



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

MEMORANDUM

TO: Iowa UST Fund Board and Interested Public Parties

FROM: Iowa UST Fund Administrator's Office

DATE: July 7, 2016

SUBJECT: Annual Strategic Planning Session Board Meeting

The Annual Strategic Planning Session of the Iowa UST Fund Board will be held on Monday, July 18, 2016, at the Iowa Arboretum Education Center near Madrid, Iowa. The meeting will begin at 9:30 A.M. with the Strategic Planning Session being held in the morning. After a break for lunch the remainder of the meeting agenda will be concluded.

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

The Iowa Arboretum is located at 1875 Peach Avenue, Madrid, Iowa. Maps and directions are attached. Additional information is available at their website www.iowaarboretum.org.



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NOTICE OF PUBLIC MEETING

A public meeting of the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board has been scheduled for 9:30 A.M., Monday, July 18, 2016. **The meeting will be held at the Iowa Arboretum, 1875 Peach Avenue, Madrid, IA 50156.**

The tentative agenda for the meeting is as follows:

9:30 a.m. Call to Order

1. Strategic Planning Session

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

2. Approval of Prior Board Minutes

3. Closed Session Discussion of Pending and Imminent Litigation (To adjourn by 1:00 pm)

4. Public Comment Period

5. Board Issues

A. FY2017 - 12 Month Meeting Schedule

B. FY2017 - Proposed Budget

C. FY2017 Attorney General Agreement

D. Lien # 1506031 – Albia Stop & Shop

E. Lien # 0801030 – Griswold Custom Classics

F. DNR Update

6. Approval of Program Billings

7. Monthly Activity Report and Financials Reviewed

8. Attorney General's Report

9. Claim Payment Approval

10. Contracts Entered Into Since May 26, 2016 Board Meeting

11. Other Issues as Presented

12. Correspondence and Attachments

Strategic Planning Session

I. Evaluation of Past Goals and Program Status

A. Current Program Status

Highlights – Fiscal Year 2016

Iowa Comprehensive Petroleum Underground Storage Tank Board

- As of June 30, 2016, the Underground Storage Tank Section of the Iowa Department of Natural Resources (DNR) has issued 6,638 LUST numbers in response to identified petroleum releases. The impact for most of the releases is known, as more than 5,900 of the releases have been closed. Further work is still needed on 690 LUST sites.
- As of June 30, 2016, the Iowa UST Fund Program has established 6,103 claims related to the petroleum releases. To date, 5,696 claims have been closed. Further work by the claimant is needed to address the 407 open project claims including 11 NFA re-opened site projects still in progress.
- As of June 30, 2016, for fiscal year 2016, the UST Fund program reimbursed claimants \$8.2M for corrective action costs, including almost \$900K for the permanent closure of underground storage tanks.
- In Fiscal Year 2016, the program liabilities decreased as the number of claims was reduced. As of June 30, 2016, the number of open claims was 407, a 21% decrease from FY 2015, while the total reserve for all claim types was \$23,828,435, a 12% reduction from FY 2015.
- In Fiscal Year 2016, amount paid for tank closure claims remained steady in comparison to prior years. It is anticipated tank closure claims will continue to be submitted as tank owners and operators evaluate their systems.

THE IOWA COMPREHENSIVE PETROLEUM UST FUND PROGRAM PROGRAM OVERVIEW AND STATUS

I. BACKGROUND

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

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

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

The Remedial Program

The remedial program was established to provide funding for the cleanup of past releases from USTs. To qualify for remedial benefits, releases had to be reported to DNR between January 1, 1985, and October 26, 1990 and to the Board by February 26, 1994. In addition, sites with active tanks must demonstrate financial responsibility to maintain eligibility. The remedial program reimburses up to \$20,000 for a Site Cleanup Report (SCR) or Risk Based Corrective Action (RBCA) report, 82% of corrective action costs up to \$80,000, and 100% of remaining corrective action costs up to \$1 million. As of June 30, 2016 there were 319 open eligible claims for reimbursement under the remedial program (includes both remedial and retroactive claims). To date, \$218,352,297.83 has been paid on remedial claims and \$18,147,839.50 on claims under the retroactive provisions. In addition, \$33,464,911.04 has been paid on claims under the innocent landowner program and \$9,864,937 has been paid for global settlement claims. These figures are for all open or closed claims over the entire life of the program to date.

Loan Guarantee Program

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

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

Insurance Program

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

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

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

II. PROGRAM FUNDING

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

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

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

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

In 2003 the Legislature placed a sunset date on the collection of the EPC of June 30, 2014. This date coincided with the Board's final debt payment of July 1, 2014. During the 2004 Legislative session, the sunset date on the EPC collection was extended to June 30, 2016. In the 2016 legislative session, the EPC collection was extended to December 31, 2016 and is repealed on January 1, 2017.

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

UST Revenue Fund

The Program's share of the statutory allocations fund and associated interest income are deposited into the UST Revenue Fund. The Fund's required debt service payments were transferred to the UST Bond Fund for payment to the bondholders and excess funds were then transferred to the Unassigned Revenue Fund. This fund was pledged to secure the UST bonds, which now have been called or defeased as of June 30, 2008. Recently, allocations made to the Revenue Fund have been disbursed to the Remedial and Innocent Landowners Fund which was used in part for the bond defeasement. The balance of the Revenue Fund as of June 30, 2016 is \$14,562,012.56.

Comprehensive UST Fund

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

UST Unassigned Revenue Fund

The UST Unassigned Revenue Fund was the recipient of funds in excess of the Program's annual debt service requirement on the outstanding bonds. The Program's administrative expenses, as well as underground storage tank closure contract payments, are paid from this account. Proceeds from this account can be used for any Board-approved expenditure. On June 17, 2008, \$5,825,187.84 was paid from the Unassigned Revenue Fund to pay off 1997A Series bonds. The balance of the Unassigned Revenue Fund as of June 30, 2016, was \$7,405,371.95.

UST Remedial Fund

The Remedial account was primarily funded from proceeds from UST revenue bonds. The Remedial Fund provides funding for outstanding remedial and retroactive claims, in addition to tank closure claims and no further action claims. It had a balance of \$11,158,377.12 as of June 30, 2016. When necessary, the Board can access the Revenue Fund for additional revenue to reimburse remedial claims.

UST Marketability Fund

In 1995, the legislature established the Marketability Fund with allocations from the Motor Vehicle Use Tax. The Marketability Fund provided additional funding for remedial claim payments. Over the course of several months in fiscal year 2005, the entire balance of the Marketability Fund was transferred to the Aboveground Storage Tank (AST) Fund to provide funding to AST claims. The Marketability Fund still accrues interest, and its entire balance of \$3,327,726.83 was used to payoff the 1997A Series bonds on June 17, 2008. The Marketability Fund had a balance of \$828,242.12 as of June 30, 2016.

UST Innocent Landowner Fund

The Innocent Landowner (ILO) Fund was initially to be funded by net cost recovery proceeds and an additional \$5 million per year of the Motor Vehicle Use Tax funds, as appropriated by the 1995 legislature. Since the receipt of the large global settlements from several major oil companies between 1996 and 2003, the entire \$17 million per year of Motor Vehicle Use Tax funds had been deposited into the Revenue Fund, the balance of which was transferred to the Unassigned Revenue Fund after bond payments were made. On June 17, 2008, \$8,797,080.00 was paid from the ILO Fund to defease 2004A Series bonds. Proceeds from cost recovery sources are still deposited into the ILO Fund. Cleanup costs for claimants not eligible for remedial program benefits can be paid from this account. The ILO Fund had a balance of \$4,831,638.08 as of June 30, 2016.

No Further Action Fund

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

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

UST Loan Guarantee Fund

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

UST Insurance Fund

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

Aboveground Storage Tank Fund

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

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

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

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

The Capital Reserve Fund was established by the revenue bond indenture agreement and was pledged as security for the outstanding bonds. The entire balance of \$6,237,500.00 of the Capital Reserve Fund was paid to defease the 2004A Series bonds in June 2008. The Capital Reserve Fund balance was \$0.00 on June 30, 2016.

III. OPERATIONAL ISSUES

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

A. Prior Contract Approval

Iowa Code 455G.12A has allowed the Board to invalidate contracts for services which otherwise would be reimbursable, if the contract did not receive pre-approval from the Administrator. To receive pre-approval, costs must be reasonable based upon the services required, and the services must be necessary for the owner/operator to comply with program or regulatory standards. This authority has resulted in large savings and forces contractors to get pre-approval and submit justification for all anticipated services.

B. 28E Agreements

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

C. Community Remediation Program

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

In the late 1990's, the Board CRP process changed from a community-wide assessment program to an oversight program involving assessment and corrective action on commingled sites or sites with viable responsible party issues when requested to do so by DNR. As of June 30, 2016 the Board was overseeing four (5) CRP's, a decrease of 1 project from the prior year.

D. Cost Recovery

The original legislation creating this program included cost recovery provisions which allow the Board to recover expenses from responsible parties who caused the contamination, if they are not the eligible claimants on that site. The Attorney General's office has reported that over \$40,824,419 has been cost recovered from settlements with responsible parties through their office. The last of the cost recovery payments from major oil companies was received in May 2003. To date, 1,308 eligible claimants have been reimbursed \$9,864,937.60 through these global settlements as of June 30, 2016.

Current cost recovery efforts are directed toward individual sites where the Board has spent money without an eligible claimant. Generally efforts have been limited to perfecting the

Board's lien on the affected property with monies collected upon property transfers. No new liens were filed during fiscal year 2016.

E. Innovative Technology

The Board, through a 28E agreement with the DNR and a funding grant from the U.S. EPA, worked on an innovative technology project involving the U.S. EPA's Technology Innovation Office, Office of Underground Storage Tanks, Region VII Administrator's Office, and a public / private partnership with private companies representing large oil suppliers, distributors, and marketers. The private partners supplied the necessary expertise to design and implement innovative technology actions to demonstrate the cost effectiveness of the selected technologies at sites in Shenandoah and Council Bluffs. Four projects were initiated in 1997 involving 15 leaking underground storage tanks sites. As of June 30, 2016, all of the innovative technology projects have successfully closed.

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

F. Risk Based Corrective Action (RBCA)

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

In 2006, the DNR reviewed its operational efficiencies and the use of the RBCA framework for evaluating sites. Using the experience gathered over the past 10 years, the RBCA modeling software was updated to more accurately screen and evaluate relative risk at the sites that remain open as well as creating a more accurate tool for new releases. Following recommendations from an advisory group, adjustments to the model were made and a new model was put into use in March 2010. In FY 2015, the Board agreed to fund a project to recode the model for use with current computer operating systems.

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

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

regarding use of the guidance however has indicated a willingness to consider use of the guidance on a case-by-case basis.

G. Rural Distribution Network

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

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

H. Small Business, Financial Hardship

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

I. Brownfield Redevelopment

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

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

J. Innocent Landowners

The remedial program provided benefits to those sites that met all of the criteria for eligibility. However, numerous sites were not eligible for funding because their tanks were not regulated, or because applications were not timely filed within the cutoff dates established by the original legislation. In 1995, the legislature created an innocent landowner fund to provide benefits to owners who were not otherwise eligible for benefits, and gave the Board the authority to adopt rules to provide benefits to those sites which present a higher degree of risk to public health and to deny benefits to individuals who did not make a good faith attempt to comply with other provisions of 455G. The Board has made benefits available to those individuals who complied

with all technical regulations, but missed the original application deadlines. In addition, sites with tanks that were closed prior to July 1, 1985, or taken out of use prior to January 1, 1974, are also now eligible. As of June 30, 2016, there are 77 open claims with reserve balances totaling \$3,677,470.13.

K. Privatization of Insurance Program

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

L. Technical Training

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

The Department also has authority to certify Iowa Groundwater Professionals. The Department requires groundwater professionals to take an education course which cover all aspects of risk based corrective action and pass a test to become a certified groundwater professional, and then maintain certification by completing 12 hours of continuing education every 2 years. As of June 2016, there are 128 certified groundwater professionals doing work in the State; this is a substantial decrease from June 2004 when there were 224 groundwater professionals certified.

M. Owner/Operator Outreach

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

Additional meetings were held in West Des Moines, Cedar Falls, Ottumwa and Denison during 2002 to discuss prioritization concepts in the event that claim payments exceed fund balances.

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

N. Rule Review

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

For FY 2017, a review of the rules will be initiated. Pursuant to 2016 legislation, rule changes will be needed to remove references to the environmental protection charge. In addition, Iowa Code 17A requires the Board initiate a comprehensive review of the program's administrative rules every 5 years. The goal of the review is to identify and eliminate all rules that are outdated, redundant, or inconsistent or incompatible with statute or rules of other agencies. The review must commence after the development of a plan created in consultation with major stakeholders and constituent groups. Following the review, a summary of the results must be provided to the administrative rules coordinator and the administrative rules review committee.

O. Aboveground Storage Tanks (ASTs)

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

P. Loss Portfolio Transfer

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

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

Q. UST Operator Training

In 2010 legislation passed which required the Board administer a program to provide training to UST operators at an equal and reasonable cost in the State of Iowa, with no more than \$250,000 to be spent each fiscal year. To facilitate this, the Board entered into agreements with all vendors approved by the DNR to provide such training, allowing for reimbursement of the training at a set rate of \$100 for those who are trained as a combined Class A & B operator, or \$80 for those trained as a Class A or B operator. As of June 30, 2016, the names of 3,085 individuals have been submitted as Class A and/or Level B operators, and \$308,120 has been paid to date for the training completed.

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

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

R. Tank Closure

The Board was given authority to reimburse for the removal of USTs in 2004. The program in place from prior to July 1, 2010 provided reimbursement for the permanent closure of a tank in those cases where the UST to be closed was in place on the date an eligible claim was filed with the board. In 2010, legislation modified the program by eliminating the requirement that USTs be associated with a site previously determined eligible for benefits. In addition, rules were created to allow any tank owner to obtain closure benefits for those regulated USTs registered with the Department and not previously closed. Since 2010, 473 claims have been made and owners have been provided reimbursement in the amount of \$5,226,234.

FY 2016 SUMMARY

FY 2016 - CHANGE IN OPEN CLAIMS			
	Open Claims		Open Claims
Claims	June 2015 Ending	FY Net Changes	June 2016 Ending
RETROACTIVE			
number	26	(4)	22
reserve	\$1,524,094.89	(\$350,815.45)	\$ 1,173,279.44
paid	\$5,948,766.77	(\$112,979.01)	\$5,835,787.76
total	\$7,472,861.66	(\$463,794.46)	\$7,009,067.20
REMEDIAL			
number	359	(62)	297
reserve	\$19,272,887.81	(\$2,635,214.84)	\$16,637,672.97
paid	\$71,225,755.72	(\$4,597,216.28)	\$66,628,539.44
total	\$90,498,643.53	(\$7,232,431.12)	\$83,266,212.41
INNOCENT LANDOWNER			
number	120	(43)	77
reserve	\$5,408,287.96	(\$1,730,817.83)	\$3,677,470.13
paid	\$10,596,463.04	\$32,666.83	\$10,629,129.87
total	\$16,004,751.00	(\$1,698,151.00)	\$14,306,600.00
GLOBAL OPT-IN			
number	77	(16)	61
reserve	\$388,594.84	(\$92,289.09)	\$296,305.75
paid	\$660,718.61	(\$131,113.31)	\$529,605.30
total	\$1,049,313.45	(\$223,402.40)	\$825,911.05
UNASSIGNED REVENUE FUND PROJECTS			
number	70	(10)	60
reserve	\$1,987,296.92	(\$723,561.81)	\$1,263,735.11
paid	\$481,703.08	\$197,562.31	\$679,265.39
total	\$2,469,000.00	(\$525,999.50)	\$1,943,000.50
NFA RE-EVALUATIONS			
number	11	0	11
reserve	\$192,894.45	\$81,462.51	\$274,356.96
paid	\$397,105.55	\$123,537.49	\$520,643.04
total	\$590,000.00	\$205,000.00	\$795,000.00
TANK PULLS			
number	37	2	39
reserve	\$483,051.00	\$22,564.00	\$505,615.00
paid	\$0.00	\$61,136.25	\$61,136.25
total	\$483,051.00	\$83,700.25	\$566,751.25

FY15: FY16 Claims	
RT Claims	#
New	0
Reopened	0
Closed	4
RM Claims	
New	4
Reopened	9
Closed	74
ILO Claims	
New	5
Reopened	4
Closed	52
GS Claims	
New	5
Reopened	6
Closed	27
USTCA	
New	24
Reopened	6
Closed	36
NFA Re-Eval	
New	4
Reopened	0
Closed	4
Tank Pull	
New	76
Reopened	6
Closed	77

FY 2016 - CHANGE IN TOTAL CLAIMS			
Open & Closed	Open & Closed		
as of 6/30/2015	as of 6/30/2016		Net Change for FY 2016
RETROACTIVE			
447	447		0
\$1,524,094.89	\$1,173,279.44		(\$350,815.45)
\$17,806,330.18	\$18,147,839.50		\$341,509.32
\$19,330,425.07	\$19,321,118.94		(\$9,306.13)
REMEDIAL			
4,457	4,461		4
\$19,272,887.81	\$16,637,672.97		(\$2,635,214.84)
\$213,922,992.03	\$218,352,297.83		\$4,429,305.80
\$233,195,879.84	\$234,989,970.80		\$1,794,090.96
INNOCENT LANDOWNER			
1,131	1,136		5
\$5,408,287.96	\$3,677,470.13		(\$1,730,817.83)
\$31,173,360.25	\$33,464,911.04		\$2,291,550.79
\$36,581,648.21	\$37,142,381.17		\$560,732.96
GLOBAL OPT-IN			
1,303	1308		5
\$388,594.84	\$296,305.75		(\$92,289.09)
\$9,767,145.83	\$9,864,937.60		\$97,791.77
\$10,155,740.67	\$10,161,243.35		\$5,502.68
UNASSIGNED REVENUE FUND PROJECTS			
282	307		25
\$1,987,296.62	\$1,263,735.11		(\$723,561.51)
\$2,961,222.22	\$3,213,662.03		\$252,439.81
\$4,948,518.84	\$4,477,397.14		(\$471,121.70)
NFA RE-EVALUATIONS			
55	59		4
\$192,894.45	\$274,356.96		\$81,462.51
\$1,151,033.99	\$1,328,429.18		\$177,395.19
\$1,343,928.44	\$1,602,786.14		\$258,857.70
TANK PULLS			
394	473		79
\$ 483,051.00	\$ 505,615.00		\$22,564.00
\$ 4,295,363.23	\$ 5,226,234.31		\$930,871.08
\$4,778,414.23	\$5,731,849.31		\$953,435.08

Comparison 2015-2016	06/30/15	06/30/16	Change
Open (RT, RM, ILO, NFA)	516	407	(109)
Reserve (RT, RM, ILO, NFA, GS)	\$26,398,165	\$21,762,780	(\$4,635,386)
Reserve (all claims)	\$29,257,108	\$23,828,435	(\$5,428,673)

Comparison 2015-2016	06/01/15	06/30/16	Change
Open (RT, RM, ILO, NFA)	521	407	(114)
NAR (need final invoice)	27	23	(4)
CRP / ROW	5	5	0
	489	379	(110)
Claims to OPEN LUST			
High Risk	317	258	(59)
Low Risk	116	80	(36)
No Action w/Free Prod	36	37	1
Not Classified	20	4	(16)

IOWA DNR	DNR @ 6-01-2015	DNR @ 6-30-2016	Change
TOTAL # OF LUST SITES	6,604	6,638	34
OPEN LUST	797	690	(107)
High Risk	450	391	(59)
Low Risk	178	146	(32)
No Action w/Free Prod	68	63	(5)
Not Classified	101	90	(11)

FY 2014 - 2016 COMPARISON

Claims	Open Claims	Open Claims	Open Claims
	June 2014 Ending	June 2015 Ending	June 2016 Ending
RETROACTIVE			
number	31	26	22
reserve	\$1,682,588.42	\$1,524,094.89	\$ 1,173,279.44
paid	\$6,487,273.24	\$5,948,766.77	\$5,835,787.76
	\$8,169,861.66	\$7,472,861.66	\$7,009,067.20
REMEDIAL			
number	414	359	297
reserve	\$21,068,796.45	\$19,272,887.81	\$16,637,672.97
paid	\$74,256,940.45	\$71,225,755.72	\$66,628,539.44
total	\$95,325,736.90	\$90,498,643.53	\$83,266,212.41
INNOCENT OWNER			
number	140	120	77
reserve	\$4,778,187.28	\$5,408,287.96	\$3,677,470.13
paid	\$11,448,924.36	\$10,596,463.04	\$10,629,129.87
total	\$16,227,111.64	\$16,004,751.00	\$14,306,600.00
GLOBAL OPT-IN			
number	95	77	61
reserve	\$477,419.22	\$388,594.84	\$296,305.75
paid	\$782,602.21	\$660,718.61	\$529,605.30
total	\$1,260,021.43	\$1,049,313.45	\$825,911.05
UNASSIGNED REVENUE FUND PROJECTS			
number	42	70	60
reserve	\$865,020.89	\$1,987,296.92	\$1,263,735.11
paid	\$310,979.11	\$481,703.08	\$679,265.39
total	\$1,176,000.00	\$2,469,000.00	\$1,943,000.50
NFA RE-EVALUATIONS			
number	19	11	11
reserve	\$400,957.04	\$192,894.45	\$274,356.96
paid	\$364,042.96	\$397,105.55	\$520,643.04
total	\$765,000.00	\$590,000.00	\$795,000.00
TANK PULLS			
number	38	37	39
reserve	\$492,358.00	\$483,051.00	\$505,615.00
paid	\$0.00	\$0.00	\$61,136.25
total	\$492,358.00	\$483,051.00	\$566,751.25

Corrective Action Meetings	Operator Training (Class A / B)	
FY 16 meetings	32	A/B trained (total) 3,085
FY 15 meetings	43	A/B trained (FY16) 120
FY 14 meetings	51	A/B trained (FY15) 192
FY 13 meetings	68	A/B trained (FY14) 281

Invoice Type Totals	FY14	FY 15	FY 16
Aon - Admin	\$ 704,443	\$ 806,305.57	\$ 759,666.12
Aon - Claims	\$ 429,000	\$ 507,000.00	\$ 496,493.00
Governmental	\$ 2,061,814	\$ 692,228.71	\$ 726,022.98
2004 Tank Pull	\$ -	\$ 810.00	\$ -
2010 Tank Pull	938,532.01	\$ 873,121.77	\$ 893,258.19
American Soils	\$ -	\$ -	\$ -
AST Removal	\$ -	\$ -	\$ -
AST Upgrade	\$ -	\$ -	\$ -
CADR Charges	212,193.44	\$ 76,108.94	\$ 90,064.75
Corrective Action	1,042,625.22	\$ 92,074.73	\$ 16,399.56
Expenses (OT)	16,100.00	\$ 26,260.00	\$ 14,600.00
Free Prod Recover	642,124.05	\$ 685,100.92	\$ 593,800.50
Monitoring	1,785,487.23	\$ 1,617,583.13	\$ 1,624,810.58
Operations/Maint	421,742.61	\$ 297,930.31	\$ 278,723.39
Over-excavation	2,478,237.07	\$ 1,921,660.62	\$ 2,384,944.04
Plastic Water Lines	191,669.04	\$ 335,648.31	\$ 359,272.22
Post RBCA Evals	11,863.82	\$ 14,339.68	\$ 15,075.42
RBCA	353,428.50	\$ 359,214.79	\$ 305,462.10
Remed Imp/Const.	1,671,658.85	\$ 936,286.93	\$ 1,336,531.34
SCR Charges	9,071.85	\$ -	\$ -
Site Check	\$ -	\$ 2,433.73	\$ -
Soil Disposal	53,680.40	\$ -	\$ -
Tank (UST) Pull	\$ -	\$ 18,350.00	\$ -
Tank (UST) Upgrade	\$ -	\$ -	\$ -
Tier III	52,721.18	\$ 41,603.96	\$ 16,880.75
Utilities	150,816.96	\$ 127,125.25	\$ 94,321.71
Well Closure	287,072.33	\$ 255,059.73	\$ 182,371.45
Total Invoice Types	10,319,024.56	\$ 7,680,712.80	\$ 8,206,516.00

Remediation Budgets Approved		
FY 2016	44	\$3,742,302
FY 2015	44	\$ 2,730,586
FY 2014	52	\$ 3,441,020
Total Since Jan 2003	126	\$54,633,586

IOWA DNR	6/30/14	06/01/2015	06/30/16
TOTAL # LUST SITES	6,495	6,604	6,638
OPEN LUST	828	797	690
High Risk	493	450	391
Low Risk	204	178	146
NAR w/Free Product	76	68	63
Not Classified	55	101	90



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: James Gastineau
DATE: July 8, 2016
SUBJECT: State Lead Remediation Projects Update

The following is a summary of the ongoing community remediation projects:

REMIT9703-04: Council Bluffs. CLOSED (5/31/2016)

This project involved one site, selected for the USEPA project to evaluate innovative technologies. Following years of remediation, the site was reclassified to a No Action Required with free product status on 2/23/2015. The project closed 5/31/2016 after the property owner assumed the duty of the benefit claim for further free product recovery activities. Total costs incurred for this claim are \$696,593.28.

