

MINUTES
OF THE
ENVIRONMENTAL PROTECTION COMMISSION
MEETING
SEPTEMBER 21, 2010

HITCHCOCK NATURE CENTER
COUNCIL BLUFFS, IOWA

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MEETING MINUTES

CALL TO ORDER

The meeting of the Environmental Protection Commission was called to order by Chairperson Charlotte Hubbell at 9:10 a.m. on Tuesday, September 21, 2010 at the Hitchcock Nature Center, Council Bluffs, Iowa.

COMMISSIONERS PRESENT

Gene Ver Steeg
Charlotte Hubbell, Chair
David Petty
Susan Heathcote
Paul Johnson
Martin Stimson, Vice Chair
Lorna Puntillo, Secretary
John Glenn
Dee Bruemmer

COMMISSIONERS ABSENT

ADOPTION OF AGENDA

Motion carried unanimously to approve the agenda as presented.

APPROVED AS PRESENTED

APPROVAL OF MINUTES

The August EPC minutes were not ready for approval but will be taken up for discussion at the October meeting.

Susan Heathcote asked for another month to review the July EPC minutes.

DIRECTORS REMARKS

Pat Boddy, interim DNR Director made the following comments:

- The Lake Delhi Dam Task Force has met twice and consists of four sub committees – one of which is the environment sub committee and is chaired by Pat Boddy and is made up of individuals from the Lake Delhi Recreation Association, County Board of Supervisors, NRCS staff, local farmers, ISU professor, Iowa Flood Center, local Representative and Senator and a few others. The group will be meeting Friday, September 24th at the Pizza Ranch in Monticello. The subcommittee work is expected to be wrapped up by the middle of October.
- DNR Farm Bill Team – The Midwest Governor's association requests for the state departments to be involved. The DNR is extending co involvements with IDALS.

Paul Johnson asked Interim Deputy Director Boddy to keep in mind how federal programs serve Iowans compared to taking responsibility for the federal programs at the state level.

INFORMATIONAL ONLY

CONTRACT – UNIVERSITY OF NORTHERN IOWA FOR IOWATER PROGRAM DEVELOPMENT

Bob Libra, State Geologist with the Department of Natural Resources presented the following item.

Recommendations:

Commission approval is requested for a 2 year-service contract with the University of Northern Iowa. The contract will begin on October 1, 2010 and terminate on September 30, 2012. The total amount of this contract shall not exceed \$236,709.30. DNR shall have the option to renew this contract long as this contract and any extensions do not exceed a six-year period.

Funding Source:

This contract will be funded through monies appropriated for the Water Quality Monitoring Program (Environment First Funding – cost code 04HA). Contracting Authority is the Code of Iowa 455B.103.

Background:

In 1999, the Iowa DNR along with more than 50 partner agencies, non-governmental groups, and other entities came together to develop a volunteer monitoring program. The IOWATER citizen monitoring program has successfully assisted volunteers in collecting water quality data on local streams, rivers, lakes and ponds. With more than 3,000 trained volunteers, the IOWATER program has become an invaluable component of the DNR's stream and lake monitoring system.

Purpose:

The parties propose to enter into this Contract for the purpose of retaining the Contractor to provide services to continue development of the IOWATER program: To advance the program, the IOWATER program seeks to work with UNI to develop a program to evaluate the attitudinal and behavior changes in volunteers resulting from participation in the IOWATER program. Results from the surveys will be used to modify the program to better meet volunteer goals. IOWATER has also been used in K-12 classrooms since its inception; however future use of IOWATER in the classroom will require aligning the IOWATER program elements with the Iowa Core Curriculum and the State Environmental Literacy Plan. UNI will assist the IOWATER program with developing pre-service and in-service training for teachers to facilitate the use of IOWATER to meet aspects of the education standards. Lastly, UNI will help develop a storm water monitoring module for use with municipalities to help collect transparency data on construction projects and to

evaluate the effectiveness of IOWATER data to meet goals of reducing storm water impacts on receiving streams.

Contractor Selection Process:

UNI was chosen using the intergovernmental agreement process. UNI was chosen for this project due to their expertise in evaluation and educational science.

Paul Johnson asked if this contract's study could revitalize the "Fishing Buddies" program.

Bob Libra felt confident that the results of the study will revitalize and integrate a number of programs.

Lorna Puntillo inquired for Task 2 for the educators, will the DNR integrate the existing programs. Bob Libra responded that the study is focused on IOWATER but the overall goal and direction of the department is to integrate "Get Outdoors" concept.

Lorna Puntillo asked about the reward based incentives for communities that incorporate training curriculum and community involvement.

Susan Heathcote shared that the IOWATER program has been a national role model. She is excited to see the program expand and assist educators to incorporate the information into the school system. It's very important to recognize the adult training and learning opportunities in the IOWATER program.

Motion was made by David Petty to approve the contract as presented. Seconded by Paul Johnson. Motion carried unanimously.

Dee Bruemmer expressed concern with Task 3 and 4 being modeled after a program that might not fit the IOWATER program model. I believe there are other resources that assist at construction sites and how to measure what is needed. I feel like this area is being covered by other professional groups.

Bob Libra said that the program was expanding based on IOWATER volunteer input.

Charlotte Hubbell inquired about Task 1 - developing a program to evaluate behavioral changes. Wouldn't this be more of a questionnaire or survey?

Interim Director Boddy said that it goes beyond just a quantities survey. It's taking the IOWATER concept and finding the methodology that will address the problems.

Charlotte Hubbell asked Bob Libra to obtain a breakout of budget for each task. Bob will contact Mary Skopec and report back later during the meeting.

Motion was made by Gene VerSteege to table agenda item #4 until the Department reports back on the budget breakdown. Seconded by David Petty. Motion carried unanimously.

Bob Libra shared the cost value breakout for each task.

- Task 1 \$40,000
- Task 2 \$50,000
- Task 3 \$100,000
- Task 4 \$30,138.24

\$16,600 – 8% UNI indirect rate

Motion was made by Susan Heathcote to approve the contract as presented. Seconded by Lorna Puntillo. Motion carried unanimously.

Dee Bruemmer said that she is concerned with Tasks 3 and 4 because of the design aspect. How do the volunteers fit into this and

Lorna Puntillo said that she would like to see additional information regarding the design portion.

Motion was made by Susan Heathcote to withdraw her motion to approve the contract.

Motion was made by Paul Johnson to approve only Tasks 1 and 2 and await for more information on Tasks 3 and 4.

Motion was made by David Petty to postpone the contract until next month. Seconded by Paul Johnson. Motion carried unanimously.

POSTPONED

CONTRACT – USGS FOR FFY11 COOPERATIVE AGREEMENT

Bob Libra, State Geologist with the Department of Natural Resources presented the following item.

Recommendations:

Commission approval is requested for a 1 year-service contract with the United States Geological Survey. The contract will begin on October 1, 2010 and terminate on September 30, 2011. The total amount of this contract shall not exceed \$518,486. DNR shall have the option to renew this contract long as this contract and any extensions do not exceed a six-year period.

Funding Source:

This contract will be funded through monies appropriated for the Water Quality Monitoring Program (Environment First Funding – cost code 04HA). Contracting Authority is the Code of Iowa 455B.103.

Background:

Surface-water flow information is the basis for understanding the hydrologic characteristics of streams and rivers. Water-quality information is of key importance to understanding the level of risk to human and ecosystem health within and beyond the watershed. Surface-water flow information in Iowa is collected on a nearly continuous basis at 128 streamgaging stations, and water-quality is collected on a monthly basis at 75 locations across Iowa. The ability to estimate

surface-water flow and water quality at ungaged sites in Iowa is critical for understanding hydrologic characteristics as well as estimating pollutant loading and flux and is needed by State water managers.

Purpose:

The parties propose to enter into this Contract for the purpose of retaining the Contractor to provide: gaging on streams, climate response monitoring of groundwater levels, modeling of water quality and quantity, and monitoring of Iowa’s big rivers using real-time nitrate sensors.

