

October 22, 2020

Board of Directors

**Iowa Comprehensive Petroleum
UST Fund Board**



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

James R. Gastineau, *Administrator*

Board Members:

Michael L. Fitzgerald

Joseph D. Barry

Jeff. W. Robinson

Kayla Lyon

Timothy L. Gartin

Dawn M. Carlson

Karen E. Andeweg

NOTICE OF PUBLIC MEETING

The Iowa Comprehensive Petroleum Underground Storage Tank Fund Board will hold a meeting via teleconference at 10:00 a.m., on Thursday, October 22, 2020. The teleconference is open to the public. To call in, dial 1 617-675-4444 prior to the meeting. When prompted, enter conference code 368 023 555 0314, followed by the # key.

The tentative agenda for the meeting is as follows:

10:00 a.m. Call to Order

1. Approval of Prior Board Minutes
2. Closed Session Discussion of Pending and Imminent Litigation (To adjourn by 10:30 am)
3. Public Comment Period
4. Board Issues
 - A. Proposed 2021 Legislation
 - B. UST Operator Training Reimbursement Agreements
 - C. Reauthorization Request; Environmental Support Service Contracts
 - D. Remedial Claim, Grimm Oil
 - E. 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 August 12, 2020 Board Meeting
10. Other Issues as Presented
11. Correspondence and Attachments

Approval of Prior Board Minutes



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MINUTES

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND PROGRAM

August 12, 2020

Teleconference Meeting

Mr. Doug Beech, Board Chair, called the Iowa UST Fund Board meeting to order at 10:02 am. A quorum was present, with the following Board members present:

Karen E Andeweg
Joseph D Barry
Luke Donahe (for Michael Fitzgerald)
Timothy Gartin
Tim Hall (for Kayla Lyon)
Jeff Robinson

Also present were:

David Steward, Attorney General's Office
James Gastineau, Administrator
Angie Clark, Iowa DNR
Elaine Douskey, Iowa DNR
Steve Reinders, Rounds & Associates
Kurt Spurgeon, Lane & Waterman LLP
Dennis Grimm, Grimm Oil

APPROVAL OF PRIOR BOARD MINUTES

Mr. Beech noted if it is determined that the Board votes to go into Closed Session to discuss the pending litigation, it will be at the end of the meeting.

Motion was made by Ms. Andeweg to approve the April 24, 2020 minutes as presented. Seconded by Mr. Hall. Motion carries unanimously.

GENERAL PUBLIC COMMENT

There were no public comments

BOARD ISSUES

A. Legislative Update

The Iowa Legislature reconvened in early June and completed the 2020 legislative session on Sunday, June 14, 2020 after taking several weeks off because of the coronavirus pandemic. Proposed legislation by the Board, most recently identified in House File 2622 and Senate File 2401, was not considered during the shortened session.

The House and Senate companion bills were the successor to the original language introduced as the Underground Storage Tank Fund Repeal bill. In the final form, the bills would have created the Iowa Tanks Fund and Iowa Tanks Fund Financing Program, repealed the Iowa Comprehensive Petroleum Underground Storage Tank Fund and Fund Board, and required a study regarding the long-term fuel testing needs in Iowa and how to maximize the Iowa central fuel testing laboratory located at Iowa Central Community College in Fort Dodge. Funding would also have continued for the Iowa Department of Agriculture and Land Stewardship through an annual appropriation of \$250,000 through the end of FY 2027.

The House and Senate companion bills also provided language that would have given the Iowa Department of Natural Resources authorization to begin implementation of the Iowa Tanks Financing Program to the extent necessary to transition to full implementation of the provisions of the Iowa Tanks Fund prior to July 1, 2021.

As the proposed language did not pass, the current program remains in effect.

B. Legislation Report, 4th Quarter FY2020

See the board packet for the full quarterly report that was submitted to the Legislative Service Agency pursuant to Iowa Code Section 455G.4(6).

C. Fiscal Year 2021 Budget

Mr. Gastineau presented the proposed budget for fiscal year 2021 noting that the budget is similar to last year and was based on past spending. The projection calls for year to end with approximately \$9.98 million.

Motion was made by Mr. Hall to approve the proposed budget. Seconded by Ms. Andeweg. Motion carries unanimously.

D. Fiscal Year 2021 Meeting Schedule

The Board agreed to a quarterly meeting schedule. The Fiscal Year 2021 meeting schedule is as follows:

- Thursday, October 22, 2020
- Thursday, December 10, 2020
- Friday, March 26, 2021
- Thursday, May 27, 2021

Additional meetings may be scheduled if needed.

E. Fiscal Year 2021 28E Agreement with Department of Justice

Mr. Gastineau presented to the Board the annual 28E agreement with the Department of Justice for the attorney general's services. Approximate cost will be \$50,000 per year and this is the same amount as last year.

Motion was made Ms. Andeweg to approve the 28E agreement with the Department of Justice. Seconded by Mr. Hall. Motion carries unanimously.

F. Re-Authorization; UST-Tank Closure Project (RFP 0918005035)

Mr. Gastineau presented to the Board the USTCA closure contract for re-authorization. In an effort to continue work on the 49 sites currently identified and allow addition of other sites, he asked the Board to grant authorization to extend the vendor agreement for a 12-month period to end October 14, 2021.

Motion was made Mr. Hall to approve the contract extension for the State Lead Tank Closure project. Seconded by Mr. Barry. Motion carries unanimously.

G. Amendment to 28E Agreement for Program Administration

Mr. Gastineau presented that Iowa UST Fund Board (Board) and the Iowa Department of Natural Resources (Department) entered into a 28E agreement in June 2018 to set the terms in which the Board and the Department would jointly administer the Fund. The agreement established a duration term of 24 months, expiring December 31, 2020, with the understanding that the agreement could be extended further if the parties are in joint agreement.

In an effort to continue Board operations, the Administrator recommends the agreement be reviewed, modified as necessary and extended for an additional 24 months. Suggested modification may include:

- 1) Modify Board duties to require that on a continuing basis, items that are duplicative to that in the DNR's UST file be removed and that files over their retention schedule time be removed and destroyed.
- 2) Compensation terms be maintained at the present rate of a fee not to exceed \$19,250 per month (\$231,000 annually) for calendar years 2021 and 2022, and
- 3) Duration of the agreement be extended for 24 months, expiring December 31, 2023, unless terminated earlier by the terms of the Agreement or by enacted legislation.

Motion was made Ms. Andeweg to approve the extension of the 28E Agreement with DNR for Program Administration. Seconded by Mr. Gartin. Motion carries unanimously.

H. Remedial Benefit Claims following Insurance

Mr. Gastineau presented for information and general Board discussion on the issue of providing remedial benefits to claimants following a voluntary settlement from an insurance carrier. The issue for discussion centers on whether a claimant's settlement agreement with his/her insurance carrier excludes the claimant from obtaining UST Fund benefits for the same release. Iowa Administrative Code 591 – Chapter 11.2(2) provides that remedial account benefits are secondary to an owner/operator's insurance that is available to cover corrective action costs for underground storage tank releases.

In consideration of the regulations regarding prior insurance coverage, the Administrator has historically required claimants who would otherwise be eligible for remedial benefits to provide verification that proceeds from an insurance policy or an insurance settlement have been used to pay for corrective actions at a site. In the event verification cannot be provided, access to fund benefits are withheld.

Mr. Gastineau presented site specific information related to the possible Closed Session discussion. The Iowa DNR is engaging an owner for a release that occurred prior to October 26, 1990. The owner is not in compliance with State requirements and the DNR has issued an administrative order demanding certain actions be completed. The owner, to date, has not complied with the order.

The owner filed a claim with the UST Fund in 1990 which was deemed eligible, except for the private insurance coverage. In the event the insurance coverage is fully expended on corrective action costs, the UST fund claim would be eligible subject to compliance with all other provisions of law.

For the referenced site, the owner's insurance provided coverage for corrective action costs from the discovery of the release through 1992. Following a disagreement on when the release occurred, the claimant received a settlement from his insurance carrier to pay for future corrective action costs. It's understood 30% of the settlement was set aside for legal costs, while the remaining amount was provided to the owner to pay for further corrective action costs. The owner reportedly used a portion of the settlement proceeds in the years following the settlement to pay for certain corrective action costs.

As early as 2016, the claimant has been in contact with the UST Fund regarding a possible claim. In each instance, the Administrator has requested a statement of how the settlement proceeds have been used. To date, no information has been provided for consideration.

In acknowledgement of possible future costs and the DNR requirements, an inquiry has again been presented. In the recent contact, the claimant's attorney has acknowledged an inability to provide a breakdown of how the settlement monies were used. It has been estimated that approximately 40% of the settlement available to the claimant was used for corrective actions; the remaining portion (60% of the claimant's share or 40% of the total settlement) was reportedly used for other expenses.

Based on the high risk classification, proximity to receptors and information from prior reports, estimated corrective action costs could be in the range of \$280,000 to \$320,000, however greater expenditures cannot be ruled out.

Mr. Gastineau stated based on a review of prior UST Fund claims and the remaining LUST sites, it is estimated there may be four or more owners with prior insurance coverage that may make a similar claim for benefits should their insurance coverage be expended.

I. DNR Update

Ms. Douskey updated the Board on the status of the UST Section administrative rules. All rule chapters in the Tank program (Chapter 134, Chapter 135 & Chapter 136) have been almost completely overhauled. The rules have been through DNR's internal review process and will be going to the Governor's office for formal approval. Ms. Douskey would like to have the rules in place by December or early January. She is hoping to submit the State Program Approval Applications in the spring to get delegation to run the Tanks program.

Mr. Hall presented that the remote working plan has been working well for the Tank program. He reported that DNR has a return to work plan to start bringing staff back up to 25% on Monday, August 24.

