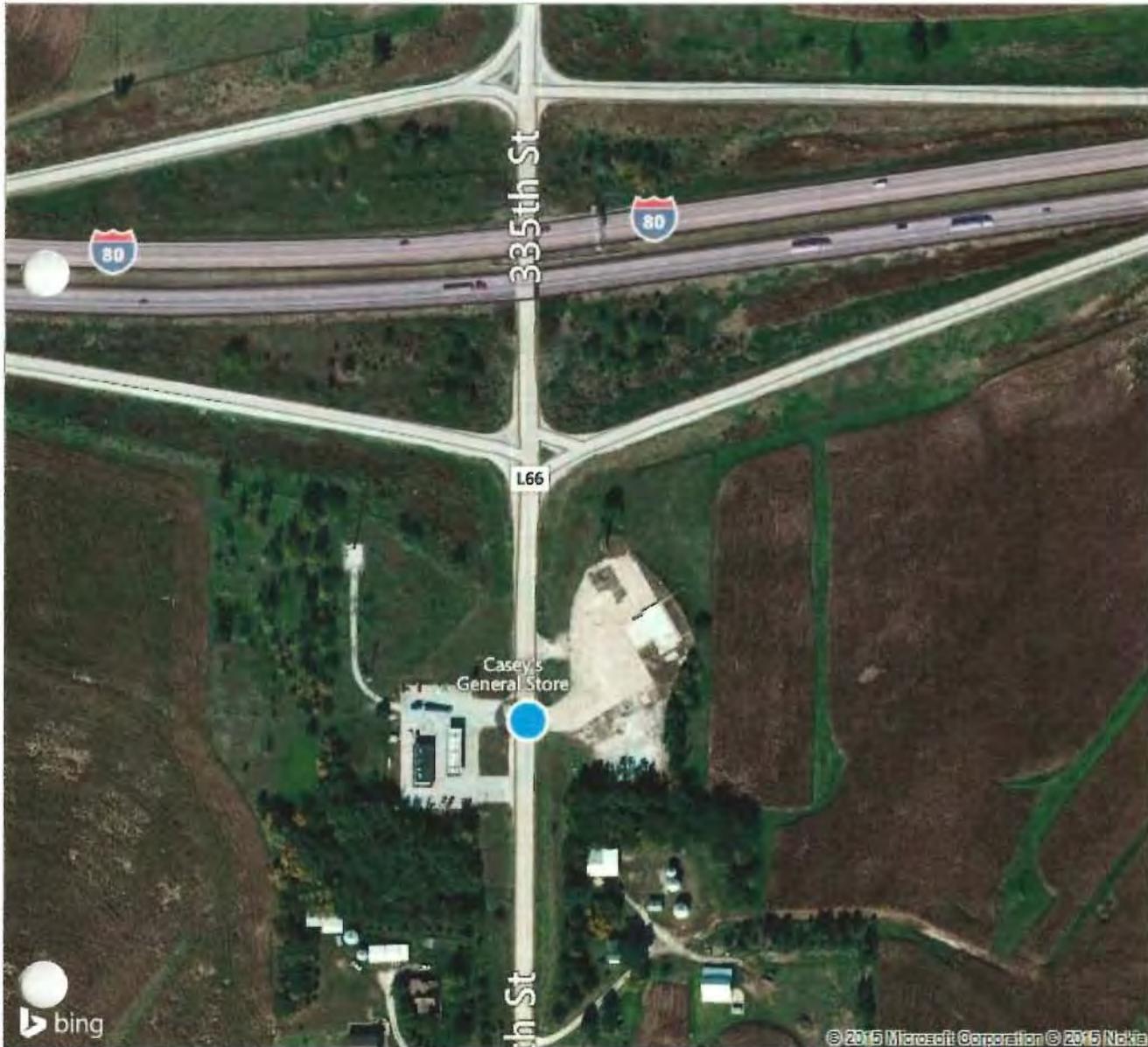
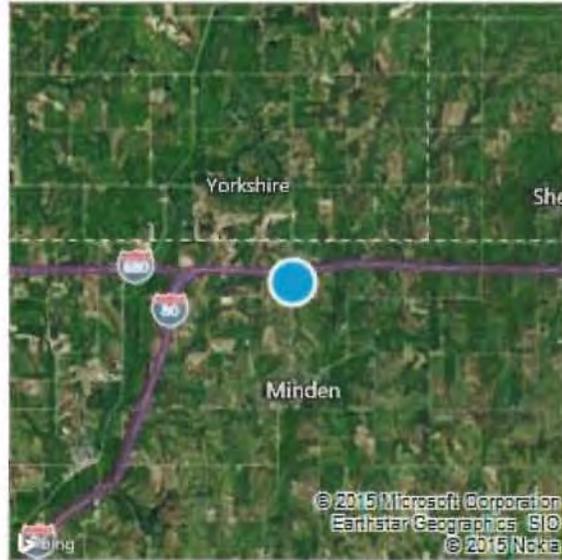
- 1990 - Contamination discovered during an insurance investigation in October of 1990. A claim is filed by Armstrong Service.
- 1993 - SCR completed; DNR issues 'not accepted' letter on October 14, 1993.
- 1996 – Revised SCR submitted, not reviewed due to RBCA rules being established.
- 1998 – The benefits are transferred to Bach Petroleum.
- 2000 - Tier 2 submitted and accepted as high risk on December 5, 2000. CADR due in 120 days.
- 2001 – Free product discovered near the dispensers.
- 2004 – CADR is submitted in April recommending the installation of a pump & treat and bioventing system.
- 2004 – First corrective action teleconference is held on November 23, 2004. It is agreed that the proposed remediation system is unlikely to achieve the target levels. Connecting the well owners to the rural water distribution network will be pursued instead.
- 2005-2007 – Rural water is brought to the intersection of I-80 and County Road L-66. The site and adjacent properties are connected to rural water and the drinking water wells are plugged.
- 2011 – Following Tier 3 monitoring to confirm that the groundwater plume is stable, the site is accepted as low risk.
- 2014 – The fund received a tank pull claim form from Caseys and began discussions with the consultant to determine if this would be a good opportunity to excavate during site renovations in an attempt to close the claim.
- 2015 – Additional soil plume delineation was completed in late January to help define the extents of a potential excavation.



