



# IOWA UNDERGROUND STORAGE TANK FUND

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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

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TO:            UST Board Members  
FROM:        Dale Cira  
DATE:        July 7, 2015  
SUBJECT:    Annual Strategic Planning Session Board Meeting

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The Annual Strategic Planning Session of the Iowa UST Fund Board will be held on Tuesday, July 14, 2015, at the Iowa Arboretum Education Center near Madrid, Iowa. The meeting will begin at 9:30 A.M. with the Strategic Planning Session being held in the morning. After a break for lunch the remainder of the meeting agenda will be concluded.

A smoked, sliced sandwich buffet will be provided by Hickory Park in the Education Center for Board members and for the public in attendance. Meeting attire is casual.

The Iowa Arboretum is located at 1875 Peach Avenue, Madrid, Iowa. Maps and directions are attached. Additional information is available at their website [www.iowaarboretum.org](http://www.iowaarboretum.org).



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## NOTICE OF PUBLIC MEETING

A public meeting of the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board has been scheduled for 9:30 A.M., Tuesday, July 14, 2015. **The meeting will be held at the Iowa Arboretum, 1875 Peach Avenue, Madrid, IA 50156.**

The tentative agenda for the meeting is as follows:

9:30 a.m. Call to Order

1. Strategic Planning Session
  - A. Evaluation of Program Status & Past Goals
  - B. Fiscal Year 2016 Goals

Break for Lunch (about 12 Noon --12:30 p.m.)

2. Approval of Prior Board Minutes
3. Closed Session Discussion of Pending and Imminent Litigation (To adjourn by 1:00 pm)
4. Public Comment Period
5. Board Issues
  - A. Legislative Update
  - B. FY2016 12 Month Meeting Schedule
  - C. FY2016 Attorney General Agreement
  - D. FY2016 Proposed Budget
  - E. Environmental Support Services Contract –Rebid Authorization
  - F. DNR Update
6. Approval of Program Billings
7. Monthly Activity Report and Financials Reviewed
8. Attorney General's Report
9. Claim Payment Approval
10. Contracts Entered Into Since May 28, 2015 Board Meeting
11. Other Issues as Presented
12. Correspondence and Attachments

## **Strategic Planning Session**

## **I. Evaluation of Past Goals and Program Status**

## **A. Current Program Status**

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## Highlights – Fiscal Year 2015

### Iowa Comprehensive Petroleum Underground Storage Tank Board

- As of June 30, 2015, the Underground Storage Tank Section of the Iowa Department of Natural Resources (DNR) has issued 6,605 LUST numbers in response to identified petroleum releases. The environmental impact for most of the releases is known, as more than 5,700 of the releases have been closed. Further work is needed on 688 releases classified high risk, low risk or no action required with free product, and 99 releases that remain unclassified.
- As of June 30, 2015, the Iowa UST Fund Program has established 6,090 claims related to petroleum releases, of which 5,574 claims have been closed. Further work is needed to address the 505 open claims and 11 NFA re-opener projects still in progress.
- In Fiscal Year 2015, an actuarial study of the program liabilities was completed. As of November 30, 2014, the total reserve for the open claims was \$26,642,000. The review opinion is that the ultimate cost may be \$34,869,000, an increase of approximately 30%. As of June 30, 2015, the reserve for the open claims is \$26,398,195.
- In Fiscal Year 2015, the UST Fund program reimbursed claimants \$6.8M for corrective action costs associated with open claims. In addition, \$873K was paid to claimants for the removal of underground storage tank systems.
- In Fiscal Year 2015, the amount paid for corrective action was in line with that paid in FY2013 but decreased in comparison to FY2014. The majority of the monies paid were for remediation, excavations and monitoring of the sites.
- In Fiscal Year 2015, the amount paid for the removal of underground storage tank systems decreased in comparison to prior years. It is anticipated new claims will continue to be made as the Department indicates 60% of the 7,371 known USTs were installed prior to 1996 and 30% (2,232 USTs) were installed prior to 1990.

# THE IOWA COMPREHENSIVE PETROLEUM UST FUND PROGRAM PROGRAM OVERVIEW AND STATUS

## I. BACKGROUND

The Iowa Comprehensive Petroleum Underground Storage Tank Fund was created in 1989 to assist owners and operators of USTs to comply with state and federal environmental regulations. The program, which was created in HF 447, was codified under Iowa Code 455G. Iowa's legislature established a Board to oversee three (3) separate programs under the state fund - a remedial program, loan guarantee program, and an insurance program. The Board promulgated rules under IAC 591 to administer and implement the programs.

The legislative intent identified in the preamble of HF 447 was to assist owner/operators, especially small businesses, to comply with minimum federal technical and financial responsibility standards. The legislature noted that implementation and interpretation of HF 447 shall recognize the following topics:

- adequate and reliable financial assurance for the costs of cleanup on pre-existing releases
- create financial responsibility assurance mechanism (insurance) to pay for future releases
- fund designed to be interim measure
- minimize societal costs and environmental damage
- maintain Iowa's rural petroleum distribution network

### The Remedial Program

The remedial program was established to provide funding for the cleanup of past releases from USTs. To qualify for remedial benefits, releases had to be reported to DNR between January 1, 1985, and October 26, 1990 and to the Board by February 26, 1994. In addition, sites with active tanks must demonstrate financial responsibility to maintain eligibility. The remedial program reimburses up to \$20,000 for a Site Cleanup Report (SCR) or Risk Based Corrective Action (RBCA) report, 82% of corrective action costs up to \$80,000, and 100% of remaining corrective action costs up to \$1 million. As of June 30, 2015 there were 385 open eligible claims for reimbursement under the remedial program (includes both remedial and retroactive claims). To date, \$233,195,879.84 has been paid under the remedial program. In addition, \$19,330,425 has been paid on claims under the retroactive provisions; \$36,581,648 has been paid on claims under the innocent landowner program. These figures are for all open or closed claims over the entire life of the program to date.

### Loan Guarantee Program

The loan guarantee program provided up to a 90% guarantee to lenders to assist operators to pay for remedial expenditures and to assist them in upgrading their UST systems. This guarantee mechanism allowed operators to obtain necessary financing, even though their property (collateral) may have been contaminated. The loan guarantee program was not a direct

loan program; rather it was a guarantee to the lender, which allowed lending institutions to provide the financing. The loan program ceased accepting new applications for loans effective 12/31/99 and the existing portfolio is in runoff. The last loan guarantee was paid in full in fiscal year 2011.

### Insurance Program

The insurance program was designed to provide a separate fund for all releases, which occurred after October 26, 1990, and to satisfy federally mandated financial responsibility requirements. It was an EPA approved financial responsibility mechanism. The program was established with a nominal tank premium fee established by the legislature. The fee increased each year until 1995 when actuarially sound premiums were established. The money initially transferred to start the insurance fund was repaid to the general UST fund with interest. The balance of the fund after 1995 was the result of premiums and interest on those premiums charged to tank owners.

On November 8, 2000 the balance of the Insurance Fund was transferred to Petroleum Marketers' Mutual Insurance Company (PMMIC), a not-for-profit mutual insurer domiciled in Iowa. The UST Fund Board entered into a Memorandum of Understanding (MOU) to transfer the funds upon satisfaction of the MOU by PMMIC. This transfer took the UST Board out of the insurance program. The MOU also placed certain restrictions on the new company to place assurances that PMMIC would continue to operate and provide an acceptable mechanism for providing financial responsibility for tank owners. Should these restrictions be violated, the money transferred will revert back to the UST Fund Board. This provision of the MOU sunset on July 1, 2004. At the time of transfer, 2,280 sites were insured and all were fully upgraded.

In the original Insurance Program administered by the State, for LUST sites to be eligible for the insurance, the site must have been eligible for remedial benefits, or the responsible party was required to sign an affidavit that they had the ability to and would cleanup the pre-existing contamination. The insurance program only covered releases, which occurred after the retroactive date of the policy and during the insured period. In addition to UST insurance, the program also offered UST installer/inspector insurance and UST property transfer insurance. The program ceased offering installer/inspector insurance due to widespread availability in the private marketplace.

## **II. PROGRAM FUNDING**

The program currently receives moneys credited to it in accordance with Iowa Code 455G.3, 455G.8, and 455G.9, with the primary source being those revenues from the statutory allocation fund created in Iowa Code Section 321.145. The program, prior to fiscal year 2011, also previously received 77% of the annual tank management fees collected by the Department of Natural Resources. Additional monies into the fund include cost recovery monies, and interest or other income earned by the fund.

Initially, the legislature authorized approximately \$12 million per year to be allocated to the Program from the Environmental Protection Charge (EPC). In 1990, the EPC was replaced with 25% of the Motor Vehicle Use Tax up to a maximum of \$12 million annually. The legislature authorized the Board to issue tax-exempt bonds, which allowed funds to be immediately available for remediation. The bonds were secured by the program's allocation of funds from the

Motor Vehicle Use Tax and tank management fees. Based upon bonding requirements, original revenues were estimated to provide bonding capacity of \$145 million over the life of the program.

In 1991, the cap on the Motor Vehicle Use Tax was increased to \$15.3 million annually. The projected bond capacity increased to approximately \$188 million. In 1996, funding increased to \$17 million annually, and an additional \$105 million would be transferred from the Motor Vehicle Use Tax over the next seven (7) years. With this additional funding, total program funding available for corrective action expenses would exceed \$325 million. In 2012 the allocation to the fund was reduced from \$17 million annually to \$14 million annually. The difference was diverted to the Renewable Fuel Infrastructure Board to fund a grant program.

In 2003 the Legislature placed a sunset date on the collection of the EPC of June 30, 2014. This date coincided with the Board's final debt payment of July 1, 2014. During the 2004 Legislative session, the sunset date on the EPC collection was extended to June 30, 2016.

To date, almost \$180 million in tax-exempt bonds have been issued. This total includes \$42.6 million in refunding bonds issued in July of 1997 and \$19.7 million in refunding bonds issued in November 2004. The refundings saved the program \$1.5 million and \$1.2 million respectively in net present value interest expense. Changes in statute resulting from the 2008 Legislative Session had left the security of the Iowa UST Fund bonds in jeopardy; therefore the Iowa UST Fund paid off the 1997A Series bonds totaling \$18,687,894.06 and the 2004A Series bonds were defeased in June 2008. An escrow account to make regular 2004A Series bond payments was set up with \$15,034,580 from Iowa UST Funds, and \$24,515.25 in fees were paid from the Unassigned Revenue Fund to facilitate the defeasance. Following the final bond payment on July 1, 2014, \$981.16 was returned and deposited in the Unassigned Revenue Fund.

#### UST Revenue Fund

The Program's share of the statutory allocations fund and associated interest income are deposited into the UST Revenue Fund. The Fund's required debt service payments were transferred to the UST Bond Fund for payment to the bondholders and excess funds were then transferred to the Unassigned Revenue Fund. This fund was pledged to secure the UST bonds, which now have been called or defeased as of June 30, 2008. Recently, allocations made to the Revenue Fund have been disbursed to the Remedial and Innocent Landowners Fund which was use in part for the bond defeasement. The balance of the Revenue Fund as of June 30, 2015 is \$538,281.87

#### Comprehensive UST Fund

The Environmental Protection Charges (EPC) collected in 1989 and 1990 were deposited to this fund. Proceeds in this fund could be used for any Board approved expenditure. In addition to the initial EPC collections, various licensing and copying fees were deposited in this fund. The balance of the Comprehensive Fund (\$20,486,995.00) was transferred to the Unassigned Revenue Fund in August of 1996.

### UST Unassigned Revenue Fund

The UST Unassigned Revenue Fund was the recipient of funds in excess of the Program's annual debt service requirement on the outstanding bonds. The Program's administrative expenses, as well as underground storage tank closure contract payments, are paid from this account. Proceeds from this account can be used for any Board-approved expenditure. On June 17, 2008, \$5,825,187.84 was paid from the Unassigned Revenue Fund to pay off 1997A Series bonds. The balance of the Unassigned Revenue Fund as of June 30, 2015, was \$9,539,943.16.

### UST Remedial Fund

The Remedial account was primarily funded from proceeds from UST revenue bonds. The Remedial Fund provides funding for outstanding remedial and retroactive claims, in addition to tank closure claims and no further action claims. It had a balance of \$17,411,699.64 as of June 30, 2015. When necessary, the Board can access the Revenue Fund for additional revenue to reimburse remedial claims.

### UST Marketability Fund

In 1995, the legislature established the Marketability Fund with allocations from the Motor Vehicle Use Tax. The Marketability Fund provided additional funding for remedial claim payments. Over the course of several months in fiscal year 2005, the entire balance of the Marketability Fund was transferred to the Aboveground Storage Tank (AST) Fund to provide funding to AST claims. The Marketability Fund still accrues interest, and its entire balance of \$3,327,726.83 was used to payoff the 1997A Series bonds on June 17, 2008. The Marketability Fund had a balance of \$787,699.61 as of June 30, 2015.

### UST Innocent Landowner Fund

The Innocent Landowner (ILO) Fund was initially to be funded by net cost recovery proceeds and an additional \$5 million per year of the Motor Vehicle Use Tax funds, as appropriated by the 1995 legislature. Since the receipt of the large global settlements from several major oil companies between 1996 and 2003, the entire \$17 million per year of Motor Vehicle Use Tax funds had been deposited into the Revenue Fund, the balance of which was transferred to the Unassigned Revenue Fund after bond payments were made. On June 17, 2008, \$8,797,080.00 was paid from the ILO Fund to defease 2004A Series bonds. Proceeds from cost recovery sources are still deposited into the ILO Fund. Cleanup costs for claimants not eligible for remedial program benefits can be paid from this account. The ILO Fund had a balance of \$7,186,100.52 as of June 30, 2015.

### No Further Action Fund

In 1998, the legislature established the No Further Action (NFA) Fund with a one-time allocation of \$10 million from the comprehensive petroleum UST fund. The NFA Fund was used to reimburse the Department of Natural Resources for corrective action completed on a site for which they had issued a No Further Action Certificate (on or after January 31, 1997) and the high risk condition had not been caused by a release subsequent to the certificate issuance. The legislature eliminated this fund in the 2000 session with the balance being transferred to the pooled technology account for the State of Iowa. The liability for this fund transferred to the

UST remedial account. The NFA Fund had a balance of \$11,088,099.52 at the time of transfer. There had been no claims to date reserved against this fund at the time of transfer.

#### UST Loan Guarantee Fund

The Loan Guarantee account was funded from the Comprehensive UST Fund. On June 17, 2008, \$1,034,979.39 was paid from the Loan Guarantee Fund to pay off 1997A Series bonds. The last outstanding loan was paid in FY 2011 and the remaining balance of the fund, \$278,508.95, was transferred to the Innocent Landowner fund in FY 2013. The fund has a balance of \$0.00 as of May 31, 2014.

#### UST Insurance Fund

The Insurance account was funded through yearly UST premiums, installer/inspector premiums and property transfer coverage premiums. The balance of the insurance fund as of November 8, 2000, was \$35,969,570.07. This amount plus unpaid interest was transferred to Petroleum Marketers Mutual Insurance Company.

#### Aboveground Storage Tank Fund

The Aboveground Storage Tank account was funded by a transfer of monies from the Marketability Fund and the Unassigned Revenue Fund. The AST Program ended with a total of \$11,217,932.11 paid, and all AST claims were closed during FY07.

#### UST Bond Fund (90A, 91A, 94A, 97A, 2004A)

The Bond Fund had received monies from the Revenue Fund for making the Program's debt service payments on the outstanding UST bonds.

#### UST Capital Reserve Fund (90A, 91A, 94A, 97A, 2004A)

The Capital Reserve Fund was established by the revenue bond indenture agreement and was pledged as security for the outstanding bonds. The entire balance of \$6,237,500.00 of the Capital Reserve Fund was paid to defease the 2004A Series bonds in June 2008. The Capital Reserve Fund balance was \$0.00 on May 31, 2015.

### **III. OPERATIONAL ISSUES**

The Board has implemented policies and procedures, authorized by the legislature, to increase the cost effectiveness of the program. Its actions have included entering into 28E agreements with other state agencies, utilizing its cost containment authority to affect contracts, implementation of certification for contractors, implementation of the Community Remediation Program, assisting the Attorney General's Office with cost recovery, promotion of innovative technology, providing additional funding and oversight to communities with drinking water impacts, and supporting risk-based cleanup standards.

#### **A. Prior Contract Approval**

455G.12A has allowed the Board to invalidate contracts for services which otherwise would be

reimbursable, if the contract did not receive pre-approval from the Administrator. To receive pre-approval, costs must be reasonable based upon the services required, and the services must be necessary for the owner/operator to comply with program or regulatory standards. This authority has resulted in large savings and forces contractors to get pre-approval and submit justification for all anticipated services.

#### B. 28E Agreements

To assist in streamlining the regulatory process, the Board has assisted the DNR with the development of a geographical information system to facilitate the coordination of assessment and corrective action activities at commingled or potentially commingled sites. Assistance has been provided for the automation of DNR's ability-to-pay review and for integration of DNR databases, as well as, its groundwater professional certification program. It has also funded additional personnel to assist in reviewing reports, developing and implementing RBCA procedures, and cooperated with DNR to obtain additional federal funds for assessment and corrective action costs. The Board is currently funding activities at non-eligible UST/LUST sites at DNR's request. In addition, the Board is providing funding assistance to facilitate the modification to the DNR's risk based corrective action modeling program. 28E agreements have also been utilized to cooperate with the Attorney General's office on cost recovery activities and to work with the Department of Revenue for the collection of EPC.

#### C. Community Remediation Program

Community remediation projects (CRP's) were used in the mid-1990's to address contamination from a regional standpoint by combining a number of sites into one project. In these projects, costs were greatly reduced by eliminating the duplication of efforts through combined mobilization and reporting. In these projects, a single contractor assessed every eligible site in a city and completed a site cleanup report (SCR), as required by the DNR. In addition, one report covering the entire city was submitted. The community-wide CRP's ended in 1996. Through the process, 1,675 sites were assessed with an average cost per site of \$9,628.00.

In the late 1990's, the Board CRP process changed from a community-wide assessment program to an oversight program involving assessment and corrective action on commingled sites or sites with viable responsible party issues when requested to do so by DNR. As of June 30, 2015 the Board was overseeing five (5) CRP's, a decrease of 3 projects from the prior year.

#### D. Cost Recovery

The original legislation creating this program included cost recovery provisions which allow the Board to recover expenses from responsible parties who caused the contamination, if they are not the eligible claimants on that site. The Attorney General's office has reported that over \$40,824,419 has been cost recovered from settlements with responsible parties through their office. The last of the cost recovery payments from major oil companies was received in May 2003. To date, 1,303 eligible claimants have been reimbursed \$10,155,740.67 through these global settlements as of June 30, 2015.

Current cost recovery efforts are directed toward individual sites where the Board has spent money without an eligible claimant. Generally efforts have been limited to perfecting the Board's lien on the affected property with monies collected upon property transfers. No new liens were filed during fiscal year 2015.

## E. Innovative Technology

The Board, through a 28E agreement with the DNR and a funding grant from the U.S. EPA, worked on an innovative technology project involving the U.S. EPA's Technology Innovation Office, Office of Underground Storage Tanks, Region VII Administrator's Office, and a public / private partnership with private companies representing large oil suppliers, distributors, and marketers. The private partners supplied the necessary expertise to design and implement innovative technology actions to demonstrate the cost effectiveness of the selected technologies at sites in Shenandoah and Council Bluffs. Four projects were initiated in 1997 involving 15 leaking underground storage tanks sites. To date, three projects have successfully closed. One project involving one LUST site remains open in Council Bluffs, IA. The U.S. EPA finalized closure of the project in May 2001 following a review of the financial records. However the EPA did not issue a final report evaluating the technologies that had been selected.

The Board continues to fund innovative technologies at sites throughout the state. Recent technologies include the use of injection methods which are aimed at reducing contaminant levels in-situ without incurring costs for direct contaminant removal. The success of these technologies is being monitored to ensure that future uses of the technology fit the site for which it has been selected.

## F. Risk Based Corrective Action (RBCA)

In 1995, the legislature required that leaking underground storage tank sites be addressed through a process known as risk based corrective action (RBCA). This process requires that each LUST site be evaluated to determine the risk presented to human health as a result of the release at that site. Corrective action responses must be designed to address and reduce that risk to human health. Through 28E agreements, the Board assisted DNR with the development and implementation of the RBCA procedures. Iowa State University was selected to assist DNR with the development of guidance documents and the development of software that would assist in the implementation of the RBCA process. Iowa State University was requested to assist with the evaluation of the new procedures and to provide input into the implementation process.

In 2006, the DNR began evaluating several operational efficiencies. One of these was the RBCA framework and potential for applying the actual experience in the state over the past 10 years to the existing RBCA modeling software. Such a recalibration would enable the current model and framework to more accurately screen for and assess relative risk at the sites that remain open as well as creating a more accurate tool for the DNR on new releases. A review of the Tier 2 model was undertaken and was completed in May 2007.

Recommendations from the advisory group, composed of technical and non technical stakeholders, were to make adjustments to the model to reflect a significantly greater statistical relevance between the model and actual conditions encountered at sites. Following numerous discussions, DNR agreed to the proposed changes to the model calibration. The model was modified and was put into use in March 2010. The Board is currently funding a project through a 28E agreement, as DNR modifies the modeling program for use with current computer systems.

Other areas in the RBCA framework have also been subject to review and calibration. These include cessation of monitoring at low risk sites after extended time, review of the plastic water line pathway, the entire vapor assessment including sampling and receptors and the surface water pathway based on current data gathered since the original implementation of the risk methodology.

In FY 2010, DNR protocol on reviews was modified placing a time limit on the review process and allowing site closure under certain circumstances, regardless if steady and declining conditions are met. Legislation also requires DNR to accept the recommendation of the groundwater professional for submitted RBCA reports, unless material deficiencies are noted.

Also in FY 2010 discussions were initialized on the issue of addressing risk associated with vapor concerns. Discussions resulted in a draft memo with the recommendation that a larger committee be convened for considerations; however no action was carried forward at the time pending completion of a national study of the same issue. In FY 2015, the USEPA issued final guidance for addressing petroleum vapor intrusion incidents. The DNR issued a statement regarding use of the guidance however has indicated a willingness to consider it's use on a case-by-case basis.

#### G. Rural Distribution Network

The rural petroleum distribution network continues to be essential for the economic health of Iowa. Therefore, the financial impacts to sites located in rural communities were evaluated. There are 947 cities and communities in the State of Iowa. Of these, 331 communities, many with a population of less than 100, do not have a petroleum UST provider.

There were only three (3) communities with a population of greater than 1,000 that did not have a petroleum provider utilizing the Program's insurance at the time of transfer of the insurance fund. However, all communities had at least one (1) insured and upgraded petroleum UST provider within a 15-mile radius. By providing upgrade assistance and remediation benefits, the Program was able to assist many communities with only a single petroleum UST provider. As a result, there is a viable rural distribution network system existing in the State of Iowa today.

#### H. Small Business, Financial Hardship

The remedial program has provided additional benefits to those individuals who have small businesses faced with financial hardships which would not allow them to otherwise remain in business or to be able to address releases from their site. Those owners with a net worth of less than \$15,000 are eligible for 100% funding for their cleanup costs. All were eligible for up to \$10,000 in upgrade benefits.

#### I. Brownfield Redevelopment

Many sites with known petroleum contamination have been abandoned because of the fear associated with the costs to clean up the petroleum release. After releases are addressed, fear of residual contamination causes property values to decrease and reduces opportunities for redevelopment. Such properties are known as "brownfields." To address abandoned brownfields, the Program provides 100% funding to counties that acquire abandoned LUST sites through tax delinquent procedures or to cities or counties who acquire properties through eminent domain. These processes, which are unique to the State of Iowa, are assisting many communities to redevelop abandoned LUST sites.

Beginning in 1997, the Board approved a process to allow purchasers of property to obtain funding for corrective action on sites not otherwise eligible for benefits. This concept allows contaminated property to be redeveloped without the county having to obtain it through tax delinquent procedures.

#### J. Innocent Landowners

The remedial program provided benefits to those sites that met all of the criteria for eligibility. However, numerous sites were not eligible for funding because their tanks were not regulated, or because applications were not timely filed within the cutoff dates established by the original legislation. In 1995, the legislature created an innocent landowner fund to provide benefits to owners who were not otherwise eligible for benefits, and gave the Board the authority to adopt rules to provide benefits to those sites which present a higher degree of risk to public health and to deny benefits to individuals who did not make a good faith attempt to comply with other provisions of 455G. The Board has made benefits available to those individuals who complied with all technical regulations, but missed the original application deadlines. In addition, sites with tanks that were closed prior to July 1, 1985, or taken out of use prior to January 1, 1974, are also now eligible. As of June 30, 2015, there are 120 open claims with reserve balances totaling \$5,408,287.11.

#### K. Privatization of Insurance Program

The legislature directed the formation of a separate Insurance Board to provide direction and recommendations for the privatization of the Insurance Program. A sunset date of July 1, 2004 was established in the legislation. Following a study of the private marketplace and available transition mechanisms available, the Insurance Board recommended the formation of a mutual captive insurance company be completed by March 1, 2000. The final transfer of funds occurred on November 8, 2000. Since that date the new insurer has been operating as a private entity with no involvement in the day-to-day activities from the State.

#### L. Technical Training

The Board was initially tasked with providing oversight over UST installers and inspectors to ensure that individuals comply with training requirements necessary to maintain their Iowa UST professional licenses. Effective July 1, 2007, the Board no longer has statutory responsibility to license tank installers and inspectors. The transfer of all materials including files was completed and DNR now provides for the licensing of installers, inspectors, liners and testers going forward.

The Department also has authority to certify Iowa Groundwater Professionals. The Department requires groundwater professionals to take an education course which cover all aspects of risk based corrective action and pass a test to become a certified groundwater professional, and then maintain certification by completing 12 hours of continuing education every 2 years. As of June 2015, there are 141 certified groundwater professionals doing work in the State; this is a substantial decrease from June 2004 when there were 224 groundwater professionals certified.

#### M. Owner/Operator Outreach

With Board approval, the Administrator held five (5) public meetings throughout the State in the late 1990's to explain the status and changes to the program and answer questions and address concerns from affected parties. Public meetings were held in Storm Lake, Decorah, Des Moines, Muscatine and Shenandoah. In addition, the Administrator addressed the Petroleum Marketers Convention concerning redevelopment of petroleum-impacted properties and continues to work with cities and counties to explain the program.

Additional meetings were held in West Des Moines, Cedar Falls, Ottumwa and Denison during

2002 to discuss prioritization concepts in the event that claim payments exceed fund balances.

In February 2012, the Administrator, along with representatives from the Department of Natural Resources, Petroleum Marketers and Convenience Stores of Iowa, and Petroleum Marketers Management Insurance Company, held a forum to discuss topics relative to addressing leaking underground storage tank sites in Iowa. The intent of the forum was to provide information to owners and operators so that they could fully understand the parties that may be involved in addressing work at their site, and to understand the various processes and avenues available to get their sites to closure. More than 50 people, including property owners, consultants, and UST Fund Board members, attended the meeting.

#### N. Rule Review

In accordance with Executive Order #8, the UST Fund Board undertook a review of the entirety of their Administrative Rules in 2002. The process resulted in the streamlining of the rules. Over the 15 years the program has been in existence many facets of the program have been sunset. The Insurance Program, Loan Guarantee Program and Upgrade Claims have all been sunset during the life of the program. The rules associated with these programs were amended to reflect these changes. In addition there have been changes to the relevant statutes, both the UST Fund's and the Iowa Department of Natural Resources', which prompted rule revisions or deletions. Public meetings were held in Clive, Denison and Iowa City to solicit input from the public. Those comments were utilized in the review of the Administrative Code. The changes did not change the substantive operation of the program.

#### O. Aboveground Storage Tanks (ASTs)

The Board was given authority to reimburse for the removal of AST's or the upgrade to meet EPA requirements in 40 CFR 112 for work completed between January 1, 2004 and February 18, 2005. Rules were adopted allowing reimbursement to AST owners registered with the State Fire Marshal by January 1, 2004. The maximum benefit payable is \$25,000 per site and \$100,000 per owner. In 2005, rules were adopted to change the work completion deadline for AST removals and upgrades to December 31, 2005 to comply with a statutory change of the work completion deadline. All claims were paid and closed during FY 07. The total paid on AST claims was \$11,217,932.11 on a total of 414 claims filed.

#### P. Loss Portfolio Transfer

The Board agreed to and entered into an agreement to transfer open claims to a third party in March 2007. The Board and PMMIC agreed to a transfer of liability on a group of sites where both had open claims. In 2007, the Board paid \$511,224.29 to PMMIC; in exchange for the payment PMMIC assumed all liability associated with any past or future claim against the UST Board on 10 sites. Claimants for each site also released the Board against any future liability. The Board negotiated this agreement directly with PMMIC with no requirement for additional bids because of the unique circumstance of existing shared liability at this group of sites. In 2011, PMMIC approach the Board to consider a second set of sites sharing common claims and in early 2013 the Board approved terms for a settlement. The Board paid \$197,954.84 to PMMIC in this transaction. PMMIC again assumed all liability for any past or future claim against the Board for 11 sites.

Board rules allow for future transactions with third parties to reach the Board's goals, but generally require competitive bidding for such transactions.

#### Q. UST Operator Training

In 2010 legislation passed which required the Board administer a program to provide training to UST operators at an equal and reasonable cost in the State of Iowa, with no more than \$250,000 to be spent each fiscal year. To facilitate this, the Board entered into agreements with all vendors approved by the DNR to provide such training, allowing for reimbursement of the training at a set rate of \$100 for those who are trained as a combined Level A & B operator, or \$80 for those trained as a Level A or B operator. As of June 30, 2015, the names of 3,027 individuals have been submitted as Level A and/or Level B operators, and \$293,020 has been paid to date for the training of Class A & B Operators.

In fiscal year 2012, the Board authorized a 28E agreement to retain the services of Iowa State University's Department of Environmental Safety & Health to develop a data management system that could be utilized by owners and operators to track their staff who have been trained as an Iowa UST Operator and to obtain Class C Operator training for their staff at no cost to themselves. In December 2014, the Board opted not to extend the contract for the database operation and training module. The cost of the management system and training module since inception was \$57,390.00. As of December 30, 2014, 289 individuals had completed the Class C Operator training module. As of March 2015, Iowa State University's Department of Environmental Safety & Health indicated that they would continue to operate the system and offer Class C training at no cost to the public.

In June 2015, the U.S.EPA released new regulations for underground storage tank operations. The new regulations codify the UST Operator Training requirements in Federal Regulations. As Iowa's program for Operator Training already includes many of the facets of the regulations, new State regulations are not anticipated to modify the existing UST Operator Training rules.

#### R. Tank Closure

The Board was given authority to reimburse for the removal of USTs in 2004. The program in place from prior to July 1, 2010 provided reimbursement for the permanent closure of a tank in those cases where the UST to be closed was in place on the date an eligible claim was filed with the board. In 2010, legislation modified the program by eliminating the requirement that USTs be associated with a site previously determined eligible for benefits. In addition, rules were created to allow any tank owner to obtain closure benefits for those USTs which were registered with the Department and had not been previously closed. Since 2010, 394 claims have been provided reimbursement of \$4,295,363.

In FY 2015, the amount paid for tank closure claims decreased in comparison to prior years. It is anticipated claims will continue to develop as the Department reports of the 7,371 USTs in use in Iowa, 2,232 USTs were installed more than 25 years ago; these USTs are located on 841 sites. The Department also notes of the 7,371 USTs, 4,275 of the tanks are single wall tanks. Single wall tanks are a concern since there is no containment to hold a release if the tank leaks.

