

**April 22, 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, April 22, 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, 3<sup>rd</sup> Quarter Update
  - C. DNR Update
5. Approval of Program Billings
6. Monthly Activity Report and Financials Reviewed
7. Attorney General's Report
8. Claim Payment Approval
9. Contracts Entered Into Since March 25, 2016 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**

**MARCH 25, 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 10:04 A.M. A quorum was present, with the following Board members present:

Karen Andeweg  
Joseph Barry  
Patricia Beck  
Dawn Carlson  
Timothy Gartin (via telephone)  
Tim Hall (for Chuck Gipp)  
Kurt Mumm  
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. Ms. Carlson moved to approve the minutes of the February 26, 2016 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.

## **PUBLIC COMMENT**

No public comments were presented.

## **BOARD ISSUES**

### **A. Legislative Update**

Mr. Cira provided a report on the progress of the House File 2381 which if approved would terminate the funding this year and require an end to the program in 2017. He noted the bill also outlines the creation of a new Iowa Tanks program and provides funding for that program. He noted in the past month no actions have been taken by the House Appropriations Committee but did note that the bill was recently scheduled for a subcommittee meeting for the following Tuesday, March 29, 2016, at 11:00 a.m. He noted that the Administrator has not been asked to attend that meeting but will do so and advise the Board if such a request is received.

Mr. Cira also noted that a Fiscal Note that summarizes the bill was provided in the Board packet for the members review.

### **B. FY 2016 Claims Update**

Mr. Gastineau provided an update on the activities being pursued regarding implementation of the Conceptual Plan as discussed during the October 2015 Board meeting. He noted contacting claimants of inactive or stalled claims continues, and that in the past month, he has received several phone calls from interested parties. He noted that with the recent benefit transfers that will translate into fewer claims being administratively closed than previously anticipated.

Mr. Gastineau noted discussions with PMMIC are also continuing for a limited loss portfolio transfer (LPT) for those sites having shared liability claims. He noted that both parties are awaiting numbers for one site and hope to have all information in the near future. Mr. Gastineau also noted that in consideration of a larger scale LPT, a preliminary timeline has been developed. He suggested an 8-month window would likely be needed which would allow the process to start in August 2016 with a contract to be implemented in May 2017. Following the contracting, the transfer files would follow with a start date of July 1, 2017 for the contractor.

Mr. Gastineau noted that in consideration of a large LPT, that a number of claims could be excluded for the transfer. The excluded sites could include those already classified No Action Required, claims where the statutory cap of \$1 million has been reached or is likely to be met, existing and/or former state lead projects, or sites with special considerations. He noted that it is

still envisioned that approximately 350 claims would be included in an LPT with estimated reserves in the range of \$21 to \$24 million. Mr. Gastineau noted that the reserves for all sites are being reviewed and adjusted as necessary.

Ms. Carlson asked for elaboration on how sites would be managed if excluded from an LPT. Mr. Gastineau explained that it is hoped that sufficient funds would be left for the Department to address the final costs for the well closure for those sites already classified No Action Required. For the other sites, especially former State Lead project sites, he indicated that many are problematic due to complexities involved and it is hoped the Department would continue work using the funding provided for the new program. He also noted that in many cases these sites do not have claimants available to continue the necessary work if transferred with a LPT.

Ms. Carlson inquired on companies who responded with interest to the possible LPT. Mr. Cirra responded that in addition to PMMIC, there are at least two other consultants that have expressed an interest. He noted if the bill passes, a draft RFP would be developed for the July meeting with a formal RFP to be issued soon afterwards to the public for consideration. As explained earlier, the bidding process will require an approximate 8 month window with the hope of being able to implement contracts by May 2017.

#### **C. USTCA Closure Contract Re-Authorization**

Mr. Gastineau provided an overview of the current state lead closure contracts in place. He noted a 28E agreement was entered into in 2010 with the Department to facilitate the projects. He explained the agreement was written with a 6-year time frame which mirrors the 6-year contract period with the vendors. Unfortunately, the 28E was developed in 2010 and the vendor contracts began in 2011, thus noting the 28E would expire this year. He noted that in order to continue work through the 2016 construction period, the agreement would need to be modified to eliminate the 6-year time frame. Mr. Gastineau noted a suggested amendment to agreement, drafted by Mr. Steward, was provided in the Board packet for consideration and was written to simply remove the 6-year timeframe of the original agreement.

In addition to extending the agreement, the Administrator asks that the contracts with the two vendors be extended 6 months for work to continue through February 2017 thus allowing work on the sites to continue through the end of 2016. The Administrator also requested the project authority for site activities be extended from \$2 million to \$2.5 million.

Ms. Andeweg moved approval of these requests and Ms. Beck seconded the motion. The motion was approved unanimously.

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

Mr. Gastineau provided an overview of this matter, noting that the original lien was filed in 2006 following work completed using Board contracts. He noted that the work completed included an assessment which was followed by an excavation and water line replacement. Because the property was owned by a responsible party, cost recovery was completed by placing a lien on the

property in the amount of \$82,373.75. Mr. Gastineau also noted that since the lien was filed, the site has been reclassified no action required.

Mr. Gastineau noted all Board liens expire after a period of 10 years and that the question presented today is does the Board wish to renew the lien or dispose of the lien. He noted information on the property was provided in the Board packet for consideration but did note that the lien amount is \$82,373.75 while the property value is \$18,900.

Following a brief discussion, Mr. Beech responded that the policy has been to renew liens. He suggested the lien should be renewed and contact be made to the property owners asking if they wish to make an offer for the lien to be released. Mr. Beech so moved and Ms. Carlson seconded the motion. The motion was approved unanimously.

#### **E. DNR Update**

Ms. Douskey reported no further stakeholder meetings have been scheduled at this time regarding redrafting of the Chapter 135 rules although the DNR is open to setting up additional meetings. She noted that the Department is trying to bring the process to conclusion and noted that the next draft of the proposed rules will be posted on the Department's webpage when available.

#### **APPROVAL OF PROGRAM BILLINGS**

The current monthly billings were presented to the Board for approval:

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

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

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

Mr. Cirra noted the monthly activities report and financials are provided for review. He noted that four additional claims were closed this month leaving 432 statutory claims remaining at this point. He also noted that approximately \$850,000 in claims was processed in February, increasing the year to date total to near \$6.4 million in claim costs.

For the financials, Mr. Gastineau noted that the 3<sup>rd</sup> quarterly installment of \$3.5 million would be paid that month bringing the overall fund balance to near \$36.5 million.

Mr. Gastineau also noted that a summary of the existing liens was provided in the Board packet for reference and noted four (4) liens would be due in 2016.

### **ATTORNEY GENERAL'S REPORT**

Mr. Steward noted there was nothing to report.

