

December 10, 2015

Board of Directors

**Iowa Comprehensive Petroleum
UST Fund Board**



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

NOTICE OF PUBLIC MEETING

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

The tentative agenda for the meeting is as follows:

10:00 a.m. Call to Order

1. Approval of Prior Board Minutes
2. Closed Session Discussion of Pending and Imminent Litigation (To adjourn by 10:30 am)
3. Public Comment Period
4. Board Issues
 - A. Update to the Plan for the Termination of the ICPUST Fund
 - B. Iowa UST Operator Training Agreements
 - C. RFP: RBCA 1509-01 Environmental Support Services
 - D. DNR Update
5. Approval of Program Billings
6. Monthly Activity Report and Financials Reviewed
7. Attorney General's Report
8. Claim Payment Approval
9. Contracts Entered Into Since October 29, 2015 Board Meeting
10. Other Issues as Presented
11. Correspondence and Attachments

Approval of Prior Board Minutes



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MINUTES

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND PROGRAM

OCTOBER 29, 2015

**STATE CAPITOL BUILDING
1005 EAST GRAND AVENUE, ROOM 15
DES MOINES, IOWA**

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

Karen Andeweg
Joseph Barry
Timothy Gartin
Tim Hall (for Chuck Gipp)
Kurt Mumm (via telephone)
Adam Phillips (for Michael Fitzgerald)
Jeff Robinson

Also present were:

Dale Cira, Administrator
James Gastineau, Deputy Administrator
Elaine Douskey, Iowa Department of Natural Resources

Mr. Beech opened the meeting by announcing that agenda item No. 8, Claim Payment Approval, would be moved to Item No. 3 so information of interest to the consultants attending would be covered prior to Aon's proposed conceptual plan which might result in a lengthy discussion.

APPROVAL OF PRIOR BOARD MINUTES

Mr. Beech inquired if the members had reviewed the minutes and there were any items for discussion. Mr. Barry motioned to approve the minutes of the September 24, 2015 meeting and Ms. Andeweg seconded the motion. The minutes were approved unanimously.

CLOSED SESSION

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

CLAIM PAYMENT AUTHORITY

Mr. Gastineau presented the following claim authority requests:

1. Site Registration 8608656 – Casey’s Marketing Company, Zearing (2nd Board Report)

This site is classified high risk for the protected groundwater source pathway and has free product present. The site, now a vacant lot, is outside of the city limits of Zearing (Story County). The consultant recently completed a large excavation and exceeded authority in part due to rain events which required dewatering of the excavation and additional costs for handling and disposal of the groundwater. The excavation appears to have been successful in removing soil contamination to below the target levels. The site may reclassify to no action required following post-excavation monitoring and free product inspections.

Mr. Gastineau noted the present claim reserve is \$400,000; prior approval for costs up to \$325,000 was previously granted in March 2015. Projected costs are \$330,000 to \$350,000 for new activities. Additional authority of \$100,000 was requested for a total authority of \$425,000.

Mr. Hall moved to approve the request and Mr. Gartin seconded the motion. Motion carried unanimously with Mr. Beech abstaining.

2. Site Registration 8601381 – Rudd-Rockford-Marble Rock Community School District, Rudd (1st Board Report)

This site is classified as high risk due to proximity of contaminants to a water line. Contamination was discovered on January 30, 1989 and was reported to the DNR. A retroactive claim was filed on October 30, 1990. The claim was denied as it did not meet the filing deadline (May 4, 1989) for the retroactive fund. An ILO claim was filed on August 26, 1999 and determined to be eligible. This is an eligible innocent landowner claim.

DNR has accepted a Tier 3 report recommending the reclassification of the site to NAR with free product pending relocation of the water line or until it is determined that the water line is not within the area of the free product plume. Additional free product plume delineation will be completed to determine if the water line must be relocated. If it is not within the area of free product, the site will become NAR-FP and free product removal by hand-bailing will continue.

Mr. Gastineau noted the present claim reserve is \$105,000. Total costs to date are \$84,481.02 and projected costs are \$15,000 to \$75,000+ for new activities. Additional authority was requested for a total authority of \$150,000.

Mr. Gartin moved to approve the request and Mr. Barry seconded the motion. Motion carried unanimously.

Ms. Carlson joined the meeting in progress at 10:06 a.m.

3. Site Registration 8601372 – Sires Oil Co., New Albin (3rd Board Report)

The site is high risk for two drinking water wells, one private and one a municipal well. The site is also high risk for residential sewers, water lines, and the protected groundwater source pathway. An SVE/AS system was installed on this site and the adjacent LUST site in June 2006 and has been operational since that time. Costs are shared equally between the sites. The contaminant levels at both sites have declined significantly with the operation of the system, but are unlikely to reach the target levels for the private well across the street without additional corrective action. The consultant is recommending the use of BOS-200 injections (activated carbon with sulfate) for both sites to lower the concentrations and potentially meet the target levels for reclassifying the sites to no action required.

Mr. Gastineau noted the present claim reserve is \$415,000; prior approval for costs up to \$375,000 was granted on February 17, 2014. Projected costs are \$125,000 to \$200,000+ for new activities. Additional authority of \$175,000 was requested for a total authority of \$550,000.

Mr. Gartin moved to approve the request and Mr. Hall seconded the motion. The motion passed unanimously.

4. Site Registration 8608304 – Casey’s Marketing Co., Monroe (2nd Board Report)

The site is high risk for water lines, residential sewers and basements. The site is no longer used as a gas station and can be excavated. The contamination extends into the right-of-way and under the street. The consultant is proposing an excavation which will include portions of the right-of-way and street. The bulk of the contamination will be removed but some will remain beneath the street. The site could potentially be reclassified to no action required following post-OE monitoring.

Mr. Gastineau noted the current claim reserve is \$250,000. Projected costs for new activities are \$115,000 to \$200,000+. Additional authority of \$100,000 was requested for a total authority of \$300,000.

Ms. Andeweg moved to approve the request and Mr. Gartin seconded the motion. With Mr. Beech abstaining, the motion passed unanimously.

5. Site Registration 8811618 – Woodbury Central Schools, Climbing Hill (3rd Board Report)

6. Site Registration 9217516 – Pat Benjamin/Tuff Luck, Inc., Climbing Hill (3rd Board Report)

Mr. Gastineau reported on these sites together. The sites are high risk for the groundwater ingestion pathway. The water table is deep (-30 ft.) and contamination appears to have spread over some distance. Due to extent of contamination, corrective action options are limited. In 2002, two private association wells were installed to serve multiple affected parties, and one public well was installed for the use of a local restaurant. Due to siting requirements, the public well was placed on private 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 asking for the well to be removed resulting in the lessee no longer having access to a source of potable water.

Since the 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. The best option is to install a new water main to connect the former restaurant (now a residence) to the East Association well, and then install a new well for the Association next year. Authority is requested to provide for the water line and new well; costs will be shared between Woodbury County School District and Tuff Luck, Inc. claims.

Mr. Gastineau noted the request for new activities is \$35,000 to \$50,000+. Additional authority requested is \$50,000 for each site, resulting in total authority for Woodbury Central Schools of \$615,000 and \$515,000 for Pat Benjamin/Tuff Luck, Inc.

Mr. Gartin moved to approve the requests and Mr. Hall seconded the motion. The motion approved unanimously.

7. Site Registration 8600110 – United Farmers Mercantile Coop, Red Oak, 2nd Board Report)

This site is high risk for vapor pathways and low risk for potential vapor receptors (sewers and basements). The site is an active fueling station. The consultant is proposing the excavation of a portion of the contamination along the site boundary and added chemical injections (Bos-200) on another boundary area which is not accessible to excavation due to UST infrastructure and utilities. An environmental covenant will then be added to the deed of the property preventing the installation of sewer and basement receptors within the area of contamination, therefore eliminating the low risk potential pathways. The DNR has agreed to this approach and it may allow for claim closure.

Mr. Gastineau noted the present claim reserve is \$500,000. Total costs incurred to date are \$278,895.33. Total projected costs are \$200,000 to \$250,000+. Additional authority requested is \$130,000 for a total authority of \$550,000.

Ms. Andeweg moved to approve the request and Mr. Gartin seconded the motion. The motion passed unanimously.

BOARD ISSUES

A. Conceptual Plan for Termination of the Iowa Comprehensive Petroleum Underground Storage Tank Fund

Mr. Beech opened the discussion by indicating this would be a free flowing discussion and asked Board members to express their opinions. He also informed the Board members that Aon's contract will expire on December 31, 2016 and that there are no more renewal options. In regard to that matter, he noted he had asked Mr. Steward to investigate the options available to the Board as they look to wrap up the program.

Mr. Steward remarked that he researched whether the Board could look to Aon to serve as the Administrator to shut down the program or if the Board would need to issue a RFP to retain an Administrator if services were required after December 31, 2016. He noted Iowa Code 455G specifically provides for contracting for an administrator and noted that statute states the contract shall be awarded on a competitive basis to the maximum extent practical. He also noted the language provides that in situations where it is determined public bidding is not practical the basis for impracticability would need to be documented by the Board. He also noted that regulations issued by the Department of Administrative Services deal with sole source procurements and that the Board would also be subject to these regulations.

Mr. Steward noted a sole source provider can be selected without submitting a formal bid. He noted this process is an option and if used could result in a single year or multi-year contract. He noted there are two potential justifications that could apply to this situation: 1) State agency determines that one service provider is the only one qualified or eligible or is quite obviously the most qualified and eligible to perform the service and 2) the services being purchased involve work that is of such a specialized nature that only a single source by virtue of experience, expertise, proximity to a project or ownership of intellectual property rights could most satisfactorily provide the service.

Mr. Steward noted that he believes the Board could look at the sole source option using the provisions provided by law. He noted that regulations require the director of the agency, in this case the Board Chairperson, would sign the contract and complete a sole source justification form. He also noted that if the Board thinks Aon is needed to shut down the program, then no other justification other than the Board having that discussion, making a determination and having the chair sign off on that justification would be needed.

In considering the option, Mr. Beech inquired what the Board would do for pricing under the sole source procurement. Mr. Steward noted that pricing would be negotiated and that it is the Board's obligation to get the best deal possible.

Mr. Gartin noted that since ample time remains, wouldn't it be in the best interest of all to issue a RFP to solicit bids for the Administrator's services. Mr. Steward indicated the bidding process is an option, however it is labor intensive for both parties involved and may take several months and hundreds of hours of work to go through the process. He noted there is not a specific date to make this decision, but indicated if the Board should desire the RFP process then a decision sooner rather than later would be needed. Mr. Steward also commented that in the past, the RFP process was usually started in March and vendor selected by September.

Mr. Beech responded that finding a time frame to close the program is very difficult. He noted that he believes that Aon may be the only bidder for the process. Mr. Steward indicated that in the 2010 bid term, there were two bidders; Aon and one other from Chicago.

Mr. Hall commented that given that it is possible that Aon's contract may be extended that it seems the Board discussion should turn to making a decision on determining a schedule for ending the Program and noted that the Board needs to drive the schedule. Mr. Beech concurred noting that the Board has more flexibility than originally thought with the options identified for the Administrator's services.

In regard to a schedule for the Program, Ms. Carlson asked Mr. Steward to give his opinion on what the Governor's message was for the shutdown. Mr. Steward responded the Governor wanted the Program to shut down as soon as possible but noted no specific date was provided. He commented that when the funding terminates, the fund will be shut down shortly thereafter. It was noted that funding will likely cease at the end of the current fiscal year.

Mr. Gartin responded there will be scrutiny on how this is done. He noted that the Board has to be of same mind and the question to consider is does this really fall into the area of impracticality. Mr. Steward indicated he believes the Board has a six-month window to wait to see how they would like to handle this matter and noted he could still get an RFP issued if the process is started in March of 2016. In regard to a question on the legality of bidding, Mr. Steward stated he has not researched the issue however he noted no knowledge of any litigation on this issue and noted there will not be any case law on impracticality as the option exists in Iowa code.

Mr. Beech asked it if was the Board's consensus to wait as a decision does not need to be made today on the administrator's contract. Hearing no objections, it was determined that this matter would need to be calendared for an appropriate future meeting to address the issue.

Mr. Beech turned the discussion over to Mr. Cira to provide an overview of the memo presented in the Board packet regarding the Conceptual Plan to Terminate the UST Fund Program.

Mr. Cira began by asking for Board members input as he walked through the conceptual program and added that the Administrator was charged with putting together a plan and a number of assumptions were made when doing so. The assumptions include:

1. The program will be allowed to continue to operate to close claims through Fiscal Year 2017 (June 30, 2017) or through calendar year 2017.
2. The funding to the Board for the program will cease June 30, 2016.
3. Reserves as calculated by the Administrator and outside actuarial review will hold as estimated. The reserve estimate currently is set at \$26,563,234. The current Fund balance is \$36,188,289.
4. The Board will be dissolved at the conclusion of the Fund and Program.
5. Termination of the Fund requires the closure (through normal process or administrative tools) of the remaining claims—currently estimated to be 498.