**FY 2015**

	Open Claims		Open Claims	Open & Closed
Claims	June 2014 Ending	Monthly Net Changes	June 2015 Ending	Totals since Inception
<b>RETROACTIVE</b>				
number	31	(5)	26	447
reserve	\$1,682,588.42	(158,494)	\$1,524,094.89	\$1,524,094.89
paid	\$6,487,273.24	(538,506)	\$5,948,766.77	\$17,806,330.18
total	\$8,169,861.66	(697,000)	\$7,472,861.66	\$19,330,425.07
<b>REMEDIAL</b>				
number	414	(55)	359	4,457
reserve	\$21,068,796.45	(1,795,909)	\$19,272,887.81	\$19,272,887.81
paid	\$74,256,940.45	(3,031,185)	\$71,225,755.72	\$213,922,992.03
total	\$95,325,736.90	(4,827,093)	\$90,498,643.53	\$233,195,879.84
<b>INNOCENT LANDOWNER</b>				
number	140	(20)	120	1,131
reserve	\$4,778,187.28	\$630,101	\$5,408,287.96	\$5,408,287.96
paid	\$11,448,924.36	(\$852,461)	\$10,596,463.04	\$31,173,360.25
total	\$16,227,111.64	(\$222,361)	\$16,004,751.00	\$36,581,648.21
<b>GLOBAL OPT-IN</b>				
number	95	(18)	77	1,303
reserve	\$477,419.22	(\$88,824)	\$388,594.84	\$388,594.84
paid	\$782,602.21	(\$121,884)	\$660,718.61	\$9,767,145.83
total	\$1,260,021.43	(\$210,708)	\$1,049,313.45	\$10,155,740.67
<b>UNASSIGNED REVENUE FUND PROJECTS</b>				
number	42	28	70	282
reserve	\$865,020.89	\$1,122,276	\$1,987,296.92	\$1,987,296.92
paid	\$310,979.11	\$170,724	\$481,703.08	\$2,961,222.22
total	\$1,176,000.00	\$1,293,000	\$2,469,000.00	\$4,948,519.14
<b>NFA RE-EVALUATIONS</b>				
number	19	(8)	11	55
reserve	\$400,957.04	(208,063)	\$192,894.45	\$192,894.45
paid	\$364,042.96	33,063	\$397,105.55	\$1,151,033.99
total	\$765,000.00	(175,000)	\$590,000.00	\$1,343,928.44
<b>TANK PULLS</b>				
number	38	(1)	37	394
reserve	\$492,358.00	(9,307)	\$483,051.00	\$483,051.00
paid	\$0.00	0	\$0.00	\$4,295,363.23
total	\$492,358.00	(9,307)	\$483,051.00	\$4,778,414.23

Corrective Action Meetings (06/15/2015)	
Scheduled:	9
Completed:	1,248
MOA's	488

UST Operator Training	
A/B/C (FY2011-15)	\$350,410
UST Operators (A/B)	3,032
A/B trained (FY15)	192

FY14: FY 15 Claims	
<b>RT Claims</b>	
New	0
Reopened	1
Closed	6
<b>RM Claims</b>	
New	3
Reopened	9
Closed	62
<b>ILO Claims</b>	
New	7
Reopened	1
Closed	27
<b>GS Claims</b>	
New	4
Reopened	8
Closed	28
<b>USTCA</b>	
New	45
Reopened	2
Closed	19
<b>NFA Re-Eval</b>	
New	6
Reopened	1
Closed	14
<b>Tank Pull</b>	
New	67
Reopened	7
Closed	67

Invoice Type Totals	JUNE	FYTD	Program to Date
Aon - Admin	\$ 117,676.00	\$ 806,305.57	
Aon - Claims	\$ 78,000.00	\$ 507,000.00	
Government	\$ 58,725.91	\$ 692,228.71	
2004 Tank Pull	\$ -	\$ 810.00	\$ 1,761,823.44
2010 Tank Pull	\$ 71,629.00	\$ 873,121.77	\$ 4,381,981.74
American Soils	\$ -	\$ -	\$ 5,678,422.58
AST Removal	\$ -	\$ -	\$ 3,306,435.24
AST Upgrade	\$ -	\$ -	\$ 7,911,496.87
CADR Charges	\$ 5,212.08	\$ 76,108.94	\$ 4,593,661.78
Corrective Action	\$ -	\$ 92,074.73	\$ 52,423,154.11
Expenses / OT	\$ 1,100.00	\$ 26,260.00	\$ 293,020.00
Free Prod Recover	\$ 36,214.85	\$ 685,100.92	\$ 11,229,515.07
Monitoring	\$ 111,442.88	\$ 1,617,583.13	\$ 30,873,079.36
Operations/Maint	\$ 21,299.92	\$ 297,930.31	\$ 10,191,744.71
Over-excavation	\$ 37,345.52	\$ 1,921,660.62	\$ 32,299,155.54
Water Lines	\$ -	\$ 335,648.31	\$ 2,549,953.21
Post RBCA Evals	\$ 1,000.00	\$ 14,339.68	\$ 230,612.99
RBCA	\$ 36,684.23	\$ 359,214.79	\$ 26,495,531.81
Remed Imp/Const.	\$ 279,539.55	\$ 936,286.93	\$ 29,083,170.54
SCR Charges	\$ -	\$ -	\$ 54,217,410.26
Site Check	\$ -	\$ 2,433.73	\$ 142,486.32
Soil Disposal	\$ -	\$ -	\$ 738,386.66
Tank (UST) Pull	\$ -	\$ 18,350.00	\$ 3,979,734.25
Tank (UST) Upgrade	\$ -	\$ -	\$ 3,440,849.83
Tier III	\$ 3,087.50	\$ 41,603.96	\$ 1,365,766.40
Utilities	\$ 13,335.05	\$ 127,125.25	\$ 2,095,222.58
Well Closure	\$ 14,418.75	\$ 255,059.73	\$ 3,868,013.83
<b>Total Invoice Types</b>	<b>\$ 632,309.33</b>	<b>\$ 7,680,712.80</b>	<b>\$ 292,200,332.95</b>

Remediation Budgets Approved to Date		
last month (JUN 2015)	7	\$269,813
Trailing 12 mos	44	\$2,730,586
Prev Trail 12 mos	52	\$3,441,019
Total Since Jan 2003	1,174	\$49,174,293

Project Contracts	Open	Closed	Pending
CRP's	5	39	0
Tank Closure	2	5	0
Plastic Water Line	0	2	0

DNR @ 6-1-2015	USTF @ 6-1-2015
Open LUST / Claims	797
High Risk	450
Low Risk	178
NAR-FP	68
Not Class.	101
No Action Req. / RNV	5713
	521
	321
	117
	36
	20
	27

**FY 2013 - 2015 COMPARISON**

Claims	Open Claims	Open Claims	Open Claims	Open & Closed
	June 2013 Ending	June 2014 Ending	June 2015 Ending	Totals since Inception
<b>RETROACTIVE</b>				
number	36	31	26	447
reserve	\$2,071,441.48	\$1,682,588.42	\$1,524,094.89	\$1,524,094.89
paid	\$6,598,419.88	\$6,487,273.24	\$5,948,766.77	\$17,806,330.18
total	\$8,669,861.36	\$8,169,861.66	\$7,472,861.66	\$19,330,425.07
<b>REMEDIAL</b>				
number	481	414	359	4,457
reserve	\$22,612,130.34	\$21,068,796.45	\$19,272,887.81	\$19,272,887.81
paid	\$77,290,855.97	\$74,256,940.45	\$71,225,755.72	\$213,922,992.03
total	\$99,902,986.31	\$95,325,736.90	\$90,498,643.53	\$233,195,879.84
<b>INNOCENT LANDOWNER</b>				
number	153	140	120	1,131
reserve	\$6,443,202.22	\$4,778,187.28	\$5,408,287.96	\$5,408,287.96
paid	\$11,167,819.92	\$11,448,924.36	\$10,596,463.04	\$31,173,360.25
total	\$17,611,022.14	\$16,227,111.64	\$16,004,751.00	\$36,581,648.21
<b>GLOBAL OPT-IN</b>				
number	120	95	77	1,303
reserve	\$663,469.74	\$477,419.22	\$388,594.84	\$388,594.84
paid	\$949,373.37	\$782,602.21	\$660,718.61	\$9,767,145.83
total	\$1,612,843.11	\$1,260,021.43	\$1,049,313.45	\$10,155,740.67
<b>UNASSIGNED REVENUE FUND PROJECTS</b>				
number	21	42	70	282
reserve	\$509,105.56	\$865,020.89	\$1,987,296.92	\$1,987,296.92
paid	\$70,894.44	\$310,979.11	\$481,703.08	\$2,961,222.22
total	\$580,000.00	\$1,176,000.00	\$2,469,000.00	\$4,948,519.14
<b>NFA RE-EVALUATIONS</b>				
number	21	19	11	55
reserve	\$533,653.69	\$400,957.04	\$192,894.45	\$192,894.45
paid	\$313,346.31	\$364,042.96	\$397,105.55	\$1,151,033.99
total	\$847,000.00	\$765,000.00	\$590,000.00	\$1,343,928.44
<b>TANK PULLS</b>				
number	36	38	37	394
reserve	\$421,921.00	\$492,358.00	\$483,051.00	\$483,051.00
paid	\$0.00	\$0.00	\$0.00	\$4,295,363.23
total	\$421,921.00	\$492,358.00	\$483,051.00	\$4,778,414.23

Corrective Action Meetings	
FY 15 meetings	43
FY 14 meetings	51
FY 13 meetings	68
FY 12 meetings	57

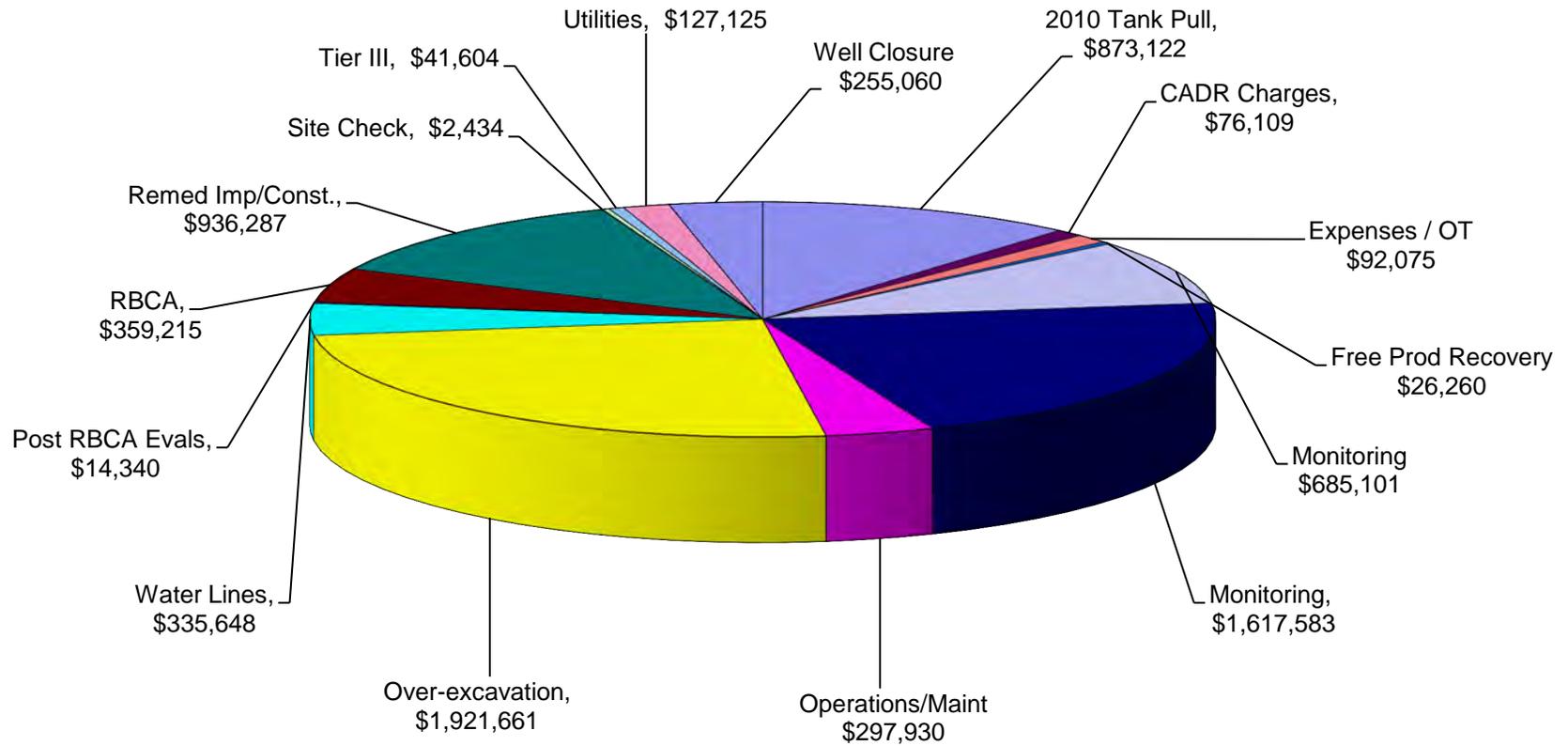
Operator Training (Classes A / B)	
A/B trained (total)	3,032
A/B trained (FY15)	192
A/B trained (FY14)	281
A/B trained (FY13)	91

Invoice Type Totals	FY 13	FY14	FY 15
Aon - Admin	\$ 727,208	\$ 704,443	\$ 806,305.57
Aon - Claims	\$ 468,000	\$ 429,000	\$ 507,000.00
Governmental	\$ 655,428	\$ 2,061,814	\$ 692,228.71
2004 Tank Pull	0.00	0.00	\$ 810.00
2010 Tank Pull	1,181,981.52	938,532.01	\$ 873,121.77
American Soils	0.00	0.00	\$ -
AST Removal	0.00	0.00	\$ -
AST Upgrade	0.00	0.00	\$ -
CADR Charges	47,916.13	212,193.44	\$ 76,108.94
Corrective Action	266,471.12	1,042,625.22	\$ 92,074.73
Expenses (OT)	10,640.00	16,100.00	\$ 26,260.00
Free Prod Recover	647,641.23	642,124.05	\$ 685,100.92
Monitoring	1,752,167.58	1,785,487.23	\$ 1,617,583.13
Operations/Maint	478,724.77	421,742.61	\$ 297,930.31
Over-excavation	1,499,579.96	2,478,237.07	\$ 1,921,660.62
Plastic Water Lines	125,598.58	191,669.04	\$ 335,648.31
Post RBCA Evals	20,801.24	11,863.82	\$ 14,339.68
RBCA	182,930.58	353,428.50	\$ 359,214.79
Remed Imp/Const.	997,308.47	1,671,658.85	\$ 936,286.93
SCR Charges	0.00	9,071.85	\$ -
Site Check	2,582.50	0.00	\$ 2,433.73
Soil Disposal	13,878.91	53,680.40	\$ -
Tank (UST) Pull	0.00	0.00	\$ 18,350.00
Tank (UST) Upgrade	0.00	0.00	\$ -
Tier III	18,109.08	52,721.18	\$ 41,603.96
Utilities	169,462.36	150,816.96	\$ 127,125.25
Well Closure	163,693.13	287,072.33	\$ 255,059.73
<b>Total Invoice Types</b>	<b>7,579,487.16</b>	<b>10,319,024.56</b>	<b>\$ 7,680,712.80</b>

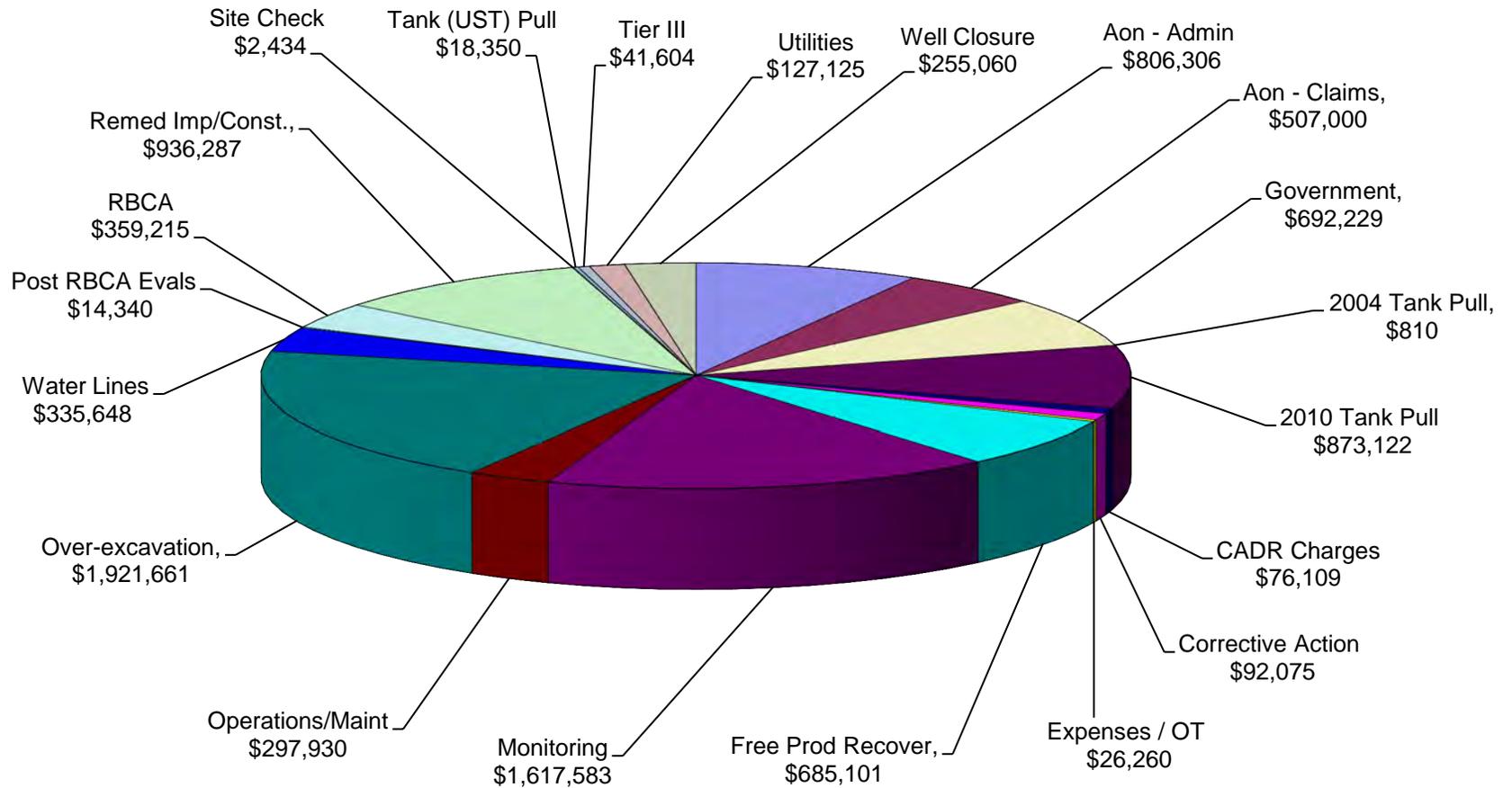
Remediation Budgets Approved		
FY 2015	44	\$ 2,730,586
FY 2014	52	\$ 3,441,020
FY2013	44	\$ 3,123,546
<b>Total Since Jan 2003</b>	<b>1,034</b>	<b>\$ 43,002,687</b>

USTCA Projects	
Current:	21
Fund eligible:	16
Non-eligible:	5

**Fiscal 2015 Invoice Types**  
(excludes administrative & government costs)  
(represents \$7,680,712)



**Fiscal 2015 Invoice Types**  
 (includes administrative costs)  
 (represents \$9,686,247)





# 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:        July 1, 2015  
SUBJECT:    State Lead Remediation Projects Update

The following is a summary outlining the current status of the innovative technology & community remediation projects.

**REMIT9703-04: Council Bluffs. Contract date: 6/21/1997                    Completion 2016**

This project involves one fund eligible site. Originally selected for the USEPA project to evaluate innovative technologies; site activities included use of a vapor extraction system to remove free product and reduce contaminant levels. The system operated for 6 years, was then followed by monitoring and hand bailing for free product recovery. The site was reclassified to No Action Required with free product status on 2/23/2015. Free product recovery by hand bailing will continue until no further product is recoverable. The location and status of the responsible party is unknown.

**CRPCA 9709-04: Delaware. Contract date: April 1998                    Completion 2016**

This project involves 2 sites in a community with both a public water system and multiple private water wells. A soil excavation successfully allowed one site to attain a NAR classification. A second excavation was completed in November 2014 and is being followed by monitoring to assess if conditions have changed. It is hoped that reclassification can be completed in 2016. The claimants for the two sites are considered innocent landowners.

**CRPCA 9808-19: Bevington. Contract date: November 1998                    Completion 2016**

This project involves one site classified high risk due to proximity to private water wells, water lines, and vapor receptors. A remedial system was in operation from 2002 to 2009. A Tier 3 approach is in progress in an attempt to show that the plumes are stable and that receptors are unlikely to be impacted. Free product recovery by hand bailing is ongoing. The responsible party still operates a non-UST related business at the site.

**CRPCA 0005-22: Dubuque. Contract date: November 2000                    Completion 2015**

This project involves 4 sites, all low risk for the potential groundwater ingestion pathway. The sites have been razed and are included within the Highway 20 right-of-way. Low risk monitoring was last completed in 2014. In May 2015, the DNR approved a local ordinance prohibiting future wells, thus allowing the sites to move toward closure. It is anticipated that a closure request will be made by September 2015.

**CRPCA 0008-24: Kingston. Contract date: November 2000      Completion 2015**  
Project completed. DNR approves a NAR classification for the two sites in Feb. 2015.

**CRPCA 0111-26: Council Bluffs. Contract date: March 2002      Completion 2015**  
Project completed. This project involved 4 sites; one remains a high risk site. Further work will be coordinated by the responsible party / claimant and his chosen consultant.

**CRPCA 0309-33A: Bentley. Contract date: January 2010      Completion 2015**  
Project transferred. This project involved one site in an unincorporated area without a public water system. The site is high risk due to proximity to multiple private water wells. Remediation was attempted using an in-well air stripping technique however was not successful. Due to conditions at the site, it was agreed to replace the primary well as an alternative to continued remediation. Future monitoring will be completed using the State Lead Closure Contract. The claimant for this site is deceased; the landowner would be considered an innocent landowner.

**CRPCA 1007-40: Akron. Contract date: November 2010.      Completion 2016**  
This project has 2 sites combined with a commingled contaminant plume. The sites are classified high risk due to proximity to the municipal water wells. Remediation efforts are in progress to address the diesel and waste oil contamination near the sites. It is hoped that a reclassification request can be made in early 2016. Of the two sites, one is eligible for UST benefits. The benefit claim was recently transferred to the City of Akron.

Status  
UST Fund State Lead Projects  
July 1, 2015

Project ID #	City (# of sites)	DNR Classifications	Consultant	Contract Start	Contract End	Interim Contract Renewal	Board Authorized Amount	Paid on Contract (thru 6-30-15)	Paid (FY2015)	Last Board Authorization
CRPCA9709-04	Delaware (2)	High Risk / NAR	MPS	4/24/1998		na	\$ 381,319.00	\$ 305,469.51	\$ 60,730.00	12/12/13
CRPCA9808-19	Bevington (1)	High Risk	Apex	11/2/1998		na	\$ 815,000.00	\$ 734,572.87	\$ 11,090.00	07/15/14
CRPCA0005-22	Dubuque (4)	Low Risk	BLEC	11/27/2000		na	\$ 119,830.00	\$ 96,939.00	\$ 3,388.00	07/15/14
CRPCA0008-24	Kingston (2)	NAR	BLEC	11/30/2000	<b>CLOSED FY 15</b>	na	\$ 160,000.00	\$ 109,793.46	\$ 7,885.00	12/04/12
CRPCA0111-26	Council Bluffs (4)	High Risk; 3 NAR	BLEC	3/18/2002	<b>CLOSED FY 15</b>	na	\$ 1,375,000.00	\$ 1,287,658.92	\$ 26,780.31	12/04/12
CRPCA 0309-33 (A) / CRPCA 0309-33	Bentley (1)	High Risk	BLEC	12/21/2009	<b>CLOSED FY 15</b>	12/20/14	\$240,137.64 (\$610,279.65)	\$179,562.78 (\$550,377.46)	\$45,122.50	07/15/14
CRPCA 1007-40 / CRPCA 9710-07	Akron (2)	High Risk	Geotek	11/15/2010		11/15/15	\$158,623.77 (\$680,013.00)	\$130,112.01 (\$651,501.24)	\$ 24,143.20	06/02/13
<b>Innovative Technology Projects</b>										
REMIT9703-04	Council Bluffs (1)	NAR-FP	Seneca	6/12/1997	na	na	\$ 800,000.00	\$ 658,543.36	\$ 7,598.00	02/25/05



## LUST Site and Claim Data Coincidence (June 2015)

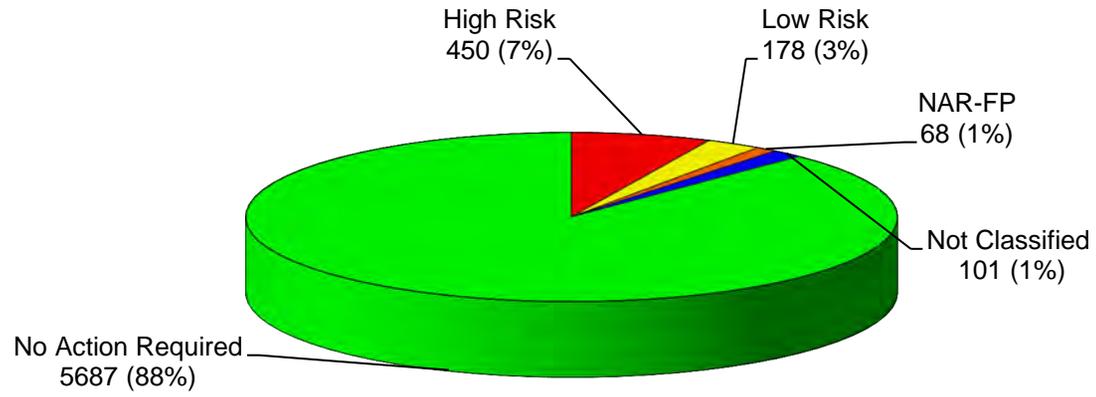
	High Risk	Low Risk	NAR-FP	Not Classified	NFA	Other	All LUST
<b>Open Claims</b>							
Retro	20	4	1	1	0		26
Remedial (inc. CRPs)	229	87	28	1	17		362
Innocent Landowner	61	26	7	18	9		121
NFA Re-Opener	10	0	0	0	2		12
<b>Total (eligible claims)</b>	<b>320</b>	<b>117</b>	<b>36</b>	<b>20</b>	<b>28</b>		<b>521</b>
<b>Closure Contract (Non-eligible)</b>							
	9	4	0	0	0		
No Claim or Closed claim	121	57	32	81	5659		5979
<b>Total LUST Sites</b>	<b>450</b>	<b>178</b>	<b>68</b>	<b>101</b>	<b>5687</b>	<b>120</b>	<b>6604</b>

Total OPEN LUST Sites - 797 - includes High Risk (450), Low Risk (178), NAR-FP (68), and Not Classified (101)"

"Other" LUST sites - 120 - includes those "transferred to contaminated sites" and "release not verified"

### All LUST Status

as of 6-4-2015



FISCAL YEAR END  
OPEN CLAIM DATA  
IOWA UST FUND  
1990 Through 2015

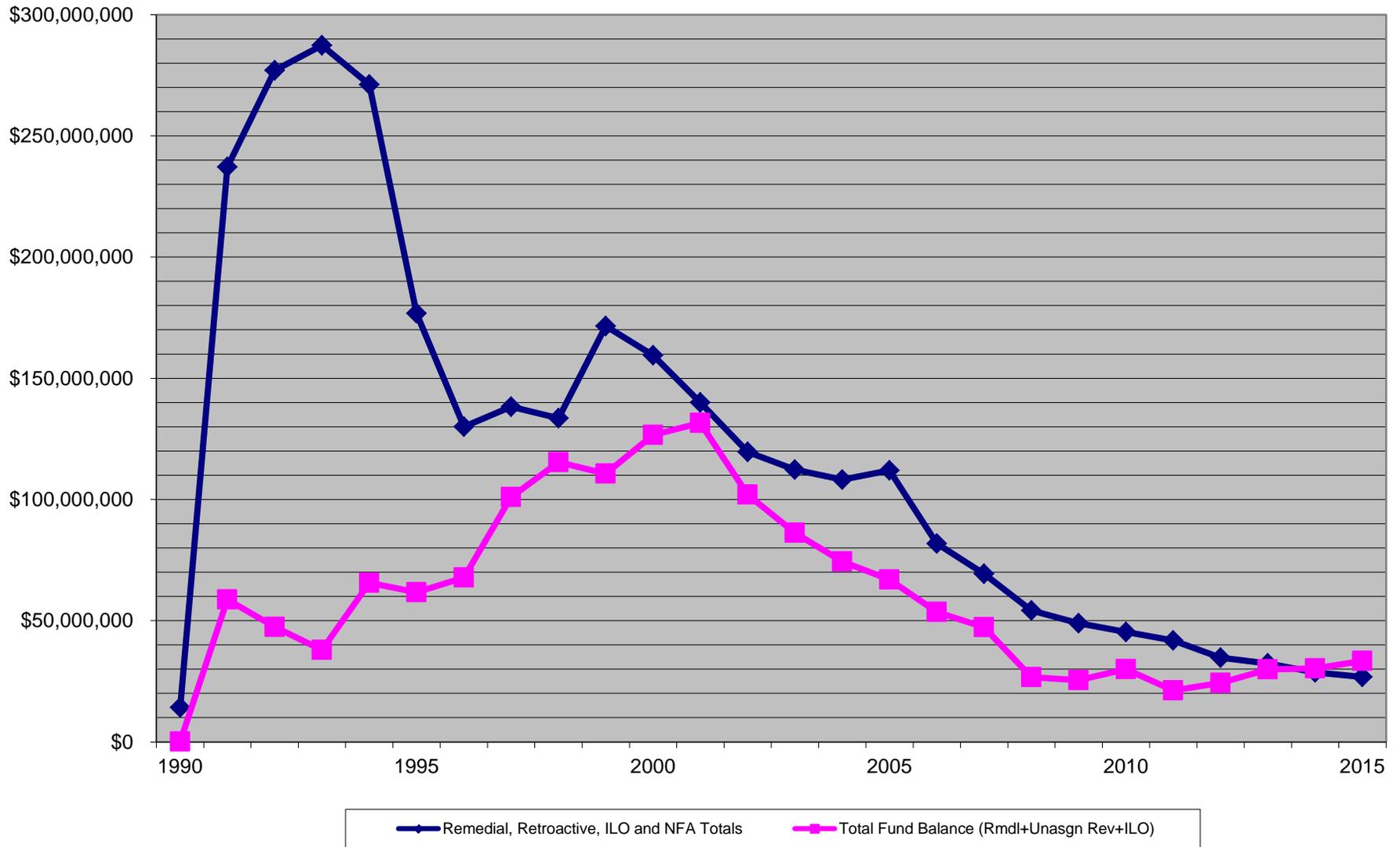
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
<b>Retroactive</b>														
Reserve	\$0	\$0	\$0	\$7,997,366	\$8,020,819	\$6,527,645	\$5,122,321	\$5,105,929	\$5,558,789	\$12,816,729	\$12,115,368	\$10,328,237	\$8,305,772	\$7,696,557
Paid	\$0	\$0	\$0	\$2,537,222	\$2,924,789	\$3,230,438	\$3,388,206	\$3,416,209	\$3,631,893	\$5,634,839	\$5,772,923	\$6,181,975	\$6,203,843	\$6,610,396
Total	\$0	\$0	\$0	\$10,534,588	\$10,945,608	\$9,758,083	\$8,510,527	\$8,522,138	\$9,190,682	\$18,451,568	\$17,888,289	\$16,510,211	\$14,509,615	\$14,306,953
Number Open	0	0	0	159	147	147	147	145	130	153	137	132	114	108
<b>Remedial</b>														
Reserve	\$14,176,804	\$237,122,878	\$277,093,959	\$279,389,771	\$263,111,215	\$170,290,956	\$121,115,479	\$121,745,953	\$112,741,979	\$138,502,942	\$127,324,680	\$112,721,689	\$94,934,564	\$88,951,954
Paid	\$0	\$7,206,855	\$28,332,995	\$42,333,538	\$60,492,002	\$72,414,070	\$77,238,020	\$80,157,138	\$73,242,358	\$75,338,637	\$75,284,102	\$77,607,268	\$72,414,757	\$73,149,470
Total	\$14,176,804	\$244,329,733	\$305,426,955	\$321,723,309	\$323,603,217	\$242,705,026	\$198,353,499	\$201,903,091	\$185,984,337	\$213,841,579	\$202,608,781	\$190,328,957	\$167,349,320	\$162,101,424
Number Open	435	3304	3995	3154	3240	3209	3176	3099	2447	2324	2072	1972	1,569	1424
<b>ILO</b>														
Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$3,771,347	\$11,438,556	\$15,187,101	\$20,211,445	\$20,013,579	\$16,946,462	\$16,378,688	\$15,633,960
Paid	\$0	\$0	\$0	\$0	\$0	\$0	\$437,170	\$2,248,843	\$3,502,553	\$4,036,891	\$4,916,299	\$5,672,337	\$6,017,589	\$7,311,242
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$4,208,517	\$13,687,399	\$18,689,654	\$24,248,336	\$24,929,879	\$190,328,957	\$22,396,277	\$22,945,202
ILO Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$4,857,486	\$1,689,944	\$17,532,211	\$22,102,965	\$32,005,822	\$31,786,724	\$33,893,037	\$33,146,825
Number Open	0	0	0	0	0	0	110	383	462	479	418	391	312	310
<b>Opt In</b>														
Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$365,742	\$1,135,715	\$1,403,179	\$1,855,095	\$2,776,340	\$2,853,852	\$3,213,202
Paid	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$279,978	\$712,240	\$945,399	\$1,269,297	\$1,812,883	\$2,155,418	\$2,589,994
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$645,720	\$1,847,955	\$2,348,578	\$3,124,392	\$4,589,223	\$5,009,270	\$5,803,196
Number Open	0	0	0	0	0	0	0	60	140	178	249	349	369	427
<b>Closure Contracts</b>														
Reserve														
Paid														
Total														
Number Open														
<b>NFA</b>														
Reserve														
Paid														
Total														
Number Open														
<i>Reserve (all claim types)</i>	<b>\$14,176,804</b>	<b>\$237,122,878</b>	<b>\$277,093,959</b>	<b>\$287,387,137</b>	<b>\$271,132,034</b>	<b>\$176,818,601</b>	<b>\$130,009,147</b>	<b>\$138,656,180</b>	<b>\$134,623,584</b>	<b>\$172,934,295</b>	<b>\$161,308,723</b>	<b>\$142,772,728</b>	<b>\$122,472,875</b>	<b>\$115,495,673</b>
<i>Remedial, Retroactive, ILO and NFA Totals</i>														
Reserve (RT, RM, ILO, NFA)	\$14,176,804	\$237,122,878	\$277,093,959	\$287,387,137	\$271,132,034	\$176,818,601	\$130,009,147	\$138,290,438	\$133,487,869	\$171,531,116	\$159,453,628	\$139,996,388	\$119,619,023	\$112,282,470
Claims # (RT, RM, ILO, NFA)	435	3,304	3,995	3,313	3,387	3,356	3,433	3,627	3,039	2,956	2,627	2,495	1,995	1,842
<i>Change in # of claims</i>		660%	21%	-17%	2%	-1%	2%	6%	-16%	-3%	-11%	-5%	-20%	-8%
<b>Total Active LUST Sites</b>	2893	3440	3664	3784	3918	3931	4006	3926	3755	3,352	3,315	3,053	2355	2153
<b>"Lost Sites" Subtotal</b>	2,458	136	-331	471	531	575	573	299	716	396	688	558	360	311
<b>Closure / NFA Contract</b>												101	121	78
<b>"Lost Sites"</b>												457	239	233
<b>Total Fund Balance</b>	\$78,940	\$58,756,562	\$47,390,393	\$37,922,648	\$65,598,734	\$61,681,595	\$67,793,092	\$101,006,153	\$115,401,420	\$110,680,346	\$126,605,234	\$131,522,995	\$102,028,639	\$86,234,558
(Rmdl+Unasgn Rev+ILO)														
<b>Reserves : Balances</b>	<b>(\$14,097,864)</b>	<b>(\$178,366,316)</b>	<b>(\$229,703,566)</b>	<b>(\$249,464,489)</b>	<b>(\$205,533,300)</b>	<b>(\$115,137,006)</b>	<b>(\$62,216,055)</b>	<b>(\$37,284,285)</b>	<b>(\$18,086,449)</b>	<b>(\$60,850,770)</b>	<b>(\$32,848,394)</b>	<b>(\$8,473,393)</b>	<b>(\$17,590,384)</b>	<b>(\$26,047,913)</b>
Percent Change Res		1573%	17%	4%	-6%	-35%	-26%	6%	-3%	28%	-7%	-12%	-15%	-6%
Percent Change Count		660%	21%	-17%	2%	-1%	2%	6%	-16%	-3%	-11%	-5%	-20%	-8%
Percent Change LUST #		19%	7%	3%	4%	0%	2%	-2%	-4%	-11%	-1%	-8%	-23%	-9%