### **CLAIM PAYMENT AUTHORITY**

The following claim authority requests were presented:

#### **1. Site Registration 8604749 – McCann's Service, Dubuque (1<sup>st</sup> Board Report)**

Mr. Gastineau provided information noting the site is low risk for the potential groundwater source pathway. Based on site data, the target levels are currently exceeded and because this is a non-granular bedrock site, it will take a minimum of 3 more years to reclassify this site. It was noted that the City of Dubuque recently passed a well ordinance to prohibit the installation of wells within 500 feet of contaminated sites however to reclassify bedrock sites the ordinance must cover an area of 1,000 feet from a site. The consultant is working with the DNR to see if the city and county can be approached about revising the language.

Mr. Gastineau noted the present claim reserve is \$85,000. Total costs to date are \$82,032.40. Projected costs for continued monitoring are \$10,000 to \$25,000+. Additional authority requested for a total authority of \$100,000.

After discussion, Mr. Hall moved to approve the request and Ms. Andeweg seconded the motion. Motion carried unanimously.

#### **2. Site Registration 8604732 – RTL Equipment, Inc., Swisher (3<sup>rd</sup> Board Report)**

Mr. Gastineau provided information noting the site is classified as high risk for the groundwater ingestion pathway due to proximity to four private drinking water wells. The site is also low risk for the potential vapor pathways. He noted a remediation system has been operating since April 2005 and while contamination in the source area has declined contamination has been discovered down-gradient in the direction of a private drinking water well. In an effort to stop the plume migration, the consultant is recommending use of an activated carbon injection technology called NutriBind by Tersus Environmental.

Mr. Gastineau noted the total cost to date is \$430,579.62. Present claim reserve is \$850,000. Total projected costs are \$400,000 to \$500,000+. Additional authority of \$400,000 was requested for a total authority of \$1,000,000.

After considerable discussion wherein concern regarding reaching the \$1 million mark was expressed, it was decided that it should be determined if rural water is a viable option before proceeding with activated carbon injection technology.

### **3. Community Remediation Project CRPCA 1007-40: Akron**

Mr. Gastineau provided information noting this Community Remediation Project involves two sites in the City of Akron with commingled contaminant plumes in proximity to the municipal water supply wells. He noted that remediation efforts using an ozone injection system were completed in 2015 and post-remediation monitoring is ongoing.

Mr. Gastineau noted that 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. A new gas station is being put in at this site.

Mr. Gastineau noted that due to the unforeseen costs of the system removal, additional funds were needed. He requested funding authorization to continue the post-remediation monitoring and provide for the monitoring well/system abandonment. It was noted the current contractor authorization is \$158,623.63. Additional authority of \$35,000 was requested for a total authority of \$193,623.63.

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

### **4. Site Registration 8605344 – Central Mart 1 LLC, Sioux City (2<sup>nd</sup> Board Report)**

Mr. Gastineau provided information noting the site was classified in 2001 as no action required with free product. It was noted this site is operating as a gas station, greatly limiting the corrective action options to address the persistent free product. The consultant is recommending the completion of activated carbon and persulfate injections to address the contamination.

Mr. Gastineau noted the present claim reserve is \$220,000. Previous board approval was given in October 2009 for costs up to \$110,000. Total costs incurred to date are \$113,559.40. Additional authority of \$140,000 was requested for a total authority of \$250,000.

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

### **5. Site Registration 8606559 – Casey's Marketing Co., Delmar (3<sup>rd</sup> Board Report)**

Mr. Gastineau provided information noting the site is high risk for the soil leaching to groundwater vapor and soil vapor pathways for residential receptors. It was noted this site is also an active station, limiting the corrective action options.

Mr. Gastineau noted the first chemical injection event was completed in April 2014. Based on data collected the soil contaminant levels have been reduced, however has not yet met the target levels and as a result the consultant is proposing a second injection event.

Mr. Gastineau noted the current claim reserve is \$275,000. Previous Board approval was granted in June 2013 for costs up to \$225,000. Total costs incurred to date are \$154,880.56. Additional authority of \$75,000 was requested for a total authority of \$300,000.

After a brief discussion, Mr. Barry moved to approve the request and Ms. Andeweg seconded the motion. The motion approved unanimously with Mr. Beech abstaining.

### **CONTRACTS ENTERED INTO SINCE FEBRUARY 26, 2016 BOARD MEETING**

No contracts were entered into since the February 26, 2016 meeting.

### **OTHER ISSUES AS PRESENTED**

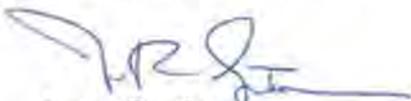
No other issues were presented.

### **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 Mr. Hall. The meeting adjourned at 10:52 A.M.

Respectfully submitted,



James Gastineau  
Deputy Administrator

## **Closed Session**

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

## **Public Comment**

## **Board Issues**

## **A. Legislative Update**



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## MEMORANDUM

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TO:            UST Board Members  
FROM:        Dale Cira  
DATE:        April 15, 2016  
SUBJECT:    Legislative Update

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As of this date, the 2016 Legislative Session continues to move along toward conclusion, although the end date is uncertain. House File 2381 which provides for the cessation of the existing Iowa UST Fund and the creation of the Iowa Tanks Fund was passed out of the House Appropriations subcommittee on April 12<sup>th</sup>. The bill is available for review with the House Appropriations Committee. The Senate version of the bill, Senate Study Bill 3167 is also awaiting action with the Senate Appropriations Committee.

House File 2454, the appropriations bill for the Department of Agriculture and the Department of Natural Resources includes the annual \$200,000 appropriation to the DNR for that tanks section program administration match. HF2454 passed through the House on April 14<sup>th</sup> with a vote of 71-21.

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 April 22, 2016 Board meeting or most likely before the scheduled UST Fund Board meeting in May 26, 2016.

**B. FY 2016, 3<sup>rd</sup> Quarter Claims Update**



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## MEMORANDUM

**TO:** UST Board Members  
**FROM:** James Gastineau  
**DATE:** April 15, 2016  
**SUBJECT:** Fiscal Year 2016, 3<sup>rd</sup> Quarter Claims Update

As required by Iowa Code 455G.3, program information for the end of the fiscal year quarter was compiled and uploaded to the Iowa legislative services agency website for further distribution earlier this month. The data continues to show a downward trend in the number of open UST Fund claims and open leaking underground storage tank sites. The difference between the two figures however is increasing due in some degree to the number of claims that have been administratively closed. For FY2016, thirty-five (35) sites have been administratively closed to date.