- a. Name: Water Quantity modeling and prediction
Funding: DNR: \$52,005 USGS: \$42,549 Total: \$94,554

- b. Name: Water Quality modeling
Funding: DNR: \$61,295 USGS: \$50,151 Total: \$111,446

- c. Name: Big River Water Quality Monitoring Data Collection
Funding: DNR: \$195,250 USGS: \$159,750 Total: \$355,000

- d. Name: Stream Gaging Network
Funding: DNR: \$183,940 USGS: \$112,670 Total: \$296,610

- e. Name: Ground-Water Climate Response Network
Funding: DNR: \$25,996 USGS: \$17,330 Total: \$43,326

Contractor Selection Process:

USGS was chosen using the an intergovernmental agreement process. USGS was chosen for this project due to their expertise in stream gaging and the associated modeling components of the contract.

Motion was made by Susan Heathcote to approve the contract as presented. Seconded by David Petty. Motion carried unanimously.

APPROVED AS PRESENTED

PUBLIC PARTICIPATION

JIM REDMAN, Sierra Club member addressed his concerns with a refinery that is close to Sioux City and Loess Hills Prairie.

In the latest issue of the Iowa Outdoors magazine the bison photograph is an amazing natural resource. This prairie is about 6 miles from a proposed oil refinery location. The DNR has been following the permitting process for the facility and wrote a letter to South Dakota. South Dakota’s response was limited. Mr. Redman expressed concern for air, water, health, and other environmental factors that may result from the construction of the facility. Mr. Redman asked

that we assess the impacts now because the facility will be around for 50, 75, 100 years. Mr. Redman is asking the commission to support the department's approach for monitoring the facility.

Commissioner Heathcote asked for Interim Director Boddy to keep the commission aware of the conversations with South Dakota.

Mr. Redman shared they are working with Minnesota and Nebraska.

-----End of Public Participation-----

FINAL RULE - CHAPTERS 23, 24, AND 28: AIR QUALITY PROGRAM RULES UPDATES, REVISIONS, AND ADDITIONS

Christine Paulson, Environmental Specialist Senior in the Program Development Section of the Air Quality Bureau presented the following item.

The Department is requesting that the Commission adopt amendments to Chapter 23 "Emission Standards for Contaminants," Chapter 24 "Excess Emissions," and Chapter 28 "Ambient Air Quality Standards" of 567 Iowa Administrative Code.

The primary purpose of the rule changes is to update state air quality rules for new federal requirements, including adoption of new National Ambient Air Quality Standards (NAAQS) and adoption of several new or amended federal air quality standards. The rulemaking also provides the option to submit initial excess emissions reports by e-mail.

The Notice of Intended Action was published in the Iowa Administrative Bulletin (IAB) on June 16, 2010, as ARC 8845B. A public hearing was held on July 19, 2010. No oral or written comments were presented at the hearing. One set of written comments was received prior to the close of the public comment period on July 20, 2010. The submitted comments and the Department's response to the comments are summarized in the attached public responsiveness summary. The Department did not make any changes to the adopted rules from what was published in the Notice.

The specific items included in the proposed final rules are summarized below. More detail is included in the preamble of the attached Adopted & Filed rulemaking.

New Source Performance Standards (NSPS) – Items 1, 2 and 3

The NSPS program requires new and existing facilities in a particular industry sector that construct and operate specific equipment to meet uniform standards for air pollutant emissions. NSPS requirements vary depending on the processes, activities or equipment being regulated, and whether the processes, activities or equipment are considered to be new or existing.

EPA recently finalized amendments to three regulations under the NSPS program (40 Code of Regulations (CFR) Part 60). Item 1 adopts by reference amendments to the NSPS as follows: EPA finalized amendments to the NSPS for nonmetallic mineral processing plants (Subpart OOO). Facilities are only subject to the requirements in the new amendments if they commenced

construction, modification or reconstruction after April 22, 2008. The Department is aware of only a few facilities that are affected by the new NSPS requirements at this time. More facilities may become subject in the future.

EPA finalized amendments to the NSPS coal preparation and processing plants (40 CFR 60 Subpart Y). This NSPS affects facilities that prepare and process coal, such as electric utilities and industrial operations. Only facilities that undergo construction, modification or reconstruction on or after the dates noted in the federal regulation are subject to the new requirements. At this time, the Department has identified only a few facilities that are affected by the new NSPS requirements. More facilities may be subject in the future.

EPA amended the NSPS and emissions guidelines for new hospital and medical waste incinerators (HMIWI) (Subparts Ce and Ec). The Department is **not** adopting these new amendments because Iowa no longer has any operating incinerators affected under HMIWI, and anticipates that no new HMIWI will be constructed in Iowa. Many HMIWI throughout the U.S. have shut down because less expensive alternative waste disposal options are available.

The Department is not required to adopt federal NSPS for which there are no affected facilities and for which the Department can reasonably expect that the state will not have any affected facilities in the future. The Department is taking additional rulemaking action regarding the currently adopted HMIWI regulations, as explained under Item 3 and Item 6.

Item 2 amends the explanation accompanying the adoption by reference of the NSPS for municipal waste combustors (Subpart Eb). When the Department previously adopted amendments to the NSPS, the Department did not at that time modify the explanatory text to be consistent with the federal amendments. The Department is now proposing to modify the text so that it is identical to the current federal regulations.

Item 3 rescinds adoption by reference of the original, federal NSPS regulations for HMIWI (Subpart Ec). As explained above, the state does not have any HMIWI affected under NSPS Subpart Ec and does not expect to have any affected HMIWI in the future.

National Emission Standards for Hazardous Air Pollutants (NESHAP) – Item 4 and Item 5

The Department proposes to adopt by reference new NESHAP and NESHAP amendments that EPA recently promulgated under 40 CFR Part 63. The NESHAP program requires facilities in a particular industry sector that construct and operate specific equipment to meet uniform standards for hazardous air pollutants (HAP), also called “air toxics.” NESHAP requirements for source sectors vary depending on the processes, activities or equipment being regulated. The NESHAP affect both new and existing major sources and area sources. Area sources are usually smaller commercial or industrial operations. Specifically, area sources have potential emissions less than 10 tons per year (tpy) of any single HAP and 25 tpy of any combination of HAP. Area sources are classified as minor sources for HAP. Facilities that have potential HAP emissions greater than or equal to the 10/25 tpy levels are classified as major sources for HAP.

This rule making includes adoption of new or amended NESHAP potentially impacting some facilities or businesses that previously had few, if any, air quality requirements. Because of the potential impacts to small businesses and previously unregulated facilities, the Department is developing implementation strategies in conjunction with the proposed rulemaking. The strategies include cooperative efforts with the University of Northern Iowa – Iowa Air Emissions

Assistance Program (UNI), Iowa Department of Economic Development (IDED), the Linn and Polk County local air quality programs, and other interested associations and organizations to provide outreach and compliance assistance to stakeholders.

The Department's outreach strategies are specific to each rule and will depend on a number of factors, including: the estimated number of facilities and small businesses affected, the compliance date of the rule, the requirements of the rule (such as emissions control, work practices standards, etc.), and current level of air quality knowledge (such as air permits or active industry associations). As Department resources allow, outreach may include informational meetings, workshops, fact sheets, guides, and internet-based tools. It is hoped that this rulemaking in conjunction with current and future efforts of the Department and its compliance assistance partners will result in reductions in air toxic and other air pollutant emissions, while minimizing the regulatory burden to small businesses and other affected facilities.

Stationary Reciprocating Internal Combustion Engines (RICE) (Subpart ZZZZ) – Item 4

EPA promulgated amendments to the Reciprocating Internal Combustion Engine (RICE) NESHAP on March 3, 2010. The NESHAP amendments impact primarily existing stationary compression ignition (CI) engines (diesel-fueled engines) at major and area sources. Affected, existing engines must comply with the NESHAP requirements by May 3, 2013.

NESHAP requirements are set to reduce air toxics, and in this case, formaldehyde is the targeted HAP. EPA set standards in the NESHAP to reduce carbon monoxide (CO), which is being used as a surrogate for reducing formaldehyde emissions. Emissions of particulate matter (including fine particles (PM_{2.5})), sulfur dioxide (SO₂), and volatile organic compounds (VOC) are also expected to be reduced by 2013.

