

December 15, 2022

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

Karen E. Andeweg

Kayla Lyon

Timothy L. Gartin

Lisa Coffelt

Patricia Beck

John Maynes

NOTICE OF PUBLIC MEETING

The Iowa Comprehensive Petroleum Underground Storage Tank Fund Board will hold a meeting at 10:00 a.m., on Thursday, December 15, 2022. The meeting will be held at the Iowa State Capitol Building, Room G15 (Legislative Dining Room), 1007 E. Grand, Des Moines, IA and may be attended electronically. To call in, participants must dial 316-302-5200 prior to the meeting. When prompted, enter conference code PIN 571 509 985, 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. Iowa Administrative Rules, 5 year Review
 - B. LPT – 5 Year Review
 - C. 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 October 27, 2022 Board Meeting
10. Other Issues as Presented
11. Correspondence and Attachments

Approval of Prior Board Minutes



IOWA UNDERGROUND STORAGE TANK FUND

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Timothy L. Gartin Lisa Coffelt Patricia J. Beck John Maynes

MINUTES

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND PROGRAM

October 27, 2022

Mr. Doug Beech, Board Chair, called the Iowa UST Fund Board meeting to order at 10:00 am. A quorum was present, with the following Board members present:

Karen E Andeweg
Patricia Beck
Joseph Berry
Lisa Coffelt
Dustin McNulty (for Michael Fitzgerald)
Timothy Gartin
Tim Hall (for Kayla Lyon)
John Maynes
Jeff Robinson

Also present were:

Eric Dirth, Attorney General's Office
James Gastineau, Administrator
Angie Clark, Iowa DNR
Amie Davidson, Iowa DNR
Keith Wilken, Iowa DNR
Steve Reinders, PMMIC

APPROVAL OF PRIOR BOARD MINUTES

Motion was made by Ms. Andeweg to approve the September 22, 2022 minutes as presented. Seconded by Mr. Gartin. Motion carries unanimously.

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

No closed session items were presented.

GENERAL PUBLIC COMMENT

There were no public comments.

BOARD ISSUES

A. 2022 Legislation Update

The Iowa UST Fund Board has sponsored language for a UST Fund Repeal Bill in each of the last 3 legislative sessions. While each attempt to pass legislation ended with the bill passing, the 2022 legislation moved the farthest before being sidelined by a series of questions. Although efforts were made to resolve the questions, the bill failed to advance in the last days of the 2022 session.

The bill last considered, [HF 2337](#), included the provisions the Board has upheld throughout the Program's history, namely that funding for the existing claims would remain a priority. Funding would also continue to assist tank owners pay for the permanent closure of underground storage tank systems, for additional assessment and corrective action at sites previously issued a No Further Action certificates, for operator training, and administrative costs of the department. The bill in the most recent form would also prohibit new claims for historic releases and would help extend funding by moving the annual appropriation to the Department of Agriculture and Land Stewardship to the State's General Fund.

The bill was intended to be the mechanism to allow the UST Fund Board to cease operations in a thoughtful and precise manner while at the same time create a new Iowa Tanks Fund and the Iowa Tanks Financing Program to allow the mission of the Board to continue under oversight by the Iowa Department of Natural Resources. HF 2337 was designed to create the Iowa Tanks Financing Program as a direct replacement to the current UST Fund program, with the hope that the existing rules and policies could also be used in the new program.

Following the legislative session, a group of Board members met with Iowa DNR staff and the UST Fund Administrator to discuss the proposed legislation and examine the questions that were raised. Questions included clarification on eligibility, Fund exposure to a claim, and whether or not new rules would be needed. In that discussion, Iowa DNR staff noted some reservations about future legislation due in part to the dwindling Fund balance and the need for new rules, which given the Administrator's projections might include the need to develop prioritization rules in the very near future.

Information was provided on the current status of the Iowa Underground Storage Tank Fund. The following table illustrates the current financial situation, compared to program in June 2019.

| | Fund Responsibility (6/30/2019) | Fund Responsibility (9/30/2022) |
|---------------------------------|------------------------------------|------------------------------------|
| Total Fund Balance | \$ 15,878,606 | \$ 8,885,884 |
| Number of Claims | 103 | 59 |
| Estimated Reserves | \$ 5,765,154 | \$ 4,543,139 |
| "Risk Premium" Percentage | 15% | 15% |
| Risk Premium Cost | \$864,773 | \$681,471 |
| Total Estimated Reserves Needed | \$6,629,927 | \$5,224,610 |
| | | |
| Fund Balance Remaining | \$9,248,679 | \$3,661,274 |

In consideration of the table showing the difference from 2019 to the present, Mr. Gastineau noted that the current rules do not allow claim reserves to be set aside, therefore looking solely at the claim reserves paints an inaccurate picture. He noted that both program and claim expenses are paid on an on-going basis without regard to priority. Given this, one possible scenario for the depletion of available funds could occur within 4 years, under the conditions shown in table below:

| | | |
|--|--------------------|---------------------|
| Projection – Annual Expenditures | | |
| Total Fund Balance (9/30/2022) | | \$ 8,885,884 |
| Administration (DNR) | \$ 50,000 | |
| Attorney General, Auditor, filings, mileage | \$ 55,000 | |
| DNR Appropriation (Natural Resources bill) | \$200,000 | |
| IDALS (Fuel Quality Inspections) | \$250,000 | |
| Annual & 4 year Expenditures Projection | \$555,000 | \$2,220,000 |
| | | |
| Retroactive claims | \$20,000 | |
| Remedial claims | \$130,000 | |
| Innocent Landowner claims | \$400,000 | |
| NFA re projects | \$250,000 | |
| Remedial type claims (annual & 4 yr estimate) | \$800,000 | \$3,200,000 |
| | | |
| State Lead Closure Contract (2 yrs) | \$250,000 | |
| UST Operator training | \$20,000 | |
| Tank Closure claims (\$15K/claim) | \$750,000 | |
| Other claims (annual & 4 yr estimate) | \$1,020,000 | \$3,580,000 |
| | | |
| Total, Admin, Claims, Other expenses | \$2,375,000 | 3.75 years |

In consideration of the past legislation attempts, the Board members agreed not to pursue legislation in the 2023 session. The members would like the Attorney General’s office to report to the Board whether the Board can implement prioritization of the remaining funding with the authority it already has and verify any requirements the board has on the frequency of the meetings.

