



IOWA UNDERGROUND STORAGE TANK Financial Responsibility Program

Susan E. Voss, *Chairperson*

Scott M. Scheidel, *Administrator*

Board Members: Michael L. Fitzgerald Jeff W. Robinson Jacqueline A. Johnson James M. Holcomb
Richard A. Leopold Nancy A. Lincoln Douglas M. Beech

NOTICE OF PUBLIC MEETING

A public meeting of the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board has been scheduled for 10:00 a.m., Wednesday, August 27, 2008. **The meeting will be held at the Iowa Insurance Division located at 330 E Maple St, Des Moines, Iowa.**

The tentative agenda for the meeting is as follows:

10:00 a.m. Call to Order

1. Approval of Prior Board Minutes
2. Closed Session – Discussion of Pending and Imminent Litigation (To adjourn by 10:30 a.m.)
3. Public Comment Period
4. Board Issues
 - A. FY08 Budget Revision
 - B. FY09 Budget
 - Combine* C. FY09 Goals Discussion
 - D. 28E – DNR Funding FY08 & FY09
 - E. NPDES Permits
 - F. Tank Removal Rules and Settlements
 - G. SIC Model Calibration Update
 - H. Administrator Contract Renewal
 - I. DNR Update
5. Approval of Program Billings
6. Monthly Activity Report and Financials Reviewed
7. Attorney General's Report
8. Claim Payment Approval
9. Contracts Entered Into Since July 8, 2008 Board Meeting
10. Other Issues as Presented
11. Correspondence and Attachments

ED - * Send handouts to
✓ Nancy Lincoln
3 Steve Larson.

Approval of Prior Board Minutes



IOWA UNDERGROUND STORAGE TANK FUND

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Scott M. Scheidel, Administrator

Board Members:

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MINUTES IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND PROGRAM

July 8, 2008

ANNUAL STRATEGIC PLANNING SESSION NEAL SMITH NATIONAL WILDLIFE REFUGE PRAIRIE CITY, IOWA

Jim Holcomb, Chairperson in the absence of Susan Voss, called the Iowa UST Board meeting to order at 10:00 A.M. A quorum was present. Roll call was taken with the following Board members present:

Doug Beech
Jim Holcomb
Tim Hall (for Richard Leopold)
Nancy Lincoln
Jeff Robinson
Stephen Larson (for Mike Fitzgerald)
Susan Voss (arrived during break for lunch)

Also present were:

David Steward, Attorney General's Office
Scott Scheidel, Administrator
James Gastineau, Program Administrator's Office
Lacey Skalicky, Program Administrator's Office
Elaine Douskey, Iowa Department of Natural Resources
Brian Tormey, Iowa Department of Natural Resources

STRATEGIC PLANNING SESSION

Mr. Holcomb reviewed the agenda for the day, which included a morning session of Strategic Planning for the current fiscal year (2009) and a regular Board meeting following a break for lunch.

I. Evaluation of Past Program Goals and Program Status

A. Current Program Status

Mr. Scheidel reviewed with the Board the updated annual narrative that outlines the current status of the Program as well as gives a historical perspective on the origin of the Program and changes that have occurred over the life of the Program.

Mr. Scheidel explained the legislative intent of House File 447, which was codified under Iowa Code 455G in 1989. He noted the following topics:

- “Adequate and reliable financial assurance for the costs of cleanup on pre-existing releases” has been addressed by the Remedial and Innocent Landowner Programs to clean up releases that occurred prior to October 26, 1990.
- The Insurance Program was designed to “create financial responsibility assurance mechanism (insurance) to pay for future releases.” This program was transferred to the private sector in 2000.
- The “Fund was designed to be an interim measure” as suggested by the sunset date scheduled for June 30, 2016.
- The Board has cooperated with the Department of Natural Resources to address leaking underground storage tank (LUST) sites to “minimize societal costs and environmental damage.”
- Board assistance has helped to “maintain Iowa’s rural petroleum distribution network” by providing cleanup for pre-existing conditions of petroleum contamination, as well as, enabling an ongoing financial responsibility mechanism for UST sites.

In reviewing this narrative, funding and operational issues were covered. Mr. Scheidel stated that the review was to both give a broad perspective status of the Program and to help keep the focus of the Program over its lifetime as a framework before discussing the more immediate goals.

Mr. Scheidel discussed the Remedial Program and summarized the cost of all claims paid under different claim types. To date, the UST Fund had paid \$180,983,223.21 in remedial claims, \$14,555,529.88 in retroactive claims, and \$22,598,256.98 in innocent landowner claims since the inception of the program. He also summarized the Loan Guarantee Program, stating that only one loan guarantee remained in the program. The balance of that loan totaled \$27,902.83 on 6/30/08, and the maturity date was in 2014. Mr. Scheidel then made note of the Insurance Program, which had been transferred to a private insurance company in 2000.

Regarding Iowa UST Program funding, Mr. Scheidel explained that the Program received 77% of the annual tank registration fees collected by the Department of Natural Resources (DNR), which last year resulted in a transfer of over \$400,000 to the UST Fund. He stated the bulk of the current funding came from the allocation of \$17M from the Environmental Protection Charge (EPC). Also, Mr. Scheidel made reference to the bonds issued to fund the Program,

and he noted that recent legislation required the Board to payoff the 1997 bonds and defease the 2004 bonds by 6/30/08; therefore the Board no longer had debt service payments.

Next, Mr. Scheidel summarized the various Funds used by the Iowa UST Program to achieve the Board's goals. He stated the Revenue Fund received the EPC monies on a quarterly basis, as well as, the tank management fees annually. Bond debt service payments were transferred semi-annually to the UST Bond Fund to issue payments to bondholders, and excess funds were transferred to the Unassigned Revenue Fund after those debt service payments were met. Going forward, there will be no debt services payments to make. The Comprehensive Fund had previously received EPC monies in 1989 and 1990, however this fund was dissolved and the balance was transferred to the Unassigned Revenue Fund in August of 1996. The Unassigned Revenue Fund received the excess funds from the Revenue Fund semi-annually, and most of the Board's administrative expenses were paid from this fund.

Mr. Scheidel went on to explain that the Remedial Non-Bonding Fund paid remedial and retroactive claim payments. The Marketability Fund currently received the interest collected on the Innocent Landowner Fund. The Innocent Landowner Fund paid innocent landowner and global settlement claim payments, and was primarily funded by the large settlements from several major oil companies. The No Further Action Fund had also become defunct, when the legislature eliminated the fund in 2000 transferring the balance in excess of \$11M to the pooled technology account for the State of Iowa. He stated the Loan Guarantee Fund was used for the guarantee of loans, as previously discussed. The Insurance Fund was defunct after the payment of its balance to a private insurer, which took over the Board's Insurance Program in 2000. The Aboveground Storage Tank Fund was defunct after that program ended, and the UST Bond Fund and the UST Capital Reserve Funds now carried a zero balance after the payoff of 1997 bonds and the defeasance of 2004 bonds.

Regarding operational issues, Mr. Scheidel discussed the basic tools used by the Board to follow its mission. He stated that the prior contract approval requirement was used to control costs. The use of 28E agreements were used to implement a cooperative effort between the Board and various State agencies, like the DNR. He explained that the community remediation program allowed for multiple or co-mingled sites within the same community to be addressed in concert by hiring one groundwater professional to address the entire area. Five specific innovative technology projects were implemented with cooperation with the U.S. Environmental Protection Agency (EPA) to demonstrate the cost effectiveness of certain technologies at sites in Shenandoah and Council Bluffs. Those projects had mixed results, but Mr. Scheidel noted that the Board continues to encourage innovative technologies as an option to be compared against known technologies on some sites.

He explained the evolution of the risk based corrective action (RBCA) report, and the current status of the RBCA rule before the Administrative Rules Committee, which was not fully supported by the Board due to ancillary items within the rule beyond its recalibration. Mr. Scheidel referenced the rural distribution network, stating that the recent natural disasters in Iowa have left some communities without nearby petroleum distributors. He noted the previous upgrade benefit from the UST Fund assisted distributors and helped to maintain the rural distribution network, as well as, the UST removal provisions of the UST Fund have. He also noted that the Board offers 100% funding to claimants who claimed financial hardship and met the standards of it. And he discussed brownfield redevelopment stating that many

governmental subdivisions acquired properties through eminent domain or through delinquent taxes to redevelop abandoned LUST sites with the benefit of 100% funding.

Mr. Scheidel explained that the Innocent Landowners Program was utilized for claims received after the remedial program deadlines. One issue with the program was that the Innocent Landowners Fund had less than \$10M remaining to address innocent landowners claims with reserves totaling \$8.5M. He noted that due to the reduced balance following a large transfer of funds to defease bonds in late FY08, the Board would likely need to address the issue of permanent or temporary suspension of new ILO claims acceptance.

Mr. Scheidel discussed other tools used by the Board included privatization of the Insurance Program, technical training for certified groundwater professionals, UST installers and UST inspectors, and owner/operator outreach. He noted the last owner/operator outreach included five public meetings held throughout the state to discuss with owners/operators the UST Board claim prioritization rules in 2002. Rule review was exercised by the Board in 2002, when the entirety of the Administrative Rules were reviewed and streamlined to be made current; however the changes in rule did not change the substantive operation of the Program. He added that the Aboveground Storage Tank Program had ended during FY07, as that was a temporary program to assist with the upgrade or removal of aboveground storage tanks. Lastly, he mentioned the loss portfolio transfer (LPT) option available to the Board to end its liabilities associated with LUST sites. A small LPT was completed between the Board and Petroleum Marketers Management Insurance Company (PMMIC) for 10 sites in March 2007.

Mr. Scheidel discussed the reduction in claim count referenced on the June 2008 monthly activity report, as well as, the invoice types paid in terms of dollars and percentages. The bulk of claim payments over the life of the program were paid for site assessment. And the majority of claim payments paid during FY08 were paid for monitoring (24%) and over-excavation (22%). He stated the shift in emphasis shows that most LUST sites have been assessed and actions during the past year were taken to move them toward closure. Similarly, a chart regarding LUST site classifications showed that 77% of all LUST sites were classified No Action Required (NAR).

Mr. Scheidel explained the status of the Loan Guarantee Program as of 6/30/08, stating again that only one loan remained outstanding and was scheduled to mature in 2014.

Mr. Gastineau presented a memo regarding the remedial innovative technology (REMIT) and community remediation projects (CRP) that were either completed/terminated during fiscal year 2008 or remained open going into fiscal year 2009. He summarized the activities of each project for the Board. Highlights from the last year included the termination of projects in Vinton, and other projects in Charter Oak and Minden were expected to be complete during calendar year 2008. Mr. Scheidel pointed out that the project in Vinton was performed on a pay for performance basis that turned out to be very successful.

Mr. Scheidel next directed the Board's attention to a spreadsheet and series of graphs containing fiscal year end data from 1990 to 2008. Data included in the spreadsheet and in the graphs included total numbers of open claims by year and total amount of outstanding reserves by year, as well as, totals for individual claim types (remedial and ILO). Additionally, the graphs provided a comparison between the outstanding reserves of each claim type and its corresponding fund balance. Mr. Scheidel noted that the graphs illustrated the trend as claims

were closed throughout the program as the number of open claims and the reserves decrease year after year. Again, Mr. Scheidel made reference to the bond payoff and defeasance in late FY08, and the effect on fund balances, as one chart showed the Innocent Landowners Fund balance and the total reserves of innocent landowners claims were dangerously close at the close of the fiscal year. Another graph incorporated DNR LUST information, and Mr. Scheidel noted that the number LUST sites had always been higher than open UST Fund claims, as some sites were not eligible or new releases, etc. He stated the trend across that chart showed the numbers of LUST sites as well as open UST Fund claims were decreasing at a steady rate. Mr. Larson inquired about the effect of the 1993 Midwest flooding on the number of LUST sites. Mr. Scheidel explained that it was difficult to tell if any flood-related releases contributed to the contaminant plume at a LUST site, as any release would be washed away from the source site and be impossible to track. Ms. Douskey concurred stating the DNR couldn't get a handle on the full effect of the flooding event on LUST sites. Mr. Scheidel again pointed out the sharp decreases in claim count and claim reserves in certain years shown in a bar graph, which were due to the claims adjusters at GAB Robins reviewing all open files for activity and adjusting reserves or closing claims on sites that had little or no activity for a significant period of time. The Board discussed the projections for the program and what could be expected at the end in 2016.

Mr. Scheidel highlighted the fiscal year to date financial statement as of May 31, 2008, comparing the actual receipts and expenditures with the budgeted receipts and expenditures. He pointed out a large discrepancy between budgeted and actual remedial claim payments; only \$5M remedial claims were paid out when \$11M were budgeted for payment. Following the financials, Mr. Scheidel reviewed a spreadsheet of projected cash flows available for corrective action costs.

B. Status of 28E Agreements

Mr. Scheidel reviewed with the Board the 28E Agreements the Board has entered into since the inception of the program, noting that 5 of the 21 agreements had expenditures in FY08.

C. Attorney General's Report

Dave Steward explained to the Board that he has most recently worked on drafting various agreements for the Board, in addition to his work with the DNR to bring individuals with orders against them to district court for enforcement on UST matters. He stated that Tim Benton continued to work on the backlog of UST Fund appeals, and he received only two new appeals in the past year.

Mr. Steward reminded the Board that the administrative contract with Aon would expire in December, and he would bring a draft of the 3rd extension to the 2004 contract to the August Board meeting for discussion. He noted that the extension would include a 5% fee increase per the original contract. Lastly, he stated that the contract would have to be re-bid in 2009, and he expected the Board should begin discussing the requirements for the request for proposal (RFP) in August of next year to be prepared to go through the process and begin a new contract in 2010. He noted that because the last contract could last six years, it may be the final RFP process the Board would complete, and therefore the RFP could include specific information about how to close out the program.

D. Prior Year's Goals

a. Remedial Program -- "Getting Sites to Closure"

Mr. Scheidel reviewed with the Board the goals set in August 2007 to continue to close UST sites. A goal of 165 claims closed was set to measure the Boards' progress for closing sites, and 179 (gross) claims were closed. The fiscal year saw a reduction in claim count by 137 claims (net). Also, the Board had set a goal to complete 100 corrective action meetings, however only 94 meetings were completed during FY08. He also stated that an additional group of 49 sites were pending no action required (NAR) classifications upon review by the DNR.

Mr. Scheidel explained that the Board had set a goal to evaluate and make a decision regarding a proposed transfer of liabilities to PMMIC under a loss portfolio transfer (LPT). The group of sites for which PMMIC had indicated interest included sites with open UST Fund claims and also PMMIC insurance policies in force. He stated the Board had approved a request for information (RFI) as a method to determine whether bidding such a transfer proposal was practical; however the RFI was placed on hold due to the funding changes presented by 2008 legislation resulting in a large reduction in available capital for a transfer transaction. He noted that he had obtained data from PMMIC regarding claims paid on sites from the mini-LPT that the Board entered into in March 2007. Net paid out on the 10 claims since the transfer to date was \$71,091.81 with one claim closed. He reminded the Board that the cost of the LPT to the Board was in excess of \$511,000.

b. Maintain Short and Long Term Solvency

Another goal set by the Board was to coordinate with the DNR to establish and implement a plastic water line policy that would draw from the actual experience in Iowa and other states as well as the study data available, specifically the most recent study completed at Iowa State University. He noted that very little was accomplished throughout the year because the DNR wanted to wait for the ISU study to become published prior to discussion. In the past 30 days the DNR and the Administrator's staff had met to discuss the issue. He noted that the current payment authority policy for plastic water lines was to evaluate on a case-by-case basis depending on the cost benefit and the proximity to an actual plume.

Mr. Scheidel explained the progress of the risk based corrective action (RBCA) model, as the Board had set a goal to continue to move forward to implement the recalibrated model as recommended by the software investigation committee (SIC). He explained the history of the expanded DNR rule as presented to the Environmental Protection Commission (EPC) and eventually the Administrative Rules Review Committee (ARRC), and he noted that many stakeholder groups, including the Board, had petitioned the DNR to amend the rule to reduce the financial and regulatory burden on the industry for a theoretical issue yet to be demonstrated as actual by DNR. The DNR moved forward with the rule without any changes. Mr. Scheidel projected that the ancillary items stated within the DNR rule would ultimately cost the Board an additional \$100,000 (on low end) to \$3 million (on high end) each year for additional assessment of sites. That additional assessment was not projected to result in any additional expenditure on remediation.

Regarding well closure, Mr. Scheidel explained that the Board had set a goal to work with DNR to implement formal guidelines for well closure orders from DNR legal staff by the end of calendar year 2007. Although the DNR had drafted guidance for internal use to implement the closure of abandoned, private water wells, the Board had neither received a document nor a memo outlining those guidelines for reference. Additionally, the DNR staff had been advised of wells in three communities which appear to meet the definition of abandoned wells, yet no known actions have been taken to abandon the wells.

The Board's goal regarding a no further action (NFA) agreement with DNR was intended to provide for remedial activities at sites, which had previously been issued NFA certificates by the DNR, to clean up contamination that was later shown to pose risk. The proposed agreement was provided to DNR in May 2007, and the DNR disagreed with items excluded in the agreement including 1) sites not closed consistent to DNR rules and statutes, 2) sites closed with known errors, 3) changes in DNR regulations, 4) changes in regulated chemicals of concern, 5) failure to control which DNR has regulatory control over, 6) new release. Mr. Scheidel noted that the Board agreement would authorize payment on some excluded sites on a case-by-case exception basis. The DNR was working on alternative wording since the last meeting in May 2008. In the meantime, Mr. Scheidel recommended that the Board consider authorizing payment on 3 sites that might fall under a completed agreement, however without a completed agreement, the activity at these sites were on hold.

c. Legislative Initiatives

Although the Board did not have any specific legislative changes to pursue as a goal during the last year, Mr. Scheidel reported that the Board had retired and defeased all bonds in June 2008, due to the TIME 21 legislation that affected the bonds' security due to the change in flow of money through the Road Use Fund. Also, the Legislature diverted \$1,725,000 from the UST Fund to the DNR's snowmobile and ATV funds; however because the language passed was in violation of existing law, the Board will have to decide if they should direct the Treasurer to address the conflict.