The Administrator's office continues to review open claims to determine if activities are progressing toward site closure. Additional sites continue to be identified as possible 'stalled' claims and in such cases letters are issued to the claimant and/or property owner in an attempt to secure a party willing to take control of the claim to provide oversight for the necessary site work. If no party is willing to provide claim oversight, the claim may 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 developing reserve estimates for the individual sites. Once reserves are established, development of the final transfer amount to include the 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 are ongoing for the development of a large scale LPT. It is anticipated future work will require involvement by legal counsel as the scope of the project is further developed and qualifications for potential bidders is discerned. Decisions will also be needed on the grouping of claims that 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 could 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.



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Chuck Gipp  
N. Kurt Mumm

April 5, 2016

Mr. Glen Dickinson  
Legislative Council  
State Capitol Building  
Des Moines, IA 50319

Mr. Dickinson,

We are pleased to provide the attached report regarding the Iowa Comprehensive Underground Storage Tank Fund (UST Fund) progress for activities through the end of the 3<sup>rd</sup> quarter of FY2016. The report is submitted pursuant to Iowa Code Section 455G.4(6) titled "Reporting".

The code section calls for the report to include the following items:

- Total open claims, including identification of the number of new claims
- IDNR risk classification associated with open claims
- Total reserve figures
- Summary of budgets approved during the reporting period
- Breakdown of categories of claim payment expenditures during the reporting period

Some information in the attached tables is obtained from the Department of Natural Resources (DNR), but the report numbers deal with UST Fund claims and therefore do not include all DNR reported releases since not all meet the eligibility criteria of Iowa Code Section 455G.

If you have any questions regarding the enclosed report or other issues associated the UST Fund, please call the UST Fund Administrator's office at 515/225-9263 or you may call me directly at 515/440-7016.

Sincerely,

James Gastineau  
Deputy Administrator

enc: FY2016, 3<sup>rd</sup> Quarter Report  
March 2016 Activities Report

**UST Fund Program Status Areas 3Q FY2016 (March 31, 2016)**

**1. Financial Balances**

	03/31/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Revenue Fund	\$11,048,735	\$538,282	\$524,210	\$14,470,480	\$16,326,235
Unassigned Revenue Fund	\$7,756,099	\$9,417,609	\$11,681,366	\$8,133,085	\$745,123
Remedial Fund	\$12,522,834	\$16,834,688	\$8,681,846	\$4,347,071	\$3,510,808
Marketability Fund	\$816,659	\$787,670	\$755,308	\$742,024	\$730,433
Innocent Landowner Fund	\$5,289,743	\$7,110,415	\$8,604,467	\$2,176,164	\$2,963,372
Loan Guarantee Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$277,723
Capital Reserve Funds	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<b>Total Fund Balances</b>	<b>\$37,434,030</b>	<b>\$34,668,664</b>	<b>\$30,247,200</b>	<b>\$29,868,825</b>	<b>\$24,553,694</b>

Previous and Pending Transfers

FY2007--\$3.5 million  
 FY2008--\$6.5 million  
 FY2009--\$4.9 million  
 FY2011--\$26.4 million  
 FY2012--\$3 million

Paid on Claims

\$ 6.6 million FY2012  
 \$ 7.6 million FY 2013  
 \$10.1 million FY 2014  
 \$ 7.6 million FY 2015  
 \$ 6.9 million FY 2016 (3<sup>rd</sup> Quarter)

**2. Operational**

Changes

- Actively pursuing claimants seeking their participation toward attainment of a no action required status.
- Focus on remaining mission to complete action on pre-existing liabilities prior to ceasing operations.

Expected Results

- Continued reduction of claim count
- Determination of options to conclude program liabilities prior to the UST Fund ceasing operations.

**3. Results - - Iowa DNR LUST Sites / Risk Classifications in relation to Open UST Fund claims**

Iowa DNR / Iowa UST Site Data (as of 03/31/2016)	DNR LUST Sites	Remedial CRP/NFA claims	Retroactive claims	Innocent Landowner Fund Claims	Total UST Fund Claims
<b>Total Active LUST Sites</b>	<b>720</b>	320	22	81	<b>423</b>
Sites "Not Classified"	95	2	0	5	7
Low Risk sites	149	66	4	11	81
High Risk sites	411	204	16	49	269
No Action with free product sites	65	28	1	9	38
No Action Required / Release Not Verified	5910	20	1	7	28

**4. Results - - UST Fund Open Claims / Liabilities**

	March 31, 2016	March 2016	June 2015	June 2014	June 2013	June 2012	June 2011	June 2010
Retroactive Claims	\$ 1.23 million	22	26	31	36	39	44	54
Remedial/CRP/ NFA Claims	\$ 18.27 million	307	375	414	481	532	609	712
Innocent Landowner Claims	\$ 4.05 million	81	120	140	153	162	187	206
<b>Totals *</b>	<b>\$ 23.55 million</b>	<b>423</b>	<b>521</b>	<b>585</b>	<b>733</b>	<b>840</b>	<b>972</b>	<b>1,045</b>

\*does not include State Lead Closure Contract project claims or tank closure claims

Mar-16

	Open Claims		Open Claims	Open & Closed
Claims	Feb 2016 Ending	Monthly Net Changes	March 2016 Ending	Totals since Inception
<b>RETROACTIVE</b>				
number	22	0	22	447
reserve	\$ 1,219,280.94	\$13,718.17	\$ 1,232,999.11	\$ 1,232,999.11
paid	\$5,740,719.06	\$16,281.83	\$5,757,000.89	\$18,069,052.53
	\$6,960,000.00	\$30,000.00	\$6,990,000.00	\$19,302,051.64
<b>REMEDIAL</b>				
number	310	(3)	307	4,459
reserve	\$17,732,935.34	(\$66,380.23)	\$17,666,555.11	\$17,666,555.11
paid	\$67,111,338.86	(\$38,920.57)	\$67,072,418.29	\$217,486,219.87
total	\$84,844,274.20	(\$105,300.80)	\$84,738,973.40	\$235,152,774.98
<b>INNOCENT LANDOWNER</b>				
number	87	(6)	81	1,133
reserve	\$4,264,204.21	(\$210,635.37)	\$4,053,568.84	\$4,053,568.84
paid	\$10,767,795.79	(\$198,364.63)	\$10,569,431.16	\$33,026,814.29
total	\$15,032,000.00	(\$409,000.00)	\$14,623,000.00	\$37,080,383.13
<b>GLOBAL OPT-IN</b>				
number	69	(3)	66	1,305
reserve	\$342,044.86	(\$28,218.88)	\$313,825.98	\$313,825.98
paid	\$595,866.19	(\$18,281.12)	\$577,585.07	\$9,822,335.81
total	\$937,911.05	(\$46,500.00)	\$891,411.05	\$10,136,161.79
<b>UNASSIGNED REVENUE FUND PROJECTS</b>				
number	59	1	60	300
reserve	\$1,574,461.16	\$5,327.50	\$1,579,788.66	\$1,579,788.66
paid	\$756,539.94	\$23,162.40	\$779,702.34	\$3,314,098.88
total	\$2,331,001.10	\$28,489.90	\$2,359,491.00	\$4,893,887.54
<b>NFA RE-EVALUATIONS</b>				
number	13	0	13	59
reserve	\$192,656.06	\$99,289.20	\$291,945.26	\$291,945.26
paid	\$670,019.10	(\$143,359.36)	\$526,659.74	\$1,319,378.69
total	\$862,675.16	(\$44,070.16)	\$818,605.00	\$1,611,323.95
<b>TANK PULLS</b>				
number	25	6	31	451
reserve	\$332,205.00	\$113,410.00	\$445,615.00	\$445,615.00
paid	\$9,385.00	\$0.00	\$9,385.00	\$4,990,081.91
total	\$341,590.00	\$113,410.00	\$455,000.00	\$5,435,696.91