Mr. Cira noted his confidence that the funding will be available to meet the demands of the program through 2017. He noted that we will continue to close claims at the rate of 60 to 80 claims per year using the existing claim set.

Mr. Cira noted that there are 498 claims yet to be closed and he predicts by April 1, 2016, there will be 360 claims requiring further work to manage either through an LPT or a state hand-off. He noted that they will close the balance of the claims through normal processes, a limited LPT, administrative closures or settlements with claimants. He also noted that the following six steps are proposed as the process to terminate the program:

1. Contact claimants of the inactive sites seeking their participation.
2. Establish the date where no further claims will be accepted into the Program.
3. Develop a limited Loss Portfolio Transfer (LPT) with Petroleum Marketers Management Insurance Corp. (PMMIC) for sites where both entities have open claims.
4. Identify and Offer Settlement Agreements to Eligible Claimants.
5. Establish the requirements of a Liability Portfolio Transfer agreement and identify and engage a third-party insurance carrier or liability transfer firm to transfer the bulk of the remaining sites.
6. Establish a state fund and move remaining sites to a default combined DNR/Iowa Finance Authority (IFA) Program. This would include the NFA re-opener sites, all sites classified No Action Required (NAR), and some of the NAR with free product sites.

Mr. Gastineau noted of the 82 sites identified as inactive, letters have been sent to 35 claimants and landowners. He noted that the response has been promising as several claimants have made contact indicating a desire to pursue benefits.

Mr. Gastineau also noted many of the claim sites on the inactive list are those that have been added to the closure contract. He noted of the property owners who provided access, many are not claimants but the hope is that they will agree to take a transfer of the benefits so that work can be completed on their sites.

Mr. Gartin asked if there would be merit to contacting the media and if we are utilizing methods to contact these people to the best of our ability. He also noted that as the program is winding down, the Board should make sure people are notified. Mr. Gastineau responded noting that letters are being sent to claimants and property owners so that both parties are aware of the circumstances regarding a particular site. He also noted that many of the current claimants are not legally responsible for the contamination thus while funding may be available, there is no method to force claimants to utilize the benefits that are available.

Mr. Gartin recommended putting a press release out and contacting Iowa League of Cities and using them as a method of communicating that this is winding down. Mr. Beech concurred noting that once a hard date is set as to when the Program will end, using the newsletters of the League of Cities, Association of Counties, and that of PMC of Iowa will be important to provide information to the public. Ms. Douskey also commented that the list of inactive sites has been added to the Department's website as an informational item by groundwater professionals.

Mr. Cirra indicated that in order to close the program that the Board will need to stop accepting new claims at some point. Mr. Steward noted that the statute presently does not allow claims to be shut off but does allow the Board to prioritize claims if rules are drafted to implement a prioritization plan. He also noted the best option would be to have something passed in legislation saying no new claims after a certain date. In considering the variety of claims all agreed of the importance of funding for any future NFA reopened sites.

In considering the Conceptual Plan, the second item is to develop a limited Loss Portfolio Transfer to hand off of the liability of “x” number of claims to PMMIC who also have claims on the same set of sites. Mr. Cira noted that the Board previously entered into two similar transfers. And that presently there are 14 identified sites with shared claims. Mr. Cira noted that PMMIC has indicated they are receptive to the option. Mr. Gastineau noted that the exact number of claims may change as new sites are identified and some of the older sites are ready for closure.

For the third item in the plan, identifying and offering settlements, Mr. Cira noted that there are 36 entities that have three or more claims that can be contacted for possible settlement discussions. He noted that these claimants may wish to consider the option of a settlement for their claims however if settlements cannot be agreed to, the claims would likely be bundled as part of a larger LPT. Mr. Cira noted preliminary conversations have been initiated but not all are interested in settling and prefer to continue through the process. In discussing this option, it was noted that once a settlement is completed, the Board would have no legal duty to follow up on these claims and that the claimant would have legal responsibility to comply with the Department requirements to ensure all work is completed.

Mr. Steward noted that the Board has signed a few settlements in the past and some were particularly large groups of claims. In each case the settlements were with responsible claimants who understood the risks and agreed to complete the required work. He also noted that the Board should not negotiate with entities who have not been compliant or who are not willing to assume the responsibility for all future work, regardless of the costs that may be involved. He also suggested that in lieu of a settlement being with the Board, that it would be better to establish a settlement on behalf of the State of Iowa, thus providing more latitude for the Department to enforce the terms of the settlement should the Board cease to exist.

Mr. Phillips inquired how these claims would be closed. Mr. Cira responded that the claimant would need to comply with the State regulations for closure. He also noted that the claimants may be able to spend less but also have the risk that costs may be greater than the settlement amount. Ms. Carlson expressed concern that any type of settlement process needs to be looked at carefully and noted the option should be available to all claimants regardless of the number of claims that they may have. A concern was also noted that if the claimant succeeds in spending less than the settlement that they may end up with a windfall from State monies thus the question was asked if there should be a third party to hold the monies so that doesn't occur.

Mr. Beech countered that a settlement is a settlement. It was noted a claimant may succeed in making some money but that they also face the reverse if costs are more than anticipated. In discussing this idea, it was agreed that a claimant needs to make the decision to settle or not. For any settlement, the Board is essentially saying that we owe this much money for the claim.

Mr. Gartin stated that we are presuming our knowledge of clean-up process is accurate. He noted that during each month, the Board is presented requests for funding where costs are increasing. In considering this concern, it was noted that the concept of what is needed varies by person, and that in any settlement, the negotiation process must be considered as it is everyone's best guess on what it might take to get a site to closure.

Mr. Hall indicated we did the actuarial study for reserves and the larger the group you settle with, the better off you are in the end. In a settlement, the claimant has the option to take money now or possibly may not have any money available should the Fund end.

Mr. Gartin asked if we could we have the Iowa Finance Authority (IFA) hold funds until work is done? Mr. Beech responded that in doing so, that would essentially be the same as now, with IFA instead of the Board administering a fund. Mr. Stewart indicated that if the Program as a whole is transferred to IFA, then settlements would not be needed.

In considering the option it was noted that any sites that remain open could be entered into a pool for a larger portfolio transfer. In this concept, claimants would still have the \$1 million limit per claim and that the risk that costs increase beyond anticipated would be borne by the entity taking over the claims. It was also noted that in the past LPTs, claimants were given the right to exclude themselves from the transfer. Mr. Stewart noted if the LPT is aimed at ending the program, the Board is not required to give a claimant a choice of being in an LPT. Instead claimants could be told that Fund is gone and that no other resources are available.

Mr. Beech indicated he believed there was consensus to move forward on letters to the stalled claims, looking at a limited LPT for the 14 claims with shared liabilities, as well as contacting claimants having three or more claims for possible settlements. Mr. Beech asked Ms. Carlson to contact her members and let them know that a settlement is an option.

Mr. Gartin asked if the Department has a position on these approaches. Mr. Hall answered that he thinks some mixture of methods will be needed based on what is known about each site. He noted from the discussions held internally, it was encouraging to know there are adequate resources to cover the reserves for the known claims. Ms. Douskey also noted she feels more comfortable regarding settlements given the comments today and with the idea that a settlement be made on behalf of the State of Iowa rather than the Board.

Mr. Phillips indicated his concern that as sufficient funds are available, why a rush to end the program. He suggested that perhaps that this discussion could be three or four years from now when there are fewer claims. Mr. Beech responded that Mr. Phillips' comments are well taken but there is a risk that when the legislature is divided and cannot find money for education or particular projects, the legislature could appropriate the money for other purposes.

Mr. Hall indicated that in his discussions it seems that the IFA would be willing to monitor the money as a banker however they do not want to be the administrator. He noted that IFA is familiar with programs like this, but that they are not interested in being the controller for the technical evaluation piece that Aon does through their consultants.

Following the discussion, Mr. Hall made a motion on Plan Item No. 2 of the Conceptual Plan to direct Aon to initiate negotiations on a loss portfolio transfer for the sites shared with PPMIC and bring the matter to the Board for approval. Ms. Andeweg seconded and the motion was passed unanimously.

Mr. Beech followed that discussion and he would direct Aon to begin the settlement process with those claimants having 3 or more claims and with any claimants that Ms. Carlson's group may identify. Mr. Barry seconded the motion.

Mr. Hall noted there may be some hesitation to settlement because terms of the settlement need to be developed and approved by the Board prior to its use. It was also noted that Aon would need to have each settlement approved by the Board prior to finalizing any agreement. Mr. Beech

concurrent and noted a motion and second had been made. Upon consideration, the motion was passed with Mr. Phillips and Mr. Gartin voting nay.

Mr. Cira continued by noting that Item No. 4 would be to develop a third-party insurance liability transfer program, taking those claims that remain after settlements and a limited LPT are done. It was noted that this will be a rather large group of sites, but that not all of the sites will be eligible for a transfer. Mr. Cira noted that for the larger group, one option is to bundle them together and transfer the liability to a group like PMMIC, a corporation for liability transfer or another insurance company. He noted there has been interest from entities regarding this idea and that this process would relieve the Board of its responsibilities for the claims by transferring the responsibilities to the third party entity. For both the party taking the transfer and the claimants, the obligations would remain the same as they are now that being that they have to satisfy State regulations to attain site closure. For the LPT, the claim limits would still be \$1 million. The terms of the agreement need to be developed before this option can be considered then the Board would need time to issue an RFP and time to solicit and review bids.

Mr. Cira indicated this process was developed as a linear process. He noted that we need a target end date for having viable universe of sites identified so to ensure that we can start early enough to meet that date. We are assuming June 1, 2016 as that date to allow us to go through the first three steps of administratively closing claims, completing settlements and a limited LPT of the shared claim sites.

Mr. Cira indicated we could take the claims that remain and that what is left could go into a fund held by the State. Mr. Hall indicated he was thinking of a middle approach. If there are a number of sites where the remediation plan is clear and there is not a lot of environmental uncertainty, maybe those can be held back for the last option.

Discussion ensued regarding settlement versus LPT. Mr. Beech indicated that, from a settlement standpoint and a LPT standpoint, settling parties likely have more liability than the LPT parties in that the funding is final with a settlement. Mr. Gartin also commented that there may be a case where the money is provided and the clean-up is not done. Ms. Andeweg also commented that the LPT holder could settle claims once the LPT is completed. Mr. Cira concurred but noted that the LPT party will be bound by a contract with the state so that may need to be considered in the terms of the agreement.

Mr. Gartin made a motion directing staff to segregate those claims that could reasonably be identified to have a certainty of the liability and for the balance of funds for those sites to be transferred to a combined DNR and IFA program.

Mr. Cira responded by noting that the idea is consistent with the conceptual plan. He noted that in order to get to that point, the initial steps must be completed and that doing so will take some time. Mr. Steward noted that before the IFA approach can be considered, a review of the statute is needed to see if such a transfer is possible without legislative changes. Mr. Beech seconded the motion and indicated that the desire is to make sure the funds are protected. Mr. Gartin asked to amend the motion subject to review of the Attorney General's office.

Mr. Robinson inquired if this would be "opt in" transfer for the claimant. Mr. Beech responded that it could be an option if there is a second fund that can be created and protected.

Mr. Gartin clarified the motion presented, to note that the Board would utilize options 4 (a LPT) and 5 (Default Combined Department / IFA pool) and identify a pool of sites determined to be near closure or where we have certainty to the cost of remediation that would be administered by funds handled by a combination of the Department and IFA, subject to review of the Attorney General's office.

Mr. Hall stated he feels it is too early in the process to adopt this motion but fundamentally agrees with the concept. Mr. Gartin responded that with the plan there is, at least, a structure for moving forward. Mr. Beech disagreed by noting that the legislature will be meeting in two months so it is important that a plan be in place and that the Board provide direction as to what that plan may be, otherwise it may be others who set the plan. It was also agreed that the plans may change, but with the plan made, the Board has done what the Governor asked.

Mr. Cira added these are steps of the conceptual plan that the Board asked be put together. He noted that the Board appears to be in agreement on the first three steps and appears to be in agreement on the applicability of the final steps. He noted that over the next few months that work will be completed toward addressing those details of the final steps.

Mr. Beech acknowledged the motion and asked for the members input. Upon consideration, the motion to set the plan passed with Mr. Phillips voting nay.

Mr. Beech asked that discussion regarding NFA Fund, State Lead projects and other funding issues like \$200,000 to DNR be discussed at the next or a future meeting. He also noted that discussion is needed to identify a time frame for ending the program. He noted that this does not need to be decided today but noted that members need to be thinking about it, whether it be the end of the fiscal year for 2017, calendar year 2017, 2018 or whenever.

A break was taken at 12:10 p.m. Meeting reconvened at 12:18 p.m.

B. Fiscal year 2016, 1st Quarter Legislative Report

Mr. Cira reported this is the report that will be delivered to the Legislative Committees giving them our funding status.