APPROVAL OF PROGRAM BILLINGS

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

1. Attorney General's Office (FY 2020) \$503.61
Legal Services for UST Fund – June 2020 (Final)

2. Office of Auditor of State (FY 2020)..... \$1,739.00
Services for the UST Fund – 4th Quarter FY 2020
Total billed (FY 2020 - \$3,810.38)

Previously Submitted:

3. Attorney General's Office (FY 2020) \$3,279.63
Legal Services for UST Fund – April 2020

4. Attorney General's Office (FY 2020) \$6,074.89
Legal Services for UST Fund – May 2020

5. Attorney General's Office (FY 2020) \$3,859.72
Legal Services for UST Fund – June 2020

6. Office of Auditor of State (FY 2020)\$1,159.38
Services for the UST Fund – 3rd Quarter FY 2020

7. Iowa Department of Natural Resources \$21,070.00
Services for 4th quarter FY 2021

Motion was made by Mr. Gartin to approve the monthly billings. Seconded by Ms. Andeweg. Motion carries unanimously.

Mr. Gastineau reported he has received and is currently reviewing the draft auditor's report for FY 2019. He reported that it is deemed confidential at this time and is not able to share with the board until it is approved. Mr. Gastineau will send a copy to the Board when he has received the final version.

MONTHLY ACTIVITY REPORT AND FINANCIALS REVIEWED

Mr. Gastineau noted the May and June activity and financial reports were presented in the Board packet. The fund balance is currently at \$13.286 million which is slightly higher than what was budgeted.

ATTORNEY GENERAL'S REPORT

Nothing to report from the Attorney General.

CLAIM PAYMENT APPROVAL

1. Sites Registration 8602051 – Country Stores of Carroll, LeMars (3rd Board Report)

The contamination from this site was commingled with an adjacent site (former Susemihl Amoco – 8LTK98) and as a result is assumed to be present beneath the adjacent roadway. Free product was historically present. Remedial activities were performed at the two LUST sites over an 8 year period and has since been replaced with a period of post remediation monitoring. It is unknown if further remediation efforts will be necessary at this time.

Mr. Gastineau noted the present claim reserve is \$320,000. Expenses paid to date total \$296,433.66. Future costs are anticipated for continued monitoring activities. An increase in the project authority for costs up to \$375,000 was requested.

Mr. Gartin moved to approve the request and Ms. Andeweg seconded the motion. Motion carries unanimously.

2. Sites Registration 7910372 – Treynor State Bank, Council Bluffs (1st Board Report)

In July 1998, contamination was confirmed in an environmental audit; USTs had been removed from the site prior to July 1, 1985. This is an eligible innocent landowner claim.

During the initial RBCA investigation, free product was identified in multiple locations. A Tier 2 report was completed in 2001, but not accepted. Further investigation was required however, delays occurred due to access issues, determination of responsibility and requirements pertaining to free product recovery. Free product recovery by hand bailing continued from 2001 through 2013.

Work resumed in 2018 when the current property owner acquired the remedial claim. A RBCA Tier 2 report was submitted in 2020 and the site has been classified high risk for the vapor pathways. Free product remains a concern.

Mr. Gastineau noted the present claim reserve is \$175,000. Expenses paid to date total \$69,814.96. Future costs are anticipated for corrective actions to address vapor risks and Free Product Recovery (FPR). An increase in the authority for costs up to \$250,000 was requested.

Ms. Andeweg moved to approve the request and Mr. Gartin seconded the motion. Motion carries unanimously.

Mr. Gartin would like to see the number of people impacted by the project added to the Claim Approvals in the future.

3. Sites Registration 201900044 – City of Independence, Independence (1st Board Report)

Contamination identified in October 2019 following the removal of one underground storage tank found in the City right-of-way during sewer work. The adjacent property was identified as a former service station out of use prior to 1/1/1974. This is an eligible innocent landowner claim.

Soil contamination was confirmed during the RBCA investigation in an area of shallow bedrock. Removal of the soil contamination will be required as part of the overall corrective action measures. Post excavation monitoring may be required.

Mr. Gastineau noted the present claim reserve is \$100,000. Expenses paid to date total \$12,115.00. Future costs are anticipated for soil excavation and monitoring. An increase in the authority for costs up to \$150,000 was requested.

Mr. Gartin moved to approve the request and Ms. Andeweg seconded the motion. Motion carries unanimously.

CONTRACTS ENTERED INTO SINCE APRIL 24, 2020 BOARD MEETING

The Board entered into the following contracts since the April 24, 2020 meeting:

1. Settlement agreement with Bethany Enterprises on April 29, 2020 in regard to a claim for underground storage tank closure funding.

OTHER ISSUES AS PRESENTED

Mr. Gastineau presented an update for the Large Loss Portfolio Transfer that took place in October 2017. The Board transferred 199 claims and they have successfully closed 68 of them. The Board transferred \$13 million and they have about \$7.8 million in reserves. Mr. Gastineau feels that the work and money spent is in line from what we were expecting.

CORRESPONDENCE AND ATTACHMENTS

No correspondence or attachments were presented

CLOSED SESSION DISCUSSION OF PENDING AND IMMINENT LITIGATION (TO ADJOURN BY 10:30 AM)

Mr. Steward stated that the Board did not have to go into closed session unless the Board was seeking legal advice from him on a settlement. Discussion can all be done in open session. Board decided to stay in open session to hear what the claimant had to say regarding the current situation and the request that was made.

Mr. Spurgeon, who is the attorney for Mr. Grimm, presented that his client's site has been under DNR review for a release since 1987 and Mr. Grimm has been in compliance with the Iowa Department of Natural Resources (DNR) for the majority of that time until this last year when an Administrative Order was issued. During this time, Mr. Grimm asserted a bad faith claim against his insurer and in response a settlement was reached in 1993. The settlement amount was \$490,000, of which 33% went to his attorney and other legal costs. He estimated that Mr. Grimm received approximately \$300,000.

Mr. Spurgeon reported that they are having difficulty tracking down the documentation on how the settlement money was used due to the length of time since the settlement. He noted Mr. Grimm has been able to account for approximately \$148,000 - \$150,000 in expenses for environmental work, and that approximately \$72,000 was used for other business or facility related expenses. It was also noted that there was a period of about 10 years where there was no contact with the Iowa DNR in regard to the environmental work.

Mr. Spurgeon stated that he reached out to Mr. Gastineau to see if this site is eligible for funding and if not, what is needed for the site to become eligible. Mr. Gastineau reported that in 1990, the site was deemed eligible except for the private insurance.

Mr. Gastineau noted in order to confirm an eligible claim the Claimant would need to comply with all of the typical regulations. The first on the list would be proving financial responsibility (FR) on the tanks from 1990 – 1994 when the site was in operation. If unable to do that, the claimant would be required to pay a reinstatement fee for the time period where no FR was carried. The fee calculated per IAC 591 – Chapter 11 for this site would be \$3,922.50. Once that payment is made, the site would be eligible for typical benefits from the Fund. This would include benefits up to \$1 million for corrective action subject to a statutory co-payment of \$14,400 (calculated as 18% of the first \$80,000 of corrective action costs).

Mr. Gastineau reported that Mr. Grimm's prior Groundwater Professional and the DNR project manager have looked at different options for addressing the risks presented by the contamination. Remedial actions may include a waterline replacement and actions to remove contamination near a neighbor's basement. The estimated costs to address the risks are in the range of \$200,000 to \$350,000.

Mr. Gastineau stated the reason this is coming before the Board is the issue regarding the private insurance settlement. He noted uncertainty of the exact terms of the settlement and how the settlement money was intended to be used. He also noted that his understanding was that the settlement was largely to be used for environmental work. The Fund Administrator has requested documentation of what the environmental work was completed and has since received documents showing in part a check register that shows they paid an environmental company but there is no details as to what work was completed. He also noted that some of the settlement may have been used to settle a complaint with the neighbor who was directly affected by the contamination.

Mr. Spurgeon reported that none of the settlement money was paid to the neighbor as that was addressed in a separate lawsuit.

Mr. Steward stated that the primary issue is the UST Funds kick in secondary to insurance and there was a settlement here that indicates that not all of the insurance was used for environmental purposes and there doesn't appear to be insurance funds left. He asked, "Does the UST Fund want to make this site eligible for benefits notwithstanding the fact that there was an insurance settlement and not all the proceeds went towards the environmental issue, that it would become Fund eligible?"

Mr. Spurgeon clarified that the insurance settlement was not earmarked solely for environmental cleanup. Due to the length of time this has taken, some of the money has been used for operation expenses and the environmental reporting during that time.

In consideration of the matter, the Board wanted confirmation that Mr. Grimm is able to cover upfront, the reinstatement costs as well as the copayment which would total approximately \$18,322 to become eligible and to fully cooperate to get the work done in a timely manner. Mr. Spurgeon confirmed that Mr. Grimm would be able to pay upfront if he knew that the site would be eligible for benefits.

The Board stated that the administrative order penalty would also need to be paid and the site would need to be in compliance with Iowa DNR prior to being eligible.

Mr. Steward stated the Board has legal discretion to work with the Iowa DNR to clean up a site even if the site is not eligible for benefits. It has consistently used that during the duration of the Fund. Mr. Gastineau reported that Iowa DNR has about 400 open LUST sites. Of those, he estimated that less than 10 of the remaining LUST sites that may be eligible had private insurance and of those, only a few are thought to have had an insurance settlement.

Mr. Steward stated that as the council for the Board, he has no problem in negotiating with a party. He also stated that if a resolution was made, he could communicate that with the Board outside of a meeting but approval by vote of the resolution would have to be made at a Board meeting.

Motion by Mr. Beech to give Mr. Steward the authority to visit with Mr. Grimm and council about a possible settlement to allow them to obtain Fund benefits with the parameters of

reinstatement fees, copayment and communication with Iowa DNR regarding the administrative penalty to get this site cleaned up. Seconded by Mr. Gartin.

Some Board members feel that this may set a precedence and may has the appearance of "double dipping". Mr. Beech would like to amend the motion to include asking the Claimant for more details on how the insurance settlement money was spent. Seconded by Mr. Gartin. Motion carried unanimously.

Motion by Ms. Andeweg to adjourn the meeting. Seconded by Mr. Hall. Motion carries unanimously.

Meeting adjourned at 11:18 am

Respectfully Submitted by

A handwritten signature in blue ink, appearing to read "J. R. Gastineau", written in a cursive style.

