

**September 29, 2016**

**Board of Directors**

**Iowa Comprehensive Petroleum  
UST Fund Board**



## **Approval of Prior Board Minutes**



# 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

## MINUTES

### IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND PROGRAM

**AUGUST 25, 2016**

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

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

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

Also present were:

David Steward, Attorney General's Office  
Dale Cira, Administrator  
James Gastineau, Deputy Administrator

Elaine Douskey, Iowa Department of Natural Resources

### **APPROVAL OF PRIOR BOARD MINUTES**

Mr. Barry inquired if the members had reviewed the minutes and there were any items for discussion. Ms. Andeweg moved to approve the minutes of the July 18, 2016, meeting and Ms. Beck seconded the motion. The minutes were approved unanimously.

### **CLOSED SESSION**

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

## **PUBLIC COMMENT**

No public comments were presented.

## **BOARD ISSUES**

### **A. Strategic Planning Session Overview**

Mr. Cirra provided an overview of the memo presented in the Board packet. He noted that the last meeting was very successful with Board Chairman Doug Beech's offering possible opportunities to expedite closure of this Program. He noted the discussion of the proposal and the recommendations that followed are documented in the meeting minutes. Mr. Cirra noted that the action items to be accomplished in the implementation of the plan are:

- By October 1, 2016, the Administrator's office will identify claims that will be subject to a Loss Portfolio Transfer (LPT).
- By November 1, 2016, the Administrator, in conjunction with counsel, will provide a draft RFP document for review for the LPT.
- As soon as practicable, the Board staff will evaluate the concept to transfer the remaining Program funds to the Iowa Finance Authority (IFA) in coordination with the Treasurer's office, Department of Natural Resources and IFA.
- Develop a 28E agreement with the IFA and the Department to administer the transferred monies and set forth the protocol on how the monies can be used.

In the implementation of the plan, Mr. Cirra noted updates would be provided to the Board at each subsequent meeting.

### **B. Limited Loss Portfolio Transfer Update**

Mr. Gastineau provided an update to the proposed Loss Portfolio Transfer (LPT) between the Board and Petroleum Marketers Management Insurance Company (PMMIC). He noted that at last month's meeting, the Board requested claimants be provided a 30-day notification period for deciding whether or not to opt-in to the transfer of their claims. Mr. Gastineau noted letters were sent to claimants and completed release forms have been received from 7 of the 9 claimants and another is expected within the week.

Mr. Gastineau requested authorization be granted to the Administrator to complete the transfer of the prospective claims for which a Claimant Waiver has been received as of August 30, 2016, for an amount not to exceed \$935,765.74. Mr. Gastineau noted that the stated amount assumes all waivers are received and noted that the amount includes a 15% risk premium, 5% administrative charge, and a 3.5% tax. He noted that in each of the prior LPTs, a risk premium and tax were included but not the administrative fee.

Mr. Gastineau also noted that there are additional sites with shared liabilities in development and as new sites are identified, more sites may be identified. Thus, it is possible that a fourth limited LPT may be requested before the program ends.

In consideration of the proposal, Mr. Hall noted that action on the LPT had been requested by the Board and so moved to approve the request that authorization be granted to the Administrator to transfer claims as presented. Ms. Andeweg seconded the motion. The motion passed unanimously.

Following the presentation, Mr. Hall added that he had a conversation with Wes Patterson of IFA and IFA's legal counsel. Mr. Hall suggested that a subcommittee may be needed to sit down with IFA and talk through issues regarding serving the needs of the Board and insulating the monies in the Fund. He suggested that he, Mr. Steward and a couple of other volunteers spend a few hours over the next month exploring this topic.

Mr. Hall noted, that once the subcommittee has met, a short memo will be put together for the Board packet in September. Mr. Barry indicated he would be interested in participating. Mr. Cirra noted that he or Mr. Gastineau should also be included in the subcommittee.

### **C. Aon Contract Update**

Mr. Cirra reminded Board members that a subcommittee was established to meet with Aon to discuss the needs and process for addressing Aon's fee structure. He noted that a meeting was held on July 14, 2016 to discuss that exact topic. From that meeting, Mr. Cirra noted that Aon was tasked to put together a recommendation for a revised fee structure and provide a proposal with a "not to exceed" number. He noted that the proposal created in response to the meeting has been submitted to the subcommittee.

Mr. Gartin, a member of the subcommittee, responded that the minutes of the meeting are provided in the Board packet and they lay out what the meeting addressed. He noted that in addition to the fee structures, that there were some other items addressed such as whether or not a final audit of the program will be required. In considering this, he noted that it was his understanding that such an audit would be necessary by the State Auditor's staff and that this task would need to be considered in the time frame of Aon's contract.

Mr. Gartin noted another issue was the topic of confidential materials. He commented that Aon has access to confidential materials and the Board needs to resolve what will happen to that material. The subcommittee believes the materials should go to the custody of the DNR to be maintained with the Program records.

With respect to Aon's compensation, Mr. Cirra noted that the subcommittee met and discussed the changes in the program with Aon and requested a proposal on their fee structures. He noted that Aon proposes to reduce their compensation by 15 percent.

Mr. Cirra provided background on how Aon figured their proposal amount; he indicated Aon went back to their earlier proposal that guides the current contract. Aon divided up the fee structure

between operational and technical components and went through each function. Aon provided a table in the Board packet showing the 2011 fee and the 2016 fee reflecting their reduction from 2015 and the elimination of the automatic fee increase. He noted that the current monthly fee is \$101,262, which includes the costs for Cunningham Lindsey's services. He noted Aon proposes a 15 percent decrease off the current fee structure for a new fee of \$86,244, again to include Cunningham Lindsey's fee and with no automatic increase for the period ending no later than December 31, 2018.

Following Mr. Cira's presentation, Mr. Gartin stated he believes Aon's proposal was very responsive in meeting the questions and comments of the subcommittee. Mr. Hall commented he thought that the proposed fee makes sense for the time period of January 1, 2017, to December 31, 2017, but would be more comfortable with the idea that the fee be looked at again before 2018. Mr. Steward indicated that an amendment to the contract could include wording to serve that need.

Following a brief discussion, Mr. Hall moved to adopt the recommendation from the subcommittee to decrease Aon's fee by 15% for 2017 with language added that the fee be reviewed again before 2018 in light of the LPT. Ms. Andeweg seconded the motion. The motion passed unanimously.

A short discussion followed regarding the confidential material, the length of time the material must be kept and the nature of the confidential information. Mr. Steward indicated all claim information must be kept for 10 years from the time the claim is closed.

**D. Lien # 0801030 – Griswold**

Mr. Gastineau provided an overview of this matter noting that the Board, in conjunction with the Department, retained an environmental contractor to perform activity 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 of the costs incurred, \$9,840.50, however as he was unable to pay, a lien was filed on the property in February 2008. To date, the owner has paid \$4,420 towards the lien, leaving the current balance at \$5,420.50.

In a letter dated May 24, 2016, the property owner requested a release of the lien for the amount paid to date, so that the property may be sold albeit at a reported loss to the owner.