C. USTCA Closure Contract, Corrective Action on Non-Eligible Sites

Mr. Gastineau provided an overview of the State Lead Closure Contracts. He noted that since the 1990s the Board and the Department have had 28E agreements in place to hire contractors to work on sites where the responsible parties are recalcitrant, unable to pay or where a responsible party could not be identified. He noted that the Department has generally selected the sites for the projects but in the most recent agreement, the Fund has the option to identify sites project in order to get limited corrective actions completed. He noted that of the sites currently included in the projects, a number are eligible for funding while some are not. He noted that historically the Fund has paid for work on non-eligible sites when specifically requested to do so by the Department and that in each case, a review is made to discern if cost recovery is possible.

Mr. Gastineau noted that the Department has identified one such site needing corrective action. The site is currently operating as a Casey's store and is considered ineligible for benefits due to the date the current release was identified. He noted that the site has a long history as a service

station and noted multiple UST systems had been used at the site. He noted that the original tank set was removed in 1988 and a second set of tanks was installed. In 1990 contamination was found during sewer work and an excavation was completed; the site was given a no further action designation based on the excavation. In 2005, Casey's acquired the site and within a few weeks removed the tanks that were installed in 1988 before installing a third set of tanks.

Casey's was identified as responsible party for the contamination discovered in 2005. Since that time, they completed the Department required assessment work until they realized the risks associated with the site were related to the pre-1990 tank system and prior releases. In 2014, the site was added to the Closure Contract to obtain new information to substantiate the claim of an old release and based on the data obtained it appears that there may have been multiple releases at the site.

The Department has requested that the Board continue with remediation at the site using the State Lead Closure Contracts, specifically noting replacement of the at-risk water line and an excavation to remove soil contamination near the water line. Mr. Gastineau noted that the State Lead contractor has provided a proposal for the work with costs projected near \$180,000. It was noted that if the Board agrees to provide funding for the proposed work, that authority be given for costs up to \$200,000. It was also noted that as the current property owner is not the responsible party for the oldest releases likely causing the high risk conditions, cost recovery is not possible thus the monies spent would not be recoverable. It was also noted that while the site is not eligible for funding for the most recent release, a claim is possible for the pre-1990 release if a responsible party were identified or if the current property owner would elect to file a claim.

Following a brief discussion, Ms. Andeweg moved to approve the request and Mr. Gartin seconded the motion. The motion was approved, with Mr. Beech abstaining.

Mr. Gastineau added that there are several similar non-eligible sites being addressed on the Closure Contract. He noted that before corrective action is contemplated on these sites that the matter would be brought to the Board for consideration.

D. DNR Update

Mr. Hall reported that the only update this month is that it was mentioned at the previous meeting that the Iowa Department of Transportation is working on a legislative change on the statute allocation that they pay to the Fund. In anticipation of the EPC charge ending, they are working on some changes relative to that. He noted that the Governor has asked that the Department look at some other changes that might be warranted and noted that recommendations would be made public once approval to do so has been given.

APPROVAL OF PROGRAM BILLINGS

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

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

2. Aon Risk Services \$97,838.00
 Consulting Services December 2015 -- \$58,838.00
 Claims Processing Services December 2015 -- \$39,000.00
3. Iowa Attorney General's Office \$6,485.98
 Services provided for Underground Storage Tank Program
 September 2015 Billing

Mr. Barry moved to approve the billings and Mr. Hall seconded the motion. The motion was passed unanimously.

MONTHLY ACTIVITY REPORT AND FINANCIALS REVIEWED

Mr. Gastineau provided an overview of the monthly report for September 2015 noting that the number of open claims is now below 500 claims. He also noted for the year, that 70 claims have been closed and at present, he is uncertain if the discretionary goal will be attained. The goal for calendar year is 115 claims closed.

Mr. Gastineau indicated there was nothing of significance to report on the financials. He did note that the first quarterly deposit of \$3.5 million had been paid, resulting in an ending Fund balance of \$36.1 million.

ATTORNEY GENERAL'S REPORT

Mr. Steward reported that he and Mr. Gastineau are in negotiations with Jacobson Oil Co. who had sought benefits and was denied because they did not have evidence of pre-1990 release. He noted that following an appeal, the Fund employed the State Lead closure contractor to complete additional tests and based on the information obtained, there is some evidence to suggest that the contamination is in part related to a pre-1990 release, post 1990 release and possibly some from an offsite source. A settlement offer has been made to provide partial benefits to the claimant. Mr. Steward noted he would provide an update to the settlement once the agreement had been signed.

CONTRACTS ENTERED INTO SINCE SEPTEMBER 24, 2015 BOARD MEETING

The Board entered into two contracts since the September 24, 2015 meeting:

- 1) A contract with Aon Risk Services Central, Inc. for the administration of the Program for calendar year 2016.
- 2) A contract with Geotek Engineering & Testing Services, Inc. for continued services on CRPCA 1007-40: Akron through December 2016.

OTHER ISSUES AS PRESENTED

Mr. Gastineau reported that the Board has issued an RFP to hire new contractors for the NFA Re-Openers process and that six (6) bids were received. He noted that following a review, a recommendation to retain contractors would be made at the next Board meeting.

CORRESPONDENCE AND ATTACHMENTS

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

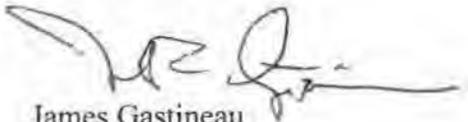
CLAIM INFORMATION

A memo was provided with a list of those claimants having three or more claims. A copy of the letter sent out to claimants with stalled sites was also provided.

Mr. Gartin commented that he appreciates the thought and work being put into the wind down of the program and commented that this has been good work by Aon.

Meeting adjourned at 12:37 p.m.

Respectfully submitted,



James Gastineau
Deputy Administrator

Closed Session

Discussion of Pending and Imminent Litigation

Public Comment

Board Issues

**A. Update to the Conceptual Plan for
Termination of the ICPUST Fund**



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: December 3, 2015
SUBJECT: Update to the Conceptual Plan for Termination of the ICPUST Fund

This memo is provided as an update to the October 29, 2015 Board meeting discussion regarding the Conceptual Plan for the Termination of the Iowa Comprehensive Petroleum UST Fund. During that meeting, the Board approved implementation of the three tasks proposed in the Conceptual Plan; these include:

1. Contacting Claimants of Inactive and Stalled Claims for Participation
2. Develop a Loss Portfolio Transfer (LPT) with Petroleum Marketers Management Insurance Corp (PMMIC) for claims with shared liability concerns
3. Identify and Offer Settlement Agreements to Eligible Claimants

The Board also directed staff to begin a review of the claims to determine which are likely to have a certainty for closure. In considering this task, it is likely that the claims with certainty are those that have been classified No Action Required.

Status Update

Stalled Claims: Of the 86 previously identified stalled claims, letters have been sent to 49 claimants seeking their participation in the Program. To date, 13 have been reactivated in some degree and for four claims the landowners are considering the option to assume the role of the claimant. Twenty-five (25) claims however will be closed before the end of the calendar year unless further responses are submitted. Letters will also be issued for the remainder of the stalled claims in the near future.

Shared Liability Claims: A conversation with PMMIC has been initiated on the 13 claim sites having shared liabilities. Information on projected costs to complete work at the sites will be obtained from the incumbent consultants working with the sites. Discussion is still needed to determine if a claimant has the option to 'opt-in' to the proposed transfer, and then determine appropriate cost transfer components.

Settlement: Following the discussions of the October meeting, Mr. Steward developed a settlement agreement intended for this use. The agreement, attached for Board's consideration and approval, provides that the agreement is between the State of Iowa, on behalf of the Board and the claimant thus providing an avenue for enforcement should the

Board cease to exist. In addition, the agreement is written with the intent that the claimant agrees to use all funds provided to perform those actions required by the Department until a No Further Action certificate is issued. If the agreement is approved, negotiations will continue with the claimants that have multiple claims and any other claimants who wish to consider this option.

Future Actions

Per the discussion of the October 2015 Board meeting, several other important components to the Conceptual Plan need to be addressed. Decisions will need to be made regarding the various State Lead projects and funding programs, seeking a time frame to cease new claims and determining an appropriate end for the Program.

The State Lead projects to consider include:

Community Remediation Projects: Each of the 5 ongoing CRPs have been in place for more than a decade thus the claimants have not been involved in managing their claims. Contact with the claimants will be initiated to seek their participation in managing their claims. If the claimants choose not to participate, the claims would be administratively closed before June 30, 2016.

Closure Contracts: The Board and Department, through a 28E agreement, retained the services of two contractors to conduct work on sites where action is needed and there is no responsible party available. Presently, both the 28E and vendor agreements will expire August 2016. In order to define a list of eligible claims for the possible LPT, it is recommended all eligible claims be removed from the project by June 30, 2016. In an effort to continue work on non-eligible sites, the agreements could be extended, subject to Board approval, for work through August 2017.

Environmental Support Services Project (NFA Re-Opener project): The Board and Department, through a 28E agreement, retained the services of contractors to complete work on sites re-opened following the issuance of a NFA certificate. The contractor agreements will expire this month and a recommendation for further work is presented in this Board packet. Due to the need to provide a safety net for owners and operators that have attained a NFA certificate, it is recommended this project continue until the Program is terminated or an alternate mechanism is established for this same purpose.

In addition to the State Lead projects, the Board provides assistance to the Department and to owner and operators through the UST Operator Training reimbursement program and in the Tank Removal claim program. Neither of these programs materially affects the primary claims thus continuation of these programs could be considered by the Board until the Program ceases to exist. Funding for these two programs is approximately \$25,000 and \$900,000, respectively, on an annual basis.

Finally, establishing a time frame to terminate the program is an item for consideration by the Board or it may be determined by others in an upcoming legislative session.

AGREEMENT AND RELEASE

1. This Agreement and Release ("Agreement") is entered into by the State of Iowa, acting by and through the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board, an Iowa governmental agency created pursuant to Iowa Code chapter 455G ("Board") and _____ ("Claimant") in order to finally and fully dispose of Claimant's (*remedial / innocent land owner*) benefit claim with the Board under Iowa Code section 455G.9 for payment from the Iowa Comprehensive Petroleum Underground Storage Tank Fund ("Fund") of a portion of Claimant's corrective action costs related to the underground storage tank site ("Site") identified as Registration Number _____, LUST Log No. _____, as registered with the Iowa Department of Natural Resources ("DNR"). This Agreement is effective as of the date it is fully executed by all parties.

2. The Board will pay Claimant a lump sum of _____ (\$_____) for Claimant's corrective action costs at the Site. Upon payment, the Board shall cease to maintain any ongoing duty whatsoever to Claimant in relation to the Site, and Claimant will become ineligible to again receive benefits from the Board in relation to the Site for benefit claims made pursuant to Iowa Code chapter 455G.

3. Claimant agrees to accept the amount set forth in paragraph 2 of this Agreement as the full payment it will receive from the Board for Claimant's corrective action costs at the Site.

4. By accepting the amount set forth in paragraph 2 of this Agreement, Claimant agrees to use all such funds to perform corrective action for the petroleum contamination at the Site as directed by the DNR until such time as a No Further Action Certificate is issued by the DNR for the Site.

5. By accepting the amount set forth in paragraph 2 of this Agreement, Claimant does hereby release, acquit, and forever discharge the Board and its officers, employees, assigns, agents, and successors in interest from any and all liability whatsoever, including all claims, demands, and causes of action of every nature which Claimant may have or ever claim to have against the Board related to the Site, including, but not limited to past, present, and future claims for benefits under Iowa Code chapter 455G.

6. This Agreement is not intended to and shall not affect the right of the Board or Claimant to pursue causes of action against any third-party on account of petroleum contamination at the Site.

7. This Agreement contains the entire understanding of the parties regarding this subject matter and no other representations of any type are being relied on by any party. It is expressly understood by all parties that this Agreement may not be changed or amended in any way except by a written instrument signed by all parties

8. This Agreement shall be governed by and construed in accordance with Iowa law.

9. Each party has had an opportunity to consult with counsel concerning the provisions of this Agreement. The parties hereto represent they have read this Agreement in full, they understand its terms, and they freely and voluntarily cause the same to be executed.

10. All parties represent that this Agreement has been fully authorized and executed, and constitutes the legal and binding obligation of each party, enforceable in accordance with its terms.

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

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

**IOWA COMPREHENSIVE PETROLEUM (CLAIMANT NAME)
UNDERGROUND STORAGE TANK
FUND BOARD**

BY: _____
Dale Cira, Administrator

BY: _____
Claimant Name, Title (if applicable)

DATE: _____

DATE: _____

B. Iowa UST Operator Training 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 T. Cira
DATE: December 3, 2015
SUBJECT: Iowa UST Operator Training Agreements

Pursuant to 2010 legislation, the Board was provided authority to administer a program to provide owners and operators access to training to assist them in complying with the Department of Natural Resources rules requiring trained operators able to respond to incidents at each underground storage tank facility. The Board opted to provide funding through the direct reimbursement of Department approved vendors who provide the necessary UST Operator training directly to owners and operators.