33 335th St, Minden, IA 51553

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**Contracts Entered Into
Since February 27, 2015 Board Meeting**



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 T. Cira
DATE: March 20, 2015
SUBJECT: Contracts Entered Into Since February 27, 2015 Board Meeting

The Board entered into an amendment to the Administrator's contract for calendar year 2015 providing for an incentive payment if stated goals are met.

Other Issues as Presented

Correspondence and Attachments

Notes of Third Corrective Action Conference

Iowa Department of Natural Resources (DNR)

Held: Tuesday, February 24, 2015 at 1:30 in room 5W of the Wallace building
Site: Union Pacific Railroad (UPRR) Fueling Facility, Estherville, Iowa
LUST No. 9LTN20
Status: Third conference; no further meetings are scheduled
Synopsis: In 2012, the site was reclassified to no further action (NAR) with free product (FP) recovery. **The area where FP is periodically observed is located beneath the City of Estherville water treatment plant.** The persistence of FP has kept the site from receiving a no further action (NFA) certificate. By 3/17/15, the certified groundwater professional (CGP) will provide an estimate of costs for the UST Fund Board for a vacuum enhanced recovery (VER) pilot test; revised corrective action plan; injection of in situ chemical oxidation (ISCO); extraction of fluids; monitoring; and reporting. The CGP will provide a report of the VER pilot test results by 7/25/15 along with a revised corrective action plan. DNR and USEPA Underground Injection Control will need to review the final corrective action plan and give regulatory approval prior to implementation. Cunningham Lindsey will need to see the revised corrective action plan and the pilot test results prior to approving the budget for implementation.

Participating:

RP: Jeff McDermott of Union Pacific Railroad (UPRR) (by phone)
Funding: Steve Reinders of Cunningham Lindsey (by phone)
CGP: Sue Albrecht (CGP); Brent Puck; Mike Pauli; and Jack Sheldon of Antea Group (by phone)
DNR: Ruth Hummel, Project Manager, & Jeff White, Facilitator (in person)

Funding Report by Steve Reinders of Cunningham Lindsey (CL)

- The Fund has spent \$121,461 to date.
- The site has multiple sources, so the Fund and UPRR have reached a 50-50 settlement agreement for sharing expenses.
- The site has funding authorization to \$150,000. The next Fund Board meeting where we can receive more authorization will be 3/27/15.