CRPCA 9709-04: Delaware. Contract date: April 1998

This project involves 2 sites in a community with a public water system and multiple private water wells. A soil excavation successfully allowed a NAR classification for one site; the other site remains high risk. Annual monitoring is necessary. The claimant for the open site is an innocent landowner.

CRPCA 9808-19: Bevington. Contract date: November 1998

This project involves one site high risk due to proximity to private wells, water lines, and vapor receptors. A remedial system operated for 6 years, followed by a Tier 3 evaluation to show that the plumes are stable. Tier 3 monitoring and free product recovery actions are ongoing. The claimant still operates a non-UST related business at the site.

CRPCA 0005-22: Dubuque. Contract date: November 2000 Completion 2016

This project involves 4 sites, all low risk for the potential groundwater ingestion pathway. Low risk monitoring is ongoing. Due to recent enactment of an well restriction ordinance, a reclassification request for the project sites will be made by in July 2016.

CRPCA 1007-40: Akron. Contract date: November 2010. Completion 2016

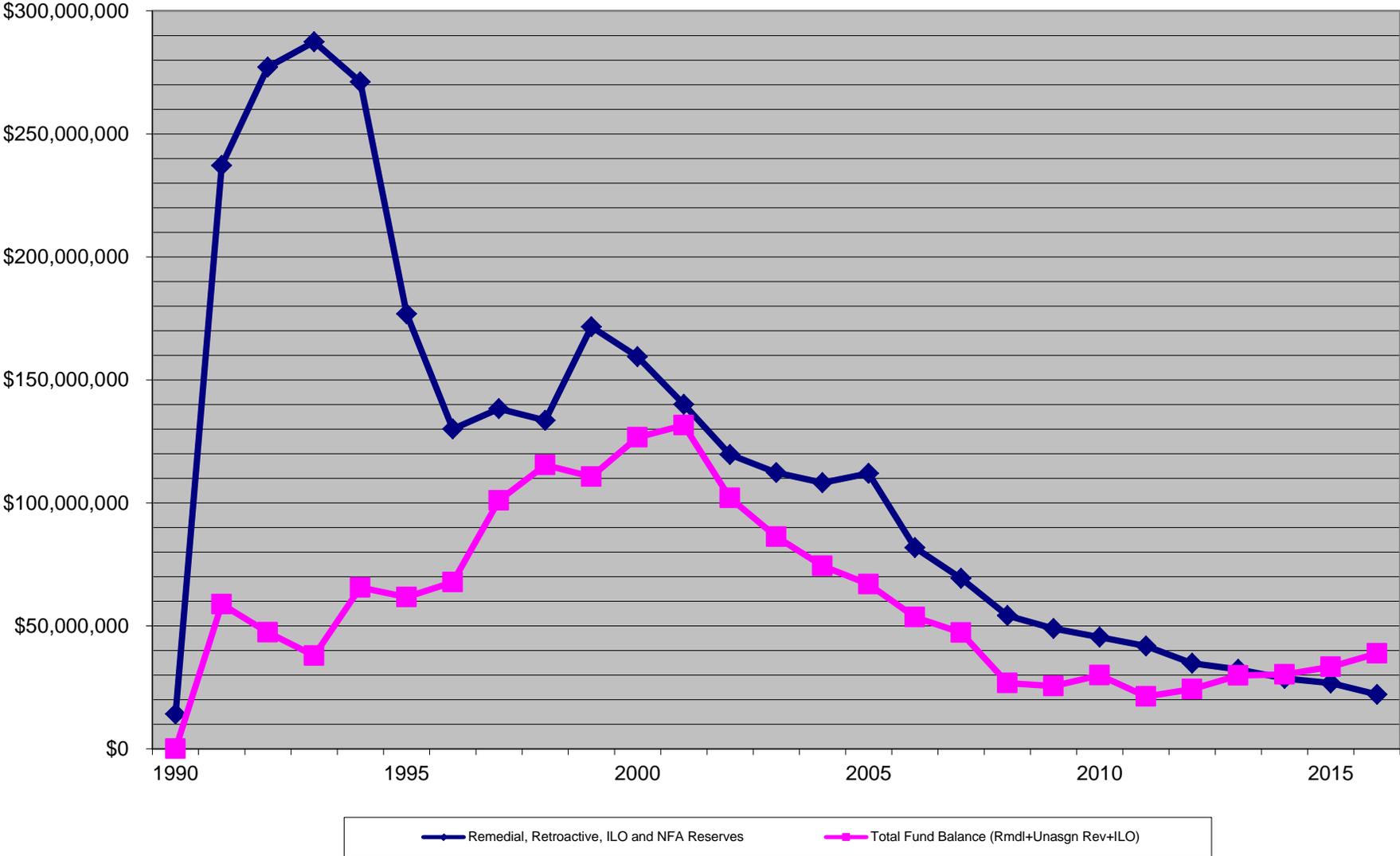
This project has 2 sites with a commingled contaminant plume. The sites are classified high risk due to proximity to the municipal water wells. Post-remediation monitoring efforts are in progress to monitor contaminant levels. It is hoped a reclassification request can be made in December 2016.

Status
UST Fund State Lead Projects
July 1, 2016

Project ID #	City (# of sites)	DNR Classifications	Consultant	Contract Start	Contract End	Interim Contract Renewal	Board Authorized Amount	Paid on Contract (thru 6-30-16)	Paid (FY2016)	Last Board Authorization
CRPCA9709-04	Delaware (2)	High Risk / NAR	MPS	4/24/1998		na	\$ 381,319.00	\$ 311,114.51	\$ 5,645.00	12/12/13
CRPCA9808-19	Bevington (1)	High Risk	Apex	11/2/1998		na	\$ 815,000.00	\$752,916.30 (\$902,526.26)	\$ 16,962.30	07/15/14
CRPCA0005-22	Dubuque (4)	Low Risk	BLEC	11/27/2000		na	\$ 119,830.00	\$ 99,572.00	\$ 3,418.00	07/15/14
CRPCA 1007-40 / CRPCA 9710-07	Akron (2)	High Risk	Geotek	11/15/2010	12/11/2016	na	\$193,623.77 (\$715,013.00)	\$151,416.50 (\$672,805.53)	\$ 17,641.38	03/25/16
Innovative Technology Projects										
REMIT9703-04	Council Bluffs (1)	NAR-FP	Seneca	6/12/1997	5/31/2016	CLOSED	\$ 800,000.00	\$ 667,444.36	\$ 8,901.00	02/25/05

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

Reserves vs. Balances



FISCAL YEAR END
OPEN CLAIM DATA
IOWA UST FUND
1990 Through 2016

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Retroactive											
Reserve	\$0	\$0	\$0	\$7,997,366	\$8,020,819	\$6,527,645	\$5,122,321	\$5,105,929	\$5,558,789	\$12,816,729	\$12,115,368
Paid	\$0	\$0	\$0	\$2,537,222	\$2,924,789	\$3,230,438	\$3,388,206	\$3,416,209	\$3,631,893	\$5,634,839	\$5,772,923
Total	\$0	\$0	\$0	\$10,534,588	\$10,945,608	\$9,758,083	\$8,510,527	\$8,522,138	\$9,190,682	\$18,451,568	\$17,888,289
Number Open	0	0	0	159	147	147	147	145	130	153	137
Remedial											
Reserve	\$14,176,804	\$237,122,878	\$277,093,959	\$279,389,771	\$263,111,215	\$170,290,956	\$121,115,479	\$121,745,953	\$112,741,979	\$138,502,942	\$127,324,680
Paid	\$0	\$7,206,855	\$28,332,995	\$42,333,538	\$60,492,002	\$72,414,070	\$77,238,020	\$80,157,138	\$73,242,358	\$75,338,637	\$75,284,102
Total	\$14,176,804	\$244,329,733	\$305,426,955	\$321,723,309	\$323,603,217	\$242,705,026	\$198,353,499	\$201,903,091	\$185,984,337	\$213,841,579	\$202,608,781
Number Open	435	3304	3995	3154	3240	3209	3176	3099	2447	2324	2,072
ILO											
Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$3,771,347	\$11,438,556	\$15,187,101	\$20,211,445	\$20,013,579
Paid	\$0	\$0	\$0	\$0	\$0	\$0	\$437,170	\$2,248,843	\$3,502,553	\$4,036,891	\$4,916,299
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$4,208,517	\$13,687,399	\$18,689,654	\$24,248,336	\$24,929,879
ILO Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$4,857,486	\$1,689,944	\$17,532,211	\$22,102,965	\$32,005,822
Number Open	0	0	0	0	0	0	110	383	462	479	418
Opt In											
Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$365,742	\$1,135,715	\$1,403,179	\$1,855,095
Paid	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$279,978	\$712,240	\$945,399	\$1,269,297
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$645,720	\$1,847,955	\$2,348,578	\$3,124,392
Number Open	0	0	0	0	0	0	0	60	140	178	249
Closure Contracts											
Reserve											
Paid											
Total											
Number Open											
NFA											
Reserve											
Paid											
Total											
Number Open											
<i>Reserve (all claim types)</i>	\$14,176,804	\$237,122,878	\$277,093,959	\$287,387,137	\$271,132,034	\$176,818,601	\$130,009,147	\$138,656,180	\$134,623,584	\$172,934,295	\$161,308,723
	<i>Remedial, Retroactive, ILO and NFA Reserves</i>										
Reserve (RT, RM, ILO, NFA)	\$14,176,804	\$237,122,878	\$277,093,959	\$287,387,137	\$271,132,034	\$176,818,601	\$130,009,147	\$138,290,438	\$133,487,869	\$171,531,116	\$159,453,628
Claims # (RT, RM, ILO, NFA)	435	3,304	3,995	3,313	3,387	3,356	3,433	3,627	3,039	2,956	2,627
Change in # of claims		660%	21%	-17%	2%	-1%	2%	6%	-16%	-3%	-11%
Total Active LUST Sites	2893	3440	3664	3784	3918	3931	4006	3926	3755	3,352	3,315
"Lost Sites" Subtotal	2,458	136	-331	471	531	575	573	299	716	396	688
Closure / NFA Contract "Lost Sites"											
Total Fund Balance (Rmdl+Unasn Rev+ILO)	\$78,940	\$58,756,562	\$47,390,393	\$37,922,648	\$65,598,734	\$61,681,595	\$67,793,092	\$101,006,153	\$115,401,420	\$110,680,346	\$126,605,234
Reserves : Balances	(\$14,097,864)	(\$178,366,316)	(\$229,703,566)	(\$249,464,489)	(\$205,533,300)	(\$115,137,006)	(\$62,216,055)	(\$37,284,285)	(\$18,086,449)	(\$60,850,770)	(\$32,848,394)
Percent Change Res		1573%	17%	4%	-6%	-35%	-26%	6%	-3%	28%	-7%
Percent Change Count		660%	21%	-17%	2%	-1%	2%	6%	-16%	-3%	-11%
Percent Change LUST #		19%	7%	3%	4%	0%	2%	-2%	-4%	-11%	-1%

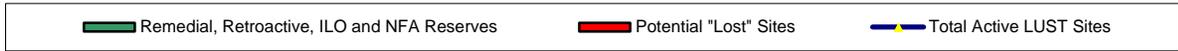
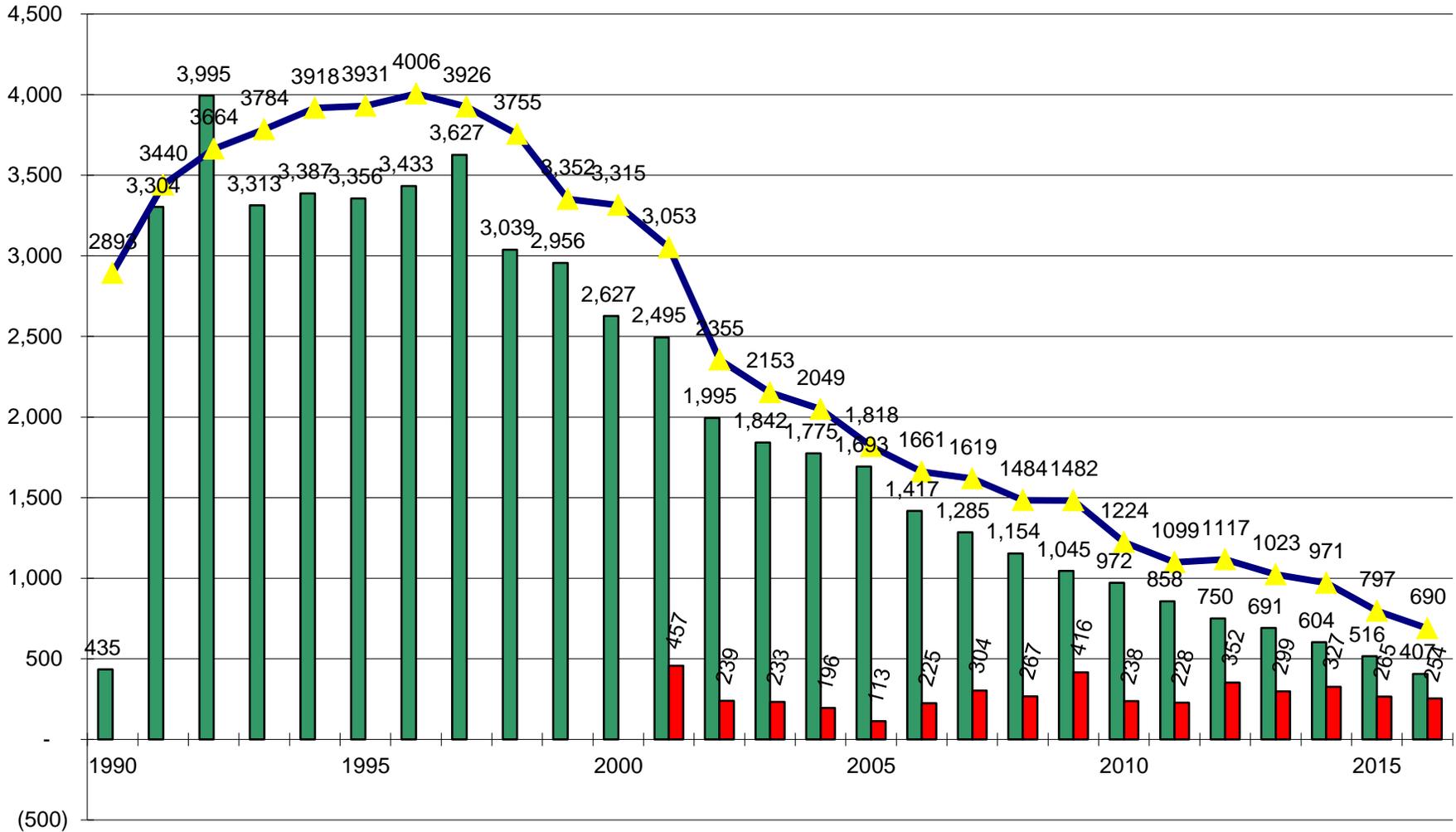
FISCAL YEAR END
OPEN CLAIM DATA
IOWA UST FUND
1990 Through 2016

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Retroactive										
Reserve	\$10,328,237	\$8,305,772	\$7,696,557	\$7,744,329	\$7,536,124	\$5,223,457	\$4,057,632	\$3,077,780	\$2,914,426	\$ 2,428,995
Paid	\$6,181,975	\$6,203,843	\$6,610,396	\$7,555,192	\$8,649,148	\$8,201,250	\$8,054,104	\$8,083,920	\$7,735,074	\$ 7,031,913
Total	\$16,510,211	\$14,509,615	\$14,306,953	\$15,299,522	\$16,185,271	\$13,424,707	\$12,111,737	\$11,161,699	\$10,649,500	\$ 9,460,908
Number Open	132	114	108	105	101	86	75	69	61	54
Remedial										
Reserve	\$112,721,689	\$94,934,564	\$88,951,954	\$84,590,582	\$88,558,248	\$64,252,542	\$55,589,062	\$42,288,489	\$38,093,300	\$ 34,854,549
Paid	\$77,607,268	\$72,414,757	\$73,149,470	\$82,746,786	\$93,168,351	\$91,166,813	\$93,132,528	\$91,835,146	\$87,786,173	\$ 87,310,521
Total	\$190,328,957	\$167,349,320	\$162,101,424	\$167,337,368	\$181,726,599	\$155,419,355	\$148,721,589	\$134,123,635	\$125,879,473	\$ 122,165,071
Number Open	1,972	1,569	1,424	1,353	1,283	1,057	955	848	767	712
ILO										
Reserve	\$16,946,462	\$16,378,688	\$15,633,960	\$15,857,471	\$15,919,745	\$12,334,846	\$9,669,816	\$8,827,411	\$7,894,360	\$8,090,905
Paid	\$5,672,337	\$6,017,589	\$7,311,242	\$9,464,390	\$10,913,447	\$10,833,091	\$11,991,855	\$12,070,091	\$11,664,383	\$11,791,304
Total	\$190,328,957	\$22,396,277	\$22,945,202	\$25,321,861	\$26,833,193	\$23,167,937	\$21,661,671	\$20,897,502	\$19,558,743	\$19,882,209
ILO Balance	\$31,786,724	\$33,893,037	\$33,146,825	\$28,659,850	\$26,562,368	\$24,863,368	\$21,600,370	\$10,000,000	\$9,278,837	\$15,376,150
Number Open	391	312	310	317	309	274	255	237	217	206
Opt In										
Reserve	\$2,776,340	\$2,853,852	\$3,213,202	\$3,034,128	\$3,454,178	\$2,046,676	\$1,617,162	\$1,486,759	\$1,332,311	\$1,169,013
Paid	\$1,812,883	\$2,155,418	\$2,589,994	\$2,876,480	\$3,497,680	\$2,416,480	\$2,068,431	\$1,994,439	\$2,088,122	\$1,518,680
Total	\$4,589,223	\$5,009,270	\$5,803,196	\$5,910,608	\$6,951,857	\$4,463,156	\$3,685,593	\$3,481,198	\$3,420,433	\$2,687,693
Number Open	349	369	427	421	364	323	267	251	219	195
Closure Contracts										
Reserve										
Paid										
Total										
Number Open										
NFA										
Reserve										
Paid										
Total										
Number Open										
Reserve (all claim types)	\$142,772,728	\$122,472,875	\$115,495,673	\$111,226,510	\$115,468,295	\$83,857,520	\$70,933,672	\$55,680,438	\$50,234,397	\$46,543,462
Reserve (RT, RM, ILO, NFA)	\$139,996,388	\$119,619,023	\$112,282,470	\$108,192,382	\$112,014,116	\$81,810,845	\$69,316,510	\$54,193,679	\$48,902,086	\$45,374,449
Claims # (RT, RM, ILO, NFA)	2,495	1,995	1,842	1,775	1,693	1,417	1,285	1,154	1,045	972
Change in # of claims	-5%	-20%	-8%	-4%	-5%	-16%	-9%	-10%	-9%	-7%
Total Active LUST Sites	3,053	2,355	2,153	2,049	1,818	1,661	1,619	1,484	1,482	1,224
"Lost Sites" Subtotal	558	360	311	274	125	244	334	330	437	252
Closure / NFA Contract	101	121	78	78	12	19	30	63	21	14
"Lost Sites"	457	239	233	196	113	225	304	267	416	238
Total Fund Balance	\$131,522,995	\$102,028,639	\$86,234,558	\$74,354,067	\$66,982,327	\$53,532,383	\$47,296,272	\$26,693,215	\$25,478,322	\$29,947,243
(Rmdl+Unasn Rev+ILO)										
Reserves : Balances	(\$8,473,393)	(\$17,590,384)	(\$26,047,913)	(\$33,838,315)	(\$45,031,789)	(\$28,278,461)	(\$22,020,239)	(\$27,500,464)	(\$23,423,764)	(\$15,427,207)
Percent Change Res	-12%	-15%	-6%	-4%	4%	-27%	-15%	-22%	-10%	-7%
Percent Change Count	-5%	-20%	-8%	-4%	-5%	-16%	-9%	-10%	-9%	-7%
Percent Change LUST #	-8%	-23%	-9%	-5%	-11%	-9%	-3%	-8%	0%	-17%

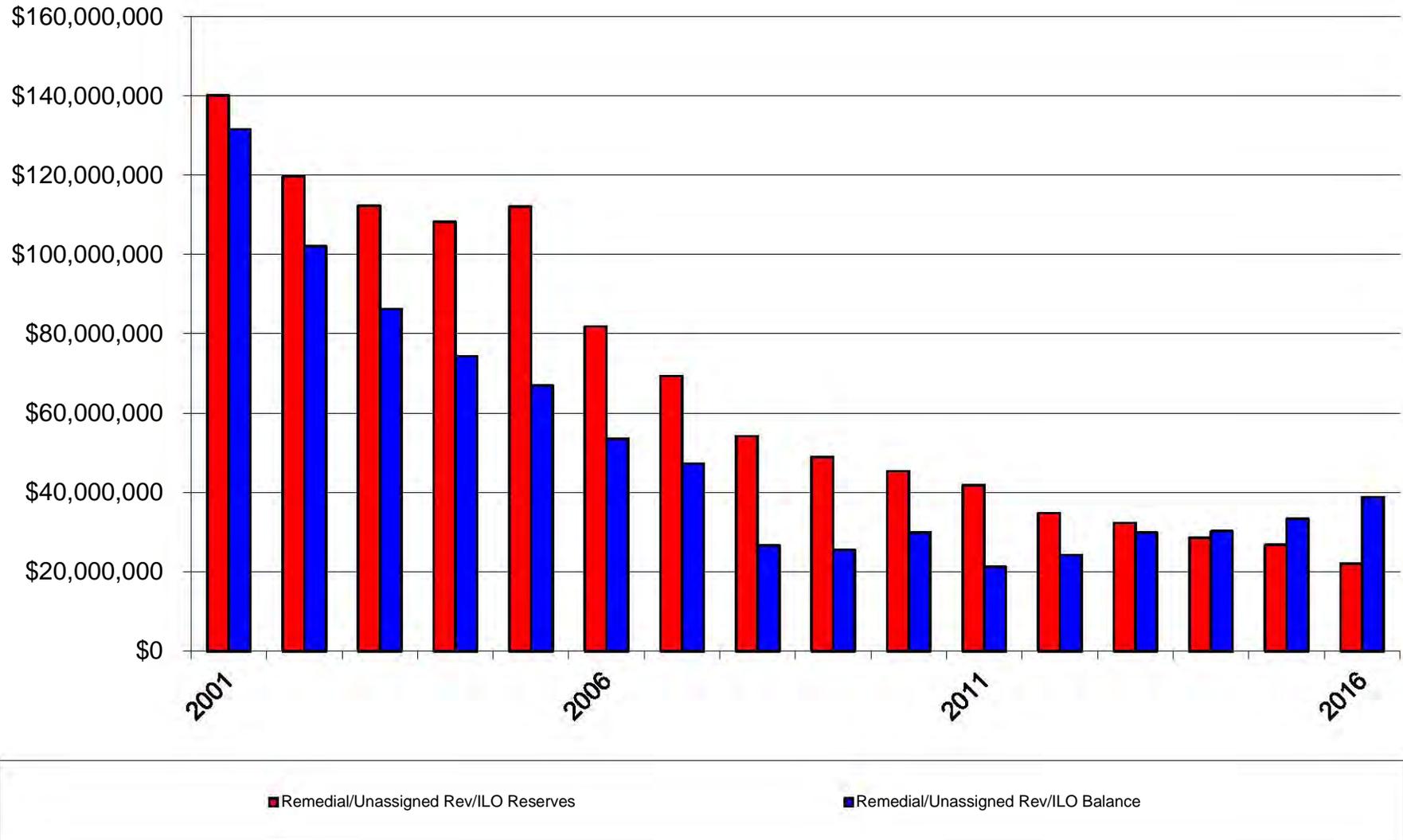
FISCAL YEAR END
OPEN CLAIM DATA
IOWA UST FUND
1990 Through 2016