James R. Gastineau
Administrator

Closed Session

Discussion of Pending and Imminent Litigation

Public Comment

Board Issues

A. Proposed Legislation



IOWA UNDERGROUND STORAGE TANK FUND

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MEMORANDUM

TO: UST Board Members
FROM: James R. Gastineau
DATE: October 13, 2020
SUBJECT: Proposed 2021 Legislation

The Iowa UST Fund Board submitted language during the 2020 legislative session which was intended to provide an avenue to create the Iowa Tanks Financing Program under the control of the Iowa Department of Natural Resources while ending the existing UST Fund Board and the Iowa UST Fund Program. The original legislation was modified during the session and was last considered as House File 2622, but was not acted upon during the extended session.

In an effort to continue the approach to create a new Iowa Tanks Financing Program while allowing the existing program to end, it is recommended the Board authorize submission of the language structured as HF 2622 as a pre-filed bill for the 2021 legislative session.

House File 2622 - Introduced

HOUSE FILE 2622

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 2494)

(SUCCESSOR TO HSB 606)

(COMPANION TO SF 2401 BY

COMMITTEE ON APPROPRIATIONS)

A BILL FOR

1 An Act relating to underground storage tanks, including by
2 creating the Iowa tanks fund and Iowa tanks fund financing
3 program, repealing the Iowa comprehensive petroleum
4 underground storage tank fund, and eliminating the Iowa
5 comprehensive petroleum underground storage tank fund
6 board, requiring a study, and including effective date and
7 transition provisions.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

IOWA TANKS FUND

Section 1. Section 455B.471, subsection 1, Code 2020, is amended by striking the subsection.

Sec. 2. Section 455B.471, Code 2020, is amended by adding the following new subsections:

NEW SUBSECTION. 1A. "*Claimant*" means an owner or operator who has received assistance under the Iowa tanks fund or its predecessor, the Iowa comprehensive petroleum underground storage tank fund created in section 455G.3, Code 2019.

NEW SUBSECTION. 1B. "*Community remediation*" means a curriculum of coordinated testing, planning, or remediation involving two or more tank sites potentially connected with a continuous contaminated area, pursuant to rules adopted by the commission under section 455B.474. A community remediation does not expand the scope of coverage otherwise available or relieve liability otherwise imposed under state or federal law.

NEW SUBSECTION. 2A. "*Costs*" means all costs, charges, expenses, or other indebtedness incurred by a claimant that are determined by the department to be reasonable for carrying out all works and undertakings necessary or incidental to the accomplishment of any project. "*Costs*" includes reasonable attorney fees and costs of litigation for which moneys are expended from the fund in connection with a release.

NEW SUBSECTION. 3A. "*Insurance*" means any form of financial assistance or showing of financial responsibility sufficient to comply with the federal Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq., or the department's underground storage tank financial responsibility rules.

NEW SUBSECTION. 7A. "*Potentially responsible party*" means a person who may be responsible or liable for a release for which payments from the fund were made for corrective action or third-party liability.

NEW SUBSECTION. 7B. "*Program*" means the Iowa tanks fund financing program created pursuant to section 455B.472A.

1 NEW SUBSECTION. 10A. *“Third-party liability”* means any of
2 the following:

3 a. Property damage including physical injury to tangible
4 property, but not including loss of use. Property damage does
5 not include costs to remediate.

6 b. Bodily injury including sickness, physical injury, or
7 death.

8 Sec. 3. Section 455B.471, subsection 3, Code 2020, is
9 amended to read as follows:

10 3. *“Fund”* means the Iowa ~~comprehensive petroleum underground~~
11 ~~storage tank tanks~~ fund created in section 455B.472A.

12 Sec. 4. Section 455B.472, Code 2020, is amended to read as
13 follows:

14 **455B.472 Declaration of policy.**

15 The general assembly finds that the release of regulated
16 substances from underground storage tanks constitutes a
17 threat to the public health and safety and to the natural
18 resources of the state, and that existing regulatory programs
19 of the department and other agencies do not adequately or
20 appropriately address this substantial public concern.

21 Additionally, the general assembly recognizes that because the
22 appropriation of moneys to the Iowa comprehensive petroleum
23 underground storage tank fund created in section 455G.3, Code
24 2019, ended on December 31, 2016, it is in the public interest
25 to expeditiously use any remaining moneys from the Iowa
26 comprehensive petroleum underground storage tank fund to assist
27 as many owners as possible with financing all or part of the
28 costs of corrective action for petroleum releases from leaking
29 underground storage tanks through the establishment of the Iowa
30 tanks fund financing program. The financing program shall last
31 as long as moneys remain available, and the general assembly
32 recognizes that moneys available for the financing program will
33 eventually be depleted.

34 Sec. 5. NEW SECTION. **455B.472A Iowa tanks fund financing**
35 **program — fund created.**

1 1. The department shall establish and administer an Iowa
2 tanks fund financing program for the purpose of reimbursing
3 eligible claimants for all or part of the costs of corrective
4 action for petroleum releases previously eligible for payment
5 from the Iowa comprehensive petroleum underground storage tank
6 fund pursuant to chapter 455G, Code 2019.

7 2. The department shall distribute financial assistance, up
8 to one million dollars total, for work conducted by eligible
9 entities that comply with the requirements of the program. The
10 department shall determine if work completed is eligible for
11 reimbursement under the program.

12 3. The department may enter into and provide any agreements,
13 documents, instruments, certificates, data, or information
14 necessary in connection with the operation, administration, and
15 financing of the program consistent with this part, the federal
16 Resource Conservation and Recovery Act, 42 U.S.C. §6901 et
17 seq., the rules of the commission, and other applicable federal
18 and state law.

19 4. The department may act to conform the program to the
20 applicable guidance and regulations adopted by the United
21 States environmental protection agency.

22 5. The Iowa tanks fund is created in the state treasury
23 under the control of the department. The fund shall consist
24 of moneys appropriated or transferred to the fund, interest
25 attributable to moneys in the fund, moneys in the form of
26 a devise, gift, bequest, donation, federal or other grant,
27 reimbursement, repayment, judgment, or payment from any source
28 intended to be used for the purposes of the fund, all receipts
29 by the fund, and any other moneys credited to the fund from any
30 public or private source. Notwithstanding section 8.33, any
31 moneys in the fund shall not revert to the general fund of the
32 state. Notwithstanding section 12C.7, subsection 2, interest
33 or earnings on moneys in the fund shall be credited to the
34 fund.

35 6. The department shall administer the fund to carry out

1 the purposes of the program and shall manage the revenue,
2 administration, restrictions, and disposition of the fund.

3 7. Moneys in the fund shall be used to reimburse tank owners
4 for all or part of the costs of a corrective action for a
5 petroleum release and for permanent closure of an underground
6 storage tank system under the program, for additional
7 assessment and corrective action arising out of releases at
8 sites for which a certificate of no further action has been
9 issued, for tank operator training, and for administrative
10 costs of the department associated with the program.

11 8. *a.* For the fiscal year beginning July 1, 2021, and for
12 each fiscal year thereafter through the fiscal year beginning
13 July 1, 2026, two hundred fifty thousand dollars per year of
14 the moneys in the fund are appropriated to the department of
15 agriculture and land stewardship for the sole and exclusive
16 purpose of inspecting fuel quality at pipeline terminals and
17 renewable fuel production facilities, including associated
18 salaries, support, maintenance, and miscellaneous purposes.

19 *b.* Notwithstanding section 8.33, moneys appropriated in this
20 subsection that remain unencumbered or unobligated at the close
21 of a fiscal year shall not revert but shall remain available
22 for expenditure for the purposes designated until the close of
23 the succeeding fiscal year.

24 9. Moneys in the fund are not considered part of the general
25 fund of the state and are not subject to appropriation for any
26 other purpose by the general assembly. The fund is a separate
27 dedicated fund under the administration and control of the
28 department.

29 10. Payments for reimbursement or other costs relating to
30 any claim or cause of action in connection with a tank not
31 owned or operated by the state or an agency of the state shall
32 be made solely from the fund and no liability is otherwise
33 imposed upon the state. Moneys from the fund are limited
34 to the extent of coverage provided by the applicable account
35 within the fund under which a claim is submitted, subject

1 to the terms and conditions of that coverage. A court, an
2 administrative law judge, the department, or the commission
3 shall not order or approve a remedy that would require the
4 fund to exceed the fund's then current funding limitations to
5 satisfy an award or that would restrict the availability of
6 moneys for higher priority sites. The state is not otherwise
7 liable for a claim related to the fund and moneys from the
8 general fund shall not be used to pay for reimbursement
9 or other costs relating to any claim or cause of action in
10 connection with a tank not owned or operated by the state or an
11 agency of the state.

12 Sec. 6. NEW SECTION. **455B.472B Cost recovery enforcement.**

13 1. *Full recovery sought by department.* The department
14 may seek full recovery from an owner, operator, or other
15 potentially responsible party liable for a release that is the
16 subject of a corrective action for which moneys from the fund
17 are expended, or for which moneys from the Iowa comprehensive
18 petroleum underground storage tank fund created in section
19 455G.3, Code 2019, were expended, including for third-party
20 liability and for all other costs. If federal cleanup moneys
21 are recovered, the federal cleanup moneys shall be used solely
22 for the purpose of future cleanup activities.

23 2. *Limitation of liability of owner or operator.* Except
24 as provided in subsection 3, the department shall not seek
25 recovery for expenses in connection with corrective action for
26 a release from an owner or operator eligible for assistance
27 under the program, except for any unpaid portion of the
28 deductible or copayment. This section does not affect any
29 authorization of the department to impose or collect civil or
30 administrative fines, penalties, or fees. Moneys from the fund
31 shall not be used to pay for any third-party liability.

32 3. *Owner or operator not in compliance.* Notwithstanding
33 subsection 2, the liability of an owner or operator shall be
34 the full and total costs of corrective action and bodily injury
35 or property damage to third parties, as specified in subsection

1 1, if the owner or operator has not complied with the financial
2 responsibility or other underground storage tank rules of the
3 department or with this part or rules adopted under this part.

4 4. *Lien on tank site.* Any amount for which an owner or
5 operator is required to pay to the fund by statute, rule,
6 contract, or determination of liability by the department after
7 hearing, if not paid when due, shall constitute a lien upon the
8 real property where the tank that was the subject of corrective
9 action is located, and the payment shall be collected in the
10 same manner as the environmental protection charge pursuant to
11 section 424.11, Code 2016.

