

March 25, 2016

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., Friday, March 25, 2016. 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. Legislative Update
 - B. FY 2016 Claims Update
 - C. USTCA Closure Contract Re-authorization
 - D. UST Fund Lien # 0605012 – Mel’s Place, What Cheer
 - E. DNR Update
5. Approval of Program Billings
6. Monthly Activity Report and Financials Reviewed
7. Attorney General’s Report
8. Claim Payment Approval
9. Contracts Entered Into Since February 26, 2016 Board Meeting
10. Other Issues as Presented
11. Correspondence and Attachments

Approval of Prior Board Minutes



IOWA UNDERGROUND STORAGE TANK FUND

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Jeff. W. Robinson
Patricia J. Beck

Karen E. Andeweg
N. Kurt Mumm

Chuck Gipp
N. Kurt Mumm

MINUTES

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND PROGRAM

FEBRUARY 26, 2016

**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 10:00 A.M. A quorum was present, with the following Board members present:

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

Also present were:

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

APPROVAL OF PRIOR BOARD MINUTES

Mr. Beech inquired if the members had reviewed the minutes and there were any items for discussion. Mr. Barry moved to approve the minutes of the January 22, 2016 meeting and Ms. Beck 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.

PUBLIC COMMENT

No public comments were presented.

BOARD ISSUES

A. Legislative Update

Mr. Cira provided a status report on the progress of the House Study Bill 638. That bill has been identified as House Bill 2381 and is now in the House Appropriations Committee. He noted that the bill provides a path for closing the existing Fund program and creating a new Iowa Tanks Fund program. He noted that under the bill, program funding would cease at the end of the current fiscal year and that the fund program would cease entirely at the end of fiscal year 2017.

Mr. Gartin asked if a conversation should be held about the posture Board members should have when approached by legislators about the bill. He noted he had been approached by a senator about this and he told the senator he did not feel it appropriate as a Board member to weigh in on policy decisions; but if the legislators have technical questions they should contact Mr. Cira or Mr. Gastineau. Mr. Gartin's preference is that any such questions be brought to the attention of the Board for a response.

Mr. Beech indicated he would tend to agree with Mr. Gartin. A complication is that some of the Board member's organizations have taken a position for or against the bill so it may be difficult to get a consensus on the bill or for any question that may be presented. Following a discussion, it was noted if questions are received a telephonic meeting to discuss the questions may be needed. Mr. Cira noted that at that point in time no inquiries have been received by the Administrator's office.

In considering possible questions to the bill, Mr. Gartin moved that the Administrator's office be instructed to reach out to the respective legislative committees focused on the bill to educate them on the steps the Board has taken to wind down the Fund. Mr. Barry seconded the motion. The motion passed unanimously.

Mr. Cira responded that the Administrator's office will identify the appropriate committees and committee members and will reach out to provide information on the Board's mission. He also noted that caution will be taken so as to ensure that comments are process oriented as opposed to opinion on what should or should not happen regarding the pending legislation. Mr. Beech noted that if the Board members have any comments in this regard, to please get them to Mr. Cira or Mr. Gastineau.

B. FY 2016 Claims Update

Mr. Cira provided an update on the activities being pursued regarding implementation of the Conceptual Plan as discussed during the October 2015 Board meeting. He noted steps have been implemented including contacting claimants of inactive or stalled claims, contacting claimants for possible settlements and developing a limited loss portfolio transfer (LPT) for those sites having shared liability claims. He noted that to date, 28 claims have been closed administratively due to inactivity and that after reaching out to other parties it is expected an additional 20-25 claims could be closed. He also noted that potential liability of the 20-25 claims was currently estimated to be near \$1 million.

Mr. Cira noted that there has been continued discussion with PMMIC on a limited LPT for those sites with shared liability claims. He noted the list of sites has declined from 13 to 11 sites and that those conversations are continuing. Our analysis shows liability of about \$850,000 for those 11 sites. Following a question regarding the decline in the number of sites, it was noted one of the sites is due to the sharing of costs by three entities rather than two, as is typical, and that for the last site, the UST Fund is liable for a majority of the potential site costs.

Mr. Cira noted that the settlement discussions to date are not resulting in fruitful opportunities. Most of the potential parties are concerned about the settlement being appropriate and would prefer to wait to see where they might land in the Iowa Finance Authority process. He noted that conversations on this possibility will continue but it does not appear that the settlement process will result in many claim closures.

Mr. Cira also noted that the matters listed under future actions will continue to be worked through. He noted that the State Lead projects will need to end due to the contractual arrangements under which the work is being performed and in some cases management of the ongoing work will be transferred to the claimants for further handling.

Lastly, Mr. Cira commented that as of today, it is still predicted that there may be as many as 380 claims available for a large scale LPT with a total projected liability of \$21-24 million.

C. DNR Update

Ms. Douskey presented information regarding activities in the Department's UST Section. She invited the Board and guests to attend a meeting on the redrafting of the Chapter 135 rules and noted that the rule changes are being modified to follow the recent changes to the federal rules for underground storage tanks. It was noted that the rule changes primarily address operational aspects of active stations but did note a change is being considered to add flexibility to the free-product recovery rules in order to allow closing of sites when little product is present or recoverable. Ms. Douskey noted a meeting with the Petroleum Marketers is planned for February 29 and a meeting for the public is scheduled for March 15, 2016. She also commented that if anyone has suggestions regarding the rules, to please submit them in writing for consideration.

In response to a question regarding the revisions to the computer model, Ms. Douskey reported the Department has been working for a year with IT staff and with Dr. Ladon Jones from Iowa State University. She noted the Tier II aspect of the application is nearly complete and that changes to the Site Monitoring Report application are being developed. She noted that the new model will be an online application and that the hope is to have the model available by June 2016.

APPROVAL OF PROGRAM BILLINGS

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

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

- 2. Iowa Department of Revenue \$1,917.77
FY 2016 EPC Collection, 2nd quarter (Oct – Dec 2015)

- 4. Iowa Attorney General’s Office \$4,022.44
Services provided for Underground Storage Tank Program
January 2016 (FY 2016) Billing

- 5. Office of Auditor of State \$546.90
FY 2016 Audit Services, 2nd quarter (Oct – Dec 2015)

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

MONTHLY ACTIVITY REPORT AND FINANCIALS REVIEWED

Mr. Cira reported that five additional claims were closed this month, one innocent landowner claim and four under the remedial program. There are 436 claims remaining at this point. IDNR has 741 claims and progress continues to be made on both.

ATTORNEY GENERAL’S REPORT

Mr. Steward noted there was nothing to report.

CLAIM PAYMENT AUTHORITY

Mr. Cira presented the following claim authority requests:

1. Site Registration 201000021 – City of New Hartford, New Hartford (2nd Board Report)

This is high risk for the water line pathway and low risk for the potential groundwater ingestion and vapor pathways. An excavation at this site appears to have been effective. Groundwater concentrations are below the lowest target level and one additional monitoring event may result in the reclassification of the site to no action required. If a rebound in concentrations occur, additional work may be required.

Mr. Cira noted the present claim reserve is \$105,000. Previous Board approval was granted in August 2012 for \$100,000. Additional authority requested of \$25,000 for a total authority of \$125,000.

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

2. Site Registration 8601912 – Total Petroleum/MRP Properties Co., LLC, Cedar Rapids (1st Board Report)

This site is classified as high risk for the soil vapor pathway for non-residential sewers and low risk for the potential soil vapor pathways. Soil contamination remains in the former tan basin area and vapor sampling has failed. The site is an active gas station but the former tank basin area is accessible to an excavation. An excavation is proposed which may reclassify the site.

Mr. Cira noted the total cost to date is \$67,475.48. Present claim reserve is \$150,000. Additional authority was requested for a total authority of \$200,000.

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

3. Site Registration 8609975 – Whitson Service, Creston (2nd Board Report)

The site is high risk for the vapor pathway for actual receptors and low risk for the potential vapor pathways. Previous attempts to clear the vapor pathways have failed. Source removal through the completion of an excavation is the preferred option to remediate the site. The contamination extends from the former pump island into the right-of-way and West Adams Street. The city has granted access to excavate into the street.

Mr. Cira noted the present claim reserve is \$215,000. Prior Board approval was granted in April 2010 for \$150,000. Additional authority of \$150,000 was requested for a total authority of \$300,000.

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

4. Site Registration 8915586 – Spencer Grove Antiques, Walker (1st Board Report)

The site is classified as low risk for the groundwater ingestion pathway. As there is no public water system in the area, private wells are used. The on-site well was replaced in 2004. A Tier 3 study showed the new well and surrounding drinking water wells were unlikely to be impacted and resulted in the reclassification of the site to low risk. An environmental covenant will be placed on a portion of the property to prevent new wells from being installed in the area of contamination, allowing reclassification to no action required with free product. Free product inspections are being completed and if no product is observed over the next couple of months, a request to cease all free product activities will be made.

Mr. Cirra noted the current claim reserve is \$100,000. Total cost to date is \$79,823.66. Additional authority was requested for a total authority of \$125,000.

Mr. Barry moved to approve the request and Mr. Beech seconded the motion. The motion passed unanimously.