	2011	2012	2013	2014	2015	2016
Retroactive						
Reserve	\$ 1,787,253	\$1,577,391	2,071,441	1,682,588	\$1,524,095	\$ 1,173,279.44
Paid	\$ 6,872,497	\$6,792,609	\$6,598,419.88	\$6,487,273.00	\$5,948,767	\$5,835,787.76
Total	\$ 8,659,750	\$8,370,000	\$8,669,861.36	\$8,169,861.00	\$7,472,862	\$7,009,067.20
Number Open	44	39	36	31	26	22
Remedial						
Reserve	\$ 30,911,166	\$25,138,937.92	22,612,130	21,068,796	\$19,272,888	\$16,637,672.97
Paid	\$ 82,366,302	\$78,537,950.40	\$77,290,855.97	\$74,256,940.00	\$71,225,756	\$66,628,539.44
Total	\$ 113,277,468	\$103,676,888.32	\$99,902,986.31	\$95,325,737.00	\$90,498,644	\$83,266,212.41
Number Open	609	531	481	414	359	297
ILO						
Reserve	\$7,511,313	\$6,847,223.50	\$6,443,202	\$4,778,187	\$5,408,288	\$3,677,470.13
Paid	\$11,721,685	\$11,555,636.50	\$11,167,819.92	\$1,448,924.00	\$10,596,463	\$10,629,129.87
Total	\$19,232,998	\$18,402,860.00	\$17,611,022.14	\$16,227,112.00	\$16,004,751	\$14,306,600.00
ILO Balance	\$3,952,450	\$2,963,372	\$2,176,164	\$8,604,467	\$7,110,415	\$4,831,638
Number Open	187	162	153	140	120	77
Opt In						
Reserve	\$937,230	\$803,910.79	\$663,469.74	\$663,469.74	\$388,595	\$296,305.75
Paid	\$1,243,308	\$1,097,627.02	\$949,373.37	\$949,373.37	\$660,719	\$529,605.30
Total	\$2,180,538	\$1,901,537.81	\$1,612,843.11	\$1,612,843.11	\$1,049,313	\$825,911.05
Number Open	160	140	120	97	77	61
Closure Contracts						
Reserve	\$0	\$0	\$509,106	\$865,021	\$1,987,297	\$1,263,735.11
Paid	\$0	\$0	\$70,894	\$310,979	\$481,703	\$679,265.39
Total	\$0	\$0	\$580,000	\$1,176,000	\$2,469,000	\$1,943,000.50
Number Open	0	0	21	42	70	60
NFA						
Reserve	\$664,219	\$399,659	\$533,654	\$400,957	\$192,894	\$274,356.96
Paid	\$133,280	\$323,051	\$313,346	\$364,042	\$397,106	\$520,643.04
Total	\$797,500	\$722,710	\$847,000	\$765,000	\$590,000	\$795,000.00
Number Open	18	18	21	19	11	11
<i>Reserve (all claim types)</i>	\$41,811,181	\$34,767,123	\$33,254,924	\$29,951,377	\$29,257,108	\$ 23,805,871.36
Reserve (RT, RM, ILO, NFA)	\$41,811,181	\$34,767,123	\$32,323,897	\$28,593,998	\$26,786,760	\$22,059,085
Claims # (RT, RM, ILO, NFA)	858	750	691	604	516	407
<i>Change in # of claims</i>	-12%	-13%	-8%	-13%	-15%	-21%
Total Active LUST Sites	1099	1117	1023	971	797	690
"Lost Sites" Subtotal	241	367	332	367	281	283
Closure / NFA Contract	13	15	33	40	16	29
"Lost Sites"	228	352	299	327	265	254
Total Fund Balance	\$21,252,698	\$24,275,971	\$29,868,825	\$30,247,200	\$33,342,713	\$38,845,705
(Rmdl+Unasgn Rev+ILO)						
Reserves : Balances	(\$20,558,483)	(\$10,491,151)	(\$2,455,072)	\$1,653,202	\$6,555,953	\$16,786,620
Percent Change Res	-8%	-17%	-7%	-12%	-6%	-18%
Percent Change Count	-12%	-13%	-8%	-13%	-15%	-21%
Percent Change LUST #	-10%	2%	-8%	-5%	-18%	-13%

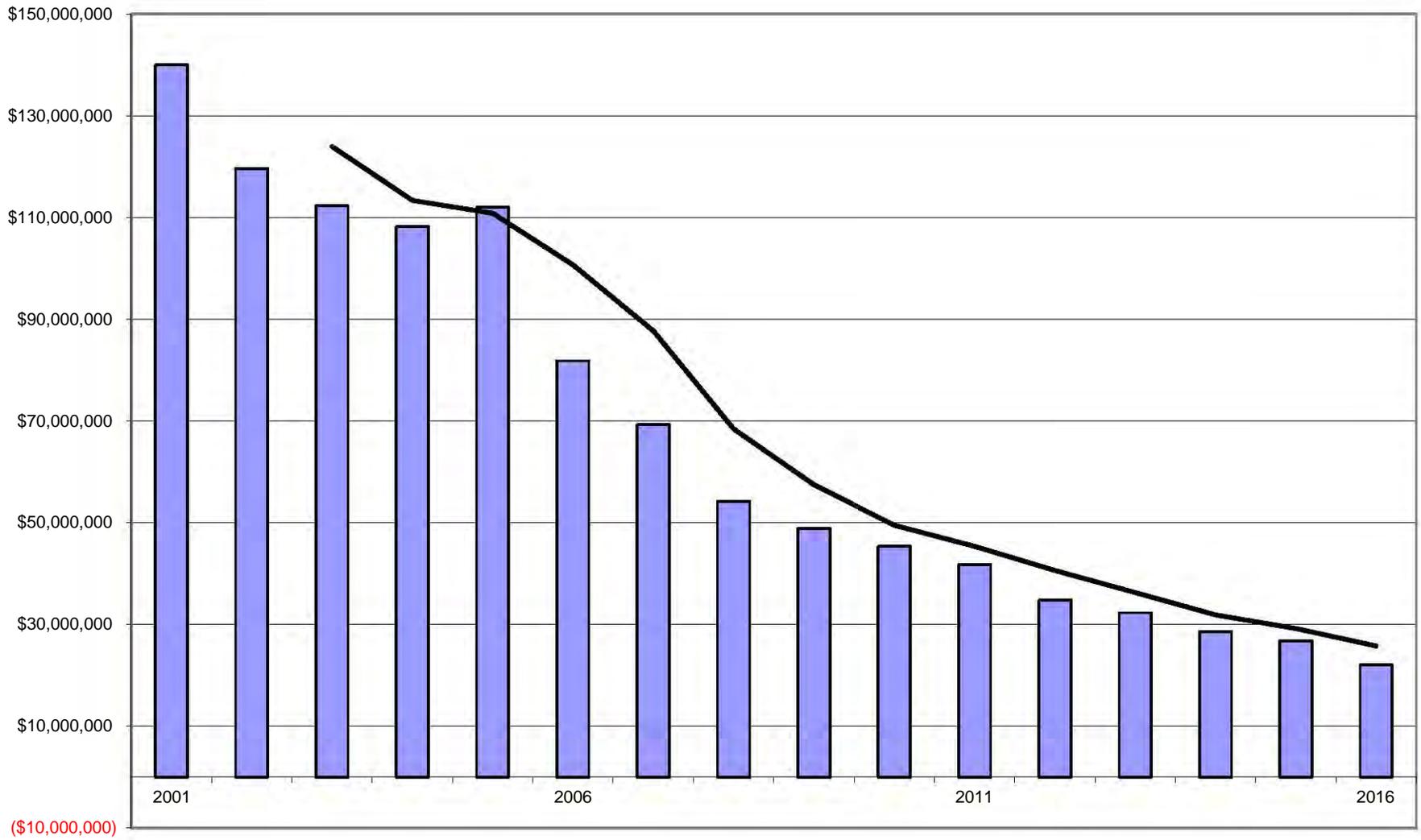
Open Claims and Total Active LUST Sites



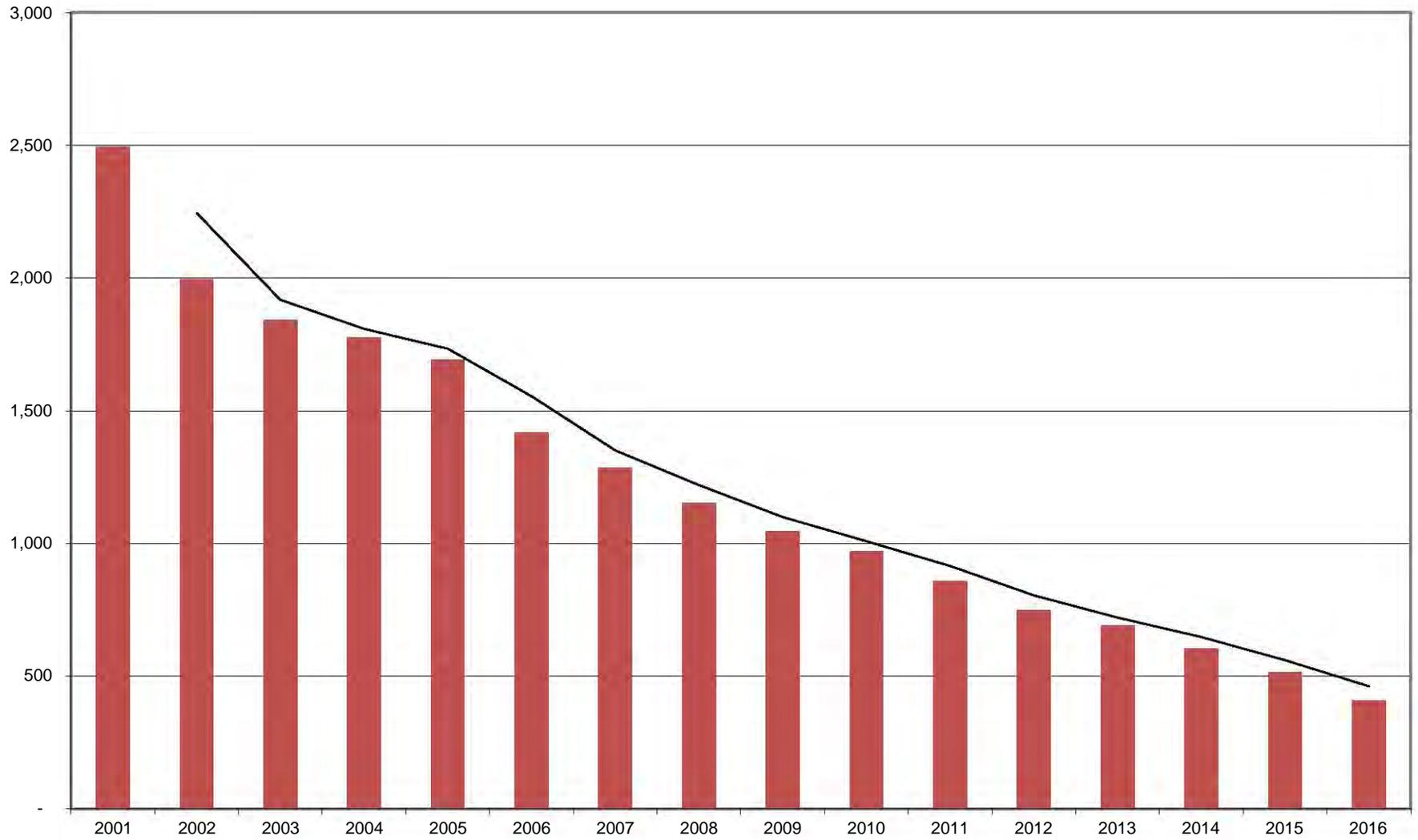
Remedial/Retro/ILO Reserves vs. Balances