FISCAL YEAR END  
OPEN CLAIM DATA  
IOWA UST FUND  
1990 Through 2015

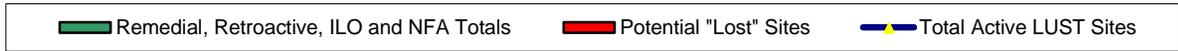
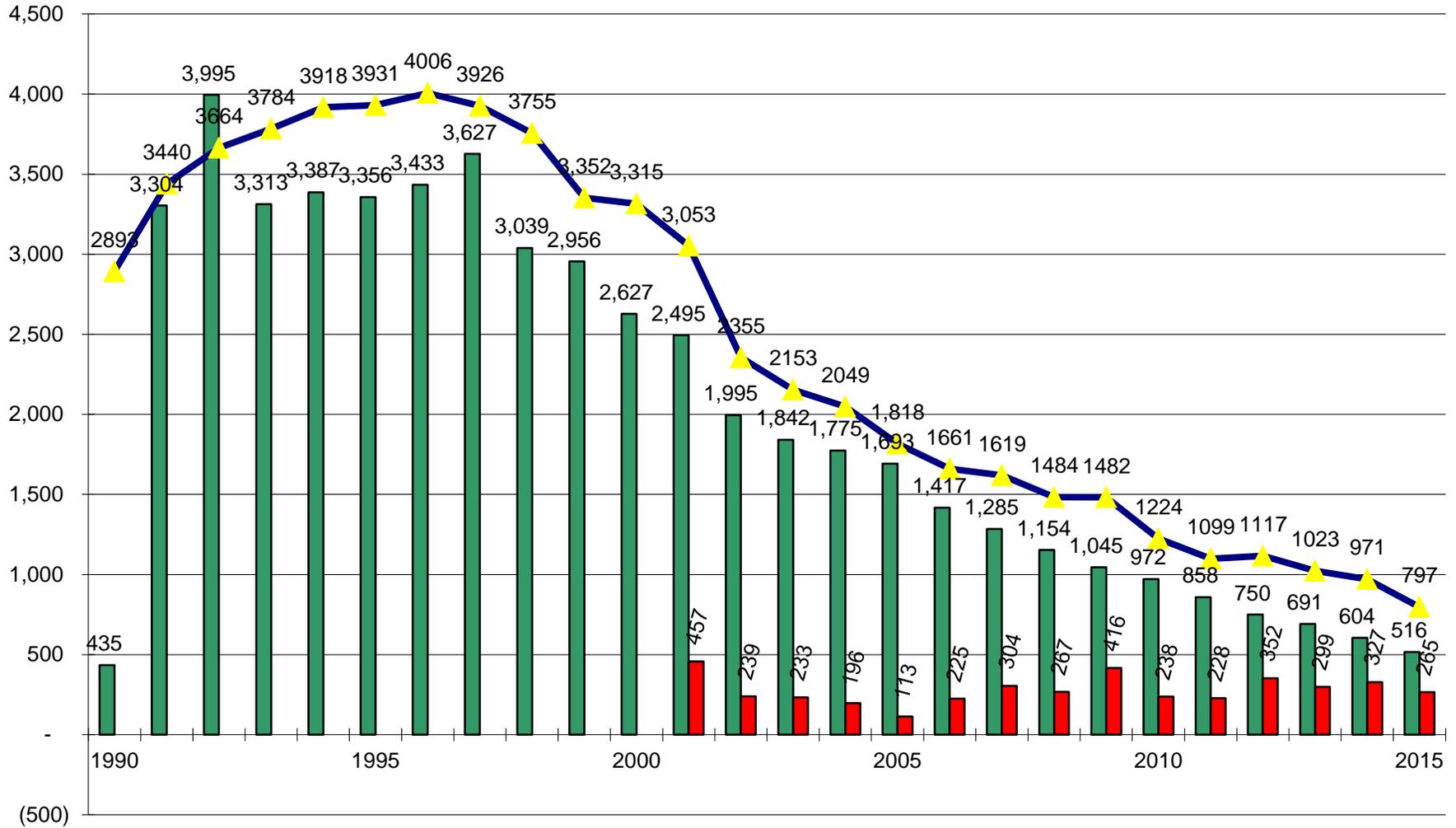
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Retroactive</b>												
Reserve	\$7,744,329	\$7,536,124	\$5,223,457	\$4,057,632	\$3,077,780	\$2,914,426	\$ 2,428,995	\$ 1,787,253	\$1,577,391	2,071,441	1,682,588	\$1,524,095
Paid	\$7,555,192	\$8,649,148	\$8,201,250	\$8,054,104	\$8,083,920	\$7,735,074	\$ 7,031,913	\$ 6,872,497	\$6,792,609	\$6,598,419.88	\$6,487,273.00	\$5,948,767
Total	\$15,299,522	\$16,185,271	\$13,424,707	\$12,111,737	\$11,161,699	\$10,649,500	\$ 9,460,908	\$ 8,659,750	\$8,370,000	\$8,669,861.36	\$8,169,861.00	\$7,472,862
Number Open	105	101	86	75	69	61	54	44	39	36	31	26
<b>Remedial</b>												
Reserve	\$84,590,582	\$88,558,248	\$64,252,542	\$55,589,062	\$42,288,489	\$38,093,300	\$ 34,854,549	\$ 30,911,166	\$25,138,937.92	22,612,130	21,068,796	\$19,272,888
Paid	\$82,746,786	\$93,168,351	\$91,166,813	\$93,132,528	\$91,835,146	\$87,786,173	\$ 87,310,521	\$ 82,366,302	\$78,537,950.40	\$77,290,855.97	\$74,256,940.00	\$71,225,756
Total	\$167,337,368	\$181,726,599	\$155,419,355	\$148,721,589	\$134,123,635	\$125,879,473	\$ 122,165,071	\$ 113,277,468	#####	\$99,902,986.31	\$95,325,737.00	\$90,498,644
Number Open	1353	1283	1,057	955	848	767	712	609	531	481	414	359
<b>ILO</b>												
Reserve	\$15,857,471	\$15,919,745	\$12,334,846	\$9,669,816	\$8,827,411	\$7,894,360	\$8,090,905	\$7,511,313	\$6,847,223.50	\$6,443,202	\$4,778,187	\$5,408,288
Paid	\$9,464,390	\$10,913,447	\$10,833,091	\$11,991,855	\$12,070,091	\$11,664,383	\$11,791,304	\$11,721,685	\$11,555,636.50	\$11,167,819.92	\$1,448,924.00	\$10,596,463
Total	\$25,321,861	\$26,833,193	\$23,167,937	\$21,661,671	\$20,897,502	\$19,558,743	\$19,882,209	\$19,232,998	\$18,402,860.00	\$17,611,022.14	\$16,227,112.00	\$16,004,751
ILO Balance	\$28,659,850	\$26,562,368	\$24,863,368	\$21,600,370	\$10,000,000	\$9,278,837	\$15,376,150	\$3,952,450	\$2,963,372	\$2,176,164	\$8,604,467	\$7,110,415
Number Open	317	309	274	255	237	217	206	187	162	153	140	120
<b>Opt In</b>												
Reserve	\$3,034,128	\$3,454,178	\$2,046,676	\$1,617,162	\$1,486,759	\$1,332,311	\$1,169,013	\$937,230	\$803,910.79	\$663,469.74	\$663,469.74	\$388,595
Paid	\$2,876,480	\$3,497,680	\$2,416,480	\$2,068,431	\$1,994,439	\$2,088,122	\$1,518,680	\$1,243,308	\$1,097,627.02	\$949,373.37	\$949,373.37	\$660,719
Total	\$5,910,608	\$6,951,857	\$4,463,156	\$3,685,593	\$3,481,198	\$3,420,433	\$2,687,693	\$2,180,538	\$1,901,537.81	\$1,612,843.11	\$1,612,843.11	\$1,049,313
Number Open	421	364	323	267	251	219	195	160	140	120	97	77
<b>Closure Contracts</b>												
Reserve								\$0	\$0	\$509,106	\$865,021	\$1,987,297
Paid								\$0	\$0	\$70,894	\$310,979	\$481,703
Total								\$0	\$0	\$580,000	\$1,176,000	\$2,469,000
Number Open								0	0	21	42	70
<b>NFA</b>												
Reserve								\$664,219	\$399,659	\$533,654	\$400,957	\$192,894
Paid								\$133,280	\$323,051	\$313,346	\$364,042	\$397,106
Total								\$797,500	\$722,710	\$847,000	\$765,000	\$590,000
Number Open								18	18	21	19	11
<b>Reserve (all claim types)</b>	<b>\$111,226,510</b>	<b>\$115,468,295</b>	<b>\$83,857,520</b>	<b>\$70,933,672</b>	<b>\$55,680,438</b>	<b>\$50,234,397</b>	<b>\$46,543,462</b>	<b>\$41,811,181</b>	<b>\$34,767,123</b>	<b>\$33,254,924</b>	<b>\$29,951,377</b>	<b>\$29,257,108</b>
Reserve (RT, RM, ILO, NFA)	\$108,192,382	\$112,014,116	\$81,810,845	\$69,316,510	\$54,193,679	\$48,902,086	\$45,374,449	\$41,811,181	\$34,767,123	\$32,323,897	\$28,593,998	\$26,786,760
Claims # (RT, RM, ILO, NFA)	1,775	1,693	1,417	1,285	1,154	1,045	972	858	750	691	604	516
Change in # of claims	-4%	-5%	-16%	-9%	-10%	-9%	-7%	-12%	-13%	-8%	-13%	-15%
<b>Total Active LUST Sites</b>	<b>2049</b>	<b>1,818</b>	<b>1661</b>	<b>1619</b>	<b>1484</b>	<b>1482</b>	<b>1224</b>	<b>1099</b>	<b>1117</b>	<b>1023</b>	<b>971</b>	<b>797</b>
"Lost Sites" Subtotal	274	125	244	334	330	437	252	241	367	332	367	281
Closure / NFA Contract	78	12	19	30	63	21	14	13	15	33	40	16
"Lost Sites"	196	113	225	304	267	416	238	228	352	299	327	265
<b>Total Fund Balance</b>	<b>\$74,354,067</b>	<b>\$66,982,327</b>	<b>\$53,532,383</b>	<b>\$47,296,272</b>	<b>\$26,693,215</b>	<b>\$25,478,322</b>	<b>\$29,947,243</b>	<b>\$21,252,698</b>	<b>\$24,275,971</b>	<b>\$29,868,825</b>	<b>\$30,247,200</b>	<b>\$33,342,713</b>
(Rmdl+Unasn Rev-ILO)												
<b>Reserves : Balances</b>	<b>(\$33,838,315)</b>	<b>(\$45,031,789)</b>	<b>(\$28,278,461)</b>	<b>(\$22,020,239)</b>	<b>(\$27,500,464)</b>	<b>(\$23,423,764)</b>	<b>(\$15,427,207)</b>	<b>(\$20,558,483)</b>	<b>(\$10,491,151)</b>	<b>(\$2,455,072)</b>	\$1,653,202	\$6,555,953
Percent Change Res	-4%	4%	-27%	-15%	-22%	-10%	-7%	-8%	-17%	-7%	-12%	-6%
Percent Change Count	-4%	-5%	-16%	-9%	-10%	-9%	-7%	-12%	-13%	-8%	-13%	-15%
Percent Change LUST #	-5%	-11%	-9%	-3%	-8%	0%	-17%	-10%	2%	-8%	-5%	-18%

Fiscal Year End Open Claim Data  
Iowa UST Fund 1990 to 2015

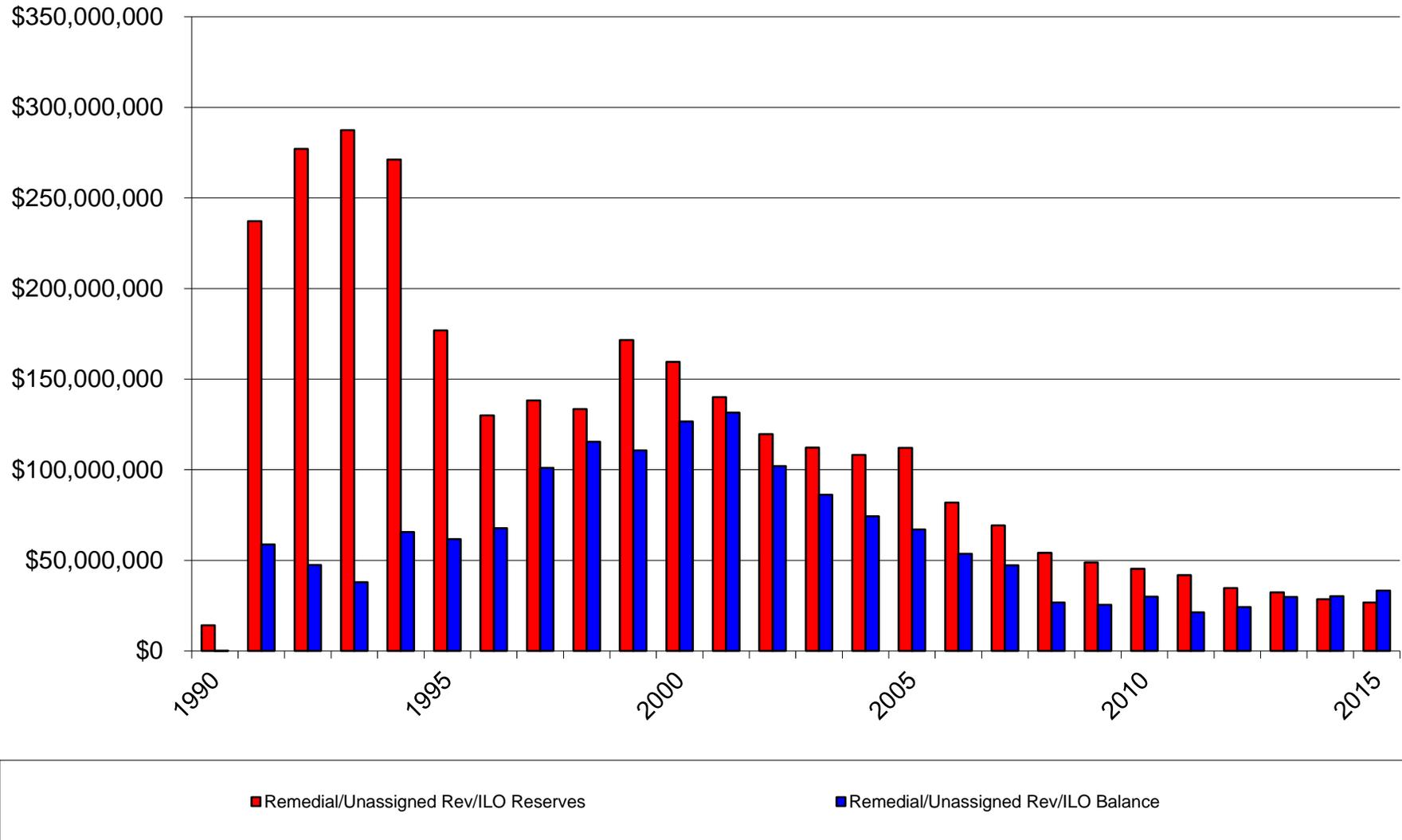
**Reserves vs. Balances**



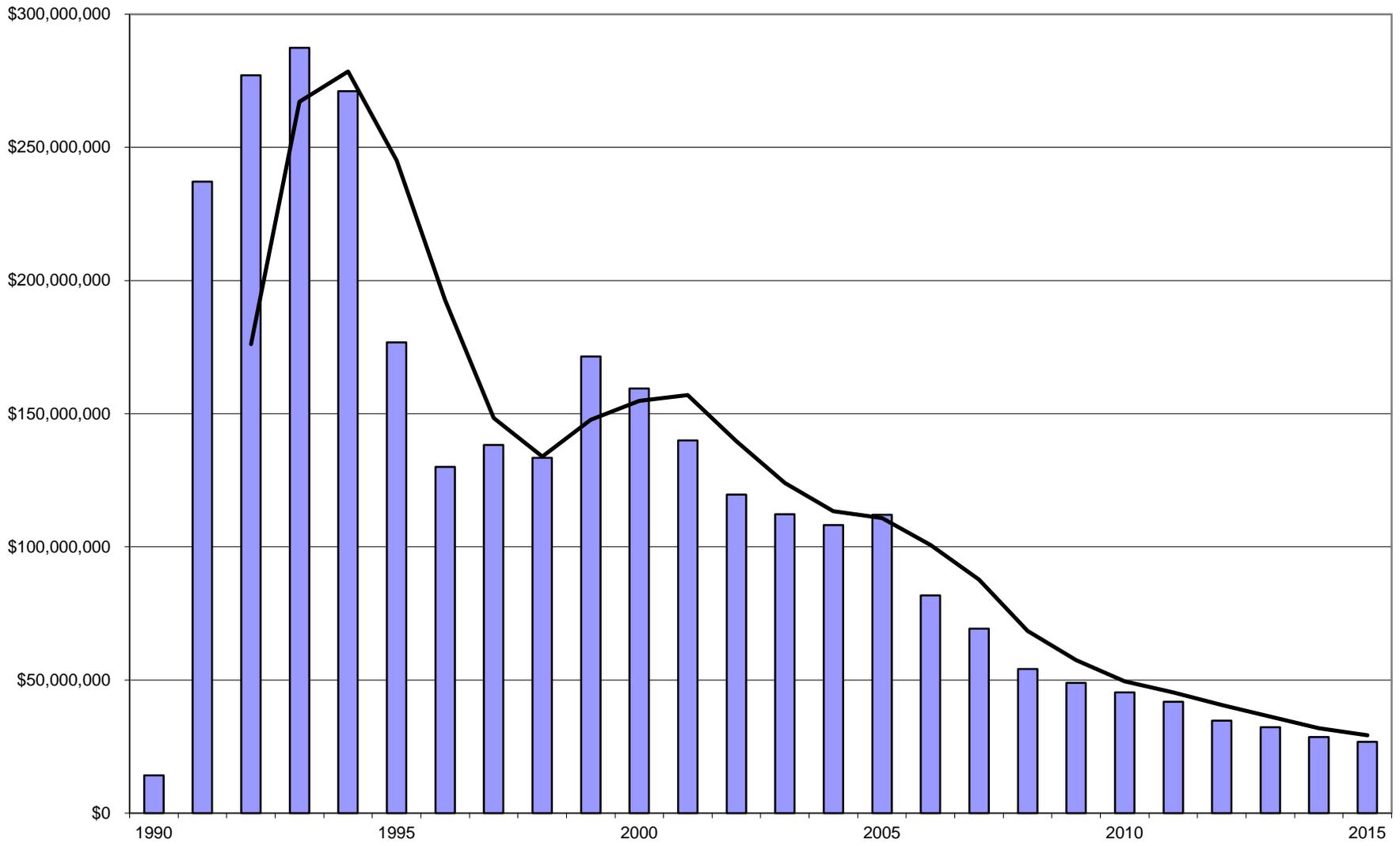
### Open Claims and Total Active LUST Sites



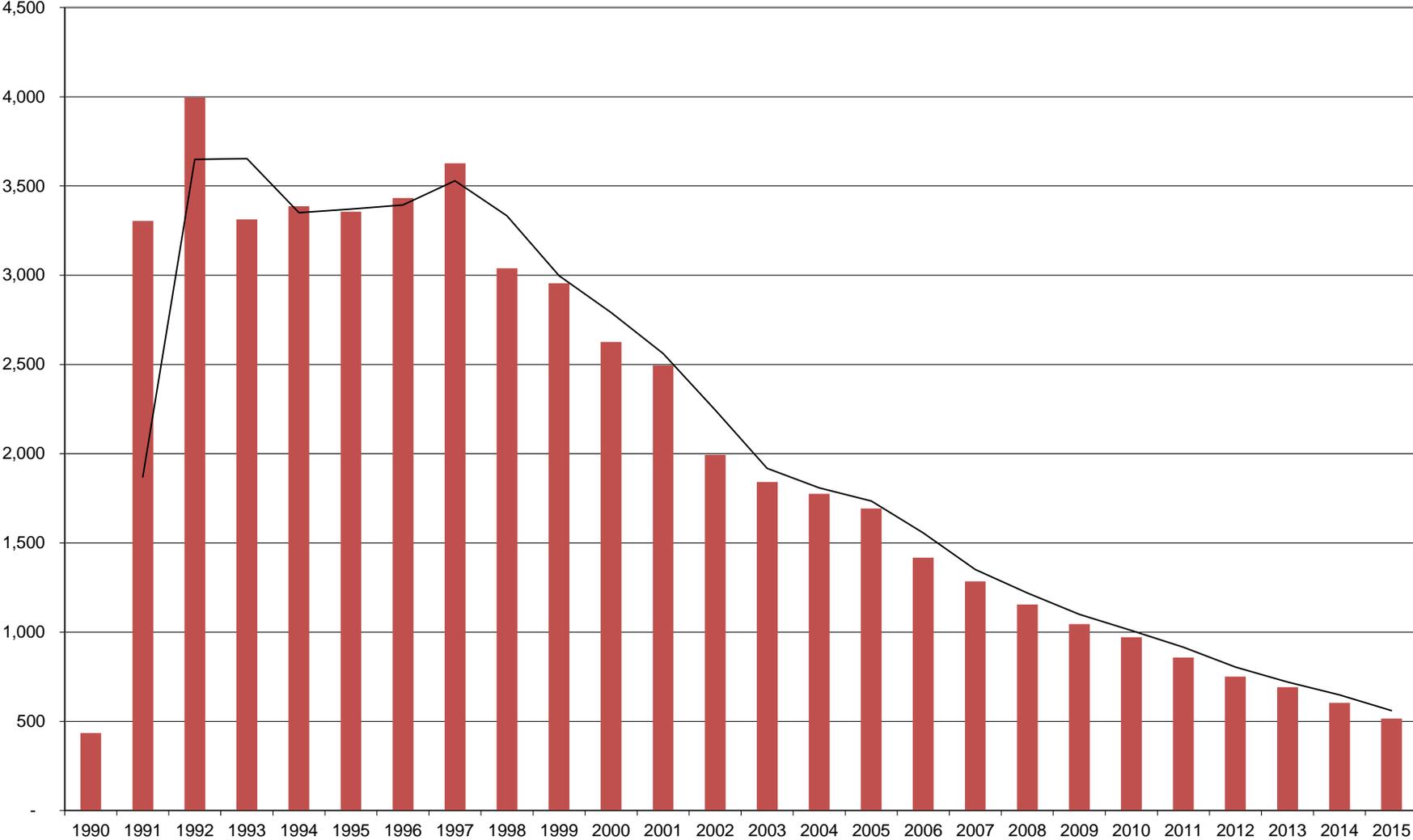
## Remedial/Retro/ILO Reserves vs. Balances