Since the program inception, 3110 individuals have been instructed on the duties and responsibilities of being a Class A and/or Class B UST Operator. The number of those trained each year is shown below:

FY 2011:	1929	FY 2014:	289
FY 2012:	588	FY 2015:	224
FY 2013:	91	FY 2016:	45 (as of 11/30/2015)

Based on data acquired from the training contractors, it is anticipated continued services are necessary.

Recommendation

It is requested that the Board authorize extension of the reimbursement agreements for the training of Class A & B UST Operators at the reimbursement rate of \$100 for a person trained as a Class A & B Operator, or \$80 for a person trained as a Class A or B Operator for an additional one-year time period. This will allow continued activities through December 31, 2016.

**C. RFP: RBCA 1509-01 Environmental
Support Services**



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: Iowa Comprehensive Petroleum Underground Storage Tank Fund Board
FROM: Dale Cira
DATE: December 3, 2015
SUBJECT: RFP: RBCA 1509-01: Environmental Support Services

Background

In 2008, the Board and the Department of Natural Resources (DNR) entered a 28E agreement to establish the framework for funding assessment and corrective action at sites previously issued a No Further Action certificate where DNR has determined a new evaluation is needed to assess if pre-existing contamination presents an unreasonable risk to public health, safety or the environment. In 2009, the Board issued a Request for Proposal (RFP) to retain the services of two vendors to complete the work at sites re-opened for evaluation. Contracts were awarded to Seneca Companies and Geode Environmental, LLC. In the six years since, 46 sites have been investigated and 12 sites remain open. Further evaluation of these sites and any new sites that may be identified is necessary.

Following State rules, the contracts with the vendors will end December 31, 2015. In order to continue work, a RFP was issued with Board approval in September 2015. The RFP stated the intent to retain two contractors for an initial period of 12 months. The contracts may then be extended subject to Board approval for up to five additional 12 month periods for a total period not to exceed 72 months (6 years).

Recommendation

Six (6) bids were submitted in response to the RFP issued in September 2015. All proposals were determined to be technically sound, although some variations to the requirements were proposed. The bids were independently reviewed and scored, with the reviewer scores then averaged. For the cost evaluation, an “example” project was presented and bid costs were determined using the vendor’s unit rates. The calculated costs for the “example” project were very close ranging from \$11,586 to \$12,690. The scores for the six bidders are as follows:

Firm Name	Technical Score	Cost Score	Total Score	Example Costs
Seneca Companies	78.67	19.30	97.97	\$12,005
Geode Environmental, LLC	76.00	19.29	95.29	\$12,011
Terracon Consultants, Inc.	76.33	18.79	95.12	\$12,332
Barker Lemar Engineering Cons.	75.00	20.00	95.00	\$11,587
Impact 7G, Inc.	72.67	18.26	90.93	\$12,690
Apex Companies, LLC	70.67	18.96	89.63	\$12,224

Based on our review of the technical merit and costs, we recommend contracts be awarded to Seneca Companies and Geode Environmental, Inc.; the two firms evaluated to have the highest overall scores.

D. DNR Update

Approval of Program Billings



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: James Gastineau
DATE: December 3, 2015
SUBJECT: Summary of Bills for Payment

NOTICE

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

1. Aon Risk Services \$101,262.00
 Consulting Services January 2016 -- \$62,262.00
 Claims Processing Services January 2016-- \$39,000.00

2. Aon Risk Services \$101,262.00
 Consulting Services February 2016 -- \$62,262.00
 Claims Processing Services February 2016-- \$39,000.00

3. Iowa Department of Revenue..... \$649.32
 FY 2016 EPC Collection, 1st quarter

4. Iowa Attorney General's Office \$4,518.48
 Services provided for Underground Storage Tank Program
 October 2015 (FY 2016) Billing

5. Office of Auditor of State..... \$619.13
 Audit Services, FY 2016, 1st quarter

Iowa Comprehensive Petroleum

Invoice No. 9500000124446

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) 267-9046



Client Account No.
10756349

Invoice Date
Dec-02-2015

Currency
US DOLLAR

Account Executive
James Gastineau

Named Insured	Service Term	Trans. Eff. Date	Description	Amount
Iowa Comprehensive Petroleum	Jan-01-2016 - Jan-01-2017	Jan-01-2016	Renewal - Service Fee	
Comments			Service Fee	62,262.00
Installment 1 of 12 Monthly Fee			Consulting Expense	39,000.00
Payment due 21 days after Transaction Effective Date.				
Thank you for your business!				
TOTAL INVOICE AMOUNT DUE				101,262.00

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

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

Please see last page for statement regarding Aon compensation.

Page 1 of 3

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	9500000124446	Dec-02-2015	US DOLLAR	101,262.00

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. 9500000124447

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** Dec-02-2015 **Currency** US DOLLAR **Account Executive** James Gastineau

Named Insured	Service Term	Trans. Eff. Date	Description	Amount
Iowa Comprehensive Petroleum	Jan-01-2016 - Jan-01-2017	Feb-01-2016	Renewal - Service Fee	
Comments				
Installment 2 of 12 Monthly Fee			Service Fee	62,262.00
Payment due 21 days after Transaction Effective Date.			Consulting Expense	39,000.00
Thank you for your business!				
TOTAL INVOICE AMOUNT DUE				101,262.00

**TO AVOID POTENTIAL DISRUPTION IN YOUR COVERAGE, PAYMENT IS DUE UPON RECEIPT.
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Please see last page for statement regarding Aon compensation.

Page 1 of 3

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	9500000124447	Dec-02-2015	US DOLLAR	101,262.00

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 Department of Revenue

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

October 29, 2015

James Gastineau
Underground Storage Tank Program
2700 Westown Parkway, Suite 320
West Des Moines, Iowa 50266



Dear Mr. Gastineau:

I am enclosing our 1st quarter FY16 EPC billing. Please direct the billing to the appropriate person for approval and payment.

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

Your assistance is fully appreciated.

Sincerely,

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

Enclosures

cc: Stefanie Devin, Treasurer's Office

10/29/2015

Please use the following accounting codes for the Environmental Protection Charges for the 1st quarter FY 16.

16-0001-625-EX04 - 0304	\$	188.23
indirect costs		188.23
		<hr/>
PR01 -		51.41
indirect costs		51.41
		<hr/>
IS03 -		409.68
indirect costs		409.68
		<hr/>
<i>Total for Revenue</i>	\$	649.32

N:\ISD\Finance\BUDGET\EPC\EPC2.xls]Jul-Sept

10/29/2015

ENVIRONMENTAL PROTECTION CHARGE
COSTS INCURRED BY THE DEPARTMENT OF REVENUE
JULY - SEPTEMBER FY 2016

<u>Compliance Division</u>		
Examination Section:		
Personnel		\$188.23
Indirect Costs		\$0.00
		<u>\$188.23</u>
Field Audit Section:		
Personnel		
Indirect Costs		\$0.00
		<u>\$0.00</u>
Total Compliance Division		\$188.23
<u>Revenue Operations Division</u>		
Customer Accounts Section:		
Personnel		\$0.00
Postage		\$0.00
Indirect Costs		\$0.00
		<u>\$0.00</u>
Processing Section:		
Personnel		\$51.41
Indirect Costs		\$0.00
		<u>\$51.41</u>
Total Revenue Operations Division		\$51.41
<u>Internal Services Division</u>		
Personnel		\$409.68
Postage		
Printing		
Indirect Costs		\$0.00
		<u>\$409.68</u>
Total Internal Services Div.		
DEPARTMENT TOTAL		<u><u>\$649.32</u></u>

Monthly Activity Report and Financials Reviewed

A. October 2015 Activities Report

Oct-15

	Open Claims		Open Claims	Open & Closed
Claims	Sep 2015 Ending	Monthly Net Changes	Oct 2015 Ending	Totals since Inception
RETROACTIVE				
number	26	0	26	447
reserve	\$1,356,648.54	\$3,426.55	\$1,360,075.09	\$1,360,075.09
paid	\$6,116,213.12	\$6,573.45	\$6,122,786.57	\$17,980,349.98
	\$7,472,861.66	\$10,000.00	\$7,482,861.66	\$19,340,425.07
REMEDIAL				
number	346	(1)	345	4,457
reserve	\$19,153,769.66	(\$409,933.08)	\$18,743,836.58	\$18,743,836.58
paid	\$70,521,303.77	\$513,388.52	\$71,034,692.29	\$215,236,092.32
total	\$89,675,073.43	\$103,455.44	\$89,778,528.87	\$233,979,928.90
INNOCENT LANDOWNER				
number	113	(3)	110	1,132
reserve	\$5,811,717.41	(\$53,717.28)	\$5,758,000.13	\$5,758,000.13
paid	\$10,629,033.59	\$105,717.28	\$10,734,750.87	\$31,697,003.54
total	\$16,440,751.00	\$52,000.00	\$16,492,751.00	\$37,455,003.67
GLOBAL OPT-IN				
number	73	2	75	1,305
reserve	\$360,573.48	\$9,331.38	\$369,904.86	\$369,904.86
paid	\$632,739.97	\$11,164.59	\$643,904.56	\$9,790,452.49
total	\$993,313.45	\$20,495.97	\$1,013,809.42	\$10,160,357.35
UNASSIGNED REVENUE FUND PROJECTS				
number	73	0	73	295
reserve	\$1,830,746.71	(\$122,731.59)	\$1,708,015.12	\$1,728,015.12
paid	\$654,253.29	\$28,389.09	\$682,642.38	\$3,163,711.52
total	\$2,485,000.00	(\$94,342.50)	\$2,390,657.50	\$4,891,726.64
NFA RE-EVALUATIONS				
number	13	1	14	59
reserve	\$241,098.51	\$12,273.64	\$253,372.15	\$253,372.15
paid	\$378,901.49	\$27,726.36	\$406,627.85	\$1,197,626.29
total	\$620,000.00	\$40,000.00	\$660,000.00	\$1,450,998.44
TANK PULLS				
number	31	(1)	30	415
reserve	\$301,957.00	\$90,000.00	\$391,957.00	\$391,957.00
paid	\$9,385.00	\$0.00	\$9,385.00	\$4,633,910.34
total	\$311,342.00	\$90,000.00	\$401,342.00	\$5,025,867.34

Corrective Action Meetings (10/15)	
Scheduled:	5
Completed:	1,272
MOA's	488

UST Operator Training	
UST Operators (A / B)	3,088
A/B (FY2011-16)	\$300,020

2015 Discretionary Incentive Goal	115	Net Closed (thru 10/30)	75
Claims closed: OCT (RT, RM, ILO, NFA)	7	Re-Open <30 days	1
Claims closed YTD	89	Re-Open YTD <30 d	14

RT Claims	#
New	0
Reopened	0
Closed	0

RM Claims	#
New	1
Reopened	2
Closed	4

ILO Claims	#
New	0
Reopened	0
Closed	3

GS Claims	#
New	2
Reopened	2
Closed	2

USTCA	#
New	3
Reopened	0
Closed	3

NFA Re-Eval	#
New	1
Reopened	0
Closed	0

Tank Pull	#
New	6
Reopened	0
Closed	7

DNR @ 10-30-15	
Total LUST	6619
OPEN LUST	765
High Risk	430
Low Risk	168
NAR-FP	67
Not Class.	100

Invoice Type Totals	OCT	FYTD	Program to Date
Aon - Admin	\$ 58,838.00	\$ 118,829.12	
Aon - Claims	\$ 39,000.00	\$ 78,000.00	
Government	\$ 55,124.20	\$ 190,983.70	
2004 Tank Pull	\$ -	\$ -	\$ 1,761,823.44
2010 Tank Pull	\$ 99,697.00	\$ 338,547.11	\$ 4,720,528.85
American Soils	\$ -	\$ -	\$ 5,678,422.58
AST Removal	\$ -	\$ -	\$ 3,306,435.24
AST Upgrade	\$ -	\$ -	\$ 7,911,496.87
CADR Charges	\$ 2,200.00	\$ 30,477.75	\$ 4,624,139.53
Corrective Action			\$ 52,423,154.11
Expenses / OT	\$ 1,800.00	\$ 5,200.00	\$ 298,220.00
Free Prod Recover	\$ 80,259.48	\$ 285,950.81	\$ 11,515,465.88
Monitoring	\$ 156,726.22	\$ 553,361.61	\$ 31,426,440.97
Operations/Maint	\$ 21,315.43	\$ 96,288.06	\$ 10,288,032.77
Over-excavation	\$ 209,191.10	\$ 509,754.04	\$ 32,808,909.58
Water Lines	\$ 17,809.55	\$ 130,063.32	\$ 2,680,016.53
Post RBCA Evals	\$ 291.00	\$ 6,653.92	\$ 237,266.91
RBCA	\$ 28,635.10	\$ 164,687.48	\$ 26,660,219.29
Remed Imp/Const.	\$ 286,059.53	\$ 418,539.37	\$ 29,501,709.81
SCR Charges	\$ -	\$ -	\$ 54,217,410.26
Site Check	\$ -	\$ -	\$ 142,486.32
Soil Disposal	\$ -	\$ -	\$ 738,386.66
Tank (UST) Pull			\$ 3,979,734.25
Tank (UST) Upgrade	\$ -	\$ -	\$ 3,440,849.83
Tier III	\$ 500.00	\$ 3,105.00	\$ 1,368,871.40
Utilities	\$ 8,426.38	\$ 31,198.32	\$ 2,126,420.90
Well Closure	\$ 8,277.35	\$ 53,072.06	\$ 3,921,085.89
Total Invoice Types	\$ 921,188.14	\$ 2,626,898.85	\$ 294,827,232