Mr. Gastineau noted that per a recent conversation with the landowner, the proposed sale of the property has been lost. The landowner also reports that the contract buyer/tenant has abandoned the property and vacated the property. The landowner noted difficulty in marketing the property due to the lien which remains on the site and asks for leniency and a release of the lien for the amount paid to date.

In consideration of the matter presented and in light of the property value, the Board opted not to dismiss the lien, noting that the matter will be reconsidered within the next 16 months as the lien will expire in early 2018.

**E. Lien # 061017 – Lockridge**

Mr. Gastineau provided an overview of this matter noting that the Board, in conjunction with the Department, retained an environmental contractor to perform activities on the referenced site including removal of two underground storage tanks. The property owner at the time was not eligible for IUST funding due to the date contamination was discovered. Following tank removal activities and assessment, the owner was notified of the costs incurred. The owner was unable to pay thus a lien was filed in October 2006 for the amount of \$35,202.

Mr. Gastineau noted that the Department had determined that Connie Boughner (Richardson) , the last owner/operator of the tank, was unable to pay for the required tank closure and assessment activities, thus such activities were performed using the Board’s closure contract. Following the closure contract, the Department has since utilized Federal monies, when available, to complete work to address the high risk conditions. Mr. Gastineau noted that the Department has since costs of \$459,956 for the work completed and noted that further work is needed before the site can be reclassified. He noted that the referenced USTF lien is scheduled to expire October 2016 and thus is presented for consideration on renewal or release.

Ms. Beck moved to renew the lien. Ms. Andeweg seconded the motion. The motion passed unanimously.

**F. Lien # 030033 – Gravity**

Mr. Gastineau provided an overview of this matter noting that the Board, in conjunction with the Department, retained an environmental contractor to perform activities on the referenced site including removal of two underground storage tanks. The property at the time was not eligible for IUST funding due to the date contamination was discovered. Following tank removal activities and assessment, the owner was notified of the costs incurred. The owner was unable to pay this and a lien was filed in November 2006 for the amount of \$52,090. During the assessment and cost recovery process, the site was sold to the current landowner.

Mr. Gastineau noted that following the State Lead closure contract work, the Department has used Federal monies to complete work at the site. This work included multiple excavations and resulted in site reclassification of No Action Required. Costs incurred by the Department total \$358,855. It was noted that the Department did not pursue cost recovery for the expenditures as the current landowner is not a responsible party.

Following a brief discussion in which the current assessed value of the property was recognized as \$1,160, Mr. Gartin moved to allow the lien to lapse as there is no value in pursuing this lien further. Ms. Andeweg seconded the motion. The motion passed unanimously.

**G. DNR Update**

Ms. Douskey indicated she had nothing to report.

**APPROVAL OF PROGRAM BILLINGS**

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

- 1. Aon Risk Services .....\$101,262.00  
Consulting Services September 2016 -- \$62,262.00  
Claims Processing Services September 2016-- \$39,000.00
- 2. Aon Risk Services .....\$1,168.81  
Strategic Planning Meeting, July 18, 2016, Iowa Arboretum

**Previously submitted:**

- 3. Office of the Auditor of State (FY 2016) .....\$1,431.50  
Audit Services performed during FY 2016
- 4. Iowa Department of Revenue (FY 2016) .....\$872.75  
4<sup>th</sup> Quarter FY 2016 EPC collection
- 5. Attorney General’s Office (FY 2016) .....\$2,401.12  
Legal Services for the UST Fund – June 2016

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

**MONTHLY ACTIVITY REPORT AND FINANCIALS REVIEWED**

Mr. Gastineau noted a continued decline in the number of open claims and that as of July 31, 2016, the claims number 401. He also noted expenditures for July were approximately \$870,000 and commented that the Fund balances will continue to increase through the end of 2016 but will decline starting in January 2017 as the statutory allocations will cease.

Mr. Gastineau added there was nothing of significance to report regarding the financials. He also noted that an update on the status of the Board liens was provided.

**ATTORNEY GENERAL’S REPORT**

Mr. Steward reported that following the discussion at the last meeting regarding the Board’s intent to complete an LPT, he had discussed the matter with contracting attorneys in his office and learned that this is a unique situation. He noted that he has since contacted the Department of Administrative Services (DAS) and in a meeting with DAS staff and Mr. Gastineau that the DAS

contracting staff have agreed to use their expertise to assist in writing a RFP for the Board's use. Mr. Steward indicated that it is believed that the RFP will be ready by November 1, 2016.

### **CLAIM PAYMENT AUTHORITY**

The following claim authority requests were presented:

#### **1. Site Registration 8606980 – Elliott Oil Co., Ottumwa (2<sup>nd</sup> Board Report)**

Mr. Gastineau reported the site is classified No Action Required with free product. The remaining persistent free product is located beneath the diesel dispenser island. The consultant is proposing the completion of an over-excavation of this area during a product piping/dispenser island upgrade. If successful, the excavation will allow for the closure of this claim following a period of post-excavation monitoring to ensure that free product does not return.

Mr. Gastineau noted the present claim reserve is \$300,000. Total projected costs are \$150,000 to \$230,000+. Additional authority of \$210,000 was requested for total authority to \$400,000.

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

#### **2. Site Registration 8606695 – City of Jefferson, Jefferson (2<sup>nd</sup> Board Report)**

Mr. Gastineau reported this as a high risk site for vapor, water line and groundwater ingestion pathways. He noted a remaining contamination extends onto an adjacent residential property. The consultant is recommending, and has received authorization from the property owner for, an excavation in the front yard of that residential property.

Mr. Gastineau noted the present claim reserve is \$225,000. Total projected costs are \$100,000 to \$200,000+. Additional authority of \$165,000 was requested for a total authority of \$300,000.

Mr. Hall moved to approve the request and Ms. Beck seconded the motion. The motion was approved unanimously.

#### **3. Site Registration 8710709 – The Country Store, Viola (2<sup>nd</sup> Board Report)**

Mr. Gastineau reported this site is high risk for numerous drinking water wells, residential basements and sewers. There is no public water supply source and, as a result, all properties near the site have private water wells. An excavation was completed in 2002 to remove the accessible contamination above bedrock. Remediation by multiphase extraction (MPE) has been ongoing since 2005 to treat the remaining contamination in the bedrock. An activated carbon injection is recommended at this time along with continued system operation.

Mr. Gastineau noted the present claim reserve is \$800,000. Total costs incurred to date are \$651,021.02, with projected costs at \$75,000 to \$150,000+. Mr. Gastineau requested additional authority of \$140,000 for a total authority of \$800,000.

Mr. Barry moved to approve the request and Ms. Beck seconded the motion. The motion was passed unanimously.

### **CONTRACTS ENTERED INTO SINCE JULY 18, 2016 BOARD MEETING**

Mr. Gastineau reported that the Board signed a 28E agreement with the Attorney General's office following the July 18, 2016 Board meeting for fiscal year 2017 services.

### **OTHER ISSUES AS PRESENTED**

The next Board meeting will be held on Thursday, September 29, 2016, at the Capitol.