12 5. *Joinder of parties.* The department has standing in
13 any case or contested action related to the fund or a tank
14 to assert any claim that the department may have regarding
15 the tank at issue in the case or contested action. Upon
16 motion and sufficient showing by a party to a cost recovery or
17 subrogation action provided for under this section, the court
18 or the administrative law judge shall join to the action any
19 potentially responsible party who may be liable for costs and
20 expenditures of the type recoverable pursuant to this section.

21 6. *Third-party contracts.* An insurance, indemnification,
22 hold-harmless, conveyance, or similar risk-sharing or
23 risk-shifting agreement shall not be effective to transfer
24 any liability for costs recoverable under this section. The
25 department may proceed directly against the owner, operator, or
26 other potentially responsible party. This section does not bar
27 any agreement to insure, hold harmless, or indemnify a party to
28 the agreement for any costs or expenditures under this part,
29 and does not modify rights between the parties to an agreement,
30 except to the extent the agreement shifts liability to an owner
31 or operator eligible for assistance under the program for any
32 damages or other costs in connection with a corrective action
33 for which another potentially responsible party is or may be
34 liable. Any such provision is void and of no further force and
35 effect.

1 7. *Later proceedings permitted against other parties.* The
2 entry of judgment against a party to the action does not
3 bar a future action by the department against another person
4 who is later alleged to be or discovered to be liable for
5 costs and expenditures paid from the fund. Notwithstanding
6 section 668.5, a potentially responsible party shall not seek
7 contribution or any other recovery from an owner or operator
8 eligible for assistance under the program for damages or other
9 costs in connection with corrective action for a release for
10 which the potentially responsible party is or may be liable.
11 Subsequent successful proceedings against another party shall
12 not modify or reduce the liability of a party against whom
13 judgment has been previously entered.

14 8. *Claims against potentially responsible parties.*

15 a. Upon payment from the fund for corrective action or
16 third-party liability pursuant to this part, the rights of the
17 claimant to recover payment from any potentially responsible
18 party are assumed by the department to the extent paid from the
19 fund. A claimant shall not receive double compensation for the
20 same injury.

21 b. In an action brought pursuant to this part seeking
22 damages for corrective action or third-party liability, the
23 court shall allow evidence and argument as to the replacement
24 or indemnification of actual economic losses incurred or to be
25 incurred in the future by the claimant by reason of insurance
26 benefits, governmental benefits or programs, or other sources.

27 c. A claimant may elect to authorize the department
28 to pursue the claimant's cause of action for any injury
29 not compensated from the fund against any potentially
30 responsible party, provided the attorney general determines
31 such representation would not be a conflict of interest. If
32 a claimant so elects, the department's litigation expenses
33 shall be shared on a pro rata basis with the claimant, but the
34 claimant's share of litigation expenses is payable exclusively
35 from any share of the settlement or judgment payable to the

1 claimant.

2 9. *Exclusion of punitive damages.* Moneys from the fund
3 shall not be used to pay punitive damages.

4 Sec. 7. NEW SECTION. 455B.472C Discretionary rulemaking.

5 1. The commission may adopt rules pursuant to chapter
6 17A conditioning receipt of moneys from the fund to those
7 petroleum-contaminated properties that present a higher degree
8 of risk to the public health and safety or the environment and
9 providing for denial of moneys from the fund to a person who
10 did not make a good-faith attempt to comply with this part.
11 This subsection does not confer a legal right to an owner of a
12 petroleum-contaminated property, or an owner or operator of an
13 underground storage tank located on the property, for receipt
14 of moneys under this part.

15 2. The commission may adopt rules pursuant to chapter
16 17A providing for the transfer of all or a portion of the
17 liabilities relating to the fund. Notwithstanding any other
18 provision to the contrary, the department, upon such transfer,
19 shall not maintain any duty to reimburse claimants for those
20 liabilities transferred.

21 Sec. 8. Section 455B.474, subsection 1, paragraph a,
22 subparagraph (6), subparagraph divisions (g), (i), and (j),
23 Code 2020, are amended to read as follows:

24 (g) An owner or operator may elect to proceed with
25 additional corrective action on the site. However, any
26 action taken in addition to that required pursuant to this
27 subparagraph (6), shall be solely at the expense of the owner
28 or operator and shall not be considered corrective action
29 for purposes of [section 455G.9 455B.472A](#), unless otherwise
30 previously agreed to by the ~~board~~ department and the owner or
31 operator pursuant to [section 455G.9, subsection 7 455B.472A](#).
32 Corrective action taken by an owner or operator due to the
33 department's failure to meet the time requirements provided in
34 subparagraph division (e) shall be considered corrective action
35 for purposes of [section 455G.9 455B.472A](#).

1 (i) Replacement or upgrade of a tank on a site classified
2 as a high or low risk site shall be equipped with a secondary
3 containment system with monitoring of the space between the
4 primary and secondary containment structures or other ~~board~~
5 ~~approved~~ tank system or methodology approved by the department.

6 (j) The commission and the ~~board~~ department shall cooperate
7 to ensure that remedial measures required by the corrective
8 action rules adopted pursuant to this subparagraph (6) are
9 reasonably cost-effective and shall, to the fullest extent
10 possible, avoid duplicating and conflicting requirements.

11 Sec. 9. Section 455B.474, subsection 2, unnumbered
12 paragraph 1, Code 2020, is amended to read as follows:

13 The maintenance of evidence of financial responsibility as
14 the director determines to be feasible and necessary for taking
15 corrective action and for compensating third parties for bodily
16 injury and property damage caused by release of a regulated
17 substance from ~~an underground storage~~ a tank.

18 Sec. 10. Section 455B.474, subsection 9, paragraph d, Code
19 2020, is amended to read as follows:

20 *d.* The certification of groundwater professionals shall not
21 impose liability on ~~the board~~, the department, or the fund for
22 any claim or cause of action of any nature, based on the action
23 or inaction of a groundwater professional certified pursuant
24 to this subsection.

25 Sec. 11. Section 455B.474, Code 2020, is amended by adding
26 the following new subsection:

27 NEW SUBSECTION. 11. Department practices and procedures
28 for implementing and administering the Iowa tanks fund
29 financing program. The rules shall include but are not limited
30 to requirements for program eligibility, investigating and
31 settling claims made against the fund, appeal procedures,
32 community remediation, prioritization of fund moneys,
33 funding for tank operator training, additional assessment
34 and corrective action arising out of releases at sites for
35 which a certificate of no further action has been issued, and

1 reimbursement for the permanent closure of an underground
2 storage tank system.

3 Sec. 12. Section 455B.477, subsection 7, Code 2020, is
4 amended to read as follows:

5 7. ~~The civil penalties or other damages or moneys recovered~~
6 ~~by the state or the petroleum underground storage tank fund~~
7 ~~in connection with a petroleum underground storage tank under~~
8 ~~this part of this division or chapter 455G shall be credited~~
9 ~~to the fund created in section 455G.3 and allocated between~~
10 ~~fund accounts according to the fund budget.~~ Any federal
11 moneys, including but not limited to federal underground
12 storage tank trust fund moneys, received by the state or the
13 department of natural resources in connection with a release
14 occurring on or after May 5, 1989, or received generally for
15 underground storage tank programs on or after May 5, 1989,
16 shall be credited to the fund created in section ~~455G.3~~ and
17 ~~allocated between fund accounts according to the fund budget~~
18 455B.472A, unless such use would be contrary to federal law.
19 The department shall ~~cooperate with the board of the Iowa~~
20 ~~comprehensive petroleum underground storage tank fund to~~
21 maximize the state's eligibility for and receipt of federal
22 funds for underground storage tank related purposes.

23 Sec. 13. EFFECTIVE DATE. This division of this Act takes
24 effect July 1, 2021.

25 DIVISION II

26 CONFORMING CHANGES

27 Sec. 14. Section 68B.35, subsection 2, paragraph e, Code
28 2020, is amended to read as follows:

29 e. Members of the state banking council, the Iowa ethics
30 and campaign disclosure board, the credit union review board,
31 the economic development authority, the employment appeal
32 board, the environmental protection commission, the health
33 facilities council, the Iowa finance authority, the Iowa public
34 employees' retirement system investment board, the board of
35 the Iowa lottery authority, the natural resource commission,

1 the board of parole, ~~the petroleum underground storage tank~~
2 ~~fund board~~, the public employment relations board, the state
3 racing and gaming commission, the state board of regents, the
4 transportation commission, the office of consumer advocate, the
5 utilities board, the Iowa telecommunications and technology
6 commission, and any full-time members of other boards and
7 commissions as defined under [section 7E.4](#) who receive an annual
8 salary for their service on the board or commission. The Iowa
9 ethics and campaign disclosure board shall conduct an annual
10 review to determine if members of any other board, commission,
11 or authority should file a statement and shall require the
12 filing of a statement pursuant to rules adopted pursuant to
13 chapter 17A.

14 Sec. 15. Section 159A.11, subsection 10, Code 2020, is
15 amended by striking the subsection.

16 Sec. 16. Section 159A.13, subsection 6, Code 2020, is
17 amended by striking the subsection.

18 Sec. 17. Section 159A.14, subsection 2, Code 2020, is
19 amended to read as follows:

20 2. A person may apply to the department to receive financial
21 incentives on a cost-share basis. The department shall forward
22 the applications ~~to the underground storage tank fund board as~~
23 ~~required by that board for evaluation and recommendation. The~~
24 ~~underground storage tank fund board may rank the applications~~
25 ~~with comments and shall forward them~~ to the infrastructure
26 board for approval or disapproval. The department shall award
27 financial incentives on a cost-share basis to an eligible
28 person whose application was approved by the infrastructure
29 board.

30 Sec. 18. Section 159A.15, subsection 1, Code 2020, is
31 amended to read as follows:

32 1. A person may apply to the department to receive financial
33 incentives on a cost-share basis. The department shall forward
34 the applications ~~to the underground storage tank fund board as~~
35 ~~required by that board for evaluation and recommendation. The~~

1 ~~underground storage tank fund board may rank the applications~~
2 ~~with comments and shall forward them~~ to the infrastructure
3 board for approval or disapproval. The department shall award
4 financial incentives on a cost-share basis to an eligible
5 person whose application was approved by the infrastructure
6 board.