Remediation Budgets Approved to Date		
last month Oct '15)	7	\$688,816
Trailing 12 mos	47	\$3,493,735
Prev Trail 12 mos	41	\$2,961,767
Total Since Jan 2003	1,197	\$51,240,653

Project Contracts	Open	Closed	Pending
CRP's	5	40	0
NFA Re-Opener	2	0	2
Tank Closure	2	5	0
Plastic Water Line	0	2	0

B. October 2015 Financial Report

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

0471 - UST REVENUE FUND (Bonding)

<hr/>		\$4,042,658.91
Balance of Fund, October 1, 2015		
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$750.00	
	<hr/>	\$750.00
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	
	<hr/>	\$0.00
Balance of Fund, October 31, 2015		<hr/> \$4,043,408.91 <hr/>

0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)

<hr/>		\$8,930,574.36
Balance of Fund, October 1, 2015		
Receipts:		
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	
Refund/Overpayment	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Interest Income	\$10,425.96	
	<hr/>	\$10,425.96
Disbursements:		
UST Administrator's Fees	\$97,838.00	
Adjustment	\$0.00	
Attorney General's Fees	\$5,213.18	
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	
Claim Settlement	\$0.00	
Department of Revenue EPC Collection Fees	\$0.00	
Department of Inspection & Appeals Service Fees	\$0.00	
Environmental Protection Charge Refunds	\$0.00	
Iowa Finance Authority Expenses	\$0.00	
Legal and Professional Fees	\$0.00	
Postage / Printing / Miscellaneous	\$0.00	
Professional Services - Owner/Operator Training	\$1,800.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$46,273.09	
Travel Expenses-UST Board Members	\$0.00	

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

Warrant Float Expense	\$0.00	
28E Agreement - DNR RBCA Model Revision	\$0.00	
Statutory Transfer to DNR (Admin match)	\$0.00	
Statutory Transfer to DNR (tech review - recurring & carry over)	\$0.00	
Statutory Transfer to IDAL (fuel inspections - recurring & carry over)	\$0.00	
Appropriation 2015	\$0.00	
Appropriation 2016	\$49,911.02	
Offset of Funds to/from Innocent Land Owners (0485)	(\$17,884.00)	
Offset of Funds to/from Remedial Fund (0208)	\$0.00	
		\$183,151.29
Balance of Fund, October 31, 2015		\$8,757,849.03
 0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, October 1, 2015		\$15,675,514.76
Receipts:		
Remedial Refunds	\$0.00	
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
		\$0.00
Disbursements:		
Retroactive Claims	\$6,573.45	
Remedial Claims	\$678,786.77	
28E Agreement - NFA Claims	\$27,726.36	
Adjustment	\$0.00	
Offset of Funds to/from ILO/GS Fund	\$0.00	
Offset of Funds to/from Unassigned Revenue Fund (0471)	\$0.00	
Balance of Outdated Warrants & Cancelled Warrants	(\$9,469.05)	
		\$703,617.53
Balance of Fund, October 31, 2015		\$14,971,897.23
 0478 - UST MARKETABILITY FUND		
Balance of Fund, October 1, 2015		\$797,863.56
Receipts:		
Interest	\$3,395.77	
Use Tax	\$0.00	
		\$3,395.77
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
Balance of Fund, October 31, 2015		\$801,259.33
 0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, October 1, 2015		\$6,741,677.86
Receipts:		
Cost Recovery (i.e. lien settlements)	\$0.00	
ILO Refunds	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Transfer From Loan Gaurantee Fund (0238)	\$0.00	

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

Outdated Warrants	\$0.00	
Miscellaneous Income	\$0.00	
	\$0.00	\$0.00
Disbursements:		
Cost Recovery Reimbursement	\$0.00	
Cost Recovery Global Settlement	\$0.00	
Adjustment	\$0.00	
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	
Other Contractual Services	\$0.00	
Global Settlement Claims	\$12,664.59	
Innocent Landowner Claims	\$147,363.88	
Transfer to Remedial Fund (0208)	\$0.00	
Transfer to/from Unassigned Revenue Fund (0471)	\$17,884.00	
Balance of Outdated Warrants	\$0.00	
		\$177,912.47
Balance of Fund, October 31, 2015		\$6,563,765.39
 0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, October 31, 2015		\$0.00
 0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Balance of Fund, October 31, 2015		\$0.00
 Combined UST Capital Reserve Fund Balances, October 31, 2015		\$0.00
 TOTAL FUND BALANCES, October 31, 2015		\$35,138,179.89

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 October 30, 2015

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

		FISCAL 2016 BUDGET
0471 - UST REVENUE FUND (Bonding)		
Balance of Fund, July 1, 2015	\$538,281.87	\$538,281.87
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$3,500,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$5,127.04	\$50,000.00
	\$3,505,127.04	\$14,050,000.00
Disbursements:		
Bond Interest Payment	\$0.00	\$0.00
Bond Principal Payment	\$0.00	\$0.00
EPC Charges	\$0.00	\$0.00
Adjustments	\$0.00	\$0.00
Transfer to General Fund	\$0.00	\$0.00
Transfer to Unassigned Revenue Fund (0450)	\$0.00	\$0.00
Transfer to Innocent Landowner Fund (0485)	\$0.00	\$0.00
Transfer to Remedial Non-Bonding Fund (0208)	\$0.00	\$9,000,000.00
	\$0.00	\$9,000,000.00
Balance of Fund, October 31, 2015	\$4,043,408.91	\$5,588,281.87
0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)		
Balance of Fund, July 1, 2015	\$9,417,609.04	\$9,417,609.04
Receipts:		
Copying/Filing Fees	\$0.00	\$0.00
Fines & Penalties	\$0.00	\$0.00
Refund/Overpayment	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$0.00	\$0.00
Interest Income	\$37,226.76	\$50,000.00
	\$37,226.76	\$50,000.00
Disbursements:		
UST Administrator's Fees	\$294,667.12	\$1,100,000.00
Adjustment	\$0.00	\$0.00
Attorney General's Fees	\$10,988.42	\$50,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	\$0.00
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$12.00	\$150.00
Actuarial Fees	\$0.00	\$0.00
Auditor of the State Fees	\$5,715.38	\$5,100.00
Claim Settlement	\$0.00	\$0.00
Department of Revenue EPC Collection Fees	\$1,027.43	\$25,000.00
Department of Inspection & Appeals Service Fees	\$0.00	\$500.00
Environmental Protection Charge Refunds	\$0.00	\$0.00
Iowa Finance Authority Expenses	\$0.00	\$0.00
Legal and Professional Fees	\$0.00	\$0.00
Postage / Printing / Miscellaneous	\$0.00	\$500.00
Professional Services - Owner/Operator Training	\$5,200.00	\$50,000.00
Rebate	\$0.00	\$0.00
Special Project Claims - Closure Contract Project	\$229,528.30	\$800,000.00
Travel Expenses-UST Board Members	\$0.00	\$700.00

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

		FISCAL 2016 BUDGET
Warrant Float Expense	\$0.00	\$0.00
28E Agreement - DNR RBCA Model Revision	\$3,633.75	\$92,000.00
Statutory Transfer to DNR (Admin match)	\$0.00	\$200,000.00
Statutory Transfer to DNR (technical review - recurring & carry over)	\$0.00	\$361,110.00
Statutory Transfer to IDAL (fuel inspections - recurring & carry over)	\$0.00	\$440,382.07
Appropriations Prior Fiscal Year	\$50,684.73	\$30,000.00
Appropriations Current Fiscal Year	\$122,568.64	\$0.00
Offset of Funds to/from Innocent Land Owners (0485)	(\$25,624.00)	(\$150,000.00)
Offset of Funds to/from Remedial Fund (0208)	(\$1,415.00)	(\$150,000.00)
	<u>\$696,986.77</u>	<u>\$2,855,442.07</u>
Balance of Fund, October 31, 2015	\$8,757,849.03	\$6,612,166.97
0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, July 1, 2015	\$16,834,687.68	\$16,834,687.68
Receipts:		
Remedial Refunds	\$0.00	\$0.00
Misc. Income (i.e. eligibility settlements)	\$0.00	\$0.00
Interest Income	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$0.00	\$9,000,000.00
	<u>\$0.00</u>	<u>\$9,000,000.00</u>
Disbursements:		
Retroactive Claims	\$174,019.80	\$700,000.00
Remedial Claims	\$1,651,647.40	\$5,750,000.00
28E Agreement - NFA Claims	\$46,592.30	\$500,000.00
Adjustment	\$0.00	\$0.00
Offset of Funds to/from ILO/GS Fund	\$0.00	\$150,000.00
Offset of Funds to/from Unassigned Revenue Fund (0471)	\$0.00	(\$80,000.00)
Balance of Outdated Warrants	(\$9,469.05)	
	<u>\$1,862,790.45</u>	<u>\$7,020,000.00</u>
Balance of Fund, October 31, 2015	\$14,971,897.23	\$18,814,687.68
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2015	\$787,669.61	\$787,669.61
Receipts:		
Interest	\$13,589.72	\$35,000.00
Use Tax	\$0.00	
	<u>\$13,589.72</u>	<u>\$35,000.00</u>
Disbursements:		
Intra State Fund Transfer	\$0.00	\$0.00
Transfer to Innocent Landowners Fund	\$0.00	\$0.00
	<u>\$0.00</u>	<u>\$0.00</u>
Balance of Fund, October 31, 2015	\$801,259.33	\$822,669.61
0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, July 1, 2015	\$7,110,415.34	\$7,110,415.34
Receipts:		
Cost Recovery (i.e. lien settlements)	\$1,315.00	\$25,000.00
ILO Refunds	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$0.00	\$0.00
Transfer From Loan Gaurantee Fund (0238)	\$0.00	\$0.00

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

		FISCAL 2016 BUDGET
Outdated Warrants	\$0.00	\$0.00
Miscellaneous Income	\$0.00	\$0.00
	\$1,315.00	\$25,000.00
Disbursements:		
Cost Recovery Reimbursement	\$0.00	\$0.00
Cost Recovery Global Settlement	\$0.00	\$0.00
Adjustment	\$0.00	\$0.00
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	\$0.00
Other Contractual Services	\$1,015.00	\$0.00
Global Settlement Claims	\$23,306.66	\$80,000.00
Innocent Landowner Claims	\$498,019.29	\$2,000,000.00
Transfer to/from Remedial Fund (0208)	\$0.00	\$0.00
Transfer to/from Unassigned Revenue Fund (0471)	\$25,624.00	\$150,000.00
Balance of Outdated Warrants	\$0.00	\$0.00
	\$547,964.95	\$2,230,000.00
Balance of Fund, October 31, 2015	\$6,563,765.39	\$4,905,415.34
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, October 31, 2015	\$0.00	\$0.00
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Combined UST Capital Reserve Fund Balances, October 31, 2015	\$0.00	\$0.00
TOTAL FUND BALANCES, October 31, 2015	\$35,138,179.89	\$36,743,221.47

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. **All bond funds are \$0.00 8/31/08**