### **CORRESPONDENCE AND ATTACHMENTS**

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

A motion to adjourn the meeting was made by Mr. Barry. The meeting adjourned at 11:05 A.M.

Respectfully submitted,



James Gastineau  
Deputy Administrator

## **Closed Session**

**Discussion of Pending and Imminent Litigation**

## **Public Comment**

## **Board Issues**

## **A. Administrator Contract**

## **B. FY 2017 Goals**



# IOWA UNDERGROUND STORAGE TANK FUND

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Dale T. Cira, *Administrator*

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

## MEMORANDUM

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**TO:** UST Board  
**FROM:** Dale T. Cira  
**DATE:** September 22, 2016  
**RE:** FY 2017 Goals

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In the July 18, 2016 Board meeting, a number of goals were established for this year that will eventually lead to the closure of the Program. The goals were developed in consideration of 2016 legislation which ends the Program funding as of December 31, 2016. Combined with the reduction in Program claims, a plan was developed to end the Program in a way that will allow allocated funds to be used, to the extent possible, for the intended purpose of providing corrective action on Program eligible sites. The plan includes the following tasks:

A. Establish, Bid and Finalize a Loss Portfolio Transfer ("LPT").

- 1) By October 1, 2016, the Administrator, in conjunction with the Department, will identify those claims that would be subject to an LPT. Staff will also identify those claims that are not perceived to be suitable for a LPT; these may include claims for sites classified no action required, sites near completion, near the statutory funding cap, and those sites that are thought to be highly complex or that may never reach completion.
- 2) By November 1, 2016, the Administrator, in conjunction with counsel, will develop documents necessary to bid the LPT to interested parties with the objective to transfer claims to the winning bidder.

B. Transfer the Remaining Funds to the Iowa Finance Authority (IFA).

- 1) As soon as practicable, Board staff will evaluate this concept to determine if monies set aside with IFA will be protected from future legislative actions. The evaluation will be completed by Department staff, in coordination with the Treasurer's office and IFA.
- 2) Develop a 28E agreement with IFA and the Department to administer the transferred monies and set forth the protocol on how the monies can be used. Uses may include continued funding of the sites excluded from the LPT, new eligible

claims, tank closure claims, claims on NFA re-opened sites, operator training and limited administrative costs for the Department and IFA.

#### LPT Status

As of September 22, 2016, the Administrator's office, in conjunction with the Department, has identified those claims considered candidates for the proposed LPT. Of the 394 open claims, 288 claims with estimated reserves near \$17.4M are considered candidates, while the remaining 106 claims with estimated reserves near \$4.1M would be excluded. The numbers for the LPT pool are subject to change as claims are added or closed. Since the start of FY 2017, ten new claims have been added however only one is considered a good candidate for the LPT.

Due to the complexity of the proposed LPT, staff from the Administrator's office and legal counsel met with the Iowa Department of Administrative Services (DAS) Purchasing Department. Following the discussion of the need for a comprehensive LPT proposal, DAS staff has offered to coordinate the development of a Request for Proposal (RFP). It is believed the November 1<sup>st</sup> target date for the RFP will be met.

#### Transfer of Funds

A planning meeting to discuss the possibility of a transfer of funds to the Iowa Finance Authority has been scheduled but not yet completed. An update on this meeting will be presented when available.

## **C. Limited LPT Update**

## **D. DNR Update**

## **Approval of Program Billings**



# IOWA UNDERGROUND STORAGE TANK FUND

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Dale T. Cira, *Administrator*

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

## MEMORANDUM

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TO:            UST Board Members  
FROM:        James Gastineau  
DATE:        September 21, 2016  
SUBJECT:    Summary of Bills for Payment

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

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

1.    Aon Risk Services ..... \$101,262.00  
      Consulting Services October 2016 -- \$62,262.00  
      Claims Processing Services October 2016-- \$39,000.00
  
2.    Attorney General's Office (FY 2017) ..... \$2,401.12  
      Legal Services for the UST Fund – July & August 2016
  
3.    Mileage Reimbursement – Karen Andeweg ..... \$24.96  
      Iowa UST Fund Board meeting, Madrid, IA, July 18, 2016

## Iowa Comprehensive Petroleum

Invoice No. 9500000129151

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  
Aug-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	Oct-01-2016	Renewal - Service Fee	
<b>Comments</b>			Service Fee	62,262.00
Installation 10 of 12 Monthly Fee			Consulting Expense	39,000.00
Payment due 21 days after Transaction Effective Date				
Thank you for your business!				
<b>TOTAL INVOICE AMOUNT DUE</b>				<b>101,262.00</b>

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

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

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

Page 1 of 2

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

Client Account No.	Invoice No.	Invoice Date	Currency	Amount Due
10756349	9500000129151	Aug-15-2016	US DOLLAR	101,262.00

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

**Remit to:**

Aon Risk Services Central, Inc.  
Aon Risk Services Companies, Inc.  
75 Remittance Drive - Suite 1943  
Chicago IL 60675-1943



Iowa Comprehensive Petroleum

Invoice No. 9500000129151

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

Please see reverse side for statement regarding Aon compensation.

Page 2 of 2

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

Client Account No.	Invoice No.	Invoice Date	Currency	Amount Due
10756349	9500000129151	Aug-15-2016	US DOLLAR	101,262.00

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

Northern Trust Company  
50 South LaSalle  
Chicago IL 60675

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

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

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

**Overnight Remit to:**

ARS Companies, Inc.  
C/O Northern Trust Bank  
350 North Orleans Street  
Receipt & Dispatch, 8th Floor  
Chicago IL 60654  
Reference: Suite 1943  
Phone No: 410-363-5800

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



Invoice Date: 09/09/16

**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: July & August SFY17

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

Document Number	Account Coding				Description	Amount
	Fund	Agency	Org	Sub Org		
112AG090916042	0001	112	2301		0302	\$ 8,761.48

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

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

Billing Period:	<b>JULY - AUG 2016</b>
Billing Total:	<b>\$8,761.48</b>
DSS @ 22%	\$1,187.57
RCH @10%	\$335.33
JAA @12%	\$368.20
Pay period ending:7/14/2016	\$1,891.10
DSS @ 22%	\$1,484.06
RCH @10%	\$466.71
JAA @12%	\$538.87
Pay period ending:7/28/2016	\$2,489.64
DSS @ 22%	\$1,187.57
RCH @10%	\$335.33
JAA @12%	\$368.20
Pay period ending: 08/11/16	\$1,891.10
DSS @ 22%	\$1,484.06
RCH @10%	\$466.71
JAA @12%	\$538.87
Pay period ending: 08/25/16	\$2,489.64
<b>Total 7/1/16 - 8/25/16</b>	<b>\$8,761.48</b>