7 Sec. 19. Section 323.1, subsection 16, Code 2020, is amended
8 to read as follows:

9 16. "*Storage tank*" means a motor fuel storage tank as
10 defined in [section 214.1](#), including an underground storage tank
11 subject to regulation under chapter ~~455G~~ 455B, division IV,
12 part 8, or section 455G.31.

13 Sec. 20. Section 422.7, subsection 2, paragraph u, Code
14 2020, is amended by striking the paragraph.

15 Sec. 21. Section 455B.174, subsection 4, paragraph d, Code
16 2020, is amended to read as follows:

17 *d.* If a public water supply has a groundwater source
18 that contains petroleum, a fraction of crude oil, or their
19 degradation products, or is located in an area deemed by the
20 department as likely to be contaminated by such materials, and
21 after consultation with the public water supply system and
22 consideration of all applicable rules relating to remediation,
23 the department may require the public water supply system to
24 replace that groundwater source in order to receive a permit
25 to operate. The requirement to replace the source shall only
26 be made by the department if the public water supply system
27 is fully compensated for any additional design, construction,
28 operation, and monitoring costs ~~from the Iowa comprehensive~~
29 ~~petroleum underground storage tank fund created by chapter~~
30 ~~455G~~ or from any other funds that do not impose a financial
31 obligation on the part of the public water supply system.
32 Funds available to or provided by the public water supply
33 system may be used for system improvements made in conjunction
34 with replacement of the source. The department cannot require
35 a public water supply system to replace its water source with a

1 less reliable water source or with a source that does not meet
2 federal primary, secondary, or other health-based standards
3 unless treatment is provided to ensure that the drinking water
4 meets these standards. Nothing in this paragraph shall affect
5 the public water supply system's right to pursue recovery from
6 a responsible party.

7 Sec. 22. Section 455E.11, subsection 2, paragraph d,
8 subparagraph (3), Code 2020, is amended by striking the
9 subparagraph.

10 Sec. 23. Section 455I.2, subsection 5, paragraph a, Code
11 2020, is amended to read as follows:

12 a. A federal or state program that is subject to the
13 jurisdiction of an agency, including but not limited to
14 programs established by ~~chapters~~ chapter 455B and ~~455C~~,
15 corrective or response actions pursuant to 42 U.S.C. §6901 et
16 seq., and remedial actions under 42 U.S.C. §9601 et seq.

17 Sec. 24. EFFECTIVE DATE. This division of this Act takes
18 effect July 1, 2021.

19 DIVISION III

20 FUEL TESTING STUDY

21 Sec. 25. FUEL TESTING AND LABORATORY NEEDS STUDY.

22 1. The department of agriculture and land stewardship
23 shall conduct a study regarding the long-term future fuel
24 testing needs in Iowa and how to maximize and leverage the
25 Iowa central fuel testing laboratory located at Iowa central
26 community college. The department may consider any matter
27 that it determines to be relevant, including but not limited
28 to the weights and measures bureau's testing needs for fuel
29 inspection, cost analysis for future growth and laboratory
30 equipment, and related support services for both the petroleum
31 and renewable fuel industry in Iowa, which may be administered
32 through a grant program.

33 2. The department may consult with Iowa central community
34 college and shall seek comments from persons and fuel industry
35 leaders in Iowa who have an interest in the Iowa central fuel

1 testing laboratory.

2 3. The department shall submit a report regarding the study,
3 including findings and recommendations, to the governor and
4 general assembly not later than December 15, 2020. The report
5 may include proposed legislation determined by the department
6 to be necessary or desirable.

7 DIVISION IV

8 REPEAL AND TRANSITION

9 Sec. 26. NEW SECTION. 427B.23 Future repeal.

10 This subchapter is repealed July 1, 2021. All credits
11 existing upon repeal of this subchapter shall continue until
12 their expiration.

13 Sec. 27. NEW SECTION. 455G.22A Claims not eligible.

14 A claim for a release filed on or after January 1, 2021,
15 shall not be eligible for payment from the fund.

16 Sec. 28. NEW SECTION. 455G.22B Future repeal.

17 This subchapter is repealed July 1, 2021.

18 Sec. 29. TRANSITION PROVISIONS.

19 1. Upon repeal of chapter 455G, subchapter 1, and the
20 creation of the Iowa tanks fund pursuant to section 455B.472A,
21 as enacted in this Act, all moneys in all funds administered by
22 the Iowa comprehensive petroleum underground storage tank fund
23 board are transferred to the department of natural resources
24 for deposit in the Iowa tanks fund. Any moneys credited to
25 any fund administered by the Iowa comprehensive petroleum
26 underground storage tank fund board on and after July 1, 2021,
27 are transferred to the department for deposit in the Iowa tanks
28 fund.

29 2. Any rule, regulation, form, order, or directive
30 promulgated by the Iowa comprehensive petroleum underground
31 storage tank fund board as required to administer and enforce
32 the provisions relating to the Iowa comprehensive petroleum
33 underground storage tank fund shall continue in full force
34 and effect under the jurisdiction of the department of
35 natural resources until amended, repealed, or supplemented by

1 affirmative action of the department.

2 3. The Iowa comprehensive petroleum underground storage
3 tank fund board shall administratively close or terminate
4 any remaining liabilities, contracts, outstanding claims,
5 payments, or other obligations for open comprehensive petroleum
6 underground storage tank fund claims existing on or before June
7 30, 2021.

8 4. The department of natural resources may begin
9 implementation of this Act prior to July 1, 2021, to the
10 extent necessary to transition to full implementation of the
11 provisions relating to the Iowa tanks fund and repeal of the
12 Iowa comprehensive petroleum underground storage tank fund.

13 EXPLANATION

14 The inclusion of this explanation does not constitute agreement with
15 the explanation's substance by the members of the general assembly.

16 Currently, the Iowa comprehensive petroleum underground
17 storage tank fund exists under the control of the Iowa
18 comprehensive petroleum underground storage tank fund board.
19 The Iowa comprehensive petroleum underground storage tank fund
20 contains an account with moneys available to fund corrective
21 action for petroleum releases. The Iowa comprehensive
22 petroleum underground storage tank fund also contains a loan
23 guarantee account and a marketability fund.

24 This bill repeals the Iowa comprehensive petroleum
25 underground storage tank fund and eliminates the Iowa
26 comprehensive petroleum underground storage tank fund board
27 on July 1, 2021. The bill requires the department of natural
28 resources (department) to establish and administer the Iowa
29 tanks fund financing program to distribute financial assistance
30 for work conducted by eligible entities. The bill creates the
31 Iowa tanks fund within the state treasury under the control of
32 the department and requires the department to administer the
33 fund. The bill appropriates \$250,000 per year from the fund to
34 the department of agriculture and land stewardship (DALs) for
35 the fiscal year beginning July 1, 2021, and each fiscal year

1 thereafter through the fiscal year beginning July 1, 2026, to
2 inspect fuel quality at terminals and facilities. The program
3 allows a claimant who has previously received assistance
4 under the Iowa tanks fund or the Iowa comprehensive petroleum
5 underground storage tank fund to receive reimbursement from
6 the Iowa tanks fund for all or part of the costs of corrective
7 action for a petroleum release. The bill allows for cost
8 recovery efforts from potentially responsible parties when
9 moneys from the Iowa tanks fund are used during the cleanup
10 of contamination at a tank site. The bill directs the
11 environmental protection commission to adopt rules for program
12 eligibility, investigating and settling claims made against the
13 fund, appeal procedures, community remediation, prioritization
14 of fund moneys, funding for tank operator training, additional
15 assessment and corrective action arising out of a release at a
16 site for which a no further action certificate has been issued,
17 and reimbursement for the permanent closure of an underground
18 storage tank system. The bill provides that claims for
19 releases filed on or after January 1, 2021, are not eligible
20 for payment from the Iowa comprehensive petroleum underground
21 storage tank fund.

22 The bill requires DALS to conduct a study regarding the
23 long-term future fuel testing needs in Iowa and how to maximize
24 and leverage the Iowa central fuel testing laboratory located
25 at Iowa central community college. The bill requires DALS to
26 submit a report regarding the study to the governor and general
27 assembly not later than December 15, 2020.

28 The bill includes transition provisions retaining the
29 effectiveness of rules, regulations, forms, orders, or
30 directives promulgated by the Iowa comprehensive petroleum
31 underground storage tank fund board until amended, repealed,
32 or supplemented by affirmative action of the department. Any
33 moneys credited to the Iowa comprehensive petroleum underground
34 storage tank fund on and after July 1, 2021, are transferred to
35 the department for deposit in the Iowa tanks fund.

H.F. 2622

1 The divisions of the bill establishing the Iowa tanks fund
2 and making conforming Code changes take effect July 1, 2021.

B. UST Operator Training Reimbursement Agreements



IOWA UNDERGROUND STORAGE TANK FUND

Board Members:

Douglas M. Beech, *Chairperson*

Michael L. Fitzgerald

Timothy L. Gartin

Joseph D. Barry

Dawn M. Carlson

Jeff. W. Robinson

Karen E. Andeweg

James R. Gastineau, *Administrator*

Kayla Lyon

MEMORANDUM

TO: UST Board Members
FROM: James Gastineau
DATE: October 15, 2020
SUBJECT: USTCA Operator Training Reimbursement, Re-authorization

Since 2010, the Board has administered a program to provide UST operator training classes to the regulated public to help them comply with the State regulations for operating a UST facility. Assistance is provided through a reimbursement process available to the State approved vendors that provide training directly to UST operators. Reimbursement agreements are now in place with 5 vendors. Since the program inception, 3,641 individuals have been trained as a Class A / B UST Operator; this is an increase of 79 since October 2019.

Recommendation

It is requested the Board authorize an additional one year extension of the reimbursement agreements for the training of Class A and B UST Operators at the current reimbursement rate of \$100 for a person trained as both a Class A and B Operator. This will allow training through December 31, 2021.