D. November 2015 Activities Report

Nov-15

	Open Claims		Open Claims		Open & Closed	
Claims	Oct 2015 Ending	Monthly Net Changes	Nov 2015 Ending	Totals since Inception		
RETROACTIVE						
number	26	0	26	447		
reserve	\$1,360,075.09	(\$20,172.47)	\$1,339,902.62	\$1,339,902.62		
paid	\$6,122,786.57	\$30,761.47	\$6,153,548.04	\$18,011,111.45		
	\$7,482,861.66	\$10,589.00	\$7,493,450.66	\$19,351,014.07		
REMEDIAL						
number	345	(5)	340	4,458		
reserve	\$18,743,836.58	\$130,674.08	\$18,874,510.66	\$18,874,510.66		
paid	\$71,034,692.29	(\$250,174.08)	\$70,784,518.21	\$215,748,671.46		
total	\$89,778,528.87	(\$119,500.00)	\$89,659,028.87	\$234,623,182.12		
INNOCENT LANDOWNER						
number	110	(2)	108	1,133		
reserve	\$5,758,000.13	(\$365,822.90)	\$5,392,177.23	\$5,392,177.23		
paid	\$10,734,750.87	\$307,823.90	\$11,042,574.77	\$32,143,056.79		
total	\$16,492,751.00	(\$57,999.00)	\$16,434,752.00	\$37,535,234.02		
GLOBAL OPT-IN						
number	75	1	76	1,305		
reserve	\$369,904.86	\$3,756.43	\$373,661.29	\$373,661.29		
paid	\$643,904.56	\$10,243.57	\$654,148.13	\$9,798,196.06		
total	\$1,013,809.42	\$14,000.00	\$1,027,809.42	\$10,171,857.35		
UNASSIGNED REVENUE FUND PROJECTS						
number	73	(3)	70	296		
reserve	\$1,708,015.12	(\$85,636.27)	\$1,622,378.85	\$1,622,378.85		
paid	\$682,642.38	\$15,979.27	\$698,621.65	\$3,179,690.79		
total	\$2,390,657.50	(\$69,657.00)	\$2,321,000.50	\$4,802,069.64		
NFA RE-EVALUATIONS						
number	14	0	14	59		
reserve	\$253,372.15	(\$5,442.95)	\$247,929.20	\$247,929.20		
paid	\$406,627.85	\$5,442.95	\$412,070.80	\$1,203,069.24		
total	\$660,000.00	\$0.00	\$660,000.00	\$1,450,998.44		
TANK PULLS						
number	30	2	32	424		
reserve	\$391,957.00	\$7,496.09	\$399,453.09	\$399,453.09		
paid	\$9,385.00	\$0.00	\$9,385.00	\$4,716,124.93		
total	\$401,342.00	\$7,496.09	\$408,838.09	\$5,115,578.02		

Corrective Action Meetings (11/15)	
Scheduled:	4
Completed:	1,275
MOA's	488

UST Operator Training	
UST Operators (A / B)	3,110
A/B (FY2011-16)	\$300,020

2015 Discretionary Incentive Goal	115	Net Closed (thru 11/30)	83
Claims closed: NOV (RT, RM, ILO, NFA)	8	Re-Open <30 days	1
Claims closed YTD	98	Re-Open YTD <30 d	15

RT Claims	#
New	0
Reopened	0
Closed	0

RM Claims	#
New	0
Reopened	1
Closed	5

ILO Claims	#
New	1
Reopened	0
Closed	3

GS Claims	#
New	0
Reopened	1
Closed	0

USTCA	#
New	1
Reopened	2
Closed	5

NFA Re-Eval	#
New	0
Reopened	0
Closed	0

Tank Pull	#
New	9
Reopened	0
Closed	7

DNR @ 12-1-15	
Total LUST	6621
OPEN LUST	761
High Risk	428
Low Risk	166
NAR-FP	66
Not Class.	101

Invoice Type Totals	NOV	FYTD	Program to Date
Aon - Admin	\$ 117,676.00	\$ 236,505.12	
Aon - Claims	\$ 78,000.00	\$ 156,000.00	
Government	\$ 32,708.12	\$ 223,691.82	
2004 Tank Pull	\$ -	\$ -	\$ 1,761,823.44
2010 Tank Pull	\$ 82,214.59	\$ 420,761.70	\$ 4,802,743.44
American Soils	\$ -	\$ -	\$ 5,678,422.58
AST Removal	\$ -	\$ -	\$ 3,306,435.24
AST Upgrade	\$ -	\$ -	\$ 7,911,496.87
CADR Charges	\$ 28,935.00	\$ 59,412.75	\$ 4,653,074.53
Corrective Action			\$ 52,423,154.11
Expenses / OT	\$ 2,400.00	\$ 7,600.00	\$ 300,620.00
Free Prod Recover	\$ 34,895.13	\$ 320,845.94	\$ 11,550,361.01
Monitoring	\$ 152,856.56	\$ 706,218.17	\$ 31,579,297.53
Operations/Maint	\$ 18,738.93	\$ 115,026.99	\$ 10,306,771.70
Over-excavation	\$ 553,253.21	\$ 1,063,007.25	\$ 33,362,162.79
Water Lines	\$ -	\$ 130,063.32	\$ 2,680,016.53
Post RBCA Evals	\$ 1,999.00	\$ 8,652.92	\$ 239,265.91
RBCA	\$ 14,881.20	\$ 179,568.68	\$ 26,675,100.49
Remed Imp/Const.	\$ 188,684.17	\$ 607,223.44	\$ 29,690,393.98
SCR Charges	\$ -	\$ -	\$ 54,217,410.26
Site Check	\$ -	\$ -	\$ 142,486.32
Soil Disposal	\$ -	\$ -	\$ 738,386.66
Tank (UST) Pull			\$ 3,979,734.25
Tank (UST) Upgrade	\$ -	\$ -	\$ 3,440,849.83
Tier III	\$ 1,855.00	\$ 4,960.00	\$ 1,370,726.40
Utilities	\$ 7,126.95	\$ 38,325.27	\$ 2,133,547.85
Well Closure	\$ 15,334.50	\$ 68,406.56	\$ 3,936,420.39
Total Invoice Types	\$ 1,103,174.24	\$ 3,730,072.99	\$ 295,930,406

Remediation Budgets Approved to Date		
last month (Nov '15)	5	\$461,319
Trailing 12 mos	51	\$3,894,157
Prev Trail 12 mos	39	\$2,961,767
Total Since Jan 2003	1,202	\$51,240,653

Project Contracts	Open	Closed	Pending
CRP's	5	40	0
NFA Re-Opener	2	0	2
Tank Closure	2	5	0
Plastic Water Line	0	2	0

E. November 2015 Financial Report

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

0471 - UST REVENUE FUND (Bonding)

<hr/>		\$4,043,408.91
Balance of Fund, November 1, 2015		
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$176.69	
	<hr/>	\$176.69
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	
	<hr/>	\$0.00
Balance of Fund, November 30, 2015		<hr/> \$4,043,585.60 <hr/>

0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)

<hr/>		\$8,757,849.03
Balance of Fund, November 1, 2015		
Receipts:		
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	
Refund/Overpayment	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Interest Income	\$8,608.20	
	<hr/>	\$8,608.20
Disbursements:		
UST Administrator's Fees	\$195,676.00	
Adjustment	\$0.00	
Attorney General's Fees	\$6,485.98	
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$12.00	
Actuarial Fees	\$0.00	
Auditor of the State Fees	\$0.00	
Claim Settlement	\$0.00	
Department of Revenue EPC Collection Fees	\$0.00	
Department of Inspection & Appeals Service Fees	\$0.00	
Environmental Protection Charge Refunds	\$0.00	
Iowa Finance Authority Expenses	\$0.00	
Legal and Professional Fees	\$0.00	
Postage / Printing / Miscellaneous	\$0.00	
Professional Services - Owner/Operator Training	\$2,400.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$38,860.27	
Travel Expenses-UST Board Members	\$0.00	

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

Warrant Float Expense	\$0.00	
28E Agreement - DNR RBCA Model Revision	\$0.00	
Statutory Transfer to DNR (Admin match)	\$0.00	
Statutory Transfer to DNR (tech review - recurring & carry over)	\$0.00	
Statutory Transfer to IDAL (fuel inspections - recurring & carry over)	\$0.00	
Appropriation 2015	\$0.00	
Appropriation 2016	\$26,222.14	
Offset of Funds to/from Innocent Land Owners (0485)	(\$15,419.00)	
Offset of Funds to/from Remedial Fund (0208)	(\$7,462.00)	
		\$246,775.39
Balance of Fund, November 30, 2015		\$8,519,681.84
 0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, November 1, 2015		\$14,971,897.23
Receipts:		
Remedial Refunds	\$0.00	
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
		\$0.00
Disbursements:		
Retroactive Claims	\$30,761.47	
Remedial Claims	\$587,331.73	
28E Agreement - NFA Claims	\$5,442.95	
Adjustment	\$0.00	
Offset of Funds to/from ILO/GS Fund	\$0.00	
Offset of Funds to/from Unassigned Revenue Fund (0450)	\$7,462.00	
Balance of Outdated Warrants & Cancelled Warrants	\$8,832.94	
		\$639,831.09
Balance of Fund, November 30, 2015		\$14,332,066.14
 0478 - UST MARKETABILITY FUND		
Balance of Fund, November 1, 2015		\$801,259.33
Receipts:		
Interest	\$2,591.92	
Use Tax	\$0.00	
		\$2,591.92
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
Balance of Fund, November 30, 2015		\$803,851.25
 0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, November 1, 2015		\$6,563,765.39
Receipts:		
Cost Recovery (i.e. lien settlements)	\$0.00	
ILO Refunds	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Transfer From Loan Gaurantee Fund (0238)	\$0.00	

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

Outdated Warrants	\$0.00	
Miscellaneous Income	\$1,210.00	
		\$1,210.00
Disbursements:		
Cost Recovery Reimbursement	\$0.00	
Cost Recovery Global Settlement	\$0.00	
Adjustment	\$0.00	
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	
Other Contractual Services	\$0.00	
Global Settlement Claims	\$7,743.57	
Innocent Landowner Claims	\$430,634.25	
Transfer to Remedial Fund (0208)	\$0.00	
Transfer to/from Unassigned Revenue Fund (0450)	\$15,419.00	
Balance of Outdated Warrants	\$0.00	
		\$453,796.82
Balance of Fund, November 30, 2015		\$6,111,178.57
 0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
		\$0.00
Balance of Fund, November 30, 2015		\$0.00
 0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
		\$0.00
Balance of Fund, November 30, 2015		\$0.00
 Combined UST Capital Reserve Fund Balances, November 30, 2015		 \$0.00
TOTAL FUND BALANCES, November 30, 2015		\$33,810,363.40

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 November 30, 2015

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

		FISCAL 2016 BUDGET
0471 - UST REVENUE FUND (Bonding)		
Balance of Fund, July 1, 2015	\$538,281.87	\$538,281.87
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$3,500,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$5,303.73	\$50,000.00
	\$3,505,303.73	\$14,050,000.00
Disbursements:		
Bond Interest Payment	\$0.00	\$0.00
Bond Principal Payment	\$0.00	\$0.00
EPC Charges	\$0.00	\$0.00
Adjustments	\$0.00	\$0.00
Transfer to General Fund	\$0.00	\$0.00
Transfer to Unassigned Revenue Fund (0450)	\$0.00	\$0.00
Transfer to Innocent Landowner Fund (0485)	\$0.00	\$0.00
Transfer to Remedial Non-Bonding Fund (0208)	\$0.00	\$9,000,000.00
	\$0.00	\$9,000,000.00
Balance of Fund, November 30, 2015	\$4,043,585.60	\$5,588,281.87
0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)		
Balance of Fund, July 1, 2015	\$9,417,609.04	\$9,417,609.04
Receipts:		
Copying/Filing Fees	\$0.00	\$0.00
Fines & Penalties	\$0.00	\$0.00
Refund/Overpayment	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$0.00	\$0.00
Interest Income	\$45,834.96	\$50,000.00
	\$45,834.96	\$50,000.00
Disbursements:		
UST Administrator's Fees	\$490,343.12	\$1,100,000.00
Adjustment	\$0.00	\$0.00
Attorney General's Fees	\$17,474.40	\$50,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	\$0.00
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$24.00	\$150.00
Actuarial Fees	\$0.00	\$0.00
Auditor of the State Fees	\$5,715.38	\$5,100.00
Claim Settlement	\$0.00	\$0.00
Department of Revenue EPC Collection Fees	\$1,027.43	\$25,000.00
Department of Inspection & Appeals Service Fees	\$0.00	\$500.00
Environmental Protection Charge Refunds	\$0.00	\$0.00
Iowa Finance Authority Expenses	\$0.00	\$0.00
Legal and Professional Fees	\$0.00	\$0.00
Postage / Printing / Miscellaneous	\$0.00	\$500.00
Professional Services - Owner/Operator Training	\$7,600.00	\$50,000.00
Rebate	\$0.00	\$0.00
Special Project Claims - Closure Contract Project	\$268,388.57	\$800,000.00
Travel Expenses-UST Board Members	\$0.00	\$700.00