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

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

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

# STATE OF IOWA

**TP**

OFFICIAL DOMICILE:		<b>TRAVEL PAYMENT</b>			DOCUMENT NUMBER	
PURPOSE OF TRAVEL <input type="checkbox"/> MEETING <input checked="" type="checkbox"/> TRAINING	NORMAL JOB DUTIES <input type="checkbox"/> CONFERENCE/SEMINAR <input type="checkbox"/> STAFF DEVELOPMENT <input type="checkbox"/> OTHER (SPECIFY)	REQUIRED BY FEDERAL GOVERNMENT				
NAME AND HOME ADDRESS KAREN ANDEWEG 4408 132nd Street Urbandale, IA 50322		ALTERNATE ADDRESS (Send warrant to)		ACCOUNTING USE ONLY-REFERENCE ALL OTHER RELATED DOCUMENTS		
				DOC #	DATE PAID	DOC # DATE PAID

YEAR	TIME		TRAVEL			MEALS					LODGING		Trans-Other Expenses				
	MM/DD	LEFT	RETURN	FROM	TO	MILES	RATE	CHARGE	BREAKFAST	LUNCH	DINNER	TOTAL	REIMB TOTAL	ACTUAL	REIMB TOTAL	CODE	AMOUNT
7/18				Home	to Iowa UST Fund meeting 1875 Peach Ave, Madrid, IA	64	.39	24.96									
<b>TOTALS</b>						64		24.96									

TRANS AND OTHER EXPENSE A - AIR      F - LOCAL PHONE      R - REGISTRATION      O - OTHER (Specify) B - BUS/CAB      L - LAUNDRY      S - SUPPLIES D - LD PHONE      P - PARKING      T - TOLLS	<b>DOCUMENT TOTAL</b> Less Travel Advances Less Travel Pcard Payments <b>REIMBURSEMENT REQUESTED</b>	24.96    <b>24.96</b>
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ROUTINE USE OF THIS FORM IS TO FULFILL IRS REQUIREMENTS, IDENTIFY INDIVIDUAL CLAIMS FOR PUBLIC INSPECTION, PROVIDE THE STATE VEHICLE DISPATCHER INFORMATION, AND TO PREPARE THE ANNUAL SALARY BOOK.

<b>CLAIMANT'S CERTIFICATION</b> I CERTIFY THAT THE ITEMS FOR WHICH PAYMENT/REIMBURSEMENT IS CLAIMED WERE FURNISHED FOR STATE BUSINESS UNDER THE AUTHORITY OF THE LAW AND THAT THE CHARGES ARE REASONABLE, PROPER, AND CORRECT, AND NO PART OF THIS CLAIM HAS BEEN REIMBURSED OR PAID BY THE STATE, EXCEPT ADVANCES SHOWN, AND I UNDERSTAND THE ROUTINE USES OF THIS FORM.	<b>DEPARTMENT CERTIFICATION</b> I CERTIFY THAT THE ABOVE EXPENSES WERE INCURRED AND THE AMOUNTS ARE CORRECT AND SHOULD BE PAID FROM THE FUNDS APPROPRIATED BY CODE OR CHAPTER SECTIONS(S)
COMMUTING MILES EXCL? <input type="checkbox"/> Y <input type="checkbox"/> N      INCLOS VICINITY MILES? <input type="checkbox"/> Y <input type="checkbox"/> N      DIRECT DEPOSIT? <input type="checkbox"/> Y <input type="checkbox"/> N      WARRANT TO ALT ADDRESS? <input type="checkbox"/> Y <input type="checkbox"/> N	TRAVEL DEPARTMENT AUTHORIZATION NUMBER:
TITLE	DEPARTMENT TO BE CHARGED
VENDOR CUSTOMER NO	BOARD OR COMMISSION MEMBER? <input checked="" type="checkbox"/> YES
CLAIMANT'S SIGNATURE <i>Karen Andrew</i>	DATE 8-25-16
TRAVEL APPROVAL (SUPERVISOR'S SIGNATURE)	

TP	DOCUMENT NUMBER		DOCUMENT DATE	ACCOUNTING PERIOD	BUDGET FISCAL YEAR	ADDRESS OVERRIDE Y / N	VENDOR CUSTOMER NUMBER	DOCUMENT TOTAL
	FUND	DEPT	UNIT	SUB UNIT	OBJT	SUB OBJT	VENDOR CUSTOMER NUMBER	AMOUNT
01								
02								
03								
04								
05								
06								
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## **Monthly Activity Report and Financials Reviewed**

## **A. August 2016 Activities Report**

Iowa UST Fund  
Monthly Activities Report

Aug-16

Claims	Open Claims		Open Claims		Open & Closed
	July Ending	Monthly Net Changes	July Ending	Totals since Inception	
<b>RETROACTIVE</b>					
number	21	(1)	20	447	
reserve	\$1,181,039.20	(\$12,212.91)	\$1,168,826.29	\$1,168,826.29	
paid	\$5,708,960.80	(\$232,787.09)	\$5,476,173.71	\$18,175,932.70	
	\$6,890,000.00	(\$245,000.00)	\$6,645,000.00	\$19,344,758.99	
<b>REMEDIAL</b>					
number	290	(1)	289	4,462	
reserve	\$16,546,380.83	(\$413,451.98)	\$16,132,928.85	\$16,132,928.85	
paid	\$64,940,214.96	\$127,862.48	\$65,068,077.44	\$219,085,393.97	
total	\$81,486,595.79	(\$285,589.50)	\$81,201,006.29	\$235,218,322.82	
<b>INNOCENT LANDOWNER</b>					
number	76	0	76	1,137	
reserve	\$3,708,320.28	\$53,883.64	\$3,762,203.92	\$3,762,203.92	
paid	\$10,508,279.72	(\$370,255.34)	\$10,138,024.38	\$33,569,086.83	
total	\$14,216,600.00	(\$316,371.70)	\$13,900,228.30	\$37,331,290.75	
<b>GLOBAL OPT-IN</b>					
number	59	0	59	1,309	
reserve	\$291,780.48	(\$4,251.20)	\$287,529.28	\$287,529.28	
paid	\$506,130.57	\$4,251.20	\$510,381.77	\$9,880,730.05	
total	\$797,911.05	\$0.00	\$797,911.05	\$10,168,259.33	
<b>UNASSIGNED REVENUE FUND PROJECTS</b>					
number	59	5	64	312	
reserve	\$1,235,581.36	(\$24,614.16)	\$1,210,967.20	\$1,210,967.20	
paid	\$747,419.14	\$16,602.16	\$764,021.30	\$3,327,399.94	
total	\$1,983,000.50	(\$8,012.00)	\$1,974,988.50	\$4,538,367.14	
<b>NFA RE-EVALUATIONS</b>					
number	13	(1)	12	61	
reserve	\$307,406.96	(\$8,642.00)	\$298,764.96	\$298,764.96	
paid	\$522,593.04	(\$11,358.00)	\$511,235.04	\$1,332,507.18	
total	\$830,000.00	(\$20,000.00)	\$810,000.00	\$1,631,272.14	
<b>TANK PULLS</b>					
number	35	2	37	484	
reserve	\$510,615.00	(\$23,167.71)	\$487,447.29	\$487,447.29	
paid	\$9,385.00	\$53,167.71	\$62,552.71	\$5,399,809.17	
total	\$520,000.00	\$30,000.00	\$550,000.00	\$5,887,256.46	