5. Site Registration 9017011 – Hardin County (Former R&R DX), Eldora (2nd Board Report)

The site is high risk for the groundwater ingestion pathway for one city drinking water well, and for the groundwater vapor pathway for residential sewers. Vapor sampling has failed. The property is now a vacant lot and is accessible to over-excavation. An excavation is planned which should help reclassify the site to no action required.

Mr. Cirra noted the current claim reserve is \$175,000. Total cost to date is \$107,229.66. Additional authority of \$90,000 was requested for a total authority of \$200,000.

Ms. Andeweg moved to approve the request and Ms. Beck seconded the motion. The motion approved unanimously.

CONTRACTS ENTERED INTO SINCE JANUARY 22, 2016 BOARD MEETING

The Board has entered into the following agreements since the January 22, 2016 meeting.

1. Contract for services with Geode Environmental, LLC for the RBCA 1509-01: Environmental Assistance Project for evaluation of sites previously issued a NFA certificate.
2. Contract with Seneca Companies for the RBCA 1509-01: Environmental Assistance Project for evaluation of sites previously issued a NFA certificate.
3. Reimbursement agreement for UST Operator Training with for Practical American Safety Solutions.

OTHER ISSUES AS PRESENTED

No other issues were presented.

CORRESPONDENCE AND ATTACHMENTS

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

A motion to adjourn the meeting was made by Ms. Andeweg and seconded by Ms. Beck. The meeting adjourned at 10:35 A.M.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'J. Gastineau', written in a cursive style.

James Gastineau
Deputy Administrator

Closed Session

Discussion of Pending and Imminent Litigation

Public Comment

Board Issues

A. Legislative Update



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: Dale Cira
DATE: March 18, 2016
SUBJECT: Legislative Update

The 2016 Legislative Session continues to move along. House File 2381, the successor to House Study Bill 638 which provides for the cessation of the existing Iowa UST Fund and the creation of the Iowa Tanks Fund remains in the House Appropriations Committee. The Senate version of the same bill, Senate Study Bill 3167 is also awaiting action with the Senate Appropriations Committee.

The Legislative Services Agency published a fiscal note for HF 2381 on March 7, 2016; a copy of that note is attached for information purposes.

As the session continues, we will continue to monitor bills and committees and report any issues that may affect the Board. It is possible the session may end prior to the next scheduled UST Fund Board meeting as the 100th day of the legislative session is April 19th, 2016.



HF 2381 – Petroleum Tanks Fund and Financing Program (LSB5257HV)
Analyst: Jeff Robinson (Phone: 515-281-4614) (jeff.robinson@legis.iowa.gov)
Fiscal Note Version – New

Description

House File 2381 relates to the Iowa Comprehensive Petroleum Underground Storage Tank Fund and Board (UST Fund and UST Board) and to related programs and program financing. The bill:

- Strikes an annual \$14.0 million transfer from the **Statutory Allocations Fund** to the **UST Fund**. The change is effective beginning FY 2017.
- Strikes an annual \$3.0 million transfer from the Statutory Allocations Fund to the Department of Agriculture and Land Stewardship (DALSS) **Renewable Fuel Infrastructure Fund**. The change is effective beginning FY 2017.
- Eliminates the UST Board and the existing UST Fund at the conclusion of FY 2017.
- Creates a new Iowa Tanks Fund within the Iowa Finance Authority (IFA). The Fund is to be administered jointly by the IFA and the Iowa Department of Natural Resources (DNR). The new fund retains interest earnings and is to be used to reimburse eligible petroleum contamination claims and for administration.
- Transfers all money remaining in the UST Fund as of July 1, 2017, to the new Iowa Tanks Fund.
- Appropriates \$200,000 annually to the DNR from the Iowa Tanks Fund. The appropriation is to be used to support the Department's new administrative duties related to environmental claims approval and processing and for the protection of Iowa groundwater from contamination caused by leaking underground storage tanks.
- Eliminates eligibility for financial assistance under the existing UST Program for new claims filed after December 31, 2016.
- Creates an owner-reimbursement process to be administered by the DNR and the IFA for eligible petroleum release cleanup expenditures, with reimbursement paid from the Iowa Tanks Fund.

Background

Iowa's Environmental Protection Charge (EPC) is set to expire at the end of FY 2016. The EPC is equal to \$0.01 per petroleum gallon. The EPC generates revenue of approximately \$21.5 million per year. Although originally designed as a financing mechanism for the cleanup of petroleum contamination, for many years the EPC has been a revenue source for the Road Use Tax Fund (RUTF). Underground petroleum storage tax cleanup has instead been financed at first through an annual allocation of motor vehicle use tax, and later (and currently) through an annual allocation from the Statutory Allocation Fund.

While the EPC is set to expire at the end of FY 2016, the annual \$14.0 million allocation to UST cleanup does not expire. In addition, the Renewable Fuel Infrastructure Fund receives an annual \$3.0 million allocation from the Statutory Allocations Fund and this allocation does not expire.

The Statutory Allocations Fund receives funding from trailer registration fees, driver's license fees, and other fees. Any revenue in the Fund that is not specifically allocated to another purpose is transferred to the RUTF. The scheduled expiration of the EPC will reduce RUTF revenue by \$21.5 million per year and this bill does not change that. The bill does eliminate two ongoing annual allocations totaling \$17.0 million, and this will increase RUTF revenue by \$17.0 million per year and offset much of the revenue decrease associated with the EPC expiration. A 2014 **Issue Review** describing the [EPC](#) is available from the Legislative Services Agency.

The UST Program, UST Fund, and UST Fund Board were created in HF 447 (Petroleum Underground Storage Tank Act of 1989). The main purpose of the Program was to provide environmental remediation assistance, site insurance, and loan financing for underground petroleum storage tank locations. A 2014 **Issue Review** describing the [UST Program](#) is available from the Legislative Services Agency.

Updating the 2014 **Issue Review** analysis, the UST Program had a balance at the end of FY 2015 of \$33.7 million and outstanding cleanup obligations of \$29.3 million. During the course of FY 2016 the UST Fund will receive \$14.0 million from the Statutory Allocations Fund and will make payments for remedial claims and for administration. The projected UST Fund balance at the conclusion of FY 2016 is \$36.3 million and outstanding claim obligations are expected to total \$22.8 million.

While an increase in the expected total cleanup cost for known claims has reduced the future financial condition of the UST Program somewhat, the projected balances for FY 2016 through FY 2019 are expected to be sufficient to pay all existing and future Fund obligations without the continued revenue transfer from the Statutory Allocations Fund after FY 2016.

The Renewable Fuels Infrastructure Fund is administered by the DALs and the [Renewable Infrastructure Board](#). The sources of revenue for the Fund include the annual \$3.0 million transfer from the Statutory Allocations Fund and interest. The Fund is used for the following purposes:

- Up to \$50,000 annually for administration.
- Up to 1.5% (about \$45,000 per year) for program marketing.
- Renewable fuel infrastructure incentives for petroleum retailers and terminals. The purpose of the Program is to improve motor fuel distribution sites by installing, replacing, or converting infrastructure to be used to store, blend, or dispense renewable (ethanol and biodiesel) fuel.
- Since FY 2012, the annual Agriculture and Natural Resources Appropriation Acts have appropriated \$500,000 each year from the Renewable Fuel Infrastructure Fund to the DALs for motor fuel inspection.

Over four fiscal years (FY 2012 through FY 2015), the Renewable Fuel Infrastructure Fund:

- Received \$12.0 million from the Statutory Allocations Fund.
- Received \$87,000 in interest and other revenue.
- Transferred \$2.0 million to the DALs for motor fuel inspection.
- Expended \$200,000 on administration.
- Expended \$8.5 million on retail and terminal motor fuel infrastructure incentives.
- Ending balance increased \$1.4 million.

Fiscal Impact

The bill strikes annual allocations from the Statutory Allocations Fund to the UST Fund and the Renewable Fuel Infrastructure Fund beginning with FY 2017. This change will have the following annual fiscal impacts:

- UST Fund, negative \$14.0 million.
- Renewable Fuel Infrastructure Fund, negative \$3.0 million.
- RUTF, positive \$17.0 million.

Current projections indicate that the existing UST Fund has a sufficient balance to pay all remaining Fund obligations and to provide a funding source for future petroleum cleanup identified by the DNR.

The Renewable Fuel Infrastructure Fund had a balance of \$3.4 million at the end of FY 2015 and at the end of February 2016 the Fund had a similar cash balance. Some of that balance may be available to continue the purposes of the Fund. However, there is no ongoing funding source to support the current annual uses of the Fund (\$50,000 administration, \$500,000 motor fuel inspection, \$2.5 million renewable fuel infrastructure incentives).

The \$17.0 million in RUTF revenue will become part of that Fund's distribution formula and will be used for city, county, and state road construction and maintenance activities.

The bill appropriates \$200,000 per year to the DNR from the Iowa Tanks Fund. The appropriation is to be used by the DNR to assume the administrative responsibilities of the UST Program. The annual standing appropriation is for five fiscal years (FY 2018 through FY 2022). The Department expects the new duties will require 2.0 FTE positions, but the work will be completed with existing Department staff.