**C. Reauthorization: Environmental
Support Services Contracts**



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

James R. Gastineau, *Administrator*

Board Members:

Michael L. Fitzgerald

Joseph D. Barry

Jeff. W. Robinson

Kayla Lyon

Timothy L. Gartin

Dawn M. Carlson

Karen E. Andeweg

MEMORANDUM

TO: UST Board Members
 FROM: James R. Gastineau
 DATE: October 13, 2020
 SUBJECT: Environmental Support Services Contracts

The Board, in conjunction with the Department of Natural Resources (DNR) entered a 28E to implement legislation regarding sites which have attained a No Further Action (NFA) certificate and where the DNR has requested additional actions to assess conditions which may have arisen out of releases for which the NFA certificate was issued. Per the agreement, the Board retained the services of two contractors to complete work on the selected sites. The vendor agreements, signed in 2016, have been extend 4 times and expire in January 2021. The Board has the option to renew the agreements for up to one additional 12-month period.

Recommendation:

We recommend the Board authorize extension of the contractor agreements using the final allowable extension for work continue to January 14, 2022.

In addition, it is requested the Board authorize the Administrator to issue a new RFP seeking contractors for future work beyond January 2022.

Summary:

Re-opened projects (to date):	90
Expenditures, Re-opened projects (since inception):	\$2,281,758
Re-opened projects (open as of 10/13/20):	16
Re-opened projects (opened, last 12 months):	2
Reserve balance of Re-opened projects:	\$547,315

D. Remedial Claim; Grimm Oil

E. DNR Update

Approval of Program Billings



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

James R. Gastineau, *Administrator*

Board Members:

Michael L. Fitzgerald
Timothy L. Gartin

Joseph D. Barry
Dawn M. Carlson

Jeff. W. Robinson
Karen E. Andeweg

Kayla Lyon

MEMORANDUM

TO: UST Board Members
 FROM: James R. Gastineau
 DATE: October 15, 2020
 SUBJECT: Summary of Bills for Payment

NOTICE

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

1. Attorney General's Office (FY 2021)..... \$3,928.47
 Legal Services for UST Fund – September 2020

Previously submitted for payment:

2. Attorney General's Office (FY 2020)..... \$6,773.62
 Legal Services for UST Fund – July-August 2020

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

Invoice Date: 10/07/20

Buyer: Iowa UST Fund Program
502 E 9th St.
Des Moines, IA 50319
Attn: James Gastineau

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: September FY21

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

Document Number	Account Coding					Description	Amount
	Fund	Agency	Unit	Sub Unit	Rev Source		
112AG100720043	0001	112	2301		0302		\$ 3,928.47

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

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

Invoice Date: 09/09/20

Buyer: Iowa UST Fund Program
502 E 9th St.
Des Moines, IA 50319
Attn: James Gastineau

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

Services For: Assistant Attorneys General
Period of Service: July-August FY21

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

Document Number	Account Coding					Description	Amount
	Fund	Agency	Unit	Sub Unit	Rev Source		
112AG090920043	0001	112	2301		0302		\$ 6,773.62

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

Monthly Activity Report and Financials Reviewed

A. August 2020 Activities Report

IOWA UST FUND
ACTIVITES REPORT
AUGUST 31, 2020

	Open Claims		Open Claims	Open & Closed
Claims	July Ending	Monthly Changes	August Ending	Totals since Inception
RETROACTIVE				
number	2	0	2	447
reserve	\$ 85,548.91	(\$4,525.07)	\$ 81,023.84	\$ 81,023.84
paid	\$ 1,026,200.34	\$4,525.07	\$ 1,030,725.41	\$ 18,439,077.46
total	\$1,111,749.25	\$0.00	\$1,111,749.25	\$18,520,101.30
REMEDIAL				
number	35	0	35	4,464
reserve	\$ 2,009,991.48	(\$4,037.24)	\$ 2,005,954.24	\$ 2,005,954.24
paid	\$ 10,579,646.00	\$4,037.24	\$ 10,583,683.24	\$ 224,092,943.37
total	\$12,589,637.48	\$0.00	\$12,589,637.48	\$226,098,897.61
INNOCENT LANDOWNER				
number	23	1	24	1,158
reserve	\$ 1,911,942.77	\$24,273.76	\$ 1,936,216.53	\$ 1,936,216.53
paid	\$ 3,001,657.23	\$140,726.24	\$ 3,142,383.47	\$ 36,623,403.47
total	\$4,913,600.00	\$165,000.00	\$5,078,600.00	\$38,559,620.00
GLOBAL OPT-IN				
number	8	0	8	1,313
reserve	\$ 45,529.26	\$0.00	\$ 45,529.26	\$ 45,529.26
paid	\$ 63,970.74	\$0.00	\$ 63,970.74	\$ 9,991,205.39
total	\$109,500.00	\$0.00	\$109,500.00	\$10,036,734.65
UNASSIGNED REVENUE FUND PROJECTS				
number	39	1	40	391
reserve	\$ 846,071.66	(\$6,603.10)	\$ 839,468.56	\$ 839,468.56
paid	\$ 302,928.34	\$10,103.10	\$ 313,031.44	\$ 4,322,138.61
total	\$1,149,000.00	\$3,500.00	\$1,152,500.00	\$5,161,607.17
NFA RE-EVALUATIONS				
number	15	0	15	89
reserve	\$ 690,880.08	(\$7,222.45)	\$ 683,657.63	\$ 683,657.63
paid	\$ 910,619.92	\$7,222.45	\$ 917,842.37	\$ 2,170,436.72
total	\$1,215,000.00	\$386,500.00	\$1,601,500.00	\$2,854,094.35
TANK PULLS				
number	27	-3	24	759
reserve	\$322,304.00	(\$80,747.00)	\$241,557.00	\$ 241,557.00
paid	\$0.00	\$39,747.00	\$39747.00	\$ 9,114,698.36
total	\$322,304.00	(\$41,000.00)	\$281,304.00	\$9,356,255.36

Total Claims	(RT, RM, ILO, NFA)	76	(USTCA, TX)	64
Reserves	(RT, RM, ILO, GS, NFA)	\$ 4,752,381.50		\$ 1,081,025.56
Total Reserves	(all claim types)	\$ 5,833,407.06		

Operator Training			
A/B (all)	3,638	A/B (FY2011-20)	\$355,820

RT Claims	#
New	0
Reopened	0
Closed	0

RM Claims	#
New	0
Reopened	0
Closed	0

ILO Claims	#
New	1
Reopened	1
Closed	1

GS Claims	#
New	0
Reopened	0
Closed	0

USTCA	#
New	1
Reopened	0
Closed	0

NFA Re-Eval	#
New	0
Reopened	0
Closed	0

Tank Pull	#
New	1
Reopened	0
Closed	4

DNR: 08-03-2020	
Total LUST	6779
High Risk	226
Low Risk	104
NAR-FP	20
Not Class.	66
Open LUST	416

Invoice Type Totals	Aug-20	FYTD	Program to Date
Appropriations	\$ 18,139.46	\$ 80,893.67	
Government expenses	\$ 2,242.61	\$ 33,247.22	
2004 Tank Pull	\$ -	\$ -	\$1,761,823.44
2010 Tank Pull	\$ 89,807.60	\$ 104,807.60	\$9,393,883.51
American Soils	\$ -	\$ -	\$5,678,422.58
AST Removal/Upgrade	\$ -	\$ -	\$11,217,932.11
CADR Charges	\$ -	\$ -	\$4,708,703.72
Corrective Action	\$ 4,525.07	\$ 33,553.77	\$52,819,917.48
Expenses / OT	\$ 800.00	\$ 800.00	\$356,119.65
Free Prod Recover	\$ 4,872.60	\$ 8,205.60	\$12,813,282.66
Monitoring	\$ 8,413.75	\$ 24,928.75	\$35,142,945.91
Operations/Maint	\$ 1,326.00	\$ 1,326.00	\$10,844,474.05
Over-excavation	\$ 12,660.90	\$ 249,522.60	\$37,294,240.87
Water Lines	\$ -	\$ 61,426.50	\$3,547,318.96
Post RBCA Evals	\$ -	\$ -	\$258,858.41
RBCA	\$ 7,031.20	\$ 10,541.20	\$27,614,312.52
Remed Imp/Const.	\$ -	\$ -	\$32,655,420.50
SCR Charges	\$ -	\$ -	\$54,217,410.26
Site Check	\$ -	\$ -	\$142,486.32
Soil Disposal	\$ -	\$ -	\$738,386.66
Tank (UST) Pull	\$ -	\$ -	\$3,979,734.25
Tank (UST) Upgrade	\$ -	\$ -	\$3,440,849.83
Tier III	\$ -	\$ -	\$1,447,117.07
Utilities	\$ 11.24	\$ 11.24	\$2,303,293.08
Well Closure	\$ 1,348.00	\$ 4,548.00	\$4,512,950.93
Total Invoice Types	\$ 130,796.36	\$ 499,671.26	\$315,939,588.60

Remediation Budgets Approved to Date		
Last month (Aug '20)	0	\$0
Trailing 12 mos	6	\$311,715
Prev Trail 12 mos	5	\$619,169
Total Since Jan 2003	1,278	\$57,203,678

Project Contracts	Open	Closed	Pending
CRP's	1	44	0
Tank Closure	2	7	0
Plastic Water Line	0	2	0