Motion was made by Mr. Gartin to ask the administrator to draft a letter to the Governor and the leaders of the Legislature to explain the Board’s efforts to move toward the close of the program and at this point the Board’s position is to not to pursue a legislative end to the program. The Board would like their input and direction on the future of the program. Seconded by Mr. Beech.

Mr. Gartin amended his motion to include the letter should come from Mr. Beech as the Chair on behalf of the Fund Board. Seconded by Mr. Beech. Motion carries unanimously.

B. UST Operator Training Reimbursement; Re-authorization

Since 2010, the Board has administered a program to assist UST owners and operators to meet the Department requirements for having trained operators for their petroleum operations.

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:

- R&A Risk Professionals
- UST Training Services
- Iowa State University
- Antea Group US
- Practical American Safety Solutions (PASS)

Since the program inception, \$386,820 has been provided for the training of individuals as a Class A and/or B UST Operator; this is an increase of \$20,500 (205 persons) since August 31, 2021.

Department regulations require UST facilities to have trained operators in place before commencing operations. Training is only required once, unless an owner is required to take a refresher class. The Board's reimbursement follows DNR requirements to provide training once per person; refresher training is not reimbursable.

Mr. Gastineau recommend that 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, 2023.

Motion was made by Mr. Hall to extend the agreements through December 31, 2023. Seconded by Mr. Barry. Motion carries unanimously.

C. 1st Quarter FY 2023 Legislative Report

Mr. Gastineau reported that the Activities Report for the 1st quarter FY 2023 was submitted to the Legislative Council and Legislative Services Agency pursuant to Iowa Code Section 455G.4(6).

The code section calls for the report to include the following items:

- Total open claims, including identification of the number of new claims
- IDNR risk classification associated with open claims
- Total reserve figures
- Summary of budgets approved during the reporting period
- Breakdown of categories of claim payment expenditures during the reporting period

D. DNR Update

Mr. Wilken reported that DNR is in the middle of their end of the year EPA reporting. He also reported that the following week is EPA Region 7 All-States meeting and several staff will be attending in person and virtually.

Mr. Wilken stated that staff are working on rule revisions to incorporate the renewable fuels bill that passed this session.

APPROVAL OF PROGRAM BILLINGS

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

- 1. Iowa Attorney General’s Office (FY 2023) \$4,104.05
September 2022

- 2. Iowa Department of Natural Resources (FY 2023) \$11,547.00
Administrator Services, 1st Quarter FY 2023

MONTHLY ACTIVITY REPORT AND FINANCIALS REVIEWED

Mr. Gastineau noted the September activity and financial reports were presented in the Board packet. He wanted to make note that there are 59 open claims at this time. He reported that the claims will always be in flux because of the NFA reopener and open LUTS sites. The overall fund balance is currently at \$8.88 million. Expenses are in line with what has been projected for this year.

ATTORNEY GENERAL’S REPORT

There was no report from the Attorney General’s Office.

CLAIM PAYMENT APPROVAL

1. Registration # 8915618, Former Ubben Service, Meservey

Mr. Gastineau presented information regarding Former Ubben Service. Work is currently being performed using the State Lead Closure Contract project. A 2019 site investigation was completed to assess current conditions after work stalled in 2007. Site remains high risk for soil contamination creating risks for vapor receptors. Soil excavation work began October 2022; unforeseen conditions created additional costs leading to higher costs than anticipated. The excavation was performed within budgetary limits, however further monitoring and hopefully well closure will be needed.

Costs incurred to date are \$97,242.98. Future projected costs are expected to be the range of \$120,000 to \$180,000. Mr. Gastineau requested the Board authority be increased to \$275,000.00.

Motion by Mr. Barry to approve the requested authority limit. Seconded by Ms. Andeweg. Motion carries unanimously.

2. Registration # 7910662, Former Service Station (Corinthian Gardens Senior Living), Des Moines

Mr. Gastineau presented information regarding Former Service Station. A RBCA investigation was completed in 2016-2017. The site was deemed high risk due to proximity of groundwater contamination to a water line. Free product was identified during the investigation; free product recovery efforts began in 2017 and ended in 2019. Contaminant levels creating the high-risk condition are associated with degraded petroleum; primarily identified as waste oil and diesel contamination. The high-risk water line is due to a PVC repair made on a cast iron main beneath University Avenue. Due to high volume of traffic and underground utilities, replacement would be difficult.

Monitoring, initiated after the RBCA investigation, continues at the site. Due to fluctuations in the contaminant levels, steady and declining conditions have not been met. DNR requires monitoring events be separated by a minimum of 6 months thus long-term monitoring is anticipated.

In 2022, the facility operator inquired on possibility of completing an excavation to eliminate the contaminant source area. Further evaluation has been requested to determine if an excavation is feasible given proximity to University Avenue, adjacent fire station, and numerous utilities. The contaminant source area is within an unused portion of the existing facility which may be open to a limited excavation.

Costs incurred to date are \$46,325.00. Future projected costs are expected to be the range of \$60,000 to \$200,000. Mr. Gastineau requested the Board authority be increased to \$250,000.00.

Motion by Mr. Barry to approve the requested authority limit. Seconded by Mr. Gartin. Motion carries unanimously.

3. Registration # 8609364, JJ Sweeney Property, Waukon

Mr. Gastineau presented information regarding JJ Sweeney Property. This site remains high risk following a large excavation to remove soil contamination above bedrock. The site is high risk for the groundwater ingestion - drinking water well receptor pathway for 3 public water supply wells located within 1,000 feet of the site. Chemicals of concern in groundwater include benzene and waste oil.

Costs incurred to date are \$301,167.30. Future projected costs are expected to be the range of \$250,000 to \$400,000. Mr. Gastineau requested the Board authority be increased to \$700,000.00.

Motion by Mr. Hall to approve the requested authority limit. Seconded by Mr. Maynes. Motion carries unanimously.

4. Registration # 202100015, Sparkling Image Car Wash, Cedar Rapids

Mr. Gastineau presented information regarding Sparkling Image Car Wash. Petroleum contamination was identified in a Phase II report submitted to the Department in July 2021. Documentation was provided indicating the USTs had been removed by July 1, 1985, therefore allowing an innocent landowner - late filed remedial claim to be created. The claimant identified herself as the last owner of the tank system therefore the claimant is considered a responsible party and subject to a statutory copayment. A global settlement claim may be possible to offset the copayment obligation.