Sources

Legislative Services Agency Analysis
Department of Transportation
Department of Natural Resources
Iowa UST Board
State of Iowa accounting system

/s/ Holly M. Lyons

March 7, 2016

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

B. FY 2016 Claims Update



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: James Gastineau
DATE: March 18, 2015
SUBJECT: Fiscal Year 2016 Claims Update

Implementation of the Conceptual Plan approved during the October 2015 Board meeting continues as efforts are made to contact claimants and landowners of inactive claims to encourage their participation. During the past month, several owners have indicated a willingness to continue work following the State Lead Closure Contract thus decreasing the projected number of claims to be administratively closed.

Discussions are also continuing with PMMIC for a possible loss portfolio transfer (LPT) for those sites with shared liability claims. The emphasis for negotiation is the developing reserve estimates from the consultants working on the individual sites. Once reserves are established, development of the final transfer amount to include net present value of funds, estimated development of reserves and administrative load considerations can be determined. Claimants must also be notified of the intended transfer and given the opportunity to opt out of the transfer. In the event a claimant chooses to opt out, it is anticipated the claim would be transferred in the larger LPT which is a possibility for the remainder of the active claims.

Considerations have also been given to the development of a large scale LPT. A preliminary timeline for the bidding process indicates an 8 month window may be necessary. Assuming a start date in August 2016 it is anticipated execution of a contract would follow in May 2017 with the transfer of claim files by June 1, 2017.

In consideration of a large scale LPT, discussions are recommended regarding which claims should or should not be transferred. Currently it is anticipated all active claims would be selected for transfer however a number of situations exist that may warrant further consideration. Examples of sites which may be excluded from a transfer include those claims (a) which sites have attained a NAR classification prior to the execution of the transfer agreement, (b) claims where statutory funding cap of \$1M has been or is likely to be exceeded without attaining a NAR classification, (c) existing and/or former State Lead project claim sites and sites with special considerations. Claims that have been administratively closed, settled, or transferred and special project claims without an identified claimant would also be excluded from transfer.

Assuming the categories noted are excluded, it is anticipated the number of claims to be transferred may be in the range of 300-340 claims with overall estimated reserve liability in the range of \$21-24M. It is also anticipated a bidder would include an unspecified amount to account for claim development based on the actuarial study and an amount to account for administration of the claim package.

A detailed review of the active claims and reserves will be presented at the April Board meeting for review and further consideration.

C. USTCA Closure Contract Re-Authorization



IOWA UNDERGROUND STORAGE TANK FUND

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Dale T. Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: James Gastineau
DATE: March 18, 2016
SUBJECT: USTCA Closure Contract Re-authorization

Background

The Board and Department of Natural Resources (DNR) entered into a 28E agreement in 2010 with a 6 year duration to conduct UST closures, RBCA evaluations and emergency activities at sites where DNR has determined such action is needed and either there is no responsible party able to pay, the responsible party cannot be found, or the responsible party is recalcitrant in completing the corrective action measures. The most recent agreement also allows work to be performed on fund eligible sites and is intended for the stalled sites. Due to the 6 year duration, the 28E agreement will expire in August 2016.

Pursuant to the 28E, the Board retained two contractors to complete the necessary work. The vendor agreements, initiated in 2011, will also expire in August 2016. However, the vendor agreements may be renewed for up to 12 months, as approved by the Board.

Status

Since 2011, more than 100 sites have been notified for possible inclusion in the project; currently work is ongoing at 59 sites. Many of the sites are classified high risk or have free product present thus requiring corrective actions be initiated.

Board authority for the project has been granted for costs up to \$2,000,000 and costs incurred to date remaining with the project total \$941,493. As work is completed on each site, funds are transferred to the eligible claims and for non-eligible sites, where appropriate, cost recovery actions are considered.

Recommendation

The Department has identified a significant number of temporarily closed tank sites that could be added to the project for tank closure activities. In addition, a number of the ongoing project sites require corrective action which could be completed within the year. In an effort to assist DNR and to provide for remediation of the project sites, the following recommendations are presented:

- a) Amend the term the 28E agreement to eliminate the 6 year duration. An amendment for this purpose is attached for consideration.

- b) Extend the term of the contractor agreements by 6 months for work through February 28, 2017.
- c) Increase Board authority for the project by \$500,000 to \$2,500,000 to allow for additional sites to be added and allow for limited corrective actions to be completed at select fund eligible sites.

Note: In the event, the Department requests corrective action for a non-eligible site, a request for approval would be presented to the Board for consideration prior to the expenditure of any funds.

AMENDMENT TO 28E AGREEMENT

Pursuant to Section V (Amendment) of the 28E Agreement entered into by the Parties on September 14, 2010, and filed with the Iowa Secretary of State on October 18, 2010, the Parties hereby amend the Agreement by removing Section III and replacing it with the following:

III. DURATION

This Agreement shall be in effect for an indefinite period of time unless terminated in accordance with this Agreement.

The Parties agree the provisions of this Amendment shall be fully incorporated into the 28E Agreement, and the terms used in this Amendment shall have the same meanings as under the 28E Agreement. This Amendment is effective as of the date it is fully executed by all Parties.

**IOWA COMPREHENSIVE PETROLEUM
UNDERGROUND STORAGE TANK
FUND BOARD**

**IOWA DEPARTMENT OF NATURAL
RESOURCES**

BY: _____
Douglas M. Beech, Chair

BY: _____
Chuck Gipp, Director

DATE: _____

DATE: _____



Michael A. Mauro
 Secretary of State
 State of Iowa

28E Agreement

FOR OFFICE USE ONLY:

FILED

M503965

10/18/2010 3:14:15 PM

PLEASE READ INSTRUCTIONS ON BACK BEFORE COMPLETING THIS FORM

Item 1. The full legal name, organization type and county of each participant to this agreement are:

	Full Legal Name	Organization Type	*County
Party 1	Iowa Comprehensive Petroleum UST Fund Board	State Agency	Polk
Party 2	Iowa Department of Natural Resources	State Agency	Polk
Party 3			
Party 4			
Party 5			

**Enter "Other" if not in Iowa*

Item 2. The type of Public Service included in this agreement is: 0 Unknown Service Type
 (Enter only one Service Code and Description) Code Number Service Description

Item 3. The purpose of this agreement is: *(please be specific)*
 To perform UST closures, RBCA investigations, monitoring well closure and emergency response correction action activities at DNR sites selected where there is no responsible party (rp) or the rp is recalcitrant, or for Board selected sites.

Item 4. The duration of this agreement is: *(check one)* Agreement Expires 8/31/2012 Indefinite Duration
 [mm/dd/yyyy]

Item 5. Does this agreement amend or renew an existing agreement? *(check one)*
 NO
 YES Filing # of the agreement: _____
 (Use the filing number of the most recent version filed for this agreement)
 The filing number of the agreement may be found by searching the 28E database at: www.sos.state.ia.us/28E.

Item 6. Attach two copies of the agreement to this form if not filing online.

Item 7. The primary contact for further information regarding this agreement is: *(optional)*

LAST Name Gastineau FIRST Name James
 Title Senior Consultant Department Senior Consultant
 Email james.gastineau@aon.com Phone 5152679101

28E AGREEMENT

THIS AGREEMENT (hereinafter Agreement) is entered into as of this 1st day of September 2010, pursuant to Iowa Code chapter 28E and Iowa Code section 455G.6(15), by and between two state agencies: 1) the Iowa Department of Natural Resources (hereinafter DNR); and 2) the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board (hereinafter Board). This Agreement is effective as of the date it is fully executed by all parties. The Parties do not intend to create a separate legal entity under this Agreement. All real and personal property used or acquired under the terms of this Agreement shall be held in the name of the Board.

I. PURPOSE

This Agreement is executed for the purpose of promoting responsiveness and efficiency in performance of related statutory duties regarding DNR's regulation of petroleum underground storage tanks (hereinafter "UST's") in the state of Iowa and the Board's administration of the fund which provides financial assistance for corrective action related to UST's. It is the intent of DNR and the Board to use this Agreement in a joint effort to use their respective powers, duties and responsibilities to gain access to certain UST sites to implement needed corrective action.

This Agreement is executed specifically to enable the Board to issue and administer contracts with consultants to perform corrective action related to UST sites where DNR has determined corrective action is needed and either there is no responsible party able to pay for the needed corrective action or the responsible party is recalcitrant in undertaking the needed corrective action or UST system removal. Services provided by Board consultant contracts pursuant to this Agreement are limited to 'corrective action' activities as defined in Iowa Code 455G.2 and may include site checks, UST closures, Tier I and Tier 2 RBCA investigations, site monitoring reports, monitoring well closures, and emergency response corrective action addressing emergency situations. Additional services may be provided at the Board's discretion to either DNR selected sites or Board funded sites.

Expenditures pursuant to this Agreement are subject to Board approval of the UST sites, to the Board's cost control requirements under Iowa Code section 455G.12A, and to cost recovery in those instances where the Board determines cost recovery is appropriate. The Board and DNR have determined this Agreement and its funding are necessary and convenient to facilitate compliance with and to implement federal and state UST laws and regulations. Further, because of the limitation on Board funding of this Agreement, the Board has determined that this Agreement will not substantially affect the UST Fund Program.