Corrective Action Meetings		MOA's	489
Scheduled:	0	Completed:	1,349

B. September 2020 Activities Report

IOWA UST FUND
ACTIVITIES REPORT
SEPTEMBER 30, 2020

	Open Claims		Open Claims	Open & Closed
Claims	August Ending	Monthly Changes	September Ending	Totals since Inception
RETROACTIVE				
number	2	-1	1	447
reserve	\$ 81,023.84	(\$474.93)	\$ 80,548.91	\$ 80,548.91
paid	\$ 1,030,725.41	(\$239,274.32)	\$ 791,451.09	\$ 18,439,077.46
total	\$1,111,749.25	(\$239,749.25)	\$872,000.00	\$18,519,626.37
REMEDIAL				
number	35	0	35	4,464
reserve	\$ 2,005,954.24	(\$7,173.83)	\$ 1,998,780.41	\$ 1,998,780.41
paid	\$ 10,583,683.24	\$7,173.83	\$ 10,590,857.07	\$ 224,100,117.20
total	\$12,589,637.48	\$0.00	\$12,589,637.48	\$226,098,897.61
INNOCENT LANDOWNER				
number	24	1	24	1,158
reserve	\$ 1,936,216.53	(\$11,876.50)	\$ 1,924,340.03	\$ 1,924,340.03
paid	\$ 3,142,383.47	\$11,876.50	\$ 3,154,259.97	\$ 36,635,279.97
total	\$5,078,600.00	\$0.00	\$5,078,600.00	\$38,559,620.00
GLOBAL OPT-IN				
number	8	0	8	1,313
reserve	\$ 45,529.26	\$0.00	\$ 45,529.26	\$ 45,529.26
paid	\$ 63,970.74	\$0.00	\$ 63,970.74	\$ 9,991,205.39
total	\$109,500.00	\$0.00	\$109,500.00	\$10,036,734.65
UNASSIGNED REVENUE FUND PROJECTS				
number	40	1	41	392
reserve	\$ 839,468.56	\$17,328.96	\$ 856,797.52	\$ 856,797.52
paid	\$ 313,031.44	\$7,671.04	\$ 320,702.48	\$ 4,329,809.65
total	\$1,152,500.00	\$25,000.00	\$1,177,500.00	\$5,186,607.17
NFA RE-EVALUATIONS				
number	15	1	16	90
reserve	\$ 683,657.63	(\$136,342.01)	\$ 547,315.62	\$ 547,315.62
paid	\$ 917,842.37	\$111,342.01	\$ 1,029,184.38	\$ 2,281,778.73
total	\$1,601,500.00	(\$25,000.00)	\$1,576,500.00	\$2,829,094.35
TANK PULLS				
number	24	4	28	765
reserve	\$241,557.00	\$54,038.50	\$295,595.50	\$ 295,595.50
paid	\$39747.00	(\$11,537.50)	\$28209.50	\$ 9,129,698.36
total	\$281,304.00	\$42,501.00	\$323,805.00	\$9,425,293.86

Total Claims	(RT, RM, ILO, USTCA, TX)	76	64
Reserves	(RT, RM, ILO, GS, NFA)	\$ 4,596,514.23	\$ 1,152,393.02
Total Reserves	(all claim types)	\$ 5,748,907.25	

Operator Training		
A/B (all)	3,641 A/B (FY2011-20)	\$356,120

RT Claims	#
New	0
Reopened	0
Closed	1

RM Claims	#
New	0
Reopened	0
Closed	0

ILO Claims	#
New	0
Reopened	0
Closed	0

GS Claims	#
New	0
Reopened	0
Closed	0

USTCA	#
New	1
Reopened	0
Closed	0

NFA Re-Eval	#
New	1
Reopened	0
Closed	0

Tank Pull	#
New	6
Reopened	0
Closed	2

DNR: 10-12-2020	
Total LUST	6782
High Risk	221
Low Risk	103
NAR-FP	21
Not Class.	56
Open LUST	401

Invoice Type Totals	Sep-20	FYTD	Program to Date
Appropriations	\$ 18,139.46	\$ 80,893.67	
Government. expenses	\$ 2,242.61	\$ 33,247.22	
2004 Tank Pull	\$ -	\$ -	\$ 1,761,823.44
2010 Tank Pull	\$ 15,000.00	\$ 119,807.60	\$9,408,883.51
American Soils	\$ -	\$ -	\$5,678,422.58
AST Removal/Upgrade	\$ -	\$ -	\$11,217,932.11
CADR Charges	\$ -	\$ -	\$ 4,708,703.72
Corrective Action	\$ -	\$ 33,553.77	\$52,819,917.48
Expenses / OT	\$ 300.00	\$ 1,100.00	\$356,419.65
Free Prod Recover	\$ 3,418.04	\$ 11,623.64	\$12,816,700.70
Monitoring	\$ 21,502.50	\$ 46,431.25	\$35,164,448.41
Operations/Maint	\$ 1,245.75	\$ 2,571.75	\$10,845,719.80
Over-excavation	\$ 96,921.01	\$ 346,443.61	\$37,391,161.88
Water Lines	\$ -	\$ 61,426.50	\$3,547,318.96
Post RBCA Evals	\$ -	\$ -	\$258,858.41
RBCA	\$ 14,953.00	\$ 25,494.20	\$27,629,265.52
Remed Imp/Const.	\$ -	\$ -	\$32,655,420.50
SCR Charges	\$ -	\$ -	\$54,217,410.26
Site Check	\$ -	\$ -	\$142,486.32
Soil Disposal	\$ -	\$ -	\$738,386.66
Tank (UST) Pull	\$ -	\$ -	\$3,979,734.25
Tank (UST) Upgrade	\$ -	\$ -	\$3,440,849.83
Tier III	\$ -	\$ -	\$1,447,117.07
Utilities	\$ 23.08	\$ 34.32	\$2,303,316.16
Well Closure	\$ -	\$ 4,548.00	\$4,512,950.93
Total Invoice Types	\$ 153,363.38	\$ 653,034.64	\$316,092,951.98

Remedi		
Last month (Sep '20)	0	\$0
Trailing 12 mos	6	\$311,715
Prev Trail 12 mos	5	\$619,169
Total Since Jan 2003	1,278	\$57,203,678

Project Contracts	Open	Closed	Pending
CRP's	1	44	0
Tank Closure	2	7	0
Plastic Water Line	0	2	0

Corrective Action		MOA's	489
Scheduled:	0	Completed:	1,349

C. September 2020 Financial Report

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH
ENDING SEPTEMBER 30, 2020**

0471 - UST REVENUE FUND (Bonding)		\$5,439,856.98
Balance of Fund, July 1, 2020		
Receipts:		
Motor Vehicle Use Tax (IDOT - vehicle registration)	\$0.00	
Intra State Fund Transfers Received	\$0.00	
Interest Income	\$3,394.03	
	\$3,394.03	\$3,394.03
Disbursements:		
Adjustments	\$0.00	
Transfer to Unassigned Revenue Fund (0450)	\$0.00	
Transfer to Innocent Landowner Fund (0485)	\$0.00	
Transfer to Remedial Non-Bonding Fund (0208)	\$0.00	
	\$0.00	
Balance of Fund, September 30, 2020		\$5,443,251.01
0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)		\$2,360,849.82
Balance of Fund, July 1, 2020		
Receipts:		
Refund/Overpayment	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Interest Income	\$3,351.25	
	\$3,351.25	\$3,351.25
Disbursements:		
UST Administrator's Fees	\$0.00	
Adjustment	\$0.00	
Attorney General's Fees	\$6,773.62	
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$12.00	
Actuarial Fees	\$0.00	
Auditor of the State Fees	\$0.00	
Claim Settlement	\$0.00	
Department of Inspection & Appeals Service Fees	\$0.00	
Environmental Protection Charge Refunds	\$0.00	
Professional Services - Owner/Operator Training	\$0.00	
Special Project Claims - Closure Contract Project	\$10,891.04	
Travel Expenses-UST Board Members	\$0.00	
Statutory Transfer to DNR (Admin match)	\$0.00	
Statutory Transfer to DNR (tech review - recurring & carry over)	\$0.00	
Statutory Transfer to IDAL (fuel inspections - recurring & carry over)	\$20,972.27	
Outstanding Warrants	(\$11,135.12)	
Appropriation 2020	\$0.00	
Appropriation 2021	\$0.00	
	\$27,513.81	
Balance of Fund, September 30, 2020		\$2,336,687.26
0208 - UST REMEDIAL NON-BONDING FUND		\$2,466,149.21
Balance of Fund, July 1, 2020		
Receipts:		
Remedial Refunds	\$0.00	
Misc. Income (i.e. eligibility settlements)	\$0.00	
Interest Income	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
	\$0.00	\$0.00
Disbursements:		
Retroactive Claims	\$0.00	
Remedial Claims	\$7,173.83	
28E Agreement - NFA Claims	\$127,715.48	

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FOR THE MONTH
ENDING SEPTEMBER 30, 2020**

Tank Closure Claims (455G.9)	\$39,747.00	
Adjustment	\$0.00	
Balance of Outdated / Outstanding Warrants	(\$43,748.46)	
		\$130,887.85
Balance of Fund, September 30, 2020		\$2,335,261.36
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2020		\$272,564.30
Receipts:		
Interest	\$1,738.13	
Use Tax	\$0.00	
		\$1,738.13
Disbursements:		
Intra State Fund Transfer	\$0.00	
Transfer to Innocent Landowners Fund	\$0.00	
		\$0.00
Balance of Fund, September 30, 2020		\$274,302.43
0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, July 1, 2020		\$2,180,606.94
Receipts:		
Cost Recovery (i.e. lien settlements)	\$0.00	
Transfer From UST Revenue Fund (0471)	\$0.00	
Outdated Warrants	\$0.00	
Miscellaneous Income	\$0.00	
		\$0.00
Disbursements:		
Balance of Outstanding Warrants	\$0.00	
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	
Global Settlement Claims	\$0.00	
Innocent Landowner Claims	\$13,223.50	
Balance of Outstanding / Outdated Warrants	(\$9,614.50)	
		\$3,609.00
Balance of Fund, September 30, 2020		\$2,176,997.94
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, September 30, 2020		\$0.00
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Balance of Fund, September 30, 2020		\$0.00
Combined UST Capital Reserve Fund Balances, September 30, 2020		\$0.00
TOTAL FUND BALANCES, September 30, 2020		\$12,566,500.00

FOOTNOTES:

Note 1: All bond funds are \$0.00 (as of 8/31/08)