Corrective Action Meetings (3/15/16)	
Scheduled:	6
Completed:	1,285
MOA's	488

UST Operator Training	
UST Operators ( A / B)	3,139
A/B (FY2011-16)	\$303,520

<b>Total Claims</b>	(RM, RT, ILO, NFA)	423
<b>Total Reserve</b>	(inc. Global Opt-In)	\$ 23,558,894

RT Claims	#
New	0
Reopened	0
Closed	0

RM Claims	#
New	1
Reopened	0
Closed	4

ILO Claims	#
New	0
Reopened	0
Closed	6

GS Claims	#
New	0
Reopened	1
Closed	4

USTCA	#
New	1
Reopened	1
Closed	1

NFA Re-Eval	#
New	0
Reopened	0
Closed	0

Tank Pull	#
New	11
Reopened	0
Closed	4

DNR @ 4-1-2016	
Total LUST	6630
OPEN LUST	720
High Risk	411
Low Risk	149
NAR-FP	65
Not Class.	95

Invoice Type Totals	MAR	FYTD	Program to Date
Aon - Admin	\$ 124,520.00	\$ 572,880.12	
Aon - Claims	\$ 78,000.00	\$ 379,493.00	
Government	\$ 89,412.50	\$ 634,915.83	

2004 Tank Pull	\$ -	\$ -	\$ 1,761,823.44
2010 Tank Pull	\$ 47,953.62	\$ 708,857.04	\$ 5,090,838.78
American Soils	\$ -	\$ -	\$ 5,678,422.58
AST Removal	\$ -	\$ -	\$ 3,306,435.24
AST Upgrade	\$ -	\$ -	\$ 7,911,496.87
CADR Charges		\$ 87,021.75	\$ 4,680,683.53
Corrective Action	\$ -		\$ 52,423,154.11
Expenses / OT	\$ 300.00	\$ 10,500.00	\$ 303,520.00
Free Prod Recover	\$ 28,267.38	\$ 481,883.58	\$ 11,711,398.65
Monitoring	\$ 160,429.20	\$ 1,325,248.46	\$ 32,198,327.82
Operations/Maint	\$ 31,326.65	\$ 221,476.94	\$ 10,413,221.65
Over-excavation	\$ 171,423.95	\$ 2,125,283.84	\$ 34,424,439.38
Water Lines	\$ 7,150.50	\$ 359,272.22	\$ 2,909,225.43
Post RBCA Bvals	\$ 1,650.00	\$ 12,402.92	\$ 243,015.91
RBCA	\$ 8,445.00	\$ 269,080.30	\$ 26,764,612.11
Remed Imp/Const.	\$ 69,013.75	\$ 1,132,104.13	\$ 30,215,274.67
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	\$ 544.25	\$ 9,450.25	\$ 1,375,216.65
Utilities	\$ 9,567.07	\$ 80,234.55	\$ 2,175,457.13
Well Closure	\$ 8,129.25	\$ 138,219.08	\$ 4,006,232.91
<b>Total Invoice Types</b>	<b>\$ 544,200.62</b>	<b>\$ 6,961,035.06</b>	<b>\$ 299,161,368</b>

Remediation Budgets Approved to Date		
last month (MAR '16)	0	\$0
Prior 12 months	54	\$4,231,567
Trailing 12 months	41	\$2,862,469
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

## **C. DNR Update**

## **Approval of Program Billings**



# IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

## MEMORANDUM

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TO:            UST Board Members  
FROM:        James Gastineau  
DATE:        April 14, 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 May 2016 -- \$62,262.00  
      Claims Processing Services May 2016-- \$39,000.00
  
2.     Iowa Attorney General's Office ..... \$6,282.67  
      Services provided for Underground Storage Tank Program  
      March 2016 (FY 2016) Billing

## Iowa Comprehensive Petroleum

Invoice No. 9500000126266

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 Mar-15-2016 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	May-01-2016	Renewal - Service Fee	
<b>Comments</b>			Service Fee	62,262.00
Installment 5 of 12 Monthly Fee			Consulting Expense	39,000.00
Payment due 21 days after Transaction Effective Date				
Thank you for your business!				
<b>TOTAL INVOICE AMOUNT DUE</b>				<b>101,262.00</b>

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

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

*Please see reverse side for statement regarding Aon compensation.*

Page 1 of 2

This is a Reissued Invoice

Please detach here. Top portion is for your records, bottom portion to be returned with your payment.

Client Account No.	Invoice No.	Invoice Date	Currency	Amount Due
10756349	9500000126266	Mar-15-2016	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. 9500000126266

FATCA Notice: Please go to [Aon.com/FATCA](http://Aon.com/FATCA) to obtain the appropriate W-9.

Please see reverse side for statement regarding Aon compensation.

Page 2 of 2

Please detach here. Top portion is for your records, bottom portion to be returned with your payment.

Client Account No.	Invoice No.	Invoice Date	Currency	Amount Due
10756349	9500000126266	Mar-15-2016	US DOLLAR	101,262.00

**USD ONLY WIRE/ACH Remit to:**

Northern Trust Company  
50 South LaSalle  
Chicago IL 60675

ABA No. 071000152  
Swift No: CNORUS44  
Account Name: Aon Risk Services, Inc.  
Account No 30215288

Please Reference your Client Account No. & Invoice No. being paid

Wire payment information is for USD currency only. Please contact your Aon representative for Multi-Currency payment instructions.