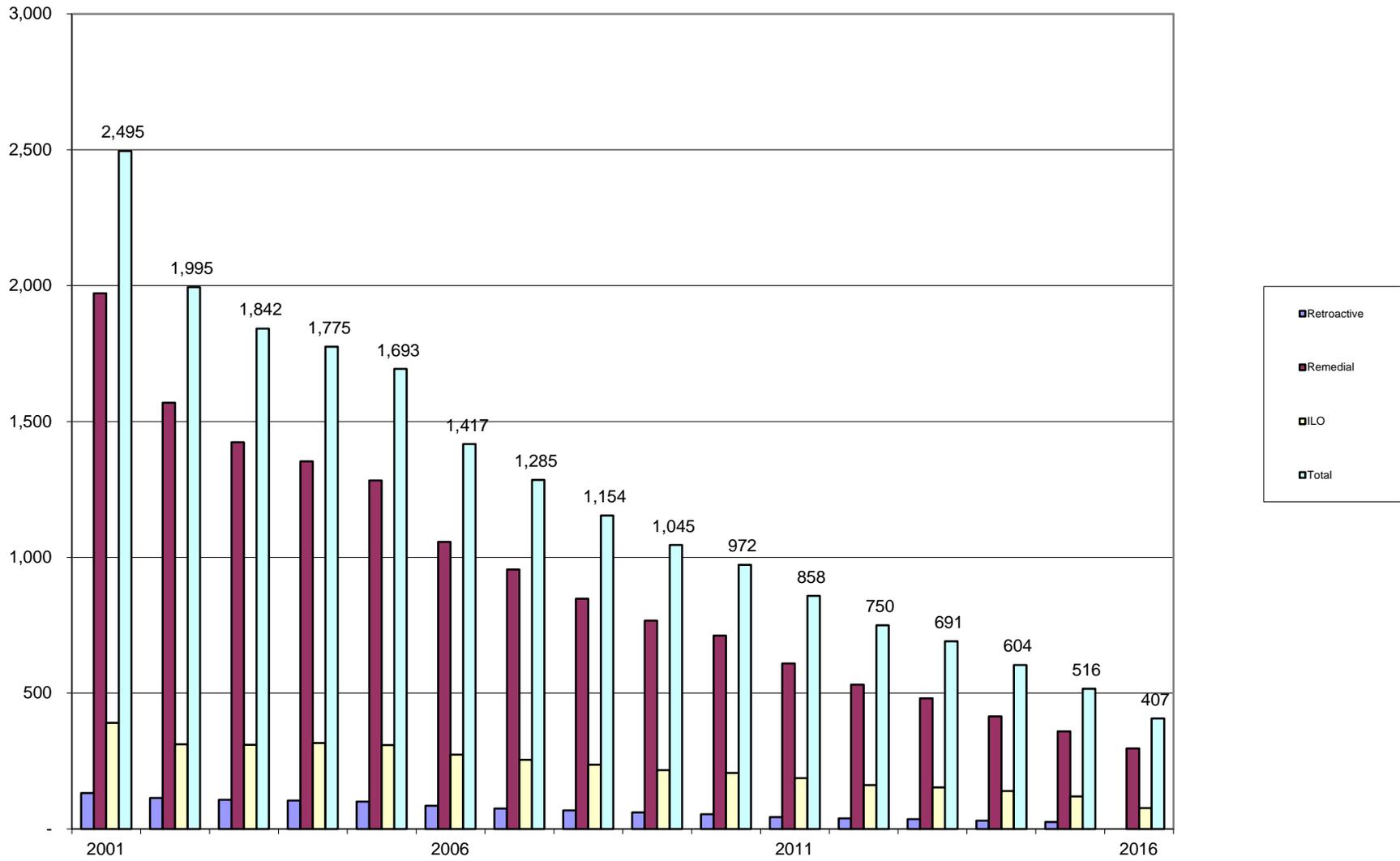
Retro/Remed/ILO Reserves



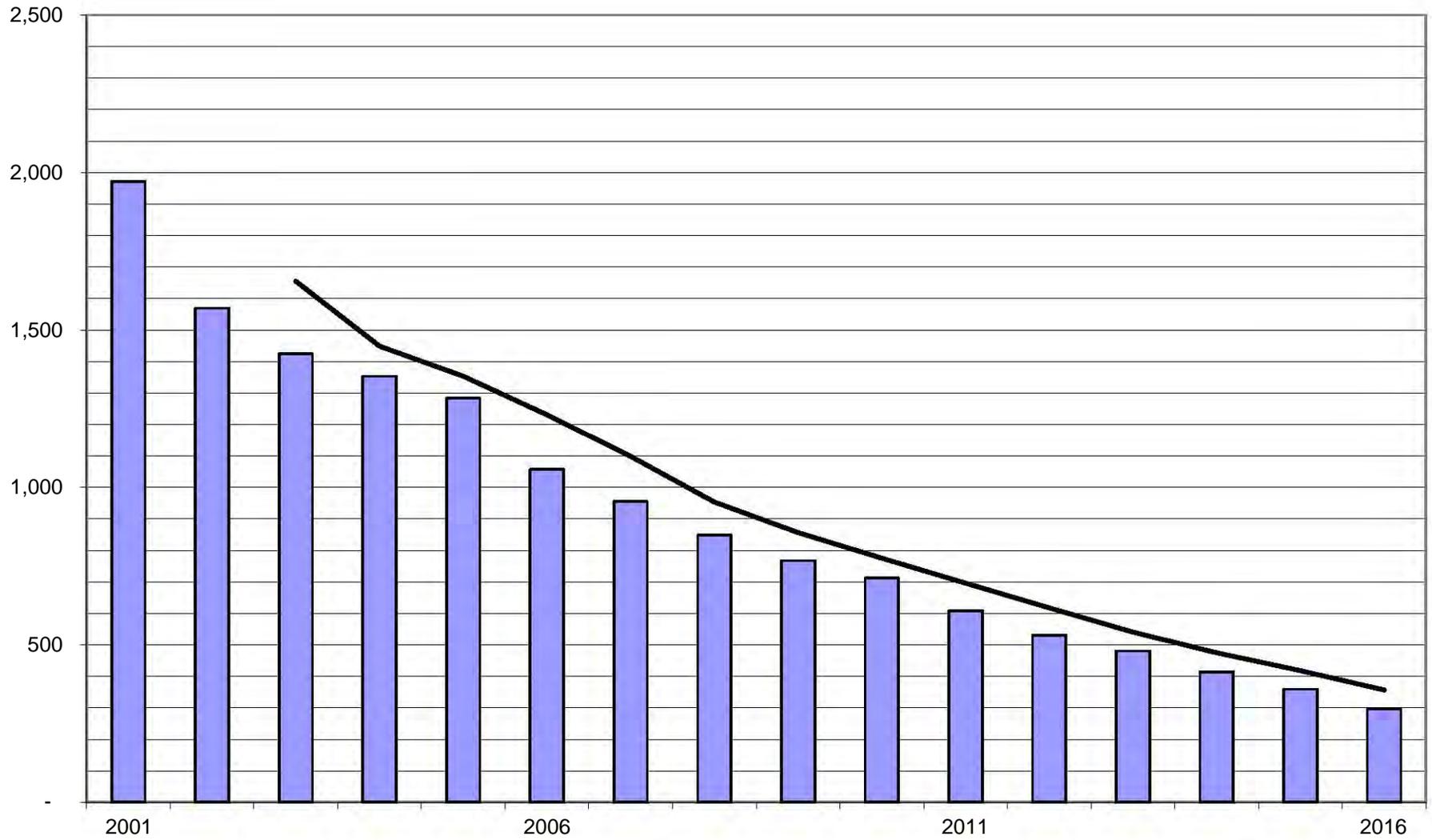
Open Retro / Remed / ILO / NFA Files



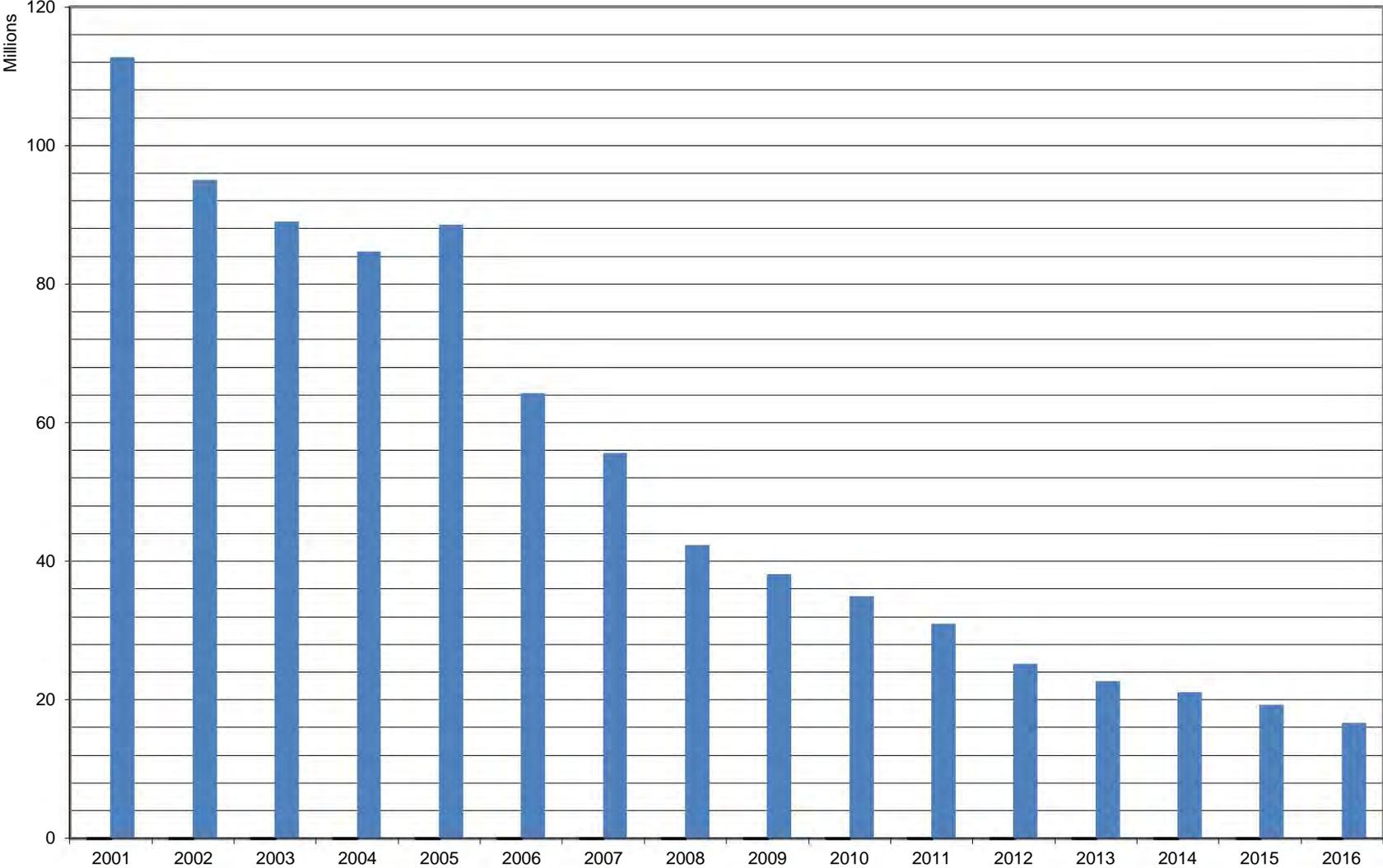
Open Files



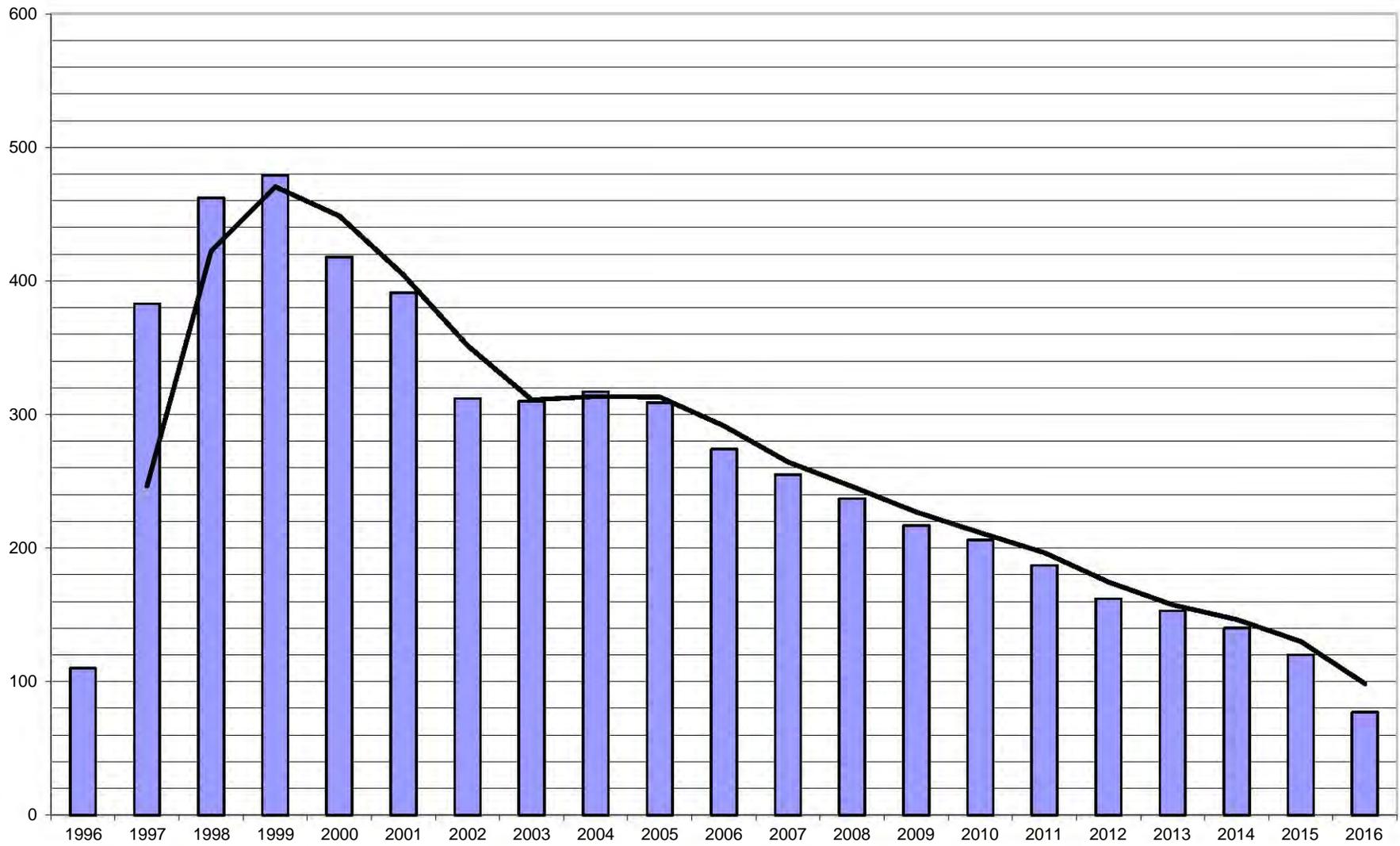
Open Remedial Files



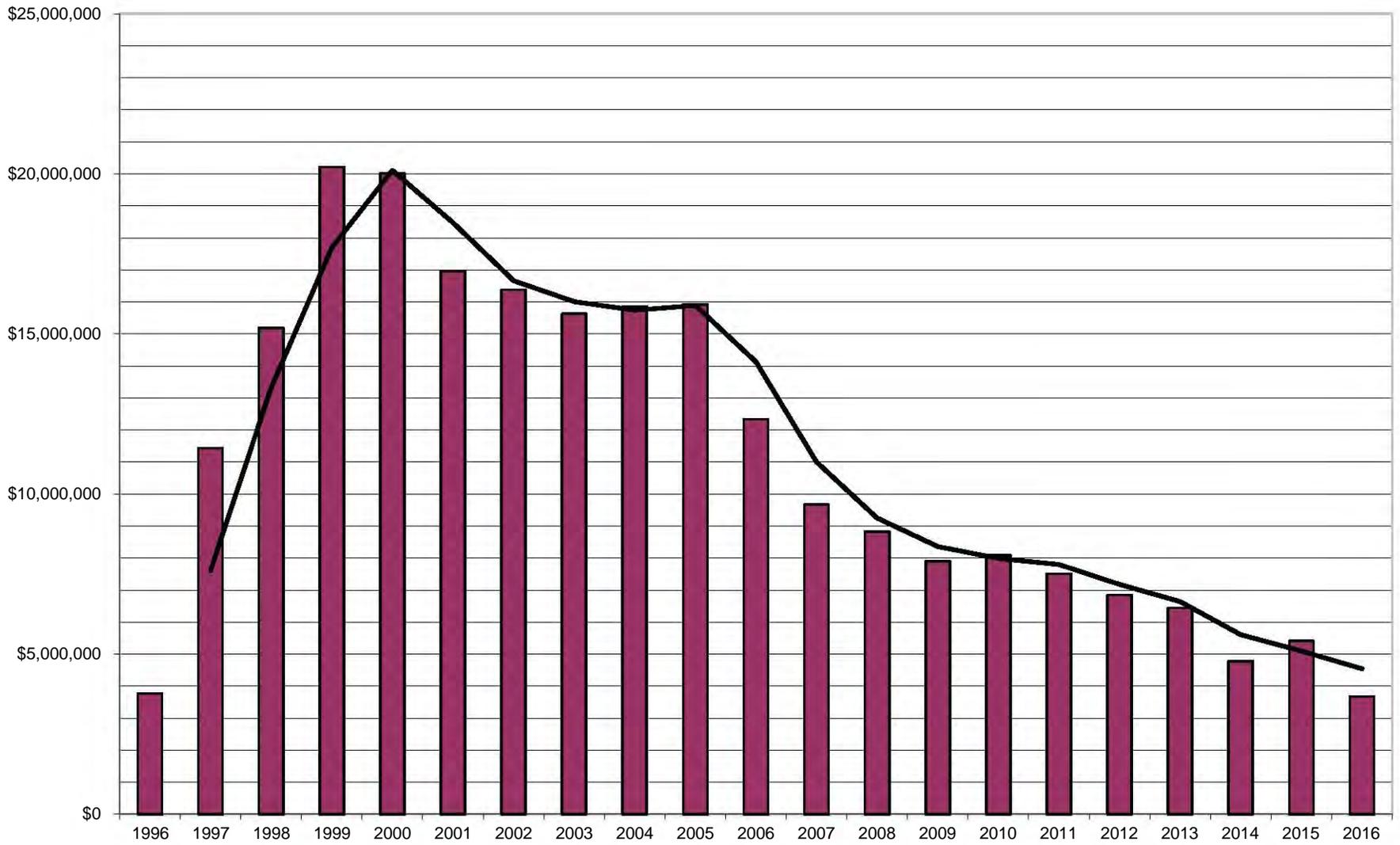
Outstanding Remedial Reserves



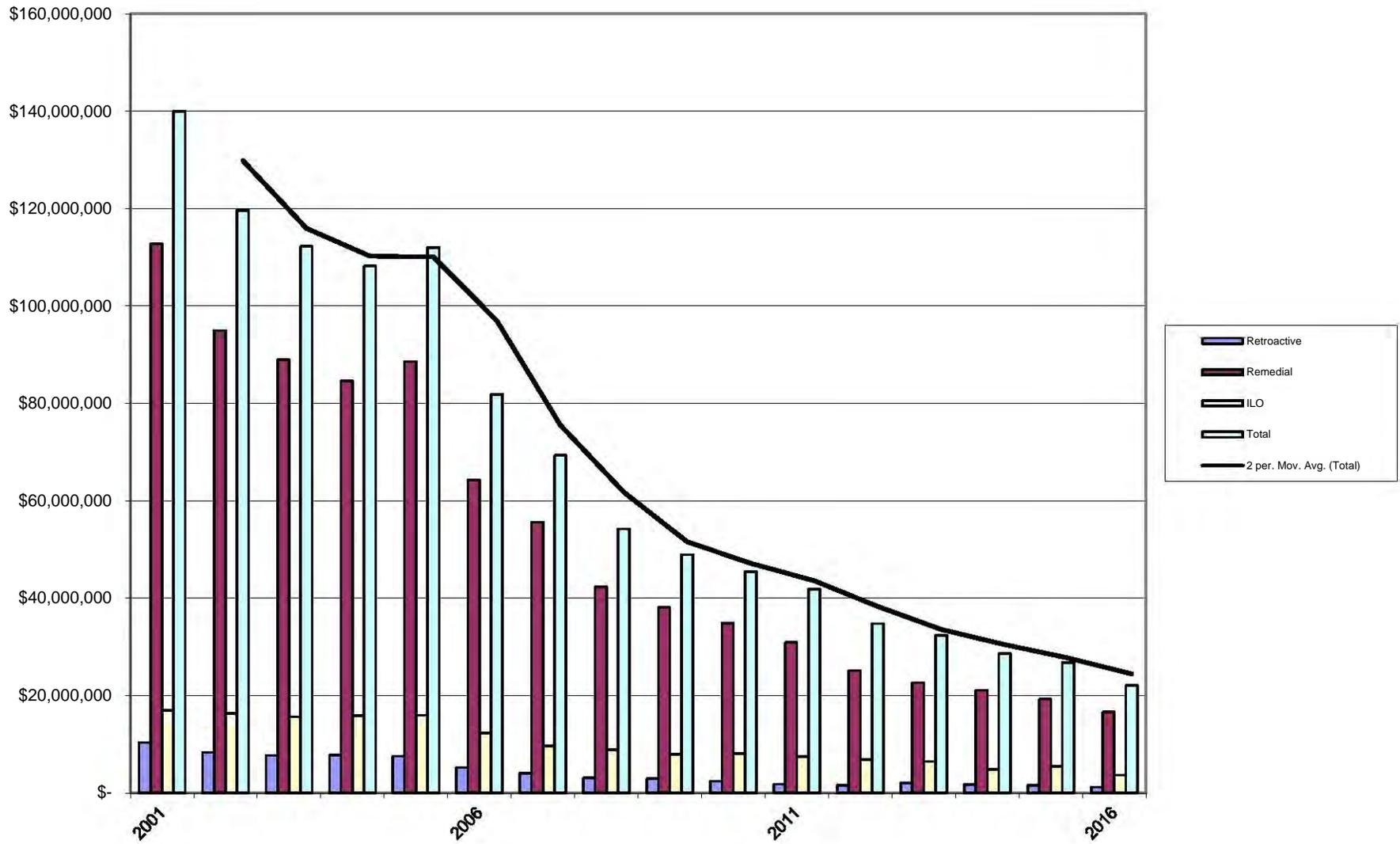
Open ILO Files



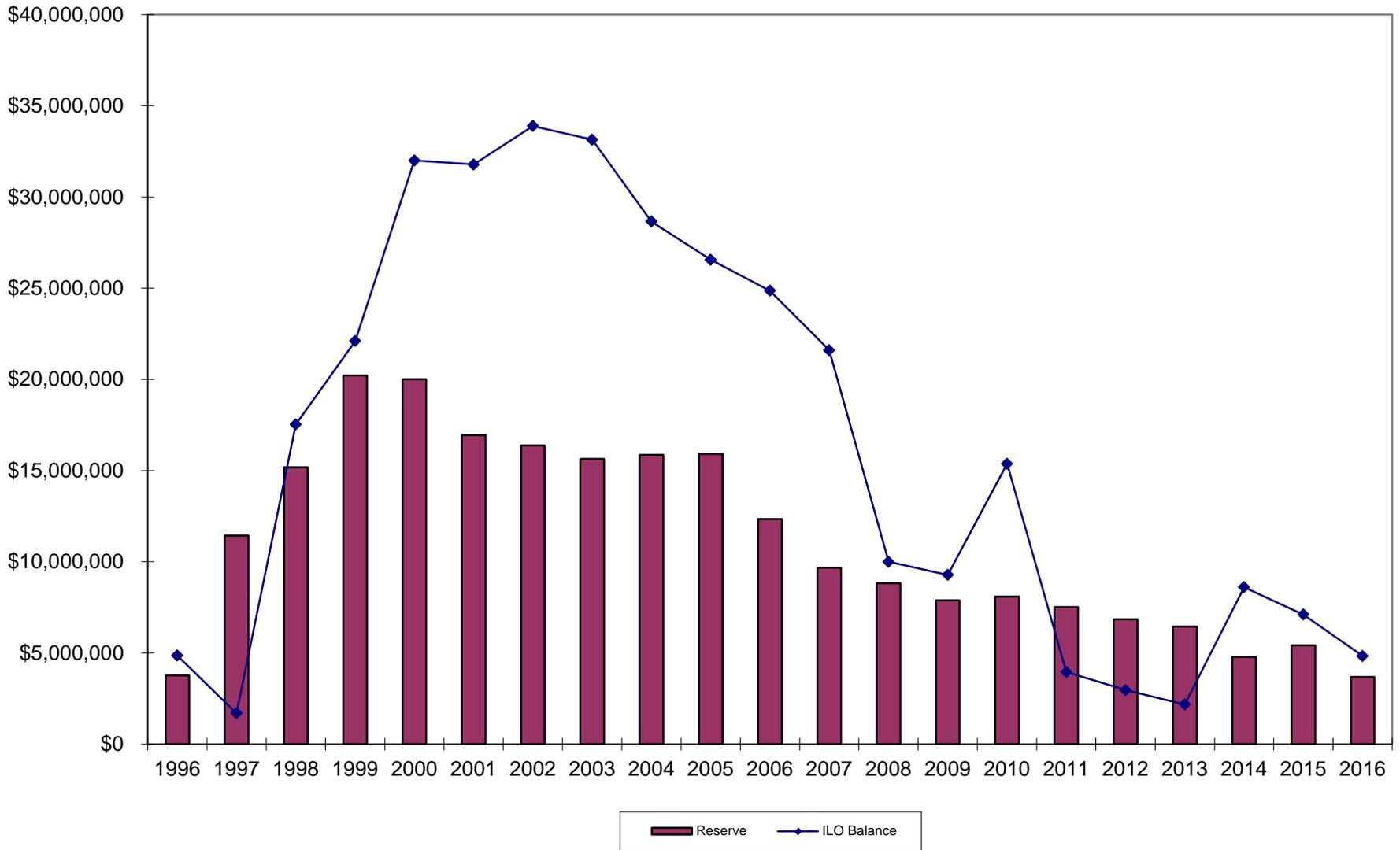
Outstanding ILO Reserves



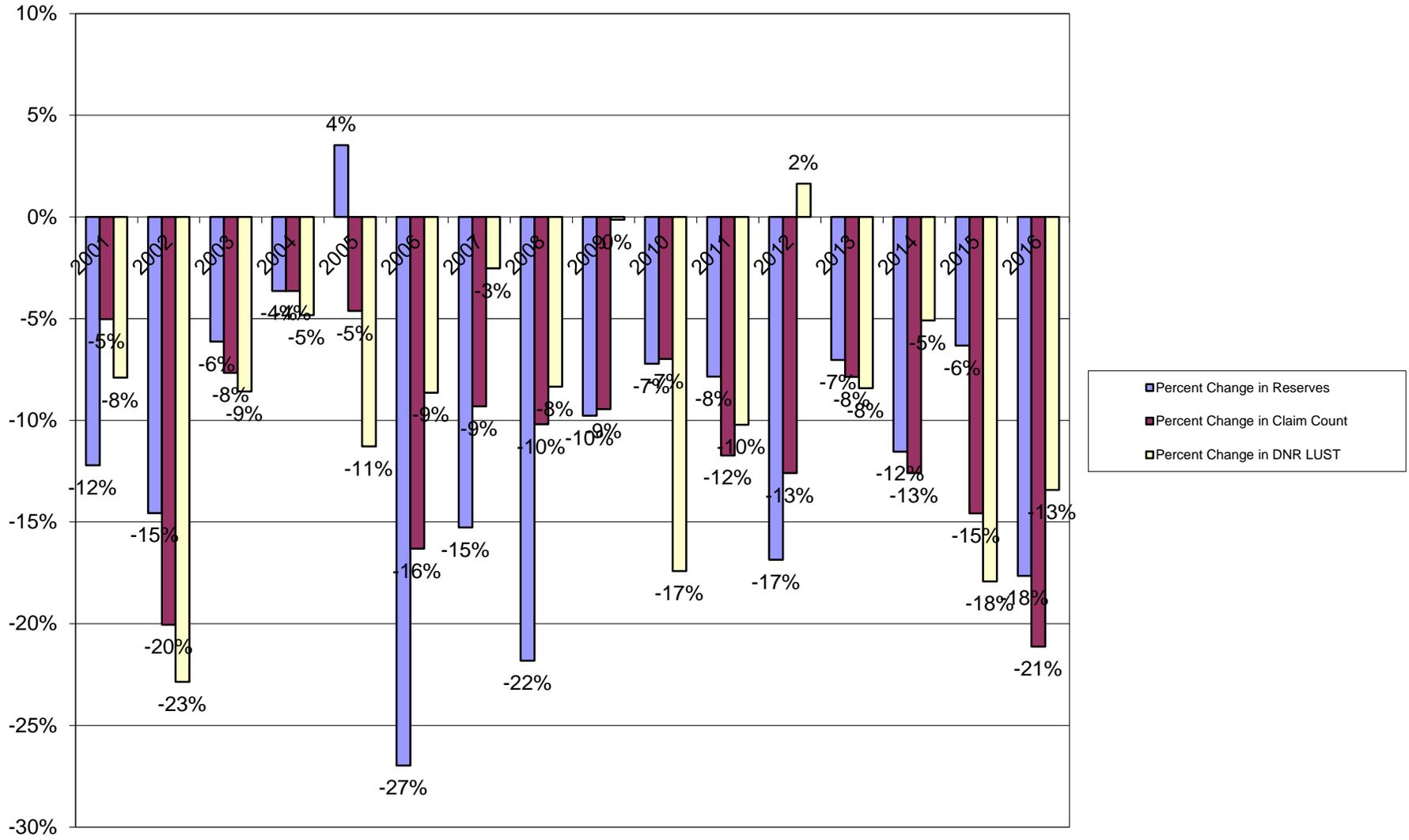
O/S Reserves By Year



ILO Reserves and ILO Fund Balance



Percent Change in Reserves





IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: James Gastineau
DATE: July 8, 2016
SUBJECT: Fiscal Year 2016 Summary

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

FISCAL 2016 SUMMARY

Revenue

1. Motor Vehicle Use Tax (IDOT – vehicle registration)	\$14,000,000.00
2. Interest Income	\$189,524.57
3. Cost Recovery (i.e., lien settlements, payments)	\$ 87,197.46
4. Bond Principal Payment (excess returned)	\$ 0.00
5. Refund / overpayment	\$ 0.00
TOTAL	<u>\$14,276,722.03</u>

Expenditures

1. UST Administrator Fees	\$1,256,163.12
2. Attorney General's Office	\$ 47,749.57
3. Department of Revenue – EPC Collection Fees	\$ 5,550.23
4. Auditor of State Fees	\$ 8,677.54
5. Department of Inspection & Appeals Service Fees	\$ 0.00
6. Cost Recovery Expense (i.e., lien filing fees)	\$ 12.00
7. Appropriations – FY 2014	\$50,684.73
8. Appropriations – FY 2015 (DNR, IDALS)	\$581,398.91
9. Owner/Operator Training	\$14,600.00
10. Actuarial Study	\$ 0.00
11. 28E – DNR RBCA Model Update	\$ 31,950.00
12. Closure Contract Project	\$273,512.61
13. Retroactive Claims	\$330,011.56
14. Remedial Claims (includes tank closure claims)	\$5,173,829.97
15. NFA Claims	\$175,387.19
16. Innocent Landowner Claims	\$2,155,281.13
17. Global Settlement Claims	\$97,059.54
TOTAL	<u>\$10,104,808.56</u>

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JUNE 30, 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)	\$14,000,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$23,730.69	\$50,000.00
	\$14,023,730.69	\$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, June 30, 2016	\$14,562,012.56	\$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	\$125,221.37	\$50,000.00
	\$125,221.37	\$50,000.00
Disbursements:		
UST Administrator's Fees	\$1,256,163.12	\$1,100,000.00
Adjustment	\$0.00	\$0.00
Attorney General's Fees	\$47,749.57	\$50,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	\$0.00
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	(\$82,896.25)	\$150.00
Actuarial Fees	\$0.00	\$0.00
Auditor of the State Fees	\$8,677.54	\$5,100.00
Claim Settlement	\$0.00	\$0.00
Department of Revenue EPC Collection Fees	\$5,550.23	\$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	\$14,600.00	\$50,000.00
Rebate	\$0.00	\$0.00
Special Project Claims - Closure Contract Project	\$273,512.61	\$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 JUNE 30, 2016**

		FISCAL 2016 BUDGET
Warrant Float Expense	(\$12.00)	\$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	\$581,398.91	\$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>\$2,137,458.46</u>	<u>\$2,855,442.07</u>
Balance of Fund, June 30, 2016	\$7,405,371.95	\$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	\$330,011.56	\$700,000.00
Remedial Claims	\$5,173,829.97	\$5,750,000.00
28E Agreement - NFA Claims	\$175,387.19	\$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	(\$10,380.16)	
	<u>\$5,676,310.56</u>	<u>\$7,020,000.00</u>
Balance of Fund, June 30, 2016	\$11,158,377.12	\$18,814,687.68
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2015	\$787,669.61	\$787,669.61
Receipts:		
Interest	\$40,572.51	\$35,000.00
Use Tax	\$0.00	
	<u>\$40,572.51</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, June 30, 2016	\$828,242.12	\$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)	\$1,420.00	\$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 JUNE 30, 2016**

		FISCAL 2016 BUDGET
Outdated Warrants	\$0.00	\$0.00
Miscellaneous Income	\$2,888.21	\$0.00
	<u>\$4,308.21</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	\$97,059.54	\$80,000.00
Innocent Landowner Claims	\$2,155,281.13	\$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>\$2,283,085.47</u>	<u>\$2,230,000.00</u>
Balance of Fund, June 30, 2016	<u>\$4,831,638.08</u>	<u>\$4,905,415.34</u>
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, June 30, 2016	<u>\$0.00</u>	<u>\$0.00</u>
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Combined UST Capital Reserve Fund Balances, June 30, 2016	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL FUND BALANCES, June 30, 2016	<u>\$38,785,641.83</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**