The Board took a break for lunch at 11:25 AM.

The Board reconvened at 12:24 PM, with Susan Voss as chair.

II. DNR Report on UST Issues

Elaine Douskey from the DNR presented the Board with slides showing the devastating result of the 2008 floods on UST sites throughout Iowa. Mr. Hall described the efforts of DNR and field office staff to recover tanks, mostly propane tanks, from the flooded areas. He stated that the US Geological Survey provided maps using GPS of sites with high water marks. Mr. Tormey explained that the DNR worked closely with FEMA and the EPA Region VII to implement emergency policy and guidance to DNR staff and to UST owners. He noted the remarkable efforts of field office staff to evaluate and inspect UST sites for damage, and he stated that reports flowed in from the field offices in large numbers. He also stated the UST/LUST staff worked well with the field offices in terms of daily meetings and updates. Discussion moved to the effects of flooding on LUST sites, and how it may or may not change the contaminant concentrations at sites; however DNR didn't track the changes to LUST plumes following flooding events and didn't benchmark flooded sites specifically. Ms. Douskey explained that DNR would wait to see what type of trends develop.

Elaine Douskey of the DNR provided the Board with a summary of the last fiscal year's activities at the DNR stating that one LUST staff position was filled, and EPA funding was secured for the corrective action meeting coordinator, and for 1/2 of the legal staff attorney position. She also discussed the administrative rules revisions to Chapter 135 with regard to owners and operators requirements for secondary containment, fuel delivery prohibition, and the installer licensing program. She stated that the RBCA model rule filing was given a 70-day delay. Next, Ms. Douskey reported the DNR had 90% of all sites inspected in 2007 to prepare for the bi-annual third party compliance inspection program, and she noted that the resulting compliance rate for UST sites had dropped from 70% to 48%. She felt positive about the rate, because problem sites can't be fixed until they are identified. She stated the majority of non-compliant owners were citing funding problems. She explained that the DNR had certified 23 individuals as compliance inspectors, and DNR had developed a manual and inspection forms for the new program, as well as, implementing a web-enabled database to track the program. Also, Ms. Douskey said there would be an installer and inspector training course in August 2008.

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Regarding the LUST section, Ms. Douskey reported that about 5,900 LUST sites were identified in Iowa since the DNR started tracking LUST sites. She stated that 4,354 were closed, and 1,533 were still open. She noted that 77 sites were classified NAR so far during federal FY08, which ends September 30, 2008. She also reported that 416 memoranda of agreement (MOA) had been reached out of 818 corrective action meetings over approximately 4 years. Sites for which a MOA was reached had resulted in expedited corrective action about 1/3 of the time, as well as, Tier III for 1/3 of sites, and installation of remediation systems for 1/3 of the sites approximately.

Going over DNR's goals for FY08, Ms. Douskey stated that moving forward with and closing LUST sites would always be a DNR goal by implementing corrective action at high risk sites through the use of corrective action meetings, meeting their NAR goal, classifying sites that are currently unclassified, and adopting rules regarding the re-calibrated RBCA software. Ms. Douskey also said that the UST section goals including inspector and installer training in August, and owner and operator training for which rules were to be drafted.

With regard to the RBCA rule that DNR filed with the ARRC, Ms. Douskey stated that because the rule was given a 70-day delay, the DNR would now have to work with water supply representatives to address the well assessment procedure and make that information accessible to the public. She stated that the additional assessment would be optional to those sites for which a Tier II was already completed. Mr. Scheidel said that some sites with old Tier II's have had benzene degrading over several years since the Tier II was done, and therefore the data within the original Tier II remained the same. The only way to capture the rate of degradation at the site would be to complete another Tier II to compare. According to the new rule, the new Tier II assessment would subject the site to a completely new receptor evaluation that is outside of the RBCA modeled-plume. Currently, the only way to evaluate the degradation of benzene over time is to complete a new Tier II; therefore it is not optional to avoid the additional assessment. And out of the 350 high risk sites classified under the old Tier II model, Mr. Scheidel expected a significantly higher number of high risk sites based on water well receptors in a larger area surrounding the site, in most cases beyond the actual or projected plume. Ms. Douskey didn't believe the number of high risk sites would increase as

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much as he thought it would, noting that the DNR would evaluate sites through defining layers about susceptible wells vs. non-susceptible wells and many sites would drop out as a result.

Then Ms. Douskey reported that a goal for the DNR included reviewing all reports pending a NAR classification and getting those completed and classified. Mr. Scheidel inquired about the low risk sites stating that of 436 low risk sites approximately 235 of them were classified low risk over 5 years ago. He asked if the DNR would be willing to discuss closing out some of those sites that have been monitored without remediation for so long. Ms. Douskey replied that would probably require a rule change.

When asked about plastic water lines discussions, Ms. Douskey explained that DNR had a meeting with Mr. Gastineau to discuss plastic water lines, and they planned to research the ISU study and the AWWA standards and to get someone from the Department of Public Health involved to discuss the issue. They planned another meeting for August, and Mr. Gastineau stated he was focused on comparing Iowa standards to the standards in other states. He noted that South Dakota was the only other state that had numerical standards for plastic water line replacement. He had yet to see the document showing how the Iowa numerical standards were developed from the DNR. After additional discussion about the cost of the current policy, the Board moved on to new program goals.

III. Program Goals—Fiscal Year 2009

Mr. Scheidel stated that UST Fund goals would fare much better if the DNR had coordinated goals so that they worked together and would hold each other accountable for the success of those goals. Mr. Tormey replied that the UST Fund might prioritize those goals to make them more achievable for the DNR.

Next, Mr. Scheidel noted that in the Board packets was an outline with a number of issues that the Board should consider for fiscal year 2009. These issues were as follows:

A. Issues from Last Year

B. Remedial Program—Getting Sites to Closure

The Board set a numerical goal of 140 net closed claims for FY09. Also, the Board set an activity goal of 100 corrective action meetings to be held in FY09. And included in the outline, Mr. Scheidel proposed the Board again set a goal to implement RBCA model changes and to address Iowa Code sections regarding the Board's LPT authority and cooperation with DNR. Another goal set was to get the NFA agreement with the DNR completed and implemented.

C. Maintain Short and Long Term Solvency

The board discussed their general goals outlined to maintain short and long term solvency, including revenue expansion, expense controls, and DNR coordination on the RBCA model calibration, plastic water lines, and implementing other RBCA lessons learned. Therefore, goals for FY09 continued to be to work with DNR to reach an agreement regarding the RBCA model and rule and to work with DNR to develop some policy with regard to plastic water lines. Also, Mr. Scheidel offered to discuss with DNR the low risk sites that have been

monitored for more than 5 years to determine whether or not it was useful to keep those sites open and monitor them indefinitely. Mr. Tormey committed to report to the Board at its August meeting which goals could be coordinated between the UST Fund Board and the DNR.

D. Comparison of Iowa UST Program with Other States' Programs

Mr. Scheidel noted that a general comparison to other state programs was included in the Board packets as well as the entire state fund survey from the State Administrator's Conference in June.

E. Legislative Initiatives

Ms. Voss suggested the Board meet with legislators and the DNR to discuss the mission of the Board and receive legislative direction and to address the funding diversions that may ultimately prevent the Board from completing its mission. Mr. Beech suggested that stakeholders be involved as well to show constituency support for the Board's goals. Ms. Voss and Mr. Scheidel planned to schedule a meeting in the coming months.

Lastly, Ms. Lincoln submitted a motion to authorize Board counsel and the Administrator to draft and enter into a 28E agreement to provide benefits to three specific sites currently awaiting the NFA agreement with the DNR. Mr. Holcomb seconded the motion, which was passed by a vote of 5-0. Mr. Beech abstained from the discussion and the vote.

The Board took a break at 2:30 PM and reconvened at 2:50 PM.

IV. UST State Fund Administrators' Conference

Mr. Scheidel noted that the comparison tables between states' programs were included in the Board packet for their review and discussion.

V. Summary

Mr. Scheidel offered to write a synopsis of the Board's goals and supply them to DNR to facilitate coordination and DNR's report at the August meeting.

The Strategic Planning Session ended at 2:54 PM, and the Board moved into general Board business at that time.

APPROVAL OF PRIOR BOARD MINUTES

The minutes from the May 22, 2008 meeting and the minutes from the May 27, 2008 teleconference meeting were reviewed and Mr. Larson made a motion to approve both sets of the minutes, Mr. Holcomb seconded, and by a vote of 5-0 the minutes were approved.

CLOSED SESSION

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

PUBLIC COMMENT

There was no public comment from anyone present.

BOARD ISSUES

A. Fiscal 2009 Budget

Mr. Scheidel presented the Board with a 13-month budget to reflect expected receipts and expenditures from June 1, 2008 through June 30, 2009. The most recent financials received from the Treasurer's Office had included data through the end of May, and several large dollar amounts were expected to have been expended in June due to the payoff and defeasance of bonds. Therefore the budget presented included June 2008. Mr. Robinson recommended the Administrator revise the fiscal year 2008 (FY08) budget to include bond payoff and defeasance expenditures, and also create a 12-month FY09 budget, to clarify the entries within their respective fiscal years. Mr. Scheidel agreed that he would bring revisions of both budgets to the Board for approval at the August meeting.

B. Fiscal Year 2009 Reimbursement Agreement with Attorney General's Office

Mr. Scheidel presented to the Board the proposed reimbursement agreement for FY09 with the Attorney General's Office. Mr. Scheidel noted to the Board that the Department of Justice had drafted and submitted the agreement to the Board for reimbursement of approximately \$105,000 for FY09, which was the same agreed amount as FY08. Ms. Voss stated that she wanted to discuss with the Deputy Attorney General the agreement and possibly revise it to include a provision for the Board to give feedback to the Dept regarding the performance of its legal counsel.

Mr. Beech concurred and submitted a motion to discuss with the Deputy Attorney General the idea to include "in consultation with the Board" to the agreement language to that end. Mr. Holcomb seconded the motion, which was approved by a vote of 5-0.

C. Treasurer's Request for Board Action re: Diversion of Funds

Mr. Scheidel presented a memo in the Board packets stating that House File 2662, the Ag and Natural Resources budget bill was passed and signed by the Governor. The bill included a provision to move \$950,000 and \$775,000 from the Unassigned Revenue Fund to the Snowmobile Fund and ATV Fund respectively. The language in the bill does not include a provision to "notwithstanding" Iowa Code Section 455G.3, which might make the transfer of these monies illegal. Due to this omission, the Board requested that that Governor veto this portion of the bill in a letter dated May 6, 2008. No response to the letter was received and the bill was signed into law without a line item veto of the provision. Due to the conflict in the laws, Mr. Scheidel explained that it was the duty of the Treasurer, as custodian of the funds, to reconcile the language of the bill with the existing law. He also noted that the Treasurer sought direction from the Board regarding their position on the conflict and how they would like to see it addressed.

After discussing options, the Board came to a consensus. Mr. Holcomb submitted a motion requesting the Administrator send a letter to the Treasurer recommending that the Treasurer

formally seek guidance from the Attorney General's Office before allowing the transfer of funds provided in the recent law passed. Ms. Lincoln seconded the motion, which was approved by a vote of 4-0. Mr. Larson abstained from the vote.

Mr. Scheidel stated that he would update the Board members regarding the developments of the Treasurer's actions.

D. 12-Month Board Meeting Schedule

Mr. Scheidel presented a memo to the Board listing the tentative dates of the next year's Board meetings. After some discussion, the Board members agreed to change the August meeting from August 28, 2008 to August 27, 2008.

E. Reauthorization of 28E for UST Closure Contracts

Mr. Scheidel presented a memo to the Board regarding a 28E agreement between the Board and the DNR to address the tank closure and assessment of UST sites where the DNR had determined action was needed and either no responsible party was able to pay or the responsible party was recalcitrant. The initial 28E for these activities was entered into in 1997, and a new 28E was executed in 2004 for the continuation of the same services, as contracted by the request for proposal process to selected groundwater professional firms. The current agreement was set to expire in July, and the Administrator recommended that it be renewed by addendum for an additional year. He also recommended that the contracts with two groundwater professional firms be renewed for another year.

He noted that the DNR has a significant number of sites to add to the contracts under this agreement. Also, Mr. Scheidel explained that a new class of sites had been identified for possible inclusion. The new group involves UST owners who close their sites and are unable to complete site checks or tank closure within the time frame afforded to identify a release for the purpose of filing a claim, so they end up losing their right to do so. Mr. Scheidel recommended the agreement terms be expanded to include these sites so necessary work may be performed. Additionally, Mr. Scheidel recommended that the purpose of the agreement be modified to qualify that the terms of the agreement will not limit the Board's use of the vendor contracts to the implementation of the 28E agreement, nor shall the terms of the agreement be intended to limit the authority of the DNR.

Mr. Holcomb submitted a motion to extend the 28E agreement with the DNR through July 15, 2009, subject to the modifications discussed, and his vote was also to extend the 2 vendor contracts to July 30, 2009 for use in the implementation of the 28E agreement. Mr. Larson seconded the motion, which was approved by a vote of 5-0.

PROGRAM BILLINGS

Mr. Scheidel presented the monthly billings to the Board for approval.

- 1. Aon Risk Services \$ 122,726.00
 - Consulting Services July 2008 -- \$67,513.00
 - Claims Processing Services July 2008 -- \$55,213.00

2. Aon Risk Services\$122,726.00
 Consulting Services August 2008 -- \$67,513.00
 Claims Processing Services August 2008 -- \$55,213.00
3. Attorney General's Office.....\$ 5,784.50
 Services provided for Underground Storage Tank Program
 Billing for May 2008

There were no billings for outside cost recovery and litigation counsel presented for this month's meeting. On a motion by Mr. Larson and a second by Mr. Holcomb, the billings were approved by a vote of 5-0.

MONTHLY ACTIVITY REPORT

Mr. Scheidel noted that the May and June monthly activity reports and opt-in reports, as well as May financials, were included in the packet for the Board to review.

ATTORNEY GENERAL'S REPORT

Mr. Steward stated that he had nothing further to report.

CLAIM PAYMENTS

Mr. Gastineau summarized the claim payment reports and project change orders in the Board packet.

1. Site Registration 7910210 – Sunoco, Inc., LeMars

This site was classified no further action with significant free product. A skimmer pump with final polish from a vacuum truck resulted in removal of free product to DNR satisfaction. Previous approval to \$75,000 had been granted, of which \$77,687.19 was incurred to date. Additional authority to \$83,500 was requested for monitoring well abandonment.

Motion to approve claim authority was submitted by Mr. Larson and seconded by Mr. Hall. Approved 5-0.

2. Site Registration 8600808 – Goettsch Brothers Realty Inc., Bettendorf

This bedrock site was classified low risk following an excavation. Low levels of free product have been persistent at the site, and dissolved levels were near site specific target levels (SSTL's). Previous approval to \$75,000 had been granted, of which \$84,110.80 was incurred to date. Additional authority to \$135,000 was requested for free product recovery (FPR) and a site monitoring report (SMR).

Motion to approve claim authority was submitted by Ms. Lincoln and seconded by Mr. Larson. Approved 5-0.

3. Site Registration 8607898 – Hometown Food & Fuel, Inc., Ogden

This site was classified high risk for vapor receptors only. The soil was tight, but a fairly large soil plume existed. The extent of contamination might be related to pre-regulation tanks, as the site had a very long UST history. The proposed excavation was very costly due to the cost to remove and replace the site canopy, product lines and pump island and also to dig up the city street. Other options were explored, but it was decided that nothing else would likely be effective to attain a low risk or no further action status at this site. Further actions may also be necessary. Previous approval to \$75,000 had been granted, of which \$74,281.05 was incurred to date. Additional authority to \$675,000 was requested for the excavation and a SMR.

After much discussion with regard to the cost of the excavation and the receptors involved, Mr. Hall submitted a motion to approve claim authority, and Mr. Larson seconded the motion. The motion was defeated by a vote of 2-3.

4. Site Registration 8811086 – City of George

This was a second Board report for this site that was classified high risk. Remediation by vapor extraction had been attempted. Contamination still existed in the vicinity of residential basements and residential sewers. An excavation in the city-street and right-of-way had been proposed. The costs of the excavation would be high due to the nature of the work in the street and around utilities; however there were no better options. Mr. Gastineau noted that this site had a large plume in tight soil; therefore a system would not likely be effective. Previous approval to \$475,000 had been granted, of which \$424,692.84 was incurred to date. Additional authority to \$750,000 was requested for a SMR, excavation, and free product recovery (FPR).

No motions were submitted for a vote regarding this site.

5. CRPCA 9710-07 – Akron

This community remediation project was contracted initially in 1998 to address two sites in the City of Akron, Iowa. The original contract included site evaluation and preparation of a corrective action design report (CADR). The contract was amended in 2004 to allow for the implementation of the CADR plan including the operation of a dual phase extraction (DPE) system for two years to be followed by a Tier 3 evaluation. The sites were in the post-remediation monitoring phase, and further monitoring and/or Tier 3 activities were anticipated.

The agreement for the project was written as a 3-yr agreement with the option of three 1-yr extensions. The current contract term was set to expire on October 3, 2008, and the Administrator recommended a 1-year extension for this project (the second of three 1-yr options). Current contract authority for this project was \$447,367.79, and no change to the Board's funding authority limit was requested. Costs incurred to date were \$377,457.02.