**Overnight Remit to:**

ARS Companies, Inc.  
C/O Northern Trust Bank  
350 North Orleans Street  
Receipt & Dispatch, 8th Floor  
Chicago IL 60654  
Reference: Suite 1943  
Phone No. 410-383-5800

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



Invoice Date: 04/05/16

**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: March FY16

---

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

Document Number	Account Coding					Description	Amount
	Fund	Agency	Org	Sub Org	Rev Source		
112AG040516042	0001	112	2301		0302		\$ 6,282.67

---

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

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

Billing Period:	<b>MARCH 2016</b>
Billing Total:	\$6,282.67
DSS @ 22%	\$1,458.20
RCH @10%	\$446.58
CLJ @12%	\$355.47
Pay period ending: 2/25/2016	\$2,260.25
DSS @ 22%	\$1,161.72
RCH @10%	\$315.19
CLJ @12%	\$285.26
Pay period ending: 3/10/2016	\$1,762.17
DSS @ 22%	\$1,458.20
RCH @10%	\$446.58
CLJ @12%	\$355.47
Pay period ending: 3/24/2016	\$2,260.25
Imputed Income Reimbursement	
	<b>\$6,282.67</b>

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

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

**CLJ = Cindy Jacobe** **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. March 2016 Activities Report**

Mar-16

	Open Claims		Open Claims	Open & Closed
Claims	Feb 2016 Ending	Monthly Net Changes	March 2016 Ending	Totals since Inception
<b>RETROACTIVE</b>				
number	22	0	22	447
reserve	\$ 1,219,280.94	\$13,718.17	\$ 1,232,999.11	\$ 1,232,999.11
paid	\$5,740,719.06	\$16,281.83	\$5,757,000.89	\$18,069,052.53
	\$6,960,000.00	\$30,000.00	\$6,990,000.00	\$19,302,051.64
<b>REMEDIAL</b>				
number	310	(3)	307	4,459
reserve	\$17,732,935.34	(\$66,380.23)	\$17,666,555.11	\$17,666,555.11
paid	\$67,111,338.86	(\$38,920.57)	\$67,072,418.29	\$217,486,219.87
total	\$84,844,274.20	(\$105,300.80)	\$84,738,973.40	\$235,152,774.98
<b>INNOCENT LANDOWNER</b>				
number	87	(6)	81	1,133
reserve	\$4,264,204.21	(\$210,635.37)	\$4,053,568.84	\$4,053,568.84
paid	\$10,767,795.79	(\$198,364.63)	\$10,569,431.16	\$33,026,814.29
total	\$15,032,000.00	(\$409,000.00)	\$14,623,000.00	\$37,080,383.13
<b>GLOBAL OPT-IN</b>				
number	69	(3)	66	1,305
reserve	\$342,044.86	(\$28,218.88)	\$313,825.98	\$313,825.98
paid	\$595,866.19	(\$18,281.12)	\$577,585.07	\$9,822,335.81
total	\$937,911.05	(\$46,500.00)	\$891,411.05	\$10,136,161.79
<b>UNASSIGNED REVENUE FUND PROJECTS</b>				
number	59	1	60	300
reserve	\$1,574,461.16	\$5,327.50	\$1,579,788.66	\$1,579,788.66
paid	\$756,539.94	\$23,162.40	\$779,702.34	\$3,314,098.88
total	\$2,331,001.10	\$28,489.90	\$2,359,491.00	\$4,893,887.54
<b>NFA RE-EVALUATIONS</b>				
number	13	0	13	59
reserve	\$192,656.06	\$99,289.20	\$291,945.26	\$291,945.26
paid	\$670,019.10	(\$143,359.36)	\$526,659.74	\$1,319,378.69
total	\$862,675.16	(\$44,070.16)	\$818,605.00	\$1,611,323.95
<b>TANK PULLS</b>				
number	25	6	31	451
reserve	\$332,205.00	\$113,410.00	\$445,615.00	\$445,615.00
paid	\$9,385.00	\$0.00	\$9,385.00	\$4,990,081.91
total	\$341,590.00	\$113,410.00	\$455,000.00	\$5,435,696.91

Corrective Action Meetings (3/15/16)	
Scheduled:	6
Completed:	1,285
MOA's	488

UST Operator Training	
UST Operators ( A / B)	3,139
A/B (FY2011-16)	\$303,520

<b>Total Claims</b>	(RM, RT, ILO, NFA)	423
<b>Total Reserve</b>	(inc. Global Opt-In)	\$ 23,558,894

RT Claims	#
New	0
Reopened	0
Closed	0

RM Claims	#
New	1
Reopened	0
Closed	4

ILO Claims	#
New	0
Reopened	0
Closed	6

GS Claims	#
New	0
Reopened	1
Closed	4

USTCA	#
New	1
Reopened	1
Closed	1

NFA Re-Eval	#
New	0
Reopened	0
Closed	0

Tank Pull	#
New	11
Reopened	0
Closed	4

DNR @ 4-1-2016	
Total LUST	6630
OPEN LUST	720
High Risk	411
Low Risk	149
NAR-FP	65
Not Class.	95

Invoice Type Totals	MAR	FYTD	Program to Date
Aon - Admin	\$ 124,520.00	\$ 572,880.12	
Aon - Claims	\$ 78,000.00	\$ 379,493.00	
Government	\$ 89,412.50	\$ 634,915.83	

2004 Tank Pull	\$ -	\$ -	\$ 1,761,823.44
2010 Tank Pull	\$ 47,953.62	\$ 708,857.04	\$ 5,090,838.78
American Soils	\$ -	\$ -	\$ 5,678,422.58
AST Removal	\$ -	\$ -	\$ 3,306,435.24
AST Upgrade	\$ -	\$ -	\$ 7,911,496.87
CADR Charges		\$ 87,021.75	\$ 4,680,683.53
Corrective Action	\$ -		\$ 52,423,154.11
Expenses / OT	\$ 300.00	\$ 10,500.00	\$ 303,520.00
Free Prod Recover	\$ 28,267.38	\$ 481,883.58	\$ 11,711,398.65
Monitoring	\$ 160,429.20	\$ 1,325,248.46	\$ 32,198,327.82
Operations/Maint	\$ 31,326.65	\$ 221,476.94	\$ 10,413,221.65
Over-excavation	\$ 171,423.95	\$ 2,125,283.84	\$ 34,424,439.38
Water Lines	\$ 7,150.50	\$ 359,272.22	\$ 2,909,225.43
Post RBCA Bvals	\$ 1,650.00	\$ 12,402.92	\$ 243,015.91
RBCA	\$ 8,445.00	\$ 269,080.30	\$ 26,764,612.11
Remed Imp/Const.	\$ 69,013.75	\$ 1,132,104.13	\$ 30,215,274.67
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	\$ 544.25	\$ 9,450.25	\$ 1,375,216.65
Utilities	\$ 9,567.07	\$ 80,234.55	\$ 2,175,457.13
Well Closure	\$ 8,129.25	\$ 138,219.08	\$ 4,006,232.91
<b>Total Invoice Types</b>	<b>\$ 544,200.62</b>	<b>\$ 6,961,035.06</b>	<b>\$ 299,161,368</b>