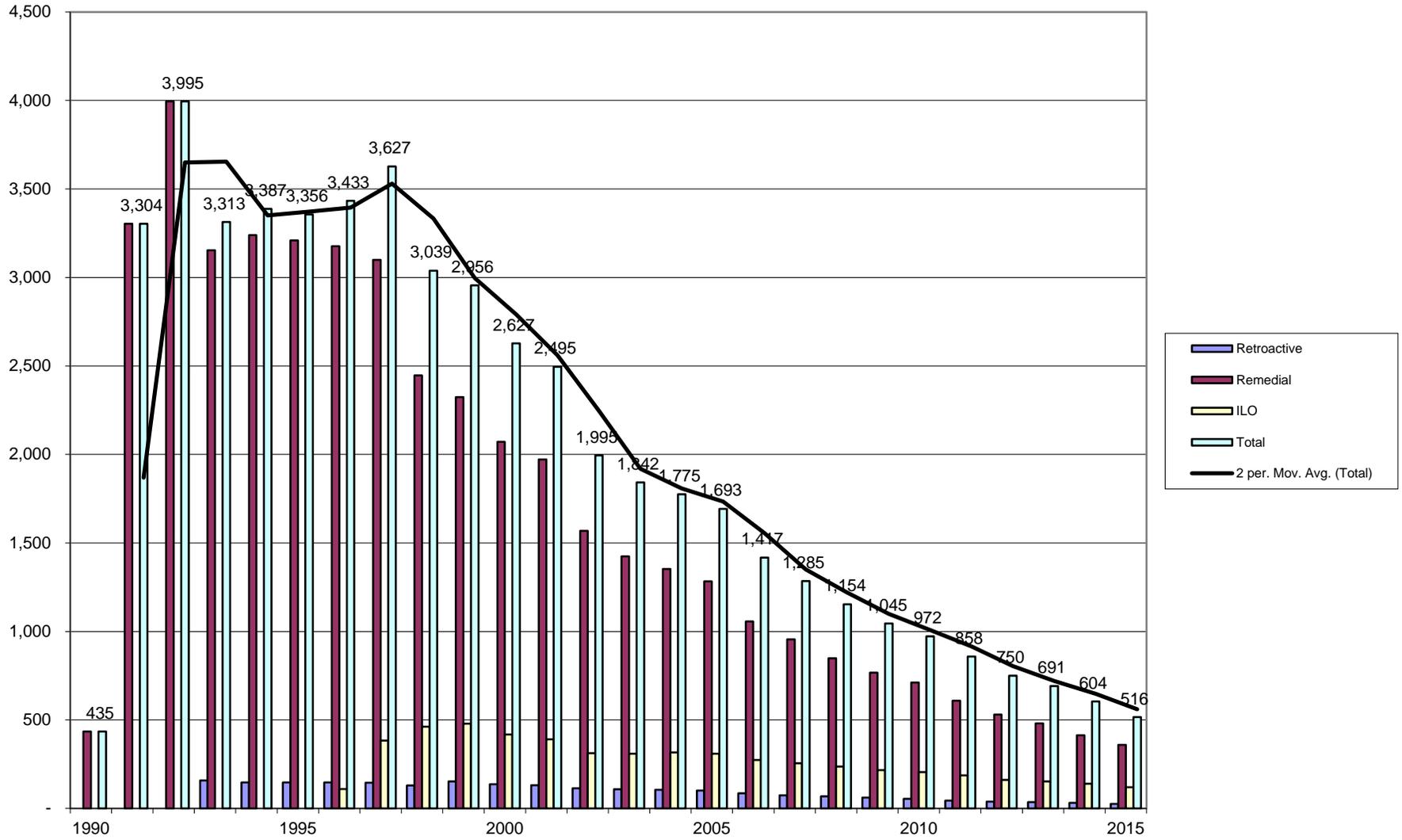
Retro/Remed/ILO Reserves



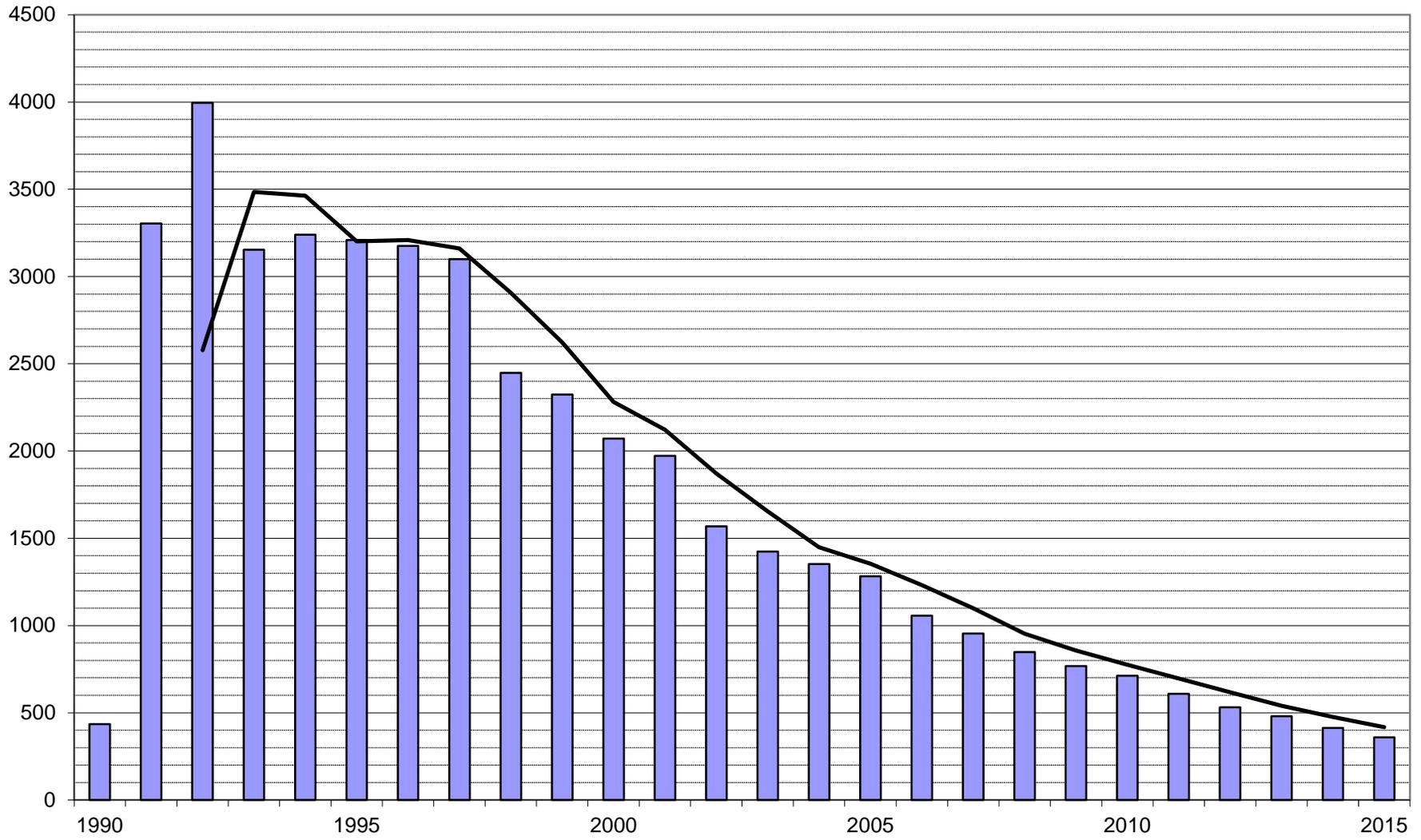
Open Retro / Remed / ILO / NFA Files



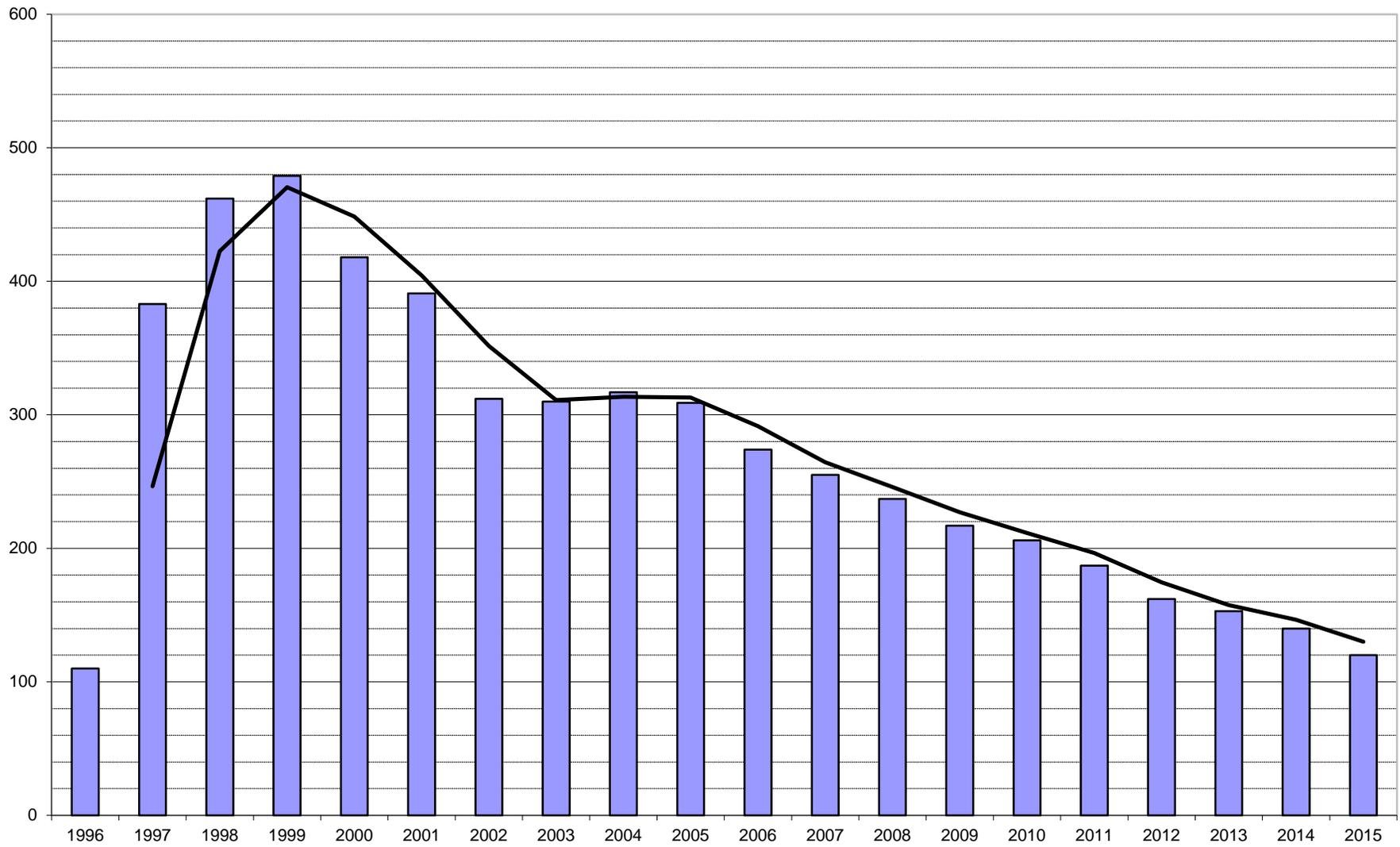
# Open Files



# Open Remedial Files



## Open ILO Files



**Iowa UST Fund Projections**  
**Month Ended 06/30/2015**

End of FY	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Revenues</b>						
<i>Motor Vehicle Fees</i>	\$ 14,000,000	\$ 14,000,000	\$ -	\$ -	\$ -	\$ -
<i>Tank Fees</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Interest</i>	\$ 109,734	\$ 101,816	\$ 134,783	\$ 171,142	\$ 144,166	\$ 117,372
<i>Cost Recovery</i>	\$ 42,016	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
<b>Total Revenues</b>	<b>\$ 14,151,750</b>	<b>\$ 14,121,816</b>	<b>\$ 154,783</b>	<b>\$ 191,142</b>	<b>\$ 164,166</b>	<b>\$ 137,372</b>
<b>Expenditures</b>						
<i>Administration</i>	\$ 1,313,393	\$ 1,100,000	\$ 650,000	\$ 650,000	\$ 650,000	\$ -
<i>Remedial Claims</i>	\$ 5,084,379	\$ 5,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ -
<i>Retroactive Claims</i>	\$ 483,723	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ -
<i>ILO Claims</i>	\$ 1,376,759	\$ 2,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -
<i>Global Settlement Claims</i>	\$ 158,330	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
<i>NFA Claims</i>	\$ 279,056	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ -
<i>Tank Closure Claims</i>	\$ 816,000	\$ 850,000	\$ 850,000	\$ 850,000	\$ 850,000	\$ -
<i>Gov't - Admin Expenses</i>	\$ 99,999	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
<i>DNR Admin Match</i>	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ -
<i>DNR Technical Reviews</i>	\$ 74,831	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ -
<i>IDALS Fuel Quality</i>	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ -
<i>Operator Training</i>	\$ 26,260	\$ 100,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ -
<i>28E Projects/IDNR</i>	\$ 270,869	\$ 800,000	\$ 500,000	\$ -	\$ -	\$ -
<i>Prior Year Approps</i>	\$ 92,768	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
<b>Total Expenditures</b>	<b>\$ 9,710,368</b>	<b>\$ 10,650,000</b>	<b>\$ 8,050,000</b>	<b>\$ 7,550,000</b>	<b>\$ 7,550,000</b>	<b>\$ -</b>
<b>Fund Balances</b>						
<i>Revenue</i>	\$524,210					
<i>Unassigned Revenue</i>	\$11,681,367					
<i>Remedial</i>	\$8,681,847					
<i>Remedial + Unassigned</i>	\$20,363,214	\$26,956,663	\$34,228,479	\$28,833,262	\$23,474,404	\$18,088,571
<i>Innocent Landowner</i>	\$8,604,467	\$6,504,467	\$5,404,467	\$4,304,467	\$3,204,467	\$3,204,467
<i>Loan Guarantee</i>	\$0	\$0	\$0	\$0	\$0	\$0
<i>Marketability</i>	\$755,309	\$755,309	\$755,309	\$755,309	\$755,309	\$755,309
<b>Total of Balances (eFY)</b>	<b>\$ 34,688,582</b>	<b>\$ 37,688,255</b>	<b>\$ 32,493,038</b>	<b>\$ 26,534,181</b>	<b>\$ 20,048,347</b>	<b>\$ 22,185,719</b>
<i>Projected Claim Count</i>	<b>521</b>	420	320	220	120	60
<i>Projected Reserve Total</i>	<b>\$26,786,760</b>	\$20,936,760	\$16,586,760	\$12,236,760	\$7,886,760	\$7,886,760
<i>Excess Bal vs Reserve</i>	<b>\$7,901,822</b>	\$16,751,495	\$15,906,278	\$14,297,421	\$12,161,587	\$14,298,959



# 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. Gartin    Dawn M. Carlson    Patricia J. Beck    N. Kurt Mumm

## MEMORANDUM

TO:            UST Board Members  
FROM:        Dale Cira  
DATE:        July 3, 2015  
SUBJECT:     Fiscal Year 2015 Summary

The following is a summary of revenue and expenditures as noted on the year-end financial statement for the Program:

### FISCAL 2014 SUMMARY

#### Revenue

1. Motor Vehicle Use Tax (IDOT – vehicle registration)	\$14,000,000.00
2. Interest Income (Revenue & Unassigned Revenue Funds)	\$109,734.66
3. Cost Recovery (i.e., lien settlements, payments)	\$ 41,035.84
4. Bond Principal Payment (excess returned)	\$ 981.16
5. Refund / overpayment	\$ 100.00
TOTAL	<u>\$14,151,851.66</u>

#### Expenditures

1. UST Administrator Fees	\$1,313,393.32
2. Attorney General's Office	\$ 53,448.56
3. Department of Revenue – EPC Collection Fees	\$ 16,668.09
4. Auditor of State Fees	\$ 4,404.75
5. Department of Inspection & Appeals Service Fees	\$ 0.00
6. Cost Recovery Expense (i.e., lien filing fees)	\$ 0.00
7. Appropriations – FY 2014	\$92,768.29
8. Appropriations – FY 2015 (DNR, IDALS)	\$524,831.00
9. Owner/Operator Training	\$26,260
10. Actuarial Study	\$ 20,617.90
11. 28E – DNR RBCA Model Update	\$ 4,860.00
12. Closure Contract Project	\$270,869.32
13. Retroactive Claims	\$483,723.44
14. Remedial Claims	\$5,084
15. NFA Claims	\$279,056.40
16. Innocent Landowner Claims	\$1,419,625.63
17. Global Settlement Claims	\$158,329.65
TOTAL	<u>\$9,802,988.62</u>

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FISCAL YEAR TO DATE ENDING JUNE 30, 2015**

		<b>FISCAL 2015 BUDGET</b>
<b>0471 - UST REVENUE FUND (Bonding)</b>		
<b>Balance of Fund, July 1, 2014</b>	\$524,210.38	<b>\$524,210.38</b>
<b>Receipts:</b>		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$14,000,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$47,842.43	
Interest Income	\$13,090.33	\$100,000.00
Interest Income - Capital Reserve Fund	\$0.00	
	\$14,060,932.76	\$14,100,000.00
<b>Disbursements:</b>		
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)	\$14,000,000.00	\$14,000,000.00
	\$14,046,861.27	\$14,000,000.00
<b>Balance of Fund, June 30, 2015</b>	<b>\$538,281.87</b>	<b>\$624,210.38</b>
<b>0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)</b>		
<b>Balance of Fund, July 1, 2014</b>	\$11,681,366.83	<b>\$11,681,366.83</b>
<b>Receipts:</b>		
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	\$64,283.71	\$125,000.00
	\$64,383.71	\$130,000.00
<b>Disbursements:</b>		
UST Administrator's Fees	\$1,313,393.32	\$1,240,000.00
Adjustment	\$0.00	
Attorney General's Fees	\$53,448.56	\$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	\$20,617.90	
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	\$16,688.09	\$37,500.00
Innovative Technology	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FISCAL YEAR TO DATE ENDING JUNE 30, 2015**

		<b>FISCAL 2015 BUDGET</b>
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	\$26,260.00	\$100,000.00
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$270,869.32	\$800,000.00
Travel Expenses-UST Board Members	\$0.00	\$700.00
Warrant Float Expense	\$0.00	
28E Agreement - DNR RBCA Model Revision	\$4,860.00	
Statutory Transfer to DNR (technical review - recurring)	\$238,890.00	\$200,000.00
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$227,212.69	\$250,000.00
Statutory Transfer to IDOT (railway study)	\$0.00	\$500,000.00
Appropriations FY 2014	\$92,768.29	
Appropriations FY 2015	\$58,728.58	
Transfer of Funds to Innocent Land Owners	\$0.00	
	\$2,328,141.50	\$3,184,450.00
<b>Balance of Fund, June 30, 2015</b>	<b>\$9,417,609.04</b>	<b>\$8,626,916.83</b>
<b>0208 - UST REMEDIAL NON-BONDING FUND</b>		
<b>Balance of Fund, July 1, 2014</b>	\$8,681,846.71	<b>\$8,681,846.71</b>
<b>Receipts:</b>		
Remedial Refunds	\$0.00	
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer From UST Revenue Fund (0471)	\$14,000,000.00	\$14,000,000.00
	\$14,000,000.00	\$14,000,000.00
<b>Disbursements:</b>		
Retroactive Claims	\$483,723.34	\$700,000.00
Remedial Claims	\$5,638,469.11	\$6,000,000.00
Adjustment	\$0.00	
28E Agreement - NFA Claims	\$279,056.40	\$500,000.00
Transfer to ILO/GS Fund	(\$550,337.46)	
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants	(\$3,752.36)	
	\$5,847,159.03	\$7,200,000.00
<b>Balance of Fund, June 30, 2015</b>	<b>\$16,834,687.68</b>	<b>\$15,481,846.71</b>
<b>0478 - UST MARKETABILITY FUND</b>		
<b>Balance of Fund, July 1, 2014</b>	\$755,308.99	<b>\$755,308.99</b>
<b>Receipts:</b>		
Interest	\$32,360.62	\$25,000.00
Use Tax	\$0.00	
	\$32,360.62	\$25,000.00
<b>Disbursements:</b>		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
	\$0.00	\$0.00
<b>Balance of Fund, June 30, 2015</b>	<b>\$787,669.61</b>	<b>\$780,308.99</b>

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FISCAL YEAR TO DATE ENDING JUNE 30, 2015**

		<b>FISCAL 2015 BUDGET</b>
<b>0485 - UST INNOCENT LANDOWNERS FUND</b>		
<b>Balance of Fund, July 1, 2014</b>	\$8,604,467.48	<b>\$8,604,467.48</b>
<b>Receipts:</b>		
Cost Recovery (i.e. lien settlements)	\$41,035.84	\$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	
	\$41,035.84	\$25,000.00
<b>Disbursements:</b>		
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	\$158,329.65	\$80,000.00
Innocent Landowner Claims	\$1,419,625.63	\$2,000,000.00
Transfer to/from Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	(\$42,867.30)	
	\$1,535,087.98	\$2,080,000.00
<b>Balance of Fund, June 30, 2015</b>	<b>\$7,110,415.34</b>	<b>\$6,549,467.48</b>
<b>0238 - UST LOAN GUARANTEE FUND (Non-Bonding)</b>		
<b>Balance of Fund, June 30, 2015</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>0614 - UST CAPITAL RESERVE FUNDS (Bonding)</b>		
<b>Combined UST Capital Reserve Fund Balances, June 30, 2015</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TOTAL FUND BALANCES, June 30, 2015</b>	<b>\$34,688,663.54</b>	<b>\$32,062,750.39</b>

**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.

## **B. Status of 28E Agreements**



# 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: July 2, 2015  
SUBJECT: Summary of 28E Agreements

The Board has entered into a total of (29) 28E agreements since the inception of the Program. They are as follows (as of 6/30/2015):

### 28E AGREEMENT

### FY 2015 EXPENDITURES

<b>*1. Dept of Revenue &amp; Finance – fee for EPC collections</b>	<b>\$16,688.09</b>
2. DNR – registration of groundwater professionals	\$ 0.00
3. DNR – site mapping project with Iowa State University	\$ 0.00
4. DNR – SCR technical review assistance	\$ 0.00
5. DNR – LUST trust funds – Shenandoah/Council Bluffs	\$ 0.00
6. DNR – automation of ability to pay system	\$ 0.00
7. DNR – EPA flood impact study	\$ 0.00
8. DNR – part time staffing for computer system development & input	\$ 0.00
9. Attorney General’s Office – Board & Cost Recovery Counsel	\$ 0.00
10. DNR – RBCA implementation assistance & staff training	\$ 0.00
<b>*11. DNR – UST State Lead Closure Contract</b>	<b>\$301,554.44</b>
12. DNR – Database integration	\$ 0.00
13. DNR – assistance in administering RBCA processes	\$ 0.00
<b>*14. Attorney General’s Office – Board &amp; Cost Recovery Counsel</b>	<b>\$53,448.56</b>
15. DNR – assistance for UST Section (FY05)	\$ 0.00
16. DNR – assistance for UST Section (FY06)	\$ 0.00
<b>*17. DNR – Double Circle FS CRP for 2 LUST sites</b>	<b>\$ 0.00</b>
18. DNR – City of Sioux City agreement (potential pymt to City of \$1.75M)	\$ 0.00
19. DNR – Temporary FTE for report reviews (Jan-Jun 2006)	\$ 0.00
20. DNR – assistance for UST Section (FY07)	\$ 0.00
21. DNR – Limited NFA for 3 Sites	\$ 0.00
22. DNR – FY08 UST Section Funding	\$ 0.00
<b>*23. DNR – NFA Agreement (455G.9(1)(k))</b>	<b>\$ 279,056.40</b>
24. DNR – FY09 UST Section Funding	\$ 0.00
25. DNR – Plume Study Agreement	\$ 0.00
26. DNR – Legal Staff Position Funding	\$ 0.00
27. DNR – FY10 (multi-year) UST Section Funding	\$ 0.00
28. ISU – UST Operator Data Management System	\$ 0.00
<b>*29. DNR – RBCA Software revision (FY 2015)</b>	<b>\$ 4,860.00</b>

\* Denotes ongoing agreements; all other agreements have been completed.

## **C. Attorney General's Report**

## **D. Prior Year's Goals**



# 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: July 7, 2015  
SUBJECT: Fiscal Year 2015 Goal Summary

In 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. While the Environmental Protection Charge (EPC) collection has a sunset date of June 30, 2016 there is no such provision tied to the program or the program funding.

Focus of the Board's planning and operations during FY 2015 was to assess the liabilities of the outstanding claims and to focus on efforts to bring claims to a regulatory closure. Staff efforts were also focused on identifying those claims where work has stalled and to determine an approach to seek the claimant / landowners permission to prompt further work so as to attain regulatory closure.

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 included: Fund-eligible sites with ongoing activity (380 sites); stalled sites (~ 90); and newly eligible sites (~ 20/year). In addition, there continues to be a push to get sites already closed under DNR regulations, the final NFA certificate that provides access to the safety net established under Iowa Code 455G.9(1)(k).

Options for possible consideration to winding down the IUST Fund were discussed and 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.

It was agreed that any major changes in process will need to 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 claimants / landowners seeking response for future actions to address risks to allow claim closure following corrective actions.
- 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 for long-term funding for the Department to address sites where a responsible party cannot be found; this may include new or stalled claims.

## **II. Fiscal Year 2016 Goals**

# **IOWA UST FUND PROGRAM FISCAL YEAR 2016 GOALS DISCUSSION**

## **A. ISSUES AND HIGHLIGHTS FROM LAST YEAR**

## **B. GETTING PROGRAM TO CLOSURE**

- Offering settlement agreements to responsible parties and removal from the Fund
- 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.

## **C. MAINTAIN SHORT AND LONG TERM SOLVENCY**

- Cash flow—revenue and expenses
- Impact of HF 652 Veto on funding/reserves
- DNR Coordination
- Establish longer term trust fund for DNR (re: No RP, NFA, etc.)
  - Transition beyond funding sunset for NFA's and No RP
  - Who can the trust holder be to ensure solvency?
  - What are the triggers?

## **D. LEGISLATIVE INITIATIVES**



# 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:** July 7, 2015  
**SUBJECT:** Proposed Trust Fund

The Board has the considered the idea of a “Trust Fund” for the Department during several occasions, however the criteria for creating such a fund has not yet been met. Iowa Code 455G.9(3) *Trust Fund to be established* states “when the remedial account has accumulated sufficient capital to provide dependable income to cover the expenses of expected future releases or expected future losses for which no responsible owner is available, the excess capital shall be transferred to a trust fund administered by the board and created for that purpose”.

The Board has existing authority to create different accounts with different depositories to fulfill the duties of the Board and as such, may create a Trust Fund with the Treasurer of the State or with another entity when sufficient funds are available. It is anticipated that sufficient funds in the remedial account will be available in Fiscal Year 2016.

As of June 30, 2015, the fund balances and outstanding reserves of each fund are:

<b>Remedial Non-Bonding Fund - Balance</b>	\$16,834,687
Remedial Claims – Reserves	\$19,272,887
Retroactive Claims – Reserves	\$1,524,094
NFA Re-Opener Projects (re-occurring)	\$192,894
Tank Closure (re-occurring)	\$483,051
Total (as of 06/30/15)	\$21,472,978
O/S	(\$4,638,241)
<b>Innocent Landowner &amp; Marketability Fund</b>	\$7,898,385
Innocent Landowner Claims	\$5,408,288
Global Settlement Opt-In Claims	\$ 388,595
O/S	\$2,101,502

The **Unassigned Revenue Fund** has a balance of \$9,417,609. Expenses for program administration, governmental activities, and special projects are paid from this fund. In FY2015, costs were \$2.33M; expenses anticipated for FY 2016 will near \$2.5M, and in subsequent years could be in the range of \$1.5M annually. Assuming no material changes

to the program, this Fund should have a sufficient balance for activities through FY 19, with an ending balance of approximately \$2.4M.

The **Revenue Fund** has a balance of \$538,281. This fund receives the transfers from the Statutory Allocations Fund of \$3.5M per quarter. Pending receipt in FY2016, a transfer of \$9.0M to the remedial non-bonding fund is recommended to allow the Board to establish a balance greater than the outstanding reserves. In addition this may allow the Board to create a Trust Fund of \$5.0M for the Department's use on those sites where a responsible party is not available. Additional funds for the Trust Fund may also be available from the Unassigned Revenue Fund and from any future allocations to the Board.

(Reference: Proposed FY 2016 Budget)

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
PROPOSED  
FISCAL YEAR 2016 BUDGET**

	<b>FISCAL 2014 ACTUAL</b>	<b>FISCAL 2015 ACTUAL</b>	<b>FISCAL 2016 BUDGET</b>
<b>0471 - UST REVENUE FUND (Bonding)</b>			
<b>Balance of Fund, July 1, 2013 / 2014 / 2015</b>	<b>\$14,470,480.24</b>	<b>\$524,210.38</b>	<b>\$538,281.87</b>
<b>Receipts:</b>			
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$14,000,000.00	\$14,000,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	\$47,842.43	
Interest Income	\$53,730.14	\$13,090.33	\$50,000.00
Interest Income - Capital Reserve Fund	\$0.00	\$0.00	
	<b>\$14,053,730.14</b>	<b>\$14,060,932.76</b>	<b>\$14,050,000.00</b>
<b>Disbursements:</b>			
Bond Interest Payment	\$0.00	\$0.00	
Bond Principal Payment	\$0.00	(\$981.16)	
EPC Charges	\$0.00	\$0.00	
Transfer to General Fund	\$0.00	\$47,842.43	
Transfer to Trust Account		\$0.00	<b>\$5,000,000.00</b>
Transfer to Unassigned Revenue Fund (0450)	\$7,000,000.00	\$0.00	\$0.00
Transfer to Innocent Landowner Fund (0485)	\$9,000,000.00	\$0.00	\$0.00
Transfer to Remedial Non-Bonding Fund (0208)	\$12,000,000.00	\$14,000,000.00	<b>\$9,000,000.00</b>
	<b>\$28,000,000.00</b>	<b>\$14,046,861.27</b>	<b>\$14,000,000.00</b>
<b>Balance of Fund, June 30, 2014 / 2015 / 2016</b>	<b>\$524,210.38</b>	<b>\$538,281.87</b>	<b>\$588,281.87</b>
<b>0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)</b>			
<b>Balance of Fund, July 1, 2013 / 2014 / 2015</b>	<b>\$8,133,085.03</b>	<b>\$11,681,366.83</b>	<b>\$9,417,609.04</b>
<b>Receipts:</b>			
Request for Proposal Fees	\$0.00	\$0.00	
Copying/Filing Fees	\$0.00	\$0.00	
Fines & Penalties	\$0.00	\$0.00	\$0.00
Refund/Overpayment	\$19,550.41	\$100.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$7,000,000.00	\$0.00	\$0.00
Compensation for Pooled Money Investments	\$0.00	\$0.00	\$0.00
Amort / Accretion	\$0.00	\$0.00	\$0.00
Buys/ Sells	\$0.00	\$0.00	\$0.00
Interest Income	\$48,917.45	\$64,283.71	\$50,000.00
	<b>\$7,068,467.86</b>	<b>\$64,383.71</b>	<b>\$50,000.00</b>
<b>Disbursements:</b>			
UST Administrator's Fees	\$1,133,443.36	\$1,313,393.32	\$1,100,000.00
Adjustment	\$0.00	\$0.00	\$0.00
Attorney General's Fees	\$48,121.04	\$53,448.56	\$50,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	\$0.00	\$0.00
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$55.00	\$0.00	\$150.00
Actuarial Fees	\$0.00	\$20,617.90	\$0.00
Auditor of the State Fees	\$5,033.00	\$4,404.75	\$5,100.00
Bond Trustee's Fees - Bankers Trust	\$0.00	\$0.00	\$0.00
Claim Settlement	\$0.00	\$0.00	\$0.00
Custodial Fees - BONY	\$0.00	\$0.00	\$0.00
Department of Revenue EPC Collection Fees	\$8,241.66	\$16,688.09	\$25,000.00
Innovative Technology	\$0.00	\$0.00	\$0.00
Department of Inspection & Appeals Service Fees	\$243.95	\$0.00	\$500.00
Legal and Professional Fees	\$0.00	\$0.00	\$0.00
Postage / Printing / Miscellaneous	\$0.00	\$0.00	\$500.00
Professional Admin Services (Investments)	\$0.00	\$0.00	\$0.00
Professional Services - Owner/Operator Training	\$32,830.00	\$26,260.00	\$50,000.00
Rebate	\$0.00	\$0.00	\$0.00
Special Project Claims - Closure Contract Project	\$279,223.17	\$270,869.32	\$800,000.00

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
PROPOSED  
FISCAL YEAR 2016 BUDGET**

	<b>FISCAL 2014 ACTUAL</b>	<b>FISCAL 2015 ACTUAL</b>	<b>FISCAL 2016 BUDGET</b>
Travel Expenses-UST Board Members	\$0.00	\$0.00	\$700.00
Warrant Float Expense	\$0.00	\$0.00	\$0.00
28E DNR - RBCA Model	\$0.00	\$4,860.00	\$92,000.00
Statutory Transfer to DNR (Admin match; SF 494)	\$0.00	\$200,000.00	\$200,000.00
Statutory Transfer to DNR (technical review - recurring)	\$0.00	\$38,890.00	\$200,000.00
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$0.00	\$227,212.69	\$250,000.00
Appropriations Prior Fiscal Year	\$29,375.45	\$92,768.29	\$30,000.00
Appropriations Current Fiscal Year	\$1,970,798.43	\$58,728.58	\$0.00
Transfer of Funds to Remedial Fund (208)		\$0.00	\$0.00
Offset / Rebill of Funds to Remedial Non-Bonding Fund (208)		\$0.00	(\$150,000.00)
Offset / Rebill of Funds to Innocent Landowner Fund (485)	\$12,821.00	\$0.00	(\$150,000.00)
	<b>\$3,520,186.06</b>	<b>\$2,328,141.50</b>	<b>\$2,503,950.00</b>
<b>Balance of Fund, June 30, 2014 / 2015 / 2016</b>	<b>\$11,681,366.83</b>	<b>\$9,417,609.04</b>	<b>\$6,963,659.04</b>
<b>0208 - UST REMEDIAL NON-BONDING FUND</b>			
<b>Balance of Fund, July 1, 2013 / 2014 / 2015</b>	<b>\$4,347,071.02</b>	<b>\$8,681,846.71</b>	<b>\$16,834,687.68</b>
<b>Receipts:</b>			
Remedial Refunds	\$0.00	\$0.00	\$0.00
Misc. Income (i.e. eligibility settlements)	\$0.00	\$0.00	\$0.00
Interest Income	\$0.00	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$12,000,000.00	\$14,000,000.00	\$9,000,000.00
Transfer From UST Unassigned Revenue Fund (0450)	\$0.00		\$0.00
	<b>\$12,000,000.00</b>	<b>\$14,000,000.00</b>	<b>\$9,000,000.00</b>
<b>Disbursements:</b>			
Retroactive Claims	\$513,611.19	\$483,723.34	\$700,000.00
Remedial Claims	\$6,565,532.03	\$5,638,469.11	\$5,000,000.00
Tank Closure (2010) Claims	938,532.01	\$873,121.00	\$750,000.00
28E Agreement - NFA Claims	\$226,359.97	\$279,056.40	\$500,000.00
Adjustment	\$0.00	\$0.00	\$0.00
Offset / Rebill of Funds to Innocent Landowner Fund (485)	(\$562,391.00)	(\$550,337.46)	(\$80,000.00)
Offset / Rebill of Funds to Unassigned Revenue Fund (0450)	\$0.00	\$0.00	\$150,000.00
Transfer to Unassigned Revenue Fund	\$6,912.00	\$0.00	
Balance of Outdated Warrants	(\$23,331.89)	(\$3,752.36)	
	<b>\$7,665,224.31</b>	<b>\$5,847,159.03</b>	<b>\$7,020,000.00</b>
<b>Balance of Fund, June 30, 2014 / 2015 / 2016</b>	<b>\$8,681,846.71</b>	<b>\$16,834,687.68</b>	<b>\$18,814,687.68</b>
<b>0478 - UST MARKETABILITY FUND</b>			
<b>Balance of Fund, July 1, 2013 / 2014 / 2015</b>	<b>\$742,024.35</b>	<b>\$755,308.99</b>	<b>\$755,308.99</b>
<b>Receipts:</b>			
Interest	\$13,284.64	\$32,360.62	\$35,000.00
Use Tax	\$0.00	\$0.00	\$0.00
	<b>\$13,284.64</b>	<b>\$32,360.62</b>	<b>\$35,000.00</b>
<b>Disbursements:</b>			
Intra State Fund Transfer	\$0.00	\$0.00	\$0.00
Transfer to Innocent Landowners Fund	\$0.00	\$0.00	\$0.00
	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Balance of Fund, June 30, 2014 / 2015 / 2016</b>	<b>\$755,308.99</b>	<b>\$787,669.61</b>	<b>\$790,308.99</b>
<b>0485 - UST INNOCENT LANDOWNERS FUND</b>			
<b>Balance of Fund, July 1, 2014 / July 1, 2015</b>	<b>\$2,176,164.40</b>	<b>\$8,604,467.48</b>	<b>\$7,110,415.34</b>
<b>Receipts:</b>			

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
PROPOSED  
FISCAL YEAR 2016 BUDGET**

	<b>FISCAL 2014 ACTUAL</b>	<b>FISCAL 2015 ACTUAL</b>	<b>FISCAL 2016 BUDGET</b>
Cost Recovery (i.e. lien settlements)	\$1,690.00	\$41,035.84	\$25,000.00
ILO Refunds	\$0.00	\$0.00	\$0.00
Transfer From Loan Gaur Fund (0238) / UST Revenue Fund (0471)	\$9,000,000.00	\$0.00	\$0.00
Outdated Warrants	\$0.00	\$0.00	\$0.00
Miscellaneous Income	\$0.00	\$0.00	\$0.00
	\$9,001,690.00	\$41,035.84	\$25,000.00
<b>Disbursements:</b>			
Cost Recovery Reimbursement	\$0.00	\$0.00	\$0.00
Cost Recovery Global Settlement	\$0.00	\$0.00	\$0.00
Adjustment	\$0.00	\$0.00	\$0.00
Intra State Fund Transfers Paid (to Unassigned Revenue)	(\$12,821.00)	\$0.00	
Other Contractual Services	\$0.00	\$0.00	
Global Settlement Claims	\$101,736.53	\$158,329.65	\$80,000.00
Innocent Landowner Claims	\$2,184,969.37	\$1,419,625.63	\$2,000,000.00
Transfer to Remedial Fund (0208)	\$309,750.72	\$0.00	
Balance of Outdated Warrants	(\$10,248.70)	(\$42,867.30)	
Offset / Rebill of Funds to Innocent Landowner Fund (485)			\$150,000.00
	\$2,573,386.92	\$1,535,087.98	\$2,230,000.00
<b>Balance of Fund, June 30, 2014 / 2015 / 2016</b>	<b>\$8,604,467.48</b>	<b>\$7,110,415.34</b>	<b>\$4,905,415.34</b>
<b>0238 - UST LOAN GUARANTEE FUND (Non-Bonding)</b>			
<b>Balance of Fund, July 1, 2013 / 2014 / 2015</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>0614 - UST CAPITAL RESERVE FUNDS (Bonding)</b>			
<b>Balance of Fund, July 1, 2013 / 2014 / 2015</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>XXX - DNR TRUST FUND (Non-Bonding)</b>			
Receipt - Transfer from Unassigned Revenue Fund			\$5,000,000.00
<b>Balance of Fund, June 30, 2016</b>			<b>\$5,000,000.00</b>
<b>TOTAL FUND BALANCES, June 30, 2014 / 2015 / 2016</b>	<b>\$30,247,200.39</b>	<b>\$34,688,663.54</b>	<b>\$37,062,352.92</b>

**FOOTNOTES:**

- 1 Remedial Fund Balance (end FY 2015) = \$16.8M  
Reserves for Retro / Rem claims = \$19.2M  
Estimates for tank closure & NFA reop = \$1M / year  
Remedial Fund need estimated at \$24M (thru FY 18)
- 2 ILO & Marketability Fund Balance = \$7.9M  
Reserves for ILO claims / GS claims = \$5.7M
- 3 Unassigned Revenue Fund balance = \$9.4M  
USTCA Closure Contract ~ \$0.8M  
Administrative Costs (FY 2016) ~ \$1.7M

## **Approval of Prior Board Minutes**



# 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

## MINUTES IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND PROGRAM

MAY 28, 2015

LUCAS STATE OFFICE BUILDING  
321 EAST 12<sup>th</sup> STREET, ROOM 18  
DES MOINES, IOWA

Joseph Barry, Acting Board Chair, called the Iowa UST Fund Board meeting to order at 10:00 A.M. A quorum was present, with the following Board members present:

Karen Andeweg  
Patricia Beck  
Dawn Carlson  
Timothy Gartin (via telephone)  
Tim Hall (for Chuck Gipp)  
Adam Phillips (for Michael Fitzgerald)  
Jeff Robinson

Also present were:

David Steward, Attorney General's Office  
Dale Cira, Administrator  
James Gastineau, Deputy Administrator  
Elaine Douskey, Iowa Department of Natural Resources

### APPROVAL OF PRIOR BOARD MINUTES

Mr. Berry inquired if the members had reviewed the minutes and if there were any items for discussion. Hearing none, Ms. Andeweg moved to approve the minutes of the April 24, 2015 meeting and Ms. Beck seconded the motion. The minutes were approved unanimously.