The NESHAP requirements vary depending on the size of the engine, if the engine is classified as “emergency” or “non-emergency,” and if the engine is located at a major source or an area source. Emergency engines and engines rated at 100 horsepower (HP) or less at major sources and 300 HP or less at area sources are not subject to emission limits, monitoring or performance testing requirements. Rather, emergency engines and small engines are required to implement management/maintenance practices on a set schedule, including changing oil and oil filters, inspecting the air cleaner, and inspecting hoses and belts.

Owners and operators of non-emergency engines must install a closed crankcase ventilation system and use ultra low sulfur fuel. Further, owners and operators of non-emergency engines are required to meet standards for CO emissions by either meeting a numerical emission limit or by reducing CO emissions by at least 70%. EPA expects that most owners and operators of non-emergency engines will need to install control, most likely a diesel oxidation catalyst (DOC), to meet the CO emissions requirements. Facility staff will be required to monitor set parameters to ensure that the catalyst is operating correctly. Facility staff will also be required to conduct an initial performance test (stack test) for CO, and conduct periodic tests on a specified schedule thereafter.

EPA estimates that 80% of the estimated 900,000 affected RICE engines nationwide will be classified as emergency engines. These estimates appear to be accurate and even possibly an under-estimate for engines at industrial or commercial facilities that do not supply power to the grid as part of a financial arrangement with another entity. Therefore, the Department expects that the vast majority of engines at these facilities will meet the NESHAP definition of “emergency”.

However, the Department expects that a lower percentage of engines located at municipal utilities will be able to be classified as “emergency.” Based on current discussions with EPA and with stakeholders, the Department expects that approximately one third (~33%) of these engines will meet the definition of emergency. This estimate for municipal utilities would also include other institutional, industrial or commercial facilities that supply power to the grid as part of a financial arrangement with another entity, such as an investor owned utility or a cooperative utility.

Regulated entities, municipal utilities in particular, have expressed concern about the potential costs of complying with the NESHAP for engines that do not qualify as “emergency.” The Department has been working closely with Iowa Association of Municipal Utilities (IAMU), Southern Iowa Municipal Electric Cooperative Association (SIMECA), Resale Power Group of Iowa (RPGI), individual municipalities, and others to address these concerns. The Department is pressing EPA to get expeditious answers to specific questions and scenarios associated with engine classification. The Department is also working closely with stakeholders to identify alternative emissions reductions options, such as use of biodiesel and making certain types of engine modifications that may meet the NESHAP requirements and may also cost considerably less than engine control retrofits.

The Department is conservatively estimating that two thirds (~67%) of the stationary CI engines at major sources providing power to the grid, including investor-owned utilities, cooperatives, and larger municipal utilities, will be subject to the NESHAP emissions standards. The Department is also estimating that up to 67% of the engines at area sources providing power to the grid, including engines at municipal utilities and other institutional, commercial or industrial facilities, will be subject to the NESHAP emission standards. Since this 67% estimate is across the power generation source sector, some facilities may have more of their engines impacted, while some may have fewer.

Based on U.S. Department of Energy data from 2008, major source emissions inventories, and the assumption that approximately 67% of engines at power-supplying facilities will be classified as “non-emergency,” the Department estimates that up to 314 engines will be subject to emissions standards, monitoring and testing requirements.

Area Source NESHAP – Item 5

The Department is proposing to three newly promulgated NESHAP for area sources, as follows: *Chemical Manufacturing (Subpart VVVVVV)*: This NESHAP affects area sources under several chemical manufacturing sectors, including pharmaceutical production, agricultural chemicals manufacturing, and organic chemical manufacturing that emit one or more of 15 specific HAP. The NESHAP includes management practices and, in some cases, add-on control, to reduce emissions from process vessels, storage tanks, transfer racks, heat exchange systems and wastewater. Existing facilities have until October 29, 2012, to be in compliance with the NESHAP.

The Department estimates that there may be up to 100 facilities subject to this NESHAP. However, many facilities may not be emitting the affected HAP in regulated quantities or may elect to discontinue use prior to the NESHAP compliance date. Many other facilities are already following management practices under other federal standards that are identical or similar to the NESHAP requirements. In the near term, the Department expects to work individually with facilities on NESHAP applicability, particularly as these facilities submit permit applications for

review. Over the next six months, the Department and its compliance assistance partners will determine if a more extensive NESHAP outreach strategy is appropriate.

Paint and Allied Products Manufacturing (Subpart CCCCCCC): This NESHAP affects area sources that manufacture paint, ink or adhesive that process, use, or generate materials containing chromium, lead, nickel or cadmium, benzene or methyl chloride. Affected facilities are required to operate particulate control equipment to control metal air toxics and must use management practices to control volatile air toxic emissions. Existing facilities have until December 3, 2012, to comply with the NESHAP requirements.

Currently, the Department estimates that 50 facilities may be subject to this NESHAP. However, many facilities may not use, or may elect to discontinue use of, the affected HAP before the NESHAP compliance date. In the near term, the Department expects to work individually with facilities on NESHAP applicability, particularly as these facilities submit permit applications for review. Over the next year, the Department and its compliance assistance partners will determine if a more extensive NESHAP outreach strategy is appropriate.

Prepared Feeds Manufacturing (Subpart DDDDDDD): This NESHAP affects area sources that produce animal feed products and use materials that contain chromium or manganese. Affected facilities must apply management practices in the area of the facility where materials containing chromium or manganese are stored, used or handled. Facilities that produce more than 50 tons per day of feed will also be required to operate control equipment to reduce chromium and manganese emissions from pelleting and pelleting cooling operations. Existing facilities will have until January 5, 2012, to comply with the NESHAP requirements.

The Department estimates that approximately 250 facilities meet the definition of prepared feed manufacturing under the NESHAP. The Department is working closely with its compliance assistance partners at the University of Northern Iowa (UNI) Air Emission Assistance Program and the Department of Economic Development (IDED), and with the Agribusiness Association of Iowa (AAI) to determine how many facilities will be subject to the NESHAP. Based on discussion with AAI and the National Grain and Feed Association (NGFA), a voluntary survey conducted by UNI, and NESHAP initial notifications submitted to the Department, the Department estimates that up to 40% of potentially affected facilities (~100) will be able to meet one of the NESHAP exemptions. Most of these facilities either do not use Mn or Cr, or will be able to modify the additives and pre-mixes to reduce Mn or Cr below the regulated concentrations.

Based on the sources of information described above, the Department estimates that 50 of the 150 NESHAP-affected facilities have pelleting operations and have daily feed production exceeding 50 tons, and will potentially be subject to the cyclone control, operation and monitoring requirements.

The Department is **not** proposing to adopt two other recently promulgated area source NESHAP, the NESHAP for Asphalt Processing & Asphalt Roofing Manufacturing (Subpart AAAAAAA) and the NESHAP for Chemical Preparation (SubpartBBBBBB). Iowa does not have any facilities subject to these NESHAP and is unlikely to have any subject facilities in the future.

Existing Hospital/Medical Infectious Waste Incinerators (HMIWI) - Item 6

The Department is proposing to rescind the rules containing the emission guidelines for existing HMIWI. EPA originally promulgated emission guidelines for existing HMIWI in 1997, and the Department adopted these emission guidelines into state rules in 1998. At that time, Iowa had two operating HMIWI affected under the emission guidelines. These two HMIWI have since shut down. The Department is proposing to rescind the existing emission guidelines because Department is not required to retain federal emission guidelines for which the state has no subject facilities, and for which the Department can reasonably expect not to have any subject facilities in the future.

E-mail Option for Initial Report of Excess Emissions (Item 7 and Item 8)

Owners and operators of facilities that experience an incident of excess emissions and do not operate continuous monitoring equipment are required to provide both an oral and a written report of the incident within specified time frames. Currently, an oral report of excess emissions must be provided by phone or in-person to the appropriate Department field office.

The Department is proposing to allow owners and operators to make their initial excess emissions report to the Department by e-mail. In some cases, e-mail will be a more accurate and efficient method for owners and operators to provide these reports. E-mail reporting will eliminate Department staff time in transcribing the initial report and will enable staff to more efficiently input the information into reports and databases. Since e-mail may not be available or convenient in all cases, owners and operators will still be allowed to make an initial report of excess emissions in-person or by telephone.