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

		FISCAL 2016 BUDGET
Warrant Float Expense	\$0.00	\$0.00
28E Agreement - DNR RBCA Model Revision	\$3,633.75	\$92,000.00
Statutory Transfer to DNR (Admin match)	\$0.00	\$200,000.00
Statutory Transfer to DNR (technical review - recurring & carry over)	\$0.00	\$361,110.00
Statutory Transfer to IDAL (fuel inspections - recurring & carry over)	\$0.00	\$440,382.07
Appropriations Prior Fiscal Year	\$50,684.73	\$30,000.00
Appropriations Current Fiscal Year	\$148,790.78	\$0.00
Offset of Funds to/from Innocent Land Owners (0485)	(\$41,043.00)	(\$150,000.00)
Offset of Funds to/from Remedial Fund (0208)	(\$8,877.00)	(\$150,000.00)
	<u>\$943,762.16</u>	<u>\$2,855,442.07</u>
Balance of Fund, November 30, 2015	\$8,519,681.84	\$6,612,166.97
0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, July 1, 2015	\$16,834,687.68	\$16,834,687.68
Receipts:		
Remedial Refunds	\$0.00	\$0.00
Misc. Income (i.e. eligibility settlements)	\$0.00	\$0.00
Interest Income	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$0.00	\$9,000,000.00
	<u>\$0.00</u>	<u>\$9,000,000.00</u>
Disbursements:		
Retroactive Claims	\$204,781.27	\$700,000.00
Remedial Claims	\$2,238,979.13	\$5,750,000.00
28E Agreement - NFA Claims	\$52,035.25	\$500,000.00
Adjustment	\$0.00	\$0.00
Offset of Funds to/from ILO/GS Fund	\$0.00	\$150,000.00
Offset of Funds to/from Unassigned Revenue Fund (0450)	\$7,462.00	(\$80,000.00)
Balance of Outdated Warrants	(\$636.11)	
	<u>\$2,502,621.54</u>	<u>\$7,020,000.00</u>
Balance of Fund, November 30, 2015	\$14,332,066.14	\$18,814,687.68
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2015	\$787,669.61	\$787,669.61
Receipts:		
Interest	\$16,181.64	\$35,000.00
Use Tax	\$0.00	
	<u>\$16,181.64</u>	<u>\$35,000.00</u>
Disbursements:		
Intra State Fund Transfer	\$0.00	\$0.00
Transfer to Innocent Landowners Fund	\$0.00	\$0.00
	<u>\$0.00</u>	<u>\$0.00</u>
Balance of Fund, November 30, 2015	\$803,851.25	\$822,669.61
0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, July 1, 2015	\$7,110,415.34	\$7,110,415.34
Receipts:		
Cost Recovery (i.e. lien settlements)	\$1,315.00	\$25,000.00
ILO Refunds	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$0.00	\$0.00
Transfer From Loan Gaurantee Fund (0238)	\$0.00	\$0.00

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

		FISCAL 2016 BUDGET
Outdated Warrants	\$0.00	\$0.00
Miscellaneous Income	\$1,210.00	\$0.00
	\$2,525.00	\$25,000.00
Disbursements:		
Cost Recovery Reimbursement	\$0.00	\$0.00
Cost Recovery Global Settlement	\$0.00	\$0.00
Adjustment	\$0.00	\$0.00
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	\$0.00
Other Contractual Services	\$1,015.00	\$0.00
Global Settlement Claims	\$31,050.23	\$80,000.00
Innocent Landowner Claims	\$928,653.54	\$2,000,000.00
Transfer to/from Remedial Fund (0208)	\$0.00	\$0.00
Transfer to/from Unassigned Revenue Fund (0471)	\$41,043.00	\$150,000.00
Balance of Outdated Warrants	\$0.00	\$0.00
	\$1,001,761.77	\$2,230,000.00
Balance of Fund, November 30, 2015	\$6,111,178.57	\$4,905,415.34
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, November 30, 2015	\$0.00	\$0.00
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Combined UST Capital Reserve Fund Balances, November 30, 2015	\$0.00	\$0.00
TOTAL FUND BALANCES, November 30, 2015	\$33,810,363.40	\$36,743,221.47

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. **All bond funds are \$0.00 8/31/08**

Attorney General's Report

Claim Payment Approval

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 FIRST BOARD REPORT
 NOVEMBER 30, 2015
 CECIL L. GOETTSCH REVOCABLE TRUST
 216 WEST 1ST STREET
 MONTICELLO
 SITE REGISTRATION NUMBER: 7910603
 LUST NUMBER: 9LTN95**

RISK CLASSIFICATION:

HIGH LOW UNDETERMINED

PRESENT CLAIM RESERVE: \$ 150,000.00

ELIGIBILITY: Contamination was discovered on this property in 2008 when gasoline vapors entered the basement. The property had not been used as a gas station since 1968. The current claimant was unaware of the contamination when the property was purchased in 1990. This is an eligible innocent landowner claim.

COST INCURRED TO DATE:

1. RBCA Tier II report	14,688.50
2. Site monitoring reports	7,409.70
3. Tier 3 report	4,226.50
4. Corrective action teleconferences	<u>1,000.00</u>
TOTAL COST TO DATE	\$ 27,324.70

PROJECTED COSTS:

- ❖ Site Monitoring Report
- ❖ Removal of basement receptor

- ❖ Water line replacement

TOTAL PROJECTED COSTS: \$ 125,000.00 to 150,000.00+

TOTAL AUTHORITY RECOMMENDED: \$175,000.00

COMMENTS:

The site is high risk for a vapor receptor (basement) and a water main. The site is also low risk for the potential vapor pathways. The basement has been filled in to remove it as a receptor. The costs have not yet been submitted for reimbursement. The water main will be replaced with petroleum resistant materials pending board approval. An environmental covenant will then be placed on the deed of the property prohibiting the installation of enclosed spaces within the area of contamination. This should result in the reclassification of the site to no action required.

Affected population likely less than 20.

Site Timeline

2008 - Contamination is discovered when gasoline vapors enter the basement during a heavy rain event.

2010 - An ILO claim is submitted by the Cecil L. Goettsch Revocable Trust.

2012 - RBCA Tier 2 submitted and accepted as high risk. A corrective action teleconference is scheduled.

2013 - Corrective action teleconference held on April 4, 2013. Agreed to better define the vapor plume.

An environmental covenant will be placed on that portion of the property to reclassify the potential vapor pathways. The basement will be filled in with flowable mortar. The high risk water main will be replaced with petroleum resistant materials.

2015 - The basement has been filled in. Bids for the water main replacement were received in November.



216 W 1st St - Google Maps

Site Timeline

- 1994 - Contamination discovered by Chicago & Northwestern Transportation during an environmental assessment of the property.
- 2007 - An ILO claim is filed by Union Pacific, who acquired Chicago & Northwestern in 2003. The contamination is from a mixture of sources, including an eligible UST. A settlement agreement is agreed to for 50% funding.
- 2008 - RBCA Tier 2 submitted. DNR issues 'not accepted' letter.
- 2009 - Revised Tier 2 submitted and accepted as high risk. Corrective action teleconference is scheduled.
- 2009 - First corrective action teleconference is held on June 9, 2009. A Tier 3 approach to show that the city wells are not susceptible to the surface contamination is agreed to.
- 2012 – Site reclassification to no action required with free product is accepted on March 26th.
- 2015 – Second corrective action teleconference is held on February 24th. Agreed to look into the use of PetroCleanze by Regensis for in-situ remediation.



1st Ave & 3rd St - Google Maps

Site Timeline

- 1988 – A leaking tank was discovered in October of 1988 when tank inventories were not matching the tank sticking measurements. The tanks were removed along with 360 tons of contaminated soil. New tanks were installed.
- 1990 – A retro claim is filed by Krause Gentle Corp. and is determined to be eligible.
- 1995 – Free product discovered during site assessment activities. Monthly hand bailing begins.
- 1995 – SCR is submitted and accepted as high risk. CADR due in 120 days.
- 1996 – CADR proposing a dual phase treatment system is submitted.
- 2000 - Tier 2 is submitted and accepted as high risk. CADR due in 120 days.
- 2005 – An excavation of the accessible areas is completed. 815 cubic yards of contaminated soil is removed.
- 2007 – The fund worked with the city's engineer to compensate costs for the installation of petroleum resistant water lines and gaskets during a water main upgrade.
- 2011 – Casey's purchased the property and took a benefit transfer from Krause Gentle Corp.
- 1999-2015 – Annual monitoring and intermittent monthly free product recovery has been completed.



401 W Maple St - Google Maps

**IOWA UNDERGROUND STORAGE TANK PROGRAM
SECOND BOARD REPORT
NOVEMBER 30, 2015
HEART OF IOWA COOP
MAIN AND WALNUT STREETS
ROLAND
SITE REGISTRATION NUMBER: 8605621
LUST NUMBER: 8LTF11**

RISK CLASSIFICATION:

HIGH LOW NAR with Free Product

PRESENT CLAIM RESERVE: \$ 200,000.00

PREVIOUS BOARD APPROVAL: \$ 125,000.00

Number and Date of each previous Board Report: 1st: April 16, 2013

PREVIOUS COSTS INCURRED: \$ 80,993.11

COSTS INCURRED SINCE LAST BOARD APPROVAL:

1. Site Monitoring Reports 1,770.85
2. Free Product Recover 31,288.04

TOTAL COSTS INCURRED TO DATE: \$ 114,052.00

PROJECTED COSTS:

❖ Free product recovery ❖ Completion of over-excavation

TOTAL PROJECTED COSTS: \$ 100,000.00 to 200,000.00+

ADDITIONAL AUTHORITY RECOMMENDED: \$ 175,000.00

TOTAL AUTHORITY:* \$ 300,000.00

COMMENTS:

The site is classified as no action required with free product. Based on a laser induced fluorescence (LIF) evaluation, the area of free product is extensive. An excavation of the area with known free product, which is a smaller area, is proposed. The success of this excavation may be limited by the presence of the on-site building. After the excavation, the site will need to be monitoring for recoverable free product for at least a year. **Affected population likely less than 20.**

*Previous approval + additional recommended

Site Timeline

1990 - Contamination discovered during a site check in October 1990.

1992 – All USTs are removed.

1993 - SCR submitted. DNR issues ‘not accepted’ letter.

1995 - Revised SCR submitted and accepted as high risk.

1998 - RBCA Tier 2 submitted and accepted as high risk.

2010 - Free product is discovered at the site for the first time during site monitoring.

2010 - SMR reclassifying site to low risk submitted. Not reviewed.

2013 - SMR reclassifying site to no action required by documenting the City of Roland well ordinance is submitted and approved by DNR.

2014 - Laser induced fluorescence (LIF) is used to define the likely area with recoverable free product.



N Main St & E Walnut St - Google Maps

Site Timeline

- 1990 - Contamination discovered during a site check in July of 1990.
- 1992 - Free product discovered during site assessment. Monthly hand bailing begins.
- 1993 - SCR submitted. DNR issues a 'not accepted' letter.
- 1994 - A soil vapor extraction (SVE) system becomes operational in January with the goal of removing free product from the site.
- 1995 - Revised SCR submitted and accepted as high risk. CADR for addressing the risk conditions due in 120 days or given option of waiting for RBCA rules to be finalized.
- 1996 - The SVE system is shut down in January and monthly hand bailing of free product begins. It is concluded that the soils are too tight for effective vapor extraction.
- 1998 - RBCA Tier 2 submitted and accepted as high risk. CADR or Tier 3 Work Plan due in 120 days.
- 1998 - First board request approved.
- 2004 - Second board request approved.
- 2004 - CADR proposing an MPE (multiphase extraction) system is submitted and approved.
- 2006 - The MPE system becomes operational in January.
- 2010 - The MPE system is shut-down after diminishing returns.
- 2011 - First corrective action teleconference held on May 17th to determine next step. Agreed to improve contamination delineation and geological characterization.
- 2011 - Second corrective action teleconference held on December 20th. Concluded more work needed to determine the correct technology for the site.
- 2014 - Third corrective action teleconference held on March 27th. Since the last meeting a limited excavation is ruled out due to the potential loss of business and the heavy traffic on University.
- 2014 - Fourth corrective action teleconference held on May 29th. DNR sets a deadline of 7/27/14 for the submittal of a CADR proposing chemical oxidation technologies.
- 2014 - CADR submitted in September. DNR issues 'not accepted' letter.
- 2015 - A revised CADR proposing the injection of Bos-200 (Trap and Treat) is submitted in September. DNR approved the plan on November 13, 2015.



2301 University Ave - Google Maps

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 THIRD BOARD REPORT
 NOVEMBER 30, 2015
 KRAUSE GENTLE CORP.
 24 SOUTH LINN
 NEW HAMPTON
 SITE REGISTRATION NUMBER: 8608180
 LUST NUMBER: 7LTN29**

RISK CLASSIFICATION:

HIGH

LOW

UNDETERMINED

PRESENT CLAIM RESERVE:

\$ 700,000.00

PREVIOUS BOARD APPROVAL:

\$ 650,000.00

Number and Date of each previous Board Report: 1st: July 19, 2000, 2nd: April 13, 2015

PREVIOUS COSTS INCURRED:

\$ 467,580.88

COSTS INCURRED SINCE LAST BOARD APPROVAL:

1. Site monitoring reports

15,882.65

TOTAL COSTS INCURRED TO DATE:

\$ 483,463.53

PROJECTED COSTS:

❖ Site Monitoring Report

❖ Water Line Replacement

TOTAL PROJECTED COSTS:

\$ 175,000.00 to \$250,000.00+

ADDITIONAL AUTHORITY RECOMMENDED:

\$ 75,000.00

TOTAL AUTHORITY:*

\$ 725,000.00

COMMENTS:

This former Kum & Go station is now a Napa Auto Parts store. Extensive corrective action has been completed which has removed most of the onsite contamination. The remaining contamination is beneath the city streets and an adjacent elementary school property. The site is high risk for a water main, for residential sewers, and for the basement of the school. A water line replacement and excavation was completed in late October. The costs have not been received yet but the consultant has informed us that there were several contingencies which have increased the overall costs. This board request is to ensure that we have adequate authority to bring this claim to closure. Affected population could exceed 500 due to the proximity to the school.