Iowa UST Fund Projections
Month Ended 06/30/2016

End of FY	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenues						
<i>Motor Vehicle Fees</i>	\$ 14,000,000	\$ 14,000,000	\$ 7,000,000	\$ -	\$ -	\$ -
<i>Tank Fees</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Interest</i>	\$ 109,734	\$ 148,952	\$ 169,770	\$ 156,619	\$ 121,652	\$ 86,510
<i>Cost Recovery</i>	\$ 42,016	\$ 87,197	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Revenues	\$ 14,151,750	\$ 14,236,150	\$ 7,189,770	\$ 176,619	\$ 141,652	\$ 106,510
Expenditures						
<i>Administration</i>	\$ 1,313,393	\$ 1,256,163	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
<i>Remedial Claims</i>	\$ 5,084,379	\$ 4,280,572	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
<i>Retroactive Claims</i>	\$ 483,723	\$ 330,012	\$ 500,000	\$ 350,000	\$ 350,000	\$ 350,000
<i>ILO Claims</i>	\$ 1,376,759	\$ 2,155,281	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
<i>Global Settlement Claims</i>	\$ 158,330	\$ 97,060	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<i>NFA Claims</i>	\$ 279,056	\$ 175,387	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
<i>Tank Closure Claims</i>	\$ 816,000	\$ 893,258	\$ 850,000	\$ 850,000	\$ 850,000	\$ 850,000
<i>Gov't - Admin Expenses</i>	\$ 99,999	\$ 61,977	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<i>Operator Training</i>	\$ 26,260	\$ 14,600	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
<i>28E Projects/IDNR</i>	\$ 270,787	\$ 305,463	\$ 500,000	\$ -	\$ -	\$ -
<i>DNR Admin Match</i>	\$ 200,000	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
<i>DNR Technical Reviews</i>	\$ 74,831	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
<i>IDALS Fuel Quality</i>	\$ 250,000	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
<i>Approps - current yr</i>	\$ 200,000	\$ 581,399	\$ -	\$ -	\$ -	\$ -
<i>Prior Year Approps</i>	\$ 92,768	\$ 50,685	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Total Expenditures	\$ 9,710,286	\$ 10,201,856	\$ 9,700,000	\$ 9,050,000	\$ 9,050,000	\$ 9,050,000
Fund Balances						
<i>Revenue</i>	\$524,210	\$14,562,012	\$8,681,782	\$8,788,401	\$8,860,053	\$8,896,563
<i>Unassigned Revenue</i>	\$11,681,367	\$7,405,372	\$5,205,372	\$3,505,372	\$1,805,372	\$105,372
<i>Remedial</i>	\$8,681,847	\$11,158,377	\$16,558,377	\$11,108,377	\$5,658,377	\$208,377
<i>Innocent Landowner</i>	\$8,604,467	\$4,831,628	\$4,731,628	\$2,631,628	\$531,628	(\$1,568,372)
<i>Loan Guarantee</i>	\$0	\$0	\$0	\$0	\$0	\$0
<i>Marketability</i>	\$755,309	\$828,242	\$878,242	\$928,242	\$978,242	\$1,028,242
Total of Balances (eFY)	\$ 14,325,451	\$ 38,785,631	\$ 36,055,401	\$ 26,962,020	\$ 17,833,672	\$ 8,670,182
<i>Projected Claim Count</i>	521	407	310	210	110	60
<i>Projected Reserve Total</i>	\$26,786,760	\$23,828,435	\$19,033,435	\$14,343,435	\$9,653,435	\$4,963,435
<i>Excess Bal vs Reserve</i>	(\$12,461,309)	\$14,957,196	\$17,021,966	\$12,618,585	\$8,180,236	\$3,706,747

B. Status of 28E Agreements



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: Dale Cira
DATE: July 8, 2016
SUBJECT: Summary of 28E Agreements

The Board has entered into a total of (29) 28E agreements since the inception of the Program. Expenditures on the agreements for FY 2016 are as follows:

28E AGREEMENT

FY 2016 EXPENDITURES

*1. Department of Revenue & Finance – fee for EPC collections	\$5,550.23
2. DNR – registration of groundwater professionals	\$ 0.00
3. DNR – site mapping project with Iowa State University	\$ 0.00
4. DNR – SCR technical review assistance	\$ 0.00
5. DNR – LUST trust funds – Shenandoah/Council Bluffs	\$ 0.00
6. DNR – automation of ability to pay system	\$ 0.00
7. DNR – EPA flood impact study	\$ 0.00
8. DNR – part time staffing for computer system development & input	\$ 0.00
9. Attorney General’s Office – Board & Cost Recovery Counsel	\$ 0.00
10. DNR – RBCA implementation assistance & staff training	\$ 0.00
*11. DNR – UST State Lead Closure Contract	\$273,512.61
12. DNR – Database integration	\$ 0.00
13. DNR – assistance in administering RBCA processes	\$ 0.00
*14. Attorney General’s Office – Board & Cost Recovery Counsel	\$47,749.57
15. DNR – assistance for UST Section (FY05)	\$ 0.00
16. DNR – assistance for UST Section (FY06)	\$ 0.00
*17. DNR – Double Circle FS CRP for 2 LUST sites	\$ 0.00
18. DNR – City of Sioux City agreement (paid FY 14, \$1.75M)	\$ 0.00
19. DNR – Temporary FTE for report reviews (Jan-Jun 2006)	\$ 0.00
20. DNR – assistance for UST Section (FY07)	\$ 0.00
21. DNR – Limited NFA for 3 Sites	\$ 0.00
22. DNR – FY08 UST Section Funding	\$ 0.00
*23. DNR – NFA Agreement (455G.9(1)(k))	\$ 279,056.40
24. DNR – FY09 UST Section Funding	\$ 0.00
25. DNR – Plume Study Agreement	\$ 0.00
26. DNR – Legal Staff Position Funding	\$ 0.00
27. DNR – FY10 (multi-year) UST Section Funding	\$ 0.00
28. ISU – UST Operator Data Management System	\$ 0.00
*29. DNR – RBCA Software revision (FY 2015)	\$ 31,950.00

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

C. Attorney General's Report

D. Prior Year's Goals



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

Board Members:

Michael L. Fitzgerald
Timothy L. Gartin

Joseph D. Barry
Dawn M. Carlson

Jeff. W. Robinson
Patricia J. Beck

Karen E. Andeweg
N. Kurt Mumm

Chuck Gipp
N. Kurt Mumm

MEMORANDUM

TO: UST Board
FROM: Dale T. Cira
DATE: July 11, 2016
RE: Fiscal Year 2016 Goals Summary

The focus of fiscal year 2016 was aimed at maintaining operations and getting sites to closure while acknowledging that legislation may change the Program mission. In consideration of these challenges, the Board authorized three tasks as part of the Conceptual Plan for the Termination of the Program: 1) address inactive claims, 2) offer settlements to claimants to close claims, and 3) complete a loss portfolio transfer of claims with shared liabilities. Actions were also initiated to look at a larger scale loss portfolio transfer for the remaining claims.

During the year, staff spent considerable time reviewing claims to identify the reasons for stalled claims and to prompt action by claimants to bring their claims to closure. These efforts present a major change in the operational focus of the administration in that we are no longer waiting for claimants to act but instead are prompting them to initiate action to attain claim closure. Although this did result in action on several claims, thirty five (35) claims were closed on an administrative basis due to inaction.

The goal of closing claims through settlements or a loss portfolio transfer did not fully materialize during fiscal year 2016 yet these remain an option for the future. Settlements with claimants having one or more claims are possible; however, until a final determination is made on the prospect of the program ending, this option is likely to remain elusive. The likelihood of completing a limited loss portfolio transfer (LPT) to PMMIC is more likely once consideration on how the transfer should be accomplished is determined. The transfer mechanism as applied to a claimant must be determined and then explained so that the claimants are cognizant of their options on whether they agree to a transfer of their claim.

Legislation in fiscal year 2016, carried forward from the veto message in 2015, brought forth a plan to end the Board and the Program with the creation of a new program for underground storage tank releases. The final legislation to pass in this year's session did not include

language to end the Fund or a requirement to cease operations, but it did bring an end to the collection of the environmental protection charge and an end to the allocation of monies to the program. Pursuant to the enactment of House File 2464, the statutory allocations of \$3.5 million per quarter will end December 31, 2016.

Getting to Program Closure:

Recognizing the universe of open claims is steadily declining, the number of new claims is at a relatively low and predictable rate, and that a portion of the existing claims are in a stalled state, the goal of assisting claimants in meeting regulatory requirements with minimum long-term obligations continues to be the primary goal.

Based on the actuarial study completed in FY 2015, the Fund is predicted to have sufficient resources to address the outstanding claims and projections through 2020 with a closure rate of approximately 100 sites annually. This assumes no further funding beyond the 2016 sunset date. However, it is recognized that aggressive measures must be conducted to meet these solvency predictions.

In a recent meeting with stakeholders on July 6, 2016 several concerns were noted including a sense of urgency in protecting the existing program funds from future legislative allocations. The stakeholders agreed funds need to be set aside for the Department's use in meeting administration needs and addressing future claims, especially as related to sites that have attained a No Further Action certificate. Getting the Program to closure remains the end goal, but the mechanism and timeline for doing that remains uncertain.

II. Fiscal Year 2017 Goals

IOWA UST FUND PROGRAM FISCAL YEAR 2017 GOALS DISCUSSION

A. ISSUES AND HIGHLIGHTS FROM LAST YEAR

- Loss Portfolio Decisions
 - Claimant's understanding of rights

B. GETTING PROGRAM TO CLOSURE

- Re-initiating contact on stalled and administratively closed claims
- Offering settlement agreements to claimants for permanent claim closure
- Negotiating liability transfer with PMMIC for shared – liability sites
- Identify a third-party insurance or liability transfer firm that would be in a position to aggregate and transfer the remaining claims to the 3rd party for a fee with funding.
- Consider a combined DNR/Iowa Finance Authority approach to address recalcitrant and stalled sites, as well as new sites and NFA re-opened sites after the Fund is concluded.

C. MAINTAIN SHORT AND LONG TERM SOLVENCY

- DNR Coordination
- Cash flow—revenue and expenses
- Impact of loss of future funding with continued claim submittals
- Establish longer term trust fund for DNR (re: No RP, NFA, etc.)
 - Transition beyond funding sunset for NFA's and No RP
 - Who can the trust holder be to ensure solvency?
 - What are the triggers?

D. LEGISLATIVE INITIATIVES

- Stakeholder involvement

Approval of Prior Board Minutes

Ms. Carlson and Ms. Andeweg joined the meeting in progress.

PUBLIC COMMENT

No public comments were presented.

BOARD ISSUES

A. Legislative Update

Mr. Gastineau provided an update on the 2016 legislative session noting the session adjourned on April 29 with one significant change for the UST Board in the enactment of House File 2464. He noted the bill places an end date to the quarterly allocation of monies to the Fund as of December 31, 2016. The bill also eliminates all reference to the Environmental Protection Charge (EPC) and will eliminate the need for the Board rules regarding the implementation and collection of the EPC, as adopted in Iowa Administrative Code 591, Chapters 5 and 6.

B. Limited Loss Portfolio Transfer

Mr. Gastineau provided an update to the proposed Loss Portfolio Transfer (LPT) between the Board and Petroleum Marketers Management Insurance Company (PMMIC). Mr. Gastineau noted the question for consideration at this time is whether a claimant should have the opportunity to opt-in or opt-out of a transfer of their claim. He reported that in the prior transfers, claimants had to opt-in to the transfer otherwise they would remain in the pool of active claims. He also noted that in the prior LPTs, one or more claimants chose not to complete the transfer of their claims.

Mr. Gastineau noted the question presented here is whether claimants should be given that same opportunity for this third transfer of claims. He noted that in prior discussions, counsel had noted that the Board has the authority to transfer claims if it so chooses however as the program remains as a viable option, the question must be considered.

In discussing the matter, it was noted that four claimants opted out of the prior LPT however the reason for that is unknown. Ms. Carlson commented that the Board owes it to the claimants to find out why they opted out and then maybe those issues can be addressed before the Board mandates a transfer.

Mr. Tom Norris of PMMIC noted that in the prior LPTs, claimants had to initiate an activity to confirm the transfer of their claim. He also noted that in the past, they didn't have to do anything but there may be more of a sense of urgency now. Upon further discussion, Mr. Hall also noted that he too would like to know why the claimants opted out from their perspective and asked that claimants be contacted to obtain the information so the matter can be reconsidered in the next meeting.

C. Conceptual Plan Update

Mr. Gastineau provided an update on the activities being performed in consideration of the conceptual plan. He noted work is ongoing to contact claimants of inactive claims, developing an LPT with PMMIC and offering settlement agreements to eligible claimants. He noted a file review has identified 64 claims that have been closed through the administrative process and that payment on these claims is still a possibility if an eligible party chooses to assume the role as the claimant. It also noted that for some of these claims there may be eligibility issues that must be resolved such as past financial responsibility issues and also that the claims may be subject to a co-payment.

Mr. Gastineau noted that as discussed earlier work is also continuing on the development of a limited LPT with PMMIC. He noted that presently there are eleven claims under consideration however that number is subject to change as sites close or new shared liability sites are identified. In addition, Mr. Gastineau commented that past contacts with claimants having multiple claims did not result in any settlements however with the pending end date for funding to the program, contacting them again may promote a different response.

Mr. Gastineau stated that with the passage of the recent legislation and with an understanding on the finality of the program funding, the idea of a large scale LPT may be an option. He noted that based on the current claim count an estimated 300 to 350 claims should still be anticipated. He commented that some claims might be excluded from the LPT, such as those claims involving complex sites, the prior community remediation projects, claims that will hit the \$1 million cap without reaching closure, and the State Lead projects including the NFA re-opened sites. He noted that many of these same claims may not close for years to come due to site conditions.

Following the presentation, Mr. Beech inquired if there were any questions for Mr. Gastineau. Hearing none, he raised a point for discussion stating that he believes a working group is needed to figure out a way on how to wind the program down. He commended the DNR for developing a proposal that was considered in this year's session but noted that as there were some concerns with that proposal and as the proposal did not pass, he suggested that stakeholders and DNR need to get together this summer and hammer out a proposal for the future of the program. He also suggested that, before the annual meeting, a structure needs to be set up for a workgroup so that all interested parties can work together on developing a proposal for the future of the program noting there are difficult decisions to be made.

Mr. Beech also indicated we need to add this topic that to the agenda for the annual meeting scheduled for Monday, July 18, 2016. Ms. Carlson concurred with the Mr. Beech's comments noting that the legislature looks to the Board as the experts on the subject. Mr. Beech closed by noting that all interested stakeholders need to be involved and get their ideas on the table and instructed the attendees at the meeting to indicate now if they would like to help with this effort. If interested in being part of the workgroup, he instructed the parties to send comment to Mr. Gastineau.

Mr. Norris of PMMIC commented on item in the conceptual plan, noting that an option discussed in the past regarding small operators versus larger operators in the sense of a settlement. He

commented that something that may be considered would be some kind of qualifier such as if the claimant provides their own financial responsibility mechanism that may provide some assurance to the Board and the Department that the monies from a settlement would be used as proposed by a settlement.

Following on the comment, Ms. Andeweg inquired on what PMMIC does with those claims that seem to go on for an extended time. Mr. Norris noted that most of the claims he handles are recent releases and that he doesn't have as many older claims but did note there are a few old ones. He commented that they try to do everything possible to close the sites within the regulatory requirements but also noted the some sites still go on.

D. Funding for RBCA Modeling Software Upgrades

Ms. Douskey reported the carry-in memo provided to the Board members prior to the meeting was presented for consideration of the 28E Agreement entered into in December 2014 whereby the Board agreed to reimburse costs for modifying the RBCA modeling software. Ms. Douskey noted the Department had entered into a contract with Dr. LaDon Jones of Iowa State University to consult on the work and DNR's internal IT group was in the process of completing the coding required for the model. She noted the 28E agreement is set to expire June 30, 2016 and as more work is needed, requested the Board consider an amendment to extend the duration of the agreement so work could continue to December 31, 2016. Ms. Douskey noted the amendment does not change the amount of funding previously agreed to for the work.

Following a brief discussion on how the model would work, Ms. Andeweg made a motion to extend the contract for six months as proposed. Ms. Beck seconded the motion. The motion was passed unanimously.

E. DNR Update

Ms. Douskey reported that some members of today's group have been involved with DNR efforts to bring Federal rules into state rules regarding underground storage tanks. She noted that activities have slowed down as they are working with stakeholders on alternatives. DNR hopes to pick this back up in June. Will keep the group informed via email.

APPROVAL OF PROGRAM BILLINGS

Mr. Gastineau presented the monthly billings noting as there is no meeting planned for June, the billings include Aon's invoices for both June and July. The bills for Board consideration and approval include:

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

2. Aon Risk Services\$101,262.00
 Consulting Services July 2016 -- \$62,262.00
 Claims Processing Services July 2016-- \$39,000.00
3. Iowa Attorney General's Office\$3,501.37
 Services provided for Underground Storage Tank Program
 April 2016 (FY 2016) Billing
4. Office of Auditor of State\$1,796.13
 Services provided for Underground Storage Tank Program
 3rd Quarter (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. Gastineau commented the total spent to date on corrective actions for the fiscal year to date is near \$7.5 million. He noted that with two months left in the fiscal year, total costs for corrective actions are expected to be close to \$8.5 million at fiscal year-end. He also noted a continued decline in the number of open claims and commented that there are 418 statutory claims open.

Regarding the financials, Mr. Gastineau commented that the overall balance as of April 30, 2016 is \$36.2 million. He also noted that there would be one more quarterly deposit in FY 2016 and two deposits in FY 2017 before the program funding ceases. He noted that with these deposits and average expenditures of \$5.5 million in first six months of each fiscal year, the overall balance at the end of the calendar year will be approximately \$40 million.

ATTORNEY GENERAL'S REPORT

Mr. Steward reported that he met with an attorney in his office that represents the DAS Procurement Board regarding Aon's contract and whether we would have to do an RFP or seek a sole source contract and would they have to go through DAS. He indicated they looked at the statute 455G. He noted that the Board can contract with an administrator on its own and does not have to go through the entire RFP process. However, he also noted that the rules and regulations that DAS has apply to all state agencies. He noted that it was recommended, rather than seeking a sole source contract with Aon, the best bet would be to request a waiver of the six-year maximum contract limit. Under the circumstances, she feels there is compelling reasons to do that, especially based on the last legislative session. She also thinks we should seek authority for emergency procurement. As a last resort, we can do a sole source contract if so choose to do so.

Mr. Steward feels he should seek a waiver of the six-year rule and can get it or choose not to. He is going to go ahead and seek that waiver until the program is shut down. The head of DAS would grant that waiver that would waive the six-year limit. If we do that, we also come to the point where all of the claim levels that we had in the contract provision drop to less than 50

percent of 2011 level on a particular date, we can renegotiate. All of the levels have dropped below 50 percent.

Mr. Steward indicated that if the Board is going to look at options to stick with Aon, a subcommittee of this Board should be set up to talk with Aon, negotiate prices, determine what Aon would be doing and then determine if a change in terms of the contract needs to be done. He would recommend this subcommittee make reports at monthly meetings. If the Board pursues this avenue, a contract needs to be signed with Aon before the end of the year. If the waiver is obtained, Mr. Steward would do an amendment to the contract.

Mr. Beech volunteered Mr. Gartin for the negotiation meetings and asked if others would be interested in participating. Ms. Beck and Ms. Andeweg will also participate. If anyone else is interested in participating, they should contact Mr. Steward. Mr. Steward will coordinate with those folks.

Ms. Carlson made a motion to create a subcommittee to negotiate the fee with Aon. Mr. Hall seconded the motion. The motion was passed unanimously.

CLAIM PAYMENT AUTHORITY

The following claim authority requests were presented:

1. Site Registration 8606703 – Bohlen's Farm Service, Percival (3rd Board Report)

Mr. Gastineau reported the site is high risk for proximity to drinking water wells and residential vapor receptors. He noted that the community does not have a public water system thus all properties near the site have private water wells. The site is still an active gas station and prior remedial efforts were unsuccessful in achieving the site specific target levels. The current consultant is proposing to excavate the former tank basin to remove a contaminant source area. The excavation will be limited by the existing tank system, canopy and the site building.

Mr. Gastineau noted the present claim reserve is \$800,000; prior Board approval was granted in February 2003 for \$640,000. Total costs incurred to date are \$644,376.14. Total projected costs are \$80,000 to \$200,000+. Additional authority of \$160,000 was requested for total authority to \$800,000.

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

2. Site Registration 8603704 – Archer Coop Grain Co., Archer (2nd Board Report)

Mr. Gastineau reported this as a high risk site. He noted a Tier 3 assessment was completed allowing all pathways, other than the groundwater ingestion pathway, to be reclassified to no action required. He also noted that O'Brien County has a well ordinance restricting installation of future water wells, however, one actual drinking water well exists within proximity to the site.

He noted efforts will be made to address this receptor however if the receptor cannot be removed, reclassified or shown to not be at risk through monitoring, corrective action using chemical oxidation may be completed.

Mr. Gastineau noted the present claim reserve is \$400,000 and total costs incurred to date are \$327,210.41. Total projected costs are \$25,000 to \$125,000+.

In consideration of the request, the members discussed the cost to hook up a private home to rural water versus costs for corrective action. It was noted that the Board has reimbursed the costs to install water lines and has paid for connection costs however no payments have been made for long-term water costs. Mr. Hall suggested, because the Fund is winding down, the Board could look at buying the well to offset the owner paying water bills and thus not obligating the Board for the water costs for perpetuity. He noted that would lead to the claim closing and not needing to spend the projected amount requested for further activities.

Ms. Carlson made a motion to have the Administrator contact the well owner for their input and then to bring this issue back to the Board. Before voting, the motion was amended to provide additional authority of \$10,000 for site activities. Mr. Hall seconded the motion. The motion passed unanimously.

CONTRACTS ENTERED INTO SINCE APRIL 22, 2016 BOARD MEETING

Mr. Gastineau reported that the Board entered into contract extensions for the USTCA State Lead Closure Contract with Seneca Companies and Barker Lemar Engineering Consultants allowing work to continue through February 28, 2017.

OTHER ISSUES AS PRESENTED

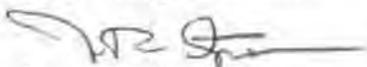
The next Board meeting will be held on Monday, July 18, 2016, at the Iowa Arboretum.

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 Mr. Barry and seconded by Ms. Carlson. The meeting adjourned at 10:56 A.M.

Respectfully submitted,



James Gastineau
Deputy Administrator

Closed Session

Discussion of Pending and Imminent Litigation

Public Comment

Board Issues

A. FY 2017 - 12 Month Meeting Schedule



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: Dale Cira
DATE: July 6, 2016
SUBJECT: FY 2017 – 12 Month Meeting Schedule

The Board has set a meeting schedule for the fourth Thursday of each month except during the months of January, February, March and April, in which alternate dates were to be selected on Mondays or Fridays where possible to accommodate the legislative session. This memo is to set the tentative dates for Fiscal Year 2017. The meeting dates will still be confirmed at the meetings two months prior and immediately prior. The tentative schedule for the next 12 months is:

- Thursday, August 25, 2016
- Thursday, September 29, 2016 (5th Thursday)
- Thursday, October 27, 2016
- Thursday, December 8, 2016
- Friday, January 27, 2017
- Friday, February 24, 2017
- Friday, March 24, 2017
- Friday, April 28, 2017
- Thursday, May 25, 2017
- Thursday, July 20, 2017 (Annual Strategic Planning Session – off-site)

B. FY 2017 – Proposed Budget



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: Dale Cira
DATE: July 11, 2016
SUBJECT: Fiscal Year 2017 Budget

The attached budget shows the projected financial activity for fiscal year 2017 (FY2017) based on billings and claim payment trends over the past years, as well as, contracts and agreements pending or executed on behalf of the Board.

Pursuant to the fiscal year 2017 budget, the following transfers are recommended to facilitate the payment of claims:

- 1) The transfer of \$9.0 million from the UST Revenue Fund (Fund 0471) to the UST Remedial Non-Bonding Fund (Fund 0208) was requested pursuant to the FY 2016 budget but delayed until after the start of the FY 17 budget year. The proposed budget reflects this transfer as it has been or will be completed this month.
- 2) Transfer \$2.0 million from the UST Revenue Fund (Fund 0471) to the UST Remedial Non-Bonding Fund (Fund 0208) to pay for retroactive claims, remedial claims, tank closure claims, community remediation projects and No Further Action re-opened projects.
- 3) Transfer \$2.0 million from the UST Revenue Fund (Fund 0471) to the UST Innocent Landowners Fund (Fund 0485) to pay for innocent landowner claims and global settlement claims.