Mr. Beech submitted a motion to extend the contract for the Akron project for one year to October 3, 2009. Mr. Holcomb seconded the motion, which was approved 5-0.

6. CRPCA 0406-38 – Rose Hill

This community remediation project was contracted in 2004 to address a site in Rose Hill, Iowa, that was previously assessed under the Board authorized State Lead Closure Contract project. The high risk concerns associated with the site included one plastic water main, a sanitary sewer, and two private water wells. Since the inception of the project, minimal work had been completed due to access problems and issues regarding the wells on a neighboring property. In 2007, the private wells were closed; however the plastic water line and the sanitary sewer remain at risk. Discussions were ongoing with regard to the plastic water line pathway, because the plastic water line was not in the actual plume; and future work would be limited to annual monitoring to assess contaminant levels and determine if the plume was steady. The agreement for the project was written as a 2-yr agreement with the option of four 1-yr extensions. The current agreement term was set to expire on August 30, 2008, and the Administrator recommended a 1-year extension for this project (the third of four 1-yr options). This site was not eligible for UST Fund benefits, and a lien had been filed on the site for costs associated with the closure contract work, as well as, the assessment activities completed under this project. Current contract authority for this project was \$30,898.42, and no change to the Board's funding authority limit was requested. Costs incurred to date were \$12,945.00.

Mr. Holcomb submitted a motion to extend the contract for the Rose Hill project for one year to August 30, 2009. Mr. Beech seconded the motion, which was approved 5-0.

7. CRPCA 0206-28 -- Walnut

This community remediation project was contracted in 2002 to assess three sites in Walnut, Iowa. The contract for this project was amended in 2004 to allow for the implementation of the selected corrective actions, which had included the installation of DPE system, free product recovery activities, and various Tier 3 approaches for the limiting receptors. It was anticipated that the DPE system would require 2-3 years of additional operation to meet the site specific target levels (SSTL's). Free product recovery was ongoing. The amended contract for the project was written as a 3-yr agreement with the option of three 1-yr extensions. The current agreement term was set to expire on October 1, 2008, and the Administrator recommended a 1-year extension for this project (second of three 1-yr options). Current contract authority for this project was \$450,434.48, and no change to the Board's funding authority limit was requested. Costs incurred to date were \$410,392.88.

Mr. Holcomb submitted a motion to extend the contract for the Walnut project for one year. Mr. Larson seconded the motion, which was approved 5-0.

CONTRACTS ENTERED INTO SINCE MAY 22, 2008 BOARD MEETING

Since the May 22, 2008 Board meeting, the Board had entered into one new 28E agreement with the Department of Natural Resources to provide contingency funding for a staff attorney position.

OTHER ISSUES

Ms. Voss recapped the meeting stating that the Board would discuss and finalize its goals for FY09 and request that DNR coordinate its own goals in cooperation with the Board. Also, she

stated that the Administrator and she would develop a letter to legislators regarding the UST Fund and its mission. She noted that she would contact the Deputy Attorney General regarding the attorney general's reimbursement agreement for FY09, as previously discussed. Mr. Steward stated that he and the Administrator would draft the 28E with the DNR to affect the no further action claims for three specific sites, as previously discussed. Mr. Scheidel would draft a formal letter to the Treasurer conveying the Board's opinion with regard to the transfer of funds from the Unassigned Revenue Fund to both Snowmobile and ATV funds of the DNR. Lastly, Mr. Scheidel stated he would bring the amended budgets FY08 & FY09 to the Board at the August meeting for approval. The next meeting of the Board was scheduled for Wednesday, August 27, 2008 at 10 A.M at the Iowa Insurance Division.

CORRESPONDENCE AND ATTACHMENTS

Ms. Voss noted that there was no further business, and there being none, the Board adjourned at 3:52 P.M.

Respectfully Submitted,

A handwritten signature in black ink that reads "Scott M. Scheidel". The signature is written in a cursive style with a prominent initial "S".

Scott M. Scheidel
Administrator

Closed Session

Discussion of Pending and Imminent Litigation

Public Comment

Board Issues

A. FY08 Budget Revision

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
BUDGET FISCAL 2008 Revised

UST REVENUE FUND (Bonding)		<i>Revised FY08 Budget</i>
Balance of Fund, July 1, 2007	\$	8,930,000.00
 Receipts:		
o* Tank Management Fees-FY08	\$	385,000.00
Motor Vehicle Use Tax	\$	17,000,000.00
Intra State Transfers		
Interest Income		
Interest Income - Capital Reserve Fund		
	\$	17,385,000.00
 Disbursements:		
Bond Interest Payment	\$	1,698,403.75
Bond Principal Payment	\$	7,245,000.00
Transfer To/(From) UST Bond Fund		
Transfer to Unassigned Revenue Fund	\$	8,871,596.25
* 1997A Series Bond Payoff (6/13/08)	\$	8,500,000.00
	\$	26,315,000.00
Balance of Fund, June 30, 2008	\$	-
 UST UNASSIGNED REVENUE FUND (Non-Bonding)		
Balance of Fund, July 1, 2007	\$	17,075,662.99
 Receipts:		
Installer's Licensing/Exam Fees	\$	-
Request for Proposal Fees		
Copying Fees		
Fines & Penalties	\$	10,000.00
Refund/Overpayment	\$	815.52
Transfer From UST Revenue Fund 471	\$	8,871,596.25
* Transfer From Loan Guaranty Fund 238	\$	-
Transfer From AST Fund 455	\$	102,443.17
* Intra State Fund Transfers Received	\$	15,034,580.00
Amort / Accretion	\$	(70,000.00)
Buys/Sells	\$	(75,000.00)
Interest Income	\$	1,800,000.00
	\$	25,674,434.94
 Disbursements:		
UST Administrator's Fees	\$	1,418,664.00
Attorney General's Fees	\$	105,000.00
Attorney's Fees: Cost-Recovery Administration		
Cost Recovery Expense (Lien Notice & Release Filing)	\$	120.00
Actuarial Fees		
Auditor of the State Fees	\$	4,786.13
Bond Trustee's Fees - Bankers Trust	\$	1,500.00
Custodial Fees - BONY	\$	1,000.00
Department of Revenue (DAS) EPC Collection Fees	\$	8,800.00
Environmental Protection Charge Refunds	\$	1,500.00
Inspection & Appeals Service Fees	\$	2,000.00
Installer's License/Exam Fee Refunds		

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
BUDGET FISCAL 2008 Revised**

Iowa Finance Authority Expenses		
Legal and Professional Fees (including Digital Control \$5,000)	\$	5,000.00
Postage / Printing / Miscellaneous		
Professional Admin Services (Investments)	\$	50,000.00
Rebate		
Tank Closure Claims & Plastic Water Line Claims	\$	200,000.00
Travel Expenses-UST Board Members	\$	500.00
Warrant Float Expense		
28E Agreement - RBCA (DNR Staff Training & Development)		
28E Agreement - DNR UST Section Funding - FY06	\$	-
28E Agreement - DNR 4 Temporary FTE's - FY06 & FY07	\$	-
28E Agreement - DNR UST Section Funding - FY07	\$	200,000.00
Statutory Transfer to DNR - FY07	\$	-
Statutory Transfer to DED - FY07	\$	-
Statutory Transfer to DNR - FY08	\$	200,000.00
Statutory Transfer to DED - FY08	\$	3,500,000.00
o Statutory Transfer to General Fund (0001) - FY08	\$	3,000,000.00
Transfer to Remedial Non-Bonding Fund	\$	5,000,000.00
Transfer to AST Fund	\$	-
* 1997A Series Bond Payoff (6/13/08)	\$	5,825,187.84
* 2004A Series Bond Defeasance (6/26/08)	\$	15,034,580.00
	\$	<u>34,558,637.97</u>
Balance of Fund June 30, 2008	\$	<u>8,191,459.96</u>

UST REMEDIAL NON-BONDING FUND

Balance of Fund, July 1, 2007	\$	6,753,532.72
Receipts:		
Remedial Refunds	\$	10,000.00
Misc. Income - (i.e. Eligibility Settlements)		
Interest Income		
Intra State Fund Transfers Received (from 450)	\$	5,000,000.00
	\$	<u>5,010,000.00</u>
Disbursements:		
Retroactive Claims	\$	600,000.00
Remedial Claims	\$	11,000,000.00
Intra State Fund Transfers Paid		
Balance of Outdated Warrants		
	\$	<u>11,600,000.00</u>
Balance of Fund June 30, 2008	\$	<u>163,532.72</u>

UST MARKETABILITY FUND

Balance of Fund, July 1, 2007	\$	2,246,390.04
Receipts:		
Interest	\$	1,500,000.00
	\$	<u>1,500,000.00</u>
Disbursements:		
* 1997A Series Bond Payoff (6/13/08)	\$	3,327,726.83
	\$	<u>3,327,726.83</u>
Balance of Fund June 30, 2008	\$	<u>418,663.21</u>

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
BUDGET FISCAL 2008 Revised**

UST INNOCENT LANDOWNERS FUND

Balance of Fund, July 1, 2007	\$ 21,354,512.83
Receipts:	
Cost Recovery	\$ 10,000.00
ILO Refunds	
Intra State Fund Transfers Received	
Transfer from Marketability Fund	
	\$ 10,000.00
Disbursements:	
Cost Recovery Reimbursement	
Cost Recovery Global Settlement	
Other Contractual Services	
* Intra State Fund Transfers Paid	\$ 8,797,080.00
AG - Cost Recovery Expenses	
Global Settlement Claims	\$ 500,000.00
Innocent Landowner Claims	\$ 2,000,000.00
Balance of Outdated Warrants	
	\$ 11,297,080.00
Balance of Fund June 30, 2008	\$ 10,067,432.83

ABOVEGROUND STORAGE TANK FUND

Balance of Fund July 1, 2007	\$ 102,443.17
Receipts:	
Interest	\$ -
Transfer from Unassigned Revenue Fund	
Transfer to Unassigned Revenue Fund	
	\$ -
Disbursements:	
Transfer to Unassigned Revenue Fund	\$ 102,443.17
AST Claims	\$ -
	\$ 102,443.17
Balance of Fund June 30, 2008	\$ -

UST LOAN GUARANTEE FUND (Non-Bonding)

Balance of Fund, July 1, 2007	\$ 1,228,506.44
Receipts:	
Loan Application Fees	
Interest Income	\$ 60,000.00
	\$ 60,000.00
Disbursements:	
* Transfer to Unassigned Revenue Fund	\$ -
Interest Rate Buydown	
Payments on Loan Losses	
* 1997A Series Bond Payoff (6/13/08)	\$ 1,034,979.39
	\$ 1,034,979.39
Balance of Fund June 30, 2008	\$ 253,527.05

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
BUDGET FISCAL 2008 Revised**

UST BOND FUND (Bonding)

Series 1997 A Revenue Refunding Bonds

Balance of Fund, July 1, 2007	\$	-
Receipts:		
Transfer From/(To) UST Revenue Fund	\$	6,545,916.25
Transfer From/(To) UST Cost of Issuance Fund		
Accrued Interest From Bonds		
Interest Income		
	\$	6,545,916.25
Disbursements:		
Principal Payments to Bondholders	\$	5,510,000.00
Interest Payments to Bondholders	\$	1,035,916.25
Trustee Fee		
	\$	6,545,916.25
Balance of Fund June 30, 2008	\$	-

Series 2004 A Revenue Refunding Bonds

Balance of Fund, July 1, 2007	\$	-
Receipts:		
Transfer From/(To) UST Revenue Fund	\$	2,397,487.50
Transfer From/(To) UST Cost of Issuance Fund		
Accrued Interest From Bonds		
Interest Income		
	\$	2,397,487.50
Disbursements:		
Principal Payments to Bondholders	\$	1,735,000.00
Interest Payments to Bondholders	\$	662,487.50
Trustee Fee		
	\$	2,397,487.50
Balance of Fund June 30, 2008	\$	-
Combined UST Bond Fund Balances, June 30, 2008	\$	-

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
BUDGET FISCAL 2008 Revised**

UST CAPITAL RESERVE FUNDS (Bonding)

Series 1990 A

Balance of Fund, July 1, 2007	\$	3,990,710.18
Receipts:		
Proceeds from Issuance of Bonds		
Disbursements:		
Transfer Interest to Revenue Fund		
Balance of Fund June 30, 2008	\$	<u>3,990,710.18</u>

Series 1991 A

Balance of Fund, July 1, 2007	\$	2,641,220.03
Receipts:		
Proceeds From Issuance of Bonds		
Disbursements:		
Transfer to Cost of Issuance Fund		
Balance of Fund June 30, 2008	\$	<u>2,641,220.03</u>

Series 1994 A

Balance of Fund, July 1, 2007		(\$394,430.21)
Receipts:		
Proceeds From Issuance of Bonds		
Disbursements:		
Balance of Fund June 30, 2008		<u>(\$394,430.21)</u>
* IntraState Fund Transfers Paid	\$	<u>6,237,500.00</u>
Combined UST Capital Reserve Fund Balances, June 30, 2008		<u>\$0.00</u>
 TOTAL FUND BALANCES, June 30, 2008	 \$	 <u>19,094,615.77</u>

FOOTNOTES:

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

B. FY09 Budget

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
BUDGET FISCAL 2009**

UST REVENUE FUND (Bonding)		<i>FY09 Budget</i>
Balance of Fund, July 1, 2008	\$	-
Receipts:		
o Tank Management Fees FY08	\$	385,000.00
Tank Management Fees FY09	\$	400,000.00
Motor Vehicle Use Tax	\$	17,000,000.00
Intra State Transfers		
Interest Income - Capital Reserve Fund		
	\$	17,785,000.00
Disbursements:		
Bond Interest Payment	\$	-
Bond Principal Payment	\$	-
Transfer to Innocent Landowner Fund	\$	4,250,000.00
Transfer to Unassigned Revenue Fund	\$	13,535,000.00
	\$	17,785,000.00
Balance of Fund, June 30, 2009	\$	-
 UST UNASSIGNED REVENUE FUND (Non-Bonding)		
Balance of Fund, July 1, 2008	\$	10,303,265.43
Receipts:		
Request for Proposal Fees		
Copying Fees		
Fines & Penalties	\$	10,000.00
Refund/Overpayment	\$	-
Transfer From UST Revenue Fund 471	\$	13,535,000.00
Intra State Fund Transfers Received		
Amort / Accretion	\$	30,000.00
Buys/Sells	\$	(20,000.00)
Interest Income	\$	1,800,000.00
	\$	15,355,000.00
Disbursements:		
UST Administrator's Fees	\$	1,412,712.00
Attorney General's Fees	\$	105,000.00
Attorney's Fees: Cost-Recovery Administration		
Cost Recovery Expense (Lien Filings, Overpayment Refunds)	\$	30.00
Actuarial Fees		
Auditor of the State Fees	\$	4,876.00
Bond Trustee's Fees - Bankers Trust	\$	36,000.00
Claim Settlement (Coastal Mart)	\$	1,050,000.00
Custodial Fees - BONY	\$	-
Department of Revenue (DAS) EPC Collection Fees	\$	6,000.00

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
BUDGET FISCAL 2009**

Environmental Protection Charge Refunds		
Inspection & Appeals Service Fees	\$	3,500.00
Iowa Finance Authority Expenses		
Legal and Professional Fees	\$	-
Postage / Printing / Miscellaneous	\$	100.00
Professional Admin Services (Investments)	\$	30,000.00
Rebate		
Tank Closure Claims & Plastic Water Line Claims	\$	50,000.00
Travel Expenses-UST Board Members	\$	700.00
Warrant Float Expense		
28E Agreement - RBCA (DNR Staff Training & Development)		
28E Agreement - DNR UST Section Funding - FY07	\$	-
28E Agreement - DNR UST Section Funding - FY08	\$	400,000.00
28E Agreement - DNR UST Section Funding - FY09	\$	400,000.00
Statutory Transfer to DNR - FY09	\$	200,000.00
Statutory Transfer to DED	\$	-
Statutory Transfer to DNR (Snowmobiles & ATV's)- FY09	\$	1,725,000.00
o Statutory Transfer to General Fund (0001) - FY08	\$	3,000,000.00
Transfer to Remedial Non-Bonding Fund	\$	4,250,000.00
	\$	<u>12,673,918.00</u>
Balance of Fund June 30, 2009	\$	<u>12,984,347.43</u>

UST REMEDIAL NON-BONDING FUND

Balance of Fund, July 1, 2008	\$	5,734,239.12
Receipts:		
Remedial Refunds	\$	3,000.00
Misc. Income - (i.e. Eligibility Settlements)		
Interest Income		
Intra State Fund Transfers Received (from 450)	\$	4,250,000.00
	\$	<u>4,253,000.00</u>
Disbursements:		
Retroactive Claims	\$	600,000.00
Remedial Claims	\$	7,000,000.00
Intra State Fund Transfers Paid		
Balance of Outdated Warrants		
	\$	<u>7,600,000.00</u>
Balance of Fund June 30, 2009	\$	<u>2,387,239.12</u>

UST MARKETABILITY FUND

Balance of Fund, July 1, 2008	\$	101,715.84
Receipts:		
Interest	\$	200,000.00
	\$	<u>200,000.00</u>
Disbursements:		
	\$	-
Balance of Fund June 30, 2009	\$	<u>301,715.84</u>