New NAAQS for Nitrogen Dioxide (NO₂) – Item 9

Item 9 adopts the new National Ambient Air Quality Standards (NAAQS) for nitrogen dioxide (NO₂). On February 9, 2010, EPA strengthened the NAAQS for NO₂ by adding a new one hour standard to more adequately protect public health and welfare. EPA set the new 1-hour NO₂ standard at the level of 100 parts per billion (ppb). In addition to establishing an averaging time and level, EPA also set a new “form” for the standard. The form is the air quality statistic used to determine if an area meets the standard.

EPA expects to designate areas as attaining or not attaining the new standard by January 2012 using NO₂ monitoring data from the current community-wide monitoring network. Once the expanded network of NO₂ monitors required under the new standard is fully deployed and three years of data have been collected, EPA intends to re-designate areas in 2016 or 2017, as appropriate, based on the air quality data from the new monitoring network. The Department will need to complete and submit revisions to the State Implementation Plan (SIP) for NO₂ by January 2013. The SIP revision will include any rule changes necessary to implement the new standard.

If the Commission approves the final rules, the Adopted & Filed rulemaking will be published in the Iowa Administrative Code on October 20, 2010, and will become effective on November 24, 2010.

Charlotte Hubbell complimented Christine on her recent presentation to the Administrative Rules Review Committee.

Motion was made by Gene VerSteege to approve the final rule as presented. Seconded by Marty Stimson. Motion carried unanimously.

CONTRACT – USGS FOR STREAM GAGE OPERATION AND MAINTENANCE

Wayne Gieselman, Division Administrator for the Environmental Services Division presented the following item.

Recommendations:

Commission approval is requested for a 2 year-service contract with the United States Geological Survey. The contract will begin on October 1, 2010 and terminate on September 30, 2012. The total amount of this contract shall not exceed \$300,000. DNR shall have the option to renew this contract long as this contract and any extensions do not exceed a six-year period.

Funding Source:

This contract will be funded through state infrastructure funds.

Background:

State legislation has authorized up to \$400,000 for stream gages to be used for tracking and predicting flood events and for compiling necessary data relating to flood frequency analysis. During the last state fiscal year 10 new stream gages were funded through this appropriation. The locations of the 10 stream gages are as follows:

1. Buffalo Creek, Just west of Anamosa, Jones County
2. Cedar River, Osage, Mitchell County
3. Little Sioux River, Spencer, Clay County; upstream of the Ocheydan River
4. Skunk River, Near Brighton, Washington County
5. Shell Rock River, North of Greene, Floyd County and downstream of the Winnebago River
6. Turkey River, Spillville, Winneshiek County
7. Volga River, Fayette, Fayette County
8. Wapsipinicon River, Oxford Mills/Oxford Jet, Jones County
9. East Nishnabotna River, Riverton, Fremont County
10. West Nishnabotna River, Riverton, Fremont County

Purpose:

The parties propose to enter into this Contract for the purpose of retaining the Contractor to provide: operation and maintenance of ten stream gaging stations.

USGS Joint Funding Agreement:

The USGS operates and maintains approximately 7,500 stream gages which provide long term, accurate, and unbiased information on stream flow to meet the needs of many diverse users. The USGS stream gaging network is currently funded in partnership with over 800 Federal, State, and local agencies nationwide. The Iowa DNR has partnered with USGS for many years to maintain Iowa's network of stream gages. The data gathered through the use of these stream gages is consistent, obtained by using standard techniques and technology and is subject to quality assurance and quality control.

Paul Johnson asked about the contract for the cameras under bridges.

Wayne Gieselman said that there has been limited interest by communities for these cameras.

Charlotte Hubbell asked Mr. Gieselman to obtain the value of the contract allocated to the under camera bridge program. Mr. Gieselman reminded the commission that the program is from the Iowa Flood Center and the DNR is only assisting with marketing the program.

Motion was made by John Glenn to approve the contract as presented. Seconded by Dee Bruemmer. Motion carried unanimously.

APPROVED AS PRESENTED

CLEAN WATER AND DRINKING WATER STATE REVOLVING LOAN FUND – FY 2011 INTENDED USE PLANS SECOND QUARTER UPDATES

Wayne Gieselman, Division Administrator for the Environmental Services Division presented the following item.

Commission approval is requested for second quarter updates to the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) Intended Use Plans (IUPs) for FY 2011 (July 1, 2010 – June 30, 2011). The Iowa SRF continues to grow and expand its role as one of the primary funding sources for water quality and protection of public health. Since 1989, the Iowa SRF has committed more than \$1.5 billion for water and wastewater infrastructure and nonpoint source pollution control.

The Iowa SRF is operated through a coordinated partnership between the Department of Natural Resources (DNR) and the Iowa Finance Authority (IFA). DNR administers the environmental and permitting aspects of the programs, with IFA providing financial assistance including loan approval and disbursements.

The CWSRF provides low-interest loans for wastewater infrastructure improvements, storm water quality, and nonpoint source water quality projects. The FY 2011 IUP second quarter update shows project requests totaling \$691 million, plus \$29.5 million for non-point source projects. It is anticipated that approximately \$247 million will be disbursed during the remainder of FY 2011.

The DWSRF provides assistance to public water supplies to protect public health and improve infrastructure. The FY 2011 IUP second quarter update shows funding requests and potential uses totaling \$240 million. It is anticipated that approximately \$133 million will be disbursed during the remainder of FY 2011.

The Sources and Uses tables for both CWSRF and DWSRF show that funds are available or obtainable to provide anticipated disbursements. The IUPs will be updated quarterly during FY 2011.

The latest federal capitalization grant included requirements to fund green projects and to provide additional subsidization in the form of principal forgiveness to disadvantaged communities. A solicitation for green projects was issued on July 26, 2010, with an application deadline of December 1, 2010. Green project applications will be scored and placed on the 4th quarter FY 2011 IUP update for EPC approval in March 2011. DNR and IFA are also currently working on identifying disadvantaged communities.

A public meeting was held August 5, 2010 to receive comments on the proposed IUP updates. No oral comments were provided at the hearing. The written comment period closed on August 12, 2010. No written comments were received.

An item was added to the Clean Water SRF IUP update after the draft had been released for public comment. The DNR is working with the U.S. Environmental Protection Agency, Region 7, to use \$47,000 from the FY 2010 federal capitalization grant for a temporary project manager position. The position may be filled through the Senior Environmental Employment (SEE) program and be provided to the DNR Wastewater Engineering section to review Clean Water SRF projects. This position will help the section keep up with the increasing Clean Water SRF work load.

Wayne Gieselman highlighted that with the loss of staff from early retirements and an increase in ARRA funds, the department is working with EPA to obtain additional staff support.

Motion was made by Paul Johnson to approve loan updates as presented. Seconded by John Glenn. Motion carried unanimously.

APPROVED AS PRESENTED

NOTICE OF INTENDED ACTION – AMENDMENTS TO UNDERGROUND STORAGE TANK RULES - CHAPTER 135

Wayne Gieselman, Division Administrator for the Environmental Services Division presented the following item.

The Commission is requested to give Notice of Intended Action on rule changes presented to the Commission at their August 2010 meeting. The amendments implement changes adopted in the Iowa Legislature (2010 Iowa Acts, House File 2531) specific to 1) review procedures and acceptance of reports from certified groundwater professionals on investigation and cleanup of petroleum contamination from underground storage tanks, and 2) new technical criteria for reclassifying low risk sites to 'no action required'. The amendments also clarify requirements that must be satisfied before the Department will issue a "No Further Action" (NFA) certificate to a responsible party.

A groundwater professional's site investigation, classification, and corrective action design reports must be accepted unless within 90 days of receipt the Department identifies material information in the report that is inaccurate or incomplete. From July 1, 2010, through June 30, 2011, the department has 120 days rather than 90 days.

Low risk sites where groundwater monitoring shows contaminant levels below the site-specific target level for four consecutive events are now eligible to be reclassified as 'no action required' regardless of whether concentrations are fluctuating or increasing.