The site is classified high risk due to proximity to vapor receptors (sewers and basements) and a water line to the carwash facility. Soil gas testing failed to clear the vapor receptors. A CADR is expected in early 2023. Corrective actions may include receptor replacement, excavation, chemical injections, or other activities. Annual monitoring will also be required.

Costs incurred to date are \$16,493. Future projected costs are expected to be the range of \$75,000 to \$150,000. Mr. Gastineau requested the Board authority be increased to \$200,000.00.

Motion by Mr. Gartin to approve the requested authority limit. Seconded by Ms. Andeweg.
Motion carries unanimously.

CONTRACTS ENTERED INTO SINCE SEPTEMBER 22, 2022 BOARD MEETING

The Board has not entered into any contracts since the September 23, 2022 meeting.

OTHER ISSUES AS PRESENTED

No other issues were presented.

CORRESPONDENCE AND ATTACHMENTS

No correspondence or attachments were presented.

Next board meeting will be held on December 15, 2022.

Meeting adjourned at 11:15 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. Iowa Administrative Code, 591
Rules Review**

SUMMARY
FIVE-YEAR REVIEW
PETROLEUM UNDERGROUND STORAGE TANK FUND BOARD,
IOWA COMPREHENSIVE [591]
[Created by Iowa Code chapter 455G]

To: Jack Ewing, Legal Counsel, Administrative Rules Review Committee
From: James Gastineau, Administrator, Iowa Comprehensive Petroleum UST Fund Program
Date: November 30, 2022

The Iowa Comprehensive Petroleum UST Fund Program administrator reviewed the administrative rules applicable to the UST Fund Program and has identified the following rules in need of updating. Additional modifications may be considered as the UST Fund Program begins to wind down in preparation of depleting the available UST Fund balance while completing its mission to assist owners and operators of Iowa underground storage tanks.

Chapter 1 – GENERAL

- Update reference: These rules are intended to implement Chapter 17A.
- Internal references also need to be updated/harmonized.

Chapter 2 – PETITIONS FOR RULE MAKING

- Update reference: These rules are intended to implement Chapter 17A.7(1).
- Internal references also need to be updated/harmonized.

Chapter 3 – DECLARATORY ORDERS

- Update reference: These rules are intended to implement Chapter 17A.9.
- Internal references also need to be updated.

Chapter 4 – BOARD PROCEDURE FOR RULE MAKING

- Update reference: These rules are intended to implement Chapter 17A.
- Internal references also need to be updated/harmonized.

Chapters 5-8 Reserved

Chapter 9 – UST FUND BOARD AUTHORITY TO TRANSFER LIABILITIES TO A THIRD PARTY

- Internal references need to be updated/harmonized.

Chapter 10 - Reserved

Chapter 11 – CLAIMS

- Subrule 11.2(15) Revise rule to ensure consistency with Chapter 455G.9.
- Subrule 11.3(3) Rescind rule

- Subrule 11.3(4) Revise rule to ensure consistency with Chapter 455G.9
- Subrule 11.3(10) Revise rule to ensure consistency with Chapter 455G.9
- Subrule 11.4 Revise rule to ensure consistency with Chapter 455G.9
- Internal references need to be updated/harmonized

Chapter 12 - Reserved

Chapter 13 - COMMUNITY REMEDIATION

- Internal references need to be updated/harmonized.

Chapter 14 – Reserved

Chapter 15 – Reserved

Chapter 16 – WAIVERS

- Updated in 2021

CHAPTER 17—CONTESTED CASES

- Update reference: These rules are intended to implement Chapter 17A.
- Internal references also need to be updated/harmonized.

Explanation:

Since 1989, the Iowa Comprehensive Petroleum Underground Storage Tank Fund has assisted owners and operators of underground storage tanks comply with state and federal environmental regulations. Over the years the program has been in existence, many facets of the program have been sunset. The Insurance Program, Loan Guarantee Program and Upgrade Claims have all been sunset during the life of the program. The rules associated with these programs were amended to reflect these changes. In addition, there have been changes to the relevant statutes, both the UST Fund's and the Iowa Department of Natural Resources', which prompted rule revisions or deletions.

Historically, the UST Fund received funding from a variety of sources including tank management fees, the environmental protection charge, motor vehicle use tax, and the issuance of tax-exempt bonds. Statutory allocations to the UST Fund ceased in December 2016 and the overall balance of the Fund has been decreasing since that time. In December 2016, the UST Fund balance was near \$39.9M; as of October 2022, the balance is near \$8.8M.

The UST Fund Board understands its assistance programs will end as the fund balance is depleted. In the interest of providing a transition to the Board operation, legislation was presented in the 2020, 2021, and 2022 legislative sessions to repeal the existing UST Fund Board and in its place, create a new program under the auspices of the Iowa Department of Natural Resources. In each session, the legislation failed to pass through both chambers.

For the 2023 session, the Board has opted not to pursue a legislative end to the program. As the program moves closer to ending through a depletion of funds, it is acknowledged that there will be challenges in deciding which programs will be funded. While the Board has worked diligently with the Iowa DNR to address the petroleum contaminated sites, it is recognized some sites may never be fully remediated.

Public input may be sought to create prioritization rules to address how the remaining funding should be used in the continuing effort to assist owners and operators comply with state and federal environmental regulations.

B. LPT - 5 Year Review



IOWA UNDERGROUND STORAGE TANK FUND

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James R. Gastineau, *Administrator*

Board Members:

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John Maynes

MEMORANDUM

TO: Iowa Comprehensive Petroleum Underground Storage Tank Fund Board
FROM: James Gastineau
DATE: December 8, 2022
SUBJECT: Large Loss Portfolio Transfer Update (5 year review)

The large Loss Portfolio Transfer with Petroleum Marketers Management Insurance Company (PMMIC) was completed in October 2017 with the transfer of 199 remedial claims. Now, 5 years later, PMMIC continues to work on the transferred claims.

The terms of the transfer requires PMMIC provide quarterly reports for each assumed claim and a summary of the corrective action costs and remaining liabilities. In the 5 year period, PMMIC has made payments of \$6,173,154 while closing 113 of the original 199 claims. The reserve balance for the 86 claims remaining is \$5,247,020.

A summary of the financial reports for the 5 years completed is attached for reference.