Corrective Action Meetings (8/15)	
Scheduled:	3
Completed:	1,300
MOA's	488

UST Operator Training	
A/B (all)	3,220
A/B (FY2011-17)	\$311,620

Total Claims	(RT, RM, ILO, NFA)	396
Reserves	(inc. Global Opt-in)	\$21,650,253

RT Claims	#
New	0
Reopened	0
Closed	1

RM Claims	#
New	0
Reopened	0
Closed	1

ILO Claims	#
New	1
Reopened	0
Closed	2

GS Claims	#
New	0
Reopened	0
Closed	1

USTCA	#
New	5
Reopened	3
Closed	3

NFA Re-Eval	#
New	0
Reopened	0
Closed	0

Tank Pull	#
New	5
Reopened	0
Closed	3

DNR @ 8-31-16	
Total LUST	6644
NAR, RNV	5873

High Risk	378
Low Risk	140
NAR-FP	63
Not Class.	93
<b>Open LUST</b>	<b>674</b>

Invoice Type Totals	AUG	FYTD	Program to Date
Aon - Admin	\$ 62,262.00	\$ -	
Aon - Claims	\$ 39,000.00	\$ -	
Government	\$ 151,749.33	\$ 221,145.64	
2004 Tank Pull	\$ -	\$ -	\$ 1,761,823.44
2010 Tank Pull	\$ 118,313.90	\$ 253,016.61	\$ 5,528,256.54
American Soils	\$ -	\$ -	\$ 5,678,422.58
AST Removal	\$ -	\$ -	\$ 3,306,435.24
AST Upgrade	\$ -	\$ -	\$ 7,911,496.87
CADR Charges	\$ -	\$ 5,361.38	\$ 4,689,087.91
Corrective Action	\$ -	\$ -	\$ 52,439,553.67
Expenses / OT	\$ 100.00	\$ 2,800.00	\$ 310,420.00
Free Prod Recover	\$ 30,794.44	\$ 97,065.69	\$ 11,920,381.26
Monitoring	\$ 130,932.85	\$ 289,952.76	\$ 32,787,842.70
Operations/Maint	\$ 24,706.52	\$ 49,082.08	\$ 10,519,550.18
Over-excavation	\$ 66,034.16	\$ 68,874.60	\$ 34,752,974.18
Water Lines	\$ -	\$ -	\$ 2,909,225.43
Post RBCA Evals	\$ 500.00	\$ 1,700.00	\$ 247,388.41
RBCA	\$ 15,855.00	\$ 60,999.00	\$ 26,861,992.91
Remed Imp/Const.	\$ 218,221.80	\$ 599,504.83	\$ 31,019,206.71
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	\$ 865.50	\$ 1,665.50	\$ 1,384,312.65
Utilities	\$ 7,660.33	\$ 19,194.16	\$ 2,208,738.45
Well Closure	\$ 19,847.00	\$ 55,079.50	\$ 4,105,464.78
Total Invoice Types	\$ 633,831.50	\$ 1,504,296.11	\$ 301,911,145

Remediation Budgets Approved to Date		
last month (Aug. '16)	5	\$352,339
Trailing 12 mos	39	\$3,269,147
Prev Trail 12 mos	47	\$3,074,036
Total Since Jan 2003	1,225	\$53,402,282

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

Claims - High R.	246
Claims - Low Risk	77
Claims - NAR-FP	37
Claims - NC	7
CRP / NAR claims	29
<b>OPEN USTF claims</b>	<b>396</b>

## **B. August 2016 Financial Report**

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

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

<b>Balance of Fund, August 1, 2016</b>		\$5,568,919.00
<b>Receipts:</b>		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$6,197.58	
	\$6,197.58	\$6,197.58
<b>Disbursements:</b>		
Bond Interest Payment	\$0.00	
Bond Principal Payment	\$0.00	
EPC Charges	\$0.00	
Adjustments	\$0.00	
Transfer to General Fund	\$0.00	
Transfer to Unassigned Revenue Fund (0450)	\$0.00	
Transfer to Innocent Landowner Fund (0485)	\$2,000,000.00	
Transfer to Remedial Non-Bonding Fund (0208)	\$2,000,000.00	
	\$4,000,000.00	\$4,000,000.00
<b>Balance of Fund, August 31, 2016</b>		<b>\$1,575,116.58</b>

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

<b>Balance of Fund, August 1, 2016</b>		\$7,237,363.45
<b>Receipts:</b>		
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	
Refund/Overpayment	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Interest Income	\$10,937.61	
	\$10,937.61	\$10,937.61
<b>Disbursements:</b>		
UST Administrator's Fees	\$101,262.00	
Adjustment	\$0.00	
Attorney General's Fees	\$2,401.12	
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	\$1,431.50	
Claim Settlement	\$0.00	
Department of Revenue EPC Collection Fees	\$1,125.02	
Department of Inspection & Appeals Service Fees	\$0.00	
Environmental Protection Charge Refunds	\$0.00	
Iowa Finance Authority Expenses	\$0.00	
Legal and Professional Fees	\$0.00	
Postage / Printing / Miscellaneous	\$0.00	
Professional Services - Owner/Operator Training	\$100.00	
Rebate	\$0.00	
Special Project Claims - Closure Contract Project	\$54,045.00	
Travel Expenses-UST Board Members	\$0.00	

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

Warrant Float Expense	\$0.00	
28E Agreement - DNR RBCA Model Revision	\$39,082.50	
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 2016	\$89,998.63	
Appropriation 2017	\$17,710.06	
Offset of Funds to/from Innocent Land Owners (0485)	(\$20,057.84)	
Offset of Funds to/from Remedial Fund (0208)	\$0.00	
		\$287,097.99
<b>Balance of Fund, August 31, 2016</b>		<b>\$6,961,203.07</b>
 <b>0208 - UST REMEDIAL NON-BONDING FUND</b>		
<b>Balance of Fund, August 1, 2016</b>		\$19,539,791.00
<b>Receipts:</b>		
Remedial Refunds	\$0.00	
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer From UST Revenue Fund (0471)	\$2,000,000.00	
		\$2,000,000.00
<b>Disbursements:</b>		
Retroactive Claims	\$20,597.01	
Remedial Claims	\$504,670.79	
28E Agreement - NFA Claims	\$2,128.00	
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	\$0.00	
		\$527,395.80
<b>Balance of Fund, August 31, 2016</b>		<b>\$21,012,395.20</b>
 <b>0478 - UST MARKETABILITY FUND</b>		
<b>Balance of Fund, August 1, 2016</b>		\$832,264.11
<b>Receipts:</b>		
Interest	\$3,319.45	
Use Tax	\$0.00	
		\$3,319.45
<b>Disbursements:</b>		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
<b>Balance of Fund, August 31, 2016</b>		<b>\$835,583.56</b>
 <b>0485 - UST INNOCENT LANDOWNERS FUND</b>		
<b>Balance of Fund, August 1, 2016</b>		\$4,691,287.54
<b>Receipts:</b>		
Cost Recovery (i.e. lien settlements)	\$0.00	
ILO Refunds	\$0.00	
Transfer From UST Revenue Fund (0471)	\$2,000,000.00	
Transfer From Loan Gaurantee Fund (0238)	\$0.00	