Remediation Budgets Approved to Date		
last month (MAR '16)	0	\$0
Prior 12 months	54	\$4,231,567
Trailing 12 months	41	\$2,862,469
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. March 2016 Financial Report**

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FOR THE MONTH ENDING MARCH 31, 2016**

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

<hr/>		
<b>Balance of Fund, March 1, 2016</b>		\$7,547,225.48
 <b>Receipts:</b>		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$3,500,000.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	<u>\$1,509.47</u>	
		\$3,501,509.47
 <b>Disbursements:</b>		
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)	<u>\$0.00</u>	
		\$0.00
 <b>Balance of Fund, March 31, 2016</b>		<hr/> <b>\$11,048,734.95</b> <hr/>

**0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)**

<hr/>		
<b>Balance of Fund, March 1, 2016</b>		\$7,942,258.72
 <b>Receipts:</b>		
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	
Refund/Overpayment	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Interest Income	<u>\$7,064.02</u>	
		\$7,064.02
 <b>Disbursements:</b>		
UST Administrator's Fees	\$202,524.00	
Adjustment	\$0.00	
Attorney General's Fees	\$7,978.01	
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	\$546.90	
Claim Settlement	\$0.00	
Department of Revenue EPC Collection Fees	\$1,947.89	
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	\$300.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$23,162.50	
Travel Expenses-UST Board Members	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FOR THE MONTH ENDING MARCH 31, 2016**

Warrant Float Expense	\$0.00	
28E Agreement - DNR RBCA Model Revision	\$28,316.25	
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	\$50,623.45	
Offset of Funds to/from Innocent Land Owners (0485)	\$0.00	
Offset of Funds to/from Remedial Fund (0208)	\$0.00	
		\$315,399.00
<b>Balance of Fund, March 31, 2016</b>		<b>\$7,633,923.74</b>
 <b>0208 - UST REMEDIAL NON-BONDING FUND</b>		
<b>Balance of Fund, March 1, 2016</b>		\$12,560,581.62
<b>Receipts:</b>		
Remedial Refunds	\$0.00	
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
		\$0.00
<b>Disbursements:</b>		
Retroactive Claims	\$16,281.83	
Remedial Claims	\$399,528.86	
28E Agreement - NFA Claims	\$710.80	
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	
		\$416,521.49
<b>Balance of Fund, March 31, 2016</b>		<b>\$12,144,060.13</b>
 <b>0478 - UST MARKETABILITY FUND</b>		
<b>Balance of Fund, March 1, 2016</b>		\$814,491.04
<b>Receipts:</b>		
Interest	\$2,168.32	
Use Tax	\$0.00	
		\$2,168.32
<b>Disbursements:</b>		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
<b>Balance of Fund, March 31, 2016</b>		<b>\$816,659.36</b>
 <b>0485 - UST INNOCENT LANDOWNERS FUND</b>		
<b>Balance of Fund, March 1, 2016</b>		\$5,306,132.04
<b>Receipts:</b>		
Cost Recovery (i.e. lien settlements)	\$0.00	
ILO Refunds	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Transfer From Loan Gaurantee Fund (0238)	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FOR THE MONTH ENDING MARCH 31, 2016**

Outdated Warrants	\$0.00	
Miscellaneous Income	\$1,393.50	
		\$1,393.50
<b>Disbursements:</b>		
Cost Recovery Reimbursement	\$0.00	
Cost Recovery Global Settlement	\$0.00	
Adjustment	\$0.00	
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	
Other Contractual Services	\$0.00	
Global Settlement Claims	\$5,239.77	
Innocent Landowner Claims	\$98,976.86	
Transfer to Remedial Fund (0208)	\$0.00	
Transfer to/from Unassigned Revenue Fund (0450)	\$0.00	
Balance of Outdated Warrants	(\$6,217.20)	
		\$97,999.43
<b>Balance of Fund, March 31, 2016</b>		<b>\$5,209,526.11</b>
 <b>0238 - UST LOAN GUARANTEE FUND (Non-Bonding)</b>		
<b>Balance of Fund, March 31, 2016</b>		<b>\$0.00</b>
 <b>0614 - UST CAPITAL RESERVE FUNDS (Bonding)</b>		
<b>Balance of Fund, March 31, 2016</b>		<b>\$0.00</b>
 <b>Combined UST Capital Reserve Fund Balances, March 31, 2016</b>		<b>\$0.00</b>
<b>TOTAL FUND BALANCES, March 31, 2016</b>		<b>\$36,852,904.29</b>

**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 March 31, 2016**

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND  
STATEMENT OF FUND BALANCES  
FISCAL YEAR TO DATE ENDING MARCH 31, 2016**

		<b>FISCAL 2016 BUDGET</b>
<b>0471 - UST REVENUE FUND (Bonding)</b>		
<b>Balance of Fund, July 1, 2015</b>	\$538,281.87	<b>\$538,281.87</b>
<b>Receipts:</b>		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$10,500,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$10,453.08	\$50,000.00
	\$10,510,453.08	\$14,050,000.00
<b>Disbursements:</b>		
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
<b>Balance of Fund, March 31, 2016</b>	<b>\$11,048,734.95</b>	<b>\$5,588,281.87</b>
<b>0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)</b>		
<b>Balance of Fund, July 1, 2015</b>	\$9,417,609.04	<b>\$9,417,609.04</b>
<b>Receipts:</b>		
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	\$87,710.81	\$50,000.00
	\$87,710.81	\$50,000.00
<b>Disbursements:</b>		
UST Administrator's Fees	\$952,377.12	\$1,100,000.00
Adjustment	\$0.00	\$0.00
Attorney General's Fees	\$37,965.53	\$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	\$6,881.41	\$5,100.00
Claim Settlement	\$0.00	\$0.00
Department of Revenue EPC Collection Fees	\$3,895.65	\$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	\$10,500.00	\$50,000.00
Rebate	\$0.00	\$0.00
Special Project Claims - Closure Contract Project	\$402,796.76	\$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 MARCH 31, 2016**