DNR Concerns by Ruth Hummel, DNR Project Manager

- The site is currently NAR with FP. The area of FP is located underneath the municipal water treatment plant.
- City drinking water well DWW No. 8 is located approximately 500 feet to the southwest of the area of FP, but the DWW is not high risk based on use of version 3.0 of the Tier 2 software.
- Given the sensitivity of the location of the FP (beneath the City water treatment plant and within 500 feet of a Municipal well) the DNR supports a more aggressive approach to removing FP than the current monthly hand bailing. However, as stated in the DNR letter dated 2/20/15, we need a bit more information on the plan before we can approve it. Also, EPA Region 7 would need to review any chemical injection plan to determine if a permit is needed.

Discussion

CGP: The City Administrator could not participate today. We have talked with the City about what we are planning and they are generally okay with what we are proposing. Please send them copies of the notes.

CL: I have a concern with the amount of groundwater proposed for extraction. You say are planning to extract 120% of what is injected which would be almost 3,000 gallons. The extraction pilot test only got 180 gallons.

DNR: DNR also has concerns with the extraction efficiency given the results of the pilot test. We would like to see data that shows the area of influence from the extraction will encompass the entire proposed injection area.

CL: The plan indicates the injectate will act as a surfactant as well so the extraction portion of this plan is important. We have seen little good effect from injecting ISCO into tight soils.

DNR: The low recoveries from the initial pilot test conducted using an existing 2" diameter monitoring well could be due to short-circuiting. MW 8 is screened pretty shallow and only has about a 2-foot bentonite seal. The soil from the surface to about 13 feet should be pretty permeable and the area around MW8 where the pilot test was conducted is not paved.

CGP: We are proposing to replace the 2" diameter monitoring well MW8 with a 4" diameter extraction well screened from 7-14 feet. It should be achievable to get 120% of the amount of injection. The proposed 4" extraction well will be properly screened and sealed and should work much better than using the existing 2" monitoring well.

DNR: **To meet free product closure criteria, MW8 must remain a monitoring well.** You could add an extraction well 5 to 10 feet from MW8. We recommend you carefully develop the extraction well before using it. We also want data to support one extraction well is sufficient to recover from the entire injection area.

CGP: What type of data would you need to see?

DNR: You should install the proposed extraction well and run a new pilot test using it. We will need data and analysis to show radius of influence, both drawdown and vacuum over the proposed injection area, as well as total volume of fluid recovered. DNR would like to see a revised corrective action plan with second pilot test description and results; log of extraction well; proposed injection and extraction data and justification; monitoring plan; and a map showing the proposed layout of the injection zone, extraction well, and site features. **The revised corrective plan must be provided to Kurt Hildebrandt with Underground Injection Control at EPA Region 7 for review to determine if a permit is needed.**

CL: Yes, I agree with installing a 4" extraction well and running a pilot test before approving funding for ISCO. I can take this to the Fund Board if I get ballpark costs for the 4" well, pilot test, revised corrective action plan, injection, extraction, and monitoring before March 17th. These can be high-end ballpark estimates for the Fund Board. But I will want to look at the corrective action plan and the pilot test results before approving spending for the ISCO and extraction implementation.

DNR: Regarding remediation monitoring, the ISCO is supposed to act as a surfactant, so there will likely be some increases in dissolved petroleum concentrations. Therefore, even though this site is classified as no action required with free product recovery, you will still need to monitor dissolved hydrocarbons in association with this corrective action. The purpose of monitoring the dissolved hydrocarbons is not only to see if concentrations go up, as expected, but that they also go back down. You've proposed to monitor MW8, MW9, MW12, MW13, and MW14 surrounding the proposed treatment area. DNR suggests substituting MW16 instead of MW14 in this plan. MW16 is located a little further away from the proposed treatment area but it is generally between the treatment area and the nearest City well.