### CLOSED SESSION

Mr. Berry 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.

Ms. Carlson joined the meeting at 10:02 a.m.

## **BOARD ISSUES**

### **A. Legislative Update**

Mr. Gastineau noted that at the April meeting it was discussed that House File 652, the successor to House File 537, was passed in the House on a vote of 99-0. As of today's meeting, the Senate had not yet reviewed the bill. It was noted that the bill, as amended, creates a cost share grant program for the replacement of underground storage tanks (USTs) and requires a study be completed to assess the number of USTs installed prior to 1990; evaluate the need for and potential costs of replacing USTs nearing the end of their life cycle, and examine issues with leaking UST sites that have impediments to redevelopment. He noted the study also asks for information on the status of the current program and asks for an assessment of the potential to finish the cleanup of these sites by December 31, 2020.

Mr. Gastineau reported that Senate File 489 is also still in consideration. He noted an amendment was filed that would remove the EPC extension to 2026 but does not include a requirement for a study. Copies of the bills were included in the Board packets.

Following the overview, Mr. Barry inquired on the Board's duties in the event the study is required. Mr. Gastineau noted it will be the Board's duty to compile the information and provide the report. Ms. Carlson noted that in part the push behind the bill was to help small businesses, advance bio-fuels use and help maintain the petroleum infrastructure. She noted that the Petroleum Marketers of Iowa has some of the information already gathered and would share the information as needed for the study.

Mr. Cirra noted that the Administrator's office would continue to monitor the status of the bills and would report updates to the Board.

### **B. USTCA Closure Contract Sites**

Mr. Gastineau provided an overview of the State Lead Closure Contract project currently in progress. He noted there are 110 sites where work is being pursued, including 52 sites where work is ongoing at 52 sites, 20 sites where work has been completed and 38 sites where access is still needed. It was noted that for many of the sites, the landowner is not the responsible party for the contamination and may also not be the claimant for UST benefits thus it is often difficult to get access to these properties. Mr. Gastineau also remarked that due to the access issues, information on the sites is limited and as a result it is difficult to develop a reserve for the sites. Mr. Gastineau also noted that some sites, albeit a small percentage, are made complex even further due to questions about new releases or releases from non-eligible sources such as above ground tanks.

### **C. USTCA Closure Contract Reauthorization**

Mr. Gastineau noted, as reported earlier, that State Lead Closure Contract Project is a good tool for completing work on stalled sites. He noted that the Board and the Department of Natural Resources (DNR) entered into 28E agreements in 1997, 2004 and, most recently, in 2010 to conduct UST closures, RBCA evaluations and emergency response activities at sites where DNR has determined such action is needed. Mr. Gastineau noted the current 28E agreement and the contract with the vendors retained for the project expires August 30, 2015. He also noted as continued work is needed and as additional sites are still being added to the project, additional funding is needed. Mr. Gastineau asked the Board to authorize an extension of the 28E agreement and vendor contracts for one year for work through August 31, 2016 and asked that the Board increase the authority for the project to \$2 million.

Following a brief discussion, Ms. Carlson moved to approve the requests and Ms. Andeweg seconded the motion. The motion was approved unanimously.

### **D. UST Fund Agreements**

Mr. Gastineau presented overview of the outstanding agreements currently in use. It was noted the agreements generally stem from properties acquired by governmental entities which qualify for 100% benefit claims and then which are transferred to another entity. Mr. Gastineau noted the 12 agreements identified include the provision that funds must be provided to the Board if the property is sold within 10 years of the property last receiving funding for corrective actions. He noted a few such agreements have already expired and that for agreements identified in the memo, the 10-year period ranges from 2015 to 2024. It was also noted that additional agreements are possible.

### **E. UST Fund Retention Policy**

Mr. Gastineau provided an overview of the State of Iowa Records Retention Policy as it pertains to all State entities. He noted that the State Records Commission was established to assist agencies in determining what records need to be maintained for historical preservation and then how to maintain those records. Mr. Gastineau noted that the commission developed a *Records Management Manual* which includes policies adopted by the various State agencies regarding their own retention issues and also includes policies that apply to all agencies. The policies outline the description of the records affected, how records are to be maintained, and describes final disposition of the records. It was noted that State records are not to be destroyed without an approved policy unless prior approval is granted by the commission or if a records retention schedule as provided in the State of Iowa Records Management Manual is followed.

Mr. Gastineau noted that since 1990, the Board actions have created a vast array of files. He noted that in addition to the normal claim files, files maintained include State Lead project information, administration files, bonding records, and all records of the Board meetings to date. It was noted that the claim files are the majority of the records and as the claim files are a subset of the Department's records, the continued need for the information is questioned. It was also noted that since the program inception, all records have been maintained in a paper format and that the closed claim files now reside in approximately 1600 banker boxes stored at an off-site location.

Mr. Gastineau stated that he has attended several of the State Records Commission meetings during the last fiscal year, as noted that records management and retention is an issue that all agencies have to address. He reported that the Records Commission made the announcement that the State Records depot is full and that no further records can be added to the facility. Mr. Gastineau noted that when the Board ceases to exist, something will need to be done with the records; however, instead of waiting to make a determination, a policy is being recommended today.

Mr. Gastineau noted that the State Records Management Manual has various policies that apply to all agencies and that the memo provided in the Board packet identifies four such policies that are recommended for use. These policies identify the affected records, as follows:

- State Issued Contracts and Agreements for Services
- Non-Litigation and Litigation Case Files
- Approved / Disapproved General Claims
- Accounts Payable Backup Detail to Claims

It was noted that the records in each category would be maintained for 10 years following closure of the claim, contract, or litigation. Following the 10-year period, the records would be reviewed prior to final disposition. Final disposition in most cases will be by destruction; confidential material, i.e., a claimant's personal information, would be shredded, while documents that are publicly available would be discarded or the paper recycled. It was also noted that a record would be maintained for a period of 10 years of all files destroyed.

Mr. Gastineau explained that the process would require time as there are an estimated 4000+ claims that have already been closed for more than 10 years. He noted that the process would be started on a slow basis with the goal to determine a final disposition before the end of the program.

In considering the recommendation, questions were asked about the Department's storage policy and Ms. Douskey noted that the Department intends to maintain all UST and LUST records indefinitely. Mr. Steward noted that the records from the UST division of his office were destroyed following a 10-year schedule and Mr. Barry noted that the State Appeals Board also follows a similar schedule. It was also noted that scanning of the documents is not feasible due to the estimated cost of \$300 – \$400 per box.

Ms. Carlson inquired if the plan would eliminate past records where old data may be needed. Mr. Gastineau noted that if the information was part of an old claim that had been closed, it may but noted that the Department would also have the same record. If a claim had not been filed, the Board would not have any record of the data at all. Mr. Norris commented that PMMIC has some of the same issues noting that they have purged records where tanks have been removed for more than 1-2 years, but retain records for sites with active tanks.

In considering the issue, questions were also asked about State rules that may apply and it was noted that the State Records Commission and the Records Management Manual set the bar for the process. Mr. Gastineau noted that should the Board approve the proposed policy outlined today, that he would seek final approval from the State Records Commission prior to implementation of the policy. Mr. Gastineau also noted that the recommendation presented would be modified so

that the records for any site that still maintains an active UST system would not be destroyed regardless of the time when the claim was filed thus providing a backup resource in the event that the claim information is needed if the site is re-opened.

In considering the changes noted, Mr. Hall moved to approve the recommended retention policy, as amended by the discussion, and Ms. Carlson seconded the motion. The motion passed unanimously.

#### **F. DNR Update**

Ms. Elaine Douskey reported that, since October 1, the DNR has closed 92 LUST sites, which is ahead of schedule and noted that as May 28, 2015, there are 797 open LUST sites.

Ms. Douskey noted that due to some budget constraints, the Department will not hire an environmental senior position to replace the position recently vacated. She also noted that the Department does not have a trainer available for the RBCA groundwater professional training class, so the training may be done using in-house staff later in the year. She also noted that the modification to the RBCA model is progressing well and that the new application will hopefully have a few more tools than the old software had.

#### **PROGRAM BILLINGS**

The following current monthly billings were presented to the Board for approval.

1. Aon Risk Services ..... \$97,838.00  
Consulting Services June 2015 -- \$58,838.00  
Claims Processing Services June 2015 -- \$39,000.00
  
2. Iowa Attorney General's Office ..... \$3,980.91  
Services provided for Underground Storage Tank Program  
April 2015 (FY 2015) Billing
  
3. Iowa Department of Revenue ..... \$1,198.38  
Services provided for Underground Storage Tank Program  
3<sup>rd</sup> Quarter FY 2015 EPC billing

Ms. Andeweg moved to approve the billings as presented. Ms. Beck seconded the motion. Motion carried unanimously.

#### **MONTHLY ACTIVITY REPORT AND FINANCIALS**

Mr. Gastineau provided an overview of the April 2015 Activities Report by noting a continued trend downward in the number of claims and noted that for the current calendar year, 27 claims had been closed. He noted that there was nothing out of the ordinary for the financial statements.

## **ATTORNEY GENERAL'S REPORT**

Mr. Steward stated there was nothing to report.

## **CLAIM PAYMENT AUTHORITY**

Mr. Gastineau presented the following claim authority requests:

### **1. Site Registration 8607575 – Valley Restaurant, Inc., Villisca (6<sup>th</sup> Board Report)**

Mr. Gastineau noted this site is high risk due to proximity to the municipal water wells, non-drinking water wells, vapor receptors and water line receptors. A temporary drinking water treatment system has been installed to help the city meet their water demand, but a longer-term solution is needed. The best option appears to be the installation of a new city well outside of the area of potential contamination influence.

Mr. Gastineau noted the present claim reserve is \$1,000,000. Previous Board approval was granted January 21, 2015, for costs up to \$770,000, with the costs incurred to date at \$694,559.36. The projected costs could exceed the statutory funding thus additional authority was recommended of \$230,000 for a total authority of \$1,000,000. Ms. Carlson moved to approve the project and Mr. Hall seconded the motion. The motion passed unanimously.

### **2. Site Registration 7910388 – Bessie Orness, Cedar Rapids (1<sup>st</sup> Board Report)**

Mr. Gastineau noted this site is classified low risk for the protected groundwater source pathway. It was noted that recent soil sampling will result in the reclassification of the site to high risk for the soil leaching pathway. It was also noted that the City of Cedar Rapids does not have an approved well ordinance prohibiting the placement of wells thus corrective action is needed. The consultant is proposing chemical treatment of the soil and groundwater plumes using a combination of an oxidizer and activated carbon to be injected into the subsurface.

Mr. Gastineau noted present claim reserve is \$75,000. Total costs incurred to date are \$34,130.00. Projected costs for monitoring and corrective action are \$150,000 to \$225,000. Total authority was requested to \$200,000. Ms. Beck moved to approve the request and Ms. Andeweg seconded the motion. The motion passed unanimously.

### **3. Site Registration 8600878 – Campus Amoco, Iowa City (1<sup>st</sup> Board Report)**

Mr. Gastineau noted this site was classified “no action required with free product” in 1998. The site area is highly developed and the free product is present at a depth of 40 feet below grade thus limiting the correction action options. Further investigation of the free product plume using a laser induced fluorescence (LIF) is proposed at this time. Following the data acquisition, more options can be considered.

The present claim reserve is \$150,000. Total costs incurred to date total \$75,335.45. Total authority requested is \$150,000. Mr. Hall moved to approve the request and Ms. Carlson seconded the motion. The motion passed unanimously.

#### **4. Site Registration 8811746 – Vernon’s Conoco, Anamosa (1<sup>st</sup> Board Report)**

Mr. Gastineau noted this site was classified as no action required in 2014 when a reclassification site monitoring report was submitted and accepted. A final free product inspection report was also completed, and the DNR approved the termination of all activities. The monitoring wells have since been abandoned, with the work being completed without prior budget approval. Funding is requested to reimburse the final claim costs.

The present claim reserve is \$79,702.72. Total payments to date are \$74,315.48. Total authority requested is \$80,000. Ms. Carlson moved to approve the request and Ms. Andeweg seconded the motion. The motion was approved unanimously.

Mr. Gartin left the meeting at 11:05 a.m.

#### **5. Site Registration 9217516 –Tuff Luck, Inc., Climbing Hill (3<sup>rd</sup> Board Report) & Site Registration 8811618 – Woodbury Central Schools, Climbing Hill (3<sup>rd</sup> Board Report)**

Due to the complexity of the two claims presented, Mr. Gastineau provided an overview of the projects at the same time. He noted that the non-incorporated community of Climbing Hill has been dealing with petroleum contamination for the past 23 years and that in the early 1990’s, several private water wells had been impacted by petroleum contamination. He also noted that the Department subsequently installed treatment units at several homes to treat the affected water. Based on the investigations completed to assess the contamination using Federal LUST Trust monies and later through a State Lead Community Remediation Project, it was determined that the most feasible solution would be to replace the individual wells with community wells to serve the residents. As the ideas were formulated, it was noted there were numerous public meetings with the County officials and with the community, and in early 2003, three new wells were installed.

Mr. Gastineau noted that two of the wells were identified as ‘association wells’. The association water systems were designed to be private water systems, while the third well was installed to be a public water system.

Mr. Gastineau noted that due to siting requirements, the public well was placed on leased land with a 10-year lease, with an option to renew for an additional 10-year period. The lease expired in 2013 with no action taken by the lessee; the landowner is now demanding the well be removed. Since installation of the well was considered corrective action and as the lessee cannot install a well on his property, a new water source is needed. Mr. Gastineau outlined the possible options to include connecting the former restaurant location, now a private residence, to one of the existing association wells or installing a new well to serve the residence. It was noted if the latter option is selected, it may be possible to also abandon the association well which produces water with a high mineral content and connect those residents to the new well. It was also noted that if this option is used it may allow the other high risk water wells to be closed and the two LUST sites to finally move to closure.

Mr. Gastineau noted that the costs incurred to date have been for the investigations and water systems placed in the community. The total costs incurred for the Tuff Luck, Inc. claim is \$465,984.98 and for the Woodbury Central Schools claim, \$565,183.71. Projected costs to install a new water system and continue monitoring at the sites is in the range of \$65 to \$125,000. Mr. Gastineau requested additional authority be given for the Tuff Luck, Inc. for expenses up to \$550,000 (an increase of \$50,000 over the current authority) and for the Woodbury Central Schools claim for expenses up to \$640,000 (an increase of \$75,000 over current authority).

Following a brief discussion, Mr. Hall moved to approve the requests and Ms. Carlson seconded the motion. The motion passed unanimously.

### **CONTRACTS ENTERED INTO SINCE THE APRIL 24, 2015 BOARD MEETING**

The Board has not entered into any contracts since the April 24, 2015 Board meeting.

### **OTHER ISSUES**

No other issues were presented.

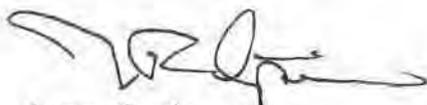
### **CORRESPONDENCE AND ATTACHMENTS**

Mr. Gastineau indicated a newspaper article from the *Sioux City Journal* was provided for the members review regarding the LUST site at the Woodbury County Law Enforcement Center location. He noted the Woodbury County LEC sits on top of a former UST site and since construction vapors have been reported in the building. Remediation efforts are ongoing and a meeting is planned in June 2015 to further discuss the contamination issues and develop a plan to finish the work at the site.

Mr. Gastineau announced there will not be a June Board meeting but the annual planning meeting will be held on July 14 at the Arboretum near Madrid, Iowa at 9:30 a.m. Dress will be casual.

Ms. Andeweg motioned to adjourn the meeting at 11:23 A.M. and Mr. Hall seconded the motion. The measure passed with a unanimous vote.

Respectfully Submitted,



James Gastineau  
Deputy Administrator

## **Closed Session**

### **Discussion of Pending and Imminent Litigation**

## **Public Comment**

## **Board Issues**

## **A. Legislative Update**



# 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

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**TO:** UST Board  
**FROM:** Dale T. Cira  
**DATE:** July 7, 2015  
**RE:** 2015 Legislative Update

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### Bills of Interest

**House File 652**, the successor to HF 537, was drafted to modify the funding to the UST Fund Program and create an underground storage tank cost share grant program and fund. The bill, as amended, was passed by both the House and Senate on June 5, 2015, and in the final form, modified funding for the existing programs by reducing the allocation from the Statutory Allocations Fund (SAF) from \$3.5 million to \$1.75 million per quarter, created the cost share grant program by providing \$1.75 million per quarter from the SAF to the grant fund, and included language requiring a study be completed and a report be provided to the legislature. The proposed study would have included an evaluation of the UST program to better define the remaining liabilities and impediments to cleanup and closure of remaining sites.

On June 30<sup>th</sup>, the Governor vetoed HF 652 (Attached hereto). In his explanation, the Governor indicated his desires for the UST Fund to wind down the program in light of the discontinuation of the collection of the Environmental Protection Charge in June 2016 and indicating in his statement that the State of Iowa and the UST Fund Board should complete action on remaining liabilities in the UST Fund.

### Budget Bills

**House File 394** - This bill makes the annual \$200,000 appropriation from the UST Fund to DNR for their budget. A portion of this money is to meet their federal matching requirements. The rest is for their general UST Section budget.

July 2, 2015

The Honorable Paul D. Pate  
Secretary of State of Iowa  
State Capitol  
Des Moines, Iowa 50319

Dear Mr. Secretary:

I hereby transmit House File 652, an Act relating to underground storage tanks, including by establishing an underground storage tank cost share grant program and fund and making an appropriation.

House File 652 is hereby disapproved on this date.

I am unable to approve House File 652 for the following reasons:

The Iowa legislature created the Underground Storage Tank (UST) Fund in 1989. The UST Fund currently receives \$14 million annually from the Statutory Allocation Fund (SAF). I support ending the one cent Environmental Projection Charge consumers pay at the fuel pump which sunsets on June 30, 2016. The Road Use Tax fund will incur a \$17 million annual reduction until the SAF is amended. Now that the UST Fund has been operating for over twenty-six years, the State of Iowa and the UST Fund Board should complete action on remaining liabilities in the UST Fund. I look forward to working with the legislature next year to increase investment in renewable fuels infrastructure.

For the above reasons, I respectfully disapprove House File 652, in its entirety, in accordance with Article III, Section 16, of the Constitution of the State of Iowa.

Sincerely,

TERRY E. BRANSTAD  
Governor

## **B. FY 2016 - 12 Month Meeting Schedule**



# 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

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TO:            UST Board Members  
FROM:        Dale Cira  
DATE:        July 6, 2015  
SUBJECT:    FY 2016 – 12 Month Meeting Schedule

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The Board has set a meeting schedule for the fourth Thursday of each month except during the months of January, February, March and April, in which alternate dates were to be selected on Mondays or Fridays where possible to accommodate the legislative session. This memo is to set the tentative dates for Fiscal 2016. The meeting dates will still be confirmed at the meetings two months prior and immediately prior. The tentative schedule for the next 12 months is:

- Thursday, August 27 , 2015
- Thursday, September 24, 2015
- Thursday, October 29, 2015 (5<sup>th</sup> Thursday)
- Thursday, December 10, 2015
- Friday, January 22, 2016
- Friday, February 26, 2016
- Friday, March 25, 2016
- Friday, April 22, 2016
- Thursday, May 26, 2016
- Tuesday, July 19, 2016 (Annual Strategic Planning Session – off-site)

**C. FY 2016 Attorney General Agreement**



THOMAS J. MILLER  
ATTORNEY GENERAL

## Department of Justice

ADDRESS REPLY TO:  
1305 E. WALNUT STREET  
DES MOINES, IOWA 50319  
TELEPHONE: 515/281-5164  
FAX: 515/281-4209

June 1, 2015

RE: Fiscal Year 2016 Contract Agreement

Dear Sir or Madam:

Please find enclosed the state fiscal year 2016 reimbursement contract agreement between your agency and the Department of Justice for attorney fee expenses effective July 1, 2015 through June 30, 2016.

After reviewing the contract, please have your agency head sign and return the original signed contract agreement to our office in the envelope provided by Friday, June 26, 2015, if possible. The other original signed contract labeled "*Copy*" is to be retained by your agency. If you have any questions pertaining to the contract agreement, please feel free to call me at 281-6362 or Eric Tabor at 281-5191.

Thank you for your assistance and we look forward to working with your agency in the upcoming year.

Sincerely,

A handwritten signature in cursive script that reads "Shelley DeForest".

Shelley DeForest  
Financial Manager

## AGREEMENT



This Agreement is entered into on this 1st day of June, 2015, by and between the Department of Justice [hereinafter the Department] and the Underground Storage Tank Fund, [hereinafter the Fund], for the fiscal year 2016.

### PARTIES

1. The Department is headed by the Attorney General, a constitutionally created elected official, whose duties are delineated in chapter 13 of the Iowa Code.
2. The Fund is a body created by statute and delegated powers in its enabling act and other related statutes.

### DUTIES

1. The Department shall provide legal services to the Fund pursuant to chapter 13 of the Iowa Code through one or more attorneys within the Department.
2. Attorneys who provide legal services under this Agreement are subject to the supervision and direction of the Attorney General for all purposes.
  - A. The Attorney General shall make all assignments of attorneys to the Fund based on the available resources within the Department.
  - B. The Attorney General shall retain authority to determine compensation, conduct performance evaluations, determine the priority of work assignments and direct the work of all assigned attorneys.

### PAYMENT

1. Payment by the Fund for legal services performed by the Department shall be based on an estimate of the total annual value of the legal services which includes, but is not limited to: the attorney time devoted to the agency; the difficulty of the legal work required; and the provision of support staff in the performance of the legal services.
  - A. The Fund shall pay approximately \$50,000 to the Department for legal services for fiscal year 2016.
  - B. The Department shall bill the Fund for legal services monthly on an IET transfer document.

2. The Fund shall pay all travel and miscellaneous expenses incurred in the performance of legal services in addition to the amount specified for legal services. The Department shall obtain prior approval from the Fund before incurring travel expenses.

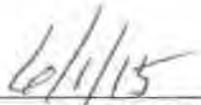
A. Travel expenses include all expenses incurred by attorneys in relation to attending agency meetings, prosecuting contested case hearings and prosecuting or defending litigation, excluding tort claim defense.

B. Miscellaneous expenses include expert witness fees and expenses, deposition costs, copying costs, costs of supplies and other costs associated with the provision of legal services to the Fund. The Fund shall pay a maximum of \$500 in Westlaw charges for the fiscal year. The Department shall pay any West law charges in excess of \$500.



CHIEF DEPUTY ATTORNEY GENERAL

UNDERGROUND STORAGE TANK FUND



DATE

DATE

## **D. FY 2016 – Proposed Budget**



# 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

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**TO:** UST Board  
**FROM:** Dale T. Cira  
**DATE:** July 7, 2015  
**RE:** 2016 Proposed Budget

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The attached budget shows the projected financial activity for fiscal year 2016 (FY16) based on billings and claim payment trends over the past years, as well as, contracts and agreements pending or executed on behalf of the Board.

Pursuant to the fiscal year 2016 budget, the following UST Fund transfers are recommended to facilitate the payment of UST Fund claims.

- 1) Transfer \$9.0 million from the Revenue Fund balance at the end of FY 16 to the Remedial Non-Bonding Fund to pay remedial and retroactive claims.
- 2) Transfer the remaining Revenue Fund balance of \$5.0 million from the Revenue Fund balance to a new fund, to be established as a separate fund for the funding to assist the Department address actions at sites where a responsible party cannot be found.

We recommend approval of the budget submitted for FY16, unless Board members can identify any items for revision at this time.