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
BUDGET FISCAL 2009**

UST INNOCENT LANDOWNERS FUND

Balance of Fund, July 1, 2008	\$	10,192,565.89
Receipts:		
Cost Recovery	\$	10,000.00
ILO Refunds		
Intra State Fund Transfers Received (from 471)	\$	4,250,000.00
Transfer from Marketability Fund		
	\$	4,260,000.00
Disbursements:		
Cost Recovery Reimbursement		
Cost Recovery Global Settlement		
Other Contractual Services		
Intra State Fund Transfers Paid		
AG - Cost Recovery Expenses		
Global Settlement Claims	\$	300,000.00
Innocent Landowner Claims	\$	2,000,000.00
Balance of Outdated Warrants		
	\$	2,300,000.00
Balance of Fund June 30, 2009	\$	12,152,565.89

UST LOAN GUARANTEE FUND (Non-Bonding)

Balance of Fund, July 1, 2008	\$	255,595.82
Receipts:		
Loan Application Fees		
Interest Income	\$	10,000.00
	\$	10,000.00
Disbursements:		
Transfer to Unassigned Revenue Fund	\$	-
Payments on Loan Losses	\$	-
	\$	-
Balance of Fund June 30, 2009	\$	265,595.82

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
BUDGET FISCAL 2009**

UST BOND FUND (Bonding)

Series 1997 A Revenue Refunding Bonds

Balance of Fund, July 1, 2008 \$ -

Receipts:

Transfer From/(To) UST Revenue Fund \$ -

Transfer From/(To) UST Cost of Issuance Fund

Accrued Interest From Bonds

Interest Income

Disbursements:

Principal Payments to Bondholders \$ -

Interest Payments to Bondholders \$ -

Trustee Fee

Balance of Fund June 30, 2009 \$ -

Series 2004 A Revenue Refunding Bonds

Balance of Fund, July 1, 2008 \$ -

Receipts:

Transfer From/(To) UST Revenue Fund \$ -

Transfer From/(To) UST Cost of Issuance Fund

Accrued Interest From Bonds

Interest Income

Disbursements:

Principal Payments to Bondholders \$ -

Interest Payments to Bondholders \$ -

Trustee Fee

Balance of Fund June 30, 2009 \$ -

Combined UST Bond Fund Balances, June 30, 2009 \$ -

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
BUDGET FISCAL 2009**

UST CAPITAL RESERVE FUNDS (Bonding)

Series 1990 A

Balance of Fund, July 1, 2008	\$	-
Receipts:		
Proceeds from Issuance of Bonds		
Disbursements:		
Transfer Interest to Revenue Fund		
Balance of Fund June 30, 2009	\$	-

Series 1991 A

Balance of Fund, July 1, 2008	\$	-
Receipts:		
Proceeds From Issuance of Bonds		
Disbursements:		
Transfer to Cost of Issuance Fund		
Balance of Fund June 30, 2009	\$	-

Series 1994 A

Balance of Fund, July 1, 2008		\$0.00
Receipts:		
Proceeds From Issuance of Bonds		
Disbursements:		
Balance of Fund June 30, 2009		\$0.00
Combined UST Capital Reserve Fund Balances, June 30, 2009		\$0.00
TOTAL FUND BALANCES, June 30, 2009	\$	28,091,464.10

FOOTNOTES:

Note 1: Funds labeled "Bonding" were created as a result of the issuance of UST Revenue Bonds. Disbursements from 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. FY09 Goals Discussion

Discussion of Fiscal 2009 Goals setting resulted in several action items some in the direct setting of goals, others in the gathering of further information for the refinement of goals in the coming months.

Goals Set

- Net closure of 140 claims (At the end of FY08 1154 claims were open, the goal would be achieved if at the end of FY09 there are 1014 or fewer open claims)
- 100 Corrective Action meetings held (includes follow up meetings on the DNR estimated 50-60 non compliant MOA's from previous meetings)
- Set meeting with Legislative and Executive policy makers to review program and the potential for the future. Initiate with letter contact in next 30-45 days with follow up meeting either in small group or at a regular Board meeting.
- Barring changes from policy maker meeting, seek change to Iowa Code Section 455G.6 to extend the expiration date from June 30, 2009 to June 30, 2016 to coincide with funding sunset.
- Enter agreement with DNR for the handling of sites that pose an unreasonable risk to human health from a release for which a No Further Action certificate has been issued.

Pending Goals and Action Items

- Complete the implementation of the recalibrated Tier 2 model.
- Complete joint evaluation of Plastic Water Line information including empirical studies, Iowa actual experience and information from other states. Use evaluation to develop PWL policies and rules consistent with experience and data.
- DNR will provide discussion of other RBCA calibrations that work can be initiated or completed on this year. The presentation of the options will be at the August 27th Board meeting. The Administrator will coordinate with DNR regarding potential areas to be addressed including:
 - Soil Gas methodology and guidance
 - Sewers as receptors
 - Surface water restrictions
 - Capturing effect of time on historical releases
- DNR will include in the report to the Board a discussion of the current handling of Low Risk sites (majority of LR sites have been classified as such over 5 years) and the parameters that should keep a site open beyond a reasonable monitoring period in the absence of significant changes.

IOWA UST FUND PROGRAM FISCAL YEAR 2009 GOALS DISCUSSION

A. ISSUES FROM LAST YEAR

B. REMEDIAL PROGRAM—GETTING SITES TO CLOSURE

- Setting number or percentage goals
- Setting an activity goals
- Process Improvements
- RBCA Changes—model/receptor treatment
- Loss Portfolio Transfers
- NFA Agreement

C. MAINTAIN SHORT AND LONG TERM SOLVENCY

- Revenue expansion
- Expense controls
- DNR Coordination
 - Model Calibration
 - Plastic Water Lines
 - Implementing Other RBCA Lessons Learned

D. COMPARISON OF IOWA UST PROGRAM WITH OTHER STATES' PROGRAMS

In the past, Board members have inquired about how Iowa compares to the UST programs of other states. Annually the Fund Administrators from all the states, along with EPA representatives, get together to discuss the state of their Programs and share ideas that have been successful or have not been successful. In conjunction with this annual meeting there is a survey of all of the states. Information from that survey is attached.

	<u>Iowa</u>	<u>Countrywide</u>
Average Cost Per Site	\$37,967	\$126,532
Estimated Processing Time Per Claim	1.5 month	3.25 months
Total Spent	\$246 M	\$16.257 B
Total Sites	1,500	299,763
Total Claims	8,059	754,091

In addition to the above numbers comparing Iowa to the overall numbers for the 47 states who have a UST program, Iowa shares characteristics with other states. Iowa is:

- 1 of 9 States utilizing a third party administrator
- 1 of 8 States that have passed their eligibility date for releases
- 1 of 45 States the approve budgets or plans prior to implementation
- 1 of 22 States with Board providing fund oversight
- 1 of 16 States to have used Pay for Performance.
- 1 of 10 States to have transitioned to private insurance.

The complete survey is attached for further review.

E. LEGISLATIVE INITIATIVES

- Fiscal issues (Board and DNR)
- June 30, 2009 expiration of Iowa Code Section 455G.6—Extension
- Unresolved RBCA issues?

D. 28E – DNR Funding FY08 & FY09

28E AGREEMENT

BETWEEN the IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND BOARD, and the IOWA DEPARTMENT OF NATURAL RESOURCES for FUNDING AND MANAGEMENT of the UNDERGROUND STORAGE TANK SECTION of the IOWA DEPARTMENT OF NATURAL RESOURCES FOR FISCAL YEAR 2008

This Agreement is entered into by and between the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board (hereinafter "Board"), with its Administrator's office located at 2700 Westown Parkway, Suite 320, W. Des Moines, Iowa 50266, and the Iowa Department of Natural Resources (hereinafter "DNR"), located at 502 E. 9th Street, Des Moines, IA 50319. This Agreement is entered into pursuant to Chapter 28E of the Code of Iowa, and is effective as of the date it is fully executed by all parties.

I. PURPOSE

The purpose of this Agreement is to establish the terms under which the Board will provide funding pursuant Iowa Code section 455G.6(15)"a" to cover a budgetary shortfall for fiscal year 2008 in the DNR's Underground Storage Tank ("UST") Section. The Board agrees to provide the DNR with funds in an amount equivalent to the actual budgetary shortfall, subject to the terms and conditions herein, pursuant to Iowa Code sections 455B.479 and 455G.8"3". The Parties do not intend to create a separate legal entity under this Agreement, and no real or personal property will be used or acquired under the terms of this Agreement.

II. TERM

The term of this Agreement shall begin upon execution hereof by all parties hereto and shall run through September 30, 2008, unless otherwise terminated or extended pursuant to the terms of this Agreement.

III. DNR RESPONSIBILITIES

A. By August 1, 2008, the DNR shall provide the Board with documents and information that will allow the Board to accurately determine the actual budget shortfall for the UST Section in fiscal year 2008. Furthermore, the DNR shall allow the Board to review and copy any additional documents and information not otherwise provided that the Board deems necessary to make its determination.

B. By August 1, 2008, the DNR shall provide the Board with the UST tank management fees collected and allocated to the Board pursuant to Iowa Code section 455B.479 for the period from July 1, 2007, to June 30, 2008.

C. By September 30, 2008, the DNR shall meet with the Board to discuss the UST Section's budget for fiscal year 2009, and whether financial assistance will be provided to the UST Section by the Board in fiscal year 2009.

IV. BOARD RESPONSIBILITIES

Upon satisfactory completion of the DNR responsibilities identified in Section III of this Agreement, the Board shall provide the DNR with funds, in an amount not to exceed \$400,000, that the Board determines accurately reflects the fiscal year 2008 budgetary shortfall for the UST Section, to include a carryover amount not to exceed \$27,083 in the Groundwater Account to

\$ 229,727 transferred.

meet matching requirements for Federal grants in the first quarter of Fiscal Year 2009. Payment shall be directed to be made pursuant to this section no later than August 15, 2008.

V. FINANCING

The Board shall pay all costs associated with the administration of this Agreement in accordance with the terms of Section III of this Agreement. The DNR shall use the funds provided by the Board exclusively for the operation of the DNR's UST Section. Use of the funds for any other DNR sections or programs is not authorized by this Agreement.

VI. AMENDMENT

This Agreement may be amended from time to time by written agreement of the Parties. All amendments shall be in writing, signed by both Parties, and filed with the Secretary of State.

VII. TERMINATION

A. Termination Upon Mutual Consent. This Agreement may be terminated upon the mutual written consent of the parties.

B. Termination By One Party. Notwithstanding anything in this Agreement to the contrary, and subject to the limitations, conditions, and procedures set forth below, either party to this Agreement shall have the right to terminate this Agreement without penalty by giving sixty (60) days' written notice to the other party to the Agreement as a result of any of the following:

1. There are insufficient funds available to allow a party to fulfill its obligations under this Agreement; or
2. A change in the law prevents or substantially impairs a party's ability to participate in this Agreement.

VIII. NOTICES

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

To the Board

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

To the DNR

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

IX. APPLICABLE LAW

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

X. FILING AND RECORDING

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

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

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

**IOWA DEPARTMENT OF NATURAL
RESOURCES**

BY: _____
Susan Voss, Chair

BY: _____
Richard Leopold, Director

DATE: _____

DATE: _____

E. NPDES Permits



IOWA UNDERGROUND STORAGE TANK

Financial Responsibility Program

Susan E. Voss, *Chairperson*

Scott M. Scheidel, *Administrator*

Board Members:

Michael L. Fitzgerald

Richard A. Leopold

Jeff W. Robinson

Nancy A. Lincoln

Jacqueline A. Johnson

Douglas M. Beech

James M. Holcomb

TO: UST Board

FROM: Scott M. Scheidel

SUBJECT: NPDES Permits

DATE: August 19, 2008

The Iowa Department of Natural Resources, under delegation of a federal program, regulates the direct discharge of wastewater such as treated sewage, industrial waste, or other waste to waters of the state through the National Pollutant Discharge Elimination System (NPDES) permit program. Regulated facilities that produce such wastes are required to comply with the requirements of a permit before discharging waste into surface waters.

By DNR policy LUST site remediation systems have historically been exempt from being considered a regulated facility and having to comply with NPDES permit regulations. The policy is based on the premise that UST Section staff review plans for a remedial treatments and determine if the remedial discharge would be limited to the parameters and concentrations provided in the DNR position paper "Discharge Standards for Gasoline Cleanup Projects". In cases where contaminants other than gasoline may be present, DNR retains authority to require an entity to comply with the requirements of a NPDES permit.

For LUST sites, it is generally understood petroleum contamination may remain after completing remedial activities and/or obtaining a No Action Required classification. In rare cases, the remaining contamination may inadvertently be captured and discharged as a wastewater stream. In these cases, DNR may require the entity creating the discharge to comply with the terms of a NPDES permit.

Example

In the case for which this policy is created, a petroleum contaminated waste stream was discovered during routine sampling of a sump discharge at a known LUST site. Due to the nature of the ongoing business, the sump is required to maintain a work space for vehicle maintenance operations. As a result, DNR required the business owner obtain and comply with the terms of a NPDES permit. Although a risk based corrective action evaluation showed the site posed no environmental risk and allowed the site to be given a NAR designation, use of the sump continues as does the need for continued treatment and monitoring of the discharge so as to comply with the regulations mandated by the Federal Clean Water Act.

Recommendation

It is recommended the Board adopt a policy providing funding, to an eligible claimant, to obtain a NPDES permit as may be required for any discharge related to a remediation system installed and operated for a LUST site in accordance with the DNR Regulations, 567 Iowa Administrative Code,

Chapter 135. Typically, this would include those sites undergoing active remediation to remove or reduce contaminant levels or undergoing remediation to remove free product.

Funding shall not be provided, unless authorized by the Board, for claimants to obtain or comply with a NPDES permit as may be required for ongoing business operational activities such as wash bays or storm water related oil-water separators, sump pumps or any other purpose.

It is further recommended the Administrator be authorized to enter a settlement agreement providing any claimant that has received benefits inconsistent with this policy to a final reimbursement of costs incurred to date.

e.g. Flying J's oil/water separator ^{would} not be covered.

Motion to approve policy - passed.

F. Tank Removal Rules and Settlements

- Rules became effective,
- Amendments have broadened authority to allow removal of other tanks
(see attachment)



IOWA UNDERGROUND STORAGE TANK

Financial Responsibility Program

Susan E. Voss, Chairperson

Scott M. Scheidel, Administrator

Board Members:

Michael L. Fitzgerald
Richard A. Leopold

Jeff W. Robinson
Nancy A. Lincoln

Jacqueline A. Johnson
Douglas M. Beech

James M. Holcomb

TO: UST Board

FROM: Scott M. Scheidel

SUBJECT: UST Fund Benefits vs. Settlements

DATE: August 20, 2008

Background

The Board adopted revisions to their rules for the reimbursement of claims for the removal of eligible upgraded underground storage tanks, pursuant to 455G.9. The amendments broaden the number of eligible sites and provide greater flexibility to the Board to work with the IDNR in removing tanks that may cause environmental harm in a timelier manner. Additionally to address the large number of sites that have changed owners and the various methods of transfer or retention of liability, the rules were amended to make it easier for documenting eligibility at sites where ownership has changed.

Issue

The issue for discussion centers on settlement agreements, which provide a release to the Board of all past, present, and future claims, and how they should be interpreted with regard to benefits for the removal of upgraded tanks following the date of the settlement. Specifically, should a settlement pertaining to benefits for a specific petroleum release at a specific property follow the property ad infinitum? For example, if a property is sold, assuming an arms-length transaction, should a new landowner be held to the settlement of the previous owner or should he receive Fund benefits no longer available to that former claimant?

The issue needs a decision due to three sites that have previously entered settlement agreements with the Board for final payment of benefits, yet have approached the Board subsequent to the settlement for reimbursement of tank pull costs incurred subsequent to the settlement. The sites in question vary in the reason for settlement from loss portfolio transfer to the Coastal global settlement agreement. The broad issue for discussion is the interpretation of settlement agreements as well as whether the timing of the settlement matters (pre RBCA, previous owner, etc.).

2 Coastal sites (old Sam Sigh site)
Core Lending Agency that took over

1 is LPT;

Board members felt settlement agreement stands.
(No motion needed)

G. SIC Model Calibration Update

- SS & PR met w/ wayne
 - In general, ~~DNR~~ mngmt is in agreement w/approach of 28E - Test model - support rule change
 - In agreement → any NFA'd site, fish id'd, would leave claim open to address
 - On agenda for Sept. 9th Mtg.
and Oct 14th mtg
 - Sites Already being held in anticipation of Rule change
- DB - Major concern to industry
(will not agree to funding DNR; with this unresolved)

H. Administrator Contract Renewal

- Extension to Aon's contract ($\frac{3}{4}$ renewals)
this extends terms as they exist
but w/ 5% increase

- There was decrease ^{last year} with transfer
of ^{in 2008} installer program mgmt. \$11,000/yr

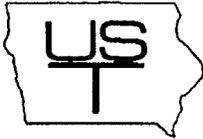
Next year is last yr for extension

- Rebid in 2010

Motion approved

I. DNR Update

Approval of Program Billings



IOWA UNDERGROUND STORAGE TANK

Financial Responsibility Program

Susan E. Voss, *Chairperson*

Scott M. Scheidel, *Administrator*

Board Members: Michael L. Fitzgerald

Jeff W. Robinson

Jacqueline A. Johnson

James M. Holcomb

Richard A. Leopold

Nancy A. Lincoln

Douglas M. Beech

MEMORANDUM

TO: UST Board Members
FROM: Scott Scheidel
DATE: August 20, 2008
SUBJECT: Summary of Bills for Payment

NOTICE

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

1. Aon Risk Services\$122,726.00
Consulting Services September 2008 -- \$67,513.00
Claims Processing Services September 2008 -- \$55,213.00
2. Attorney General's Office\$1,534.67
Services provided for Underground Storage Tank Program
June 2008 Billing
3. Nancy Lincoln\$112.32
Mileage reimbursement for travel to 5/22/08 Iowa UST Fund Board meeting
Des Moines, Iowa
4. Nancy Lincoln\$138.06
Mileage reimbursement for travel to 7/8/08 Iowa UST Fund Board meeting
Neal Smith National Wildlife Refuge
5. Iowa Department of Revenue\$1,425.78
Environmental Protection Charge collections for April – June 2008
6. Office of Auditor of State\$4,876.00
Audit services performed during FY08 for Iowa UST Fund
accounting of FY07

Iowa Comprehensive Petroleum

Invoice No. 9500000066669

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



Aon Risk Services Central, Inc.
fka Aon Risk Services, Inc. of Nebraska
Insurance Services CA License No OE16975
2700 Westown Parkway
Suite 320
West Des Moines IA 50266
(515) 267-9101 FAX (515) 267-9045

Client Account No.	Invoice Date	Currency	Account Executive
10756349	Aug-01-2008	US DOLLAR	Scott Scheidel

Named Insured	Service Term	Trans. Eff. Date	Description	Amount
Iowa Comprehensive Petroleum	Jan-01-2008 - Jan-01-2009	Sep-01-2008	Renewal - Service Fee	
Comments Installment 9 of 12			Service Fee	62,513.00
			Consulting Expense	5,000.00
TOTAL INVOICE AMOUNT DUE				67,513.00

TO AVOID POTENTIAL DISRUPTION IN COVERAGE, PLEASE PAY IMMEDIATELY.
For Wire instructions, contact your Account Executive.