The intent of this agreement is not to limit the Board's authority in any way as to the use of consultant contracts for activities at Board funded UST sites nor is it the intent the terms of the agreement be interpreted to limit the authority of the DNR at any UST site.

II. ADMINISTRATION

The Board shall be responsible for administering consultant contracts under this Agreement.

III. DURATION

This Agreement shall be in effect for two years, unless terminated pursuant to the provisions of Article VI. The parties to this Agreement may mutually agree to extend this Agreement for up to an additional four years.

IV. RESPONSIBILITIES

DNR and the Board shall retain all powers and duties conferred by their respective enabling acts but shall assist each other in the exercise of these powers and the performance of these duties in the following manner:

Board Responsibilities

1. Provide funds up to a maximum of five hundred thousand dollars (\$500,000.00) to be used exclusively for site checks, UST system closures, Tier I and Tier 2 RBCA investigations, site monitoring reports, monitoring well closures, and corrective action addressing emergency situations, all related to UST sites where DNR has determined corrective action is needed and either there is no responsible party able to pay for such corrective action or the responsible party is recalcitrant in undertaking such corrective action or removing UST systems. The funds to be provided by the Board pursuant to this Agreement shall be in addition to any funds provided by the Board for the same or similar purposes pursuant to previous 28E agreements between the Board and DNR.
2. Advertise and contract with consultants to perform corrective action pursuant to this Agreement.
3. Approve UST sites and scope of work for funding under this Agreement.
4. Approve budgets for funding under this Agreement.
5. Pursue cost recovery for funds expended pursuant to this Agreement in those situations where the Board deems cost recovery is appropriate.
6. The Board shall pay all costs associated with the administration of this Agreement in accordance with the terms of this Agreement.

DNR Responsibilities

1. Provide the Board with a request for proposal (hereinafter RFP) to be used in the public bidding process used to retain consultants pursuant to this Agreement.
2. Provide the criteria for evaluating proposals made in response to the RFP.
3. Assist the Board in selecting consultants pursuant to this Agreement.
4. Assist the Board in administering the consultant contracts under this Agreement.

5. Select UST sites appropriate for funding under this Agreement.
6. Use its authority to gain access to UST sites where corrective action is to be undertaken under this Agreement.

V. AMENDMENTS

This Agreement may be amended at any time by the parties. All amendments must be in writing, signed by both parties, and filed with the Secretary of State.

VI. TERMINATION

Either agency may terminate this Agreement without cause upon thirty (30) days written notice, unless the terms of one or more contracts entered into between the Board and one or more consultants pursuant to this Agreement provide otherwise.

Upon termination, each agency shall within ten (10) days return all documents in its possession pursuant to performance of this Agreement.

VII. NOTICES

Whenever notices and correspondence are to be given under this Agreement, the notices shall be given by personal delivery to the other party, or sent by mail, postage prepaid, to the other party as follows:

To the Board

Iowa UST Fund Board
2700 Westown Parkway, Suite 320
W. Des Moines, Iowa 50266

To the DNR

Iowa Department of Natural Resources
UST Section
502 E. 9th Street
Des Moines, IA 50319

VIII. APPLICABLE LAW

This Agreement is to be governed by the laws of the State of Iowa.

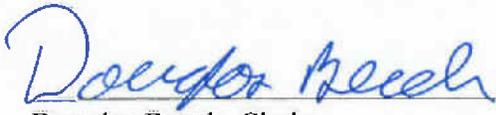
IX. FILING AND RECORDING

It is agreed the Board will electronically file this Agreement with the Secretary of State, and electronically file any amendment, modification, or notice of termination of this Agreement within thirty days as provided in Iowa Code section 28E.8.

IN WITNESS WHEREOF, and in consideration of the mutual covenants set forth herein and for other good and valuable consideration, the receipt, adequacy, and legal sufficiency of which are hereby acknowledged, the parties have entered into this 28E Agreement and have caused their duly authorized representatives to execute this 28E Agreement.

**IOWA COMPREHENSIVE PETROLEUM
UNDERGROUND STORAGE TANK
FUND BOARD**

**IOWA DEPARTMENT OF NATURAL
RESOURCES**

BY: 
Douglas Beech, Chair

BY: 
Richard Leopold, Director

DATE: 9/14/10

DATE: 9-2-10

D. UST Fund Lien # 0605012 – Mel’s Place, What Cheer



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: Dale T. Cira
DATE: March 18, 2016
SUBJECT: UST Fund Lien # 0605012 – Mel’s Place, What Cheer
 Registration No. 8609694 LUST No. 9LTE43

BACKGROUND

The Department requested that the facility known as Mel’s Place be added to the State Lead Closure Contractor project in 1998 for site assessment. The site was deemed not eligible for UST fund benefits due to the date the contamination was discovered and for failure to maintain financial responsibility on the tanks after October 1990.

Following assessment, the site was classified high risk due to presence of contamination in proximity to multiple water lines and vapor receptors. Due to the imminent risk of impact to a drinking water source, the Department requested corrective actions be initiated.

In 2004, the Board retained the services of a contractor to complete corrective actions which included a small excavation and replacement of the at-risk water lines. Following the limited actions, the State Lead project was terminated. A lien was subsequently perfected in the amount of \$82,373.75 by notice to the property owner and Keokuk County.

The site has since been reclassified to a No Action Required status.

REQUEST

The lien on the site was filed in May 2006. In accordance with State regulations, the lien will lapse in May 2016 unless extended or released. Information on the property is provided in the attached worksheet for Board consideration on disposition of the lien.

Lien Release / Extension / Modification Worksheet

Purpose	EXTENSION
Lien #	0401005
County	Keokuk
Site Name	Mel's Place
- Location	407 South Barnes Street, What Cheer
Site Registration #	8609694
Site LUST #	9LTE43
Site Claim #	11015
- IUST eligible	No; no known FR, no pre-10/26/90 release
Property owner when filed	Melvin & Faren Foubert
Property owner address	601 North Barnes Street
Lien filed date	5/16/2006
Book & Page #	2006-0962
Lien Amount	\$82,373.75
Total Subject to Recovery	\$82,373.75
Parcel #	WCCOT-035300
Current Assessed Value / Date	\$18,900.00
Property taxes	\$416 annual / paid through March 2016
Current Property Owner	Michael, Brian, and Jeffrey Foubert (1/3 each)
- owned prop when USTs operated	NO (children of former tank owner)
- owned prop when work completed	NO
- owned property when lien was filed	NO
- - If no, how was prop acquired	deeded from surviving spouse
- is landowner a RP	NO
DNR Status	
- USTs present / active	NO
- USTs present / temp closed	NO
- USTs perm closed (date)	Unknown
- LUST Status	No Action Required
- NFA cert elig / issued	NFA certificate issued 1/22/2013
Summary	
Did landowner hinder work	No
Will RP benefit	No (deceased)
Will State benefit if released?	Unknown
Other:	
BOARD ACTION	

E. DNR Update

Approval of Program Billings



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: James Gastineau
DATE: March 17, 2016
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 April 2016 -- \$62,262.00
 Claims Processing Services April 2016-- \$39,000.00

2. Iowa Attorney General's Office \$3,955.57
 Services provided for Underground Storage Tank Program
 February 2016 (FY 2016) Billing

IOWA ATTORNEY GENERAL'S OFFICE
Hoover State Office Bldg - 2nd Floor
Des Moines, Iowa 50319-0141

Invoice Date: 03/11/16

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

Seller: Iowa Attorney General's Office
Hoover State Office Bldg - 2nd Floor
Des Moines, IA 50319-0141

Services For: Assistant Attorneys General
Period of Service: February FY16

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

Document Number	Account Coding				Description	Amount
	Fund	Agency	Org	Sub Org		
112AG031116042	0001	112	2301		0302	\$ 3,955.57

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



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

Billing Period:	FEB 2016
Billing Total:	\$3,955.57
DSS @ 22%	\$1,458.21
RCH @10%	\$355.47
CLJ @12%	\$446.58
Pay period ending: 1/28/2016	\$2,260.26
DSS @ 22%	\$1,161.73
RCH @10%	\$285.26
CLJ @12%	\$315.19
Pay period ending: 2/11/2016	\$1,762.18
ONE CALL GRANT (7/1/15 - 9/30/2015)	(\$28.61)
ONE CALL GRANT (10/1/15 - 12/31/2015)	(\$38.26)
	\$3,955.57