Lastly, the amendments clarify that prior to issuing a "No Further Action" certificate 1) monitoring wells used to investigate the petroleum release must be properly plugged, and 2) the Department must approve termination of all free product recovery activities. The amendments also require the owner/operator and/or other responsible party to file the NFA certificate with the County Recorder and return a file stamped copy to the DNR.

These amendments to Chapter 135 implement provisions set forth in new legislation (2010 Iowa Acts, House File 2531) establishing timelines by which Department staff must review various reports related to the assessment and cleanup of leaking underground storage tank (LUST) sites; and allows for low risk sites to be reclassified as 'no action required' when four consecutive sampling events show contamination below the target levels.

Background

- House File 2531 of the 2010 legislation incorporated several statutory changes (455B & 455G) affecting both the Department and the UST Fund: including review deadlines for the dept., criteria for reclassifying low risk sites to NAR, appropriations of Funds from the UST Fund, and release of liability for O/O where their LUST sites are classified 'no action required', expands fund benefits for ILOs, and people removing tanks, changes composition of the UST Fund Board.
- The draft rules were distributed to a large stakeholder group (including Groundwater Professionals, water supply organizations, PMCI, PMMIC, the Fund, Iowa Env. Council, Sierra Club). One stakeholder meeting was held in early July with only the Fund Administrator attending.

Proposed Changes

- Includes changes in review deadlines procedures and acceptance of reports submitted by certified groundwater professionals.
 - The Department has 120 days to review and comment on Tier 1 and Tier 2 reports, and Corrective Action Design Reports. (After this year, the DNR has 90 days by which to review reports).
 - Reports not reviewed within the specified time frame will be accepted with the recommendations as (risk classification and report details) as proposed by the certified groundwater professional.
 - Reports are accepted unless the Department identifies (within timeframe) material information in the report that is incomplete or inaccurate such that a risk classification for the sites CANNOT be determined.
- Low risk sites are to be classified 'no action required' when four consecutive sampling events show contaminant levels below the established site-specific target level.
- Clarification on conditions for issuing NFA Certificate (ITEM 5):
 - Strengthens the idea that the Department will issue an NFA Certificate when a 'no action required' site classification has been determined.

- Identifies pre-requisites before issuing a certificate (i.e., submittal of property's legal description, certification from CGWP that all MWs have been properly plugged.
- A provision was added to clarify that regardless of the outcome of a risk-based evaluation that determines a site to be 'no action required', IF Free product is still present and undergoing monitoring and recovery, the DNR will NOT issues a No Further Action certificate for the site.
- Lastly, requires that the NFA certificate be filed with the County Recorder by either the responsible party or the Department.

Public hearings will be held in November and a final rule will come before the Commission in December.

Marty Stimson asked what has changed internally at the Department to review permits now when historically they have not.

Wayne Gieselman responded that historically staff has focused on high risk sites which would drag on the process for low risk sites. This new law has changed the viewpoint of staff on processing permits.

Lorna Puntillo asked what happens on day 91 when a response is not provided to the company, is the company to presume approved or rejected?

Wayne Gieselman responded that on day 91 without any correspondence from the department, the submission is approved.

Motion was made by David Petty to approve the NOIA as presented. Seconded by Susan Heathcote. Motion carried unanimously.

APPROVED AS PRESENTED

PROPOSED RULE – CHAPTER 61, WATER QUALITY STANDARDS, SECTION 401 CERTIFICATION OF SECTION 404 REGIONAL PERMITS 27, 33 & 34

Wayne Gieselman, Division Administrator for the Environmental Services Division presented the following item.

The Commission is asked to approve the Notice of Intended Action to amend Chapter 61: Water Quality Standards to provide Section 401 water quality certification for Corps of Engineers (Corps) Regional Permit 27 and re-issued Regional Permits 33 and 34. Section 401 water quality certification is a state water quality agency's certification that a proposed activity will not violate state water quality standards.

The Rock Island District is proposing to re-establish Regional Permit 27 (RP 27), Emergency Reconstruction and Repair Activities for Flood Damaged Areas in counties declared flood disaster areas by the State of Iowa. In the past, this regional permit was not prepared until the emergency was imminent. It is the intent to have this regional permit coordinated so that it is

ready to activate once the emergency has been declared. Like the other regional permits, it will be in effect for a period of 5 years, at which time it will be re-evaluated.

The Rock Island District is also proposing to re-issue Regional Permits 33 and 34 (RP 33 and RP 34). Regional Permit 33, Small Ponds, Dams, and Grade Stabilization Structures, authorizes the placement of fill materials in waters of the U.S. in Iowa for the construction of small U.S. Department of Agriculture Natural Resources Conservation Service (NRCS) ponds, dams and grade stabilization structures. Regional Permit 34, Conservation Reserve Enhancement Program Structures (CREP) in the State of Iowa, authorized the placement of fill materials in waters of the U.S. to create wetlands and ponded water through the construction of earthen embankments and/or dams when funding or technical assistance is being provided through CREP and when FSA is the lead agency.

The Corps issued the public notices for these regional permits on June 23, 2010 and they expired on July 22, 2010. Copies of the June 23, 2010 public notices can be obtained from the Department of Natural Resources (DNR). The Corps received no comments from the Environmental Protection Agency, U.S. Fish and Wildlife Service or the public regarding these permits. The NRCS recently met with the Corps regarding the lack of use of RP 33. In order to increase the use of this regional permit, the NRCS is providing its field staff with guidance for the design of these structures.

It was pointed out at the July 2010 EPC meeting that the most-recently approved version of Chapter 61.2(2)g was not used. Attached is the most-recent version with the amended language.

Amend paragraph 61.2(2) “g” as follows:

h. This policy shall be applied in conjunction with water quality certification review pursuant to Section 401 of the Act. In the event that activities are specifically exempted from flood plain development permits or any other permits issued by this department in 567— Chapters 70, 71, and 72, the activity will be considered consistent with this policy. Other activities not otherwise exempted will be subject to Ch 61, p.4 IAC 567—Chapters 70, 71, and 72 and this policy. United States Army Corps of Engineers (Corps) nationwide permits 3, 4, 5, 6, 7, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25, 27, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, and 50 as well as Corps regional permits 7, 27, 33, and 34 as promulgated February 16, 2011, are certified pursuant to Section 401 of the Clean Water Act subject to the following Corps regional conditions and the state water quality conditions:

(1) Side slopes of a newly constructed channel will be no steeper than 2:1 and planted to permanent, perennial, native vegetation if not armored.

(2) Nationwide permits with mitigation may require recording of the nationwide permit and pertinent drawings with the registrar of deeds or other appropriate official charged with the responsibility for maintaining records of title to, or interest in, real property and may also require the permittee to provide proof of that recording to the Corps.

(3) Mitigation shall be scheduled prior to, or concurrent with, the discharge of dredged or fill material into waters of the United States.

(4) For discharges of dredged or fill material resulting in the permanent loss of more than 1/10 acre of waters of the United States (including jurisdictional wetlands), a

compensatory mitigation plan to offset those losses will be required. In addition, a preconstruction notice to the Corps of Engineers in accordance with general condition 27 will be required.

(5) For newly constructed channels through areas that are unvegetated, native grass filter strips, or a riparian buffer with native trees or shrubs a minimum of 35 feet wide from the top of the bank must be planted along both sides of the new channel. A survival rate of 80 percent of desirable species shall be achieved within three years of establishment of the buffer strip.

(6) For single-family residences authorized under nationwide permit 29, the permanent loss of waters of the United States (including jurisdictional wetlands) must not exceed 1/4 acre.

(7) For nationwide permit 46, the discharge of dredged or fill material into ditches that would sever the jurisdiction of an upstream water of the United States from a downstream water of the United States is not allowed.

(8) For projects that impact an Outstanding National Resource Water, Outstanding Iowa Water, fens, bogs, seeps, or sedge meadows, an individual Section 401 Water Quality Certification will be required (Iowa Section 401 Water Quality Certification condition).