D. Year-to-Date Financials as of September 30, 2020

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE
ENDING SEPTEMBER 30, 2020

		FY 2021 BUDGET
		(APPROVED)
0471 - UST REVENUE FUND (Bonding)		
Balance of Fund, July 1, 2020	\$5,432,810.93	\$5,432,810.93
Receipts:		
Intra State Fund Transfers Received	\$0.00	\$0.00
Interest Income	\$10,440.08	\$90,000.00
	\$10,440.08	\$90,000.00
Disbursements:		
Adjustments	\$0.00	\$0.00
Transfer to Unassigned Revenue Fund (0450)	\$0.00	\$0.00
Transfer to Innocent Landowner Fund (0485)	\$0.00	\$500,000.00
Transfer to Remedial Non-Bonding Fund (0208)	\$0.00	\$1,000,000.00
	\$0.00	\$1,500,000.00
Balance of Fund, September 30, 2020	\$5,443,251.01	\$4,022,810.93
0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding)		
Balance of Fund, July 1, 2020	\$2,539,839.53	\$2,539,839.53
Receipts:		
Refund/Overpayment	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$0.00	\$0.00
Interest Income	\$10,650.45	\$165,000.00
	\$10,650.45	\$165,000.00
Disbursements:		
UST Administrator's Fees	\$21,070.00	\$150,000.00
Adjustment	\$0.00	\$0.00
Attorney General's Fees	\$17,211.84	\$50,000.00
Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund)	\$12.00	\$100.00
Auditor of the State Fees	\$1,739.00	\$5,000.00
Claim Settlement	\$0.00	\$0.00
Department of Inspection & Appeals Service Fees	\$0.00	\$0.00
Professional Services - Owner/Operator Training	\$800.00	\$20,000.00
Special Project Claims - Closure Contract Project	\$82,239.06	\$350,000.00
Travel Expenses-UST Board Members	\$0.00	\$400.00
Statutory Transfer to DNR (Admin match)	\$0.00	\$200,000.00
Statutory Transfer to DNR (technical review - recurring & carry over)	\$0.00	\$0.00
Statutory Transfer to IDAL (fuel inspections - recurring & carry over)	\$39,747.92	\$250,000.00
Outdated / Outstanding Warrants	(\$11,135.12)	\$0.00
Appropriations Prior Fiscal Year	\$62,118.02	\$0.00
Appropriations Current Fiscal Year	\$0.00	\$0.00
	\$213,802.72	\$1,025,500.00
Balance of Fund, September 30, 2020	\$2,336,687.26	\$1,679,339.53
0208 - UST REMEDIAL NON-BONDING FUND		
Balance of Fund, July 1, 2020	\$2,546,803.32	\$2,546,803.32
Receipts:		
Transfer From UST Revenue Fund (0471)	\$0.00	\$1,000,000.00
	\$0.00	\$1,000,000.00
Disbursements:		
Retroactive Claims	\$4,525.07	\$30,000.00
Remedial Claims	\$11,211.07	\$400,000.00
28E Agreement - NFA Claims	\$134,746.68	\$400,000.00

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE
ENDING SEPTEMBER 30, 2020

		FY 2021 BUDGET
Tank Closure Claims (455G.9)	\$104,807.60	\$850,000.00
Adjustment	\$0.00	\$0.00
Balance of Outdated / Outstanding Warrants	(\$43,748.46)	\$0.00
	<u>\$211,541.96</u>	<u>\$1,680,000.00</u>
Balance of Fund, September 30, 2020	<u>\$2,335,261.36</u>	<u>\$1,866,803.32</u>
0478 - UST MARKETABILITY FUND		
Balance of Fund, July 1, 2020	\$268,937.40	\$268,937.40
Receipts:		
Interest	\$5,365.03	\$60,000.00
Use Tax	\$0.00	\$0.00
	<u>\$5,365.03</u>	<u>\$60,000.00</u>
Disbursements:		
Intra State Fund Transfer	\$0.00	\$0.00
Transfer to Innocent Landowners Fund	\$0.00	\$0.00
	<u>\$0.00</u>	<u>\$0.00</u>
Balance of Fund, September 30, 2020	<u>\$274,302.43</u>	<u>\$328,937.40</u>
0485 - UST INNOCENT LANDOWNERS FUND		
Balance of Fund, July 1, 2020	\$2,498,227.04	\$2,498,277.04
Receipts:		
Cost Recovery (i.e. lien settlements)	\$0.00	\$0.00
Transfer From UST Revenue Fund (0471)	\$0.00	\$500,000.00
Outdated Warrants	\$0.00	\$0.00
Miscellaneous Income	\$0.00	\$0.00
	<u>\$0.00</u>	<u>\$500,000.00</u>
Disbursements:		
Balance Outstanding Warrants	\$0.00	\$0.00
Intra State Fund Transfers Paid (to Unassigned Revenue)	\$0.00	\$0.00
Global Settlement Claims	\$0.00	\$15,000.00
Innocent Landowner Claims	\$330,843.60	\$900,000.00
Balance of Outdated / Outstanding Warrants	(\$9,614.50)	\$0.00
	<u>\$321,229.10</u>	<u>\$915,000.00</u>
Balance of Fund, September 30, 2020	<u>\$2,176,997.94</u>	<u>\$2,083,277.04</u>
0238 - UST LOAN GUARANTEE FUND (Non-Bonding)		
Balance of Fund, September 30, 2020	<u>\$0.00</u>	<u>\$0.00</u>
0614 - UST CAPITAL RESERVE FUNDS (Bonding)		
Combined UST Capital Reserve Fund Balances, September 30, 2020	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL FUND BALANCES, September 30, 2020	<u>\$12,566,500.00</u>	<u>\$9,981,168.22</u>

FOOTNOTES:

Note 1: All bond funds are \$0.00 8/31/08

E. Lien Update

Iowa Underground Storage Tank Fund Liens Filed

Lien #	County	Site #	Claim #	Site Address	Property Owner	Owner Address	Cost Recovery Letter	Mld Notice & Fee	Lien Amount	Lien Filed Date	Book & Page	Expiration for 10 Yr Lien Period
0310004	Palo Alto	8916647	13007	510 Inman, Mallard	T & N Larson	510 Inman Ave, Mallard	10/1/2003	10/24/2003	\$59,055.50	renewed 10/30/2013	2013-2389	10/2023
0404009	Butler	8608131	12039	12682 Hwy 3, Dumont	D Dohلمان	11794 195th, Dumont	1/20/2004	4/12/2004	\$13,650.00	renewed 3/17/2014	2014-1057	03/2024
0404010	Ida	8710293	73001 / 73013	Hwy 175, Ida Grove	Robin Hill Trust	Box 113, Ida Grove		4/29/2004	\$330,131.40	renewed 6/24/14	6-349	06/2024
0605012	Keokuk	8609694	73040 / 11003	407 Barnes, What Cheer	M & K Foubert	601 Barnes, What Cheer	2/2/2006	5/15/2006	\$82,373.75	renewed 5/16/2016	2006-0962	05/2026
0610017	Jefferson	8601629	11023 / 14009	Main St, Lockridge	R & C Richardson	Main St, Lockridge	7/13/2006	10/24/2006	\$35,202.00	renewed 10/05/16	Bk 4 - pg 258	10/2026
0701022	Van Buren	8600890	11032 / 14002	180th St., Keosauqua	Henry Robbins	Greenvale Drive,	10/20/2006	1/16/2007	\$32,980.90	renewed 11/7/2016	2016 - 1395	11/2026
0702023	Montgomery	8607574	15013	Tenville IA	Marvin G. Shipley	Tenville Avenue,	10/30/2006	2/13/2007	\$2,795.00	renewed 1/9/2017	Book 6, Pg 275-6	01/2027
0704025	Tama	9017159	14005	100 Jacobs St., Chelsea	T & C Jacobi	100 Jacobs, Chelsea	12/7/2006	5/15/2007	\$17,839.00	renewed 4/28/2017	Book 2017 - 1371	04/2027
0706029	Woodbury	9217516	73002	29 Deer Run, Climbing Hill	P Benjamin	Blacktop, Climbing Hill	3/27/2007	8/1/2007	\$14,400.00	renewed 8/4/2017	Image 1063-64	08/2027
160633	Hancock	8608878	16065	595 State, Garner	C Schmidt	595 State, Garner	6/20/2016	10/5/2016	\$3,495.00	10/10/2016	16-1775	10/2026
190436	Palo Alto	9317660	17070 / 18014	1204 Doon, Ayrshire	J. Schmidt	1204 Doon, Ayrshire	11/19/2018	5/24/2019	\$10,065.00	5/30/2019	2019-801	05/2029
200916	Black Hawk	8608488	18533	1104 Washington, Waterloo	Star Real Estate Holdings LLC	1104 Washington, Waterloo, IA 50703	7/28/2020	10/5/2020	\$29,028.70			

LIEN REFERENCE: SECTION 424.11, CODE 2016 (www.legis.iowa.gov/docs/code/2016/424.11.pdf)

Attorney General's Report

Claim Payment Approval

**Contracts Entered Into
Since August 12, 2020 Board Meeting**



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

James R. Gastineau, *Administrator*

Board Members:

Michael L. Fitzgerald

Joseph D. Barry

Jeff. W. Robinson

Kayla Lyon

Timothy L. Gartin

Dawn M. Carlson

Karen E. Andeweg

MEMORANDUM

TO: UST Board Members
FROM: James Gastineau
DATE: October 13, 2020
SUBJECT: Contracts Entered Into Since August 12, 2020 Board Meeting

The Board entered into a one year contract extension with Seneca Companies and Terracon Consulting for continued work on the UST – Tank Closure Projects. Work will continue through October 14, 2021.

Other Issues as Presented



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

James R. Gastineau, *Administrator*

Board Members:

Michael L. Fitzgerald

Joseph D. Barry

Jeff. W. Robinson

Kayla Lyon

Timothy L. Gartin

Dawn M. Carlson

Karen E. Andeweg

MEMORANDUM

TO: UST Board Members
FROM: James R. Gastineau
DATE: October 13, 2020
SUBJECT: FY 2021 Board Meeting Schedule

The Iowa UST Fund Board typically meets on the 4th Thursday of each month, except during the legislative session in which other days are selected. The Board approved a quarterly meeting schedule during the August 2020 meeting, with the next meetings planned on December 10, 2020, March 26, 2021, and May 27, 2021. Other recommended dates are noted for reference.

- Thursday, December 10, 2020 *
- Friday, January 22, 2021
- Friday, February 26, 2021
- Friday, March 26, 2021 *
- Friday, April 23, 2021
- Thursday, May 27, 2021 *
- Thursday, July 22, 2021

Correspondence and Attachments