**Large Loss Portfolio Transfer
October 2022 (5 year update)**

On transfer (199 remedial, retro, and innocent landowner claims):

| | |
|--|--------------------------------------|
| LPT Reserve Balances | 9,847,991.47 |
| Risk Premium (20% of line 1) | 1,969,598.29 |
| GS / Opt-In Claims Reserve Balance | 72,431.03 |
| Administration Charge (7.75% of lines 1, 2, 5) | 921,476.61 |
| Insurance | 250,000.00 |
| TOTAL Transfer Amount | <u><u>\$13,061,497.41</u></u> |

PMMIC Payments

| | |
|--|------------------------------------|
| 2017 Payments, admin fee, crime policy | 620,510.03 |
| 2018 Payments, admin fee, insurance | 2,243,035.64 |
| 2019 Payments, admin fee, insurance | 997,849.87 |
| 2020 Payments, admin fee, insurance | 858,795.93 |
| 2021 Payments, admin fee, insurance | 909,119.57 |
| 2022 Payments, admin fee, insurance | 543,842.99 |
| Total Payments | <u><u>-6,173,154.03</u></u> |

Closed claims, remaining reserves

| | |
|--|------------------------------------|
| 4Q 2017 (1 claim) | 6,324.71 |
| CY 2018 (28 claims, 2 GS claims) | 565,891.57 |
| CY 2019 (23 claims, 3 GS claims) | 372,115.47 |
| CY 2020 (25 claims, 3 GS claims) | 650,730.41 |
| CY 2021 (17 claims, 3 GS Claims) | 357,288.83 |
| CY 2022 (19 claims) | 373,780.58 |
| Total, Reserve Balance of Closed Claims | <u><u>-2,326,131.57</u></u> |

Open claims, PMMIC increased reserves

| | |
|---------------------------------|-------------------|
| Total reserves increased | 684,808.19 |
|---------------------------------|-------------------|

| | |
|---|-------------------------------------|
| Remaining Reserve Transfer Balance (OPEN CLAIMS) | <u><u>\$5,247,020.00</u></u> |
|---|-------------------------------------|

Remaining Claims: 86

Closed: 113

C. DNR Update

Approval of Program Billings



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

James R. Gastineau, *Administrator*

Board Members: Michael L. Fitzgerald Joseph D. Barry Jeff. W. Robinson Karen E. Andeweg Kayla Lyons
 Timothy L. Gartin Lisa Coffelt Patricia J. Beck John Maynes

MEMORANDUM

TO: UST Board Members
FROM: James R. Gastineau
DATE: December 8, 2022
SUBJECT: Summary of Bills for Payment

NOTICE

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

1. Iowa Attorney General's Office (FY 2023) \$4,104.00
 October 2022
2. Iowa Attorney General's Office (FY 2023) \$6,441.28
 November 2022

** Invoices have been submitted for payment.

IOWA ATTORNEY GENERAL'S OFFICE

Hoover State Office Bldg - 2nd Floor

Des Moines, Iowa 50319-0141

Invoice Date: 12/07/22

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: November FY23

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

| Document Number | Account Coding | | | | Description | Amount |
|-----------------|----------------|--------|------|----------|-------------|-------------|
| | Fund | Agency | Unit | Sub Unit | | |
| 112AG120622043 | 0001 | 112 | 2301 | | 0302 | \$ 6,441.28 |

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: 11/09/22

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: October FY23

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

| Document Number | Account Coding | | | | | Description | Amount |
|-----------------|----------------|--------|------|----------|------------|-------------|-------------|
| | Fund | Agency | Unit | Sub Unit | Rev Source | | |
| 112AG110922043 | 0001 | 112 | 2301 | | 0302 | | \$ 4,104.00 |

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

Monthly Activity Report and Financials Reviewed

A. October 2022 Activities Report

IOWA UST FUND
ACTIVITIES REPORT
MONTH ENDING
OCTOBER 31, 2022

| Claims | Open Claims | | Open Claims | Open & Closed |
|---|------------------|-----------------|-----------------|-------------------|
| | September Ending | Monthly Changes | October Ending | Totals since |
| RETROACTIVE | | | | |
| number | 1 | 0 | 1 | 447 |
| reserve | \$ 164,985.93 | \$0.00 | \$ 164,985.93 | \$ 164,985.93 |
| paid | \$ 735,014.07 | \$0.00 | \$ 735,014.07 | \$ 18,454,640.44 |
| total | \$900,000.00 | \$0.00 | \$900,000.00 | \$18,619,626.37 |
| REMEDIAL | | | | |
| number | 23 | 0 | 23 | 4,464 |
| reserve | \$ 1,489,102.85 | \$145,765.00 | \$ 1,634,867.85 | \$ 1,634,867.85 |
| paid | \$ 7,122,918.30 | \$4,235.00 | \$ 7,127,153.30 | \$ 224,271,712.64 |
| total | \$8,612,021.15 | \$150,000.00 | \$8,762,021.15 | \$225,906,580.49 |
| INNOCENT LANDOWNER | | | | |
| number | 16 | (1) | 15 | 1,161 |
| reserve | \$ 2,274,043.26 | (\$104,401.00) | \$ 2,169,642.26 | \$ 2,169,642.26 |
| paid | \$ 2,261,556.74 | \$4,401.00 | \$ 2,265,957.74 | \$ 36,881,839.93 |
| total | \$4,535,600.00 | (\$100,000.00) | \$4,435,600.00 | \$39,051,482.19 |
| GLOBAL OPT-IN | | | | |
| number | 5 | 0 | 5 | 1,313 |
| reserve | \$ 27,961.17 | \$0.00 | \$ 27,961.17 | \$ 27,961.17 |
| paid | \$ 42,038.83 | \$0.00 | \$ 42,038.83 | \$ 9,992,496.44 |
| total | \$70,000.00 | \$0.00 | \$70,000.00 | \$10,020,457.61 |
| UNASSIGNED REVENUE FUND PROJECTS | | | | |
| number | 24 | 0 | 24 | 410 |
| reserve | \$ 552,854.97 | (\$10,300.00) | \$ 542,554.97 | \$ 542,554.97 |
| paid | \$ 438,645.03 | \$3,825.00 | \$ 442,470.03 | \$ 4,821,607.93 |
| total | \$991,500.00 | (\$6,475.00) | \$985,025.00 | \$5,364,162.90 |
| NFA RE-EVALUATIONS | | | | |
| number | 19 | 0 | 19 | 106 |
| reserve | \$ 615,007.97 | \$0.00 | \$ 615,007.97 | \$ 615,007.97 |
| paid | \$ 429,992.03 | \$0.00 | \$ 429,992.03 | \$ 2,697,837.66 |
| total | \$1,045,000.00 | \$0.00 | \$1,045,000.00 | \$3,312,845.63 |
| TANK CLOSURE | | | | |
| number | 27 | 2 | 29 | 883 |
| reserve | \$330,092.37 | \$15,000.00 | \$345,092.37 | \$345,092.37 |
| paid | \$12,773.63 | \$0.00 | \$12,773.63 | \$ 10,585,951.06 |
| total | \$342,866.00 | \$15,000.00 | \$357,866.00 | \$10,931,043.43 |