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

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

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

Monthly Activity Report and Financials Reviewed

A. February 2016 Activities Report

Feb-16

Claims	Open Claims		Open Claims	Open & Closed
	Jan 2016 Ending	Monthly Net Changes	Feb 2016 Ending	Totals since Inception
RETROACTIVE				
number	22	0	22	447
reserve	\$1,201,054.47	\$18,226.47	\$ 1,219,280.94	\$1,219,280.94
paid	\$5,733,945.53	\$6,773.53	\$5,740,719.06	\$18,052,770.96
	\$6,935,000.00	\$25,000.00	\$6,960,000.00	\$19,272,051.90
REMEDIAL				
number	311	(1)	310	4,458
reserve	\$17,490,146.92	\$242,788.42	\$17,732,935.34	\$17,732,935.34
paid	\$66,811,537.91	\$299,800.95	\$67,111,338.86	\$217,134,644.63
total	\$84,301,684.83	\$542,589.37	\$84,844,274.20	\$234,867,579.97
INNOCENT LANDOWNER				
number	90	(3)	87	1,133
reserve	\$4,694,101.28	(\$429,897.07)	\$4,264,204.21	\$4,264,204.21
paid	\$10,546,898.72	\$220,897.07	\$10,767,795.79	\$32,297,838.05
total	\$15,241,000.00	(\$209,000.00)	\$15,032,000.00	\$36,562,042.26
GLOBAL OPT-IN				
number	70	(1)	69	1,305
reserve	\$349,361.90	(\$7,317.04)	\$342,044.86	\$342,044.86
paid	\$602,549.15	(\$6,682.96)	\$595,866.19	\$9,817,096.04
total	\$951,911.05	(\$14,000.00)	\$937,911.05	\$10,159,140.90
UNASSIGNED REVENUE FUND PROJECTS				
number	61	(2)	59	299
reserve	\$1,436,522.83	\$137,938.33	\$1,574,461.16	\$1,574,461.16
paid	\$969,478.17	(\$212,938.23)	\$756,539.94	\$3,290,936.48
total	\$2,406,001.00	(\$74,999.90)	\$2,331,001.10	\$4,865,397.64
NFA RE-EVALUATIONS				
number	13	0	13	59
reserve	\$224,724.76	(\$32,068.70)	\$192,656.06	\$192,656.06
paid	\$510,275.24	\$159,743.86	\$670,019.10	\$1,318,667.88
total	\$735,000.00	\$127,675.16	\$862,675.16	\$1,511,323.94
TANK PULLS				
number	33	(8)	25	440
reserve	\$318,547.00	\$13,658.00	\$332,205.00	\$332,205.00
paid	\$9,385.00	\$0.00	\$9,385.00	\$4,942,138.29
total	\$327,932.00	\$13,658.00	\$341,590.00	\$5,274,343.29

Corrective Action Meetings (02/16)	
Scheduled:	8
Completed:	1,279
MOA's	488

UST Operator Training	
UST Operators (A / B)	3,131
A/B (FY2011-16)	\$303,220

Total Claims (RM, RT, ILO, NFA) 432

RT Claims	#
New	0
Reopened	0
Closed	0

RM Claims	#
New	0
Reopened	0
Closed	1

ILO Claims	#
New	0
Reopened	0
Closed	3

GS Claims	#
New	0
Reopened	0
Closed	1

USTCA	#
New	1
Reopened	1
Closed	4

NFA Re-Eval	#
New	0
Reopened	0
Closed	0

Tank Pull	#
New	3
Reopened	3
Closed	13

DNR @ 2-13-2016	
Total LUST	6627
OPEN LUST	741
High Risk	419
Low Risk	157
NAR-FP	66
Not Class.	99

Invoice Type Totals	FEB	FYTD	Program to Date
Aon - Admin	\$ -	\$ 448,360.12	
Aon - Claims	\$ -	\$ 301,493.00	
Government	\$ 224,458.24	\$ 545,503.33	

2004 Tank Pull	\$ -	\$ -	\$ 1,761,823.44
2010 Tank Pull	\$ 103,742.85	\$ 660,903.42	\$ 5,042,885.16
American Soils	\$ -	\$ -	\$ 5,678,422.58
AST Removal	\$ -	\$ -	\$ 3,306,435.24
AST Upgrade	\$ -	\$ -	\$ 7,911,496.87
CADR Charges	\$ 17,377.25	\$ 87,021.75	\$ 4,680,683.53
Corrective Action	\$ -	\$ -	\$ 52,423,154.11
Expenses / OT	\$ 100.00	\$ 10,200.00	\$ 303,220.00
Free Prod Recover	\$ 45,530.77	\$ 453,616.20	\$ 11,683,131.27
Monitoring	\$ 180,675.37	\$ 1,164,819.26	\$ 32,037,898.62
Operations/Maint	\$ 23,591.08	\$ 190,150.29	\$ 10,381,895.00
Over-excavation	\$ 130,662.11	\$ 1,953,859.89	\$ 34,253,015.43
Water Lines	\$ 44,497.68	\$ 352,121.72	\$ 2,902,074.93
Post RBCA Evals	\$ 500.00	\$ 10,752.92	\$ 241,365.91
RBCA	\$ 25,991.90	\$ 260,635.30	\$ 26,756,167.11
Remed Imp/Const.	\$ 258,035.96	\$ 1,063,090.38	\$ 30,146,260.92
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	\$ 746.00	\$ 8,906.00	\$ 1,374,672.40
Utilities	\$ 12,232.37	\$ 70,667.48	\$ 2,165,890.06
Well Closure	\$ 6,945.00	\$ 130,089.83	\$ 3,998,103.66
Total Invoice Types	\$ 850,628.34	\$ 6,416,834.44	\$ 298,617,167

Remediation Budgets Approved to Date		
last month (FEB '16)	2	\$202,000
Prior 12 months	54	\$4,310,305
Trailing 12 months	39	\$2,783,456
Total Since Jan 2003	1208	\$52,409,180

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

B. February 2016 Financial Report

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING FEBRUARY 29, 2016**

0471 - UST REVENUE FUND (Bonding)

Balance of Fund, February 1, 2016		\$7,545,509.27
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$1,716.21	
	\$1,716.21	\$1,716.21
Disbursements:		
Bond Interest Payment	\$0.00	
Bond Principal Payment	\$0.00	
EPC Charges	\$0.00	
Adjustments	\$0.00	
Transfer to General Fund	\$0.00	
Transfer to Unassigned Revenue Fund (0450)	\$0.00	
Transfer to Innocent Landowner Fund (0485)	\$0.00	
Transfer to Remedial Non-Bonding Fund (0208)	\$0.00	
	\$0.00	\$0.00
Balance of Fund, February 29, 2016		\$7,547,225.48

0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)

Balance of Fund, February 1, 2016		\$7,871,788.48
Receipts:		
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	
Refund/Overpayment	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Interest Income	\$10,364.90	
	\$10,364.90	\$10,364.90
Disbursements:		
UST Administrator's Fees	\$0.00	
Adjustment	\$0.00	
Attorney General's Fees	\$0.00	
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	(\$82,932.25)	
Actuarial Fees	\$0.00	
Auditor of the State Fees	\$0.00	
Claim Settlement	\$0.00	
Department of Revenue EPC Collection Fees	\$30.00	
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	\$100.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	(\$201,731.33)	
Travel Expenses-UST Board Members	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING FEBRUARY 29, 2016**

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	\$224,428.24	
Offset of Funds to/from Innocent Land Owners (0485)	\$0.00	
Offset of Funds to/from Remedial Fund (0208)	\$0.00	
		(\$60,105.34)
Balance of Fund, February 29, 2016		\$7,942,258.72
 0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, February 1, 2016		\$13,027,450.19
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	\$6,773.53	
Remedial Claims	\$444,421.34	
28E Agreement - NFA Claims	\$15,673.70	
Adjustment	\$0.00	
Offset of Funds to/from ILO/GS Fund	\$0.00	
Offset of Funds to/from Unassigned Revenue Fund (0450)	\$0.00	
Balance of Outdated Warrants & Cancelled Warrants	\$0.00	
		\$466,868.57
Balance of Fund, February 29, 2016		\$12,560,581.62
 0478 - UST MARKETABILITY FUND		
Balance of Fund, February 1, 2016		\$811,299.40
Receipts:		
Interest	\$3,191.64	
Use Tax	\$0.00	
		\$3,191.64
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
Balance of Fund, February 29, 2016		\$814,491.04
 0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, February 1, 2016		\$5,891,418.14
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 FEBRUARY 29, 2016**

Outdated Warrants	\$0.00	
Miscellaneous Income	\$105.00	
		\$105.00
Disbursements:		
Cost Recovery Reimbursement	\$0.00	
Cost Recovery Global Settlement	\$0.00	
Adjustment	\$0.00	
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	
Other Contractual Services	\$0.00	
Global Settlement Claims	\$7,317.04	
Innocent Landowner Claims	\$578,074.06	
Transfer to Remedial Fund (0208)	\$0.00	
Transfer to/from Unassigned Revenue Fund (0450)	\$0.00	
Balance of Outdated Warrants	\$0.00	
		\$585,391.10
Balance of Fund, February 29, 2016		\$5,306,132.04
 0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, February 29, 2016		\$0.00
 0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Balance of Fund, February 29, 2016		\$0.00
 Combined UST Capital Reserve Fund Balances, February 29, 2016		\$0.00
TOTAL FUND BALANCES, February 29, 2016		\$34,170,688.90

FOOTNOTES:

Note 1: Funds labeled "Bonding" were created as a result of the issuance of UST Revenue Bonds. Disbursements from these funds are restricted by the Revenue Bond indenture.
Funds labeled "Non-Bonding" are funds not restricted as to use by the Revenue Bond indenture.