Please see reverse side for statement regarding Aon compensation.

▼ 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	9500000066669	Aug-01-2008	US DOLLAR	67,513.00

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

Send remittance 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. 9500000066670

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

Aon Risk Services Central, Inc.
fka Aon Risk Services, Inc. of Nebraska
Insurance Services CA License No OE16975
2700 Westown Parkway
Suite 320
West Des Moines IA 50266
(515) 267-9101 FAX (515) 267-9045

Client Account No.	Invoice Date	Currency	Account Executive
10756349	Aug-01-2008	US DOLLAR	Scott Scheidel

Named Insured	Service Term	Trans. Eff. Date	Description	Amount
Iowa Comprehensive Petroleum	Jan-01-2008 - Jan-01-2009	Sep-01-2008	Renewal - Service Fee	
Comments Installment 9 of 12			Service Fee	0.00
			Consulting Expense	55,213.00
TOTAL INVOICE AMOUNT DUE				55,213.00

TO AVOID POTENTIAL DISRUPTION IN COVERAGE, PLEASE PAY IMMEDIATELY.
For Wire instructions, contact your Account Executive.

Please see reverse side for statement regarding Aon compensation.

Page 1 of 1

▼ 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	9500000066670	Aug-01-2008	US DOLLAR	55,213.00

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

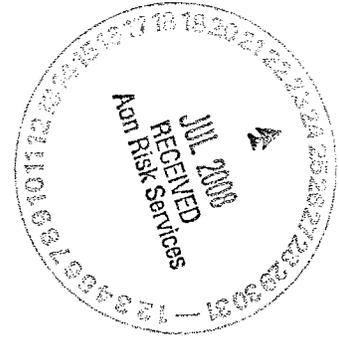
Send remittance to:

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

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

Invoice Date: 07/22/08

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



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

Services For: Assistant Attorneys General
Period of Service: June FY2008

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

Document Number	Account Coding				Rev Source	Description	Amount
	Fund	Agency	Org	Sub Org			
112AG072208027	0001	112	2301		0285		\$ 1,534.67

Please direct billing questions to Karen Redmond at (515)281-6362.

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

Billing Period:	June
Billing Total:	\$1,534.67
DSS @ 33%	\$0.00
TDB @ 25%	\$0.00
RCH @25%	\$0.00
CLJ @50%	\$0.00
Payroll:	\$0.00
DSS @ 33%	\$0.00
TDB @ 25%	\$0.00
RCH @25%	\$0.00
CLJ @50%	\$0.00
Payroll:	\$0.00
Travel Expense - DSS to State Conf	\$1,534.67
Total Misc:	\$1,534.67
	\$1,534.67

DSS = David Steward **33%**

Dave is our Asst Attorney General who provides the Board with legal counsel, drafts agreements and settlements with other State agencies and claimants.

TDB = Timothy Benton **25%**

Tim is our other Asst Attorney General who provides the Board with the coordination of administrative hearings on UST Fund claim denial appeals, as well as the negotiation of any settlements.

RCH = Richard Heathcote **25%**

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

CLJ = Cindy Jacobs **50%**

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.

Attach supporting documentation to the back of this form

STATE OF IOWA

GAX (NON-EMP)

OFFICIAL DOMICILE		NON-EMPLOYEE EXPENSES				DOCUMENT NUMBER																															
PURPOSE OF TRAVEL		<input checked="" type="checkbox"/> NORMAL JOB DUTIES <input type="checkbox"/> MEETING <input type="checkbox"/> TRAINING		<input type="checkbox"/> CONFERENCE/SEMINAR <input type="checkbox"/> STAFF DEVELOPMENT <input type="checkbox"/> REQUIRED BY FEDERAL GOVERNMENT		<input checked="" type="checkbox"/> OTHER (SPECIFY) Iowa UST Board Meeting																															
NAME AND HOME ADDRESS		ALTERNATE ADDRESS (send warrant to)		ACCOUNTING USE ONLY-REFERENCE ALL OTHER RELATED DOCUMENTS																																	
Nancy Lincoln				DOC #		DATE PAID		DOC #		DATE PAID																											
YEAR		TIME		TRAVEL		STATE VEHICLE		MEALS		LODGING		TRANSPORTATION AND OTHER EXPENSES																									
2008						<input checked="" type="checkbox"/> PERSONAL VEHICLE <input type="checkbox"/> STATE VEHICLE																															
DATE		LEFT		RETURNED		FROM		TO		MILES		RATE		CHARGE		BREAKFAST		LUNCH		DINNER		TOTAL		REMB		TOTAL		ACTUAL		REMB		TOTAL		CODE		AMOUNT	
5/22		7:00 AM		3:00pm		Glenwood Iowa		Des Moines Iowa		288		.39		112.32																							
TOTALS										288		112.32																									
TRANS/OTHER EXPENSE		A-AIR B-BUS/CAB D-LD PHONE		F-LOCAL PHONE L-LAUNDRY P-PARKING		R-REGISTRATION S-SUPPLIES T-TOLLS		O-OTHER SPECIFY HERE				DOCUMENT TOTAL				112.32																					
ROUTINE USES OF THIS FORM ARE TO FULFILL IRS REQUIREMENTS, IDENTIFY INDIVIDUAL CLAIMS FOR PUBLIC INSPECTION, PROVIDE THE STATE VEHICLE DISPATCHER INFORMATION, AND TO PREPARE ANNUAL SALARY BOOK										LESS ADVANCES				REIMBURSEMENT REQUESTED				112.32																			
CLAIMANT'S CERTIFICATION										DEPARTMENT CERTIFICATION																											
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.										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 EXCLUDED?		<input type="checkbox"/> Y <input type="checkbox"/> N		TRAVEL INCLUDES VICINITY MILES?		<input checked="" type="checkbox"/> Y <input type="checkbox"/> N		DIRECT DEPOSIT?		<input type="checkbox"/> Y <input checked="" type="checkbox"/> N		WARRANT TO ALT ADDR?		<input type="checkbox"/> Y <input checked="" type="checkbox"/> N		TRAVEL AUTHORITY # / BLANKET TRAVEL #																					
TITLE Board Member										DEPARTMENT TO BE CHARGED Iowa UST Fund (Agency 656) Fund 0450																											
VENDOR #										TRAVEL APPROVAL (SUPERVISOR'S SIGNATURE) <i>Nancy Lincoln, Iowa UST</i>																											
CLAIMANT'S SIGNATURE <i>Nancy Lincoln</i>										DATE 7/9/08																											
										DOCUMENT TOTAL										112.32																	

GAX (NON-EMP)

WARRANT #

PAID DATE

Attach supporting documentation to the back of this form

STATE OF IOWA

GAX (NON-EMP)

OFFICIAL DOMICILE		NON-EMPLOYEE EXPENSES				DOCUMENT NUMBER																															
PURPOSE OF TRAVEL		<input type="checkbox"/> NORMAL JOB DUTIES <input checked="" type="checkbox"/> MEETING <input type="checkbox"/> TRAINING		<input type="checkbox"/> CONFERENCE/SEMINAR <input type="checkbox"/> STAFF DEVELOPMENT <input type="checkbox"/> REQUIRED BY FEDERAL GOVERNMENT		<input checked="" type="checkbox"/> OTHER (SPECIFY) Iowa UST Board Meeting																															
NAME AND HOME ADDRESS		ALTERNATE ADDRESS (send warrant to)		ACCOUNTING USE ONLY-REFERENCE ALL OTHER RELATED DOCUMENTS																																	
Nancy Lincoln				DOC #		DATE PAID		DOC #		DATE PAID																											
YEAR		TIME		TRAVEL		STATE VEHICLE		MEALS		LODGING		TRANSPORTATION AND OTHER EXPENSES																									
2008						<input checked="" type="checkbox"/> PERSONAL VEHICLE																															
DATE		LEFT		RETURNED		FROM		TO		MILES		RATE		CHARGE		BREAKFAST		LUNCH		DINNER		TOTAL		REMB		TOTAL		ACTUAL		REMB		TOTAL		ID		AMOUNT	
7/8		6:30AM		7:00PM		Glenwood Iowa		Prairie City, Iowa		354		.39		138.06																							
TOTALS										354		138.06																									
TRANS/OTHER EXPENSE: <input type="checkbox"/> AIR, <input type="checkbox"/> BUS/CAB, <input type="checkbox"/> LD PHONE F-LOCAL PHONE, L-LAUNDRY, P-PARKING R-REGISTRATION, S-SUPPLIES, T-TOLLS O-OTHER SPECIFY HERE										DOCUMENT TOTAL				138.06																							
ROUTINE USES OF THIS FORM ARE TO FULFILL IRS REQUIREMENTS. IDENTIFY INDIVIDUAL CLAIMS FOR PUBLIC INSPECTION, PROVIDE THE STATE VEHICLE DISPATCHER INFORMATION, AND TO PREPARE ANNUAL SALARY BOOK										LESS ADVANCES																											
										REIMBURSEMENT REQUESTED				138.06																							
CLAIMANT'S CERTIFICATION										DEPARTMENT CERTIFICATION																											
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.										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 EXCLUDED? <input type="checkbox"/> Y <input type="checkbox"/> N		TRAVEL INCLUDES VICINITY MILES? <input checked="" type="checkbox"/> Y <input type="checkbox"/> N		DIRECT DEPOSIT? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N		WARRANT TO ALT ADDR? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N		TRAVEL AUTHORITY # / BLANKET TRAVEL #																													
TITLE: Board Member										DEPARTMENT TO BE CHARGED: Iowa UST Fund (Agency 656) Fund 0450																											
VENDOR #										TRAVEL APPROVAL (SUPERVISOR'S SIGNATURE)																											
CLAIMANT'S SIGNATURE: <i>Nancy Lincoln</i>										DATE: 7/9/08																											
										DOCUMENT TOTAL				138.06																							

GAX (NON-EMP)

WARRANT #

PAID DATE



Iowa Department of Revenue

Director: Mark R. Schuling
Hoover State Office Building
Des Moines, Iowa 50319
www.state.ia.us/tax



July 21, 2008

Scott Scheidel
Underground Storage Tank Program
2700 Westown Parkway Suite 320
West Des Moines, IA 50266

Dear Mr. Scheidel:

I am enclosing our 2nd quarter EPC billing. I ask that you direct it to the appropriate person for approval and payment.

If you or the board requires more detailed information, please call or write me at anytime.

Your assistance is fully appreciated.

Sincerely,

Roxane Foster
Iowa Department of Revenue
(515) 281-5228

Enclosures

cc: Stefanie Devin, Treasurer's Office

Please use the following accounting codes for the Environmental Protection Charges for the 2nd quarter FY 08.

08-0001-625- EX04 - 0285	\$	138.84
FO04 -		794.43
CA01 -		3.72
PR01 -		87.35
TM03 -		<u>401.44</u>
<i>Total for Revenue</i>	\$	1,425.78

G:\AD\BUDGET\[EPC2.xls]Apr-June

ENVIRONMENTAL PROTECTION CHARGE
 COSTS INCURRED BY THE DEPARTMENT OF REVENUE
 APRIL - JUNE FY 2008

Compliance Division

Examination Section:

Personnel	\$138.84
Indirect Costs	\$0.00
	\$138.84

Field Audit Section:

Personnel	\$794.43
Indirect Costs	\$0.00
	\$794.43

Total Compliance Division

Revenue Operations Division

Customer Accounts Section:

Personnel	\$2.88
Postage	\$0.84
	\$3.72

Processing Section:

Personnel	\$87.35
Indirect Costs	\$0.00
	\$87.35

Total Revenue Operations Division

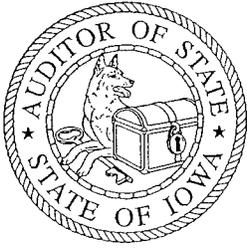
Technology & Information Management Division

Personnel	\$401.44
Postage	\$0.00
Printing	\$0.00
Indirect Costs	\$0.00
	\$401.44

Total Technology & Information Management Div.

DEPARTMENT TOTAL

\$1,425.78



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

David A. Vaudt, CPA
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

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

BILL TO:
SCOTT M. SCHEIDEL, ADMINISTRATOR IOWA UST PROGRAM 2700 WESTOWN PARKWAY, SUITE 320 WEST DES MOINES, IOWA 50266

INVOICE	
DATE	06/30/2008
NUMBER	20696
AMOUNT DUE	\$ 4,876.00

FOR AUDIT SERVICES PERFORMED DURING FISCAL YEAR 2008

DESCRIPTION	HOURS	PER DIEM	EXPENSE	TOTAL
DINVILLE, LORI	27.0	1,593.00		\$ 1,593.00
DUNN, KAY	8.0	644.00		644.00
SCHENKELBERG, BRIAN	6.0	362.00		362.00
TEMPLETON, HEATHER	33.0	2,277.00		2,277.00
TOTAL	74.0	\$ 4,876.00	\$ -	\$ 4,876.00



BILLING FOR AUDIT OF UST
FINANCIAL STATEMENTS FOR
FISCAL YEAR ENDED JUNE 30, 2007.

OFFICE USE ONLY
Please make payments to DAVID A. VAUDT, AUDITOR OF STATE and mail to the AUDITOR OF STATE, LUCAS BUILDING, 2ND FLOOR NORTH, DES MOINES, IA 50319. If you have any questions, please contact DAVE SIMMONS (515-281-6504).

STATE OF IOWA

II

BUDGET FY				INTERNAL VOUCHER					DOCUMENT NUMBER				
08				DATE		ACCTG PERIOD (mm/yy)		TYPE*		126DS020696			
						/08							
ACTION	SELLING AGENCY NAME			SELLING AGENCY INVOICE NUMBER			BUYING AGENCY NAME						
E	Office of Auditor of State			20696			Iowa UST Program						
TO: SELLER'S INFORMATION													
OFFSET REC/CASH ACCT				OFFSET LIAB/CASH ACCT				\$4,876.00					
FUND	AGCY	ORG	SUB ORG	APPROP UNIT	ACTV	FUNC	RSRC	SUB RSRC	JOB	REP CAT			
0001	126	2000	-	P01			0657						
FROM: BUYER'S INFORMATION													
LINE	REF DOC TYPE	REFERENCE DOC NUMBER	REF DOC LINE	FUND	AGCY	ORG	SUB ORG	APPROP UNIT	ACTV	FUNC	OBJT	SUB OBJT	
01													
JOB		REP CAT	BS ACCT	DESCRIPTION				I/D	P/F	AMOUNT			
LINE	REF DOC TYPE	REFERENCE DOC NUMBER	REF DOC LINE	FUND	AGCY	ORG	SUB ORG	APPROP UNIT	ACTV	FUNC	OBJT	SUB OBJT	
02													
JOB		REP CAT	BS ACCT	DESCRIPTION				I/D	P/F	AMOUNT			
LINE	REF DOC TYPE	REFERENCE DOC NUMBER	REF DOC LINE	FUND	AGCY	ORG	SUB ORG	APPROP UNIT	ACTV	FUNC	OBJT	SUB OBJT	
03													
JOB		REP CAT	BS ACCT	DESCRIPTION				I/D	P/F	AMOUNT			
LINE	REF DOC TYPE	REFERENCE DOC NUMBER	REF DOC LINE	FUND	AGCY	ORG	SUB ORG	APPROP UNIT	ACTV	FUNC	OBJT	SUB OBJT	
04													
JOB		REP CAT	BS ACCT	DESCRIPTION				I/D	P/F	AMOUNT			
LINE	REF DOC TYPE	REFERENCE DOC NUMBER	REF DOC LINE	FUND	AGCY	ORG	SUB ORG	APPROP UNIT	ACTV	FUNC	OBJT	SUB OBJT	
05													
JOB		REP CAT	BS ACCT	DESCRIPTION				I/D	P/F	AMOUNT			
LINE	REF DOC TYPE	REFERENCE DOC NUMBER	REF DOC LINE	FUND	AGCY	ORG	SUB ORG	APPROP UNIT	ACTV	FUNC	OBJT	SUB OBJT	
06													
JOB		REP CAT	BS ACCT	DESCRIPTION				I/D	P/F	AMOUNT			
DOCUMENT TOTAL										\$4,876.00			
EXPLANATION								AGENCY CERTIFICATION					
Audit Billing #20696								I HEREBY CERTIFY THAT THE ABOVE EXPENSES WERE INCURRED AND THE AMOUNTS ARE CORRECT AND SHOULD BE PAID FROM THE FUNDS APPROPRIATED BY: CODE OR CHAPTER SECTION(S)					
PREPARED BY				PHONE		DATE		AUTHORIZED SIGNATURE					
Dave Simmons				281-6504		07/08/08							
YYPE 2 FOR DIFFERENT FUND, TYPE 3 FOR SAME FUND								AUDITED BY		PAID DATE			