We recommend approval of the budget as submitted for FY 2017, unless the Board members can identify any items for revision at this time.

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND

PROPOSED
FISCAL YEAR 2017 BUDGET

	FISCAL 2016 FY END ACTUAL	PROPOSED FY 2017 BUDGET
0471 - UST REVENUE FUND (Bonding)		
Balance of Fund, July 1, 2015 / 2016	\$538,281.87	\$14,562,012.56
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$14,000,000.00	\$7,000,000.00
Intra State Fund Transfers Received	\$0.00	\$0.00
Interest Income	\$23,730.69	\$23,730.69
	\$14,023,730.69	\$7,023,730.69
Disbursements:		
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	\$2,000,000.00
Transfer to Remedial Non-Bonding Fund (0208)	\$0.00	\$11,000,000.00
	\$0.00	\$13,000,000.00
Balance of Fund, June 30, 2016 / 2017	\$14,562,012.56	\$8,585,743.25
0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)		
Balance of Fund, July 1, 2015 / 2016	\$9,417,609.04	\$7,405,371.95
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	\$125,221.37	\$125,000.00
	\$125,221.37	\$125,000.00
Disbursements:		
UST Administrator's Fees	\$1,256,163.12	\$1,113,882.00
Adjustment	\$0.00	\$0.00
Attorney General's Fees	\$47,749.57	\$50,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	\$0.00
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	(\$82,896.25)	\$100.00
Actuarial Fees	\$0.00	\$0.00
Auditor of the State Fees	\$8,677.54	\$10,000.00
Claim Settlement	\$0.00	\$0.00
Department of Revenue EPC Collection Fees	\$5,550.23	\$10,000.00
Department of Inspection & Appeals Service Fees	\$0.00	\$0.00
Innovative Technology	\$0.00	\$0.00
Legal and Professional Fees	\$0.00	\$0.00
Postage / Printing / Miscellaneous	\$0.00	\$0.00
Professional Services - Owner/Operator Training	\$14,600.00	\$25,000.00
Rebate	\$0.00	\$0.00
Special Project Claims - Closure Contract Project	\$273,512.61	\$500,000.00
Travel Expenses-UST Board Members	\$0.00	\$0.00
Warrant Float Expense	(\$12.00)	\$0.00
28E Agreement - DNR RBCA Model Revision	\$31,950.00	\$60,000.00
Statutory Transfer to DNR (Admin match)	\$0.00	\$200,000.00
Statutory Transfer to DNR (technical review)	\$0.00	\$200,000.00
Statutory Transfer to IDAL (fuel inspections)	\$0.00	\$250,000.00
Appropriations Prior Fiscal Year	\$50,684.73	\$0.00
Appropriations Current Fiscal Year	\$581,398.91	\$0.00

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND

PROPOSED
FISCAL YEAR 2017 BUDGET

Offset of Funds to/from Innocent Land Owners (0485)	(\$41,043.00)	(\$50,000.00)
Offset of Funds to/from Remedial Fund (0208)	(\$8,877.00)	(\$50,000.00)
	\$2,137,458.46	\$2,318,982.00
Balance of Fund, June 30, 2016 / 2017	\$7,405,371.95	\$5,211,389.95
0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, July 1, 2015 / 2016	\$16,834,687.68	\$11,158,377.12
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	\$11,000,000.00
	\$0.00	\$11,000,000.00
Disbursements:		
Retroactive Claims	\$330,011.56	\$330,011.56
Remedial Claims	\$5,173,829.97	\$5,000,000.00
28E Agreement - NFA Claims	\$175,387.19	\$500,000.00
Adjustment	\$0.00	\$0.00
Offset of Funds to/from ILO/GS Fund	\$0.00	\$0.00
Offset of Funds to/from Unassigned Revenue Fund (0471)	\$7,462.00	\$50,000.00
Balance of Outdated Warrants	(\$10,380.16)	\$0.00
	\$5,676,310.56	\$5,880,011.56
Balance of Fund, June 30, 2016 / 2017	\$11,158,377.12	\$16,278,365.56
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2015 / 2016	\$787,669.61	\$828,242.12
Receipts:		
Interest	\$40,572.51	\$50,000.00
Use Tax	\$0.00	\$0.00
	\$40,572.51	\$50,000.00
Disbursements:		
Intra State Fund Transfer	\$0.00	\$0.00
Transfer to Innocent Landowners Fund	\$0.00	\$0.00
	\$0.00	\$0.00
Balance of Fund, June 30, 2016 / 2017	\$828,242.12	\$878,242.12
0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, July 1, 2015 / 2016	\$7,110,415.34	\$4,831,628.08
Receipts:		
Cost Recovery (i.e. lien settlements)	\$1,420.00	\$10,000.00
ILO Refunds	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$0.00	\$2,000,000.00
Transfer From Loan Gaurantee Fund (0238)	\$0.00	\$0.00
Outdated Warrants	\$0.00	\$0.00
Miscellaneous Income	\$2,888.21	\$0.00
	\$4,308.21	\$2,010,000.00
Disbursements:		
Cost Recovery Reimbursement	\$0.00	\$0.00
Cost Recovery Global Settlement	\$0.00	\$0.00
Adjustment	\$0.00	\$0.00
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	\$0.00
Other Contractual Services	\$1,015.00	\$0.00
Global Settlement Claims	\$97,059.54	\$125,000.00
Innocent Landowner Claims	\$2,155,281.13	\$2,000,000.00
Transfer to/from Remedial Fund (0208)	\$0.00	\$0.00
Transfer to/from Unassigned Revenue Fund (0471)	\$41,043.00	\$50,000.00
Balance of Outdated Warrants	(\$11,313.20)	\$0.00
	\$2,283,085.47	\$2,175,000.00

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND

PROPOSED
FISCAL YEAR 2017 BUDGET

Balance of Fund, June 30, 2016 / 2017	\$4,831,638.08	\$4,666,628.08
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, July 1, 2015 / 2016	\$0.00	\$0.00
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Balance of Fund, July 1, 2015 / 2016	\$0.00	\$0.00
TOTAL FUND BALANCES June 30, 2016 / 2017	\$38,785,641.83	\$35,620,368.96

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

Note 2: Allocations to the UST Fund to cease December 31, 2016.

C. FY 2017 – Attorney General Agreement

AGREEMENT

This Agreement is entered into on this 8th day of June, 2016, by and between the Department of Justice [hereinafter the Department] and the Underground Storage Tank Fund, [hereinafter the Fund], for the fiscal year 2017.

PARTIES

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

DUTIES

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

PAYMENT

1. Payment by the Fund for legal services performed by the Department shall be based on an estimate of the total annual value of the legal services which includes, but is not limited to: the attorney time devoted to the agency; the difficulty of the legal work required; and the provision of support staff in the performance of the legal services.
 - A. The Fund shall pay approximately \$50,000 to the Department for legal services for fiscal year 2017.
 - B. The Department shall bill the Fund for legal services monthly on an IET transfer document.

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

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

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

CHIEF DEPUTY ATTORNEY GENERAL

UNDERGROUND STORAGE TANK FUND

DATE

DATE

D. Lien # 1506031 – Albia Stop & Shop



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: Dale Cira
DATE: July 7, 2016
SUBJECT: Lien # 1506031 – Albia Stop & Shop / Eddyville Oil Co (UST # 8607257)

The Board, in conjunction with the Department of Natural Resources (DNR), retained an environmental contractor to perform activities on the referenced site including removal of three underground storage tanks and the completion of a Tier 2 Site Cleanup Report. The property owner at the time was not the responsible party for the pre-Oct. 26, 1990 release however was responsible for certain actions as a tank owner. Following the tank removal and assessment, the owner was notified \$16,397.00 was due for the excess tank closure costs and for the costs of the assessment. The owner was unable to pay thus a lien was filed on the land in July 2015.

In June 2016, a Notice of Expiration of Right of Redemption was received in regard to the site. The notice from the purchaser of the tax sale certificate is issued to all parties with an interest in the property and provides that the Board lien will be extinguished unless redemption of the property is completed by payment of the amount due within 90 days. The amount due as of June 6, 2016 was \$34,774.00. If not redeemed, the Board lien will be extinguished under this process.

Current Status

The property owner and former claimant is not responsible for the pre-Oct 26, 1990 release. The claim for this site was closed due to a second lapse in the financial responsibility (FR) mechanism prior to the removal of the underground storage tanks.

Although ineligible, site work continues through use of the State Lead Closure Contract. In 2015, the site was reclassified to low risk. Free product recovery actions by hand bailing are ongoing along with annual monitoring. Cost recovery is not likely as the responsible party for the contamination does not own the property.



TO: ALBIA STOP AND SHOP, INC, 300 HWY 34 ALBIA, IA 52531 - CONTRACT BUYER
 ALBIA STOP AND SHOP, INC, 210 15TH AVE W ALBIA, IA 52531 - CONTRACT BUYER
 ALBIA STOP AND SHOP, INC c/o DOROTHY SPURGIN, REGISTERED AGENT, 6310 206TH PL ALBIA, IA 52531 - CONTRACT BUYER
 DOROTHY SPURGIN, 210 15TH AVE W ALBIA, IA 52531 - OWNER OF ALBIA STOP AND SHOP, CONTRACT BUYER
 DOROTHY SPURGIN, 6310 206TH PL ALBIA, IA 52531 - OWNER OF ALBIA STOP AND SHOP, CONTRACT BUYER
 THOMAS D. SPURGIN, 210 15TH AVE W ALBIA, IA 52531 - OWNER OF ALBIA STOP AND SHOP, CONTRACT BUYER
 THOMAS D. SPURGIN, 6310 206TH PL ALBIA, IA 52531 - OWNER OF ALBIA STOP AND SHOP, CONTRACT BUYER
 EDDYVILLE OIL COMPANY, INC. c/o L. IRVIN VAN LOON, REGISTERED AGENT, 12997 175TH AVE MORAVIA, IA 52571 - CONTRACT SELLER
 PERSON IN POSSESSION, 300 HWY 34 ALBIA, IA 52531 - PERSON IN POSSESSION
 BUSINESS IN POSSESSION, 300 HWY 34 ALBIA, IA 52531 - BUSINESS IN POSSESSION
 CITY OF ALBIA c/o CITY CLERK, 120 S A ST ALBIA, IA 52531 - CITY LIMITS
 INTERNAL REVENUE SERVICE, M/S 5900 30 E 7TH ST STE 1222 ST. PAUL, MN 55101 - FEDERAL TAX LIENS
 IOWA DEPARTMENT OF REVENUE, PO BOX 10471 DES MOINES, IA 50306 - STATE TAX LIEN
 IOWA ATTORNEY GENERAL, 1305 E WALNUT ST DES MOINES, IA 50319 - STATE JUDGMENTS
 IOWA WORKFORCE DEVELOPMENT, TAX BUREAU, REVENUE COLLECTIONS UNIT 1000 E GRAND AVE DES MOINES, IA 50319 - LIENS
 IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND BOARD, 2700 WESTOWN PKWY STE 320 WEST DES MOINES, IA 50266 - FUND BENEFITS LIEN
 ANY OTHER UNKNOWN PERSONS WITH INTEREST

NOTICE OF EXPIRATION OF RIGHT OF REDEMPTION

In accordance with Iowa Code Section 447.9 you are hereby notified that:

1. The property described in paragraph 2 of this Notice was sold at tax sale on the 17TH day of June, 2013. The purchaser at tax sale was FOXTROT LIENS/US BANK.
2. The legal description of the property sold is:
 Lot four (4) of Spencer's First Addition to the City of Albia, Iowa, as shown by Preliminary Plan and Plat approved by the City Council of Albia, Iowa on May 3, 1965, and filed in the Office of the City Clerk, said real estate being the same as follows: That part of the Northeast Quarter (NE1/4) of the Northeast Quarter (NE1/4) of Section twenty-eight (28), Township seventy-two (72) North, Range seventeen (17) West of the fifth 5th P.M., Monroe County, Iowa described as follows: Commencing at a point where the south right-of-way line of U.S. Highway thirty-four (34) as now established intersects with the East line of said Quarter Section; thence South for a distance of one hundred and thirty-seven (137) feet more or less to the North right-of-way line Fourteenth (14) Avenue West of the City of Albia as it is extended through the said forty (40) acre tract; thence West along with North right-of way line of said Fourteenth (14) Avenue West as now extended through said forty (40) acre tract a distance of 455.3 feet; thence North to the South right-of-way line of U.S. Highway thirty-four (34) as now established through said forty (40) acre tract; thence East along the South right-of-way line of said Highway to the point of beginning, subject to an easement fifty-five (55) feet wide across the East end of said tract for street purposes being South "C" Street in the City of Albia including Sellers' exclusive right to operate a restaurant, cafe or public eating place on the forty (40) acre tract in which the above described property is located, and all personal property and equipment of any nature owned by the Seller and located in the restaurant building situated on said property whether or not such property is considered as fixtures or sufficient end that all property of every type having any connection with the restaurant and filling station whether real or personal is a part of the property being sold under the contract to the buyer except the storage tanks and gasoline pumps which are now the property of the Buyer a/k/a PARCEL # 210002018000000
3. That your right of redemption as set forth in the Iowa Code will expire unless redemption of the property is made within 90 days from the date of completed service of this Notice.
4. If the right of redemption is allowed to expire, a tax deed will be issued by the Treasurer of MONROE County.

By Samantha Ott
 Samantha Ott, agent
 for FOXTROT LIENS/US BANK

E. Lien # 0801030 – Griswold Custom Classics



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: Dale Cira
DATE: July 7, 2016
SUBJECT: Lien # 0801030 – Griswold Custom Classics (UST # 8608073)

The Board, in conjunction with the Department of Natural Resources (DNR), retained an environmental contractor to perform activities on the referenced site including removal of one underground storage tank. The property owner at the time was not eligible for UST closure benefits due to the date the tank had been installed. Following the 2007 tank removal, the owner was notified \$9,840.50 was due for the closure costs. The owner was unable to pay thus a lien was filed in February 2008.

In 2013, the property owner notified the Board that he had entered into an agreement to sell the property on contract and had negotiated a settlement with the lender. Per the agreement, the owner began providing periodic payments to settle the lien. To date, the owner has paid \$4,420 toward the lien leaving the current balance at \$5,420.50.

In a letter dated May 24, 2016, the property owner is seeking a release of the lien for the amount paid to date, so that the property may be sold. The property owner will not profit from the transaction.

Current Status

The LUST site associated with this site was classified No Action Required. A No Further Action certificate was issued in April 2012.

F. DNR Update

Approval of Program Billings



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: James Gastineau
DATE: July 11, 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 August 2016 (FY 2017) -- \$62,262.00
 Claims Processing Services August 2014 -- \$39,000.00

Previously submitted to Treasurer's Office

- 2) Attorney General's Office (FY 2016 expense) \$3,739.31
 Legal Services for the UST Fund – May 2016
- 3) Attorney General's Office (FY 2016 expense) \$4,277.60
 Legal Services for the UST Fund – June 2016
- 4) Patricia Beck \$504.66
 Reimbursement for mileage from Carroll, IA to UST Fund Board
 Meetings during FY 2016
- 5) Iowa Department of Revenue..... \$1,654.58
 Services provided for Underground Storage Tank Program
 3rd Quarter (FY 2016) Billing

Iowa Comprehensive Petroleum

Invoice No. 9500000128146

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

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



Client Account No. 10756349 **Invoice Date** Jun-15-2016 **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	Aug-01-2016	Renewal - Service Fee	
Comments				
Installation 8 of 12 Monthly Fee			Service Fee	62,262.00
Payment due 21 days after Transaction Effective Date.			Consulting Expense	39,000.00
Thank you for your business!				
TOTAL INVOICE AMOUNT DUE				101,262.00

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

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

Please see last page for statement regarding Aon compensation.

Page 1 of 3

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	9500000128146	Jun-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 ATTORNEY GENERAL'S OFFICE
Hoover State Office Bldg - 2nd Floor
Des Moines, Iowa 50319-0141



Invoice Date: 06/02/16

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: May FY16

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

Document Number	Account Coding				Description	Amount
	Fund	Agency	Org	Sub Org		
112AG060216042	0001	112	2301		0302	\$ 3,739.31

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

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

Billing Period:	MAY 2016
Billing Total:	\$3,739.31
DSS @ 22%	\$1,462.61
RCH @10%	\$448.35
CLJ @12%	\$357.62
Pay period ending: 5/05/2016	\$2,268.58
DSS @ 22%	\$1,157.31
RCH @10%	\$313.42
CLJ @12%	
Pay period ending: 5/19/2016	\$1,470.73
DSS @ 22%	
RCH @10%	
CLJ @12%	
Pay period ending: 4/24/2014	
Imputed Income Reimbursement	
	\$3,739.31

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.

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



Invoice Date: 06/23/16

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: June FY16

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

Document Number	Account Coding				Description	Amount
	Fund	Agency	Org	Sub Org		
112AG062316042	0001	112	2301		0302	\$ 4,277.60

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

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

Billing Period:	JUNE 2016
Billing Total:	\$4,277.60
DSS @ 22%	\$1,462.61
RCH @10%	\$448.35
JAA @12%	\$533.26
Pay period ending: 6/02/2016	\$2,444.22
DSS @ 22%	\$1,157.31
RCH @10%	\$313.42
JAA @12%	\$357.69
Pay period ending: 6/16/2016	\$1,828.42
DSS @ 22%	
RCH @10%	
CLJ @12%	
Pay period ending:	
Westlaw	\$4.96
	\$4,277.60

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.

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

5/25/2016

ENVIRONMENTAL PROTECTION CHARGE
COSTS INCURRED BY THE DEPARTMENT OF REVENUE
JANUARY - MARCH FY 2016

<u>Compliance Division</u>		
Examination Section:		
Personnel		\$525.36
Indirect Costs		
		<u>\$525.36</u>
Field Audit Section:		
Personnel		\$669.95
Indirect Costs		
		<u>\$669.95</u>
Customer Accounts Section:		
Personnel		\$0.00
Postage		
Indirect Costs		\$0.00
		<u>\$0.00</u>
Total Compliance Division		\$1,195.31
<u>Revenue Operations Division</u>		
Processing Section:		
Personnel		\$49.59
Indirect Costs		\$0.00
		<u>\$49.59</u>
Total Revenue Operations Division		\$49.59
<u>Internal Services Division</u>		
Personnel		\$409.68
Postage		\$0.00
Printing		\$0.00
Indirect Costs		\$0.00
		<u>\$409.68</u>
Total Internal Services Division		\$409.68
DEPARTMENT TOTAL		<u>\$1,654.58</u>

Monthly Activity Report and Financials Reviewed

A. May 2016 Activities Report

May-16

	Open Claims		Open Claims	Open & Closed
Claims	April 2016 Ending	Monthly Net Changes	May 2016 Ending	Totals since Inception
RETROACTIVE				
number	22	0	22	447
reserve	\$ 1,168,640.99	\$27,069.01	\$ 1,195,710.00	\$1,195,710.00
paid	\$5,801,359.01	\$22,930.99	\$5,824,290.00	\$18,136,341.74
	\$6,970,000.00	\$50,000.00	\$7,020,000.00	\$19,332,051.74
REMEDIAL				
number	305	(9)	296	4,460
reserve	\$17,323,759.66	(\$666,080.51)	\$16,657,679.15	\$16,657,679.15
paid	\$67,177,714.54	(\$774,335.38)	\$66,403,379.16	\$218,127,137.55
total	\$84,501,474.20	(\$1,440,415.89)	\$83,061,058.31	\$234,784,816.70
INNOCENT LANDOWNER				
number	79	(1)	78	1,135
reserve	\$3,951,587.64	(\$193,981.78)	\$3,757,605.86	\$3,757,605.86
paid	\$10,593,512.36	(\$44,517.22)	\$10,548,995.14	\$33,349,377.55
total	\$14,545,100.00	(\$238,499.00)	\$14,306,601.00	\$37,106,983.41
GLOBAL OPT-IN				
number	64	(2)	62	1,307
reserve	\$316,640.94	(\$12,745.44)	\$303,895.50	\$303,895.50
paid	\$551,270.11	(\$15,254.56)	\$536,015.55	\$9,849,265.85
total	\$867,911.05	(\$28,000.00)	\$839,911.05	\$10,153,161.35
UNASSIGNED REVENUE FUND PROJECTS				
number	58	2	60	301
reserve	\$1,260,680.16	\$44,953.15	\$1,305,633.31	\$1,305,633.31
paid	\$797,274.34	(\$148,417.15)	\$648,857.19	\$3,183,253.83
total	\$2,057,954.50	(\$103,464.00)	\$1,954,490.50	\$4,488,887.14
NFA RE-EVALUATIONS				
number	12	0	12	59
reserve	\$280,271.46	(\$1,412.50)	\$278,858.96	\$278,858.96
paid	\$529,728.54	\$1,412.50	\$531,141.04	\$1,325,471.18
total	\$810,000.00	\$0.00	\$810,000.00	\$1,604,330.14
TANK PULLS				
number	35	0	35	461
reserve	\$505,615.00	\$0.00	\$505,615.00	\$505,615.00
paid	\$9,385.00	\$0.00	\$9,385.00	\$5,118,395.06
total	\$515,000.00	\$0.00	\$515,000.00	\$5,624,010.06

Corrective Action Meetings (5/18/16)	
Scheduled:	4
Completed:	1,288
MOA's	488

UST Operator Training	
Class A/B Oper.	3,176
A/B (FY2011-16)	\$305,220

Total Claims	(RM, RT, ILO, NFA)	408
Total Reserve	(inc. Global Opt-In)	\$22,193,749.47

RT Claims	#
New	0
Reopened	0
Closed	0

RM Claims	#
New	0
Reopened	0
Closed	9

ILO Claims	#
New	2
Reopened	0
Closed	3

GS Claims	#
New	0
Reopened	0
Closed	2

USTCA	#
New	5
Reopened	0
Closed	3

NFA Re-Eval	#
New	0
Reopened	0
Closed	0

Tank Pull	#
New	4
Reopened	0
Closed	4

DNR @ 6-1-2016	
Total LUST	6635
OPEN LUST	701
High Risk	398
Low Risk	146
NAR-FP	64
Not Class.	93

Invoice Type Totals	MAY	FYTD	Program to Date
Aon - Admin	\$ 186,786.00	\$ 759,666.12	
Aon - Claims	\$ 117,000.00	\$ 496,493.00	
Government	\$ 60,546.08	\$ 714,158.81	
2004 Tank Pull	\$ -	\$ -	\$ 1,761,823.44
2010 Tank Pull	\$ 59,290.00	\$ 837,170.19	\$ 5,219,151.93
American Soils	\$ -	\$ -	\$ 5,678,422.58
AST Removal	\$ -	\$ -	\$ 3,306,435.24
AST Upgrade	\$ -	\$ -	\$ 7,911,496.87
CADR Charges	\$ 3,043.00	\$ 90,064.75	\$ 4,683,726.53
Corrective Action	\$ -	\$ 11,399.56	\$ 52,434,553.67
Expenses / OT	\$ 2,700.00	\$ 14,600.00	\$ 307,620.00
Free Prod Recover	\$ 43,892.11	\$ 580,659.25	\$ 11,810,174.32
Monitoring	\$ 113,591.88	\$ 1,553,434.18	\$ 32,426,513.54
Operations/Maint	\$ 17,693.09	\$ 267,121.69	\$ 10,458,866.40
Over-excavation	\$ 11,700.76	\$ 2,370,053.59	\$ 34,669,209.13
Water Lines	\$ -	\$ 359,272.22	\$ 2,909,225.43
Post RBCA Evals	\$ 130.00	\$ 14,000.42	\$ 244,613.41
RBCA	\$ 23,447.00	\$ 305,462.10	\$ 26,800,993.91
Remed Imp/Const.	\$ 124,212.12	\$ 1,336,531.34	\$ 30,419,701.88
SCR Charges	\$ -	\$ -	\$ 54,217,410.26
Site Check	\$ -	\$ -	\$ 142,486.32
Soil Disposal	\$ -	\$ -	\$ 738,386.66
Tank (UST) Pull	\$ -	\$ -	\$ 3,979,734.25
Tank (UST) Upgrade	\$ -	\$ -	\$ 3,440,849.83
Tier III	\$ 1,065.00	\$ 14,761.25	\$ 1,380,527.65
Utilities	\$ 5,816.86	\$ 91,363.04	\$ 2,186,585.62
Well Closure	\$ 29,939.37	\$ 180,501.45	\$ 4,048,515.28
Total Invoice Types	\$ 436,521.19	\$ 8,026,395.03	\$ 300,226,728