C. Year-to-Date Financials as of February 29, 2016

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING FEBRUARY 29, 2016**

		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)	\$7,000,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$8,943.61	\$50,000.00
	\$7,008,943.61	\$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, February 29, 2016	\$7,547,225.48	\$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	\$80,646.79	\$50,000.00
	\$80,646.79	\$50,000.00
Disbursements:		
UST Administrator's Fees	\$749,853.12	\$1,100,000.00
Adjustment	\$0.00	\$0.00
Attorney General's Fees	\$29,987.52	\$50,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	\$0.00
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	(\$82,908.25)	\$150.00
Actuarial Fees	\$0.00	\$0.00
Auditor of the State Fees	\$6,334.51	\$5,100.00
Claim Settlement	\$0.00	\$0.00
Department of Revenue EPC Collection Fees	\$1,947.76	\$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	\$10,200.00	\$50,000.00
Rebate	\$0.00	\$0.00
Special Project Claims - Closure Contract Project	\$379,634.26	\$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 FEBRUARY 29, 2016**

		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	\$456,549.71	\$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>\$1,555,997.11</u>	<u>\$2,855,442.07</u>
Balance of Fund, February 29, 2016	\$7,942,258.72	\$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	\$246,440.62	\$700,000.00
Remedial Claims	\$3,853,205.66	\$5,750,000.00
28E Agreement - NFA Claims	\$167,633.89	\$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>\$4,274,106.06</u>	<u>\$7,020,000.00</u>
Balance of Fund, February 29, 2016	\$12,560,581.62	\$18,814,687.68
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2015	\$787,669.61	\$787,669.61
Receipts:		
Interest	\$26,821.43	\$35,000.00
Use Tax	\$0.00	
	<u>\$26,821.43</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, February 29, 2016	\$814,491.04	\$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 FEBRUARY 29, 2016**

		FISCAL 2016 BUDGET
Outdated Warrants	\$0.00	\$0.00
Miscellaneous Income	\$1,494.71	\$0.00
	<u>\$2,809.71</u>	<u>\$25,000.00</u>
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	\$49,950.21	\$80,000.00
Innocent Landowner Claims	\$1,720,180.80	\$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	(\$5,096.00)	\$0.00
	<u>\$1,807,093.01</u>	<u>\$2,230,000.00</u>
Balance of Fund, February 29, 2016	<u>\$5,306,132.04</u>	<u>\$4,905,415.34</u>
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, February 29, 2016	<u>\$0.00</u>	<u>\$0.00</u>
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Combined UST Capital Reserve Fund Balances, February 29, 2016	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL FUND BALANCES, February 29, 2016	<u>\$34,170,688.90</u>	<u>\$36,743,221.47</u>

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. Liens Filed

Iowa Underground Storage Tank Fund Liens Filed

(Updated 3-17-2016)

Lien #	County	Site #	Claim #	Site Address	Property Owner	Owner Address	Cost Recovery Letter	Lien Amount	Lien Filed Date	Book & Page	Lien Settlement
0310004	Palo Alto	8916647	13007	510 Inman Ave, Mallard	Theodore J and Norma J Larson	510 Inman Ave, Mallard 50562	10/1/2003	\$59,055.50	10/30/2003 ; renewed 10/30/2013		
0404009	Butler	8608131	12039	12682 Highway 3, Dumont	Dave Dohlman	11794 195th St, Dumont 50625-7504	1/20/2004	\$13,650.00	4/14/2004; renewed 3/17/2014	2004-1676, 2014-1057	
0404010	Ida	8710293	73001 & 73013	Hwy 59 & 175, Ida Grove	Robin Hill Trust, %Vernus Wunschel	Box 113, Ida Grove 51445		\$330,131.40	4/30/2004; renewed 6/24/14	6-349	
0605012	Keokuk	8609694	73040 / 11003	407 South Barnes St, What Cheer	Melvin & Karen Foubert	601 N. Barnes St, What Cheer 50268	2/2/2006	\$82,373.75	5/16/2006	2006-0962	
0610017	Jefferson	8601629	11023 / 14009	206 West Main St, Lockridge	Richard & Connie Richardson	206 West Main St, Lockridge 52635-9705	7/13/2006	\$35,202.00	10/25/2006	2006-2472	
0611018	Taylor	300033	13053 / 15001	NE Corner Adams & 3rd St, Gravity	Terry J Smith	PO Box 133, Gravity IA 50848	7/6/2006	\$52,090.00	11/9/2006	6-265,266	
0611019	Clay	8915566	15012	502 North Main St, Everly	Roger Ginger	Box 347, Everly, IA 51338	5/26/2006	\$14,932.00	11/13/2006	2006-3529	
0701022	Van Buren	8600890	11032 / 14002	SW Corner Hwy. 1 & 180th St., Keosauqua	Henry Robbins	102 Greenvale Drive, Mansfield, TX 76063-5556	10/20/2006	\$32,980.90	1/19/2007	136-856	
0702023	Montgomery	8607574	15013	Tenville IA	Marvin G. Shipley	2048 Tenville Avenue, Villisca	10/30/2006	\$2,795.00	2/16/2007	302-663,664	
0704025	Tama	9017159	14005	TJ's Gas & Bait, 100 Jacobs St., Chelsea	Tony J. & Christie Jacobi	2772 370th Street, Chelsea, IA 52215	12/7/2006	\$17,839.00	5/17/2007	43-474	
0706029	Woodbury	9217516	73002	29 Deer Run Trail, Climbing Hill	Pat Benjamin	7 Moville Blacktop, PO Box 25, Climbing Hill 51501	3/27/2007	\$14,400.00	8/7/2007	692 - 10744, 10745	
0801030	Cass	8608073	82102	802 Main St., Griswold	Griswold Custom Classics LC	Clifford Speck, 802 Main St., Griswold, IA 51535	10/12/2007	\$5,525.00	2/1/2008	2008-0223	Payment plan started 9/2013
1506031	Monroe	8607257	17022	300 Highway 34 West, Albia	Albia Stop&Shop/Eddyville Oil Co.	210 15th Ave W., Albia,IA	3/5/2015	\$16,397.00	7/20/2015	2015-1053	
150732	Webster	8605779	16041	1406 A St. Ft Dodge	David & Elaine Killian	1005 River Forest Ct., Ft. Dodge, IA	7/27/2015	\$2,500.00			Lien not filed; payment plan started 8/2015

Attorney General's Report

Claim Payment Approval

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 FIRST BOARD REPORT
 MARCH 10, 2016
 MC CANN'S SERVICE
 690 WEST LOCUST STREET
 DUBUQUE
 SITE REGISTRATION NUMBER: 8604749
 LUST NUMBER: 8LTY78**

RISK CLASSIFICATION:

HIGH LOW UNDETERMINED

PRESENT CLAIM RESERVE: \$ 85,000.00

ELIGIBILITY: The contamination was discovered on this property on October 1, 1990, during a site check and was reported to the DNR. A timely claim was filed. This is an eligible remedial claim.

COST INCURRED TO DATE:

1. Initial site check	\$ 923.78
2. Site cleanup report (SCR)	13,740.65
3. Tank upgrade	11,343.60
4. RBCA Tier 2	9,243.00
5. Monitoring	<u>46,781.37</u>
TOTAL COST TO DATE	\$ 82,032.40

PROJECTED COSTS:

❖ Site Monitoring Report

TOTAL PROJECTED COSTS: \$ 10,000.00 to 25,000.00+

TOTAL AUTHORITY RECOMMENDED:

\$100,000.00

COMMENTS: The site is low risk for the potential groundwater source pathway. The target levels are currently exceeded. Because this is a nongranular bedrock site, all monitoring wells must remain below the target levels for three consecutive annual monitoring events. As a result, it will take a minimum of 3 more years to reclassify this site. The City of Dubuque recently passed a well ordinance which prohibits the installation of water wells within 500 feet of contaminated sites. However, to reclassify bedrock sites, the ordinance must cover an area of 1,000 feet from the site. The DNR is working with the consultant to see if the city and county can be approached about revising the language.

Site Timeline

- 1990 - Claim is filed by McCann's Citgo Service after contamination is found during a site check.
- 1995 - The site cleanup report (SCR) is submitted and accepted as high risk. A monitoring only approach is accepted.
- 1999 - The Tier 2 is received. DNR issues a 'not accepted' letter.
- 2000 - Tier 2 submitted and accepted as low risk.
- 2001 to present – Annual monitoring and reporting is completed.