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

Outdated Warrants	\$0.00	
Miscellaneous Income	\$0.00	
		\$2,000,000.00
<b>Disbursements:</b>		
Cost Recovery Reimbursement	\$0.00	
Cost Recovery Global Settlement	\$0.00	
Adjustment	\$0.00	
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	
Other Contractual Services	\$0.00	
Global Settlement Claims	\$4,251.20	
Innocent Landowner Claims	\$64,230.75	
Transfer to Remedial Fund (0208)	\$0.00	
Transfer to/from Unassigned Revenue Fund (0450)	\$0.00	
Offset of Funds to/from Innocent Land Owners (0485)	\$20,057.84	
Balance of Outdated Warrants	\$0.00	
		\$88,539.79
<b>Balance of Fund, August 31, 2016</b>		<b>\$6,602,747.75</b>
 <b>0238 - UST LOAN GUARANTEE FUND (Non-Bonding)</b>		
<b>Balance of Fund, August 31, 2016</b>		<b>\$0.00</b>
 <b>0614 - UST CAPITAL RESERVE FUNDS (Bonding)</b>		
<b>Balance of Fund, August 31, 2016</b>		<b>\$0.00</b>
<b>Combined UST Capital Reserve Fund Balances, August 31, 2016</b>		<b>\$0.00</b>
<b>TOTAL FUND BALANCES, August 31, 2016</b>		<b>\$36,987,046.16</b>

**FOOTNOTES:**

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

## **C. Year-to-Date Financials as of August 31, 2016**

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

		<b>FISCAL 2017 BUDGET</b>
<b>0471 - UST REVENUE FUND (Bonding)</b>		
<b>Balance of Fund, July 1, 2016</b>	\$14,562,012.56	<b>\$14,562,012.56</b>
<b>Receipts:</b>		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$0.00	\$7,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$13,104.02	\$25,000.00
	\$13,104.02	\$7,025,000.00
<b>Disbursements:</b>		
Bond Interest Payment	\$0.00	\$0.00
Bond Principal Payment	\$0.00	\$0.00
EPC Charges	\$0.00	\$0.00
Adjustments	\$0.00	\$0.00
Transfer to General Fund	\$0.00	\$0.00
Transfer to Unassigned Revenue Fund (0450)	\$0.00	\$0.00
Transfer to Innocent Landowner Fund (0485)	\$2,000,000.00	\$2,000,000.00
Transfer to Remedial Non-Bonding Fund (0208)	\$11,000,000.00	\$11,000,000.00
	\$13,000,000.00	\$13,000,000.00
<b>Balance of Fund, August 31, 2016</b>	<b>\$1,575,116.58</b>	<b>\$8,587,012.56</b>
<b>0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)</b>		
<b>Balance of Fund, July 1, 2016</b>	\$7,405,371.95	<b>\$7,405,371.95</b>
<b>Receipts:</b>		
Copying/Filing Fees	\$0.00	\$0.00
Fines & Penalties	\$0.00	\$0.00
Refund/Overpayment	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$0.00	\$0.00
Interest Income	\$24,203.03	\$125,000.00
	\$24,203.03	\$125,000.00
<b>Disbursements:</b>		
UST Administrator's Fees	\$101,262.00	\$1,000,000.00
Adjustment	\$0.00	\$0.00
Attorney General's Fees	\$10,418.03	\$50,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	\$0.00
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$0.00	\$100.00
Actuarial Fees	\$0.00	\$0.00
Auditor of the State Fees	\$1,431.50	\$10,000.00
Claim Settlement	\$0.00	\$0.00
Department of Revenue EPC Collection Fees	\$1,125.02	\$10,000.00
Department of Inspection & Appeals Service Fees	\$0.00	\$0.00
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	\$0.00
Professional Services - Owner/Operator Training	\$2,800.00	\$25,000.00
Rebate	\$0.00	\$0.00
Special Project Claims - Closure Contract Project	\$162,642.95	\$500,000.00
Travel Expenses-UST Board Members	\$504.66	\$500.00

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

		<b>FISCAL 2017 BUDGET</b>
Warrant Float Expense	\$0.00	\$0.00
28E Agreement - DNR RBCA Model Revision	\$39,082.50	\$60,000.00
Statutory Transfer to DNR (Admin match)	\$0.00	\$200,000.00
Statutory Transfer to DNR (technical review - recurring & carry over)	\$0.00	\$200,000.00
Statutory Transfer to IDAL (fuel inspections - recurring & carry over)	\$0.00	\$250,000.00
Appropriations Prior Fiscal Year	\$151,378.03	\$75,000.00
Appropriations Current Fiscal Year	\$17,785.06	\$0.00
Offset of Funds to/from Innocent Land Owners (0485)	(\$20,057.84)	(\$50,000.00)
Offset of Funds to/from Remedial Fund (0208)	\$0.00	(\$50,000.00)
	<u>\$468,371.91</u>	<u>\$2,280,600.00</u>
<b>Balance of Fund, August 31, 2016</b>	<b>\$6,961,203.07</b>	<b>\$5,249,771.95</b>
<b>0208 - UST REMEDIAL NON-BONDING FUND</b>		
<b>Balance of Fund, July 1, 2016</b>	\$11,158,377.12	\$11,158,377.12
<b>Receipts:</b>		
Remedial Refunds	\$0.00	\$0.00
Misc. Income (i.e. eligibility settlements)	\$0.00	\$0.00
Interest Income	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$11,000,000.00	\$11,000,000.00
	<u>\$11,000,000.00</u>	<u>\$11,000,000.00</u>
<b>Disbursements:</b>		
Retroactive Claims	\$49,335.01	\$500,000.00
Remedial Claims	\$1,075,560.91	\$4,850,000.00
28E Agreement - NFA Claims	\$21,086.00	\$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 (0450)	\$0.00	\$50,000.00
Balance of Outdated Warrants	\$0.00	
	<u>\$1,145,981.92</u>	<u>\$5,900,000.00</u>
<b>Balance of Fund, August 31, 2016</b>	<b>\$21,012,395.20</b>	<b>\$16,258,377.12</b>
<b>0478 - UST MARKETABILITY FUND</b>		
<b>Balance of Fund, July 1, 2016</b>	\$828,242.12	\$828,242.12
<b>Receipts:</b>		
Interest	\$7,341.44	\$50,000.00
Use Tax	\$0.00	\$0.00
	<u>\$7,341.44</u>	<u>\$50,000.00</u>
<b>Disbursements:</b>		
Intra State Fund Transfer	\$0.00	\$0.00
Transfer to Innocent Landowners Fund	\$0.00	\$0.00
	<u>\$0.00</u>	<u>\$0.00</u>
<b>Balance of Fund, August 31, 2016</b>	<b>\$835,583.56</b>	<b>\$878,242.12</b>
<b>0485 - UST INNOCENT LANDOWNERS FUND</b>		
<b>Balance of Fund, July 1, 2016</b>	\$4,831,638.08	\$4,831,628.08
<b>Receipts:</b>		
Cost Recovery (i.e. lien settlements)	\$0.00	\$10,000.00
ILO Refunds	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$2,000,000.00	\$2,000,000.00
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 AUGUST 31, 2016**