Monthly Activity Report and Financials Reviewed

A. July Activity Report

Iowa UST Fund
Monthly Activities Report

July 2008

	Open Claims	Open & Closed	Open Claims	Open & Closed
Claims	June Ending	Monthly Net Changes	July Ending	Totals since Inception
RETROACTIVE				
number	68	0	68	444
reserve	\$3,173,995.09	(\$24,552.99)	\$3,149,442.10	\$3,149,442.10
paid	\$8,040,704.21	\$22,353.69	\$8,063,057.90	\$14,577,883.57
total	\$11,214,699.30	(\$2,199.30)	\$11,212,500.00	\$17,727,325.67
REMEDIAL				
number	845	(7)	838	4,436
reserve	\$41,772,939.47	(\$61,751.30)	\$41,711,188.17	\$41,711,188.17
paid	\$91,998,288.61	(\$245,115.73)	\$91,753,172.88	\$181,448,024.97
total	\$133,771,228.08	(\$306,867.03)	\$133,464,361.05	\$223,159,213.14
INNOCENT LANDOWNER				
number	235	(1)	234	1,053
reserve	\$8,596,371.55	(\$114,587.49)	\$8,481,784.06	\$8,481,784.06
paid	\$12,002,409.25	(\$13,832.99)	\$11,988,576.26	\$22,641,844.47
total	\$20,598,780.80	(\$128,420.48)	\$20,470,360.32	\$31,123,628.53
GLOBAL OPT-IN				
number	245	(2)	243	1,261
reserve	\$1,470,775.08	(\$16,843.14)	\$1,453,931.94	\$1,453,931.94
paid	\$1,928,922.72	(\$11,156.86)	\$1,917,765.86	\$8,893,290.26
total	\$3,399,697.80	(\$28,000.00)	\$3,371,697.80	\$10,347,222.20
UNASSIGNED PROJECTS				
number	22	(3)	19	180
reserve	\$193,305.75	(\$23,985.00)	\$169,320.75	\$169,320.75
paid	\$381,986.35	(\$61,015.00)	\$320,971.35	\$2,643,004.88
total	\$575,292.10	(\$85,000.00)	\$490,292.10	\$2,812,325.63

RT Claims	#
New	0
Reopened	0
Closed	0
RM Claims	
RM Claims	#
New	0
Reopened	6
Closed	13
ILO Claims	
ILO Claims	#
New	1
Reopened	0
Closed	1
GS Claims	
GS Claims	#
New	1
Reopened	1
Closed	5
PROJ Clms	
PROJ Clms	#
New	0
Reopened	0
Closed	3

Invoice Type Totals	July	FYTD	Program to Date
American Soils	0.00	0.00	\$5,678,423
AST Removal	0.00	0.00	\$2,121,490
AST Upgrade	0.00	0.00	\$5,460,479
CADR Charges	4,642.55	4,642.55	\$4,088,129
Corrective Action	21,927.49	21,927.49	\$50,036,359
Free Prod Recover	85,666.30	85,666.30	\$7,309,498
Monitoring	138,716.59	138,716.59	\$19,261,884
New UST Pull 2004	42,312.69	42,312.69	\$1,000,331
Operations/Maint	67,216.73	67,216.73	\$6,753,958
Over-excavation	45,738.65	45,738.65	\$21,767,309
Plastic Water Lines	4,572.37	4,572.37	\$1,518,939
Post RBCA Evals	820.00	820.00	\$123,694
RBCA	13,523.20	13,523.20	\$24,626,111
Remed Imp/Const.	62,971.12	62,971.12	\$22,305,045
SCR Charges	0.00	0.00	\$54,154,207
Site Check	0.00	0.00	\$123,856
Soil Disposal	0.00	0.00	\$607,332
Tank (UST) Pull	12,436.49	12,436.49	\$4,952,649
Tank (UST) Upgrade	0.00	0.00	\$5,883,408
Tier III	0.00	0.00	\$1,121,524
Utilities	16,704.54	16,704.54	\$837,431
Well Closure	8,372.94	8,372.94	\$2,388,580
Total Invoice Types	525,621.66	525,621.66	\$242,120,637

Budgets Approved to Date		
July	1	\$53,298
Trailing 12 mos	37	\$1,839,062
Prev Trail 12 mos	76	\$4,721,055
Total Since Jan 2003	901	\$33,346,279

Project Contracts	Open	Closed	Pending
CRP's	25	29	0
Tank Closure	2	3	0
Plastic Water Line	2	0	0

Corrective Action Meetings	
Scheduled:	87
Completed:	844
MOA's	430

B. June Financial Report

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JUNE 30, 2008**

- UST REVENUE FUND (Bonding)		
Balance of Fund, June 1, 2008		\$8,500,000.00
Receipts:		
Tank Management Fees	\$0.00	
Motor Vehicle Use Tax	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$0.00	
Interest Income - Capital Reserve Fund	\$0.00	
		\$0.00
Disbursements:		
Bond Interest Payment	\$0.00	
Bond Principal Payment	\$0.00	
1997A Series Bond Payoff	\$8,500,000.00	
Transfer to Unassigned Revenue Fund	\$0.00	
		\$8,500,000.00
Balance of Fund, June 30, 2008		\$0.00
0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)		
Balance of Fund, June 1, 2008		\$15,993,745.87
Receipts:		
Installer's License Fees	\$0.00	
Request for Proposal Fees	\$0.00	
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$0.00	
Refund/Overpayment	\$0.00	
Transfer From UST Revenue Fund	\$0.00	
Transfer From ILO Fund	\$8,797,080.00	
Transfer From Capital Reserve Fund	\$6,237,500.00	
Intra State Fund Transfers Received - DNR	\$0.00	
Compensation for Pooled Money Investments	\$0.00	
Amort / Accretion	(\$1,148.54)	
Buys/ Sells	(\$1,177.99)	
Interest Income	\$140,469.14	
		\$15,172,722.61
Disbursements:		
1997A Series Bond Payoff	\$5,825,187.84	
2004A Series Bond Defeasance	\$15,034,580.00	
UST Administrator's Fees	\$0.00	
Attorney General's Fees	\$0.00	
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$407.00	
Actuarial Fees	\$0.00	
Auditor of the State Fees	\$0.00	
Bond Trustee Fees - Bankers Trust	\$1,250.00	
Claim Settlement	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JUNE 30, 2008**

Custodial Fees - BONY	\$399.48	
Department of Revenue EPC Collection Fees	\$0.00	
Innovative Technology	\$0.00	
Inspection & Appeals Service Fees	\$0.00	
Iowa Finance Authority Expenses	\$0.00	
Licensing - Contractual Services	\$0.00	
Postage / Printing / Miscellaneous	\$0.00	
Professional Administrative Services (Investments)	\$0.00	
Rebate	\$0.00	
Tank Closure Claims & Plastic Waterline Claims	\$1,546.60	
Travel Expenses-UST Board Members	\$0.00	
Warrant Float Expense	(\$167.87)	
Transfer to Remedial Non-Bonding Fund	\$0.00	
Transfer to Innocent Landowner Fund	\$0.00	
28E Agreement - RBCA (DNR Staff Training & Development)	\$0.00	
28E Agreement - DNR UST Section Funding - FY07	\$0.00	
28E Agreement - DNR UST Section Funding - FY08	\$0.00	
Statutory Transfer to DNR - FY08	\$0.00	
Statutory Transfer to DED - FY08	\$0.00	
		\$20,863,203.05

Balance of Fund, June 30, 2008		\$10,303,265.43
---------------------------------------	--	------------------------

0208 - UST REMEDIAL NON-BONDING FUND

Balance of Fund, June 1, 2008		\$6,312,823.70
--------------------------------------	--	----------------

Receipts:

Remedial Refunds	\$0.00	
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer Received from Unassigned Revenue Fund	\$0.00	
		\$0.00

Disbursements:

Retroactive Claims	\$22,243.06	
Remedial Claims	\$556,515.04	
Balance of Outdated Warrants	(\$173.52)	
		\$578,584.58

Balance of Fund, June 30, 2008		\$5,734,239.12
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0478 - UST MARKETABILITY FUND

Balance of Fund, June 1, 2008		\$3,380,922.46
--------------------------------------	--	----------------

Receipts:

Interest	\$48,520.21	
Use Tax	\$0.00	
		\$48,520.21

Disbursements:

1997A Series Bond Payoff	\$3,327,726.83	
Transfer to Aboveground Storage Tank Fund	\$0.00	
		\$3,327,726.83

Balance of Fund, June 30, 2008		\$101,715.84
---------------------------------------	--	---------------------

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JUNE 30, 2008**

0 - UST INNOCENT LANDOWNERS FUND

Balance of Fund, June 1, 2008		\$19,138,794.17
Receipts:		
Cost Recovery (i.e. lien settlements)	\$400.00	
ILO Refunds	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Miscellaneous Income	\$0.00	
	\$400.00	\$400.00
Disbursements:		
Transfer to Unassigned Revenue Fund	\$8,797,080.00	
Other Contractual Services	\$0.00	
Global Settlement Claims	\$14,639.41	
Innocent Landowner Claims	\$134,735.35	
Balance of Outdated Warrants	\$173.52	
	\$8,946,628.28	\$8,946,628.28
Balance of Fund, June 30, 2008		\$10,192,565.89

0455 - ABOVEGROUND STORAGE TANK FUND

Balance of Fund June 1, 2008		\$0.00
Receipts:		
Interest Income	\$0.00	
Canceled Warrants/ Corrected Warrants	\$0.00	
Transfer from Marketability Fund	\$0.00	
Transfer from Unassigned Revenue Fund	\$0.00	
	\$0.00	\$0.00
Disbursements:		
Transfer to Revenue Fund (0471)	\$0.00	
	\$0.00	\$0.00
Balance of Fund on June 30, 2008		\$0.00

0238 - UST LOAN GUARANTEE FUND (Non-Bonding)

Balance of Fund, June 1, 2008		\$1,287,903.21
Receipts:		
Interest Income	\$2,672.00	
	\$2,672.00	\$2,672.00
Disbursements:		
1997A Series Bond Payoff	\$1,034,979.39	
Payments on Loan Losses	\$0.00	
	\$1,034,979.39	\$1,034,979.39
Balance of Fund, June 30, 2008		\$255,595.82

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JUNE 30, 2008**

UST BOND FUND (Bonding)

Series 1997 A Revenue Refunding Bonds			
Balance of Fund, June 1, 2008			\$0.00
Receipts:			
Transfer From/(To) UST Revenue Fund	\$0.00		
Transfer From/(To) UST Unassigned Revenue Fund	\$0.00		
Accrued Interest From Bonds	\$0.00		
Interest Income	\$0.00		
			\$0.00
Disbursements:			
Principal Payments to Bondholders	\$0.00		
Interest Payments to Bondholders	\$0.00		
Trustee Fee to Bankers Trust	\$0.00		
			\$0.00
Balance of Fund, June 30, 2008			\$0.00
Series 2004 Cost of Issuance Bonds			
Balance of Fund, June 1, 2008			\$0.00
Receipts:			
Transfer From/(To) UST Revenue Fund	\$0.00		
Transfer From/(To) UST Unassigned Revenue Fund	\$0.00		
Accrued Interest From Bonds	\$0.00		
Interest Income	\$0.00		
			\$0.00
Disbursements:			
Principal Payments to Bondholders	\$0.00		
Interest Payments to Bondholders	\$0.00		
Trustee Fee to Bankers Trust	\$0.00		
			\$0.00
Balance of Fund, June 30, 2008			\$0.00
Series 2004 A Revenue Refunding Bonds			
Balance of Fund, June 1, 2008			\$0.00
Receipts:			
Transfer From/(To) UST Revenue Fund	\$0.00		
Transfer From/(To) UST Unassigned Revenue Fund	\$0.00		
Accrued Interest From Bonds	\$0.00		
Interest Income	\$0.00		
			\$0.00
Disbursements:			
Principal Payments to Bondholders	\$0.00		
Interest Payments to Bondholders	\$0.00		
Trustee Fee to Bankers Trust	\$0.00		
			\$0.00
Balance of Fund, June 30, 2008			\$0.00
Combined UST Bond Fund Balances, June 30, 2008			\$0.00

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JUNE 30, 2008**

6. UST CAPITAL RESERVE FUNDS (Bonding)

Series 1990 A

Balance of Fund, June 1, 2008	\$3,990,710.18
Receipts:	
Proceeds From Issuance of Bonds	\$0.00
Disbursements:	
Transfer Interest to Revenue Fund	\$0.00
Balance of Fund, June 30, 2008	\$3,990,710.18

Series 1991 A

Balance of Fund, June 1, 2008	\$2,641,220.03
Receipts:	
Proceeds From Issuance of Bonds	\$0.00
Disbursements:	
Transfer to Cost of Issuance Fund	\$0.00
Balance of Fund, June 30, 2008	\$2,641,220.03

Series 1994 A

Balance of Fund, June 1, 2008	(\$394,430.21)
Receipts:	
Proceeds From Issuance of Bonds	\$0.00
Disbursements:	
Debt Service for Issuance of Bonds	\$0.00
Balance of Fund, June 30, 2008	(\$394,430.21)

Overall Disbursements:

Transfer to Unassigned Revenue Fund	\$6,237,500.00
Combined UST Capital Reserve Fund Balances, June 30, 2008	\$0.00

TOTAL FUND BALANCES, June 30, 2008	\$26,587,382.10
---	------------------------

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 Financial Report as of June 30, 2008

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JUNE 30, 2008**

		FISCAL 2008 BUDGET
0471 - UST REVENUE FUND (Bonding)		
Balance of Fund, July 1, 2007	\$8,930,000.00	\$8,930,000.00
Receipts:		
Tank Management Fees	\$0.00	\$400,000.00
Motor Vehicle Use Tax	\$17,000,000.00	\$17,000,000.00
Intra State Fund Transfers Received	\$104,457.49	
Interest Income	\$0.00	
Interest Income - Capital Reserve Fund	\$0.00	
	<u>\$17,104,457.49</u>	<u>\$17,400,000.00</u>
Disbursements:		
Bond Interest Payment	\$1,698,403.76	\$1,698,403.75
Bond Principal Payment	\$7,245,000.00	\$7,245,000.00
1997A Series Bond Payoff	\$8,500,000.00	\$8,500,000.00
Transfer to Unassigned Revenue Fund	\$8,591,053.73	\$8,886,596.25
	<u>\$26,034,457.49</u>	<u>\$26,330,000.00</u>
Balance of Fund, June 30, 2008	<u>\$0.00</u>	<u>\$0.00</u>
0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)		
Balance of Fund, July 1, 2007	\$17,075,662.99	\$17,075,662.99
Receipts:		
Installer's License Fees	\$0.00	\$0.00
Request for Proposal Fees	\$0.00	
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$6,595.00	\$10,000.00
Refund/Overpayment	\$0.00	\$815.52
Transfer From UST Revenue Fund	\$8,591,053.73	\$8,886,596.25
Intra State Fund Transfers Received	\$15,034,580.00	\$15,137,023.17
Compensation for Pooled Money Investments	\$0.00	
Amort / Accretion	\$34,623.24	(\$70,000.00)
Buys/ Sells	(\$15,811.40)	(\$75,000.00)
Interest Income	\$1,947,889.45	\$1,800,000.00
	<u>\$25,598,930.02</u>	<u>\$25,689,434.94</u>
Disbursements:		
1997A Series Bond Payoff	\$5,825,187.84	\$5,825,187.84
2004A Series Bond Defeasance	\$15,034,580.00	\$15,034,580.00
UST Administrator's Fees	\$1,440,285.94	\$1,418,664.00
Attorney General's Fees	\$113,708.07	\$105,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$419.00	\$120.00
Actuarial Fees	\$0.00	
Auditor of the State Fees	\$4,786.13	\$4,786.13
Bond Trustee's Fees - Bankers Trust	\$2,500.00	\$1,500.00
Claim Settlement	\$1,050,000.00	\$0.00
Custodial Fees - BONY	\$1,563.45	\$1,000.00
Department of Revenue EPC Collection Fees	\$4,686.11	\$8,800.00
Environmental Protection Charge Refunds	\$0.00	\$1,500.00
Innovative Technology	\$0.00	
Inspection & Appeals Service Fees	\$3,283.51	\$2,000.00