Image capture: Oct 2013 © 2016 Google

Dubuque, Iowa

Street View - Oct 2013



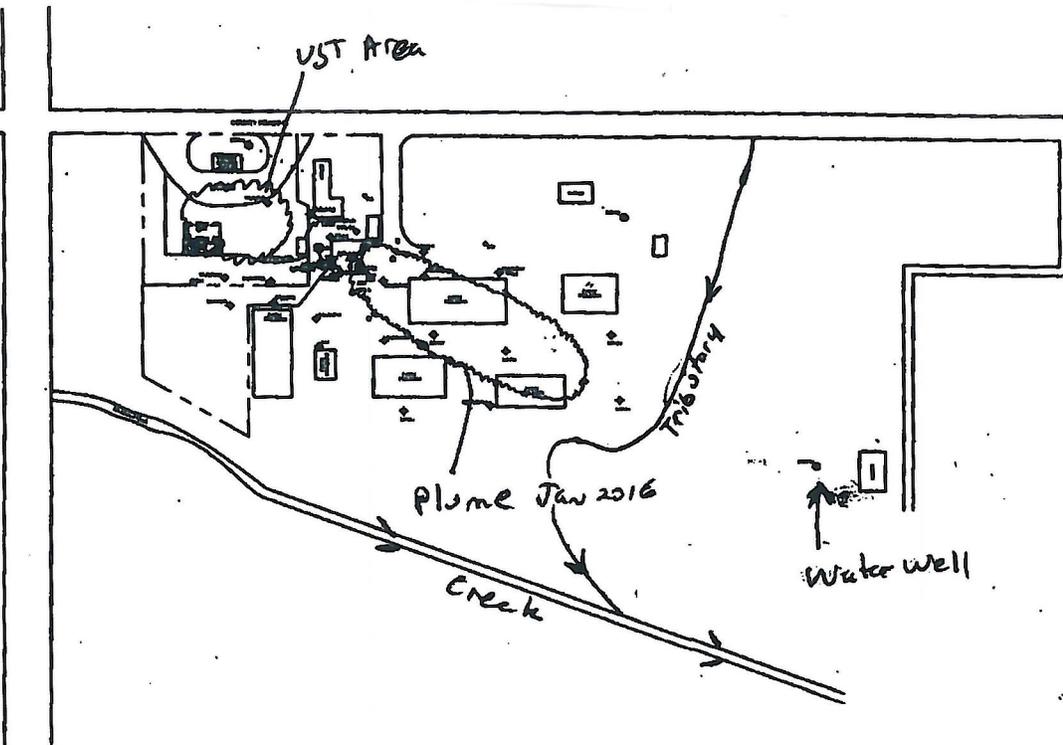
Site Timeline

- 1990 - Claim filed by Kiracofe Oil Company after contamination discovered during an insurance site check.
- 1992 - Three USTs are removed. Six remain in use.
- 1993 - SCR is submitted and accepted as high risk. CADR due in 90 days.
- 1994 - Five USTs are removed. One 18,000 gallon UST remains in use.
- 1994 - A CADR is submitted recommending double-casing and grouting the nearest drinking water well.
The DNR delayed the review of the CADR pending the development of the RBCA rules.
- 2000 - Tier 2 is submitted and accepted as high risk. CADR due in 120 days.
- 2003 - A CADR is submitted and accepted recommending the installation of an SVE/AS system.
- 2003 – 1st board report approved in October 2003.
- 2004 - Corrective action implementation budget approved.
- 2005 - The SVE/AS system becomes operational in April 2005.
- 2007 - Change in consultant from GSI to Seneca.
- 2008 - Modifications made to the SVE/AS system in an attempt to improve performance.
- 2009 - Property is sold to RTL Equipment, Inc. Benefits are transferred and the remaining UST is removed.
- 2012 – 1st corrective action teleconference held March 20, 2012 to discuss ways to improve the system and investigate apparent plume migration.
- 2012-2015 - Additional plume delineation and monitoring in the downgradient direction has been completed.



Imagery ©2016 DigitalGlobe, Map data ©2016 Google 100 ft

Google Maps



TIC WATER LINE	◆ MONITORING WELL ● SOIL BORING ⊙ EXISTING SVE WELL ⊕ EXISTING AIR SPARGE WELL ● DRINKING WATER WELL		FILE NAME: SWISHER
	□ REMOVED UST □ FORMER AST		PROJECT NO: 6320313
			SITE: SWISHER GAS 'N GO 2601 120 STREET NE SWISHER, IOWA SITE VICINITY MAP



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 R. Gastineau
DATE: March 17, 2016
SUBJECT: Community Remediation Project CRPCA 1007-40: Akron

This Community Remediation Project involves two sites in the City of Akron with commingled contaminant plumes in proximity to the municipal water supply wells. Remediation efforts using an ozone injection system were completed in 2015 and post-remediation monitoring is ongoing.

In 2015, the City of Akron acquired one of the two sites involved in the project to facilitate redevelopment of the property. Due to pending construction activities, the remedial system was relocated and several monitoring wells were removed. While it is hoped further use of the remedial system will not be needed, the system will be held at a lot owned by the City of Akron.

The following request is presented for consideration for additional funding to complete the post-remediation monitoring and possibly final well closure activities:

Post-Remediation Monitoring	\$15,000.00
Monitoring Well / System abandonment	\$20,000.00
Total:	\$35,000.00
Original Contract (2010)	\$46,697.00
Current Contractor Authorization	\$158,623.63
Costs Incurred to Date	\$143,316.50
Additional Authority Requested	\$35,000.00
TOTAL AUTHORITY REQUESTED:	\$193,623.63

**Contracts Entered Into
Since February 26, 2016 Board Meeting**



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: Dale T. Cira
DATE: March 18, 2016
SUBJECT: Contracts Entered Into Since February 26, 2016 Board Meeting

The Board has not entered an agreements since the February 26, 2016 Board meeting.

Other Issues as Presented

Correspondence and Attachments

Notes of Fifth Corrective Action Conference

Iowa Department of Natural Resources (DNR)

Held: Thursday, February 18, 2016 in room 5W of the Wallace building
Site: Caseys Store #19, Mason City, Iowa
LUST No. 7LTP84
Status: Fifth conference; no further meetings scheduled
Synopsis: This is a bedrock site with free product, some remaining high groundwater concentrations, and failing soil gas sampling for high risk vapor receptors. A multi-phase extraction (MPE) system has been operating at the site since 2009, but the system efficiency is questioned. An offsite source may be contributing. The certified groundwater professional (CGP) will consider the use of laser-induced fluorescence (LIF); inspect and run tests on the remediation system; conduct annual groundwater sampling; restart the system; and provide a site monitoring report (SMR) with recommendations by 6/15/16.

Participating:

RP: Jill Reams-Widder of Caseys (by phone)
Funding: Steve Reinders of Cunningham Lindsey (by phone)
CGP: Adam Davison of Seneca (in person)
DNR: Kate Meyer, Project Manager, & Jeff White, Facilitator (in person)

Funding Report by Steve Reinders of Cunningham Lindsey (CL)

- \$520,919 spent to date total.
- Casey's has made a copay of \$360,280, with 65/35 split.
- The site has Fund spending authorization to \$500,000.

Background and Recommendations by Adam Davison, CGP with Seneca

- This is a bedrock site with free product, some remaining high groundwater concentrations, and failing soil gas sampling for high risk vapor receptors.
- We started operating a four-well multi-phase extraction (MPE) system in 2009. In 2013 we installed and switched to remediating through four different remediation wells.
- We still have free product in at least one monitoring well and high concentrations in several other wells.
- A pump at the air stripper broke and we left the system shut down in late October because Cunningham Lindsey called for a corrective action conference to discuss efficiency.

Discussion:

CL: We are not happy with the progress of the remediation of the site. With the apparent poor efficiency of the remediation system and the upcoming changes in the Fund, we recommended delaying the restarting of the system until we could discuss in a conference.

CGP: We are not happy either, especially with the free product in 5MWA. One of the problems is that 5MWA is next to a dispenser and it is risky to add lines and recovery wells there. Also, we have had high friction losses in the piping from the recovery wells to the system. We would conduct an over-excavation (OE) if this were not an active station.

DNR: Are there any plans for upgrades or shutting down the station?

RP: This is an old station, but I don't know of any plans for changes. I can check.

DNR: MPE systems are tricky and require lots of maintenance and tinkering. How deep is bedrock? How deep are the recovery wells and how deep are the drop tubes (stingers) set? Did you log the recovery wells?

CGP: The recovery wells are about 30 feet deep, right on top of bedrock. I don't know the depths of the stingers. We did not log the recovery wells.

DNR: Let's discuss the particulars of the system and what could be checked for improvements toward the end of the conference.

CL: Could we run laser-induced fluorescence (LIF) for a vertical profile of the contamination?

CGP: It's under a canopy and near dispensers with underground piping and wiring. We might want to run an air knife down to six feet or so at each LIF hole to check for underground pipes.

CL: If we could run a small LIF grid we might find out where the contamination is located, especially for vertical definition.

DNR: We agree that data from LIF might be very useful.

The map shows two sets of water lines and sanitary sewers for the site.

RP: I will check on the water lines and sewer lines. What about the offsite source of contamination?

CL: That should be considered a separate source and claim.

DNR: We will look into a new LUST number for it. A field office report says the tanks were pulled in 1978. The building is over where the tanks used to be located.

CGP: MtBE is pretty high in MW4A and MW14A as well as in the influent to the system. Groundwater flow is from west to east, toward Casey's.

DNR: MW18 at the offsite source is high in benzene, but not MtBE; it's highly mobile and could have migrated away.