Selected Actions and Schedule

- CGP will submit an estimate to CL for an extraction pilot test; revised corrective action plan; injection of in situ chemical oxidation (ISCO); extraction of fluids using vacuum enhanced recovery (VER); monitoring; and reporting by 3/17/15.
- The UST Fund Board evaluates the increase in funding at the Board meeting on 3/27/15.
- CGP and UPRR provide budget for the extraction well installation, pilot test, and revised corrective action plan to Cunningham Lindsey (CC: IDNR) by 3/31/15.
- CGP installs 4" extraction well by 5/25/15.
- CGP conducts vacuum enhanced recovery (VER) pilot test by 6/25/15.
- CGP provides the VER pilot test report of findings along with a revised corrective action plan by 7/25/15.

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 Ruth Hummel at the UST Section of the DNR.

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

Held: Monday, February 23, 2015 at 1:30 in room 5W of the Wallace Building
Site: Hieronymus Property/Former Conoco, Iowa City
LUST No. 9LTB40
Status: This was the first conference; no further meetings are scheduled at this time. Another conference could be scheduled after evaluating the next report.
Synopsis: The site is classified no action required (NAR) with free product (FP); FP recovery is required monthly and reporting of free product recovery is required quarterly. The site could be eligible for a no further action (NFA) certificate if no FP is found in monitoring wells for two years or perhaps sooner if active treatment/removal is done. Everyone agreed to conduct a survey of the contamination, likely using laser induced fluorescence (LIF), as soon as possible. The certified groundwater professional (CGP) will provide a proposed budget for LIF and conventional drilling to the responsible party (RP) and CGP by 3/5/15. The CGP will provide a report of the survey before 5/15/15.

Participating

RP: John Hieronymus of H&H Partners (in person)
Funding: Steve Reinders of Cunningham Lindsey (by phone)
CGP: Ronn Beebe (in person) and Tim Lenway (by phone) of Braun Intertec
DNR: Jeff White, Project Manager; Elaine Douskey, UST Section Supervisor; & Tammy Vander Bloemen, Facilitator (in person)
Other: Dave Liverseed of Mortenson Construction (by phone)
Randy Clarahan of Mortenson Construction (in person)
Mike Hodge & Kevin Digmann, H&H Partners (in person)

DNR Summary by Jeff White, DNR Project Manager

This site was classified no action required (NAR) with free product (FP) in 2002. The site went through drilling, sampling, and Tier 2 evaluation with the result the DNR does not currently consider the contamination at the site to cause significant risk to human health or the environment. This is mostly because the water table and the contamination appear to be fairly deep.

Free product (gasoline) has been reported in three monitoring wells on the site and monthly free product recovery and quarterly reporting are required. At a minimum, the three wells must be checked for free product; FP must be bailed and the amounts reported to DNR on a quarterly basis. If less than 0.1 gallon per month of FP per well is recovered for one year and less than 0.02 feet observed monthly per well for the next year, the site would be eligible to receive a no further action (NFA) certificate. If you maintain monitoring wells and conduct monthly FP recovery and send in reports quarterly, you have met the basic regulations. The regulations also say the FP recovery system must be designed to remove FP to the extent practicable. There are several technologies which could be used to reduce or remove FP. We can discuss these.

As long as there is FP, we have to consider this an open site. We want to get the site an NFA certificate and close it, so we are in favor of treating the contamination to remove FP.

Although the site is NAR, if deep excavation is done at the site for basements and elevator shafts, petroleum contamination could release vapors into the building; the site could become high risk. We would like to work with you to avoid high risk conditions, to allow the site to receive an NFA certificate, and for the property to be used for more intensive use than a parking lot. We can discuss technologies for addressing the FP. The State Fund might cover the costs of these.

Background and Recommendations by Ron Beebe, Certified Groundwater Professional (CGP) with Braun Intertec

The agenda I emailed out earlier contains the background and objective for the site. My goal is to help the development team understand the options and how to develop the property. If we just continue FP recovery, we could eventually get an NFA certificate. We could do something to speed this along. An NFA certificate would help funding, liability, and eventual property values.

The FP work should be covered by the State Fund. The site was once a Conoco (Continental Oil) station, so it should be covered under the Global Settlement.