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JUNE 30, 2008**

		FISCAL 2008 BUDGET
Legal and Professional Fees	\$0.00	\$5,000.00
Postage / Printing / Miscellaneous	\$90.41	
Professional Admin Services (Investments)	\$38,300.50	\$50,000.00
Rebate	\$0.00	
Tank Closure Claims and Plastic Waterline Claims	\$40,372.95	\$200,000.00
Travel Expenses-UST Board Members	\$684.32	\$500.00
Warrant Float Expense	\$10,879.35	
Transfer to Remedial Non-Bonding Fund	\$5,000,000.00	\$5,000,000.00
Transfer to Innocent Landowner Fund	\$0.00	
28E Agreement - RBCA (DNR Staff Training & Development)	\$0.00	
28E Agreement - DNR UST Section Funding - FY07	\$100,000.00	\$200,000.00
Statutory Transfer to DNR - FY08	\$200,000.00	\$200,000.00
Statutory Transfer to DED - FY08	\$3,500,000.00	\$3,500,000.00
Statutory Transfer to General Fund - FY08	\$0.00	\$3,000,000.00
	\$32,371,327.58	\$34,558,637.97
Balance of Fund, June 30, 2008	\$10,303,265.43	\$8,206,459.96
0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, July 1, 2007	\$6,753,532.72	\$6,753,532.72
Receipts:		
Remedial Refunds	\$8,444.60	\$10,000.00
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer Received from Unassigned Revenue	\$5,000,000.00	\$5,000,000.00
	\$5,008,444.60	\$5,010,000.00
Disbursements:		
Retroactive Claims	\$562,346.40	\$600,000.00
Remedial Claims	\$5,477,102.57	\$11,000,000.00
Balance of Outdated Warrants	(\$11,710.77)	
	\$6,027,738.20	\$11,600,000.00
Balance of Fund, June 30, 2008	\$5,734,239.12	\$163,532.72
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2007	\$2,246,390.04	\$2,246,390.04
Receipts:		
Interest	\$1,183,052.63	\$1,500,000.00
Use Tax	\$0.00	
	\$1,183,052.63	\$1,500,000.00
Disbursements:		
1997A Series Bond Payoff	\$3,327,726.83	\$3,327,726.83
Transfer to Aboveground Storage Tank Fund	\$0.00	
	\$3,327,726.83	\$3,327,726.83
Balance of Fund, June 30, 2008	\$101,715.84	\$418,663.21

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JUNE 30, 2008**

		FISCAL 2008 BUDGET
0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, July 1, 2007		\$21,354,512.83
Receipts:		
Cost Recovery (i.e. lien settlements)	\$13,938.57	\$10,000.00
ILO Refunds	\$1,100.40	
Intra State Fund Transfers Received	\$0.00	
Miscellaneous Income	\$0.00	
	<u>\$15,038.97</u>	\$10,000.00
Disbursements:		
Transfer to Unassigned Revenue Fund	\$8,797,080.00	\$8,797,080.00
Other Contractual Services	\$0.00	
Global Settlement Claims	\$286,152.60	\$500,000.00
Innocent Landowner Claims	\$2,093,767.33	\$2,000,000.00
Balance of Outdated Warrants	(\$14.02)	
	<u>\$11,176,985.91</u>	\$11,297,080.00
Balance of Fund, June 30, 2008		<u>\$10,192,565.89</u>
0455 - ABOVEGROUND STORAGE TANK FUND		
Balance of Fund July 1, 2007		\$102,443.17
Receipts:		
Interest Income	\$2,014.32	\$0.00
Canceled warrants/Corrected warrants	\$0.00	
Transfer from Marketability Fund	\$0.00	
Transfer from Unassigned Revenue Fund	\$0.00	
	<u>\$2,014.32</u>	\$0.00
Disbursements:		
Transfer to Revenue Fund (0471)	\$104,457.49	\$102,443.17
	<u>\$104,457.49</u>	\$102,443.17
Balance of Fund on June 30, 2008		<u>\$0.00</u>
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, July 1, 2007		\$1,228,506.44
Receipts:		
Interest Income	\$62,068.77	\$60,000.00
	<u>\$62,068.77</u>	\$60,000.00
Disbursements:		
1997A Series Bond Payoff	\$1,034,979.39	\$1,034,979.39
Payments on Loan Losses	\$0.00	
Transfer to Unassigned Revenue Fund	\$0.00	
	<u>\$1,034,979.39</u>	\$1,034,979.39
Balance of Fund, June 30, 2008		<u>\$255,595.82</u>
		\$253,527.05

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JUNE 30, 2008**

		FISCAL 2008 BUDGET
UST BOND FUND (Bonding)		
Series 1997 A Revenue Refunding Bonds		
Balance of Fund, July 1, 2007	\$0.00	\$0.00
Receipts:		
Transfer From/(To) UST Revenue Fund	\$6,546,416.26	\$6,545,916.25
Transfer From/(To) UST Unassigned Revenue Fund	\$0.00	
Accrued Interest From Bonds	\$0.00	
Interest Income	\$0.00	
	\$6,546,416.26	\$6,545,916.25
Disbursements:		
Principal Payments to Bondholders	\$5,510,000.00	\$5,510,000.00
Interest Payments to Bondholders	\$1,036,416.26	\$1,035,916.25
Trustee Fee to Bankers Trust	\$0.00	
	\$6,546,416.26	\$6,545,916.25
Balance of Fund, June 30, 2008	\$0.00	\$0.00
Series 2004 Cost of Issuance Bonds		
Balance of Fund, July 1, 2007	\$0.00	\$0.00
Receipts:		
Transfer From/(To) UST Revenue Fund	\$0.00	\$0.00
Transfer From/(To) UST Unassigned Revenue Fund	\$0.00	
Accrued Interest From Bonds	\$0.00	
Interest Income	\$0.00	
	\$0.00	\$0.00
Disbursements:		
Principal Payments to Bondholders	\$0.00	\$0.00
Interest Payments to Bondholders	\$0.00	\$0.00
Trustee Fee to Bankers Trust	\$0.00	
	\$0.00	\$0.00
Balance of Fund, June 30, 2008	\$0.00	\$0.00
Series 2004 A Revenue Refunding Bonds		
Balance of Fund, July 1, 2007	\$0.00	\$0.00
Receipts:		
Transfer From/(To) UST Revenue Fund	\$2,397,487.50	\$2,397,487.50
Transfer From/(To) UST Unassigned Revenue Fund	\$0.00	
Accrued Interest From Bonds	\$0.00	
Interest Income	\$0.00	
	\$2,397,487.50	\$2,397,487.50
Disbursements:		
Principal Payments to Bondholders	\$1,735,000.00	\$1,735,000.00
Interest Payments to Bondholders	\$662,487.50	\$662,487.50
Trustee Fee to Bankers Trust	\$0.00	
	\$2,397,487.50	\$2,397,487.50
Balance of Fund, June 30, 2008	\$0.00	\$0.00
bined UST Bond Fund Balances, June 30, 2008	\$0.00	\$0.00

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JUNE 30, 2008**

		FISCAL 2008 BUDGET
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Series 1990 A		
Balance of Fund, July 1, 2007	\$3,990,710.18	\$3,990,710.18
Receipts:		
Proceeds From Issuance of Bonds	\$0.00	
Disbursements:		
Transfer Interest to Revenue Fund	\$0.00	
Balance of Fund, June 30, 2008	\$3,990,710.18	\$3,990,710.18
Series 1991 A		
Balance of Fund, July 1, 2007	\$2,641,220.03	\$2,641,220.03
Receipts:		
Proceeds From Issuance of Bonds	\$0.00	
Disbursements:		
Transfer to Cost of Issuance Fund	\$0.00	
Balance of Fund, June 30, 2008	\$2,641,220.03	\$2,641,220.03
Series 1994 A		
Balance of Fund, July 1, 2007	(\$394,430.21)	(\$394,430.21)
Receipts:		
Proceeds From Issuance of Bonds	\$0.00	
Disbursements:		
Debt Service for Issuance of Bonds	\$0.00	
Balance of Fund, June 30, 2008	(\$394,430.21)	(\$394,430.21)
Overall Disbursements:		
Transfer to Unassigned Revenue Fund	\$6,237,500.00	\$6,237,500.00
Combined UST Capital Reserve Fund Balances, June 30, 2008	\$0.00	\$0.00
TOTAL FUND BALANCES, June 30, 2008	\$26,587,382.10	\$19,109,615.77

FOOTNOTES:

Note 1: Funds labeled "Bonding" were created as a result of the issuance of UST Revenue Bonds. Disbursements from funds are restricted by the Revenue Bond indenture.

Funds labeled "Non-Bonding" are funds not restricted as to use by the Revenue Bond indenture.

D. July Financial Report

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JULY 31, 2008**

0471 - UST REVENUE FUND (Bonding)

<hr/>		\$0.00
Balance of Fund, July 1, 2008		
 Receipts:		
Tank Management Fees	\$0.00	
Motor Vehicle Use Tax	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$0.00	
Interest Income - Capital Reserve Fund	\$0.00	
	\$0.00	\$0.00
 Disbursements:		
Bond Interest Payment	\$0.00	
Bond Principal Payment	\$0.00	
Transfer to Innocent Landowner Fund	\$0.00	
Transfer to Unassigned Revenue Fund	\$0.00	
	\$0.00	\$0.00
 Balance of Fund, July 31, 2008		\$0.00

0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)

<hr/>		\$10,303,265.43
Balance of Fund, July 1, 2008		
 Receipts:		
Request for Proposal Fees	\$0.00	
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$1,687.50	
Refund/Overpayment	\$1,416.54	
Transfer From UST Revenue Fund	\$0.00	
Transfer From ILO Fund	\$0.00	
Transfer From Capital Reserve Fund	\$0.00	
Intra State Fund Transfers Received - DNR	\$0.00	
Compensation for Pooled Money Investments	\$0.00	
Amort / Accretion	(\$519.56)	
Buy/ Sells	\$7,627.69	
Interest Income	\$480,532.20	
	\$480,532.20	\$490,744.37
 Disbursements:		
UST Administrator's Fees	\$245,452.00	
Attorney General's Fees	\$5,784.50	
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$7.00	
Actuarial Fees	\$0.00	
Auditor of the State Fees	\$0.00	
Bond Trustee Fees - Bankers Trust	\$3,000.00	
Claim Settlement	\$0.00	
Custodial Fees - BONY	\$0.00	
Department of Revenue EPC Collection Fees	\$0.00	
Innovative Technology	\$0.00	
Inspection & Appeals Service Fees	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JULY 31, 2008**

Iowa Finance Authority Expenses	\$0.00	
Licensing - Contractual Services	\$0.00	
Postage / Printing / Miscellaneous	\$0.00	
Professional Administrative Services (Investments)	\$0.00	
Rebate	\$0.00	
Tank Closure Claims & Plastic Waterline Claims	\$11,085.80	
Travel Expenses-UST Board Members	\$20.28	
Warrant Float Expense	(\$656.17)	
Transfer to Remedial Non-Bonding Fund	\$0.00	
Transfer to Innocent Landowner Fund	\$0.00	
28E Agreement - RBCA (DNR Staff Training & Development)	\$0.00	
28E Agreement - DNR UST Section Funding - FY08	\$0.00	
28E Agreement - DNR UST Section Funding - FY09	\$0.00	
Statutory Transfer to DNR - FY09	\$0.00	
Statutory Transfer to General Fund - FY08	\$3,000,000.00	
Statutory Transfer to DED - FY08	\$0.00	
		\$3,264,693.41
Balance of Fund, July 31, 2008		\$7,529,316.39
0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, July 1, 2008		\$5,734,239.12
Receipts:		
Remedial Refunds	\$0.00	
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer Received from Unassigned Revenue Fund	\$0.00	
		\$0.00
Disbursements:		
Retroactive Claims	\$22,353.69	
Remedial Claims	\$427,242.19	
Balance of Outdated Warrants	\$105.07	
		\$449,700.95
Balance of Fund, July 31, 2008		\$5,284,538.17
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2008		\$101,715.84
Receipts:		
Interest	\$123,406.09	
Use Tax	\$0.00	
		\$123,406.09
Disbursements:		
Intra State Fund Transfer	\$0.00	
		\$0.00
Balance of Fund, July 31, 2008		\$225,121.93

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JULY 31, 2008**

0485 - UST INNOCENT LANDOWNERS FUND

Balance of Fund, July 1, 2008		\$10,192,565.89
Receipts:		
Cost Recovery (i.e. lien settlements)	\$8,500.00	
ILO Refunds	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Miscellaneous Income	\$0.00	
		\$8,500.00
Disbursements:		
Transfer to Unassigned Revenue Fund	\$0.00	
Other Contractual Services	\$0.00	
Global Settlement Claims	\$21,927.49	
Innocent Landowner Claims	\$43,587.49	
Balance of Outdated Warrants	\$0.00	
		\$65,514.98
Balance of Fund, July 31, 2008		\$10,135,550.91

0238 - UST LOAN GUARANTEE FUND (Non-Bonding)

Balance of Fund, July 1, 2008		\$255,595.82
Receipts:		
Interest Income	\$6,869.59	
		\$6,869.59
Disbursements:		
Intra State Fund Transfer	\$0.00	
Payments on Loan Losses	\$0.00	
		\$0.00
Balance of Fund, July 31, 2008		\$262,465.41

UST BOND FUND (Bonding)

Series 2004 Cost of Issuance Bonds

Balance of Fund, July 1, 2008		\$0.00
Receipts:		
Transfer From/(To) UST Revenue Fund	\$0.00	
Transfer From/(To) UST Unassigned Revenue Fund	\$0.00	
Accrued Interest From Bonds	\$0.00	
Interest Income	\$0.00	
		\$0.00
Disbursements:		
Principal Payments to Bondholders	\$0.00	
Interest Payments to Bondholders	\$0.00	
Trustee Fee to Bankers Trust	\$0.00	
		\$0.00
Balance of Fund, July 31, 2008		\$0.00

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JULY 31, 2008**

Series 2004 A Revenue Refunding Bonds		
Balance of Fund, July 1, 2008		\$0.00
Receipts:		
Transfer From/(To) UST Revenue Fund	\$0.00	
Transfer From/(To) UST Unassigned Revenue Fund	\$0.00	
Accrued Interest From Bonds	\$0.00	
Interest Income	\$0.00	\$0.00
Disbursements:		
Principal Payments to Bondholders	\$0.00	
Interest Payments to Bondholders	\$0.00	
Trustee Fee to Bankers Trust	\$0.00	\$0.00
Balance of Fund, July 31, 2008	\$0.00	
<hr/> 0614 - UST CAPITAL RESERVE FUNDS (Bonding) <hr/>		
Series 1990 A		
Balance of Fund, July 1, 2008		\$0.00
Receipts:		
Proceeds From Issuance of Bonds		\$0.00
Disbursements:		
Transfer Interest to Revenue Fund		\$0.00
Balance of Fund, July 31, 2008	\$0.00	
Series 1991 A		
Balance of Fund, July 1, 2008		\$0.00
Receipts:		
Proceeds From Issuance of Bonds		\$0.00
Disbursements:		
Transfer to Cost of Issuance Fund		\$0.00
Balance of Fund, July 31, 2008	\$0.00	
Series 1994 A		
Balance of Fund, July 1, 2008		\$0.00
Receipts:		
Proceeds From Issuance of Bonds		\$0.00
Disbursements:		
Debt Service for Issuance of Bonds		\$0.00
Balance of Fund, July 31, 2008	\$0.00	
Combined UST Capital Reserve Fund Balances, July 31, 2008	\$0.00	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH ENDING JULY 31, 2008**

TOTAL FUND BALANCES, July 31, 2008

\$23,436,992.81

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.

E. Year to Date Financial Report as of July 31, 2008

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JULY 31, 2008**

		FISCAL 2009 BUDGET
0471 - UST REVENUE FUND (Bonding)		
Balance of Fund, July 1, 2008	\$0.00	\$0.00
Receipts:		
Tank Management Fees	\$0.00	\$800,000.00
Motor Vehicle Use Tax	\$0.00	\$17,000,000.00
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$0.00	
Interest Income - Capital Reserve Fund	\$0.00	
	\$0.00	\$17,800,000.00
Disbursements:		
Bond Interest Payment	\$0.00	
Bond Principal Payment	\$0.00	
Transfer to Innocent Landowner Fund	\$0.00	\$4,250,000.00
Transfer to Unassigned Revenue Fund	\$0.00	\$13,550,000.00
	\$0.00	\$17,800,000.00
Balance of Fund, July 31, 2008	\$0.00	\$0.00
0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)		
Balance of Fund, July 1, 2008	\$10,303,265.43	\$10,303,265.43
Receipts:		
Request for Proposal Fees	\$0.00	
Copying/Filing Fees	\$0.00	
Fines & Penalties	\$1,687.50	\$10,000.00
Refund/Overpayment	\$1,416.54	
Transfer From UST Revenue Fund	\$0.00	\$13,550,000.00
Intra State Fund Transfers Received	\$0.00	
Compensation for Pooled Money Investments	\$0.00	
Amort / Accretion	(\$519.56)	\$30,000.00
Buys/ Sells	\$7,627.69	(\$20,000.00)
Interest Income	\$480,532.20	\$1,800,000.00
	\$490,744.37	\$15,370,000.00
Disbursements:		
UST Administrator's Fees	\$245,452.00	\$1,412,712.00
Attorney General's Fees	\$5,784.50	\$105,000.00
Attorney's Fees: Cost-Recovery Administration	\$0.00	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$7.00	\$30.00
Actuarial Fees	\$0.00	
Auditor of the State Fees	\$0.00	\$4,876.00
Bond Trustee's Fees - Bankers Trust	\$3,000.00	\$36,000.00
Claim Settlement	\$0.00	\$1,050,000.00
Custodial Fees - BONY	\$0.00	
Department of Revenue EPC Collection Fees	\$0.00	\$6,000.00
Environmental Protection Charge Refunds	\$0.00	
Innovative Technology	\$0.00	
Inspection & Appeals Service Fees	\$0.00	\$3,500.00