DNR: Could there be an on-going release from the Casey's system?

RP: We don't have any knowledge of smoking guns or releases. We replaced a spill bucket in May 2015.

DNR: The system has been down since 10/27/15. If we wait until 4/28/16, it will be six months and the site will be considered equilibrated; groundwater samples can be used in risk determination. Annual monitoring should include MW2, 4, 5, 7, 11, 13, 14, 18, and BH8. Keep analyzing for OA1/MtBE in all wells and OA1/OA2/MtBE in 5MW, MW14A, and influent/effluent. We will consider the latest SMR as accepted today.

CGP: We can replace the pump and restart the system on April 28.

DNR: Keep us informed of site status and what is happening.

Selected Corrective Actions

- DNR sends out conference notes within a week.
- CGP will visit the site, conduct tests, gather data, and prepare recommendations for system efficiency and treatment.
- DNR looks into the property to the west as an offsite source and LUST site.

- CGP and RP make a decision for whether to run LIF by 3/15/16.
- By 3/15/16, CGP provides a proposal to CL for annual groundwater monitoring, LIF survey, system startup and operation, system tests and efficiency enhancement, and an SMR with test results and recommendations.
- CL responds to the proposal by 3/25/16.
- CGP submits reports semi-annually in April and October. The next remediation SMR is due by 6/15/16.

Everyone agreed to this approach and schedule.

Kate Meyer, DNR Project Manager

Jeff White, Conference Facilitator

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

Discussion of construction, efficiency, and testing

CGP:

- The MPE system is operating from recovery wells 5 through 8. These 4 wells are 28 to 30 feet deep and all operate on a single 2" PVC vacuum line with a valve at each recovery well.
- Three 90⁰ turns in the 2" PVC recovery pipe (see map) likely cause friction and reduce the flow. In addition, internal pipe buildup can reduce flow.
- The system is discharging air at 300 cubic feet per minute (CFM) with PID readings of 73 ppm.
- We get little water in the system; the clay is pretty tight. The water is at six to 15 feet deep, so there is a large water column and it's difficult to get it moving up from 28 feet.
- The water is pretty hard, so we have to break down and clean the air stripper every two or three months to remove buildup.
- The effluent is run through carbon filters before discharge because of the OA2 contamination and discharge to the storm sewer; the air stripper doesn't remove diesel and waste oil very well.
- There are lots of particles in the water, so the carbon plugs up and has to be replaced too.
- We could run a RotoRooter at both ends of the recovery piping; we did this on the discharge piping. But it likely won't go around the three 90⁰ turns in the 2" piping.

DNR:

- A flow of 300 cfm is really high for two-inch PVC, especially with internal wall buildup. I have some real questions about how well the system works.

- It's very difficult to evaluate the system because all of the recovery wells hook to a single 2" pipe with no meters or gauges. All of the air flow could be coming from one of the recovery wells.
- You need to run a test on each separate recovery well. Shut off the valves on three of them and run each test for at least an hour. Record your results from each separate well: initial water level, drop tube depth, water recovered, air flow, vacuum, PID readings. You may have to work the drop tube up and down to get it to move water.
- Measure and record water levels and vacuum in a couple of nearby monitoring wells.
A short transparent section in the pipe from a recovery well helps show you when you are recovering water.
- If you don't have a filter, I recommend a bag filter before the air stripper to catch particles. It could cut down on activated carbon replacement.
- Injection of a small amount of a sequestering agent into the recovered water may help prevent buildup on the air stripper and carbon.
- You might consider small air holes in the drop tube to froth the water and make it easier to pull up with a vacuum. Experiment with different hole configurations. Run the drop tube(s) as deep as possible.
- Depending upon the results of the tests, consider running the MPE system on only one or two of the recovery wells. It must be very difficult to "balance" a 4-well MPE system that is completely joined and does not have separate metering.
- If you start to clean out the pipe with Rotorooter, also consider flushing it with a high pressure water hose. Of course, then you have to deal with the flush water.
- Measure and record the depths of the drop tubes. ` ,

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

Held: Thursday, March 10, 2016 in room 5W of the Wallace building
Site: Former Hwy 75 Truck Stop, Sioux City, Iowa
LUST No. 7LTT11
Status: Eighth conference; no further conferences are scheduled.
Synopsis: This site is high risk for soil, soil leaching, and groundwater vapor to sanitary sewers and once had extensive free product. A multi-phase extraction system operated at different parts of the site from January 2004 through July of 2015. Groundwater contamination and free product are significantly reduced, but some, mostly submerged, soil contamination likely exists at concentrations above the site specific target levels (SSTLs). The CGP will leave the system off, conduct a round of post-remediation groundwater sampling, and provide a Tier 3 Work Plan by 4/29/16 to evaluate post-remedial risk to the vapor pathways, likely with some soil, groundwater, and soil gas sampling and sewer isolation.

Participating

Site Owner: Justin Miller of Miller Brothers Furniture (by phone)
Funding: Steve Reinders of Cunningham Lindsay (CL) (by phone)
CGP: Linda Watts of GeoTek (by phone)
DNR: Ruth Hummel, Project Manager, & Jeff White, Facilitator (in person)

Funding by Steve Reinders of Cunningham Lindsay (CL)

- \$821,113 has been spent. The copay has been met.
- We have funding authority to \$885,000.

Comments by Ruth Hummel, DNR: The DNR has not received free product recovery reports on the required DNR forms 1424 and 1425 in several years. Even though you have been reporting on free product in your remediation SMRs, the DNR forms are the required regulatory reporting format so you will need to submit these covering the time interval up to the switch to free product checking.

Background by Linda Watts of GeoTek, CGP

- This site is high risk for soil, soil leaching, and groundwater vapor to a sanitary sewer main and a service line. There was an extensive free product plume prior to remediation but we haven't seen any significant thicknesses in monitoring wells in years.
- Groundwater concentrations have been reduced to less than the high risk SSTLs, although the available data was from when the system was running. Soil concentrations are likely greater than the high risk SSTLs but most or all of the soil plume is submerged.
- The MPE system was shut down on 7/27/15; we then injected 100 gallons of surfactant/water solution. On 7/30/15 a vac truck removed 2,400 gallons of fluid.
- The MPE system was restarted on 8/4/15 but excessive foaming occurred and the system was shut down.

- We are proposing to conduct one groundwater sampling event, then do one more surfactant injection event in March, followed by a vac truck event.

Discussion

DNR: The recently revised Tier 2 Guidance discusses additional considerations for making the decision to cease free product recovery at a site, which we believe apply here. Groundwater contamination is significantly down, and the soil contamination seems to be deep and mostly submerged. We might be able to leave the system off, re-evaluate risk, and maybe get the post-remediation risk reclassified in Tier 3. We haven't seen much free product in monitoring wells here in a long time and none since October 2015. The DNR agrees to cessation of free product recovery activities as of November 2015 and beginning a 12-month free product inspection period.

RP: That would be great. This has been going on too long; we want it to end so we can expand our store.

CGP: The sanitary sewers are currently high risk for soil, soil leaching, and groundwater vapor, although the groundwater concentrations will be below high risk SSTLs if we don't get rebound. The soil is likely still pretty hot.

DNR: The depth to groundwater is approximately 20 feet and most of the soil contamination appears to be submerged; we would encourage you to assess the high risk vapor receptors and unsubmerged soil plume at Tier 3. I think you are using the old sewer service line to the station to discharge treated water; if you plug that off and make sure the utility conduit is not conductive, that would clear that receptor. For low risk potential vapor pathways, you could check for shallow soil gas to try to clear the site, establish an institutional control (IC) prohibiting basements and sewers in the areas of contamination, or use institutional controls only where soil gas fails.

RP: The area of the old dispenser islands and piping will be a paved parking lot. We are planning to build a 200' by 200' building back of there. We are not planning to have a basement but it will have a bathroom and sewer line.

CGP: We should clarify what we mean by using an institutional control.

DNR: An institutional control (IC) is a legal document stating you will put restrictions on the use of a property. For this site that could be not to build basements or sewers on the property or specific portion of a property. It is filed with your deed with the county recorder. In this case, if the area of contamination is or turns out to be under a parking lot, the IC could be your written promise that you would not build a basement or run a sewer through that area designated by the IC.

The sewer main appears to be at least 5 to 10 feet above the water table and soil contamination. The separation should be sufficient such that there is a fairly good chance soil gas concentrations would not exceed target levels at the depth of the main.

CGP: We will conduct the first post-remediation groundwater sampling in March. The Tier 3 Work Plan would likely propose soil and soil gas sampling at specific locations and various depths and discuss plugging off a sewer service line and pursuing an IC.

DNR: Contact me if you have questions and we can discuss the Tier 3 Work Plan.

Selected Actions and Schedule

- DNR will send out conference notes by 3/14/16.
- CGP will provide a proposed budget for a Tier 3 Work Plan by 3/31/16.
- CL will evaluate the budget proposal by 4/7/16.
- CGP will submit a Tier 3 Work Plan by 4/29/16.

Everyone agreed to this approach and schedule.

Ruth Hummel, DNR Project Manager

Jeff White, Conference Facilitator

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