| | | | | |
|---------------------|------------------------|-----------------|-------------|---------------|
| Total Claims | (RT, RM, ILO, NFA) | 58 | (USTCA, TX) | 53 |
| Reserves | (RT, RM, ILO, GS, NFA) | \$ 4,612,465.18 | | \$ 887,647.34 |
| Total Reserves | (all claim types) | \$ 5,500,112.52 | | |

| | | | |
|-----------------|-------|-----------------|-----------|
| Operator | | | |
| A/B (all) | 3,929 | A/B (FY2011-22) | \$386,920 |

| | |
|-----------------------|----------|
| RT | # |
| New | 0 |
| Reopene | 0 |
| Closed | 0 |
| RM | # |
| New | 0 |
| Reopene | 0 |
| Closed | 0 |
| ILO | # |
| New | 0 |
| Reopene | 0 |
| Closed | 1 |
| GS | # |
| New | 0 |
| Reopene | 0 |
| Closed | 0 |
| USTCA | # |
| New | 0 |
| Reopene | 0 |
| Closed | 0 |
| NFA Re- | # |
| New | 0 |
| Reopene | 0 |
| Closed | 0 |
| Tank Pull | # |
| New | 4 |
| Reopene | 0 |
| Closed | 2 |
| DNR 10-30-2022 | |
| Total | 6835 |
| High Risk | 181 |
| Low Risk | 71 |
| NAR-FP | 22 |
| Not | 56 |
| Open | 330 |

| Invoice Type | October '22 | FYTD | Program to Date |
|---------------------|--------------|---------------|-------------------|
| Appropriations | \$ 13,063.69 | \$ 42,578.02 | |
| Government | \$ 6,745.53 | \$ 31,325.88 | |
| 2004 Tank Pull | \$ - | \$ - | \$ 1,761,823.44 |
| 2010 Tank Pull | \$ 30,000.00 | \$ 358,500.00 | \$ 10,865,921.21 |
| American Soils | \$ - | \$ - | \$ 5,678,422.58 |
| AST | \$ - | \$ - | \$ 11,217,932.11 |
| CADR Charges | \$ - | \$ - | \$ 4,708,703.72 |
| Corrective Action | \$ - | \$ 24,203.54 | \$ 53,050,959.82 |
| Expenses / OT | \$ 100.00 | \$ 5,400.00 | \$ 387,219.65 |
| Free Prod Recover | \$ 4,500.00 | \$ 19,647.66 | \$ 12,963,565.05 |
| Monitoring | \$ 8,060.00 | \$ 52,200.57 | \$ 35,616,732.02 |
| Operations/Maint | \$ - | \$ - | \$ 10,847,837.80 |
| Over-excavation | \$ - | \$ - | \$ 37,410,813.51 |
| Water Lines | \$ - | \$ - | \$ 3,635,317.80 |
| Post RBCA Evals | \$ - | \$ - | \$ 258,858.41 |
| RBCA | \$ - | \$ 31,803.23 | \$ 27,919,104.10 |
| 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 | \$ - | \$ 2,078.50 | \$ 1,468,570.57 |
| Utilities | \$ - | \$ - | \$ 2,303,397.67 |
| Well Closure | \$ - | \$ 3,144.00 | \$ 4,603,799.21 |
| Total Invoice Types | \$ 42,660.00 | \$ 496,977.50 | \$ 318,922,970.32 |

| | | | |
|---|-------|--------------|--|
| Remediation Budgets Approved to Date | | | |
| Last month (Oct'22) | 1 | \$517,829 | |
| Trailing 12 mos | 2 | \$714,100 | |
| Prev Trail 12 mos | 1 | \$80,547 | |
| Total Since Jan 2003 | 1,281 | \$58,199,788 | |

| Project Contracts | Open | Closed | Pending |
|--------------------|------|--------|---------|
| CRP's | 0 | 45 | 0 |
| Tank Closure | 1 | 8 | 0 |
| Plastic Water Line | 0 | 2 | 0 |

| | CY 2022 | CY 2021 | CY 2020 |
|---------------------------|---------|---------|---------|
| New LUST Sites | 25 | 26 | 34 |
| Closed (NAR) Sites | 31 | 67 | 74 |

B. October 2022 Financial Report

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCE
FOR THE MONTH
ENDING OCTOBER 31, 2022**

| | | |
|--|-------------|-----------------------|
| 0471 - UST REVENUE FUND (Bonding) | | |
| Balance of Fund, October 1, 2022 | | \$2,213,188.09 |
| Receipts: | | |
| Intra State Fund Transfers Received | \$0.00 | |
| Interest Income | \$2,805.90 | |
| | \$2,805.90 | \$2,805.90 |
| 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 | \$0.00 |
| Balance of Fund, October 31, 2022 | | \$2,215,993.99 |
| 0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding) | | |
| Balance of Fund, October 1, 2022 | | \$1,629,933.41 |
| Receipts: | | |
| Refund/Overpayment | \$0.00 | |
| Transfer From UST Revenue Fund (0471) | \$0.00 | |
| Interest Income | \$5,384.99 | |
| | \$5,384.99 | \$5,384.99 |
| Disbursements: | | |
| UST Administrator's Fees | \$0.00 | |
| Adjustment | \$0.00 | |
| Attorney General's Fees | \$6,745.53 | |
| Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund) | \$0.00 | |
| Auditor of the State Fees | \$0.00 | |
| Claim Settlement | \$0.00 | |
| Department of Inspection & Appeals Service Fees | \$0.00 | |
| Professional Services - Owner/Operator Training | \$1,500.00 | |
| Special Project Claims - Closure Contract Project | \$1,842.50 | |
| 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 ove | \$13,063.69 | |
| Appropriations Prior Fiscal Year | \$0.00 | |
| Outdated / Outstanding Warrants | \$0.00 | |
| | \$23,151.72 | \$23,151.72 |
| Balance of Fund, October 31, 2022 | | \$1,612,166.68 |
| 0208 - UST REMEDIAL NON-BONDING FUND | | |
| Balance of Fund, October 1, 2022 | | \$2,312,233.17 |
| Receipts: | | |
| Transfer From UST Revenue Fund (0471) | \$0.00 | |
| | \$0.00 | \$0.00 |
| Disbursements: | | |
| Retroactive Claims | \$0.00 | |
| Remedial Claims | \$0.00 | |
| 28E Agreement - NFA Claims | \$0.00 | |
| Tank Closure Claims (455G.9) | \$75,000.00 | |
| Adjustment | \$0.00 | |
| Balance of Outdated / Outstanding Warrants | \$0.00 | |
| | \$75,000.00 | \$75,000.00 |
| Balance of Fund, October 31, 2022 | | \$2,237,233.17 |