(9) For nationwide permits when the Corps' district engineer has issued a waiver to allow the permittee to exceed the limits of the nationwide permit, an individual Section 401 Water Quality Certification will be required (Iowa Section 401 Water Quality Certification condition). Written verification by the Corps or 401 certification by the state is required for activities covered by these permits as required by the nationwide permit or the Corps, and the activities are allowed subject to the terms and conditions of the nationwide and regional permits. The department will maintain and periodically update a guidance document listing special waters of concern. This document will be provided to the Corps for use in determining whether preconstruction notices should be provided to the department and other interested parties prior to taking action on applications for projects that would normally be covered by a nationwide or regional permit and not require preconstruction notice under nationwide permit conditions.

The Corp of Engineers has already held public hearings on this rule and to my knowledge they have not received any comments. The Department's public comment period will be closing on November 12th.

Motion was made by Paul Johnson to approve the proposed rule as presented. Seconded by David Petty. Motion carried unanimously.

APPROVED AS PRESENTED

Motion was made by Susan Heathcote to untable agenda item #4. Seconded by Dee Bruemmer. Motion carried unanimously.

Charlotte Hubbell said that for future reference we do not need a motion to table an item if it's only being postponed until later during the meeting.

Please reference page 4 to see the discussion regarding this item.

WATER SUPPLY: WATER USE & ALLOCATION ANNUAL PERMIT FEE

Wayne Gieselman, Division Administrator for the Environmental Services Division presented the following item.

The Commission is asked to approve the annual Water Use and Allocation Program fee of \$135.00 per permit for SFY 2011.

Background

Water use permits are required of any person or entity using 25,000 gallons of water in a single day during the year, and are issued for a period of up to 10 years. Appropriations from the General Fund have always been used to fund the issuance of the water use permits and related costs. During the 2008 legislative session, the legislature authorized the department to collect up to an additional \$500,000 in fees each fiscal year. Iowa Code §455B.265(6) requires the fees to be based on the Department's "reasonable cost of reviewing applications, issuing permits, ensuring compliance with the terms of the permits, and resolving water interference complaints." There are two types of fees in the Water Use and Allocation Program: an application fee and an annual permit fee. This request is for the determination of the annual fee for SFY 2011.

The annual fee rule, adopted in 2009, is summarized below (IAC 567-50.4(2) "b"):

- Each year, the Commission will be asked to set the annual fee based on the budgeted expenses for that year minus the amount of any unused funds from the previous year and any general fund appropriations.
- The department will review the annual permit fee each year and adjust the fee as necessary to cover all reasonable costs required to develop and administer the water use permitting program.
- The annual fee shall be based on the number of active permits.
- Each permit holder shall pay the same annual fee.
- The fee will not be prorated and is nonrefundable.
- The department shall request Commission approval of the amount of the annual fee no later than September 30 of each year.
- The department will provide an annual fee notice to each permittee at least 60 days prior to the fee due date.
- The annual fee due date is December 1st; 60 days prior is October 1st.

There is no annual fee required for either a water storage permit (permitted for the life of the structure) or a minor nonrecurring water use registration (one-year permit duration).

The annual permit fee for SFY 2010 was \$135.00, the same as what is proposed for SFY 2011.

SFY 2011 Budget

The worksheet included with this agenda brief illustrates the actual expenditures in SFY 2008 – 2010 and the budgeted amounts for SFY 2010 and 2011. The final accounting figures for SFY 2010 should be available in August. The changes to the budget in 2011 from the previous years include the following:

- Reduction in General Fund appropriation from previous years, which will be covered by the fee revenue;
- Revision of the Water Use Program's computer database (Phase I), which will improve tracking permits and addresses; enabling access to the database from the Internet (i.e., web-based application); and developing electronic payment feature;
- Tasks associated with the new fees, including mailing the annual fee statement, collection of the appropriate application and annual fees, revision of forms;
- Staffing to conduct more thorough review of the permits and associated data; and
- Enforcement of the state water use program rules.

Fee Analysis

On July 27, 2010, the water use database contained 3,084 active water use permits. We are assuming compression of 10 permits, since most of the compression was already included in the 2009 analysis, and using the target budget figure of \$415,000.

Amount needed for the budget divided by the number of water use and allocation permits:

$$\$415,000 / 3,074 \text{ permits} = \$135.00$$

This same information was presented to the Water Use Stakeholder group on August 4, 2010. Based on the fee analysis, the annual water use permit fee for SFY 2011 should be \$135.00.

Motion was made by Lorna Puntillo to approve the Water use & Allocation annual permit fee as presented. Seconded by Gene VerSteege. Motion carried unanimously.

APPROVED AS PRESENTED

SOLID WASTE ALTERNATIVES PROGRAM – CONTRACT RECOMMENDATIONS

Wayne Gieselman, Administrator of the Environmental Services Division presented the following item.

The Department received 20 proposals, requesting \$948,850 in financial assistance, for consideration during the July 2010 round of funding. Eleven (11) projects were selected for funding or additional consideration. If approved they will receive \$352,283 in a combination of forgivable loans, zero-interest loans, and three-percent interest loans.

The review committee consisted of five persons representing the Land Quality Bureau (2), Iowa Society of Solid Waste Operations (1), Iowa Recycling Association (1), and the Iowa Waste Exchange (1).

The table below summarizes recommendations by applicant and project type and by the type of award.

Recommended By Applicant Type	# Awards	Award Amount	Forgivable Loan Portion
Local Government	4	\$42,342	\$42,342
Private For Profit	6	\$289,941	\$94,335
Private Not For Profit	1	\$20,000	\$20,000
Recommended By Project Type	# Awards	Award Amount	Forgivable Loan Portion
Best Practices	8	\$293,047	\$122,441
Market Development	1	\$45,000	\$20,000
Education	2	\$14,236	\$14,236
Type of Award	# Awards	Award Amount	Forgivable Loan Portion
Forgivable loan only	7	\$96,677	\$96,677
Forgivable and 0% loan only	2	\$74,250	\$40,000
Forgivable, 0% and 3% interest loan	1	\$174,025	\$20,000
0% interest loan only	1	\$7,331	\$0
3% interest loan only	0	\$0	\$0

At this time, the Department is requesting Commission approval to enter into contracts with selected applicants whose awards will be in excess of \$25,000 subject to satisfactory review of additional requested information, review of business plans, negotiation of budget, match, deliverables, and other requested information. The Department received 20 proposals, requesting \$948,850 in financial assistance, for consideration during the July 2010 round of funding. Eleven (11) projects were selected for funding or additional consideration. If approved they will receive \$352,283 in a combination of forgivable loans, zero and 3% interest loans.

The following provides a description of each project, the project type, and the amount and type of funding assistance. The descriptions are organized as projects above \$25,000, those \$25,000 and below, and proposals received but not selected.

PROPOSAL RECOMMENDATIONS: \$25,000 AND ABOVE

BEST PRACTICES PROJECTS:

Loparex, LLC 2000 Industrial Park Road Iowa City, Iowa 52240	Forgivable Loan:	\$20,000
	Zero Interest Loan:	\$150,000
	3% Interest Loan:	<u>\$4,025</u>
	Total Award Amount:	\$174,025
	Cash Match:	\$174,025
In-Kind Match:	<u>\$0</u>	
Local Match:	\$174,025	

	Total Project Cost:	\$348,050
Project Title:	Silicone and Poly-coated Paper Recycling	
Contact:	Brian Alatalo	Phone: 319-341-5041
Project Type:	Best Practices	
Applicant:	Private For Profit	
Description:	The applicant applied for funds to purchase and put into service recycling equipment, including a horizontal baler, shredder, feed conveyor, cart tipper, dust collector, roll splitter, and other equipment necessary to process and recycle poly-coated and silicone-coated scrap paper. 2,200 tons of this difficult to manage paper will be diverted from the landfill each year.	
Target Area:	Johnson County	

RecycleMe Iowa, LLC 560 29 th Street, #1 Des Moines, Iowa 50312	Forgivable Loan:	\$20,000
	Zero Interest Loan:	\$ 9,250
	3% Interest Loan:	\$ 0
	Total Award Amount:	\$29,250
	Cash Match:	\$25,950
	In-Kind Match:	\$ 4,000
	Local Match:	\$29,950
	Total Project Cost:	\$59,200
Project Title:	RecycleMe Iowa Door-step Recycling Program	
Contact:	Ciji Mitrisin	Phone: 641-660-5400
Project Type:	Best Practices	
Applicant:	Private For Profit	
Description:	The applicant applied for funds, after a successful pilot project, to fully develop and implement a "door-step" recycling program to provide recycling to apartment and condominium residents not being served by Metro Waste Authority's "Curb-It" recycling program. Funds will be used to assist in the purchase of a collection van, collection containers, staffing and marketing.	
Target Area:	Metro Waste Authority service area	