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
PROPOSED  
FISCAL YEAR 2016 BUDGET**

	<b>FISCAL 2014 ACTUAL</b>	<b>FISCAL 2015 ACTUAL</b>	<b>FISCAL 2016 BUDGET</b>
<b>0471 - UST REVENUE FUND (Bonding)</b>			
<b>Balance of Fund, July 1, 2013 / 2014 / 2015</b>	<b>\$14,470,480.24</b>	<b>\$524,210.38</b>	<b>\$538,281.87</b>
<b>Receipts:</b>			
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$14,000,000.00	\$14,000,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	\$47,842.43	
Interest Income	\$53,730.14	\$13,090.33	\$50,000.00
Interest Income - Capital Reserve Fund	\$0.00	\$0.00	
	<b>\$14,053,730.14</b>	<b>\$14,060,932.76</b>	<b>\$14,050,000.00</b>
<b>Disbursements:</b>			
Bond Interest Payment	\$0.00	\$0.00	
Bond Principal Payment	\$0.00	(\$981.16)	
EPC Charges	\$0.00	\$0.00	
Transfer to General Fund	\$0.00	\$47,842.43	
Transfer to Trust Account		\$0.00	<b>\$5,000,000.00</b>
Transfer to Unassigned Revenue Fund (0450)	\$7,000,000.00	\$0.00	\$0.00
Transfer to Innocent Landowner Fund (0485)	\$9,000,000.00	\$0.00	\$0.00
Transfer to Remedial Non-Bonding Fund (0208)	\$12,000,000.00	\$14,000,000.00	<b>\$9,000,000.00</b>
	<b>\$28,000,000.00</b>	<b>\$14,046,861.27</b>	<b>\$14,000,000.00</b>
<b>Balance of Fund, June 30, 2014 / 2015 / 2016</b>	<b>\$524,210.38</b>	<b>\$538,281.87</b>	<b>\$588,281.87</b>
<b>0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)</b>			
<b>Balance of Fund, July 1, 2013 / 2014 / 2015</b>	<b>\$8,133,085.03</b>	<b>\$11,681,366.83</b>	<b>\$9,417,609.04</b>
<b>Receipts:</b>			
Request for Proposal Fees	\$0.00	\$0.00	
Copying/Filing Fees	\$0.00	\$0.00	
Fines & Penalties	\$0.00	\$0.00	\$0.00
Refund/Overpayment	\$19,550.41	\$100.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$7,000,000.00	\$0.00	\$0.00
Compensation for Pooled Money Investments	\$0.00	\$0.00	\$0.00
Amort / Accretion	\$0.00	\$0.00	\$0.00
Buys/ Sells	\$0.00	\$0.00	\$0.00
Interest Income	\$48,917.45	\$64,283.71	\$50,000.00
	<b>\$7,068,467.86</b>	<b>\$64,383.71</b>	<b>\$50,000.00</b>
<b>Disbursements:</b>			
UST Administrator's Fees	\$1,133,443.36	\$1,313,393.32	\$1,100,000.00
Adjustment	\$0.00	\$0.00	\$0.00
Attorney General's Fees	\$48,121.04	\$53,448.56	\$50,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	\$0.00	\$0.00
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$55.00	\$0.00	\$150.00
Actuarial Fees	\$0.00	\$20,617.90	\$0.00
Auditor of the State Fees	\$5,033.00	\$4,404.75	\$5,100.00
Bond Trustee's Fees - Bankers Trust	\$0.00	\$0.00	\$0.00
Claim Settlement	\$0.00	\$0.00	\$0.00
Custodial Fees - BONY	\$0.00	\$0.00	\$0.00
Department of Revenue EPC Collection Fees	\$8,241.66	\$16,688.09	\$25,000.00
Innovative Technology	\$0.00	\$0.00	\$0.00
Department of Inspection & Appeals Service Fees	\$243.95	\$0.00	\$500.00
Legal and Professional Fees	\$0.00	\$0.00	\$0.00
Postage / Printing / Miscellaneous	\$0.00	\$0.00	\$500.00
Professional Admin Services (Investments)	\$0.00	\$0.00	\$0.00
Professional Services - Owner/Operator Training	\$32,830.00	\$26,260.00	\$50,000.00
Rebate	\$0.00	\$0.00	\$0.00
Special Project Claims - Closure Contract Project	\$279,223.17	\$270,869.32	\$800,000.00

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
PROPOSED  
FISCAL YEAR 2016 BUDGET**

	<b>FISCAL 2014 ACTUAL</b>	<b>FISCAL 2015 ACTUAL</b>	<b>FISCAL 2016 BUDGET</b>
Travel Expenses-UST Board Members	\$0.00	\$0.00	\$700.00
Warrant Float Expense	\$0.00	\$0.00	\$0.00
28E DNR - RBCA Model	\$0.00	\$4,860.00	\$92,000.00
Statutory Transfer to DNR (Admin match; SF 494)	\$0.00	\$200,000.00	\$200,000.00
Statutory Transfer to DNR (technical review - recurring)	\$0.00	\$38,890.00	\$200,000.00
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$0.00	\$227,212.69	\$250,000.00
Appropriations Prior Fiscal Year	\$29,375.45	\$92,768.29	\$30,000.00
Appropriations Current Fiscal Year	\$1,970,798.43	\$58,728.58	\$0.00
Transfer of Funds to Remedial Fund (208)		\$0.00	\$0.00
Offset / Rebill of Funds to Remedial Non-Bonding Fund (208)		\$0.00	(\$150,000.00)
Offset / Rebill of Funds to Innocent Landowner Fund (485)	\$12,821.00	\$0.00	(\$150,000.00)
	<b>\$3,520,186.06</b>	<b>\$2,328,141.50</b>	<b>\$2,503,950.00</b>
<b>Balance of Fund, June 30, 2014 / 2015 / 2016</b>	<b>\$11,681,366.83</b>	<b>\$9,417,609.04</b>	<b>\$6,963,659.04</b>
<b>0208 - UST REMEDIAL NON-BONDING FUND</b>			
<b>Balance of Fund, July 1, 2013 / 2014 / 2015</b>	<b>\$4,347,071.02</b>	<b>\$8,681,846.71</b>	<b>\$16,834,687.68</b>
<b>Receipts:</b>			
Remedial Refunds	\$0.00	\$0.00	\$0.00
Misc. Income (i.e. eligibility settlements)	\$0.00	\$0.00	\$0.00
Interest Income	\$0.00	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$12,000,000.00	\$14,000,000.00	\$9,000,000.00
Transfer From UST Unassigned Revenue Fund (0450)	\$0.00		\$0.00
	<b>\$12,000,000.00</b>	<b>\$14,000,000.00</b>	<b>\$9,000,000.00</b>
<b>Disbursements:</b>			
Retroactive Claims	\$513,611.19	\$483,723.34	\$700,000.00
Remedial Claims	\$6,565,532.03	\$5,638,469.11	\$5,000,000.00
Tank Closure (2010) Claims	938,532.01	\$873,121.00	\$750,000.00
28E Agreement - NFA Claims	\$226,359.97	\$279,056.40	\$500,000.00
Adjustment	\$0.00	\$0.00	\$0.00
Offset / Rebill of Funds to Innocent Landowner Fund (485)	(\$562,391.00)	(\$550,337.46)	(\$80,000.00)
Offset / Rebill of Funds to Unassigned Revenue Fund (0450)	\$0.00	\$0.00	\$150,000.00
Transfer to Unassigned Revenue Fund	\$6,912.00	\$0.00	
Balance of Outdated Warrants	(\$23,331.89)	(\$3,752.36)	
	<b>\$7,665,224.31</b>	<b>\$5,847,159.03</b>	<b>\$7,020,000.00</b>
<b>Balance of Fund, June 30, 2014 / 2015 / 2016</b>	<b>\$8,681,846.71</b>	<b>\$16,834,687.68</b>	<b>\$18,814,687.68</b>
<b>0478 - UST MARKETABILITY FUND</b>			
<b>Balance of Fund, July 1, 2013 / 2014 / 2015</b>	<b>\$742,024.35</b>	<b>\$755,308.99</b>	<b>\$755,308.99</b>
<b>Receipts:</b>			
Interest	\$13,284.64	\$32,360.62	\$35,000.00
Use Tax	\$0.00	\$0.00	\$0.00
	<b>\$13,284.64</b>	<b>\$32,360.62</b>	<b>\$35,000.00</b>
<b>Disbursements:</b>			
Intra State Fund Transfer	\$0.00	\$0.00	\$0.00
Transfer to Innocent Landowners Fund	\$0.00	\$0.00	\$0.00
	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Balance of Fund, June 30, 2014 / 2015 / 2016</b>	<b>\$755,308.99</b>	<b>\$787,669.61</b>	<b>\$790,308.99</b>
<b>0485 - UST INNOCENT LANDOWNERS FUND</b>			
<b>Balance of Fund, July 1, 2014 / July 1, 2015</b>	<b>\$2,176,164.40</b>	<b>\$8,604,467.48</b>	<b>\$7,110,415.34</b>
<b>Receipts:</b>			

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
PROPOSED  
FISCAL YEAR 2016 BUDGET**

	<b>FISCAL 2014 ACTUAL</b>	<b>FISCAL 2015 ACTUAL</b>	<b>FISCAL 2016 BUDGET</b>
Cost Recovery (i.e. lien settlements)	\$1,690.00	\$41,035.84	\$25,000.00
ILO Refunds	\$0.00	\$0.00	\$0.00
Transfer From Loan Gaur Fund (0238) / UST Revenue Fund (0471)	\$9,000,000.00	\$0.00	\$0.00
Outdated Warrants	\$0.00	\$0.00	\$0.00
Miscellaneous Income	\$0.00	\$0.00	\$0.00
	\$9,001,690.00	\$41,035.84	\$25,000.00
<b>Disbursements:</b>			
Cost Recovery Reimbursement	\$0.00	\$0.00	\$0.00
Cost Recovery Global Settlement	\$0.00	\$0.00	\$0.00
Adjustment	\$0.00	\$0.00	\$0.00
Intra State Fund Transfers Paid (to Unassigned Revenue)	(\$12,821.00)	\$0.00	
Other Contractual Services	\$0.00	\$0.00	
Global Settlement Claims	\$101,736.53	\$158,329.65	\$80,000.00
Innocent Landowner Claims	\$2,184,969.37	\$1,419,625.63	\$2,000,000.00
Transfer to Remedial Fund (0208)	\$309,750.72	\$0.00	
Balance of Outdated Warrants	(\$10,248.70)	(\$42,867.30)	
Offset / Rebill of Funds to Innocent Landowner Fund (485)			\$150,000.00
	\$2,573,386.92	\$1,535,087.98	\$2,230,000.00
<b>Balance of Fund, June 30, 2014 / 2015 / 2016</b>	<b>\$8,604,467.48</b>	<b>\$7,110,415.34</b>	<b>\$4,905,415.34</b>
<b>0238 - UST LOAN GUARANTEE FUND (Non-Bonding)</b>			
Balance of Fund, July 1, 2013 / 2014 / 2015	\$0.00	\$0.00	\$0.00
<b>0614 - UST CAPITAL RESERVE FUNDS (Bonding)</b>			
Balance of Fund, July 1, 2013 / 2014 / 2015	\$0.00	\$0.00	\$0.00
<b>XXX - DNR TRUST FUND (Non-Bonding)</b>			
Receipt - Transfer from Unassigned Revenue Fund			\$5,000,000.00
Balance of Fund, June 30, 2016			\$5,000,000.00
<b>TOTAL FUND BALANCES, June 30, 2014 / 2015 / 2016</b>	<b>\$30,247,200.39</b>	<b>\$34,688,663.54</b>	<b>\$37,062,352.92</b>

**FOOTNOTES:**

- 1 Remedial Fund Balance (end FY 2015) = \$16.8M  
Reserves for Retro / Rem claims = \$19.2M  
Estimates for tank closure & NFA reop = \$1M / year  
Remedial Fund need estimated at \$24M (thru FY 18)
- 2 ILO & Marketability Fund Balance = \$7.9M  
Reserves for ILO claims / GS claims = \$5.7M
- 3 Unassigned Revenue Fund balance = \$9.4M  
USTCA Closure Contract ~ \$0.8M  
Administrative Costs (FY 2016) ~ \$1.7M

**E. Environmental Support Services  
Contract – Re-Authorization**



# 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:        July 6, 2015  
SUBJECT:    Environmental Support Services (NFA Re-Opener) Contract – Rebid  
                 Authorization

### Issue:

Following 2007 legislation, the Board and Department of Natural Resources entered into a 28E agreement to implement the provisions of Iowa Code section 455G.9(1)(k) which directs that the Board shall provide funding for “assessment and corrective action arising out of releases at sites for which a no further action (NFA cert) certificate has been issued pursuant to [section 455B.474](#), when the department determines that an unreasonable risk to public health and safety may still exist or that previously reported upon applicable target levels have been exceeded”. The agreement as required defines what are eligible costs, the Board’s and Department’s duties for services, and the conditions under which sites may be reevaluated.

In order to provide the necessary services to effectuate the agreement, the Board retained the services of two environmental contractors through a RFP bid process. The contractor service agreements are set to expire on December 31, 2015.

Since 2007, 52 sites previously issued NFA certificates have been re-opened and a majority of the sites have been assessed through the Environmental Support Services Contract. As of this time, the contractors are continuing to address activities at 7 sites. Additional sites are likely to be identified at any time.

### Recommendation

Following a discussion and agreement with the Iowa DNR UST Section Supervisor, it is recommended the Board grant the Administrator authority to issue a Request for Proposal to retain the services of two contractors to complete work on similar sites in the future. The contracts would initially be written for a 2 year period, subject to additional one year extensions at the Board’s sole determination.

## **F. DNR Update**

# Overview of Revisions to the Underground Storage Tank (UST) Regulations

June 2015

1



## Why is EPA making changes to the UST regulations?

- The Energy Policy Act of 2005 imposed secondary containment and operator training on owners and operators in states but not in Indian country. In order to ensure these requirements are implemented in Indian country, EPA needed to update the federal regulations.
- The 1988 UST regulations were successful in requiring equipment but the 2015 revisions focus on improving operation and maintenance of that equipment as well as addressing previously deferred tanks and updating for new technologies.

2



## What is the history of the rulemaking?

- In November 2011 EPA published proposed changes to the UST regulations. We did extensive stakeholder engagement prior to publishing the proposal and then allowed a 5 month public comment period on the proposal.
- We received many insightful comments during the public comment period that helped shape the Final Rule.
- The Final Rule finds an appropriate balance between protecting the environment and minimizing the cost to owners and operators who are primarily small businesses.

3



## What do these new requirements mean for owners and operators?

- In **states without SPA and in Indian country**, these new requirements will apply according to time frames specified.
- In states **with state program approval (SPA)**, none of the new requirements will apply until the state adopts the federal requirements or if a state does not adopt the requirements, until EPA withdraws approval of SPA for that state. Owners and operators in states with SPA must meet the state UST requirements.
- States have 3 years to submit a revised SPA application
- SPA requirements provide states with flexibility to be considered no less stringent than the 280 requirements

4



## Secondary Containment and Operator Training Requirements

Most states have already implemented these requirements so EPA's rule will generally mean no change for most owners and operators. Primarily written to ensure parity in Indian country. If you happen to be in a state without these requirements or have facilities in Indian country, then the final rule will affect you.

- **Operator Training**
  - Within 3 years after effective date of rule, owners must designate & ensure 3 classes of operators are trained
  - Recordkeeping including names of currently designated operators and proof of their training is required for as long as the operator is designated at the facility
  - Retraining is required for Class A and/or B operators at facilities determined to be out of compliance
- **Secondary Containment**
  - Applies to new and replaced tanks and piping beginning 180 days after effective date of rule
  - Includes interstitial monitoring (and sumps if they are used for interstitial monitoring)
  - Includes UDC for new dispenser systems

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## New Operation and Maintenance Requirements

- **Periodic walkthrough inspections** (changed somewhat from proposal)
  - Visual inspection of spill buckets (and clears of debris, etc) and release detection every 30 days
    - If UST receives deliveries less frequently than every 30 days, then spill buckets may be inspected before each delivery
  - Visual inspection of sumps and hand held release detection devices annually
  - Applies beginning 3 years after the effective date of the rule
  - Keep records for 1 year
  - Regulation allows a code of practice (e.g. PEI 900) to be used instead of specific requirements listed in the rule; the implementing agency may also establish comparable requirements

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## New Operation and Maintenance Requirements

- ***Three year spill prevention equipment testing***
  - Revised from annual in proposal
  - To make sure the spill bucket will hold drips and small spills when the delivery hose is disconnected from the fill pipe.
    - Double-walled spill buckets with periodic interstitial monitoring between the spill bucket walls are not required to meet the testing requirement
    - Applies to new installations after effective date of rule
    - Applies three years after effective rule date for UST systems installed on or before effective date of rule
    - Keep records for 3 years

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## New Operation and Maintenance Requirements

- ***Three year overfill prevention equipment inspections***
  - Inspections to make sure overfill operates as intended
    - Applies to new installations after effective date of rule
    - Applies three years after effective rule date for UST systems installed on or before effective date of rule
    - Keep records for 3 years

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## New Operation and Maintenance Requirements

- **Three year containment sump testing** (revised from proposal to not include tanks and piping) for sumps used for piping interstitial monitoring – since sumps must be tight for release detection to work properly.
  - Double-walled sumps with periodic interstitial monitoring between the containment sump walls are not required to meet the testing requirement
  - Applies to new installations after effective date of rule
  - Applies three years after effective rule date for UST systems installed on or before effective date of rule
  - Keep records for 3 years
- **Annual release detection equipment testing** to make sure release detection equipment is operating properly
  - Applies beginning 3 years after the effective date of the rule
  - Keep records for 3 years

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## Addressing Deferrals - Emergency Generator USTs

- Previously EGTs did not have to meet the release detection requirements, but the technical reason for the deferral no longer exists.
- The new regulations require release detection just like other regulated USTs
  - Required three years after effective date of rule for systems installed on or before the effective date of the UST rule
  - Required immediately for UST systems installed after the effective date of the UST rule

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## ***Addressing Deferrals - Field-Constructed USTs and Airport Hydrant Fuel Distribution Systems***

- EPA previously deferred AHS and FCT from meeting release prevention and detection requirements.
- EPA is removing the deferral, however given the unique nature of these systems EPA created more specific and appropriate requirements for these systems.
  - Exceptions to meeting secondary containment requirement for FCT & AHS piping
  - Provides unique options for meeting release detection requirements
  - One-time notification within 3 years for these systems
  - Implementation depends on requirement
    - Effective date: release reporting, response, and investigation; financial responsibility; closure, notification (except one-time)
    - 3 years after effective date: Spill and overfill prevention, corrosion protection, general operating requirements (including compatibility and repairs), release detection, and operator training
  - Partially excludes aboveground tanks associated with these systems

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## ***Addressing Deferrals - Wastewater Treatment Tank Systems, USTs Containing Radioactive Materials, and Emergency Generator USTs at NRC facilities***

- These previously deferred systems are reclassified as partially excluded from the 2015 UST rule (original proposal was to regulate WWTS and continue deferral of radioactive and EGT USTs at NRC facilities)
  - As with 1988 rule, we will continue to regulate installation under subpart A and cleanup under subpart F.

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## Compatibility

- Notification - owners and operators must notify the implementing agency at least 30 days before switching to a regulated substance containing greater than 10 percent ethanol, 20 percent biodiesel, or any other regulated substance identified by the implementing agency
- In addition, owners and operators storing these blends must either
  - Demonstrate compatibility of the UST system through a nationally recognized testing lab listing or manufacturer approval of UST equipment or components; or
  - Use another method determined by the implementing agency to be no less protective of human health and the environment than the compatibility demonstration methods above
- To help owners and operators to be able to demonstrate compatibility of their UST systems with biofuel blends, EPA is requiring owners and operators maintain records to demonstrate compliance when storing greater than 10 percent ethanol, greater than 20 percent biodiesel, or any other regulated substance identified by the implementing agency
  - Keep the record for as long as one of these fuels are stored

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## Groundwater and Vapor Monitoring

- Requiring **groundwater and vapor monitoring** to have a site assessment for as long as one of these methods is used (proposal eliminated these options as release detection)
  - Site assessments needed not later than 3 years after effective date of rule

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## Additional Requirements

- **Flow restrictors** - flow restrictors in vent lines (ball floats) are no longer an option for overfill protection in new UST systems and when these devices need to be replaced
- **Internally lined USTs** - if the periodic internal lining inspection shows that the lining fails and cannot be repaired according to a code of practice, then that UST system must be permanently closed
- **Notification** – new owners must notify implementing agency within 30 days of acquiring ownership of a UST

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## Additional Requirements

- **Repairs** – 1988 UST regulation linked a repair to a release to the environment – 2015 UST regulation removes this link so that fixes not associated with releases are also repairs. Adding testing after repairs to spill, overfill and secondary containment equipment.
- **Interstitial monitoring results** – we added language about an interstitial alarm being an unusual operating condition and added interstitial integrity testing as part of release investigation and confirmation

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## General Updates

- Added newer technologies to the rule
- Updated codes of practice
- Removed references to old compliance deadlines
- Made editorial and technical corrections

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## Implementation of the 2015 Revisions to the UST Regulations

- OUST updated our website to highlight the new regulations and different requirements
- Revising guidance documents
- Developing additional outreach and educational materials
- Planning webinar for this summer
- Always open to meeting with stakeholders

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## **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

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TO:            UST Board Members  
FROM:        James Gastineau  
DATE:        July 7, 2015  
SUBJECT:    Summary of Bills for Payment

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### **\*NOTICE\***

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

1.    Aon Risk Services (FY 2016) ..... \$97,838.00  
      Consulting Services August 2015 -- \$58,838.00  
      Claims Processing Services August 2015 -- \$39,000.00

Previously submitted to Treasurer's Office

2.    Aon Risk Services (FY 2016) ..... \$97,838.00  
      Consulting Services July 2015 -- \$58,838.00  
      Claims Processing Services July 2015 -- \$39,000.00
3.    Attorney General's Office (FY 2015) ..... \$3,495.66  
      Legal Services for the UST Fund - May 2015

**IOWA ATTORNEY GENERAL'S OFFICE**

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



Invoice Date: 06/04/15

**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: May FY15

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

Document Number	Account Coding					Description	Amount
	Fund	Agency	Org	Sub Org	Rev Source		
112AG060415042	0001	112	2301		0302		\$ 3,495.66

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Please direct billing questions to Vicki Bahe at 515-281-0853

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

Billing Period:	<b>MAY 2015</b>
Billing Total:	<b>\$3,495.66</b>
DSS @ 22%	\$1,156.41
RCH @10%	\$313.79
CLJ @12%	\$284.43
Pay period ending: 5/07/2015	\$1,754.63
DSS @ 22%	\$1,145.48
RCH @10%	\$313.23
CLJ @12%	\$282.32
Pay period ending: 5/22/2014	\$1,741.03
DSS @ 22%	
RCH @10%	
CLJ @12%	
Pay period ending: 4/24/2014	
Imputed Income Reimbursement	
	<b>\$3,495.66</b>

**DSS = David Steward** **22%**  
 Dave is our Asst Attorney General who provides the Board with legal

**RCH = Richard Heathcote** **10%**  
 Rich is a PhD hydrogeologist who consults for the Board by reviewing claim files and DNR records to assist in the determination of technologies used at sites.  
 Rich reviews site files for the usage of RBCA Tier 3 reports; he also reviews proposals for CRP's or special projects.

**CLJ = Cindy Jacobs** **12%**  
 Cindy is a legal secretary for the Environmental/UST Division of the Attorney General's Office located in the Lucas Building.  
 Cindy completes status reports and maintains appeal files for UST claimants with regard to their UST Fund benefits' eligibility.

## Iowa Comprehensive Petroleum

Invoice No. 9500000121239

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

Aon Risk Services Central, Inc.  
Aon Risk Insurance Services Central, Inc  
West Des Moines IA Office  
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** Jun-15-2015      **Currency** US DOLLAR      **Account Executive** James Gastineau

Named Insured	Service Term	Trans. Eff. Date	Description	Amount
Iowa Comprehensive Petroleum	Jan-01-2015 - Jan-01-2016	Aug-01-2015	Renewal - Service Fee	
<b>Comments</b>				
Installment 8 of 12 Monthly Fee			Service Fee	58,838.00
Payment due 21 days after Transaction Effective Date.			Consulting Expense	39,000.00
Thank you for your business!				
<b>TOTAL INVOICE AMOUNT DUE</b>				<b>97,838.00</b>

**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](http://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	9500000121239	Jun-15-2015	US DOLLAR	97,838.00

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. 9500000120709

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

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

MAY 2015

Client Account No. 10756349 Invoice Date May-15-2015 Currency US DOLLAR Account Executive James Gastineau

Named Insured	Service Term	Trans. Eff. Date	Description	Amount
Iowa Comprehensive Petroleum	Jan-01-2015 - Jan-01-2016	Jul-01-2015	Renewal - Service Fee	
<b>Comments</b>				
Installment 7 of 12 Monthly Fee			Service Fee	58,838.00
Payment due 21 days after Transaction Effective Date.			Consulting Expense	39,000.00
Thank you for your business!				
			<b>TOTAL INVOICE AMOUNT DUE</b>	<b>97,838.00</b>

TO AVOID POTENTIAL DISRUPTION IN YOUR COVERAGE, PAYMENT IS DUE UPON RECEIPT.  
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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	9500000120709	May-15-2015	US DOLLAR	97,838.00

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

## **Monthly Activity Report and Financials Reviewed**

## **A. May 2015 Activities Report**

May-15

Claims	Open Claims April Ending	Monthly Net Changes	Open Claims May Ending	Open & Closed Totals since Inception
<b>RETROACTIVE</b>				
number	27	(1)	26	447
reserve	\$1,547,761.56	(38,596)	\$1,509,165.83	\$1,509,165.83
paid	\$5,920,100.10	18,596	\$5,938,695.83	\$17,796,569.24
	\$7,467,861.66	(20,000)	\$7,447,861.66	\$19,305,735.07
<b>REMEDIAL</b>				
number	370	(8)	362	4,457
reserve	\$19,640,822.35	(146,839)	\$19,493,982.89	\$19,493,982.89
paid	\$71,843,819.31	(671,108)	\$71,172,710.93	\$213,462,173.06
total	\$91,484,641.66	(817,948)	\$90,666,693.82	\$232,956,155.95
<b>INNOCENT LANDOWNER</b>				
number	125	(4)	121	1,131
reserve	\$4,898,018.54	218,051	\$5,116,069.46	\$5,116,069.46
paid	\$10,810,075.42	(195,051)	\$10,615,024.50	\$31,116,242.28
total	\$15,708,093.96	23,000	\$15,731,093.96	\$36,232,311.74
<b>GLOBAL OPT-IN</b>				
number	80	(3)	77	1,303
reserve	\$402,900.97	(13,222)	\$389,679.34	\$389,679.34
paid	\$685,047.89	(25,414)	\$659,634.11	\$9,766,061.33
total	\$1,087,948.86	(38,635)	\$1,049,313.45	\$10,155,740.67
<b>UNASSIGNED REVENUE FUND PROJECTS</b>				
number	67	3	70	282
reserve	\$1,821,713.44	120,373	\$1,942,086.92	\$1,942,086.92
paid	\$404,286.56	50,288	\$454,574.08	\$2,934,068.22
total	\$2,226,000.00	170,661	\$2,396,661.00	\$4,876,155.14
<b>NFA RE-EVALUATIONS</b>				
number	13	(1)	12	55
reserve	\$271,729.55	(62,673)	\$209,056.66	\$209,056.55
paid	\$428,270.45	2,673	\$430,943.45	\$114,770.04
total	\$700,000.00	(60,000)	\$640,000.11	\$323,826.59
<b>TANK PULLS</b>				
number	42	(3)	39	394
reserve	\$555,406.00	(34,355)	\$521,051.00	\$521,051.00
paid	\$0.00	0	\$0.00	\$4,223,734.23
total	\$555,406.00	(34,355)	\$521,051.00	\$4,744,785.23

Corrective Action Meetings (05/15/2015)	
Scheduled:	17
Completed:	1,244
MOA's	488

UST Operator Training	
UST Operators (A/B)	2,977
A/B/C (FY2011-15)	\$343,210

2015 Discretionary Incentive Goal	115	Net Closed YTD	45
Claims closed - MAY (RT, RM, ILO, NFA)	19	Re-Open <30 days	1
Claims closed YTD	50	Re-Open YTD <30 d	5

RT Claims	#
New	0
Reopened	1
Closed	2

RM Claims	#
New	0
Reopened	3
Closed	11

ILO Claims	#
New	1
Reopened	0
Closed	5

GS Claims	#
New	0
Reopened	0
Closed	3

USTCA	#
New	6
Reopened	2
Closed	4

NFA Re-Eval	#
New	0
Reopened	0
Closed	1

Tank Pull	#
New	5
Reopened	0
Closed	8

Invoice Type Totals	MAY	FYTD	Program to Date
Aon - Admin	\$ 58,838.00	\$ 727,629.57	
Aon - Claims	\$ 39,000.00	\$ 390,000.00	
Government	\$ 58,725.91	\$ 624,825.18	
2004 Tank Pull	\$ -	\$ 810.00	\$ 1,761,823
2010 Tank Pull	\$ 121,364.62	\$ 801,492.77	\$ 4,310,353
American Soils	\$ -	\$ -	\$ 5,678,423
AST Removal	\$ -	\$ -	\$ 3,306,435
AST Upgrade	\$ -	\$ -	\$ 7,911,497
CADR Charges	\$ 900.00	\$ 70,896.86	\$ 4,588,450
Corrective Action	\$ -	\$ 92,074.73	\$ 52,423,154
Expenses / OT	\$ 4,000.00	\$ 25,160.00	\$ 291,920
Free Prod Recover	\$ 95,318.14	\$ 648,886.07	\$ 11,193,300
Monitoring	\$ 175,726.27	\$ 1,506,140.25	\$ 30,761,636
Operations/Maint	\$ 28,132.07	\$ 276,630.39	\$ 10,170,445
Over-excavation	\$ 28,536.90	\$ 1,884,315.10	\$ 32,261,810
Water Lines	\$ 13,153.64	\$ 335,648.31	\$ 2,549,953
Post RBCA Evals	\$ 2,177.00	\$ 13,339.68	\$ 229,613
RBCA	\$ 33,909.00	\$ 322,530.56	\$ 26,458,848
Remed Imp/Const.	\$ 24,453.32	\$ 656,747.38	\$ 28,803,631
SCR Charges	\$ -	\$ -	\$ 54,217,410
Site Check	\$ -	\$ 2,433.73	\$ 142,486
Soil Disposal	\$ -	\$ -	\$ 738,387
Tank (UST) Pull	\$ -	\$ 18,350.00	\$ 3,979,734
Tank (UST) Upgrade	\$ -	\$ -	\$ 3,440,850
Tier III	\$ 267.50	\$ 38,516.46	\$ 1,362,679
Utilities	\$ 11,055.14	\$ 113,790.20	\$ 2,081,888
Well Closure	\$ 37,781.79	\$ 240,640.98	\$ 3,853,595
Total Invoice Types	\$ 576,775.39	\$ 7,048,403.47	\$ 291,568,024

Remediation Budgets Approved to Date		
last month (MAY 2015)	4	\$333,350
Trailing 12 mos	41	\$2,825,636
Prev Trail 12 mos	61	\$3,078,131
Total Since Jan 2003	1,167	\$48,904,480

Project Contracts	Open	Closed	Pending
CRP's	5	39	0
Tank Closure	2	5	0
Plastic Water Line	0	2	0

DNR @ 6-1-2015	USTF @ 6-1-2015
Open LUST / Claims	797
High Risk	450
Low Risk	178
NAR-FP	68
Not Class.	101
No Action Req. / RNV	5713

## **B. May 2015 Financial Report**

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FOR THE MONTH ENDING MAY 31, 2015**

**0471 - UST REVENUE FUND (Bonding)**

<b>Balance of Fund, May 1, 2015</b>	\$4,034,465.11
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**Receipts:**

Motor Vehicle Use Tax (IDOT - vehicle registration)	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$1,556.98	
Interest Income - Capital Reserve Fund	\$0.00	
		\$1,556.98

**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)	\$0.00	
		\$0.00

<b>Balance of Fund, May 31, 2015</b>	<b>\$4,036,022.09</b>
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**0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)**

<b>Balance of Fund, May 1, 2015</b>	\$9,912,575.82
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**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	\$3,364.32	
		\$3,364.32

**Disbursements:**

UST Administrator's Fees	\$97,838.00	
Adjustment	\$0.00	
Attorney General's Fees	\$6,207.19	
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$0.00	
Actuarial Fees	\$667.90	
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 MAY 31, 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	\$4,000.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$49,812.52	
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)	\$0.00	
Appropriation 2014	\$0.00	
Appropriation 2015	\$52,518.72	
Transfer of Funds to Innocent Land Owners	\$0.00	
		\$211,044.33
<b>Balance of Fund, May 31, 2015</b>		<b>\$9,704,895.81</b>

**0208 - UST REMEDIAL NON-BONDING FUND**

<b>Balance of Fund, May 1, 2015</b>		\$10,811,408.13
<b>Receipts:</b>		
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
<b>Disbursements:</b>		
Retroactive Claims	\$38,030.78	
Remedial Claims	\$376,630.88	
Adjustment	\$0.00	
28E Agreement - NFA Claims	\$16,205.93	
Transfer to ILO/GS Fund	\$0.00	
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants & Cancelled Warrants	\$0.00	
		\$430,867.59
<b>Balance of Fund, May 31, 2015</b>		<b>\$10,380,540.54</b>

**0478 - UST MARKETABILITY FUND**

<b>Balance of Fund, May 1, 2015</b>		\$781,610.41
<b>Receipts:</b>		
Interest	\$1,869.36	
Use Tax	\$0.00	
		\$1,869.36
<b>Disbursements:</b>		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
<b>Balance of Fund, May 31, 2015</b>		<b>\$783,479.77</b>

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FOR THE MONTH ENDING MAY 31, 2015**

**0485 - UST INNOCENT LANDOWNERS FUND**

<b>Balance of Fund, May 1, 2015</b>		\$7,260,503.09
<b>Receipts:</b>		
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
<b>Disbursements:</b>		
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	\$4,398.30	
Innocent Landowner Claims	\$87,696.98	
Transfer to Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	\$0.00	
		\$92,095.28
<b>Balance of Fund, May 31, 2015</b>		<b>\$7,168,512.81</b>

**0238 - UST LOAN GUARANTEE FUND (Non-Bonding)**

<b>Balance of Fund, May 31, 2015</b>		\$0.00
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**0614 - UST CAPITAL RESERVE FUNDS (Bonding)**

<b>Balance of Fund, May 31, 2015</b>		\$0.00
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<b>Combined UST Capital Reserve Fund Balances, May 31, 2015</b>	<b>\$0.00</b>
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<b>TOTAL FUND BALANCES, May 31, 2015</b>	<b>\$32,073,451.02</b>
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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 May 31, 2015**

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FISCAL YEAR TO DATE ENDING MAY 31, 2015**

		<b>FISCAL 2015 BUDGET</b>
<b>0471 - UST REVENUE FUND (Bonding)</b>		
<b>Balance of Fund, July 1, 2014</b>	\$524,210.38	<b>\$524,210.38</b>
<b>Receipts:</b>		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$10,500,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$47,842.43	
Interest Income	\$10,830.55	\$100,000.00
Interest Income - Capital Reserve Fund	\$0.00	
	\$10,558,672.98	\$14,100,000.00
<b>Disbursements:</b>		
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
<b>Balance of Fund, May 31, 2015</b>	<b>\$4,036,022.09</b>	<b>\$624,210.38</b>
<b>0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)</b>		
<b>Balance of Fund, July 1, 2014</b>	\$11,681,366.83	<b>\$11,681,366.83</b>
<b>Receipts:</b>		
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	
Buy/s/ Sells	\$0.00	
Interest Income	\$55,376.95	\$125,000.00
	\$55,476.95	\$130,000.00
<b>Disbursements:</b>		
UST Administrator's Fees	\$1,117,717.32	\$1,240,000.00
Adjustment	\$0.00	
Attorney General's Fees	\$45,971.99	\$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	\$20,617.90	
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	\$15,489.71	\$37,500.00
Innovative Technology	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FISCAL YEAR TO DATE ENDING MAY 31, 2015**