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCE
FOR THE MONTH
ENDING OCTOBER 31, 2022**

| | | |
|---|------------|-----------------------|
| 0478 - UST MARKETABILITY FUND | | |
| Balance of Fund, October 1, 2022 | | \$287,802.26 |
| Receipts: | | |
| Interest | \$3,491.98 | |
| Use Tax | \$0.00 | |
| | \$3,491.98 | \$3,491.98 |
| Disbursements: | | |
| Intra State Fund Transfer | \$0.00 | |
| Transfer to Innocent Landowners Fund | \$0.00 | |
| | \$0.00 | \$0.00 |
| Balance of Fund, October 31, 2022 | | \$291,294.24 |
| 0485 - UST INNOCENT LANDOWNERS FUND | | |
| Balance of Fund, October 1, 2022 | | \$2,445,959.93 |
| 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 | \$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 | \$3,704.00 | |
| Balance of Outstanding / Outdated Warrants | \$0.00 | |
| | \$3,704.00 | \$3,704.00 |
| Balance of Fund, October 31, 2022 | | \$2,442,255.93 |
| TOTAL FUND BALANCES, October 31, 2022 | | \$8,798,944.01 |

C. Year-to-Date Financials as of October 31, 2022

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE
ENDING OCTOBER 31, 2022

| | | FY 2023 BUDGET |
|--|-----------------------|-----------------------|
| 0471 - UST REVENUE FUND (Bonding) | | |
| Balance of Fund, July 1, 2022 | \$2,209,487.32 | \$2,209,487.32 |
| Receipts: | | |
| Intra State Fund Transfers Received | \$0.00 | \$0.00 |
| Interest Income | \$6,506.67 | \$8,000.00 |
| | <u>\$6,506.67</u> | <u>\$8,000.00</u> |
| Disbursements: | | |
| Adjustments | \$0.00 | \$0.00 |
| Transfer to Unassigned Revenue Fund (0450) | \$0.00 | \$0.00 |
| Transfer to Innocent Landowner Fund (0485) | \$0.00 | \$0.00 |
| Transfer to Remedial Non-Bonding Fund (0208) | \$0.00 | \$1,000,000.00 |
| | <u>\$0.00</u> | <u>\$1,000,000.00</u> |
| Balance of Fund, October 31, 2022 | \$2,215,993.99 | \$1,217,487.32 |
| 0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding) | | |
| Balance of Fund, July 1, 2022 | \$1,717,002.57 | \$1,717,002.57 |
| Receipts: | | |
| Refund/Overpayment | \$0.00 | \$0.00 |
| Transfer From UST Revenue Fund (0471) | \$0.00 | \$0.00 |
| Interest Income | \$12,693.01 | \$13,000.00 |
| | <u>\$12,693.01</u> | <u>\$13,000.00</u> |
| Disbursements: | | |
| UST Administrator's Fees | \$13,247.00 | \$125,000.00 |
| Adjustment | \$0.00 | \$0.00 |
| Attorney General's Fees | \$18,078.88 | \$50,000.00 |
| Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund) | \$0.00 | \$100.00 |
| Auditor of the State Fees | \$0.00 | \$4,200.00 |
| Claim Settlement | \$0.00 | \$0.00 |
| Department of Inspection & Appeals Service Fee | \$0.00 | \$0.00 |
| Professional Services - Owner/Operator Training | \$5,400.00 | \$20,000.00 |
| Special Project Claims - Closure Contract Projec | \$38,125.00 | \$250,000.00 |
| Travel Expenses-UST Board Members | \$0.00 | \$100.00 |
| 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) | \$33,852.83 | \$250,000.00 |
| Appropriations Prior Fiscal Year | \$8,825.19 | \$10,000.00 |
| Outdated / Outstanding Warrants | \$0.00 | \$0.00 |
| | <u>\$117,528.90</u> | <u>\$909,400.00</u> |
| Balance of Fund, October 31, 2022 | \$1,612,166.68 | \$820,602.57 |
| 0208 - UST REMEDIAL NON-BONDING FUND | | |
| Balance of Fund, July 1, 2022 | \$2,617,038.65 | \$2,617,038.65 |
| Receipts: | | |
| Transfer From UST Revenue Fund (0471) | \$0.00 | \$1,000,000.00 |
| | <u>\$0.00</u> | <u>\$1,000,000.00</u> |
| Disbursements: | | |
| Retroactive Claims | \$0.00 | \$15,000.00 |
| Remedial Claims | \$19,519.23 | \$125,000.00 |
| 28E Agreement - NFA Claims | \$31,786.25 | \$300,000.00 |