MARKET DEVELOPMENT PROJECTS:

Big Country Warehousing, LLC P. O. Box 797 North Liberty, Iowa 52317	Forgivable Loan:	\$20,000
	Zero Interest Loan:	\$ 25,000
	3% Interest Loan:	\$ 0
	Total Award Amount:	\$45,000
	Cash Match:	\$15,000
	In-Kind Match:	\$ 75,000
	Local Match:	\$90,000
	Total Project Cost:	\$135,000
Project Title:	Agricultural and Industrial Materials Recycling	
Contact:	Dan Steines	Phone: 319-560-3263

Project Type:	Market Development
Applicant:	Private For Profit
Description:	The applicant applied for funds to purchase and put into service a semi tractor and lift tuck as part of their effort to expand the type and quantity of agricultural and industrial packaging materials (seed bags, plastic, plastic containers, etc.) collected and sorted for recycling.
Target Area:	Johnson, Linn and adjacent Counties

PROPOSAL RECOMMENDATIONS: \$25,000 AND BELOW

BEST PRACTICES PROJECTS:

Yellowbook 6300 C Street SW Cedar Rapids, Iowa 52404	Forgivable Loan: \$ 14,335 Zero Interest Loan: \$ 0 3% Interest Loan: \$ 0 Total Award Amount: \$ 14,335
	Cash Match: \$ 4,785 In-Kind Match: \$ 9,550 Local Match: \$ 14,335
	Total Project Cost: \$ 28,670
Project Title:	Yellowbook Sustainability Initiative
Contact:	Yvette Clapp Phone: 319-790-4765
Project Type:	Best Practices
Applicant:	Private for Profit
Description:	The applicant applied for funds to assist with their development of a four-stage sustainability initiative that includes: 1) implementation of a Green Team that will be charged with developing and implementing the company-wide initiative; 2) increasing recycling by purchasing and putting into service a materials compactor; 3) implementing single-stream recycling program; and 4) presenting an employee education and outreach program that will increase the success of the sustainability initiative.
Target Area:	Linn County

Mercy Medical Center 1111 6 th Avenue Des Moines, Iowa 50314	Forgivable Loan: \$20,000 Zero Interest Loan: \$0 3% Interest Loan: \$0 Total Award Amount: \$20,000
	Cash Match: \$ 9,397 In-Kind Match: \$15,785 Local Match: \$25,182
	Total Project Cost: \$45,182
Project Title:	Mercy Medical Center Waste Reduction Initiative
Contact:	Bill Stirler Phone: 515-490-5829
Project Type:	Best Practices
Applicant:	Private Not for Profit

Description:	The applicant applied for funds to assist with the development and implementation of a waste reduction initiative that will include employee education, purchase of operating room reusable trays, purchase of single-stream recycling receptacles, and implementation of a single-stream recycling program. The waste reduction initiative is expected to prevent 645 tons of recyclables from going to the landfill each year.
Target Area:	Polk County

BEST PRACTICES PROJECTS CONTINUED:

<p>City of Ruthven P. O. Box 160 Ruthven, Iowa 51358</p>	<p>Forgivable Loan: \$ 3,156 Zero Interest Loan: \$ 0 3% Interest Loan: \$ 0 Total Award Amount: \$ 3,156</p>
<p>Cash Match: In-Kind Match: Local Match:</p>	<p>\$12,767 \$ 0 \$12,767</p>
<p>Total Project Cost:</p>	<p>\$15,923</p>
<p>Project Title: Contact: Project Type: Applicant: Description:</p>	<p>Ruthven Recycling Program Kay Suhr Phone: 712-837-5355 Best Practices Local Government The applicant applied for funds to purchase and put into service a recycling trailer as part of their development and implementation of a community curbside recycling program. The Grantee will partner with Horizons Unlimited Recycling and the Palo Alto County Sanitarian to promote the benefits of recycling to Ruthven and Lost Island Lake residents through their school system, direct mailings, the local newspaper, and the local cable TV public service channel. Landfill diversion from the recycling Project is projected to total 69 tons for the first year.</p>
Target Area:	City of Ruthven, Palo Alto County

<p>City of Ames 110 Center Avenue Ames, Iowa 50010</p>	<p>Forgivable Loan: \$ 24,950 Zero Interest Loan: \$ 0 3% Interest Loan: \$ 0 Total Award Amount: \$ 24,950</p>
<p>Cash Match: In-Kind Match: Local Match:</p>	<p>\$ 25,050 \$ 10,000 \$ 35,050</p>
<p>Total Project Cost:</p>	<p>\$ 60,000</p>
<p>Project Title: Contact: Project Type: Applicant: Description:</p>	<p>Combustible Fines Recovery Project Gary Free Phone: 515-239-5137 Best Practices Local Government The applicant applied for funds to purchase and put into service an transfer auger for the collection and processing of combustible fine materials at the Resource Recovery facility. Targeted materials include but is not limited to: wood shavings/chips, feed powders, grains, pre-shredded paper, and other 3/8" minus materials that are currently being transported to the landfill because they are too</p>

small to be processed through the existing separation and shredding system. Projected landfill diversion from the project is 700 tons of materials annually.

Target Area: City of Ames, Story County

BEST PRACTICES PROJECTS CONTINUED:

Papercuts, LLC 10858 Redwood Avenue Davenport, Iowa 52804	Forgivable Loan: Zero Interest Loan: 3% Interest Loan: Total Award Amount:	\$ 0 \$ 7,331 \$ 0 \$ 7,331
	Cash Match: In-Kind Match: Local Match:	\$ 4,251 \$ 3,200 \$ 7,451
	Total Project Cost:	\$ 14,782

Project Title: Paper and Cardboard Recycling Program
Contact: Trevor Grimm Phone: 563-381-9961
Project Type: Best Practices
Applicant: Private for Profit
Description: The applicant applied for funds to assist with the purchase of a vertical baler and recycling collection bins to initiate a cardboard recycling program and increase existing recycling operations of sorted office paper and mixed paper, from commercial facilities. The project is expected to divert 10 tons of paper and four tons of cardboard from the landfill each month.

Target Area: Scott County

Gronen Restoration 1056 Main Street Dubuque, Iowa 52001	Forgivable Loan: Zero Interest Loan: 3% Interest Loan: Total Award Amount:	\$ 20,000 \$ 0 \$ 0 \$ 20,000
	Cash Match: In-Kind Match: Local Match:	\$ 17,500 \$ 3,750 \$ 21,250
	Total Project Cost:	\$ 41,250

Project Title: Improving Capacity for Building Deconstruction
Contact: John N. Gronen Phone: 563-557-7010
Project Type: Best Practices
Applicant: Private for Profit
Description: The applicant applied for funds to assist with the purchase of a skid loader, a 20-foot trailer, and safety equipment to expand their building deconstruction process to more safely and easily remove and transport diverted materials from deconstruction sites in the Dubuque area.