*Previous approval + additional recommended

Site Timeline

- 1990 - Contamination discovered during tank tightness testing in April of 1990.
- 1993 – Free product was discovered during assessment work.
- 1995 – SCR submitted. DNR issues ‘not accepted’ letter.
- 1996 – Revised SCR submitted and accepted as high risk. CADR due in 120 days.
- 1998 – RBCA Tier 2 submitted and accepted as high risk. CADR due in 120 days.
- 2000 – CADR recommending a MPE system is submitted and accepted by the DNR.
- 2002 – DPE system becomes operational in January of 2002.
- 2006 – DPE system shut down due to mechanical failure.
- 2007 – 1st corrective action teleconference. Site is no longer a gas station and as a result excavation deemed to be a better solution than repairing the DPE system.
- 2008 – 2nd corrective action teleconference; parties agree to define the area to be excavated.
- 2008 – An excavation of the former UST basin area is completed in August of 2008.
- 2014 – 3rd corrective action teleconference to address the remaining issues. Due to remaining contamination beneath the street and on adjacent properties, more plume delineation is needed.
- 2014 – 4th corrective action teleconference to discuss the delineation results and agree on the length of water main to replace.
- 2015 – Water line replacement and excavation in the right-of-way was completed in October.



24 S Linn Ave - Google Maps

**Contracts Entered Into
Since October 29, 2015 Board Meeting**



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: Dale Cira
DATE: December 3, 2015
SUBJECT: Contracts Entered Into Since October 29, 2015 Board Meeting

The Board has not entered into a contract since the October 29, 2015 meeting.

Other Issues as Presented

Correspondence and Attachments

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

Held: Thursday, November 19, 2015 at 1:30 in room 5W of the Wallace building
Site: Atherton Automotive in Council Bluffs
LUST No. 8LTG04
Status: First conference; a second conference will likely be scheduled for May 2016.
Synopsis: The site is high risk for soil and groundwater vapor and for soil and groundwater to water line pathways. A multi-phase extraction (MPE) system operated at the site from 2004 to 2008, but one monitoring well persists with a high concentrations and free product persists in at least two monitoring wells. The certified groundwater professional (CGP) will provide a Tier 3 Work Plan by 12/31/15 for additional sampling, delineation of the free product plume, and conducting multiple high vacuum events. We will likely meet again in May 2016 to determine additional corrective action to take the site to no further action.

Participating

RP: Matt Atherton of Atherton Automotive (by phone)
Funding: Steve Reinders of Cunningham Lindsey (CL) (by phone)
CGP: Kris LeVier of RDG (by phone)
DNR: Jeff White, Project Manager, & Tammy Vander Bloemen, Facilitator (in person)

Funding Report by Steve Reinders of Cunningham Lindsey (CL)

- \$416,627 spent to date.
- The site has current spending authority to \$500,000 with a total spending cap of \$1,000,000.

Background and Recommendations by Kris LeVier, CGP

- A large multi-phase extraction remediation system was installed and started in 2004 and shut down in 2008. It did not work well due to iron buildup in the air stripper, freezing in winter, and breakdowns.
- Since the system shutdown, we have conducted free product recovery with bailers twice a month and consistently get more than a foot of FP in MW-1 and MW15.
- The soil source is at MW-1 at a depth of 15 feet; this is generally submerged, so we have been unable to conduct a good soil gas sampling test.
- Groundwater contamination at MW1 is at 22,000 ppb benzene but only 2,200 ppb at MW-15, which is located across Broadway Street at a property that once was a gas station. I think it is a separate source of contamination.
- Water lines should be cleared because the mains are iron pipe with lead gaskets and service lines are copper.
- Basement and sanitary sewers to the north should be cleared for groundwater vapor pathways with vapor sampling between the source and the receptors. Two more basements to the east have not been cleared.
- We tried soil gas sampling for soil gas pathways, but the soil source has been submerged.
- We have not heard from the DNR about any cleared pathways.

Discussion

DNR: I have not looked at all the files and reports to evaluate what pathways and receptors have been cleared. I don't just want to work toward reclassifying the site to low risk; I want to get rid of the free product so the site can get a no further action certificate.

I have a number of questions for Matt and Kris.

Matt, do you have any as-built plans or photographs of the installation of the UST system?

RP: No as-built plans. I will check for photographs of the installation. My tanks have consistently passed tank tightness tests.

DNR: The soil in the area is clay to a depth of 15 to 20 feet, then there is a sand layer. When the tank pit was dug out, was the bottom sand or clay?

RP: I think it was clay.

DNR: There used to be a basement, but it was filled in. Where was the basement located and what was it filled with?

RP: The basement was located about where the canopy is now. It was filled with local dirt.

DNR: What are the tanks on the north side of the building?

RP: Two 1,000 gallon USTs, one with new oil and one with waste oil.

DNR: Kris, have the remediation wells been checked for free product? Is the piping out of them? Could they be used for additional free product recovery?

CGP: The piping is out of the remediation wells and they have not been checked. I don't see why they couldn't be used for recovery. I'll see that they are checked.

DNR: Periodic high-vacuum events (HVE) with a vac truck have been recommended to address the free product. That could be of some help in removing some of the free product, but I have never seen all product removed or a site closed with just HVE.

CGP: We can get the HVE at a pretty good price.

CL: I agree HVE won't get rid of the product, but it can help. If the cost is good, we can try it. If necessary, we could try surfactants in combination with the HVE.

What about using laser-induced fluorescence (LIF) to define the contamination and to see if the free product across the street is from a different source?

DNR: I would be all for using LIF for better definition of the LNAPL, soil contamination, and product. There is always free product in MW-15; are there monitoring wells to the east and south of that well? The free product plume must be defined.

CGP: There are no remaining monitoring wells to the east and south of MW-15.

DNR: If you want to make the case that the MW-15 free product is from a separate site, you will need to provide DNR with a report that presents and analyzes the data: contaminant concentrations over time, old reports, history, groundwater flow directions, chemistry, geology, etc. LIF data might be particularly useful.

CGP: I would like to re-sample soil at MW1 and MWA. We could do more vapor sampling to try to clear more groundwater vapor receptors. The soil source is generally submerged, so we can't do soil gas testing.

DNR: I have no problems with re-sampling soil, but we need to sample multiple locations. You will need to re-define the extent and composition of the soil plume, not just at places where you have sampled before and which are near remediation wells.

Vapor sampling will have to be done at sufficient locations so we can be sure the vapor plume is defined. This is Tier 3; you don't have to necessarily use the Tier 2 locations and methods for vapor sampling. For example, if the soil source is mostly submerged, sample soil vapor several times over the course of a year. The Tier 2 model can no longer be used to define plumes and high risk conditions, at least not in the same way.

RP: Could some of the contamination have come from the old Bus Barn site? It's less than a block away to the north. They did a huge excavation there.

DNR: I don't think the Bus Barn site has contributed. Isn't MW13, between the sites, clean? Generally the plumes don't travel very far; groundwater flow keeps reversing. But it's difficult to know for sure.

CGP: There used to be a waterway where Broadway is now. Water north of Broadway used to flow toward it.

CL: I am agreeable to installing a monitoring well between the Bus Barn site and this one.

DNR: I recommend you provide a Tier 3 Work Plan; I will review it and Steve will likely provide suggestions, too. You will conduct an investigation and provide a report that will hopefully give us the subsurface locations and depths of the contamination and the LNAPL so we can decide what corrective action measures to take.

Selected Actions Prior to Another Conference and Schedule

- DNR sends out conference notes by 11/23/15.
- By 12/10/15, CGP submits a budget to CL for providing a Tier 3 Work Plan which should include:
 - Re-sampling soil locations MW-1 and MW-A
 - Conducting a LIF survey to determine the extent of LNAPL and whether the contamination at MW-15 is from a different source
 - Installing additional monitoring wells
 - Checking additional wells (remediation wells) for free product recovery
 - Conducting multiple high vacuum events
 - Investigating and reporting on the possibility of another contaminant source
 - Groundwater vapor and soil vapor sampling
 - Groundwater sampling, if necessary
 - Submitting a Tier 3 Report/remediation plan
- CL evaluates the budget by 12/17/15.
- CGP provides a Tier 3 Work Plan by 12/31/15.
- DNR reviews the T3WP by 1/8/16.
- CGP provides the Tier 3 Report by 4/15/16.
- After the Tier 3 Report is reviewed by DNR, another corrective action conference will likely be held in May 2016 to discuss additional corrective action.

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 at 515-725-8325 or jeff.white@dnr.iowa.gov.

Notes of Seventh Corrective Action Conference

Iowa Department of Natural Resources (DNR)

Held: Tuesday, November 3, 2015 at 9:00 in room 4E of the Wallace building
Site: Seaton's Flag Foods in Brooklyn, Iowa
LUST No. 8LTM37
Status: This was the seventh conference; no further meetings are scheduled.
Synopsis: Water lines are high risk for soil and groundwater contamination; a basement and a deep sanitary sewer main are high risk for soil and groundwater vapor. A remediation system operated at the site from 2008 until 2015, but soil and groundwater concentrations remain above the site specific target levels. The certified groundwater professional (CGP) will provide a Tier 3 Work Plan by 11/13/15 and start three rounds of quarterly vapor sampling in November, with a site monitoring report (SMR) by 10/30/16.

Participating

RP: Did not participate
Funding: Steve Reinders of Cunningham Lindsey (by phone)
CGP: Mark Diehl of Seneca Environmental (by phone)
DNR: Shelly Nellesen, Project Manager, & Jeff White, Facilitator (in person)

Funding Report by Steve Reinders of Cunningham Lindsey (CL)

- \$370,620 spent to date.
- We have spending authority to \$500,000.

Background and Recommendations by Mark Diehl, CGP

- Since our last meeting, we collected soil samples to better define the soil contamination plume.
- Water lines are high risk for soil and groundwater contamination. I think we have enough data to show a 10-foot separation from contamination and a three-foot separation from groundwater.
- The deep sanitary sewer and the basement of the city electrical building are high risk for soil vapor and groundwater vapor.
- I recommend we conduct vapor sampling at the soil and groundwater sources: RS9 and MW14. The soil contamination appears to be submerged from one to four feet below the water table and I propose sampling a little above the water table.

Discussion

DNR: We have already done corrective action; we ran a multi-phase extraction system for several years. We must look at the entire corrective action area, not just the highest concentrations. These concentrations bounce around a lot. I would like for additional vapor sampling to be conducted to evaluate the vapor near the water table in several locations across the soil and groundwater plumes so we can address both the high and the low risk pathways.

CL: Yes, we need to take the site to closure.

DNR: Your source locations look good, but also sample vapor near the high risk sanitary sewer main in the east and west parts of the plume as well as near the high risk basement.

CGP: Should the sampling at the basement be near the water table?

DNR: Yes, near the depth of the soil and groundwater contamination. If it fails deep, we could also sample it near the depth of the basement.

CGP: I will send you a map of five proposed vapor well locations: at the soil and groundwater sources, east and west of the sources south of the sanitary sewer main, and near the basement.

DNR: Please include a brief description of well construction, sampling methods, and sampling depths. This will be a brief Tier 3 Work Plan.

CL: This is okay. But if environmental covenants are needed, is it possible?

CGP: Yes, I think the city will work with us.

DNR: It may only be necessary for the city to state whether any additional sanitary sewers are planned or considered for that particular area.

CGP: It's not very likely that the city will install a deep sewer main here.

I can have a proposal and a work plan to everyone within a couple of weeks and can complete the vapor well installation and vapor sampling in November.

DNR: The monitoring should be quarterly for at least three quarters. This will let us sample in November, end of February/early March, and end of May/early June.

CGP: We will sample groundwater six months after the previous sampling, in February 2016. Analysis will be by OA1/MtBE.

DNR: Send us a letter report about the results of the vapor sampling. If it fails, we will need to hold another conference. Provide an SMR by 10/30/16; be sure to address the high risk water lines. We would like to hear more details about the plastic lining of the high risk sanitary sewer main.

Selected Actions and Schedule

- DNR sends out conference notes by 11/5/15.
- CGP provides proposal and estimated budget by 11/13/15 for
 - Tier 3 Work Plan with map and vapor sampling details
 - Installing and sampling five vapor wells
 - Groundwater sampling
 - Letter report(s) and an SMR
- CGP provides the Tier 3 Work Plan by 11/13/15 (not discussed in the conference).
- CL evaluates the proposal and estimated budget by 11/20/15.
- CGP installs and samples the vapor wells in November 2015 and provides a letter report of the sampling results by 12/31/15.
- CGP conducts three quarterly vapor sampling events and provides a SMR by 10/30/16 with sampling results, water line evaluation, and recommendations.

Everyone agreed to this approach and schedule.

Shelly Nellesen, 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 Shelly Nellesen at the UST Section of the DNR.