		<b>FISCAL 2015 BUDGET</b>
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	\$25,160.00	\$100,000.00
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$243,715.32	\$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)	\$238,890.00	\$200,000.00
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$227,212.69	\$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	
	\$2,031,947.97	\$3,184,450.00
<b>Balance of Fund, May 31, 2015</b>	<b>\$9,704,895.81</b>	<b>\$8,626,916.83</b>
<b>0208 - UST REMEDIAL NON-BONDING FUND</b>		
<b>Balance of Fund, July 1, 2014</b>	\$8,681,846.71	<b>\$8,681,846.71</b>
<b>Receipts:</b>		
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
<b>Disbursements:</b>		
Retroactive Claims	\$473,652.40	\$700,000.00
Remedial Claims	\$5,106,021.14	\$6,000,000.00
Adjustment	\$0.00	
28E Agreement - NFA Claims	\$275,722.45	\$500,000.00
Transfer to ILO/GS Fund	(\$550,337.46)	
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants	(\$3,752.36)	
	\$5,301,306.17	\$7,200,000.00
<b>Balance of Fund, May 31, 2015</b>	<b>\$10,380,540.54</b>	<b>\$15,481,846.71</b>
<b>0478 - UST MARKETABILITY FUND</b>		
<b>Balance of Fund, July 1, 2014</b>	\$755,308.99	<b>\$755,308.99</b>
<b>Receipts:</b>		
Interest	\$28,170.78	\$25,000.00
Use Tax	\$0.00	
	\$28,170.78	\$25,000.00
<b>Disbursements:</b>		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
	\$0.00	\$0.00
<b>Balance of Fund, May 31, 2015</b>	<b>\$783,479.77</b>	<b>\$780,308.99</b>

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FISCAL YEAR TO DATE ENDING MAY 31, 2015**

		<b>FISCAL 2015 BUDGET</b>
<b>0485 - UST INNOCENT LANDOWNERS FUND</b>		
<b>Balance of Fund, July 1, 2014</b>	\$8,604,467.48	<b>\$8,604,467.48</b>
<b>Receipts:</b>		
Cost Recovery (i.e. 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	\$36,269.64	
	<b>\$40,930.84</b>	<b>\$25,000.00</b>
<b>Disbursements:</b>		
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	\$157,245.15	\$80,000.00
Innocent Landowner Claims	\$1,362,507.66	\$2,000,000.00
Transfer to/from Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	(\$42,867.30)	
	<b>\$1,476,885.51</b>	<b>\$2,080,000.00</b>
<b>Balance of Fund, May 31, 2015</b>	<b>\$7,168,512.81</b>	<b>\$6,549,467.48</b>
<b>0238 - UST LOAN GUARANTEE FUND (Non-Bonding)</b>		
<b>Balance of Fund, May 31, 2015</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>0614 - UST CAPITAL RESERVE FUNDS (Bonding)</b>		
<b>Combined UST Capital Reserve Fund Balances, May 31, 2015</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TOTAL FUND BALANCES, May 31, 2015</b>	<b>\$32,073,451.02</b>	<b>\$32,062,750.39</b>

**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. June 2015 Activities Report**

**Jun-15**

Claims	Open Claims May Ending	Monthly Net Changes	Open Claims June Ending	Open & Closed Totals since Inception
<b>RETROACTIVE</b>				
number	26	0	26	447
reserve	\$1,509,165.83	14,929	\$1,524,094.89	\$1,524,094.89
paid	\$5,938,695.83	10,071	\$5,948,766.77	\$17,806,330.18
total	\$7,447,861.66	25,000	\$7,472,861.66	\$19,330,425.07
<b>REMEDIAL</b>				
number	362	(3)	359	4,457
reserve	\$19,493,982.89	(221,095)	\$19,272,887.81	\$19,272,887.81
paid	\$71,172,710.93	53,045	\$71,225,755.72	\$213,922,992.03
total	\$90,666,693.82	(168,050)	\$90,498,643.53	\$233,195,879.84
<b>INNOCENT LANDOWNER</b>				
number	121	(1)	120	1,131
reserve	\$5,116,069.46	\$292,219	\$5,408,287.96	\$5,408,287.96
paid	\$10,615,024.50	(\$18,561)	\$10,596,463.04	\$31,173,360.25
total	\$15,731,093.96	\$273,657	\$16,004,751.00	\$36,581,648.21
<b>GLOBAL OPT-IN</b>				
number	77	0	77	1,303
reserve	\$389,679.34	(\$1,085)	\$388,594.84	\$388,594.84
paid	\$659,634.11	\$1,085	\$660,718.61	\$9,767,145.83
total	\$1,049,313.45	\$0	\$1,049,313.45	\$10,155,740.67
<b>UNASSIGNED REVENUE FUND PROJECTS</b>				
number	70	0	70	282
reserve	\$1,942,086.92	\$45,210	\$1,987,296.92	\$1,987,296.92
paid	\$454,574.08	\$27,129	\$481,703.08	\$2,961,222.22
total	\$2,396,661.00	\$72,339	\$2,469,000.00	\$4,948,519.14
<b>NFA RE-EVALUATIONS</b>				
number	12	(1)	11	55
reserve	\$209,056.66	(16,162)	\$192,894.45	\$192,894.45
paid	\$430,943.45	(33,838)	\$397,105.55	\$1,151,033.99
total	\$640,000.11	(50,000)	\$590,000.00	\$1,343,928.44
<b>TANK PULLS</b>				
number	39	(2)	37	394
reserve	\$521,051.00	(38,000)	\$483,051.00	\$ 483,051.00
paid	\$0.00	0	\$0.00	\$ 4,295,363.23
total	\$521,051.00	(38,000)	\$483,051.00	\$4,778,414.23

<b>Corrective Action Meetings (06/15/2015)</b>	
Scheduled:	9
Completed:	1,248
MOA's	488

<b>UST Operator Training</b>	
UST Operators (A/B)	3,032
A/B/C (FY2011-15)	\$350,410

<b>2015 Discretionary Incentive Goal</b>	<b>115</b>	<b>Net Closed YTD</b>	<b>49</b>
Claims closed - JUNE (RT, RM, ILO, NFA)	5	Re-Open <30 days	2
Claims closed YTD	55	Re-Open YTD <30 d	6

<b>RT Claims</b>	<b>#</b>
New	0
Reopened	0
Closed	0
<b>RM Claims</b>	
New	0
Reopened	1
Closed	3
<b>ILO Claims</b>	
New	0
Reopened	0
Closed	1
<b>GS Claims</b>	
New	0
Reopened	0
Closed	0
<b>USTCA</b>	
New	1
Reopened	1
Closed	2
<b>NFA Re-Eval</b>	
New	0
Reopened	0
Closed	1
<b>Tank Pull</b>	
New	3
Reopened	0
Closed	5

Invoice Type Totals	JUNE	FYTD	Program to Date
Aon - Admin	\$ 117,676.00	\$ 806,305.57	
Aon - Claims	\$ 78,000.00	\$ 507,000.00	
Government	\$ 58,725.91	\$ 692,228.71	
2004 Tank Pull	\$ -	\$ 810.00	\$ 1,761,823.44
2010 Tank Pull	\$ 71,629.00	\$ 873,121.77	\$ 4,381,981.74
American Soils	\$ -	\$ -	\$ 5,678,422.58
AST Removal	\$ -	\$ -	\$ 3,306,435.24
AST Upgrade	\$ -	\$ -	\$ 7,911,496.87
CADR Charges	\$ 5,212.08	\$ 76,108.94	\$ 4,593,661.78
Corrective Action	\$ -	\$ 92,074.73	\$ 52,423,154.11
Expenses / OT	\$ 1,100.00	\$ 26,260.00	\$ 293,020.00
Free Prod Recover	\$ 36,214.85	\$ 685,100.92	\$ 11,229,515.07
Monitoring	\$ 111,442.88	\$ 1,617,583.13	\$ 30,873,079.36
Operations/Maint	\$ 21,299.92	\$ 297,930.31	\$ 10,191,744.71
Over-excavation	\$ 37,345.52	\$ 1,921,660.62	\$ 32,299,155.54
Water Lines	\$ -	\$ 335,648.31	\$ 2,549,953.21
Post RBCA Evals	\$ 1,000.00	\$ 14,339.68	\$ 230,612.99
RBCA	\$ 36,684.23	\$ 359,214.79	\$ 26,495,531.81
Remed Imp/Const.	\$ 279,539.55	\$ 936,286.93	\$ 29,083,170.54
SCR Charges	\$ -	\$ -	\$ 54,217,410.26
Site Check	\$ -	\$ 2,433.73	\$ 142,486.32
Soil Disposal	\$ -	\$ -	\$ 738,386.66
Tank (UST) Pull	\$ -	\$ 18,350.00	\$ 3,979,734.25
Tank (UST) Upgrade	\$ -	\$ -	\$ 3,440,849.83
Tier III	\$ 3,087.50	\$ 41,603.96	\$ 1,365,766.40
Utilities	\$ 13,335.05	\$ 127,125.25	\$ 2,095,222.58
Well Closure	\$ 14,418.75	\$ 255,059.73	\$ 3,868,013.83
<b>Total Invoice Types</b>	\$ 632,309.33	\$ 7,680,712.80	\$ 292,200,332.95

<b>Remediation Budgets Approved to Date</b>		
last month (JUN 2015)	7	\$269,813
Trailing 12 mos	44	\$2,730,586
Prev Trail 12 mos	52	\$3,441,019
<b>Total Since Jan 2003</b>	1,174	\$49,174,293

<b>Project Contracts</b>	<b>Open</b>	<b>Closed</b>	<b>Pending</b>
CRP's	5	39	0
Tank Closure	2	5	0
Plastic Water Line	0	2	0

<b>DNR @ 6-1-2015</b>	<b>USTF @ 6-1-2015</b>
Open LUST / Claims	521
High Risk	321
Low Risk	117
NAR-FP	36
Not Class.	20
No Action Req. / RNV	27

## **E. June 2015 Financial Report**

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FOR THE MONTH ENDING JUNE 30, 2015**

**0471 - UST REVENUE FUND (Bonding)**

<b>Balance of Fund, June 1, 2015</b>	\$4,036,022.09
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**Receipts:**

Motor Vehicle Use Tax (IDOT - vehicle registration)	\$3,500,000.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$2,259.78	
Interest Income - Capital Reserve Fund	\$0.00	
		\$3,502,259.78

**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

<b>Balance of Fund, June 30, 2015</b>	<b>\$538,281.87</b>
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**0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)**

<b>Balance of Fund, June 1, 2015</b>	\$9,704,895.81
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**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	\$8,906.76	
		\$8,906.76

**Disbursements:**

UST Administrator's Fees	\$195,676.00	
Adjustment	\$0.00	
Attorney General's Fees	\$7,476.57	
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	\$1,198.38	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FOR THE MONTH ENDING JUNE 30, 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	\$1,100.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$27,154.00	
Travel Expenses-UST Board Members	\$0.00	
Warrant Float Expense	\$0.00	
28E Agreement - DNR RBCA Model Revision	\$4,860.00	
Statutory Transfer to DNR (technical review - recurring)	\$0.00	
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$0.00	
Appropriation 2014	\$0.00	
Appropriation 2015	\$58,728.58	
Transfer of Funds to Innocent Land Owners	\$0.00	
		\$296,193.53
<b>Balance of Fund, June 30, 2015</b>		<b>\$9,417,609.04</b>

**0208 - UST REMEDIAL NON-BONDING FUND**

<b>Balance of Fund, June 1, 2015</b>		\$10,380,540.54
<b>Receipts:</b>		
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
<b>Disbursements:</b>		
Retroactive Claims	\$10,070.94	
Remedial Claims	\$532,447.97	
Adjustment	\$0.00	
28E Agreement - NFA Claims	\$3,333.95	
Transfer to ILO/GS Fund	\$0.00	
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants & Cancelled Warrants	\$0.00	
		\$545,852.86
<b>Balance of Fund, June 30, 2015</b>		<b>\$16,834,687.68</b>

**0478 - UST MARKETABILITY FUND**

<b>Balance of Fund, June 1, 2015</b>		\$783,479.77
<b>Receipts:</b>		
Interest	\$4,189.84	
Use Tax	\$0.00	
		\$4,189.84
<b>Disbursements:</b>		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
<b>Balance of Fund, June 30, 2015</b>		<b>\$787,669.61</b>

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FOR THE MONTH ENDING JUNE 30, 2015**

**0485 - UST INNOCENT LANDOWNERS FUND**

<b>Balance of Fund, June 1, 2015</b>		\$7,168,512.81
<b>Receipts:</b>		
Cost Recovery (i.e. lien settlements)	\$105.00	
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	
	\$105.00	
<b>Disbursements:</b>		
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	\$1,084.50	
Innocent Landowner Claims	\$57,117.97	
Transfer to Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	\$0.00	
	\$58,202.47	
<b>Balance of Fund, June 30, 2015</b>		<b>\$7,110,415.34</b>

**0238 - UST LOAN GUARANTEE FUND (Non-Bonding)**

<b>Balance of Fund, June 30, 2015</b>		\$0.00
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**0614 - UST CAPITAL RESERVE FUNDS (Bonding)**

<b>Balance of Fund, June 30, 2015</b>		\$0.00
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<b>Combined UST Capital Reserve Fund Balances, June 30, 2015</b>	<b>\$0.00</b>
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<b>TOTAL FUND BALANCES, June 30, 2015</b>	<b>\$34,688,663.54</b>
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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.

**F. Year-to-Date Financials as of June 30, 2015**

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FISCAL YEAR TO DATE ENDING JUNE 30, 2015**

		<b>FISCAL 2015 BUDGET</b>
<b>0471 - UST REVENUE FUND (Bonding)</b>		
<b>Balance of Fund, July 1, 2014</b>	\$524,210.38	<b>\$524,210.38</b>
<b>Receipts:</b>		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$14,000,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$47,842.43	
Interest Income	\$13,090.33	\$100,000.00
Interest Income - Capital Reserve Fund	\$0.00	
	\$14,060,932.76	\$14,100,000.00
<b>Disbursements:</b>		
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)	\$14,000,000.00	\$14,000,000.00
	\$14,046,861.27	\$14,000,000.00
<b>Balance of Fund, June 30, 2015</b>	<b>\$538,281.87</b>	<b>\$624,210.38</b>
<b>0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)</b>		
<b>Balance of Fund, July 1, 2014</b>	\$11,681,366.83	<b>\$11,681,366.83</b>
<b>Receipts:</b>		
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	\$64,283.71	\$125,000.00
	\$64,383.71	\$130,000.00
<b>Disbursements:</b>		
UST Administrator's Fees	\$1,313,393.32	\$1,240,000.00
Adjustment	\$0.00	
Attorney General's Fees	\$53,448.56	\$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	\$20,617.90	
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	\$16,688.09	\$37,500.00
Innovative Technology	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FISCAL YEAR TO DATE ENDING JUNE 30, 2015**

		<b>FISCAL 2015 BUDGET</b>
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	\$26,260.00	\$100,000.00
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$270,869.32	\$800,000.00
Travel Expenses-UST Board Members	\$0.00	\$700.00
Warrant Float Expense	\$0.00	
28E Agreement - DNR RBCA Model Revision	\$4,860.00	
Statutory Transfer to DNR (technical review - recurring)	\$238,890.00	\$200,000.00
Statutory Transfer to IDAL (fuel quality inspections - recurring)	\$227,212.69	\$250,000.00
Statutory Transfer to IDOT (railway study)	\$0.00	\$500,000.00
Appropriations FY 2014	\$92,768.29	
Appropriations FY 2015	\$58,728.58	
Transfer of Funds to Innocent Land Owners	\$0.00	
	\$2,328,141.50	\$3,184,450.00
<b>Balance of Fund, June 30, 2015</b>	<b>\$9,417,609.04</b>	<b>\$8,626,916.83</b>
<b>0208 - UST REMEDIAL NON-BONDING FUND</b>		
<b>Balance of Fund, July 1, 2014</b>	\$8,681,846.71	<b>\$8,681,846.71</b>
<b>Receipts:</b>		
Remedial Refunds	\$0.00	
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer From UST Revenue Fund (0471)	\$14,000,000.00	\$14,000,000.00
	\$14,000,000.00	\$14,000,000.00
<b>Disbursements:</b>		
Retroactive Claims	\$483,723.34	\$700,000.00
Remedial Claims	\$5,638,469.11	\$6,000,000.00
Adjustment	\$0.00	
28E Agreement - NFA Claims	\$279,056.40	\$500,000.00
Transfer to ILO/GS Fund	(\$550,337.46)	
Transfer to Unassigned Revenue Fund	\$0.00	
Balance of Outdated Warrants	(\$3,752.36)	
	\$5,847,159.03	\$7,200,000.00
<b>Balance of Fund, June 30, 2015</b>	<b>\$16,834,687.68</b>	<b>\$15,481,846.71</b>
<b>0478 - UST MARKETABILITY FUND</b>		
<b>Balance of Fund, July 1, 2014</b>	\$755,308.99	<b>\$755,308.99</b>
<b>Receipts:</b>		
Interest	\$32,360.62	\$25,000.00
Use Tax	\$0.00	
	\$32,360.62	\$25,000.00
<b>Disbursements:</b>		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
	\$0.00	\$0.00
<b>Balance of Fund, June 30, 2015</b>	<b>\$787,669.61</b>	<b>\$780,308.99</b>

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FISCAL YEAR TO DATE ENDING JUNE 30, 2015**

		<b>FISCAL 2015 BUDGET</b>
<b>0485 - UST INNOCENT LANDOWNERS FUND</b>		
<b>Balance of Fund, July 1, 2014</b>	\$8,604,467.48	<b>\$8,604,467.48</b>
<b>Receipts:</b>		
Cost Recovery (i.e. lien settlements)	\$41,035.84	\$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	
	\$41,035.84	\$25,000.00
<b>Disbursements:</b>		
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	\$158,329.65	\$80,000.00
Innocent Landowner Claims	\$1,419,625.63	\$2,000,000.00
Transfer to/from Remedial Fund (0208)	\$0.00	
Balance of Outdated Warrants	(\$42,867.30)	
	\$1,535,087.98	\$2,080,000.00
<b>Balance of Fund, June 30, 2015</b>	<b>\$7,110,415.34</b>	<b>\$6,549,467.48</b>
<b>0238 - UST LOAN GUARANTEE FUND (Non-Bonding)</b>		
<b>Balance of Fund, June 30, 2015</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>0614 - UST CAPITAL RESERVE FUNDS (Bonding)</b>		
<b>Combined UST Capital Reserve Fund Balances, June 30, 2015</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TOTAL FUND BALANCES, June 30, 2015</b>	<b>\$34,688,663.54</b>	<b>\$32,062,750.39</b>

**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.

## **G. Status of Liens**

Iowa Underground Storage Tank Fund Liens Filed

(Updated 06-15-2015)

Lien #	County	Site #	Claim #	Site Address	Property Owner	Owner Address	Cost Recovery Letter	Cost Rec. Ltr - ticker date	Lien Fee Requested	Mld Notice & Fee	Lien Amount	Lien Filed Date	Book & Page	Request Release Fee	Lien Settlement
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	Tenville IA 50864	Marvin G. Shipley	2048 Tenville 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 Movice 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	\$6,365.00	2/1/2008	2008 - 223		Payment plan started 9/2013

## **Attorney General's Report**

## **Claim Payment Approval**

**IOWA UNDERGROUND STORAGE TANK PROGRAM  
THIRD BOARD REPORT  
JUNE 30, 2015  
BATTERY SHACK  
1304 N. LEWIS BLVD  
SIOUX CITY  
SITE REGISTRATION NUMBER: 8710551  
LUST NUMBER: 8LTK79**

RISK CLASSIFICATION:

HIGH

LOW

PRESENT CLAIM RESERVE: \$ 750,000.00

PREVIOUS BOARD APPROVAL: \$ 435,000.00

Number and Date of each previous Board Report: 1st: April 6, 2000, 2<sup>nd</sup>: May 15, 2007

PREVIOUS COSTS INCURRED: \$ 311,050.31

COSTS INCURRED SINCE LAST BOARD APPROVAL:

1. Site monitoring reports	14,201.24
2. Free product recovery	71,865.52
3. Operation and maintenance	8,695.12
4. Utilities	19,746.99
5. Corrective action teleconferences	1,177.00

TOTAL COSTS INCURRED TO DATE: \$ 426,736.18

PROJECTED COSTS:

- |                          |                               |
|--------------------------|-------------------------------|
| ❖ Site Monitoring Report | ❖ Free Product Recovery       |
| ❖ Bos-200 Trap and Treat | ❖ OE of shallow contamination |

TOTAL PROJECTED COSTS: \$ 300,000.00 to 400,000.00+

ADDITIONAL AUTHORITY RECOMMENDED: \$ 365,000.00

TOTAL AUTHORITY:\* \$ 800,000.00

COMMENTS:

The site is high risk for the groundwater and soil vapor pathways for a residential basement and non-residential sewers. Free product is present in several monitoring wells. A dual phase extraction (DPE) system operated in 2006 and 2007 but was ultimately shut down due to high operating costs and mediocre results. The consultant is recommending excavation o near the former pump islands and injection of Bos-200 to address the deeper contamination and free product. Population affected likely less than 50.

\*Previous approval + additional recommended

### Site Timeline

- 1990 - Contamination discovered during a site check in October of 1990.
- 1992 – Free product is discovered at the site and recovery efforts begin.
- 1995 - SCR submitted and accepted as high risk. CADR due in 120 days.
- 1999 – RBCA Tier 2 submitted and accepted as high risk. CADR due in 120 days.
- 2000 – First board request approved.
- 2000 – CADR submitted recommending vacuum enhanced free product removal and the relocation of the high risk sanitary sewer.
- 2000 – A vacuum enhanced free product recovery pilot test was completed. The pilot test concluded that the free product was not recoverable using vacuum trucks. A dual phase extraction (DPE) system is recommended.
- 2005 – Revised CADR is submitted recommending the installation of a DPE system.
- 2005 – First corrective action teleconference is held on May 24, 2005. Agreed to the installation of a DPE system.
- 2006 – The DPE begins operation in January.
- 2007 – Second board request is approved.
- 2007 – The DPE system is shut down in November. The operation costs, mainly the sewer discharge fees charged by the city, far exceeded the estimates. The system was not removing significant quantities of free product. It was decided that the system would be shut down and more cost effective remediation options would be explored.
- 2014 – Laser induced fluorescence (LIF) completed to better determine the area of free product.
- 2015 – Second corrective action teleconference held on February 17, 2015. Agreed to look at excavation for shallow contamination near the former pump islands, and Bos-200 to address the deeper contamination and free product. Additional delineation approved to better define the corrective action areas.



**IOWA UNDERGROUND STORAGE TANK PROGRAM  
 SECOND BOARD REPORT  
 JUNE 30, 2015  
 CASEY'S MARKETING CO.  
 201 WEST WASHINGTON STREET  
 EXIRA  
 SITE REGISTRATION NUMBER: 8606573  
 LUST NUMBER: 7LTP74**

RISK CLASSIFICATION:

HIGH

LOW

PRESENT CLAIM RESERVE: \$ 450,000.00

PREVIOUS BOARD APPROVAL: \$ 320,000.00  
 Number and Date of each previous Board Report: 1st: September 3, 2002

PREVIOUS COSTS INCURRED: \$ 74,937.85

COSTS INCURRED SINCE LAST BOARD APPROVAL:

1. RBCA Tier 2	17,987.14
2. Site monitoring reports	60,652.07
3. Free product recovery	113,982.91
4. CADR / Remediation	63,199.55
5. Operation, maintenance, and utilities	84,400.17
6. Corrective action teleconference	1,000.00
7. RBCA Tier 3	4,095.00
8. 2004 tank pull	12,888.72

TOTAL COSTS INCURRED TO DATE: \$ 433,143.41

PROJECTED COSTS:

- |                                    |                         |
|------------------------------------|-------------------------|
| ❖ Site Monitoring Report           | ❖ Free Product Recovery |
| ❖ Laser Induced Fluorescence (LIF) | ❖ Corrective Action     |

TOTAL PROJECTED COSTS: \$ 65,000.00 to 300,000.00

ADDITIONAL AUTHORITY RECOMMENDED: \$ 180,000.00

TOTAL AUTHORITY:\* \$ 500,000.00

COMMENTS:

The site is high risk for a non-drinking water well, residential basements and sewers, and the soil leaching to protected groundwater source pathway. There is significant free product beneath this former station. The property appears to be vacant. The free product plume is located 25 feet below grade, making excavation difficult without shoring and removal of the building. The consultant is proposing a laser induced fluorescence (LIF) evaluation to better define the free product plume prior to presenting corrective action options.

\*Previous approval + additional recommended

### Site Timeline

- 1990 - Contamination discovered in July 1990 during a site check. A claim was filed by Caseys.
- 1993 – Free product is discovered during the site assessment and recovery begins.
- 1995 – The SCR is submitted and accepted as high risk. The DNR accepts a monitoring only approach along with continued hand-bailing of the free product.
- 2001 – The RBCA Tier 2 is submitted and accepted as high risk. CADR due in 120 days.
- 2004 – First corrective action teleconference is held on August 31, 2004. It is agreed the high vacuum extraction events using a vacuum truck will be completed to remove the free product. The measurements collected during these events will be used to design a soil vapor extraction (SVE) system to be installed once the USTs are removed.
- 2004 – 2<sup>nd</sup> corrective action teleconference is held on December 2, 2004. Agreed a Corrective Action Design Report (CADR) will be submitted providing the design details of the SVE system to be installed when the store is closed.
- 2005 – 3<sup>rd</sup> corrective action teleconference is held on January 12, 2005 to finalize details for the SVE system implementation.
- 2005 – The USTs are removed in March and the store is closed.
- 2005 – The SVE system becomes operational in May of 2005.
- 2007 – Xitech skimmer pumps are installed to remove free product and augment the SVE system.
- 2015 – The SVE system was shut down in January as it did not appear to be providing any further benefit towards addressing the contamination. Additional corrective action considerations will be evaluated after completing further assessment. The Xitech system continues to remove free product (~ 1 gallon per month).





### Site Timeline

- 1990 - Contamination discovered during a pre-purchase audit and a claim was filed by Krause Gentle Corp. after purchasing the property.
- 1993 – Free product is discovered during the site assessment and hand-bailing begins.
- 1995 – The SCR is submitted and accepted as high risk. CADR due in 120 days.
- 1999 – The RBCA Tier 2 is submitted and accepted as high risk. CADR due in 120 days.
- 2000 – 1st board request approved on May 1, 2000.
- 2001 – A dual phase extraction (DPE) system is installed and became operational in January.
- 2003 – The USTs are removed and the station is permanently closed in February.
- 2006 – The decision is made to shut-down the DPE system and consider excavation. The system was not effective in the tight clay soils.
- 2007 – 1<sup>st</sup> corrective action meeting is held on June 7th. All agreed to an excavation.
- 2007 – 2<sup>nd</sup> corrective action meeting is held on September 12<sup>th</sup> to decide on the scope of the OE.
- 2007 – A large excavation was completed in November and succeeded in removing the on-site contamination. Contamination remained near property boundaries and beneath street to the south.
- 2010 – 3<sup>rd</sup> corrective action meeting is held on April 20<sup>th</sup> to discuss the remaining contamination, including contamination discovered on an adjacent former gas station property to the south. DNR follows up the meeting by issuing LUST #9LTO04 for the former station and requiring a RBCA assessment.
- 2014 - The consultant for the former station concludes that contamination migrated across street from the Kum & Go property. The DNR accepts the assessment and classifies the former station as no action required. Krause Gentle Corp. is deemed responsible for the contamination beneath the street and on former station.
- 2015 - 4th corrective action meeting is held on January 29, 2015 to discuss the contamination on the former station site. It is agreed that additional plume delineation will be completed to define an area for excavation.



**IOWA UNDERGROUND STORAGE TANK PROGRAM  
SECOND BOARD REPORT  
JULY 1, 2015  
FAUSER OIL CO.  
422 S. FREDERICK STREET  
OELWEIN  
SITE REGISTRATION NUMBER: 8605859  
LUST NUMBER: 9LTA36**

RISK CLASSIFICATION:

HIGH

LOW

PRESENT CLAIM RESERVE: \$ 300,000.00

PREVIOUS BOARD APPROVAL: \$ 175,000.00

Number and Date of each previous Board Report: 1st: December 18, 2013

PREVIOUS COSTS INCURRED: \$ 86,986.39

COSTS INCURRED SINCE LAST BOARD APPROVAL:

1. Site monitoring reports	9,796.00
2. Free product recovery	,649.30
3. CADR	<u>1,200.00</u>

TOTAL COSTS INCURRED TO DATE: \$ 120,631.69

PROJECTED COSTS:

- |                                    |  |
|------------------------------------|--|
| ❖ Site Monitoring Report           | ❖ Free Product Recovery                |
| ❖ Installation of an SVE/AS system | ❖ Operation and Maintenance, utilities |

TOTAL PROJECTED COSTS: \$ 180,000.00 to 220,000.00+

ADDITIONAL AUTHORITY RECOMMENDED: \$ 175,000.00

TOTAL AUTHORITY:\* \$ 350,000.00

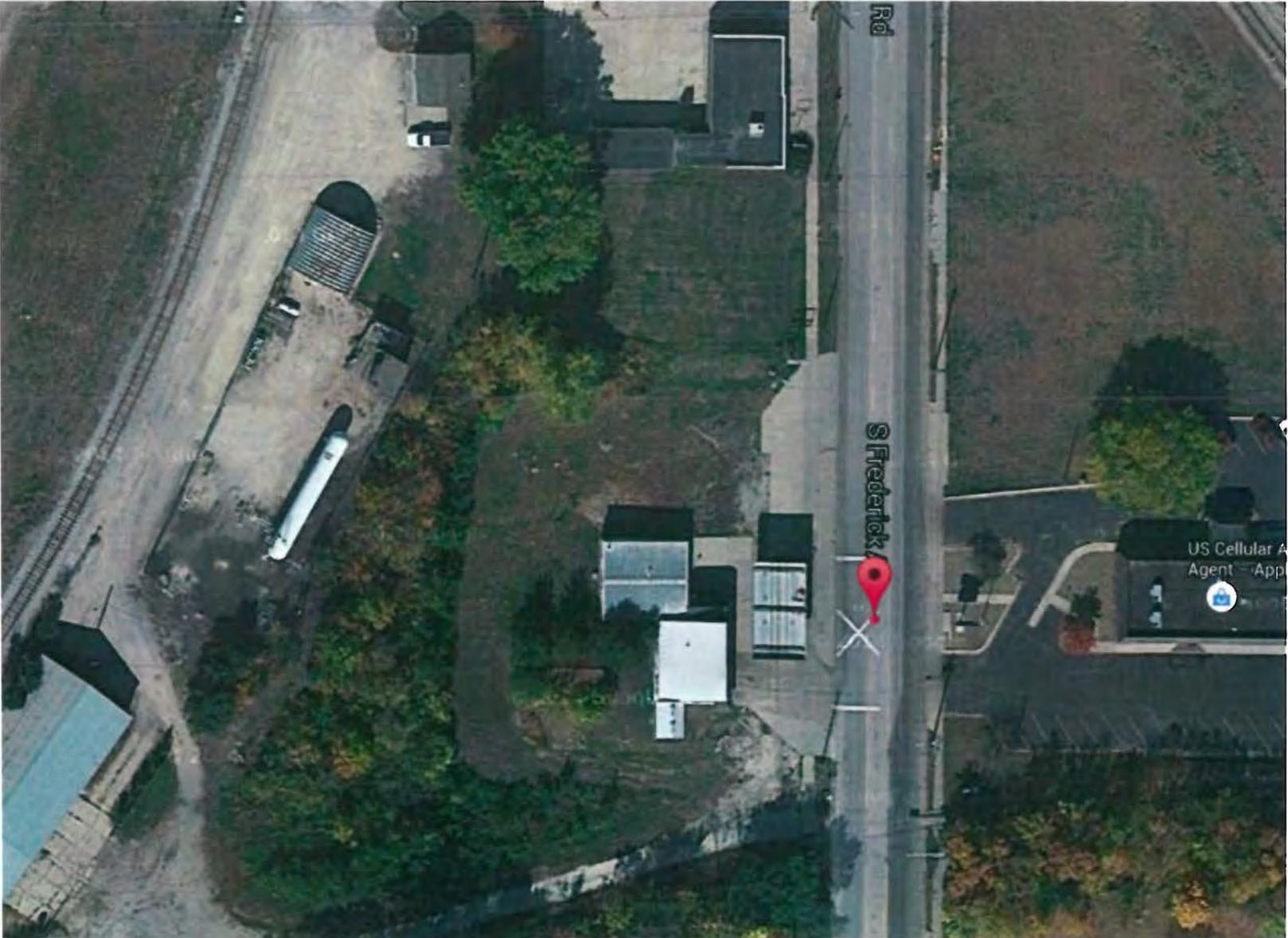
COMMENTS:

The site is high risk for the soil leaching and soil vapor pathways for non-residential sewers. Free product is present at the site. The depth of the product and the sandy soils make excavation unfeasible. The site is currently vacant and the free product is beneath the building and the canopy. Laser induced fluorescence was recently used to define the area of free product and an SVE (soil vapor extraction) and AS (air sparge) system is the recommended corrective action option. Population affected likely less than 50.