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE
ENDING OCTOBER 31, 2022**

| | | FY 2023 BUDGET |
|--|-----------------------|-----------------------|
| Tank Closure Claims (455G.9) | \$328,500.00 | \$750,000.00 |
| Adjustment | \$0.00 | \$0.00 |
| Balance of Outdated / Outstanding Warrants | \$0.00 | \$0.00 |
| | \$379,805.48 | \$1,190,000.00 |
| Balance of Fund, October 31, 2022 | \$2,237,233.17 | \$2,427,038.65 |
| 0478 - UST MARKETABILITY FUND | | |
| Balance of Fund, July 1, 2022 | \$283,257.03 | \$283,257.03 |
| Receipts: | | |
| Interest | \$8,037.21 | \$4,000.00 |
| Use Tax | \$0.00 | \$0.00 |
| | \$8,037.21 | \$4,000.00 |
| Disbursements: | | |
| Intra State Fund Transfer | \$0.00 | \$0.00 |
| Transfer to Innocent Landowners Fund | \$0.00 | \$0.00 |
| | \$0.00 | \$0.00 |
| Balance of Fund, October 31, 2022 | \$291,294.24 | \$287,257.03 |
| 0485 - UST INNOCENT LANDOWNERS FUND | | |
| Balance of Fund, July 1, 2022 | \$2,473,342.95 | \$2,473,342.95 |
| Receipts: | | |
| Cost Recovery (i.e. lien settlements) | \$0.00 | \$0.00 |
| Transfer From UST Revenue Fund (0471) | \$0.00 | \$0.00 |
| Outdated Warrants | \$0.00 | \$0.00 |
| Miscellaneous Income (cancelled warrant) | \$0.00 | \$0.00 |
| | \$0.00 | \$0.00 |
| Disbursements: | | |
| Balance Outstanding Warrants | \$0.00 | \$0.00 |
| Intra State Fund Transfers Paid (to Unassigned R | \$0.00 | \$0.00 |
| Global Settlement Claims | \$229.05 | \$500.00 |
| Innocent Landowner Claims | \$30,857.97 | \$450,000.00 |
| Balance of Outdated / Outstanding Warrants | \$0.00 | \$0.00 |
| | \$31,087.02 | \$450,500.00 |
| Balance of Fund, October 31, 2022 | \$2,442,255.93 | \$2,022,842.95 |
| TOTAL FUND BALANCES, October 31, 2022 | \$8,798,944.01 | \$6,775,228.52 |

D. November 2022 Activities Report

IOWA UST FUND
ACTIVITIES REPORT
MONTH ENDING
NOVEMBER 30, 2022

| Claims | Open Claims | Open Claims | Open & Closed |
|---|-----------------|-----------------|-----------------|
| | October Ending | Monthly Changes | November Ending |
| | | | Totals since |
| RETROACTIVE | | | |
| number | 1 | 0 | 1 |
| reserve | \$ 164,985.93 | \$0.00 | \$ 164,985.93 |
| paid | \$ 735,014.07 | \$0.00 | \$ 735,014.07 |
| total | \$900,000.00 | \$0.00 | \$900,000.00 |
| REMEDIAL | | | |
| number | 23 | 0 | 23 |
| reserve | \$ 1,634,867.85 | (\$30,099.90) | \$ 1,604,767.95 |
| paid | \$ 7,127,153.30 | \$5,099.90 | \$ 7,132,253.20 |
| total | \$8,762,021.15 | (\$25,000.00) | \$8,737,021.15 |
| INNOCENT LANDOWNER | | | |
| number | 15 | (1) | 14 |
| reserve | \$ 2,169,642.26 | (\$75,757.96) | \$ 2,093,884.30 |
| paid | \$ 2,265,957.74 | (\$304,242.04) | \$ 1,961,715.70 |
| total | \$4,435,600.00 | (\$380,000.00) | \$4,055,600.00 |
| GLOBAL OPT-IN | | | |
| number | 5 | (1) | 4 |
| reserve | \$ 27,961.17 | (\$8,826.98) | \$ 19,134.19 |
| paid | \$ 42,038.83 | (\$5,173.02) | \$ 36,865.81 |
| total | \$70,000.00 | (\$14,000.00) | \$56,000.00 |
| UNASSIGNED REVENUE FUND PROJECTS | | | |
| number | 24 | 0 | 24 |
| reserve | \$ 542,554.97 | (\$39,526.89) | \$ 503,028.08 |
| paid | \$ 442,470.03 | \$157,526.89 | \$ 599,996.92 |
| total | \$985,025.00 | \$118,000.00 | \$1,103,025.00 |
| NFA RE-EVALUATIONS | | | |
| number | 19 | 2 | 21 |
| reserve | \$ 615,007.97 | \$118,337.50 | \$ 733,345.47 |
| paid | \$ 429,992.03 | \$4,162.50 | \$ 434,154.53 |
| total | \$1,045,000.00 | \$122,500.00 | \$1,167,500.00 |
| TANK CLOSURE | | | |
| number | 29 | 2 | 31 |
| reserve | \$345,092.37 | \$14,637.00 | \$359,729.37 |
| paid | \$12,773.63 | \$22,588.93 | \$35,362.56 |
| total | \$357,866.00 | \$37,225.93 | \$395,091.93 |

| | | | | |
|---------------------|------------------------|-----------------|-------------|---------------|
| Total Claims | (RT, RM, ILO, NFA) | 59 | (USTCA, TX) | 55 |
| Reserves | (RT, RM, ILO, GS, NFA) | \$ 4,616,117.84 | | \$ 862,757.45 |
| Total Reserves | (all claim types) | \$ 5,478,875.29 | | |

| | |
|-----------------|---------------------------------|
| Operator | |
| A/B (all) | 3,935 A/B (FY2011-22) \$387,520 |

| | |
|-----------------------|----------|
| RT | # |
| New | 0 |
| Reopene | 0 |
| Closed | 0 |
| RM | # |
| New | 0 |
| Reopene | 0 |
| Closed | 0 |
| ILO | # |
| New | 0 |
| Reopene | 0 |
| Closed | 1 |
| GS | # |
| New | 0 |
| Reopene | 0 |
| Closed | 0 |
| USTCA | # |
| New | 0 |
| Reopene | 0 |
| Closed | 0 |
| NFA Re- | # |
| New | 0 |
| Reopene | 0 |
| Closed | 0 |
| Tank Pull | # |
| New | 4 |
| Reopene | 0 |
| Closed | 2 |
| DNR 12-01-2022 | |
| Total | 6845 |
| High Risk | 173 |
| Low Risk | 75 |
| NAR-FP | 20 |
| Not | 62 |
| Open | 330 |