Remediation Budgets Approved to Date		
last month (MAY '16)	4	\$331,198
Prior 12 months	50	\$3,996,971
Trailing 12 months	40	\$2,817,772
Total Since Jan 2003	1216	\$52,893,587

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. May 2016 Financial Report

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

0471 - UST REVENUE FUND (Bonding)

Balance of Fund, May 1, 2016		\$11,051,982.57
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$3,351.68	
	\$3,351.68	\$3,351.68
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, May 31, 2016		\$11,055,334.25

0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)

Balance of Fund, May 1, 2016		\$7,607,218.65
Receipts:		
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	
Refund/Overpayment	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Interest Income	\$9,790.79	
	\$9,790.79	\$9,790.79
Disbursements:		
UST Administrator's Fees	\$303,786.00	
Adjustment	\$0.00	
Attorney General's Fees	\$9,784.04	
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	\$1,796.13	
Claim Settlement	\$0.00	
Department of Revenue EPC Collection Fees	\$1,654.58	
Department of Inspection & Appeals Service Fees	\$0.00	
Environmental Protection Charge Refunds	\$0.00	
Iowa Finance Authority Expenses	\$0.00	
Legal and Professional Fees	\$0.00	
Postage / Printing / Miscellaneous	\$0.00	
Professional Services - Owner/Operator Training	\$2,700.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	(\$148,417.15)	
Travel Expenses-UST Board Members	\$0.00	

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

Warrant Float Expense	(\$12.00)	
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	\$47,311.33	
Offset of Funds to/from Innocent Land Owners (0485)	\$0.00	
Offset of Funds to/from Remedial Fund (0208)	\$0.00	
		\$218,602.93
Balance of Fund, May 31, 2016		\$7,398,406.51
 0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, May 1, 2016		\$11,658,506.19
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	\$22,930.99	
Remedial Claims	\$332,715.01	
28E Agreement - NFA Claims	\$1,412.50	
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	(\$9,469.05)	
		\$347,589.45
Balance of Fund, May 31, 2016		\$11,310,916.74
 0478 - UST MARKETABILITY FUND		
Balance of Fund, May 1, 2016		\$820,007.83
Receipts:		
Interest	\$3,033.90	
Use Tax	\$0.00	
		\$3,033.90
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
Balance of Fund, May 31, 2016		\$823,041.73
 0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, May 1, 2016		\$5,085,213.27
Receipts:		
Cost Recovery (i.e. lien settlements)	\$105.00	
ILO Refunds	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Transfer From Loan Gaurantee Fund (0238)	\$0.00	

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

Outdated Warrants	\$0.00	
Miscellaneous Income	\$0.00	
		\$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	\$5,697.07	
Innocent Landowner Claims	\$219,482.77	
Transfer to Remedial Fund (0208)	\$0.00	
Transfer to/from Unassigned Revenue Fund (0450)	\$0.00	
Balance of Outdated Warrants	\$0.00	
		\$225,179.84
Balance of Fund, May 31, 2016		\$4,860,138.43
 0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, May 31, 2016		\$0.00
 0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Balance of Fund, May 31, 2016		\$0.00
 Combined UST Capital Reserve Fund Balances, May 31, 2016		\$0.00
TOTAL FUND BALANCES, May 31, 2016		\$35,447,837.66

FOOTNOTES:

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

C. Year-to-Date Financials as of May 31, 2016

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING MAY 31, 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)	\$10,500,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$17,052.38	\$50,000.00
	\$10,517,052.38	\$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, May 31, 2016	\$11,055,334.25	\$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	\$108,477.41	\$50,000.00
	\$108,477.41	\$50,000.00
Disbursements:		
UST Administrator's Fees	\$1,256,163.12	\$1,100,000.00
Adjustment	\$0.00	\$0.00
Attorney General's Fees	\$47,749.57	\$50,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	\$0.00
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	(\$82,896.25)	\$150.00
Actuarial Fees	\$0.00	\$0.00
Auditor of the State Fees	\$8,677.54	\$5,100.00
Claim Settlement	\$0.00	\$0.00
Department of Revenue EPC Collection Fees	\$5,550.23	\$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	\$14,600.00	\$50,000.00
Rebate	\$0.00	\$0.00
Special Project Claims - Closure Contract Project	\$271,951.61	\$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 MAY 31, 2016

		FISCAL 2016 BUDGET
Warrant Float Expense	(\$12.00)	\$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	\$573,181.39	\$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)
	\$2,127,679.94	\$2,855,442.07
Balance of Fund, May 31, 2016	\$7,398,406.51	\$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
	\$0.00	\$9,000,000.00
Disbursements:		
Retroactive Claims	\$330,011.56	\$700,000.00
Remedial Claims	\$5,021,965.35	\$5,750,000.00
28E Agreement - NFA Claims	\$174,437.19	\$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	(\$10,105.16)	
	\$5,523,770.94	\$7,020,000.00
Balance of Fund, May 31, 2016	\$11,310,916.74	\$18,814,687.68
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2015	\$787,669.61	\$787,669.61
Receipts:		
Interest	\$35,372.12	\$35,000.00
Use Tax	\$0.00	
	\$35,372.12	\$35,000.00
Disbursements:		
Intra State Fund Transfer	\$0.00	\$0.00
Transfer to Innocent Landowners Fund	\$0.00	\$0.00
	\$0.00	\$0.00
Balance of Fund, May 31, 2016	\$823,041.73	\$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)	\$1,420.00	\$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 MAY 31, 2016**

		FISCAL 2016 BUDGET
Outdated Warrants	\$0.00	\$0.00
Miscellaneous Income	\$2,888.21	\$0.00
	<u>\$4,308.21</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	\$82,120.02	\$80,000.00
Innocent Landowner Claims	\$2,141,720.30	\$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>\$2,254,585.12</u>	<u>\$2,230,000.00</u>
Balance of Fund, May 31, 2016	<u>\$4,860,138.43</u>	<u>\$4,905,415.34</u>
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, May 31, 2016	<u>\$0.00</u>	<u>\$0.00</u>
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Combined UST Capital Reserve Fund Balances, May 31, 2016	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL FUND BALANCES, May 31, 2016	<u>\$35,447,837.66</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. June 2016 Activities Report

Jun-16

	Open Claims		Open Claims		Open & Closed	
Claims	May 2016 Ending	Monthly Net Changes	June 2016 Ending	Totals since Inception		
RETROACTIVE						
number	22	0	22	447		
reserve	\$ 1,195,710.00	(\$22,430.56)	\$ 1,173,279.44	\$1,173,279.44		
paid	\$5,824,290.00	\$11,497.76	\$5,835,787.76	\$18,147,839.50		
	\$7,020,000.00	(\$10,932.80)	\$7,009,067.20	\$19,321,118.94		
REMEDIAL						
number	296	1	297	4,461		
reserve	\$16,657,679.15	(\$20,006.18)	\$16,637,672.97	\$16,637,672.97		
paid	\$66,403,379.16	\$225,160.28	\$66,628,539.44	\$218,352,297.83		
total	\$83,061,058.31	\$205,154.10	\$83,266,212.41	\$234,989,970.80		
INNOCENT LANDOWNER						
number	78	(1)	77	1,136		
reserve	\$3,757,605.86	(\$80,135.73)	\$3,677,470.13	\$3,677,470.13		
paid	\$10,548,995.14	\$80,134.73	\$10,629,129.87	\$33,464,911.04		
total	\$14,306,601.00	(\$1.00)	\$14,306,600.00	\$37,142,381.17		
GLOBAL OPT-IN						
number	62	(1)	61	1,308		
reserve	\$303,895.50	(\$7,589.75)	\$296,305.75	\$296,305.75		
paid	\$536,015.55	(\$6,410.25)	\$529,605.30	\$9,864,937.60		
total	\$839,911.05	(\$14,000.00)	\$825,911.05	\$10,161,243.35		
UNASSIGNED REVENUE FUND PROJECTS						
number	60	0	60	307		
reserve	\$1,305,633.31	(\$41,898.20)	\$1,263,735.11	\$1,263,735.11		
paid	\$648,857.19	\$30,408.20	\$679,265.39	\$3,213,662.03		
total	\$1,954,490.50	(\$11,490.00)	\$1,943,000.50	\$4,477,397.14		
NFA RE-EVALUATIONS						
number	12	(1)	11	59		
reserve	\$278,858.96	(\$4,502.00)	\$274,356.96	\$274,356.96		
paid	\$531,141.04	(\$10,498.00)	\$520,643.04	\$1,328,429.18		
total	\$810,000.00	(\$15,000.00)	\$795,000.00	\$1,602,786.14		
TANK PULLS						
number	35	4	39	473		
reserve	\$505,615.00	\$0.00	\$505,615.00	\$505,615.00		
paid	\$9,385.00	\$51,751.25	\$61,136.25	\$5,226,234.31		
total	\$515,000.00	\$51,751.25	\$566,751.25	\$5,731,849.31		

Corrective Action Meetings (6/15/16)	
Scheduled:	3
Completed:	1,288
MOA's	488

UST Operator Training	
Class A/B Oper.	3,184
A/B (FY2011-16)	\$308,120

Total Claims	(RM, RT, ILO, NFA)	407
Total Reserve	(inc. Global Opt-In)	\$22,059,085.25

RT Claims	#
New	0
Reopened	0
Closed	0

RM Claims	#
New	1
Reopened	0
Closed	0

ILO Claims	#
New	1
Reopened	1
Closed	3

GS Claims	#
New	1
Reopened	0
Closed	2

USTCA	#
New	1
Reopened	0
Closed	1

NFA Re-Eval	#
New	0
Reopened	0
Closed	1

Tank Pull	#
New	8
Reopened	2
Closed	6

DNR @ 6-30-2016	
Total LUST	6638
OPEN LUST	690
High Risk	391
Low Risk	146
NAR-FP	63
Not Class.	90

Invoice Type Totals	JUNE	FY 2016	Program to Date
Aon - Admin	\$ -	\$ 759,666.12	
Aon - Claims	\$ -	\$ 496,493.00	
Government	\$ 8,217.52	\$ 726,022.98	
2004 Tank Pull	\$ -	\$ -	\$ 1,761,823.44
2010 Tank Pull	\$ 56,088.00	\$ 893,258.19	\$ 5,275,239.93
American Soils	\$ -	\$ -	\$ 5,678,422.58
AST Removal	\$ -	\$ -	\$ 3,306,435.24
AST Upgrade	\$ -	\$ -	\$ 7,911,496.87
CADR Charges	\$ -	\$ 90,064.75	\$ 4,683,726.53
Corrective Action	\$ 5,000.00	\$ 16,399.56	\$ 52,439,553.67
Expenses / OT	\$ -	\$ 14,600.00	\$ 307,620.00
Free Prod Recover	\$ 13,141.25	\$ 593,800.50	\$ 11,823,315.57
Monitoring	\$ 71,376.40	\$ 1,624,810.58	\$ 32,497,889.94
Operations/Maint	\$ 11,601.00	\$ 278,723.39	\$ 10,470,467.40
Over-excavation	\$ 14,890.45	\$ 2,384,944.04	\$ 34,684,099.58
Water Lines	\$ -	\$ 359,272.22	\$ 2,909,225.43
Post RBCA Evals	\$ 1,075.00	\$ 15,075.42	\$ 245,688.41
RBCA	\$ -	\$ 305,462.10	\$ 26,800,993.91
Remed Imp/Const.	\$ -	\$ 1,336,531.34	\$ 30,419,701.88
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	\$ 2,119.50	\$ 16,880.75	\$ 1,382,647.15
Utilities	\$ 2,958.67	\$ 94,321.71	\$ 2,189,544.29
Well Closure	\$ 1,870.00	\$ 182,371.45	\$ 4,050,385.28
Total Invoice Types	\$ 180,120.27	\$ 8,206,516.00	\$ 300,406,848

Remediation Budgets Approved to Date		
last month (JUNE '16)	1	\$15,145
Prior 12 months	44	\$3,742,302
Trailing 12 months	45	\$2,748,870
Total Since Jan 2003	1226	\$54,633,586

Project Contracts	Open	Closed	Pending
CRP's	4	41	0
NFA Re-Opener	2	2	0
Tank Closure	2	5	0
Plastic Water Line	0	2	0

E. June 2016 Financial Report

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JUNE 30, 2016**

0471 - UST REVENUE FUND (Bonding)

Balance of Fund, June 1, 2016		\$11,055,334.25
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$3,500,000.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	<u>\$6,678.31</u>	
		\$3,506,678.31
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)	<u>\$0.00</u>	
		\$0.00
Balance of Fund, June 30, 2016		\$14,562,012.56

0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)

Balance of Fund, June 1, 2016		\$7,398,406.51
Receipts:		
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	
Refund/Overpayment	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Interest Income	<u>\$16,743.96</u>	
		\$16,743.96
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)	\$0.00	
Actuarial Fees	\$0.00	
Auditor of the State Fees	\$0.00	
Claim Settlement	\$0.00	
Department of Revenue EPC Collection Fees	\$0.00	
Department of Inspection & Appeals Service Fees	\$0.00	
Environmental Protection Charge Refunds	\$0.00	
Iowa Finance Authority Expenses	\$0.00	
Legal and Professional Fees	\$0.00	
Postage / Printing / Miscellaneous	\$0.00	
Professional Services - Owner/Operator Training	\$0.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$1,561.00	
Travel Expenses-UST Board Members	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JUNE 30, 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	\$8,217.52	
Offset of Funds to/from Innocent Land Owners (0485)	\$0.00	
Offset of Funds to/from Remedial Fund (0208)	\$0.00	
		\$9,778.52
Balance of Fund, June 30, 2016		\$7,405,371.95
 0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, June 1, 2016		\$11,310,916.74
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	\$0.00	
Remedial Claims	\$151,864.62	
28E Agreement - NFA Claims	\$950.00	
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	(\$275.00)	
		\$152,539.62
Balance of Fund, June 30, 2016		\$11,158,377.12
 0478 - UST MARKETABILITY FUND		
Balance of Fund, June 1, 2016		\$823,041.73
Receipts:		
Interest	\$5,200.39	
Use Tax	\$0.00	
		\$5,200.39
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
Balance of Fund, June 30, 2016		\$828,242.12
 0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, June 1, 2016		\$4,860,138.43
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 JUNE 30, 2016**

Outdated Warrants	\$0.00	
Miscellaneous Income	\$0.00	
		\$0.00
Disbursements:		
Cost Recovery Reimbursement	\$0.00	
Cost Recovery Global Settlement	\$0.00	
Adjustment	\$0.00	
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	
Other Contractual Services	\$0.00	
Global Settlement Claims	\$14,939.52	
Innocent Landowner Claims	\$13,560.83	
Transfer to Remedial Fund (0208)	\$0.00	
Transfer to/from Unassigned Revenue Fund (0450)	\$0.00	
Balance of Outdated Warrants	\$0.00	
		\$28,500.35
Balance of Fund, June 30, 2016		\$4,831,638.08
 0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, June 30, 2016		\$0.00
 0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Balance of Fund, June 30, 2016		\$0.00
Combined UST Capital Reserve Fund Balances, June 30, 2016		\$0.00
TOTAL FUND BALANCES, June 30, 2016		\$38,785,641.83

FOOTNOTES:

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

F. Year-to-Date Financials as of June 30, 2016

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JUNE 30, 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)	\$14,000,000.00	\$14,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$23,730.69	\$50,000.00
	\$14,023,730.69	\$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, June 30, 2016	\$14,562,012.56	\$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	\$125,221.37	\$50,000.00
	\$125,221.37	\$50,000.00
Disbursements:		
UST Administrator's Fees	\$1,256,163.12	\$1,100,000.00
Adjustment	\$0.00	\$0.00
Attorney General's Fees	\$47,749.57	\$50,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	\$0.00
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	(\$82,896.25)	\$150.00
Actuarial Fees	\$0.00	\$0.00
Auditor of the State Fees	\$8,677.54	\$5,100.00
Claim Settlement	\$0.00	\$0.00
Department of Revenue EPC Collection Fees	\$5,550.23	\$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	\$14,600.00	\$50,000.00
Rebate	\$0.00	\$0.00
Special Project Claims - Closure Contract Project	\$273,512.61	\$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 JUNE 30, 2016**

		FISCAL 2016 BUDGET
Warrant Float Expense	(\$12.00)	\$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	\$581,398.91	\$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>\$2,137,458.46</u>	<u>\$2,855,442.07</u>
Balance of Fund, June 30, 2016	\$7,405,371.95	\$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	\$330,011.56	\$700,000.00
Remedial Claims	\$5,173,829.97	\$5,750,000.00
28E Agreement - NFA Claims	\$175,387.19	\$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	(\$10,380.16)	
	<u>\$5,676,310.56</u>	<u>\$7,020,000.00</u>
Balance of Fund, June 30, 2016	\$11,158,377.12	\$18,814,687.68
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2015	\$787,669.61	\$787,669.61
Receipts:		
Interest	\$40,572.51	\$35,000.00
Use Tax	\$0.00	
	<u>\$40,572.51</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, June 30, 2016	\$828,242.12	\$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)	\$1,420.00	\$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 JUNE 30, 2016**

		FISCAL 2016 BUDGET
Outdated Warrants	\$0.00	\$0.00
Miscellaneous Income	\$2,888.21	\$0.00
	<u>\$4,308.21</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	\$97,059.54	\$80,000.00
Innocent Landowner Claims	\$2,155,281.13	\$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>\$2,283,085.47</u>	<u>\$2,230,000.00</u>
Balance of Fund, June 30, 2016	<u>\$4,831,638.08</u>	<u>\$4,905,415.34</u>
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, June 30, 2016	<u>\$0.00</u>	<u>\$0.00</u>
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Combined UST Capital Reserve Fund Balances, June 30, 2016	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL FUND BALANCES, June 30, 2016	<u>\$38,785,641.83</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**

G. Liens Update

Iowa Underground Storage Tank Fund Liens Filed

(Updated 07-08-2016)

Lien #	County	Site #	Claim #	Site Address	Property Owner	Owner Address	Cost Recovery Letter	Cost Rec. Ltr - ticker date	Lien Fee Requested	Mld Notice & Fee	Lien Amount	Lien Filed Date	Book & Page	Request Release Fee	Lien Settlement
0310004	Palo Alto	8916647	13007	510 Inman Ave, Mallard	Theodore J and Norma J Larson	510 Inman Ave, Mallard 50562	10/1/2003		10/2/2003	10/24/2003	\$59,055.50	10/30/2003 ; renewed 10/30/2013			
0404009	Butler	8608131	12039	12682 Highway 3, Dumont	Dave Dohlman	11794 195th St, Dumont 50625-7504	1/20/2004		3/24/2004	4/12/2004	\$13,650.00	4/14/2004; renewed 3/17/2014	2004-1676, 2014-		
0404010	Ida	8710293	73001 & 73013	Hwy 59 & 175, Ida Grove	Robin Hill Trust, %Vernus Wunschel	Box 113, Ida Grove 51445			4/19/2004	4/29/2004	\$330,131.40	4/30/2004; renewed 6/24/14	6-349		
0605012	Keokuk	8609694	73040 / 11003	407 South Barnes St, What Cheer	Melvin & Karen Foubert	601 N. Barnes St, What Cheer 50268	2/2/2006	3/31/2006	4/24/2006	5/15/2006	\$82,373.75	5/16/2006; renewed 5/16/2016	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	8/30/2006	10/13/2006	10/24/2006	\$35,202.00	10/25/2006	2006-2472		
0611018	Taylor	300033	13053 /15001	NE Corner Adams & 3rd St, Gravity	Terry J Smith	PO Box 133, Gravity IA 50848	7/6/2006	8/15/2006	10/18/2006	11/7/2006	\$52,090.00	11/9/2006	6-265,266		
0611019	Clay	8915566	15012	502 North Main St, Everly	Roger Ginger	Box 347, Everly, IA 51338	5/26/2006		10/18/2006	11/7/2006	\$14,932.00	11/13/2006	2006-3529		
0701022	Van Buren	8600890	11032 / 14002	SW Corner Hwy. 1 & 180th St., Keosauqua	Henry Robbins	102 Greenvale Drive, Mansfield, TX 76063-5556	10/20/2006	11/30/2006	12/22/2006	1/16/2007	\$32,980.90	1/19/2007	136-856		
0702023	Montgomery	8607574	15013	Tenville IA	Marvin G. Shipley	2048 Tenville Avenue, Villisca	10/30/2006	11/30/2006	1/23/2007	2/13/2007	\$2,795.00	2/16/2007	302-663,664		
0704025	Tama	9017159	14005	IJ's Gas & Bait, 100 Jacobs St., Chelsea	Tony J. & Christie Jacobi	2772 370th Street, Chelsea, IA 52215	12/7/2006	1/30/2007	4/25/2007	5/15/2007	\$17,839.00	5/17/2007	43-474		
0706029	Woodbury	9217516	73002	29 Deer Run Trail, Climbing Hill	Pat Benjamin	7 Movable Blacktop, PO Box 25, Climbing Hill 51501	3/27/2007	4/30/2007	6/1/2007	8/1/2007	\$14,400.00	8/7/2007	692 - 10744, 10745		
0801030	Cass	8608073	82102	802 Main St., Griswold, IA	Griswold Custom Classics LC	Clifford Speck, 802 Main St., Griswold, IA 51535	10/12/2007	11/30/2007	1/11/2008	1/31/2008	Balance: \$5420.50	2/1/2008	2008 - 223		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	4/20/2015	6/17/2015	7/16/2015	\$16,397.00	7/20/2015	2015 - 1053		Rec'd Notice of Right of Redemption
150732	Webster	8605779	16041	1406 A St. Ft Dodge, IA	David & Elaine Killian	1005 River Forest Ct., Ft. Dodge, IA	7/27/2015	9/20/2015			Balance: \$2500				Payment plan started 8/2015

Attorney General's Report

Claim Payment Approval

**IOWA UNDERGROUND STORAGE TANK PROGRAM
FIRST BOARD REPORT
JULY 6, 2016
CITY OF LAKE MILLS
205 N. 1ST AVENUE
LAKE MILLS
SITE REGISTRATION NUMBER: 7910465
LUST NUMBER: 9LTJ85**

RISK CLASSIFICATION:

HIGH LOW NAR WITH FP

PRESENT CLAIM RESERVE: \$ 100,000.00

ELIGIBILITY: Contamination was discovered on this city owned property in 2003. The site had been a gas station up until 1956. The city acquired the property in 1970. This is an eligible innocent landowner claim.

COST INCURRED TO DATE:

1. RBCA Tier 2	\$ 14,615.00
2. Site monitoring	39,082.75
3. Free product recovery	16,170.00
4. Tier 3	4,600.00
5. Corrective action teleconference	<u>1,000.00</u>
TOTAL COST TO DATE	\$ 75,467.75

PROJECTED COSTS:

❖ Free product recovery by hand bailing

TOTAL PROJECTED COSTS: \$ 25,000.00 to 50,000.00+

TOTAL AUTHORITY RECOMMENDED:

\$125,000.00

COMMENTS:

The site reclassification to no action required (NAR) with free product was accepted on June 27, 2016. While some contamination remains on-site, the City of Lake Mills has an ordinance preventing the installation of water wells in the affected area. Moderate amounts of free product are present in one monitoring well located on an adjacent property. Hand bailing is being completed monthly to remove the free product. A more aggressive recovery method has not been recommended. Free product recovery must be completed to the maximum extent practicable until the regulatory levels (< 0.02 feet thickness) are met for a period of two years. Affected population likely less than 20.