		<b>FISCAL 2016 BUDGET</b>
Warrant Float Expense	\$0.00	\$0.00
28E Agreement - DNR RBCA Model Revision	\$31,950.00	\$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	\$507,173.16	\$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>\$1,871,396.11</u>	<u>\$2,855,442.07</u>
<b>Balance of Fund, March 31, 2016</b>	<b>\$7,633,923.74</b>	<b>\$6,612,166.97</b>
<b>0208 - UST REMEDIAL NON-BONDING FUND</b>		
<b>Balance of Fund, July 1, 2015</b>	\$16,834,687.68	\$16,834,687.68
<b>Receipts:</b>		
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>
<b>Disbursements:</b>		
Retroactive Claims	\$262,722.45	\$700,000.00
Remedial Claims	\$4,252,734.52	\$5,750,000.00
28E Agreement - NFA Claims	\$168,344.69	\$500,000.00
Adjustment		\$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>\$4,690,627.55</u>	<u>\$7,020,000.00</u>
<b>Balance of Fund, March 31, 2016</b>	<b>\$12,144,060.13</b>	<b>\$18,814,687.68</b>
<b>0478 - UST MARKETABILITY FUND</b>		
<b>Balance of Fund, July 1, 2015</b>	\$787,669.61	\$787,669.61
<b>Receipts:</b>		
Interest	\$28,989.75	\$35,000.00
Use Tax	\$0.00	
	<u>\$28,989.75</u>	<u>\$35,000.00</u>
<b>Disbursements:</b>		
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>
<b>Balance of Fund, March 31, 2016</b>	<b>\$816,659.36</b>	<b>\$822,669.61</b>
<b>0485 - UST INNOCENT LANDOWNERS FUND</b>		
<b>Balance of Fund, July 1, 2015</b>	\$7,110,415.34	\$7,110,415.34
<b>Receipts:</b>		
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 MARCH 31, 2016**

		<b>FISCAL 2016 BUDGET</b>
Outdated Warrants	\$0.00	\$0.00
Miscellaneous Income	\$2,888.21	\$0.00
	<u>\$4,203.21</u>	<u>\$25,000.00</u>
<b>Disbursements:</b>		
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	\$55,189.98	\$80,000.00
Innocent Landowner Claims	\$1,819,157.66	\$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	(\$11,313.20)	\$0.00
	<u>\$1,905,092.44</u>	<u>\$2,230,000.00</u>
<b>Balance of Fund, March 31, 2016</b>	<u><b>\$5,209,526.11</b></u>	<u><b>\$4,905,415.34</b></u>
<b>0238 - UST LOAN GUARANTEE FUND (Non-Bonding)</b>		
<b>Balance of Fund, March 31, 2016</b>	<u><b>\$0.00</b></u>	<u><b>\$0.00</b></u>
<b>0614 - UST CAPITAL RESERVE FUNDS (Bonding)</b>		
<b>Combined UST Capital Reserve Fund Balances, March 31, 2016</b>	<u><b>\$0.00</b></u>	<u><b>\$0.00</b></u>
<b>TOTAL FUND BALANCES, March 31, 2016</b>	<u><b>\$36,852,904.29</b></u>	<u><b>\$36,743,221.47</b></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**