Funding Report by Steve Reinders of Cunningham Lindsey

- \$125,826 has been spent on the site to date.
- The site has spending authority to \$310,000. Before we spend beyond that amount we will have to go to the Fund Board to request extension of spending authority.
- The site does not currently have access to the Global Settlement, but if you can supply documentation the site was a Conoco station, we should be able to supply some reimbursement to the RP for previous work. There has been no Fund reimbursement for this site since 2012; there were personnel changes and document issues.
- Since the site is NAR with FP, the Fund must focus on getting rid of the FP so the site can get an NFA certificate.

Discussion and Questions

Q: What does the University of Iowa want in order to use a building at this site as an art museum?

DNR: We have spoken with Mike Valde, Director of Environmental Compliance & Deputy Counsel for University of Iowa. He is not participating in the conference and generally needs to know more about the site. He will receive a copy of the conference notes.

Q: What is needed to take care of this site?

CGP: All soil and groundwater sampling have met the requirements. The free product is the only thing keeping this site from getting a no further action (NFA) certificate.

Q: Is the Fund going to "sunset" in 2016?

CL: The Fund is not scheduled to go away. My guess is that it will get extended in a different form.

Are skimmer pumps still installed in the wells?

CGP: Skimmer pumps are in two of the wells but they are inoperable.

The site has the potential for a NFA certificate, but additional investigation is needed to answer some questions about the soil conditions, FP plume, and groundwater contamination plume. Geotechnical data for construction costs is independent of these. If we are going to have to dispose of contaminated soil, we will need to have some soil samples analyzed for metals and petroleum.

CL: A survey using laser induced fluorescence (LIF) would give us good data: a 3-d model of the soil contamination in the subsurface. And LIF should be fully eligible for funding.

Q: Will the University require an NFA certificate to use the building for an art museum?

DNR: We don't know. But you will need to know where the contamination is located. LIF will help find the LNAPL (light non-aqueous phase liquid) and perhaps soil contamination, especially its depth and extent, and help us decide whether or not to treat it...and how. An NFA certificate would likely help with lending, insurance, and liability.

Q: Is the contamination from off site? Haven't there been other gas stations in the intersection? What are the classifications of the other sites?

DNR: I think there were gas stations on at least two and maybe three corners. The former Campus Amoco site to the north across the street is also NAR with FP. It still has FP in one well. Based on the maps I have seen so far, I don't think the soil plumes or LNAPL from the two sites are commingled. The groundwater contamination plumes might be or have been commingled.

Q: A hotel is slated to be built on the south end of site. Can we build there?

CGP: The station was on the far north side and the contamination is only on the north end.

DNR: The UST Section doesn't issue building permits or regulate what can be built. If you need a certificate or letter explaining part of the property, we can discuss that. The LIF survey will help.

H&H Partners: A previous design for a building on this site contained a vapor mitigation system (sub-slab). It's a lot cheaper to put a system in the initial design than install it later.

Q: Can this site get an NFA certificate with FP?

DNR: Generally not. The regulations say that FP recovery/removal systems must be designed to remove FP to the maximum extent practicable. No techniques for FP removal have been used here besides hand bailing and skimmer pumps. Let's see the LIF data and evaluate what options may be available.

Q: Will the Fund pay for soil & groundwater sampling?

CL: We will only pay for work as it relates to running and interpreting LIF, conducting free product treatment or removal, disposal of contaminated soil, and getting a certificate.

Q: Has geotechnical drilling been conducted at the site as part of the earlier building design?

H&H Partners: We don't know. We will check.

Q: How soon can we get an LIF survey done?

DNR: It could take up to a couple of months, mostly depending upon scheduling for the direct push rig.

CL: One bid from a company for an LIF survey will be sufficient, if the bid is reasonable. We would evaluate the bid in just a few days.

RP: We need the information as soon as possible.

H&H: We could have a standard drilling rig out there next week and we know it could give good information.

CGP: We will have a bid and proposal out next week for both LIF and standard drilling and sampling. As soon as we get budget approval we will schedule and run the LIF survey, get out a report, then get input from the University, University insurance, lending, and other stakeholders. Drilling and sampling could be concurrent with the LIF or before or after.