\*Previous approval + additional recommended

### Site Timeline

- 1994 - Contamination discovered during the community remediation project for Oelwein. Significant contamination is discovered and is attributed to a pre-10/26/90 release. A remedial claim is submitted by Seedorff Oil Co.
- 1995 - SCR is submitted and accepted as high risk. DNR gives the option of submitting a CADR or waiting for the RBCA rules to be completed.
- 1999 – The site and benefits are transferred to Fauser Oil Co.
- 2001 – RBCA Tier 2 is submitted and accepted as high risk. CADR due in 120 days.
- 2004 – Site is reclassified to low risk after passing vapor sampling.
- 2006 – USTs are removed and the station is permanently closed.
- 2014 – First board request is approved on January 24, 2014.
- 2014 –DNR reclassifies the site as high risk for the soil leaching and soil vapor pathways.
- 2014 – A pilot test is completed which indicates that a soil vapor extraction (SVE) system could be effective in remediating the site.
- 2015 – An LIF (laser induced fluorescence) investigation is completed in April to better define the corrective action area.
- 2015 – 1<sup>st</sup> corrective action teleconference is held on June 4, 2015. The installation of an SVE and AS (air sparge) system is agreed upon.



**Contracts Entered Into  
Since May 28, 2015 Board Meeting**



# IOWA UNDERGROUND STORAGE TANK FUND

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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. Gartin    Dawn M. Carlson    Patricia J. Beck    N. Kurt Mumm

## MEMORANDUM

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TO:            UST Board Members  
FROM:        Dale Cira  
DATE:        July 2, 2015  
SUBJECT:    Contracts Entered Into Since May 28, 2015 Board Meeting

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The Board has entered into one agreement since the May 28, 2015 meeting. This is:

- 1) An amendment to the 28E agreement between the Board and the Iowa DNR for the State Lead Closure Contract project, allowing work to continue through August 31, 2016.

## **Other Issues as Presented**

Regulated Underground Storage Tanks in Iowa

5/3/2015

Underground Storage Tanks Without Emergency Power Generators					
Owner Type	Total	Install Date		E85 Compatible	
		<1990	1990 thru 1995	Steel	FRP
Private/Corporate	6,955	2,090	1,996	3,496	840
County	107	40	59	75	3
Municipal	185	61	73	93	12
State	64	17	35	44	1
Federal	13		12	2	1
School	47	24	17	32	0
<b>Total</b>	<b>7,371</b>	<b>2,232</b>	<b>2,192</b>	<b>3,742</b>	<b>857</b>
				<b>Total E85 Compatible</b>	<b>4,055</b>
Emergency Power Generators				All steel compatible. Fiberglass compatibility based on date of installation and manufacturer warranty. Does not include piping, dispenser or other equipment.	
Owner type	Tank Total	Tanks <1990	1990 thru 1995		
Private/Corporate	40	7	5		
County	10	3	1		
Municipal	5				
Federal	9	2	5		
State	6		1		
<b>Total</b>	<b>70</b>	<b>12</b>	<b>12</b>		

Regulated Underground Storage Tank Sites in Iowa

5/22/2015

Count of sites with active USTs installed prior to 1/1/1990. Does not include emergency power generator only sites or temporarily closed sites.

Owner Type	USTS < 1990	# Sites	Subset
Private/Corporate	2090	719	Retail
		37	Non-Retail
County	40	24	
Municipal	61	34	
State	17	10	
Schools	24	17	
<b>Total</b>	<b>2,232</b>	<b>841</b>	

## **Correspondence and Attachments**

# We're Aging. Are Our Tank Systems?

by Carol R. Eighmey, Executive Director, Petroleum Storage Tank Insurance Fund

Whether you've been reading this column as long as I've been writing it (i.e., for most of the last 22 years) or you're newer to our industry, one fact is irrefutable: We're all aging.

The question arises: Is this also true of our tank infrastructure?

Frankly, this question had never crossed my mind until a colleague from the state of Washington recently contacted me. There, private insurance companies market pollution liability policies to tank owners, and the state tank fund provides reinsurance. My colleague had fielded frantic phone calls from two tank owners who had received 60-day cancellation notices from their private insurer. The reason given was the owners' underground tanks were 45-plus years old. The insurance company had told my colleague it would be sending more cancellation notices for "old tanks" in the coming months.

Responding to political pressures in his state, my colleague invited me to serve on a temporary task force of state officials to analyze the problems associated with the nation's aging UST infrastructure. Always a sucker for a challenge, I said yes.

This temporary task force's work is only about half-finished, but it has already been an interesting project. In some states, regulators have — in my view — jumped to a premature conclusion that their UST population is, in fact, aging and that this is a problem worthy of government action. They have imposed a requirement that underground tanks older than a specified age must be removed or replaced.

I have cautioned those colleagues against assuming, as the lawyers say, "facts not in evidence." It has become evident from the task force's work that *state officials do not know whether the average age of USTs in use is greater now than in the past*. The simple reason is that none of us have been routinely calculating the average of your tanks.

Also evident is that decisions based on this questionable assumption probably target the lowest-risk component of the storage system. We all know it is the piping and dispensers from whence cometh most leaks, yet

Figure 2: USTs

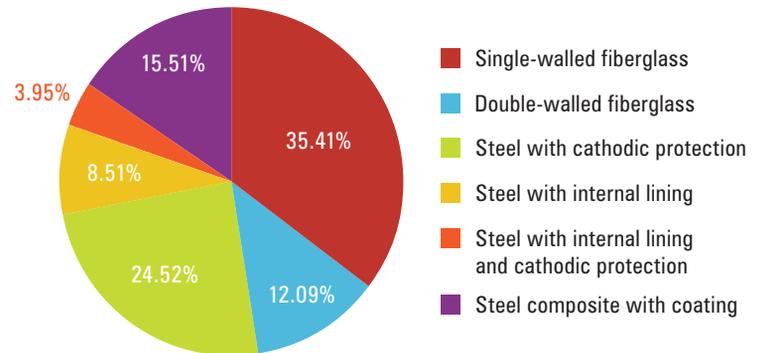
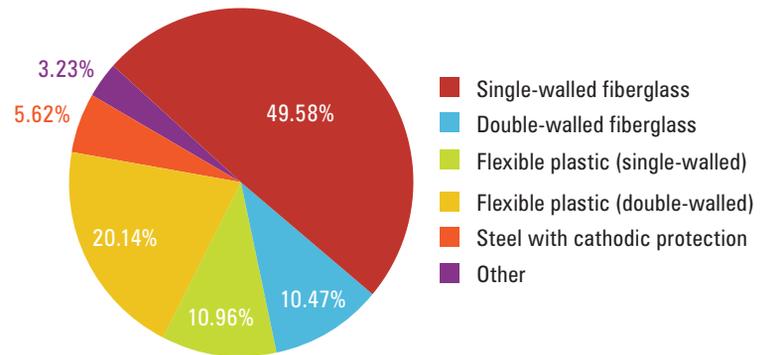


Figure 3: Piping



it seems some regulators — as well as some private insurance companies and their actuaries — only track the age of the tank itself and do not track the age of the piping or dispensers. Not smart.

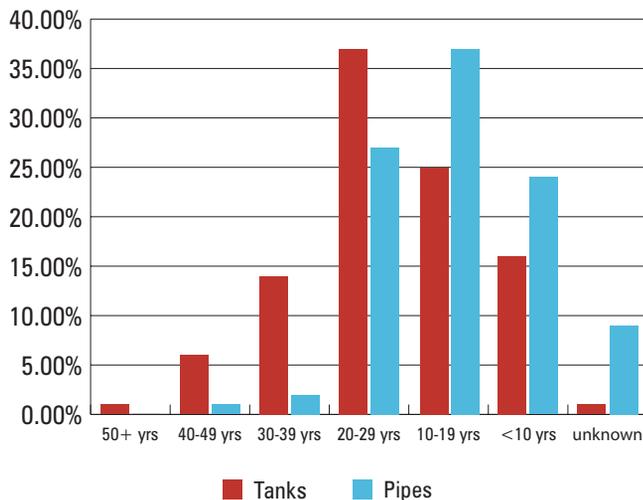
To assist the task force, we've recently analyzed the age of the PSTIF's insured UST population (Figure 1). We learned only about 7 percent of our insured underground tanks are 40 years old or older. The tanks' average age is 23.04 years. More importantly, less than 3 percent of piping is 30 years old or older, and our average piping age is 16.48 years.

To better understand the UST infrastructure, we also analyzed data on the types of tanks (Figure 2) and piping (Figure 3) in use.

A handful of other states are doing similar analyses of their UST data, and the task force will publish a report this fall summarizing its findings.

Task force members have realized that there are numerous other pertinent factors that affect the risk of leaks besides age and type of equipment. It will be interesting to compare other states' data to Missouri's, but I'm confident the report will tell my Washington friend that tank age is only one — and probably not the most important — factor in assessing risk of leaks. Hopefully, the report also will help regulators, insurers and tank owners better understand the nation's UST infrastructure and make sound decisions based on facts.

Figure 1: Age of Underground Tanks and Piping



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

**Held:** Tuesday, June 02, 2015 at 1:30 in room 5W of the Wallace Building  
**Site:** Former Jerry's Place (now Taco Johns parking lot), Le Mars, Iowa  
**LUST No.** 8LTO03  
**Status:** This was the fourth conference; no further conferences are scheduled.  
**Synopsis:** The site is no action required (NAR) with persistent free product (FP). The certified groundwater professional (CGP) submitted a corrective action design report (CADR) for sequestration/treatment of the free product/LNAPL (light non-aqueous phase liquid) using injection of Bos 200/Trap n Treat, an activated carbon product. The CGP will implement this technology with some modifications to the monitoring plan as proposed in the CADR and provide a report by November 15, 2015.

### Participating

**Owner:** Did not participate  
**Funding:** Steve Reinders of Cunningham Lindsey (by phone)  
**CGP:** Linda Watts of GeoTek (by phone)  
**DNR:** Jeff White, Project Manager, & Kate Meyer, Facilitator (in person)

### Funding Report by Steve Reinders of Cunningham Lindsey (CL)

- \$191,584 has been spent to date.
- Copay has been met with the aid of the Global Settlement.
- The UST Fund Board has granted reimbursement authority to \$320,000.

### Background & Recommendations by Linda Watts, certified groundwater professional (CGP)

- This site was classified no action required (NAR) with free product in 2001. The area is now a parking lot for the Taco Johns.
- A laser-induced fluorescence (LIF) survey was conducted in October 2013 and two remediation pilot tests in 2013-2014.
- Recommendation: As proposed in the CADR, I recommend conducting injection of Bos 200/Trap & Treat at 25 locations on the site and monitor for free product and BTEX.

### Discussion

CL: Has this product been used for free product?

GeoTek: This was not developed for free product, but they have found that it works. There is a lot of injection proposed for a relatively small area. It is possible that some of the injectate could bubble up to the surface or infiltrate into the filter pack of the monitoring wells.

DNR: We have heard from EPA and other groups that there is some concern that carbon can invade the filter pack and the well can act as a carbon filter, removing hydrocarbons before they can be sampled. We will require that all monitoring wells be thoroughly developed before sampling, either by surge block and bailing or using a vacuum truck. Further, one new monitoring well must be installed after the injections at a location where free product and relatively high contaminant concentrations are found. This will be a type of control, to see if the free product and BTEX are removed by carbon within the existing monitoring wells.

Geotek: Hand development with a surge block does not work well at this site, where the sand is saturated. Also, disposal of contaminated water is much easier for a vac truck.

DNR: Then use of a vac truck is okay.

GeoTek: We are proposing to sample seven monitoring wells quarterly for a year as well as check for free product for a year.

DNR: Ideally you would monitor a couple of wells in the source and several wells on the periphery of the plume to see if the contamination plume is pushed out or spread by the injections.

GeoTek: There really aren't any peripheral wells. This site went NAR with free product and we didn't have to define the groundwater plume very well.

DNR: You can reduce the monitoring to sampling to four monitoring wells (MW4, MW6, MW8, MW10) before injection. Sample the four wells and the new monitoring well three months after injection, six months after injection, and 12 months after injection for OA1 only. Skip the nine-month sampling. The proposed plan for checking for free product is acceptable: 11 monitoring wells (plus the new monitoring well) to be checked monthly. Reports can be submitted quarterly, with the quarterly free product recovery reports.

CL: This monitoring plan looks acceptable.

GeoTek: We could install a monitoring well to the southeast before injection.

DNR: We can wait to see if we need it. Since there are no receptors at risk, we don't have to be as careful as if this were a high risk site.

GeoTek: The company doing the injections says it will take four days. This will be hard on business at the Taco Johns. We will try to minimize the problems we cause for parking. For example, we will work from early in the morning until 11:00 am, break until 1:30 or 2:00, then work until later in the afternoon/evening.

DNR: The use of this technology is something of an experiment for us, so some monitoring precautions are necessary. If this technology goes well and the groundwater and free product monitoring results are favorable, we could be on the road to cleaning up more sites. Hopefully less monitoring may be necessary.

#### **Selected Actions and Schedule**

- DNR sends out conference notes by 6/6/15.
- CGP submits a revised proposal and budget for the injections by 6/9/15.
- CL evaluates the budget by 6/16/15.
- CGP completes injections by 8/1/15.
- CGP provides the initial quarterly free product recovery/injection report by 11/15/15.
- Subsequent reports will be submitted quarterly; we will re-evaluate free product recovery and checking one year after injections.

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.

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

**Held:** Thursday, June 04, 2015 at 1:30 in room 5W of the Wallace building  
**Site:** Former Jim's Quick Stop, Oelwein  
**LUST No.** 9LTA36  
**Status:** First conference; no further meetings are scheduled.  
**Synopsis:** The site has free product and is high risk for soil vapor to enclosed spaces and soil leaching to groundwater. The certified groundwater professional (CGP) will provide a revised corrective action design report (CADR) by 7/1/15 which provides final details of the proposed air sparge/soil vapor extraction (AS/SVE) remediation system and monitoring plan. Additional reimbursement authority will be sought from the UST Fund Board at the meeting on 7/14/15. System startup is estimated at 9/1/15.

### Participating

RP: Did not participate  
Funding: Steve Reinders of Cunningham Lindsey (by phone)  
CGP: James Goodrich of VJ Engineering (by phone)  
DNR: Ruth Hummel, Project Manager, & Jeff White, Conference Facilitator (in person)

### Funding Report by Steve Reinders of Cunningham Lindsey

- \$118,532 spent to date.
- The site has reimbursement authority to \$175,000 from the UST Fund Board, so additional authority can be sought at the next Board meeting on 7/14/15.
- Copay has been met with the aid of the Global Settlement.

### Background and Recommendations by James Goodrich, CGP

- This site is high risk for soil vapor and soil leaching to groundwater.
- Free product is observed periodically but persistently in MW7.
- We ran a laser-induced fluorescence (LIF) survey that showed the extent of the soil contamination and LNAPL (light aqueous phase liquid).
- AS/SVE is proposed because the subsurface materials consist of a fine to medium grained sand; groundwater is relatively deep, around 20 feet; and the contamination appears to extend under a site building and to a depth of at least 27 feet in places. An SVE pilot test in 2014 produced good results.

### Discussion

CL: There are above-ground storage tanks (ASTs) behind the building to the west. The LIF boreholes near MW12 on the west side of the building showed contamination. It's possible this area of contamination is from the ASTs and the nearby railroad. But we don't have strong evidence the contamination is from a source other than the USTs. We agree with the AS/SVE system and its placement.

CGP: The LIF behind the building indicates gasoline, not diesel as you would expect from a railroad. And the LIF model ties the contamination to the dispenser in the UST system.

DNR: We like the AS/SVE system idea and think it is the most cost effective approach, but have some questions and suggestions. Most of these are detailed in the emailed three-page document we sent out on May 29, 2015. For one thing, we think the AS wells are too shallow.

CGP: Four SVE wells and two AS wells are proposed. LIF hole #7 hit apparent bedrock at 28 feet, so we may not be able to go much deeper.

DNR: We only got select portions of the LIF Report. Can you send us a complete copy of what the LIF vendor sent you and the software file? For the AS points, you want the top of the screen of the sparge point to be at least several feet beneath the base of the contamination. The "reach" or radius of remediation (ROR) of a sparge point can vary from a few feet to maybe 15 feet, depending upon a number of factors, including grain size, air

pressure of injection, preferential pathways, depth beneath the water table, etc. The depth to the water table varies a lot at this site. The SVE wells can extend a bit below the depth of the average water table to allow for SVE in low water conditions but the proposed top of the screens for SVE wells must be sufficient to assure they will not be submerged during high water table conditions. Most of the drilling and sampling was conducted more than 20 years ago, when PID readings were taken on five-foot intervals and there wasn't much soil sampling. We have requested some additional soil sampling in the vicinity of MW-7 conducted in conjunction with the installation of the proposed AS and SVE wells. Please send us a letter report of the sampling results.

CL: What plans do the owners have for the site? If they sell the property, they need to maintain access for corrective action and monitoring.

CGP: I am not aware of any plans by the owner to sell or redevelop the property at this time.

DNR: We have a few additional comments and suggestions:

- Especially where the surface is paved, you could use horizontal SVE wells instead of vertical ones on at least some of the locations, since you have to trench in the concrete anyway. If you can install 20' of 4" horizontal piping to 10' deep, that would be above the water table and would have great surface area.
- Depending upon how deep you can install them, you could put in more sparge points in contaminated areas. One or two more points would not cost very much but could speed up the cleanup. All the points don't have to be active all the time.
- Check with the city to see if you will need a building permit for the remediation shed.
- Install more soundproofing and a higher stack than you initially think you need. These systems are loud.
- This site has sand all the way to the surface. The SVE will likely be more efficient if short-circuiting of air from the surface is minimized. You may wish to backfill the trenches and dispenser island holes with clay or concrete. Cracks or holes in the pavement can be filled with caulk or tar.

CGP: I will take these comments into account and provide a revised CADR.

CL: We likely don't have sufficient reimbursement authority to cover the system installation. We will apply for additional authorization at the next Fund Board meeting on 7/14/15.

#### **Selected Corrective Action and Schedule**

- DNR sends out conference notes by 6/8/15.
- CGP submits a revised CADR for review by 7/1/15.
- DNR reviews the revised CADR as soon as possible.
- CGP submits a proposal and budget to CL and RP for an air sparge/soil vapor extraction system by 7/1/15.
- CL takes the proposed reimbursement authority to the Fund Board meeting on 7/14/15 and evaluates the budget by 7/16/15.
- CGP prepares and provides a letter report of sampling results (including map, boring logs, and analytical results) as soon as sampling results are received.
- The AS/SVE system will start up by 9/1/15.

Everyone agreed to this approach and schedule.

Ruth Hummel, DNR Project Manager  
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.*



# STATE OF IOWA

TERRY E. BRANSTAD, GOVERNOR  
KIM REYNOLDS, LT. GOVERNOR

DEPARTMENT OF NATURAL RESOURCES  
CHUCK GIPP, DIRECTOR

June 9, 2015

WOODBURY COUNTY COURTHOUSE  
ED GILLILAND HR DIRECTOR  
620 DOUGLAS STREET  
SIOUX CITY IA 51101

SUBJECT: Corrective Action Teleconference for Woodbury County Law Enforcement Center, Located at 407 Seventh Street in Sioux City, Iowa.  
Registration No. 197910455 LUST No. 9LTJ60

Dear Mr. Gilliland:

The Department of Natural Resources (DNR) held a teleconference on June 8, 2015 with interested parties concerning a recent Corrective Action Design Report (CADR) submitted by Certified Groundwater Professional (CGP) Dan Ruppert for the Woodbury County Law Enforcement Center (LEC) in Sioux City, Iowa. Meeting participants were as follows:

- Ed Gilliland (County)
- Mike Headid (County)
- Jeremy Taylor (County)
- Steve Reinders (Cunningham Lindsey, UST Fund)
- Matthew Graesch (DNR)
- Jeff White (DNR)
- Dan Ruppert (CGP).

## Funding

Steve Reinders of Cunningham Lindsey gave an update on funding as follows:

- Expenditures at the time of the meeting were \$312,536.
- ~\$15,000 has been allocated for the CADR, but not paid yet (~\$328,000).
- The UST Fund Board has approved funding up to \$700,000 leaving ~\$372,000 that can be spent before making a request for more money.
- The UST Fund has a \$1,000,000 cap per site.
- If it can be shown that the gas station which caused the contamination at the LEC site was owned or purchased by a "major oil company", the \$14,400 copay paid by Woodbury County as part of initial site investigation could be recovered and paid back to the County.

## General Overview

The LEC has a history of petroleum vapor intrusion and a neighboring building makes use of a non-drinking water well (NDWW) for geothermal cooling. Both the basement and the well are considered high-risk receptors and a plan to deal with both remnant light non-aqueous phase liquids (LNAPL or "free product") as well as dissolved petroleum contamination down gradient is required. An air handling system was installed in the basement ~14 years ago at

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a cost of ~\$188,000 and has effectively mitigated risk to building inhabitants from petroleum vapors. The DNR would like to see the source of these vapors be eliminated along with reducing the probability that the concentration of petroleum chemical dissolved in groundwater near the site will have adverse effects on the NDWW.

### **Approach**

Towards the end goal of bringing the site to No Further Action status, CGP Dan Ruppert has submitted a CADR. This report has been reviewed by DNR and was discussed in detail at the meeting. As necessitated by unusual site conditions (required distance of the remediation equipment from the contamination, depth of contamination, presence of significant LNAPL beneath the building, etc.), the CADR suggests a highly complex remediation system using high-vacuum multiphase extraction (MPE).

High-vacuum multiphase extraction works by removing mobile, residual LNAPL, contaminated groundwater, and petroleum vapors from the subsurface. These wastes are pumped through pipes to a small shed housing the pumps, filters, electrical equipment, etc. needed to operate the system. After passing through filtering equipment, water is discharged to the storm sewer and petroleum is retained for disposal. It is hoped that this approach could significantly reduce contamination to levels below Iowa Risk Based Corrective Action (RBCA) standards in ~2 years.

In addition to MPE, both DNR and CGP are interested in treating the down-gradient contaminated groundwater before it reaches the NDWW. Subsurface injection of chemicals designed to break down the contaminant molecules has been suggested by both parties, though there are differences of opinion on what type of injection is most likely to succeed.

In the immediate future, the CGP will conduct “sub-slab” vapor monitoring to assess whether or not petroleum vapors are still collecting beneath the basement at LEC. DNR will assist by offering guidance on implementation of novel vapor monitoring techniques. Also, the CGP will supervise installation of a new guard well (monitoring well) if possible in the alleyway east of the LEC.

### **Additional Action**

Some additional items or information are still required before the CADR can be approved and work can begin on the remediation system. The following tasks will be completed in a timely manner and results should be reported to interested parties.

- Optimization of the CADR by CGP Dan Ruppert shall include:
  - A listing of benchmarks for performance evaluation.
  - A time table of estimated dates for benchmark completion.
  - A feasibility evaluation of injection (via direct push technology) in the alleyway between the LEC and the Pioneer Bank building.
  - A full cost estimate including injection technology.
  - A feasibility test of directional boring via hand auger.
  - An evaluation of the number of remediation wells required to treat only the source area with MPE.

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- Woodbury County employee Mike Headid has agreed to meet with a representative of the Pioneer Bank building to collect as much information as possible on the geothermal well in operation there. Data might include depth, screened interval, pump depth, pumping rate, pump capacity, exact location, driller's log or name, and any other useful information.
- DNR requests that a representative of the County inform all parties on plans for handicapped access addition at the southwest corner of the south stairs at the LEC. Success of the planned MPE system will be hindered if the CGP cannot install a remediation well in this location.
- DNR project manager Matthew Graesch will provide guidance documents to the CGP on the type of sub-slab sampling requested for vapor monitoring. The DNR will also investigate the permitting status of the NDWW.

Please feel free to contact me at any time if there are questions or media requests. DNR will produce typed Corrective Action meeting notes and distribute them before June 19.

In all correspondence regarding this project please include the LUST number, which appears in the Subject heading of this letter. Please feel free to contact me at 515-725-8331 or [matthew.graesch@dnr.iowa.gov](mailto:matthew.graesch@dnr.iowa.gov) with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Graesch", with a long horizontal flourish extending to the right.

MATTHEW GRAESCH  
ENVIRONMENTAL SPECIALIST  
UNDERGROUND STORAGE TANK SECTION

## Notes of First Corrective Action Conference

Iowa Department of Natural Resources (DNR)

**Held:** Tuesday, June 23, 2014 at 1:30 PM in room 5W of the Wallace Building  
**Site:** Former Kesley Fuel & Repair, Kesley  
**LUST No.:** 9LTO70  
**Status:** First conference; no further meetings are scheduled at this time, but another conference is likely in August or September of 2015.  
**Synopsis:** The site is high risk for soil to water line and soil leaching to protected groundwater source. In addition, a water main and two services lines are in an area of free product. The site is not funded or insured. The responsible party (RP) claims he was not informed that he should permanently close his USTs or maintain financial responsibility while the tanks were temporarily closed in 1998 until removed in 2010. By 7/4/15, the certified groundwater professional (CGP) will provide a date by which he will submit a work plan to address the high risk pathways. The RP will investigate financial responsibility and provide a history and timeline of the USTs by 7/15/15.

### Participating

RP: David Ibeling, property owner and operator (by phone)  
CGP: Ollie Thurman of Blackhawk Environmental Testing (by phone)  
DNR: Kate Meyer, Project Manager, & Jeff White, Conference Facilitator (in person)  
Other: Shelli Lovell & Gary Kopsa of Central Iowa Water Association (CIWA) (by phone)

### Issues and Deficiencies by Kate Meyer, DNR Project Manager

- Five issues from the latest site monitoring report (SMR) are discussed in the DNR letter dated May 5, 2015. The CGP emailed maps and information regarding these issues this morning to the DNR.

### Background and Recommendations by Ollie Thurman, CGP.

- Three 1,000 gallon USTs were removed in 1990; two were installed in 1932, one in 1970.
- One 1,000 gallon gasoline UST was installed in 1990 and temporarily closed in 1998.
- In 2002, a 10" PVC water main was installed near the UST.
- In 2010, the UST was removed. No contamination was found around the tank, but soil samples from the dispenser island were contaminated. Groundwater contamination and free product were also found. The site is high risk for soil to water line and soil leaching to protected groundwater source.
- There has been no free product more than 0.02' thick since March.
- Six corrective action alternatives are listed in the email sent today:
  1. Reroute the water main. Estimated cost \$70,000. Too expensive.
  2. Replace the water main with ductile iron with nitrile gaskets. Estimated cost \$29,000. Too expensive.
  3. Conduct an over-excavation (OE). The RP is concerned about expense and destruction of the site building and county road.
  4. Water main monitoring plan. The water was tested at the bank property across the street and it is clean.
  5. Install bentonite trenches on both sides of former dispenser.
  6. Spot OE, a hole about 10' by 10' by eight feet deep at the former dispenser. There is clay above eight feet and sand beneath that depth.

## Discussion

DNR: Why is the cost for addressing the water line so high?

CIWA: The rerouting cost includes taking the water line all the way around the block. The replacement cost includes 20 feet of 10" PVC replacement plus replacing five service lines.

DNR: The high risk water line issue is different from the free product/water line issue. The high risk pathways can be addressed by removing all soil contamination over the limits within 10 feet of the water lines, but the water line that is located in the free product plume is to be addressed separately. The rule states, "In areas of free product, all water lines regardless of construction material must be relocated unless there is no other option and the department has approved an alternate plan of construction." To date, the only alternate plan of construction approved was to replace a PVC water line with ductile iron and nitrile gaskets and encase the replaced water line in concrete.

CGP: So we could leave the PVC water main in place and encase it in concrete?

DNR: Unlikely. But we would need to review a work plan. And the map shows two service lines that must be addressed, too: the site water line and the bank water line.

CIWA: We can work with you on the water main, but we would need specifications and information. For example, what is the pipe exposed to?

DNR: The work plan from the CGP will contain details. If the groundwater issues can be addressed, over-excavation will likely be the best option. The groundwater flow direction appears to be toward the northeast and north; free product has moved to the north. Benzene is not an issue; ethylbenzene and xylenes are high risk. To address the groundwater to water line pathway, you assert that there is more than a 3-foot separation between the base of the water line and the static water table. The water table data must be tabulated and clearly presented to demonstrate the separation. Some maps show one water line and other maps have two water lines. Are there one or two?

CGP: There is one water main.

RP: The water main is between the sidewalk and road and I don't have authority over this land! It was installed right by the old gasoline dispenser and tank. We shut down the station and temporarily closed the tank in 1998, but I was never told to pull it out or to keep the state insurance going. I would have pulled it and sampled if I had known. I have a letter from Field Office 2 dated 1/5/99 saying I don't have to keep the insurance if the tank isn't being used. And no place does it or anything else say I have to pull the tank within a year! Why did you wait until 2010 to write me and tell me that I have to close it?

CIWA: We will leave the teleconference now. Call us if we can help.

DNR: We can't answer about what DNR did more than 15 years ago. We don't have all the correspondence or know all the UST history of the site. The 1999 letter does have some unusual language. But as a station operator you have to know and follow the regulations. And the regulations say you are supposed to permanently close the tanks within a year of temporary closure. If you had closed the tank system and sampled, the contamination would have been found and you would be covered by the state UST fund.

RP: I'm sorry, but I didn't know the regulations. If I had known, I would have pulled the tank and sampled. This has cost me a lot of money and could cost me a lot more. It's very stressful.

DNR: Do you want to apply for evaluation for ability to pay?

RP: I'm a farmer and I own land, so I won't qualify. Do I have to sell my land to pay for this?

DNR: I don't think this will be that expensive, especially if you could use your own backhoe to dig and your land to use as a soil landfarm. You could talk with a representative of the state fund to see if you might qualify. Contact Steve Reinders with Cunningham-Lindsey at 515-276-8046-ext. 246. It might help if you send a letter with dates, events, and correspondence. When old tanks were removed and a new one installed in 1990 there should have been sampling conducted. May be you will be able to locate this information.

RP: The water service line to the site building could be disconnected, if that would help. And I think the bank's water service comes from the alley to the north of the bank, so it may not be near the contamination.

DNR: Investigate and provide details in a work plan. In the work plan you must address or provide details on how you will address:

- soil to water main receptor
- soil to water service lines receptors
- water lines in the free product plume
- soil leaching to protected groundwater source
- low risk potential groundwater ingestion through protected groundwater source
- free product in monitoring wells
- vertical groundwater separation distance between water lines and water table.

By when can you get us a work plan?

CGP: I'm not sure; I will need to talk with my client.

DNR: By when can you tell us when you can set a schedule for a work plan? By July 4?

CGP: Yes, I can do that.

DNR: We still recommend that you dig out as much as you can with an OE. It's the fastest and most sure method. Even if you can only dig down to 8 feet or so, you could install horizontal piping for soil vapor extraction (SVE) using a blower or passive extraction. This would help clean up the contamination in the sand.

#### **Selected Actions and Schedule**

- DNR sends out conference notes by 7/3/15.
- CGP submits a schedule for submittal of a work plan by 7/4/15.
- RP provides a letter with important dates, events, explanations, and correspondence regarding the history of temp closure.
- We will likely hold another conference in August or September.

Everyone agreed to this approach and schedule.

Kate Meyer, DNR Project Manager  
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 Jeff White at the UST Section of the DNR.

## **Supplemental Information**