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JULY 31, 2008

		FISCAL 2009 BUDGET
Legal and Professional Fees	\$0.00	
Postage / Printing / Miscellaneous	\$0.00	\$100.00
Professional Admin Services (Investments)	\$0.00	\$30,000.00
Rebate	\$0.00	
Tank Closure Claims and Plastic Waterline Claims	\$11,085.80	\$50,000.00
Travel Expenses-UST Board Members	\$20.28	\$700.00
Warrant Float Expense	(\$656.17)	
Transfer to Remedial Non-Bonding Fund	\$0.00	\$4,250,000.00
Transfer to Innocent Landowner Fund	\$0.00	
28E Agreement - RBCA (DNR Staff Training & Development)	\$0.00	
28E Agreement - DNR UST Section Funding - FY08	\$0.00	\$400,000.00
28E Agreement - DNR UST Section Funding - FY09	\$0.00	\$400,000.00
Statutory Transfer to DNR - FY09	\$0.00	\$1,925,000.00
Statutory Transfer to DED - FY08	\$0.00	
Statutory Transfer to General Fund - FY08	\$3,000,000.00	\$3,000,000.00
	\$3,264,693.41	\$12,673,918.00
Balance of Fund, July 31, 2008	\$7,529,316.39	\$12,999,347.43
0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, July 1, 2008	\$5,734,239.12	\$5,734,239.12
Receipts:		
Remedial Refunds	\$0.00	\$3,000.00
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer Received from Unassigned Revenue	\$0.00	\$4,250,000.00
	\$0.00	\$4,253,000.00
Disbursements:		
Retroactive Claims	\$22,353.69	\$600,000.00
Remedial Claims	\$427,242.19	\$7,000,000.00
Balance of Outdated Warrants	\$105.07	
	\$449,700.95	\$7,600,000.00
Balance of Fund, July 31, 2008	\$5,284,538.17	\$2,387,239.12
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2008	\$101,715.84	\$101,715.84
Receipts:		
Interest	\$123,406.09	\$200,000.00
Use Tax	\$0.00	
	\$123,406.09	\$200,000.00
Disbursements:		
Intra State Fund Transfer	\$0.00	
	\$0.00	\$0.00
Balance of Fund, July 31, 2008	\$225,121.93	\$301,715.84

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JULY 31, 2008**

		FISCAL 2009 BUDGET
0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, July 1, 2008	\$10,192,565.89	\$10,192,565.89
Receipts:		
Cost Recovery (i.e. lien settlements)	\$8,500.00	\$10,000.00
ILO Refunds	\$0.00	
Intra State Fund Transfers Received	\$0.00	\$4,250,000.00
Miscellaneous Income	\$0.00	
	\$8,500.00	\$4,260,000.00
Disbursements:		
Transfer to Unassigned Revenue Fund	\$0.00	
Other Contractual Services	\$0.00	
Global Settlement Claims	\$21,927.49	\$300,000.00
Innocent Landowner Claims	\$43,587.49	\$2,000,000.00
Balance of Outdated Warrants	\$0.00	
	\$65,514.98	\$2,300,000.00
Balance of Fund, July 31, 2008	\$10,135,550.91	\$12,152,565.89
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, July 1, 2008	\$255,595.82	\$255,595.82
Receipts:		
Interest Income	\$6,869.59	\$10,000.00
	\$6,869.59	\$10,000.00
Disbursements:		
Payments on Loan Losses	\$0.00	
Transfer to Unassigned Revenue Fund	\$0.00	\$0.00
	\$0.00	\$0.00
Balance of Fund, July 31, 2008	\$262,465.41	\$265,595.82
UST BOND FUND (Bonding)		
Series 2004 Cost of Issuance Bonds		
Balance of Fund, July 1, 2008	\$0.00	\$0.00
Receipts:		
Transfer From/(To) UST Revenue Fund	\$0.00	\$0.00
Transfer From/(To) UST Unassigned Revenue Fund	\$0.00	
Accrued Interest From Bonds	\$0.00	
Interest Income	\$0.00	
	\$0.00	\$0.00
Disbursements:		
Principal Payments to Bondholders	\$0.00	\$0.00
Interest Payments to Bondholders	\$0.00	\$0.00
Trustee Fee to Bankers Trust	\$0.00	
	\$0.00	\$0.00
Balance of Fund, July 31, 2008	\$0.00	\$0.00

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JULY 31, 2008**

		FISCAL 2009 BUDGET
Series 2004 A Revenue Refunding Bonds		
Balance of Fund, July 1, 2008	\$0.00	\$0.00
Receipts:		
Transfer From/(To) UST Revenue Fund	\$0.00	\$0.00
Transfer From/(To) UST Unassigned Revenue Fund	\$0.00	
Accrued Interest From Bonds	\$0.00	
Interest Income	\$0.00	
	\$0.00	\$0.00
Disbursements:		
Principal Payments to Bondholders	\$0.00	\$0.00
Interest Payments to Bondholders	\$0.00	\$0.00
Trustee Fee to Bankers Trust	\$0.00	
	\$0.00	\$0.00
Balance of Fund, July 31, 2008	\$0.00	\$0.00
Combined UST Bond Fund Balances, July 31, 2008		\$0.00
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Series 1990 A		
Balance of Fund, July 1, 2008	\$0.00	\$0.00
Receipts:		
Proceeds From Issuance of Bonds	\$0.00	
Disbursements:		
Transfer Interest to Revenue Fund	\$0.00	
Balance of Fund, July 31, 2008	\$0.00	\$0.00
Series 1991 A		
Balance of Fund, July 1, 2008	\$0.00	\$0.00
Receipts:		
Proceeds From Issuance of Bonds	\$0.00	
Disbursements:		
Transfer to Cost of Issuance Fund	\$0.00	
Balance of Fund, July 31, 2008	\$0.00	\$0.00
Series 1994 A		
Balance of Fund, July 1, 2008	\$0.00	\$0.00
Receipts:		
Proceeds From Issuance of Bonds	\$0.00	
Disbursements:		
Debt Service for Issuance of Bonds	\$0.00	
Balance of Fund, July 31, 2008	\$0.00	\$0.00
Combined UST Capital Reserve Fund Balances, July 31, 2008		\$0.00

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE ENDING JULY 31, 2008**

		FISCAL 2009 BUDGET
TOTAL FUND BALANCES, July 31, 2008	\$23,436,992.81	\$28,106,464.10

FOOTNOTES:

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

Attorney General's Report

Claim Payment Approval

Claim Payment Authority

	<u>Site #</u>	<u>Site Name</u>	<u>1st Bd Rpt</u>	<u>2nd Bd Rpt</u>	<u>3rd Bd Rpt</u>	<u>4th Bd Rpt</u>	<u>Paid to Date</u>	<u>Recommended Authority</u>	<u>Approved Authority</u>	<u>Pd Since Last Bd Report</u>	<u>WW Comments</u>
1	8710480	Colby Management Co	08/27/08				\$65,909	\$125,000			
2	8600154	Rock C Store	05/17/04	08/27/08			\$116,620	\$403,000			
3	8601200	Casey's Marketing Co, Merrill	08/27/08				\$84,831	\$110,000			dww & PGS
4	8601909	MRP properties Co. LLC/Total Pe	08/27/08				\$86,165	\$120,000			
5	8606922	Olson Brothers Service Inc.	08/27/08				\$75,501	\$115,000			
6	8607200	The Short Stop, LLC	11/10/03	08/27/08			\$267,387	\$353,000			dww's
7	8811086	City of George	06/17/03	06/30/08			\$424,693	\$750,000		\$351,890	
8											
9											
10											
11											
12											
13											

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 FIRST BOARD REPORT
 AUGUST 18, 2008
 COLBY MANAGEMENT CO
 7300 HICKMAN RD
 WINDSOR HEIGHTS
 SITE REGISTRATION NUMBER: 8710480
 LUST NUMBER: 8LTF05**

RISK CLASSIFICATION:

HIGH LOW UNDETERMINED

PRESENT CLAIM RESERVE: \$ 100,000.00

ELIGIBILITY: The contamination was reported to the IDNR on October 23, 1990, following an insurance site check. This is an eligible remedial claim.

COST INCURRED TO DATE:

- | | |
|-----------------------------------|-----------------|
| 1. Site check and clean-up report | \$ 30,806.68 |
| 2. Site monitoring reports | 25,977.50 |
| 3. RBCA Tier II report | <u>9,125.00</u> |

TOTAL COSTS INCURRED TO DATE: \$ 65,909.18

PROJECTED COSTS:

- | | | |
|--|-------------------------------------|-----------------------------|
| <input type="checkbox"/> Risked Based Corrective Action Tier I & II Report | <input checked="" type="checkbox"/> | Tank Pull |
| <input checked="" type="checkbox"/> Site Monitoring Report (SMR) | <input type="checkbox"/> | Free Product Recovery (FPR) |
| <input type="checkbox"/> Corrective Action Design Report (CADR) | <input type="checkbox"/> | Implementation of CADR |

TOTAL PROJECTED COSTS: \$ 40,000 to 100,000.00 +

TOTAL AUTHORITY RECOMMENDED:

\$ 125,000.00

COMMENTS: The site is high risk for groundwater vapor pathway. The levels of contamination are presently below site specific target level.

Approved.

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 FIRST BOARD REPORT
 AUGUST 15, 2008
 CASEY'S MARKETING CO
 101-1ST ST
 MERRILL
 SITE REGISTRATION NUMBER: 8601200
 LUST NUMBER: 7LTQ10**

RISK CLASSIFICATION:

HIGH LOW UNDETERMINED

PRESENT CLAIM RESERVE: \$ 87,000.00

ELIGIBILITY: The contamination was discovered with an insurance site check and reported to the IDNR July 30, 1990. This is an eligible remedial claim. A subsequent release has resulted in an 80/20 split of costs with PMMIC. IUST retains 80%.

COST INCURRED TO DATE:

1. Site check and clean-up reports	34,480.48
2. RBCA Tier II report	11,837.60
3. Site monitoring reports	19,915.35
4. RBCA Tier III report	8,079.00
5. Free product recovery	9,518.45
6. Post RBCA conference	<u>1,000.00</u>

TOTAL COSTS INCURRED TO DATE: \$ 84,830.88

PROJECTED COSTS:

<input type="checkbox"/> Risked Based Corrective Action Tier I & II Report	<input type="checkbox"/> Tank Pull/Up-Grade.
<input checked="" type="checkbox"/> Site Monitoring Report (SMR)	<input type="checkbox"/> Free Product Recovery (FPR)
<input type="checkbox"/> Corrective Action Design Report (CADR)	<input type="checkbox"/> Implementation of CADR

TOTAL PROJECTED COSTS: \$ 10,000.00 to 26,000.00

TOTAL AUTHORITY RECOMMENDED:

IUST's Share

COMMENTS: The site is high risk for groundwater ingestion to an actual drinking well and low risk for protective groundwater source only. The contaminant levels are now far below the high risk site specific target level.

Approved.

**IOWA UNDERGROUND STORAGE TANK PROGRAM
FIRST BOARD REPORT
AUGUST 14, 2008
MRP PROPERTIES CO. LLC/TOTAL PETRO
1007-4TH ST SW
MASON CITY
SITE REGISTRATION NUMBER: 8601909
LUST NUMBER: 8LTJ63**

RISK CLASSIFICATION:

HIGH LOW NFA with free product

PRESENT CLAIM RESERVE: \$ 95,000.00

ELIGIBILITY: The owner filed an extension with IUST Program prior to October 26, 1990 and confirmed contamination with a report to the IDNR prior to February 24, 2001. Tanks were pulled and site closed October 23, 1990. This is an eligible remedial claim.

COST INCURRED TO DATE:

- | | |
|----------------------------------|-----------------|
| 1. Tank pull and over-excavation | \$ 40,000.00 |
| 2. Site clean-up report and CADR | 21,539.05 |
| 3. Site monitoring reports | 8,286.10 |
| 4. Free product recovery | 13,940.00 |
| 5. RBCA Tier II report | <u>2,400.00</u> |

TOTAL COSTS INCURRED TO DATE: \$ 86,165.15

PROJECTED COSTS:

- | | |
|--|---|
| <input type="checkbox"/> Risked Based Corrective Action Tier I & II Report | <input type="checkbox"/> Tank Pull/Up-Grade. |
| <input type="checkbox"/> Site Monitoring Report (SMR) | <input checked="" type="checkbox"/> Free Product Recovery (FPR) |
| <input type="checkbox"/> Corrective Action Design Report (CADR) | <input checked="" type="checkbox"/> Monitoring Well Abandonment |

TOTAL PROJECTED COSTS: \$ 10,000.00 to 35,000.00

TOTAL AUTHORITY RECOMMENDED:

\$ 120,000.00

COMMENTS: Free product appearance has been transient, primarily in one well. No product has been observed since March 2008. High water level may mask.

approved.

*3/4" - 0.06' → highest in last year
- hand-bailing*

DB-asked in IDNR has been more aggressive on this

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 FIRST BOARD REPORT
 AUGUST 19, 2008
 OLSON BROTHERS SERVICE INC
 520 WALNUT
 WAUKEE
 SITE REGISTRATION NUMBER: 8606922
 LUST NUMBER: 7LTX97 & 9LTN51**

RISK CLASSIFICATION:

HIGH

LOW

UNDETERMINED

PRESENT CLAIM RESERVE: \$ 95,000.00

ELIGIBILITY: This is a timely filed eligible retroactive claim with a report to the IDNR of October 8, 1987. The original LUST number received a NFA certificate. A new LUST number was assigned following a tank pull sampling November 28, 2007.

COST INCURRED TO DATE:

1. Pre site clean up report, system and O&M	\$ 41,378.48
2. Site clean-up report & RBCA Tier I report	19,710.38
3. Tank upgrade and 2007 removal	12,142.69
4. Site monitoring reports	1,360.00
5. Monitoring well abandonment	<u>909.20</u>

TOTAL COSTS INCURRED TO DATE: \$ 75,500.75

PROJECTED COSTS:

?	Risky Based Corrective Action Tier I & II Report	X	Tank Pull/Up-Grade.
?	Site Monitoring Report (SMR)		Free Product Recovery (FPR)
?	Corrective Action Design Report (CADR)		Implementation of CADR

TOTAL PROJECTED COSTS: \$ 10,000 to 40,000.00 +

TOTAL AUTHORITY RECOMMENDED:

\$ 115,000.00

COMMENTS: Only the largest three tanks pulled in 2007. Plans are now to remove two remaining tanks, eligible for tank pull benefit. On the original pull, there was a single soil sample at three feet under the dispenser that was above site specific target level. The insurer, PMMIC, alleges this pre-existed their coverage. Responsibility has not been determined and is pending.

Approved.

**IOWA UNDERGROUND STORAGE TANK PROGRAM
 SECOND BOARD REPORT
 JUNE 30, 2008
 CITY OF GEORGE
 136 N MAIN ST
 GEORGE**

SITE REGISTRATION NUMBER: 8811086

LUST NUMBER: 9LTI28

RISK CLASSIFICATION:

HIGH **LOW** **UNDETERMINED**

PRESENT CLAIM RESERVE: \$ 725,000.00

PREVIOUS BOARD APPROVAL: \$ 475,000.00

Number and Date of each previous Board Report: 1st: June 17, 2003

PREVIOUS COSTS INCURRED: \$ 72,803.00

COSTS INCURRED SINCE LAST BOARD APPROVAL:

- | | | |
|--------------------------------------|----------------------|-----------------------|
| 1. Free product recovery | 2,405.00 | |
| 2. Corrective action design report | 20,219.00 | |
| 3. Site monitoring reports | 46,000.00 | |
| 4. Remedial implementation | 224,461.29 | - Not that successful |
| 5. Operation and maintenance | 42,778.68 | |
| 6. Utilities | 15,855.87 | |
| 7. Post-RBCA evaluation report | <u>170.00</u> | |
| TOTAL COSTS INCURRED TO DATE: | \$ 424,692.84 | |

PROJECTED COSTS:

- | | |
|--|---|
| <input type="checkbox"/> Risked Based Corrective Action Tier II Report | <input type="checkbox"/> Tank Pull/Up-Grade. |
| <input checked="" type="checkbox"/> Site Monitoring Reports (SMR) | <input checked="" type="checkbox"/> Free Product Recovery (FPR) |
| <input type="checkbox"/> Corrective Action Design Report (CADR) | <input checked="" type="checkbox"/> Implementation of OE |

SS - says on this site we pay third party liability

TOTAL PROJECTED COSTS: \$ 225,000.00 to 350,000.00

ADDITIONAL AUTHORITY RECOMMENDED:

No action \$ 275,000.00

TOTAL AUTHORITY:* \$ 750,000.00

COMMENTS: Remediation has been completed at the site. Contamination still exists in the vicinity of residential basements and residential sewers. An excavation in the city street and right-of-way is proposed. The costs of the excavation will be high due to the nature of the work in the street and around utilities. It is not believed that any better remedial option is available.

*Previous approval + additional recommended
*George can't take on waste stream (discharge)
 - Unable to get access to neighbor (no full extent of gw defined)
 - Was gas station, now vacant lot.*

**Contracts Entered Into
Since July 8, 2008 Board Meeting**



IOWA UNDERGROUND STORAGE TANK

Financial Responsibility Program

Susan E. Voss, *Chairperson*

Scott M. Scheidel, *Administrator*

Board Members: Michael L. Fitzgerald

Jeff W. Robinson

Jacqueline A. Johnson

James M. Holcomb

Richard A. Leopold

Nancy A. Lincoln

Douglas M. Beech

◆◆◆ MEMO ◆◆◆

TO: UST Board

FROM: Scott Scheidel

DATE: August 20, 2008

RE: Contracts Entered Into Since July 8, 2008

Since the July 8, 2008 Board meeting, the Board has entered into the following agreements:

- 1) 28E agreement with DNR for UST closure contract sites
- 2) Contract agreement with GeoTek to complete UST closures and assessments
- 3) Contract agreement with Barker LeMar to complete the UST closures and assessments
- 4) 28E agreement with the DNR for NFA funding for 3 specific UST sites in the absence of a general NFA funding agreement and rule.
- 5) 28E agreement with DNR to provide FY08 funding to the UST section
- 6) Contract agreement with Apex Companies, LLC for a CRP in Rose Hill, Iowa
- 7) Contract agreement with GeoTek for a CRP in Walnut, Iowa
- 8) Contract agreement with Seneca Environmental Services for a CRP in Akron, Iowa

Other Issues as Presented

Correspondence and Attachments

Sept 25th