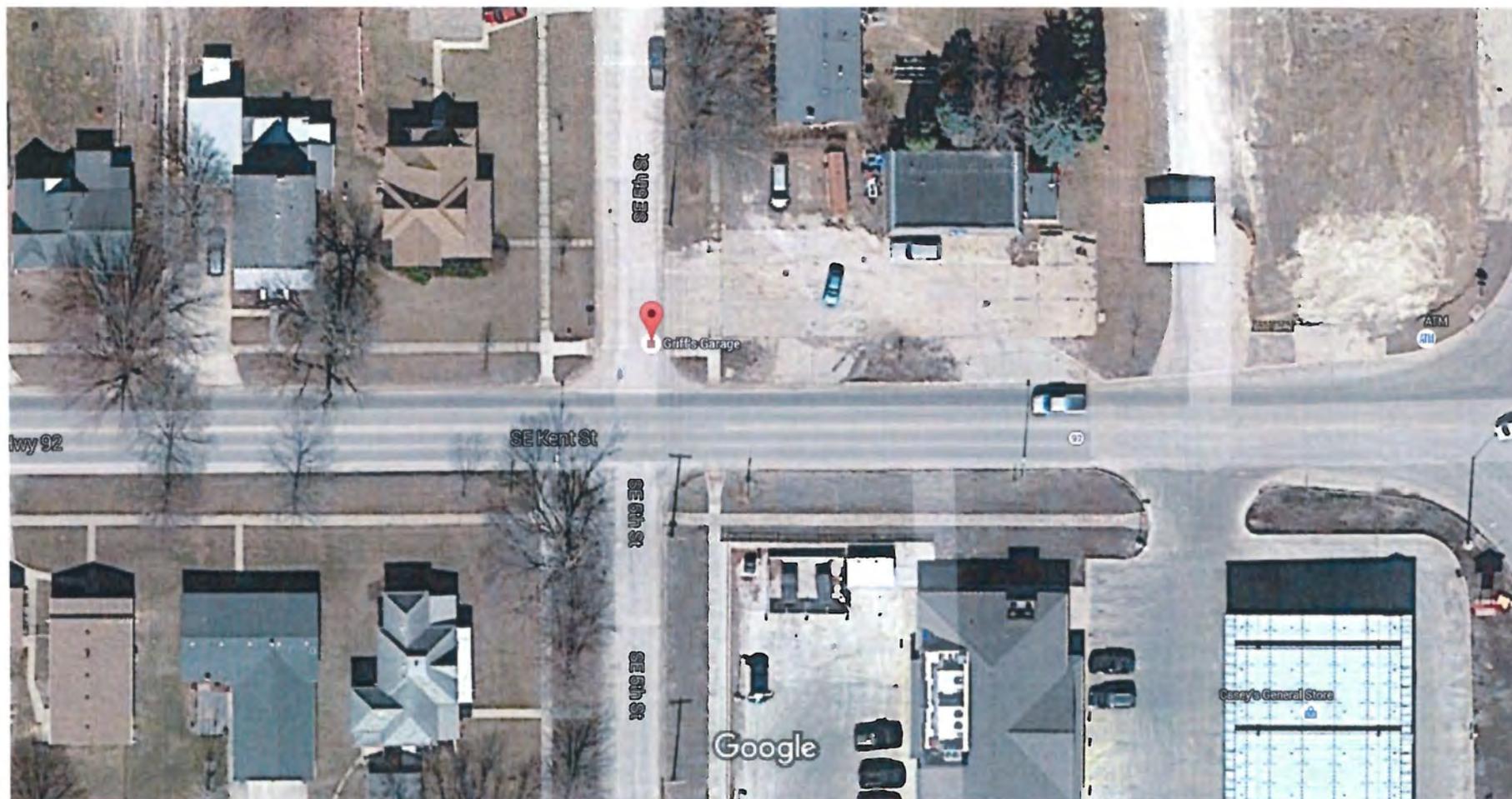
## **Attorney General's Report**

## **Claim Payment Approval**



### Site Timeline

- 1990 - Claimant filed an eligible extension for program insurance prior to 10/26/90.
- 1991 - Contamination discovered during an insurance investigation and an eligible remedial claim was filed by Buckner Oil.
- 1992 - The USTs are removed and the site ceases to operate as a gas station.
- 1995 - SCR submitted and accepted as high risk. CADR due in 120 days.
- 1999 - RBCA Tier 2 submitted in October recommending high risk. DNR issues 'not accepted' letter.
- 1999 - Revised RBCA Tier 2 recommending low risk is submitted and accepted in December.
- 2001 - Site reclassified to high risk with additional plume delineation showing receptors at risk.
- 2006 - First corrective action teleconference held; compared excavation to installation of a dual phase extraction system. Concerned an excavation will not be able to remove the contamination near the DOT right-of-way of Hwy 92. Agreed on additional plume delineation and then meet again.
- 2006 - 1<sup>st</sup> board request is approved in preparation for a likely excavation pending additional soil plume delineation results.
- 2006 - The soil plume delineation report indicates contamination extends into the right-of-way and possibly beneath Hwy 92. As a result an excavation alone will not be adequate to reclassify the site. A CADR is submitted and approved for the installation of a dual phase extraction system.
- 2007 - The dual phase extraction system becomes operational in August.
- 2014 - The system is shut down in September after it is concluded that the system is no longer reducing the groundwater concentrations. While groundwater concentrations have dropped significantly, it is agreed that the soil plume will be reassessed and options for reclassifying will then be discussed.
- 2016 – Following several rounds of soil sampling to define the current soil plume, it is determined the remaining soil contamination in excess of target levels remains on-site where it can be excavated.



Map data ©2016 Google 20 ft

## Griff's Garage

Auto Repair Shop

501 SE Kent St, Greenfield, IA 50849

**Contracts Entered Into  
Since March 25, 2016 Board Meeting**



# IOWA UNDERGROUND STORAGE TANK FUND

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Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

## MEMORANDUM

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TO:            UST Board Members  
FROM:        Dale T. Cira  
DATE:        April 14, 2016  
SUBJECT:    Contracts Entered Into Since March 25, 2016 Board Meeting

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The Board signed a 28E agreement amendment following the March 25, 2016 Board meeting to modify the terms of the agreement for the State Lead Closure Contracts.

## **Other Issues as Presented**

## **Correspondence and Attachments**

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

**Held:** Thursday, April 7, 2016 at 1:30 in room 5W of the Wallace Building

**Site:** Former Texaco Speedee Mart/Riteway Oil site, Council Bluffs

**LUST No.** 7LTQ19

**Status:** Second conference; no further meetings are scheduled.  
First conference was 8-4-15.

**Synopsis:** A soil vapor extraction (SVE) system operated at this site for more than 10 years; high vacuum events (HVE) with a pump truck have been conducted more than 10 times. The site is now considered non-residential for sanitary sewer and groundwater contaminant concentrations have significantly decreased; if soil contamination is down and vapor sampling passes the site might be eligible for reclassification to no action required (NAR) with free product. Free product is found in several wells. The certified groundwater professional (CGP) will provide a Tier 3 Work Plan by 6/15/16 which will likely propose soil and groundwater sampling; additional HVE events for free product; eventual soil gas sampling; approaching the site owner regarding institutional controls restricting basements and sanitary sewers; and receptor evaluation. CGP will provide a Tier 3 Site Monitoring Report (SMR) in 2016.

### Participating

RP: Rex Ekwall of Rite Way Investments (by phone)

Funding: Steve Reinders of Cunningham Lindsey (by phone)

CGP: Kris LeVier of RGD Geoscience & Engineering (by phone)

DNR: Jeff White, Project Manager, & Tammy Vander Bloemen, Facilitator (in person)

### Funding Report by Steve Reinders of Cunningham Lindsey

- \$661,581 spent to date.
- Copay has been met with the aid of the Global Settlement.
- The site has funding authorization to \$690,000.

### Background by Kris LeVier, CGP. Since the first conference last year, we

- installed and sampled two boreholes/monitoring wells;
- conducted four free product removal events using vacuum trucks;
- determined the sanitary sewer pathways should be cleared because the sewers are not located where previously mapped and the sewers should be considered non-residential;
- provided an Evaluation of Vacuum Truck Events, and
- conducted monthly free product recovery.

### Discussion

CGP: I installed MW25 near 03, which has all the product, and re-installed MW23 with MW23R. Soil samples from the boreholes were pretty clean. Groundwater contamination is way down, too. Only MW18 seems fairly hot, and it's not over the sanitary sewer target level. We did four vacuum truck events and recovered approx. 6,300 gallons water with more than 12 gallons free product. The water table was relatively high and not much radius of influence was seen.

The free product seems to be in the sand layer at about 20 feet in a couple of areas, near 03 and further west. We need to develop the wells better so we get more from the sand.

The sanitary sewer service line from the site building exits on the east and runs to the southeast, to the car wash and the sewer main to the east. The sewer main to the west starts at a manway southwest of the building and runs south, so it doesn't go near MW18.

DNR: Yes, well development with a surge block before hitting it with a vac truck would likely give better results.

If soil gas sampling doesn't totally clear the site, would the property owner be open to an institutional control prohibiting basements and sanitary sewers in the area of contamination?

CGP: I haven't talked with him about an institutional control, but I think he would agree to no basement. The city discourages basements. He mostly wants to keep the business open and not impede traffic. He lives out of town.

We should resample soil at several locations to determine if soil contamination over the target levels still exists. Some more HVE events near 03 will help get rid of the free product.

DNR: We will need a Tier 3 Work Plan for this sampling and HVE. Please run a map of proposed soil boring locations by me so we can discuss potential locations. We can discuss vapor sampling locations after we see the soil results.

I will try to give rapid feedback on the Tier 3 Work Plan. We will need a third quarter Tier 3 SMR with all sampling results, Tier 2 software evaluation of the water lines,

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

- DNR sends out conference notes by 4/13/16.
- By 4/15/16, CGP submits a budget for a Tier 3 Work Plan which includes:
  - Providing a soil sampling map for DNR feedback
  - Conducting soil and groundwater sampling
  - After receiving sampling results, conducting vapor sampling
  - Developing monitoring wells
  - Conducting additional HVE events to address free product
  - Investigating the possibility of an environmental covenant/institutional control limiting basements and sewer lines on the property
  - Providing a Tier 3 site monitoring report to give sampling results and evaluate any remaining high risk and low risk pathways and receptors
- CL evaluates the budget by 4/22/16.
- CGP provides the Tier 3 Work Plan by 6/15/16.
- CGP will provide a third quarter Tier 3 Site Monitoring Report (SMR) containing sampling and investigation results.

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 me at the UST Section of the DNR.