		<b>FISCAL 2017 BUDGET</b>
Outdated Warrants	\$0.00	\$0.00
Miscellaneous Income	\$0.00	\$0.00
	\$2,000,000.00	\$2,010,000.00
<b>Disbursements:</b>		
Cost Recovery Reimbursement	\$0.00	\$0.00
Cost Recovery Global Settlement	\$0.00	\$0.00
Adjustment	\$0.00	\$0.00
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	\$0.00
Other Contractual Services	\$0.00	\$0.00
Global Settlement Claims	\$16,524.68	\$125,000.00
Innocent Landowner Claims	\$192,537.81	\$2,000,000.00
Transfer to/from Remedial Fund (0208)	\$0.00	\$0.00
Transfer to/from Unassigned Revenue Fund (0471)	\$0.00	\$50,000.00
Offset of Funds to/from Innocent Land Owners (0485)	\$20,057.84	
Balance of Outdated Warrants	(\$230.00)	\$0.00
	\$228,890.33	\$2,175,000.00
<b>Balance of Fund, August 31, 2016</b>	<b>\$6,602,747.75</b>	<b>\$4,666,628.08</b>
<b>0238 - UST LOAN GUARANTEE FUND (Non-Bonding)</b>		
<b>Balance of Fund, August 31, 2016</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>0614 - UST CAPITAL RESERVE FUNDS (Bonding)</b>		
<b>Combined UST Capital Reserve Fund Balances, August 31, 2016</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TOTAL FUND BALANCES, August 31, 2016</b>	<b>\$36,987,046.16</b>	<b>\$35,640,031.83</b>

**FOOTNOTES:**

**Note 1:** Funds labeled "Bonding" were created as a result of the issuance of UST Revenue Bonds. Disbursements from these funds are restricted by the Revenue Bond indenture. Funds labeled "Non-Bonding" are funds not restricted as to use by the Revenue Bond indenture. **All bond funds are \$0.00 8/31/08**

## **D. Lien Status Update**

## Iowa Underground Storage Tank Fund Liens Filed

(Updated 09-19-2016)

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	comment
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	2013-2389	
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	2014-1057	
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	7/13/2006	8/30/2006	10/13/2006	10/24/2006	\$35,202.00	10/25/2006	2006-2472	
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	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 Moville Blacktop, Climbing Hill 51501	3/27/2007	4/30/2007	6/1/2007	8/1/2007	\$14,400.00	8/7/2007	692 - 10744	
0801030	Cass	8608073	82102	802 Main St., Griswold, IA	Griswold Custom Classics LC	802 Main, Griswold, IA 51535	10/12/2007	11/30/2007	1/11/2008	1/31/2008	Balance: \$5420.50	2/1/2008	2008 - 223	
150732	Webster	8605779	16041	1406 A St., Ft Dodge	David & Elaine Killian	1005 River Forest Ct., Ft. Dodge, IA	6/20/2016	8/10/2016			\$2,500.00			Lien Pending
160633	Hancock	8608878		595 State St., Garner	Charles Schmidt	2440 Union Avenue, Garner, IA	6/20/2016	8/10/2016			\$3,495.00			Lien Pending
160734	Marshall	8608247		103 S. Main, Laurel	Laurel Convenience Stores, Inc.	7842 HWY 14 East, Kellogg, IA	7/12/2016	8/30/2016			\$3,405.00			Lien Pending

## **Attorney General's Report**

## **Claim Payment Approval**

**IOWA UNDERGROUND STORAGE TANK PROGRAM  
 FIRST BOARD REPORT  
 SEPTEMBER 20, 2016  
 CITY OF AUDUBON  
 408 MARKET STREET  
 AUDUBON  
 SITE REGISTRATION NUMBER: 8601704  
 LUST NUMBER: 7LTQ78/9LTM15**

RISK CLASSIFICATION:

HIGH            LOW            UNDETERMINED     

PRESENT CLAIM RESERVE:                      \$ 175,000.00

ELIGIBILITY: Contamination was discovered on this property in 1990 during an insurance site check. Due to a second lapse in the required financial responsibility for operating tanks, the claim was closed. A second LUST number (9LTM15) was also issued for the site in 2005 following indications of a new release. The City of Audubon acquired the property by eminent domain in 2014, making the site eligible for benefits once again.

COST INCURRED TO DATE:

1. CRP Site clean-up report	\$ 20,585.88
2. RBCA Tier II report	22,056.13
3. 2004 tank pull	17,807.48
4. Site monitoring reports	<u>12,018.49</u>
TOTAL COST TO DATE	\$ 72,467.98

PROJECTED COSTS:

- ❖ Site Monitoring Report
- ❖ Over-excavation

TOTAL PROJECTED COSTS:                      \$ 85,000.00 to 125,000.00+

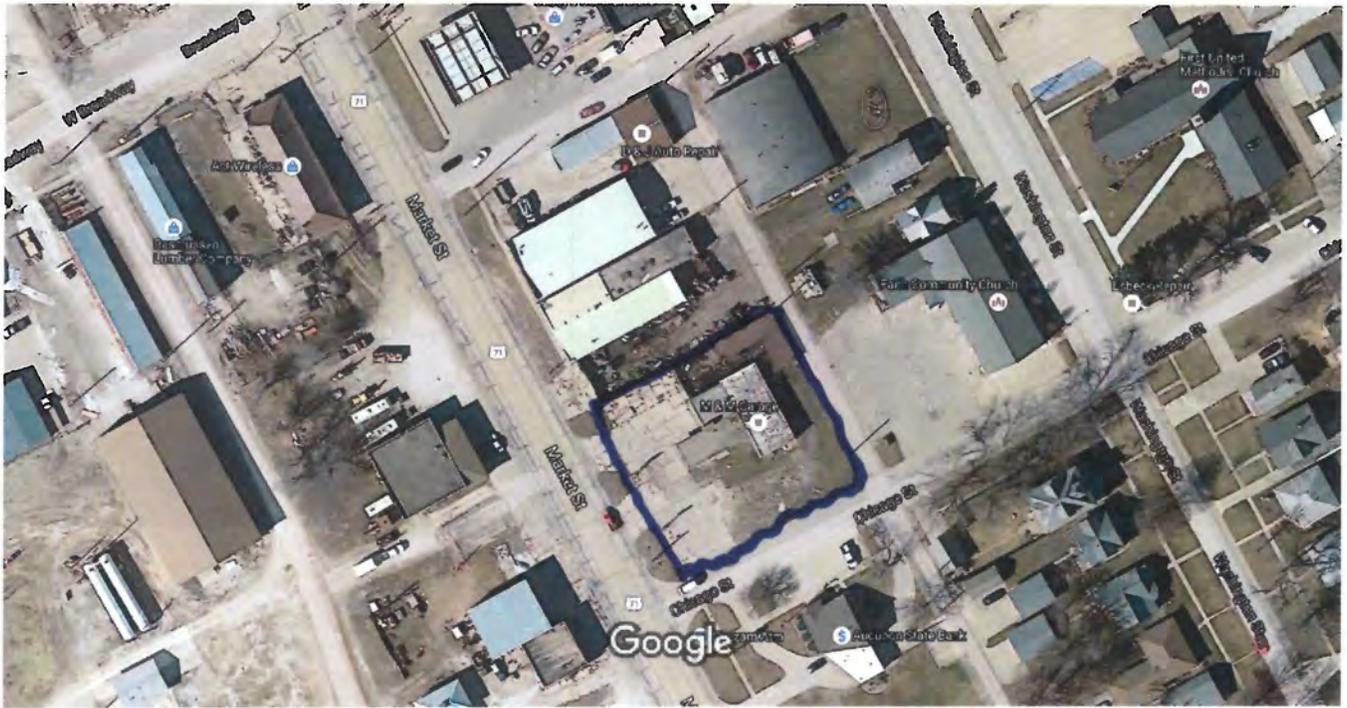
TOTAL AUTHORITY RECOMMENDED: \$200,000.00