Site Timeline

- 2003 - Contamination discovered on the property.
- 2006 - An ILO claim is filed by the city.
- 2010 - Tier 2 accepted as high risk. A corrective action teleconference is scheduled to discuss options.
- 2011 - A corrective action teleconference is held on February 3, 2011. Site is high risk for city wells and the potential to install new water wells in an area of soil contamination. Options discussed included a Tier 3 assessment of the susceptibility of the city wells and the use of an ordinance to clear the potential groundwater ingestion pathways. The city expressed a willingness to enact a well ordinance to prevent the installation of wells in the affected area.
- 2013 - Tier 3 assessment showing city wells are not at risk from the site is accepted. The site remains high risk for the potential to install water wells in the affected area. An ordinance established by the city did not cover a large enough area and needs to be modified.
- 2013 - Free product is discovered on an adjacent property during plume delineation work. Because the adjacent property has no known history of petroleum storage, product is assumed to be from this property. Monthly free product recovery by hand bailing begins.
- 2016 - A modified well ordinance enacted is approved as an institutional control and allows reclassification of the site to No Action Required with free product.

**IOWA UNDERGROUND STORAGE TANK PROGRAM
FIRST BOARD REPORT
JULY 6, 2016
DAVID LANCASTER
209 MAIN STREET
ALDEN
SITE REGISTRATION NUMBER: 8913682
LUST NUMBER: 7LTG16**

RISK CLASSIFICATION:

HIGH LOW UNDETERMINED

PRESENT CLAIM RESERVE: \$ 150,000.00

ELIGIBILITY: Contamination was discovered on this property when two abandoned USTs were removed in 1989. The contamination was reported to the DNR and a claim was filed by Rockow Construction in October of 1990. This is an eligible remedial claim.

COST INCURRED TO DATE:

1. Site clean-up report	\$ 29,541.64
2. Tank closure (pre-2004)	2,862.20
3. RBCA Tier II report	6,075.00
4. Site monitoring reports	49,579.00
5. Corrective action teleconference	<u>800.00</u>
TOTAL COST TO DATE	\$ 88,857.84

PROJECTED COSTS:

❖ Site Monitoring Report ❖ Consider corrective action options

TOTAL PROJECTED COSTS: \$ 50,000.00 to 150,000.00+

TOTAL AUTHORITY RECOMMENDED:

\$200,000.00

COMMENTS:

The site is high risk for the city public supply wells, non-drinking water wells, and water lines. The site is classified as a non-granular bedrock site and the contamination is beneath Main Street, greatly limiting the corrective action options. The current site owner has taken over the benefits and hired a new consultant. The new consultant has not yet completed monitoring activities nor provided recommendations for bringing the site to closure. Affected population likely less than 20.

Site Timeline

- 1989 - Contamination is discovered during the removal of abandoned USTs in 1989.
- 1990 - Claim is filed by Rockow Construction, which never operated the USTs.
- 1993 - SCR submitted as high risk. DNR issues 'not approved' letter.
- 1993 - 1999 – No work is completed.
- 2000 - Tier 2 submitted and accepted as low risk, but deficiencies are noted.
- 2001 - Tier 2 addendum is submitted addressing the deficiencies and reclassifying the site to high risk. DNR approves a monitoring approach.
- 2005 - 1st corrective action teleconference held. Attempts will be made to plug the non-drinking water well receptors and further assess the city wells.
- 2012 - 2nd corrective action teleconference held. The claimant question authority to require work after noting that Rockow Construction never owned nor operated the USTs. DNR issued letter noting the Rockow's are not responsible parties. Following the letter, all work ceased.
- 2014 - Site is placed on the State Lead Closure Contract for further assessment/monitoring. Following assessment, site is classified high risk due to proximity to water lines as well as non-drinking water wells and public supply wells.
- 2016 - The current property owner, David Lancaster, takes a benefit transfer and hires a new consultant.

Site Timeline

- 1991 – After filing an extension, a site assessment found the site to be contaminated and Archer Coop filed an eligible remedial claim.
- 1994 – An SCR is submitted and accepted as high risk. A CADR is required.
- 2000 – A Tier 2 is submitted and accepted as high risk. A CADR is required..
- 2004 – First board authority request approved July 13, 2004.
- 2004 – 1st corrective action teleconference held; agreed to excavate accessible contamination.
- 2004 – Excavation is completed; on-site and adjacent buildings prevent removal of the entire soil plume.
- 2007 – 2nd corrective action teleconference is held. Consultant to pursue well ordinance, work with the adjacent water well owners to see if wells can be plugged, and assess the risk to water lines.
- 2007 – 3rd corrective action teleconference held. Consultant reports well owners unwilling to connect to rural water. Additional excavation and water line replacement may be pursued.
- 2008 – 4th corrective action teleconference held. Consultant to replace plastic water service lines.
- 2008 – 5th corrective action teleconference held. The adjacent property owner has agreed to demolish an old garage at their own cost which was preventing the completion of additional excavation.
- 2008 – Second excavation is completed in October.
- 2010 – Rural water system notifies claimant to disconnect neighbors from his water line. Requires local businesses, Fire Dept., former service station, and the local café, connect to the rural water system. Costs for connections provided; no funding provided for future water bills.
- 2016 – Tier 3 assessment and documentation of the O'Brien County well ordinance culminates in reclassification of all pathways except for the groundwater ingestion pathway for one drinking water well.
- 2016 - Well owner contacted; does not want to close well.

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



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

Dale Cira, *Administrator*

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

MEMORANDUM

TO: UST Board Members
FROM: Dale Cira
DATE: July 11, 2016
SUBJECT: Contracts Entered Into Since May 26, 2016 Board Meeting

The Board has entered into one agreement since the May 26, 2016 meeting. This is:

- 1) An amendment to the 28E agreement between the Board and the Iowa DNR for the RBCA Software Modeling, allowing work to continue through December 31, 2016.

Other Issues as Presented

Correspondence and Attachments

Notes of Second Corrective Action Conference

Iowa Department of Natural Resources (DNR)

Held: Tuesday, May 17, 2016 at 10:00 in room 5E of the Wallace Building
Site: Former Service Station/Baker's Pride, Burlington, Iowa
LUST No. 9LTP79
Status: Second corrective action conference; no more conferences are scheduled.
Synopsis: The site is high risk for soil gas to two sanitary sewers and soil to a water line. After the first conference in 2012, two small over-excavations (OEs) of contaminated soil were conducted in 2013-14.
The certified groundwater professional (CGP) will provide a Tier 3 Work Plan by 7/15/16, including: investigating replacing the water line; contacting the city of Burlington regarding plugging one sanitary sewer main; and researching water levels for the possibility of soil gas sampling to evaluate the sanitary sewer main.

Participating:

RP: Rob Brookhart with Baker's Pride (by phone)
Thomas Ingrassia of Amincor, Inc. (by phone)
Funding: Steve Reinders of Cunningham Lindsey (CL) (by phone)
CGP: Gaylen Hiesterman of ATC (by phone)
DNR: Kate Meyer, Project Manager, & Jeff White, Facilitator (in person)

Funding Report by Steve Reinders of Cunningham Lindsey (CL)

- \$84,823 spent to date.
- No copay is necessary; there is a reimbursement cap of \$1,000,000.
- The site has UST Fund Board spending authority to \$180,000.

Background and Recommendations by Gaylen Hiesterman, CGP

- The site is high risk for soil contamination to a water line to fire hydrants and soil vapor to two sanitary sewer mains.
- We know more about the submerged utilities after the over-excavation (OE); we dug up part of the water line and the storm sewer. We found the water line is green plastic; the storm sewer is brick. We had to limit the OE because the old storm sewer was losing integrity when we excavated near it.
- The sanitary sewer line through the contamination plume is clay, 18" in diameter.
- We need to discuss options such as replacing the plastic water line and vapor sampling for the sewer mains.

Discussion

CL: We recommend replacing the water line with appropriate materials. After the OE was stopped because of the storm sewer we got a proposal for chemical injection instead, but we didn't think that was appropriate.

DNR: Water line replacement looks good. The sanitary sewers are more difficult to address. The soil source is apparently submerged, so you generally can't sample soil gas there unless you wait until the water table drops below 13 feet or until we determine the soil plume is always submerged. One sewer goes through the soil contamination. Could we reroute it?

Baker's Pride: That sewer line is not used; it used to connect with the old railroad area, but that closed down.

DNR: So if the sewer line is not in use, would the City let us plug it?

CGP: We can check with the City to see if they will let us cap it.

DNR: Removing the sewer line as a receptor would take some discussion and study. It can't just be capped off; it would need to be plugged at both ends and the utility envelope around it dammed. The sewer main in the street, outside the soil plume, could likely be evaluated with soil gas sampling if the issue of submerged soil source can be worked out. But there are very few recorded water levels.

CGP: Two other LUST sites on the same block have more water level records.

CL: And a couple more closed LUST sites within a block or so.

DNR: If we know more about the variation in water table elevations, we would have a better idea about how deep we can conduct soil gas. But you will need to be prepared to install soil gas wells and sample quickly when the water table is down. So there are three high risk receptors and we could have ways to address them:

- Water line: replace with appropriate materials.
- Old sewer line through contamination: check with City about plugging it off.
- Sewer main in street: evaluate with soil gas when the water table is low.

If we clear these high risk receptors and get the site to low risk, how do we get to no action required?

CGP: If we get an institutional control prohibiting sewer and basements within the defined soil gas plume, we could clear the soil gas to potential enclosed space pathways and get the site to no action required.

Baker's Pride: The area is a parking lot and we have no other plans for it. It would be okay to have no basements or sewers.

Selected Corrective Actions and Schedule

- DNR sends out conference notes by 5/23/16.
- CGP submits a budget for a Tier 3 Work Plan by 5/27/16. It will include:
 - Determine if the City will allow the unused sanitary sewer line in the soil contamination to be plugged in the area of the contamination and what that action could involve.
 - Make a plan for replacing the plastic water line with appropriate petroleum-resistant materials.
 - Measure and tabulate sufficient water table elevations over a period of time to allow a discussion of submergence of soil plume. Provide a proposal for soil gas sampling to define the soil gas plume.
- CL evaluates the budget by 6/5/16.
- CGP submits the Tier 3 Work Plan by 7/15/16.

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.

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

Held: Thursday, June 23, 2016 at 10:00 am in room 4W of the Wallace building
Site: Brady & I-80 Shell Station, Davenport
LUST No. 8LTH67
Status: First conference; no further meetings are scheduled
Synopsis: The site is an active gas station and the soil is silty clay with low permeability; the plume appears to be mostly onsite. The site is high risk for soil leaching to groundwater to water lines and soil vapor to sanitary sewer non-residential and low risk for soil vapor to sanitary sewers and basements. The certified groundwater professional (CGP) will evaluate the site in Tier 3 by conducting soil sampling to determine depth and locations for soil gas sampling and by third-quarter groundwater sampling in 10 monitoring wells. A Tier 3 site monitoring report (SMR) will be submitted by 10/31/16.

Participating

RP: Did not participate
CGP: Megan Down of Impact 7g (in person)
GES: (Groundwater & Environmental Services) Bridgett Donovan, Amber Verbick, Melissa Fiaha, Craig Hurst, and Amanda Peterson-Dwyer (all on conference call)
DNR: Kate Meyer, Project Manager, & Jeff White, Conference Facilitator (in person)

Background and Recommendations by Megan Down, CGP with Impact 7g

- I just got this site this year, so I am not completely familiar with the history.
- The site is an active gas station and the soil is silty clay with low permeability.
- The site is high risk for soil leaching to groundwater to water lines and soil vapor to sanitary sewer non-residential; and low risk for soil vapor for sanitary sewers and basements.
- I recommend conducting a direct push soil study to define the soil plume and installing a passive venting system to protect the sanitary sewer service line.

Discussion

DNR: This is a complex, messy site; it's difficult to determine the risks to the receptors.

One monitoring well had free product up until 2006. High vacuum extraction events using a vac truck were conducted three times in 2011 in recover wells RW1 and RW2.

The 2013 soil gas sampling at SG-1 and SG-1A appear to clear the soil gas pathway. The 2015 groundwater samples were all less than the target levels for vapor, but the 2014 groundwater sample from MW1 was above the vapor target level for benzene. We need another round of groundwater samples. Have the samples analyzed by Iowa method OA1. If these are less than the target levels, the groundwater pathways will be cleared.

CGP: What about the proposed direct push locations for soil sampling?

DNR: The soil percentage reduction conducted in 2000 confused all the sample results.

Essentially, we have to re-assess the soil contamination. We are especially interested in soil samples above the water table, but that depth varies a lot. So I recommend you take the average water table elevation for a given monitoring well and sample several depths above the water table at high PID intervals, then perhaps once beneath the average water table depth.

We certainly need soil sampling in the direction of MW14 and at SG3, and SG4. If we fail soil gas somewhere, we can potentially address the low risk potential soil gas pathways with an institutional control limited basements and sewer lines.

GES: Shell has a policy of not allowing drilling within 10 feet of a utility.

DNR: Send me a revised map of your proposed soil locations and I will get back to you right away. Once we have data on the horizontal and vertical extent of soil, we can decide on where and how deep we should do soil gas sampling. It will likely be at the highest soil contamination and between the highest soil and the sanitary sewer service line.

GES: We should sample the monitoring plan: MWs 1, 3, 9, 10, 11, 14.

DNR: Add MWs 4, 5, 6, and 12 to verify the groundwater plume hasn't spread. MW-10 is presumably destroyed. If it is so, do not reinstall (there is enough data for this well). Verify location of the sanitary sewer to the Exel Inn.

CGP: I will email you a map of proposed sampling locations tomorrow.

DNR: I will look at the map as soon as I get it.

Can you provide a Tier 3 SMR by October 30, 2013?

CGP: We should be able to make that. But if we have to wait to do soil gas sampling, that might be difficult.

DNR: If you can't do soil gas sampling in time for the end-of-October SMR, you could possibly do soil gas in the dead of winter when water levels tend to be low.

If the soil, groundwater, and soil gas sampling results are favorable, it might be possible to apply for reclassification in the fall SMR.

Selected Corrective Actions

- CGP provides a map of proposed sampling locations by 6/24/16.
- DNR responds on the same day.
- DNR sends out conference notes by 6/29/16.
- CGP provides a Tier 3 SMR by 10/31/16.

Everyone agreed to this approach and schedule.

Kate Meyer, DNR Project Manager

Jeff White, Conference Facilitator

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Notes of Third Corrective Action Conference

Iowa Department of Natural Resources (DNR)

Held: Tuesday, May 24, 2016 at 9:30 in room 5W of the Wallace Building
Site: Former Bob's Standard, Strawberry Point
LUST Nos. 8LTS55 and 8LTD18
Status: This was the third conference; no further meetings are scheduled.
Synopsis: This site has two responsible parties (RPs). An over-excavation (OE) of contaminated soil was conducted in 2003, but high concentrations of soil and groundwater contamination remain. The certified groundwater professional (CGP) will conduct drilling and sampling to determine the extent of contamination; discuss conducting an over-excavation (OE) in the street/highway with DOT and City; and discuss a municipal ordinance prohibiting water wells. If conditions are not good for an OE, we will likely hold another corrective action conference.

Participating:

RPs: Robert Fowlkes (8LTS55) (by phone)
Did not participate: Lois Cordes of Cordes Oil Company (8LTD18)
Funding: Steve Reinders of Cunningham Lindsey (CL) (by phone)
CGP: Gaylen Hiesterman of Cardno ATC (by phone)
DNR: Ruth Hummel, Project Manager, & Jeff White, Conference Facilitator (in person)

Funding Report by Steve Reinders of Cunningham Lindsey (CL)

- \$79,924 spent for 8LTS55; spending authority from UST Fund Board to \$210,000.
- \$81,485 spent for 8LTD18; spending authority to \$210,000.
- Pre-approved environmental work should be covered to a cap of \$1,000,000 for each RP with a maximum copay of \$400.

Comments by Ruth Hummel, DNR Project Manager: The new Post Tier 2 Worksheet did not discuss the soil leaching to protected groundwater source pathway. This high risk pathway has to be addressed. The current (mandatory connect) ordinance was reviewed by DNR and found insufficient to restrict the installation of wells. Has the possibility of developing a new local ordinance restricting water well installations been discussed with the City?

Background and Recommendations by Gaylen Hiesterman, CGP

- The site is still high risk for soil leaching to protected groundwater source. I will work with the City to obtain an acceptable ordinance.
- We conducted an over-excavation (OE) in October 2003 and dug to the DOT right of way to the north.
- We held our last corrective action conference in 2013 and conducted soil sampling along the right of way north of the excavation. We found high concentrations.
- Casey's installed a water service line made of PE (polyethylene) plastic; this is a high risk receptor. Soil gas sampling failed. There are high risk basement and sewer line receptors, including the sewer main beneath West Mission Street/Highway 3.
- The street/highway is under both DOT and City control so an OE could be difficult to get permissions to dig and it could be pretty expensive. There do not seem to be any good alternate routes for traffic during an OE.
- I'm recommending injection of chemical oxidants or maybe soil vapor extraction.

Discussion

DNR: An OE would certainly be the best way to clean up the contamination. The clay soil would be difficult to address any other way. We have not seen a lot of success with chemical injection used to remediate clay soils. Multiple injection events would almost certainly be required. The soil contamination is generally in the clay beneath the water table, so soil vapor extraction would require lowering the water table and pulling air through clay.

CL: Agree, OE looks to be the best option.

CGP: We could potentially OE; DOT and the City have been cooperative. However, the big problem is the contamination under the street/highway and there are no good city streets for a detour. We would have to OE one lane and ROW at a time, using shoring to protect the other lane. It would need a lot of traffic control and coordination. It would be expensive.

CL: If we put holes in the pavement for injection, they would likely make us agree to repave a portion of the highway. That is expensive too.

DNR: The pavement appears to be old and cracked. Is there a chance the City or DOT will be replacing the pavement? The sanitary sewers beneath the street/highway are reportedly clay tile. Replacing the sewer pipe that runs through the area of soil and groundwater contamination with petroleum resistant pipe materials is recommended.

CGP: I will contact the City and DOT regarding a possible OE.

DNR: The groundwater does not appear to be moving toward the new PE water line at the Casey's store. You might be able to clear in Tier 3 with a stable plume.

You report the sanitary sewer is 8 to 10 feet deep; that depth is critical in an OE. We recommend you measure the depths at manways on both sides and extrapolate to the depth at the site. What about some additional soil sampling to see how far the soil contamination extends?

CL: Yes, we agree that soil sampling makes sense.

DNR: We would like to see a soil sampling plan prior to the drilling and sampling.

CGP: We should conduct the OE in fall or spring, when there is less traffic on road and the water table is lower. This will give us time to get some bids. The area looks like perhaps 90 feet by 50 feet by perhaps 12 feet deep.

DNR: There is no Fund Board meeting in June and the July meeting is on the 19th. We don't know if there will be an August meeting to get more spending authority.

CL: There's more than \$250,000 of authorized spending left. That might be enough.

Selected Actions and Schedule

- DNR sends out conference notes within a week.
- CGP will:
 - provide a map of proposed drilling locations,
 - conduct soil sampling north of the highway
 - investigate a possible OE of soil contamination in the DOT right of way and highway, and
 - work with the city toward an ordinance prohibiting private water wells.
- By 7/22/16, CGP provides status, boring logs, maps, and analytical results.

Everyone agreed to this approach and schedule.

Ruth Hummel, DNR Project Manager

Jeff White, Conference Facilitator

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Notes of Fifth Corrective Action Conference

Iowa Department of Natural Resources (DNR)

Held Tuesday, June 07, 2016 at 9:30 in room 5W of the Wallace building
Site Jiffy Mart in Indianola, Iowa
LUST No. 7LTN05
Status This was the fifth conference; no further conferences are scheduled.
Synopsis The site has undergone three active remediation events, but soil and groundwater contamination persist at concentrations above the target levels for soil and groundwater vapor receptors and water lines. The certified groundwater professional (CGP) will conduct drilling and sampling in Tier 3 to evaluate risk to receptors and provide a letter report by 8/30/16 with recommendations for the next steps. If sanitary sewers and water lines remain high risk after the evaluation, the CGP will replace or move them as soon as reasonably possible.

Participating

Funding Steve Reinders of Cunningham Lindsey (CL) and James Gastineau of Aon Risk Services (by phone)
CGP Jennifer Baker and Leslie Nagel of Seneca Environmental (in person)
DNR Jeff White, Project Manager; and Tammy Vander Bloemen (in person)

Funding Report by Steve Reinders of Cunningham Lindsey (CL)

- \$504,465 spent to date.
- The site has funding authorization to \$550,000.

Background and Recommendations by Jennifer Baker, CGP with Seneca

- At this site we have conducted an over-excavation, operated an air sparge/soil vapor extraction system, and injected Trap and Treattm. There are still a lot of questions about the site.
- We need to sample lots of monitoring wells; some haven't been sampled since '93.
- More soil sampling is needed to determine if and how much water line we might have to replace in Clinton Street.
- We need to know more about the contamination near the sanitary sewer main in the alley and the locations of the sewer service lines.

Discussion

DNR: We are in Tier 3 and you are recommending we address the receptors instead of just the contamination. We need to communicate to share ideas and data. For example, I recommend you submit most of the maps at 20' = 1" on 11 x 17 paper. Check all the monitoring wells.

Seneca: Yes, there's a lot of data in a small area. We also need to check the x,y coordinates against the site map; some of the receptors are likely off.

DNR: Your Post Tier 2 Worksheet is a very good start on a Tier 3 Work Plan. These conference notes will add to it. Your next proposal and budget for funding will be the closest to a Work Plan; please send me a copy too, without budget numbers, along with a map of your proposed sampling locations. The very high benzene concentration in MW3R is a bit scary, although it was sampled only a week after drilling. Could it be due to a turbid sample? You need to sample it again.

Seneca: Yes, there could have been sediment in the sample. We developed the monitoring well, but the groundwater could still have particles in it.

Fund: Or it could be a sign of a new release.

If you are going to replace the cast iron water main with cast iron with different gaskets, do you still have to get a permit from Water Supply Section?

Seneca: We will check about a permit. We should do soil sampling to determine how much water line might need to be replaced.

DNR: Yes. For the sewer main in the alley, could it be submerged all the time?

Seneca: Unlikely; it's less than five feet deep.

DNR: There is some precedent for excavating a sewer main and pouring concrete around it as a technological control. And if you aren't sure of sanitary sewer service line locations, scope the lines or run a snake with a radio connection down it.

Seneca: We will do soil gas and groundwater vapor sampling after the soil and groundwater sampling has been completed.

DNR: The water table is pretty shallow and most of the soil contamination is generally submerged; it won't be easy to wait until the water table drops enough to expose the soil maximums. I don't insist on that in Tier 3; we know from EPA and ITRC that vapors don't travel far. I would prefer that soil gas sampling be conducted when the water table is at least one standard deviation beneath the mean depth, but we may not be willing to wait that long. Multiple samples over several months could suffice.

We will need a site monitoring report (SMR) this year; the next report should contain all the data and the analytical data in the software, but a letter report should be okay.

Fund: We don't know if there will be an Fund Board Meeting in August.

DNR: We would like the water line and sewer work done this year, if possible. If there is a Fund meeting in August, please provide James with an estimate for the authorization needed to do the receptor work. If the meeting isn't until September, you have more time to prepare a bid.

Selected Actions and Schedule:

- DNR sends out conference notes by 6/9/16.
- CGP submits a proposed budget by 6/20/16 for:
 - providing a map of proposed soil & groundwater sampling locations,
 - investigating sewer and water line receptors & locations,
 - conducting groundwater sampling,
 - conducting soil sampling,
 - in-putting the analytical results into the SMR and Tier 2 software, and
 - providing a Letter Report with results and recommendations.
- CL evaluates the budget by 6/27/16.
- CGP will conduct the work and provide a Letter Report by 8/30/16.

Everyone agreed to this approach and schedule.

Jeff White, DNR Project Manager

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