Target Area: Dubuque County

EDUCATION PROJECTS:

Story County Ag Extension District		Forgivable Loan:	\$ 3,024
220 H Avenue		Zero Interest Loan:	\$ 0
Nevada, Iowa 50201		3% Interest Loan	<u>\$ 0</u>
		Total Award Amount:	\$ 3,024
		Cash Match:	\$ 3,160
		In-Kind Match:	<u>\$ 250</u>
		Local Match:	\$ 3,410
		Total Project Cost:	\$ 6,434
Project Title:	Food Residuals Composting and Facility Operators Re-Certification Workshop		
Contact:	Kapil Arora	Phone:	515-382-6551
Project Type:	Education		
Applicant:	Local Government		
Description:	The applicant applied for funds to assist with the development and delivery of a specialized one-day workshop for professionals involved in food residuals composting. The school also intends to provide a re-certification opportunity for compost facility operators whose annual certification expires beginning with the current calendar year.		
Target Area:	State of Iowa		

East Central Iowa Council of Governments		Forgivable Loan:	\$ 11,210
700 16 th Street NE, Suite 301		Zero Interest Loan:	\$ 0
Cedar Rapids, Iowa 52402		3% Interest Loan	<u>\$ 0</u>
		Total Award Amount:	\$ 11,210
		Cash Match:	\$ 11,210
		In-Kind Match:	<u>\$ 0</u>
		Local Match:	\$ 11,210
		Total Project Cost:	\$ 22,420
Project Title:	Iowa County School Recycling Program		
Contact:	Jennifer Ryan Fencel	Phone:	319-365-9941 ext. 131
Project Type:	Education		
Applicant:	Local Government		
Description:	The applicant applied for funds to purchase equipment and supplies and present educational activities as part of a project to develop a comprehensive recycling education program for Iowa County schools that will both increase material diversion and educate students/residents about recycling. The Project shall be presented to the Iowa County schools of Clear Creek Amana Community, English Valleys Community, Iowa Valley Community, and Williamsburg Community.		
Target Area:	Iowa County Public Schools (four districts)		

Motion was made by Paul Johnson to approve the SWAP recommendations as presented. Seconded by Susan Heathcote. Motion carried unanimously.

APPROVED AS PRESENTED

2011 EPC DATES AND LOCATIONS

The Department is requesting permission from the Commission to proceed with scheduling the 2011 Environmental Protection Commission meeting dates and locations.

January 18, 2011 – Air Quality Building, Windsor Heights

January 19, 2011 – Legislative Breakfast, State Capitol 7:30-9 a.m.

January 19, 2011 – Joint NRC/EPC Meeting, Des Moines 10 a.m. – 3 p.m.

February 15, 2011 – Air Quality Building, Windsor Heights

March 15, 2011 – Air Quality Building, Windsor Heights

April 19, 2011 – Air Quality Building, Windsor Heights

May 16, 2011 – Johnson County – EPC Tour

May 17, 2011 – Johnson County – EPC Meeting

June 21, 2011 – Air Quality Building, Windsor Heights

July 12, 2011 – Air Quality Building, Windsor Heights

July 13, 2011 – Joint NRC/EPC Meeting, Des Moines 10 a.m. – 3 p.m.

August 16, 2011 – Air Quality Building, Windsor Heights

September 19, 2011 – Humboldt County – EPC Tour

September 20, 2011 – Humboldt County – EPC Meeting

October 18, 2011 – Air Quality Building, Windsor Heights

November 15, 2011 – Air Quality Building, Windsor Heights

December 20, 2011 – Air Quality Building, Windsor Heights

Susan Heathcote suggested that the Commission tour a drainage pilot project with IDALS when we're in Humboldt County.

INFORMATION

BUDGET REQUEST FOR FY 2012

Patricia Boddy, Interim Director for the Iowa Department of Natural Resources presented the following item.

The Environmental Protection Commission's approval is requested for the Department's Appropriation request for Fiscal Year 2012 (FY12). The State Budget Director has directed all Departments to submit a status quo budget by October 1, 2010. The request to hold to FY2011 Budget levels are due to continued slow growth in state revenues.

- The Lake Restoration & Parks Infrastructure revenue request is switching from the Capitol Bond monies to Infrastructure (\$8.6M).
- The \$150,000 Resource Conservation funds are passed through to DED and the department is requesting to use these for Parks operations.

- The \$300,000 private building line item was intended as a cost savings from lease consolidations of the Des Moines DNR offices. This will not be reflected as a cost savings because the consolidation will not be taking place at this time.
- The Fish and Wildlife Operations is capped by the legislature.
- The \$100,000 UST ask was a onetime request in FY 11 for database development.

Dave Petty asked about the Resource Conservation fund and the fish and wildlife operations budget.

Pat Boddy gave a brief overview of both funds.

Lorna Puntillo asked how general funds are distributed to the departments.

Wayne Gieselman summarized the environmental programs that use general fund monies for match.

Motion was made by Susan Heathcote to approve the budget request as presented. Seconded by Paul Johnson. Motion carried unanimously.

APPROVED AS PRESENTED

Dan Olson with DNR Field Office 4 provided an update on the basin near Creston. (photo handouts were provided)

MONTHLY REPORTS

Wayne Gieselman, Division Administrator, Environmental Protection Division, presented the following items.

The following monthly reports have been posted on the DNR website under the appropriate meeting month: <http://www.iowadnr.gov/epc/index.html>

1. Rulemaking Status Report
2. Variance Report
3. Hazardous Substance/Emergency Response Report
4. Manure Releases Report
5. Enforcement Status Report
6. Administrative Penalty Report
7. Attorney General Referrals Report
8. Contested Case Status Report
9. Waste Water By-passes Report

INFORMATION

MANURE ON FROZEN GROUND DISCUSSION

The EPC/DNR rules for manure of frozen ground provided 5 years to comply. Facilities constructed during the past 15 years, that were issued a permit should have adequate manure storage. There are approximately 300 facilities that will not have adequate storage. The rule does not say you must have 100 days of storage capacity but rather the ability to manage the manure and to not apply liquid manure between specific days on frozen ground. Facilities with less than 500 animal units are not obligated to comply with this law.

Charlotte Hubbell asked if failure to pump manure would be considered an excuse for an emergency.

Wayne Gieselman and Randy Clark shared that the department has discretion to evaluate cases for extraordinary circumstances.

Charlotte Hubbell said that we need to keep in mind that these rules were compromised in that prohibiting application of solid manure would exempt, therefore only prohibiting the application of liquid manure. We also compromised on the size of facilities (500 animal units) that would be required to apply these rules. And now the time frame to comply has been extended to 5 years. Two years would have been sufficient. The public needs to understand that this is not a large number of operators that will be affected. It's important to remember that polluting to a water of the state is illegal.

Susan Heathcote said that facilities with adequate manure storage are responsible for management of the manure where as a facility that does not have adequate storage have daily management and construction of adequate storage. Producers are required to notify the DNR for emergency application and they will be held accountable if they were to pollute to a water way.

Chair Hubbell recommended that the commission develop a statement of clarification for the commission meeting in October – the clarification would include a listing the decisions made and why, along with how the DNR will apply the rules.

INFORMATION

FIELD SERVICES BYPASS REPORT

Barb Lynch introduced members from the DNR Field Office 4 – Dan Stipe, Dan Olson, and Holly Vandemark

Barb passed out a handout of bypass information and summarized some specific examples from the report.

Commissioners expressed their appreciation for all the work and accomplishments of the DNR Field Offices.

Charlotte Hubbell asked if any statutory changes were needed for enforcement.

Barb said that the Department has the rules in place. The maximum penalty the department is able to pursue and the need for the AG's office is required.

INFORMATION

GENERAL DISCUSSION

Randy Clark and Wayne Gieselman summarized the requests of the ICCI petition. The commission will be presented with a recommendation at the October meeting.

Decoster Situation

- The department is responsible for the manure storage and application onsite at facilities and currently have nothing to do with the egg production and poultry litter. Poultry litter is regulated by IDALS as a soil amendment.
- Habitual violator does not restrict the construction of new facilities for 5 years but does restrict the purchase of existing facilities.
- Federal FDA regulates eggs, conducts tests and USDA regulates the chickens. The Department only regulates the manure storage and ensure the proper disposal of dead chickens.
- Charlotte Hubbell asked how we can change the habitual violator law and will the department recommend that change during the next legislative session.
- Wayne Gieselman said that the Department would not be averse to looking at a revision however there are many things that need to be considered and discussed before moving forward with a rule change.
- Interim Director Boddy suggested the department develop a list of recommendations for legislative action that would be within our purview.

Wayne Gieselman updated the commission on the Lake Nutrient Standards – the Department is currently scheduling meetings with environmental groups to review the updated list of lakes.

NEXT MEETING DATES

October 19, 2010 – DNR Air Quality Bldg in Windsor Heights

ADJOURNMENT

With no further business to come before the Environmental Protection Commission, Chairperson Charlotte Hubbell adjourned the meeting at 1:40 p.m., Tuesday, September 21, 2010.

Patricia Boddy, Interim Director

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