COMMENTS:

The site is high risk for the vapor and water line pathways. Vapor sampling has also failed. As this is a non-operating facility, the source area is accessible to excavation. The excavation proposed by the contractor will likely result in reclassification following a period of post-excavation monitoring. Affected population likely less than 20.

Site Timeline

- 1990 - Contamination discovered during an insurance site check. A claim is filed by Jemco, Inc.
- 1995 - The site cleanup report (SCR) is submitted as high risk.
- 2002 - The Tier 2 is submitted and accepted as low risk.
- 2002 - The first FR lapse occurs and the claimant pays the reinstatement fee.
- 2004 - The DNR is informed on 8/17/04 of a suspected new release from a product line.
- 2005 - New LUST #9LTM15 is issued following notification and investigation of the suspected new release. A revised Tier 2 is required by the department.
- 2005 - The insurance is cancelled prior to pulling the tanks in December of 2005. This represents the second FR lapse and results in the claim being no longer eligible unless they can document that the tanks were properly emptied prior to the cancellation.
- 2011 - Claim is closed as the site owner has failed to provide documentation that the tanks were properly emptied.
- 2014 - The City of Audubon takes the property by eminent domain, making this site eligible for benefits.
- 2015 - A revised Tier 2 is submitted and accepted as high risk for the water line pathways.
- 2016 - Vapor sampling is completed to determine if the vapor pathways and water line receptors can potentially be reclassified without an excavation. The vapor sampling fails and source removal by excavation is considered to be the best option for claim closure.



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**IOWA UNDERGROUND STORAGE TANK PROGRAM  
 FIRST BOARD REPORT  
 SEPTEMBER 21, 2016  
 CASEY'S GENERAL STORE  
 975 S. 11<sup>TH</sup> STREET  
 MARION  
 SITE REGISTRATION NUMBER: 8604789  
 LUST NUMBER: 8LTZ37/9LTQ93**

RISK CLASSIFICATION:

HIGH            LOW            UNDETERMINED     

PRESENT CLAIM RESERVE:                      \$ 225,000.00

ELIGIBILITY: This is a NFA re-opened site. Contamination from a pre-1990 release was identified, investigated and assigned a No Action Required classification and issued a NFA certificate in 1998. In 2014 the product lines were replaced and line closure sampling indicated contamination in excess of the previous Tier 2 concentrations and new LUST #9LTQ93 was issued. The area of the product line replacement was never investigated in the original Tier 2 assessment. A third party review found no indication of a post-10/26/90 release and as a result allocated 100% of the release to the IUST Fund.

COST INCURRED TO DATE:

1. CRP Site clean-up report	\$ 10,721.76
2. RBCA Tier II report	24,455.11
3. Site monitoring reports	10,110.98
4. Corrective Action Design Report (CADR)	<u>1,750.00</u>
 TOTAL COST TO DATE	 \$ 47,037.85

PROJECTED COSTS:

- ❖ Site Monitoring Report
- ❖ Injection of PersulfOx and PlumeStop

TOTAL PROJECTED COSTS:                      \$ 150,000.00 to 200,000.00++

TOTAL AUTHORITY RECOMMENDED:

\$250,000.00

COMMENTS:

The site is high risk for residential sewers and low risk for potential confined spaces. The contamination is located beneath the canopy, product lines, and dispenser islands of an active station and as a result excavation is not an option. The consultant is proposing the injection of PersulfOx to oxidize the contamination, followed by PlumeStop to prevent plume migration and facilitate continued biodegradation of the contamination.  
 Affected population likely less than 20.

Site Timeline

- 1993 - Site added to a community remediation project (CRP) and remedial and insurance claims are opened. The release is determined to be related to the tanks which were removed in 1989.
- 1998 - A Tier 2 report is submitted and accepted as NAR. The remedial claim is closed.
- 2014 - Contamination exceeding previous Tier 2 concentrations is found during product line closure sampling. An insurance claim with PMMIC is opened.
- 2015 - A Tier 2 is submitted and accepted as high risk. A corrective action teleconference is scheduled with Casey's, PMMIC, and the consultant.
- 2016 - A CADR recommending the injection of PersulfOx and PlumeStop is submitted; DNR approves. A third party review is requested by PMMIC.
- 2016 - The third party review is completed and allocates 100% of the contamination to the IUST Fund.



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



# IOWA UNDERGROUND STORAGE TANK FUND

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Douglas M. Beech, *Chairperson*

Dale T. Cira, *Administrator*

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

## MEMORANDUM

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TO:            UST Board Members  
FROM:        Dale Cira  
DATE:        September 22, 2016  
SUBJECT:    Contracts Entered Into Since August 25, 2016 Board Meeting

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The Board has not entered into any contracts since the August 25, 2016 meeting.

## **Other Issues as Presented**

## **Correspondence and Attachments**



**OFFICE OF AUDITOR OF STATE**  
STATE OF IOWA

Mary Mosiman, CPA  
Auditor of State

State Capitol Building  
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

NEWS RELEASE

FOR RELEASE

August 30, 2016

Contact: Andy Nielsen  
515/281-5834

Auditor of State Mary Mosiman today released an audit report on the Iowa Petroleum Underground Storage Tank Board (UST Board) for the year ended June 30, 2015.

The responsibilities of the UST Board include expending moneys for remedial (cleanup) action and underground storage tank improvement.

Mosiman reported the UST Board had total revenues of \$173,974 for the year ended June 30, 2015, a 69% increase over the prior year. The significant increase in revenues is due to an increase in interest on investments. Revenues included \$41,026 of environmental protection charges, cost recovery and community remediation buy-ins and \$132,948 of interest on investments.

General Fund expenditures totaled \$9,045,629 for the year ended June 30, 2015, a 26% decrease from the prior year. Expenditures included \$5,715,516 for remedial claims, \$1,629,536 for administrative costs and \$1,630,394 for innocent landowner claims.

At June 30, 2015, the estimate for potential claims for clean-up charges totaled \$29,257,110.

A copy of the audit report is available for review in the Office of Auditor of State and on the Auditor of State's web site at <https://auditor.iowa.gov/reports/1660-6560-B000>.

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