DNR: After the LIF survey and any other data are available, I recommend we hold another corrective action conference to discuss options for free product removal/treatment. We have used conferences to help reach decisions for treatment techniques for hundreds of sites.

Selected Corrective Actions and Schedule

- DNR sends out conference notes by 2/27/15.
- CGP submits a budget for LIF and/or drilling survey and report by 3/5/15.
- CL evaluates the budget by 3/12/15.
- CGP completes the subsurface survey of the site and provides a report by 5/15/15.
- Another corrective action conference could be held after the submittal of the report to discuss options for expedited removal/treatment of free product.

Everyone agreed to this approach and schedule.

Jeff White, DNR Project Manager

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 Jeff White at the UST Section of the DNR.

Note: Mike Valde, Director of Environmental Compliance & Deputy Counsel for University of Iowa, did not participate in the conference but will receive a copy of the conference notes.

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

Held: Thursday, March 05, 2015 at 9:30 in room 5W of the Wallace building
Site: Elite Fuel, 9 N Elk Run Road, Waterloo
LUST No. 9LTP38
Status: First conference; no further meetings are scheduled.
Synopsis: The site is high risk for groundwater to water line and soil leaching to a drinking water well (DWW), protected groundwater source, and water line. Groundwater concentrations are relatively low. The certified groundwater professional (CGP) will sample monitoring wells on the site and provide a site monitoring report (SMR) with recommendations by 5/5/15. Depending upon groundwater concentrations, the CGP could recommend additional sampling (for steady and declining conditions) or Tier 3 approaches (for plume stability) to reclassify the site.

Participating

RP: Did not participate
Funding: Site is self-funded
CGP: Darren Fife of Barker Lemar (in person)
DNR: Matt Graesch, Project Manager, & Jeff White, Facilitator (in person)

Background and Recommendations by Darren Fife, CGP

- The contamination was found in a phase 2 environmental assessment. In 2011, elevated concentrations of soil and groundwater were found and a Tier 2 was required.
- The Tier 2 found contaminated soil near a gasoline dispenser and a diesel dispenser. The site is high risk for groundwater to water line and soil leaching to protected groundwater source, a DWW, and a water line.
- The site is low risk for soil vapor to potential confined space.
- The bank owns the site but does not operate it. The tanks have been temporarily closed for more than a year; the site is for sale.
- The groundwater contamination is relatively low. We could replace the water line, or since, we don't have much groundwater data, we could monitor groundwater for stable plume, use the actual plume extents of the plumes to determine risk, evaluate the DWW in Tier 3, obtain an environmental covenant prohibiting DWWs on the property, and evaluate the soil vapor pathways with soil gas sampling.
- Recommendation: Conduct a groundwater sampling event and then evaluate the best course of action based upon the concentrations.

Discussion

DNR: MW7 is the soil and groundwater source. In 2013 the soil was 6.7 ppm benzene but the groundwater was only 640 ppb benzene. But you haven't sampled MW7 again.

CGP: Toluene was pretty high at 6,570 ppb in groundwater. This made the water line high risk.

DNR: Yes, we have little groundwater data. I agree that we should sample groundwater again before deciding upon an exact strategy. You should sample the monitoring plan wells, but you don't need to sample MW8. You should substitute MW2 at the diesel pumps in its place because there was a high diesel soil sample near MW2. Analyze this sample for OA-2 only. Analyze all other groundwater samples for OA1/MtBE. You can evaluate the low risk soil vapor to enclosed space pathway with soil gas sampling at the soil source. The DWWs are all deep; they could potentially be evaluated in Tier 3 for aquifer separation.

CGP: We can clear as many pathways as possible and either try to get out with exit monitoring criteria or by showing a stable plume to evaluate pathways.

If we have a stable plume and the groundwater plume doesn't leave the site, the protected groundwater source pathway can be cleared with an environmental covenant prohibiting DWWs on the property.

We will sample in March and provide an SMR with recommendations by 5/15/15.

Selected Actions and Schedule

- DNR sends out conference notes by 3/6/15.
- CGP conducts groundwater sampling in March and provides a site monitoring report (SMR) with recommendations by 5/15/15.

Everyone agreed to this approach and schedule.

Jeff White, Conference Facilitator

Matt Graesch, DNR Project Manager

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.