| Invoice Type | November '22 | FYTD | Program to Date |
|---------------------|---------------|---------------|-------------------|
| Appropriations | \$ 25,812.46 | \$ 68,390.48 | |
| Government | \$ 19,755.05 | \$ 51,080.93 | |
| 2004 Tank Pull | \$ - | \$ - | \$ 1,761,823.44 |
| 2010 Tank Pull | \$ 90,000.00 | \$ 448,500.00 | \$ 10,955,921.21 |
| American Soils | \$ - | \$ - | \$ 5,678,422.58 |
| AST | \$ - | \$ - | \$ 11,217,932.11 |
| CADR Charges | \$ - | \$ - | \$ 4,708,703.72 |
| Corrective Action | \$ - | \$ 24,203.54 | \$ 53,050,959.82 |
| Expenses / OT | \$ 600.00 | \$ 6,000.00 | \$ 387,819.65 |
| Free Prod Recover | \$ 3,652.00 | \$ 23,299.66 | \$ 12,967,217.05 |
| Monitoring | \$ 52,810.00 | \$ 105,010.57 | \$ 35,669,542.02 |
| Operations/Maint | \$ - | \$ - | \$ 10,847,837.80 |
| Over-excavation | \$ 107,874.89 | \$ 107,874.89 | \$ 37,518,688.40 |
| Water Lines | \$ - | \$ - | \$ 3,635,317.80 |
| Post RBCA Evals | \$ - | \$ - | \$ 258,858.41 |
| RBCA | \$ 3,075.00 | \$ 34,878.23 | \$ 27,922,179.10 |
| 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 | \$ 3,300.00 | \$ 5,378.50 | \$ 1,471,870.57 |
| Utilities | \$ - | \$ - | \$ 2,303,397.67 |
| Well Closure | \$ - | \$ 3,144.00 | \$ 4,603,799.21 |
| Total Invoice Types | \$ 261,311.89 | \$ 758,289.39 | \$ 319,184,282.21 |

| | | |
|---|-------|--------------|
| Remediation Budgets Approved to Date | | |
| Last month (Nov'22) | 0 | \$0 |
| Trailing 12 mos | 3 | \$1,232,929 |
| Prev Trail 12 mos | 1 | \$80,547 |
| Total Since Jan 2003 | 1,281 | \$58,199,788 |

| Project Contracts | Open | Closed | Pending |
|--------------------|------|--------|---------|
| CRP's | 0 | 45 | 0 |
| Tank Closure | 1 | 8 | 0 |
| Plastic Water Line | 0 | 2 | 0 |

| | CY 2022 | CY 2021 | CY 2020 |
|---------------------------|---------|---------|---------|
| New LUST Sites | 33 | 26 | 34 |
| Closed (NAR) Sites | 41 | 67 | 74 |

E. November 2022 Financial Report

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCE
FOR THE MONTH
ENDING NOVEMBER 30, 2022**

| | | |
|--|--------------|-----------------------|
| 0471 - UST REVENUE FUND (Bonding) | | |
| Balance of Fund, November 1, 2022 | | \$2,215,993.99 |
| Receipts: | | |
| Intra State Fund Transfers Received | \$0.00 | |
| Interest Income | \$3,200.75 | |
| | \$3,200.75 | \$3,200.75 |
| 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 | \$0.00 |
| Balance of Fund, November 30, 2022 | | \$2,219,194.74 |
| 0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding) | | |
| Balance of Fund, November 1, 2022 | | \$1,612,166.68 |
| Receipts: | | |
| Refund/Overpayment | \$0.00 | |
| Transfer From UST Revenue Fund (0471) | \$0.00 | |
| Interest Income | \$5,960.71 | |
| | \$5,960.71 | \$5,960.71 |
| Disbursements: | | |
| UST Administrator's Fees | \$11,547.00 | |
| Adjustment | \$0.00 | |
| Attorney General's Fees | \$8,208.05 | |
| Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund) | \$0.00 | |
| Auditor of the State Fees | \$0.00 | |
| Claim Settlement | \$0.00 | |
| Department of Inspection & Appeals Service Fees | \$0.00 | |
| Professional Services - Owner/Operator Training | \$700.00 | |
| Special Project Claims - Closure Contract Project | \$161,351.89 | |
| 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 ove | \$25,812.46 | |
| Appropriations Prior Fiscal Year | \$0.00 | |
| Outdated / Outstanding Warrants | \$0.00 | |
| | \$207,619.40 | \$207,619.40 |
| Balance of Fund, November 30, 2022 | | \$1,410,507.99 |
| 0208 - UST REMEDIAL NON-BONDING FUND | | |
| Balance of Fund, November 1, 2022 | | \$2,237,233.17 |
| Receipts: | | |
| Transfer From UST Revenue Fund (0471) | \$0.00 | |
| | \$0.00 | \$0.00 |
| Disbursements: | | |
| Retroactive Claims | \$0.00 | |
| Remedial Claims | \$9,334.90 | |
| 28E Agreement - NFA Claims | \$4,162.50 | |
| Tank Closure Claims (455G.9) | \$120,000.00 | |
| Adjustment | \$0.00 | |
| Balance of Outdated / Outstanding Warrants | \$0.00 | |
| | \$133,497.40 | \$133,497.40 |
| Balance of Fund, November 30, 2022 | | \$2,103,735.77 |

**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCE
FOR THE MONTH
ENDING NOVEMBER 30, 2022**

| | | |
|---|------------|-----------------------|
| 0478 - UST MARKETABILITY FUND | | |
| Balance of Fund, November 1, 2022 | | \$291,294.24 |
| Receipts: | | |
| Interest | \$3,967.63 | |
| Use Tax | \$0.00 | |
| | \$3,967.63 | \$3,967.63 |
| Disbursements: | | |
| Intra State Fund Transfer | \$0.00 | |
| Transfer to Innocent Landowners Fund | \$0.00 | |
| | \$0.00 | \$0.00 |
| Balance of Fund, November 30, 2022 | | \$295,261.87 |
| 0485 - UST INNOCENT LANDOWNERS FUND | | |
| Balance of Fund, November 1, 2022 | | \$2,442,255.93 |
| 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 | \$0.00 |
| Disbursements: | | |
| Balance of Outstanding Warrants | \$0.00 | |
| Intra State Fund Transfers Paid (to Unassigned Revenue) | \$0.00 | |
| Global Settlement Claims | \$494.10 | |
| Innocent Landowner Claims | \$7,928.50 | |
| Balance of Outstanding / Outdated Warrants | \$0.00 | |
| | \$8,422.60 | \$8,422.60 |
| Balance of Fund, November 30, 2022 | | \$2,433,833.33 |
| TOTAL FUND BALANCES, November 30, 2022 | | \$8,462,533.70 |

F. Year-to-Date Financials as of November 30 2022

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE
ENDING NOVEMBER 30, 2022

| | | FY 2023 BUDGET |
|--|-----------------------|-----------------------|
| 0471 - UST REVENUE FUND (Bonding) | | |
| Balance of Fund, July 1, 2022 | \$2,209,487.32 | \$2,209,487.32 |
| Receipts: | | |
| Intra State Fund Transfers Received | \$0.00 | \$0.00 |
| Interest Income | \$9,707.42 | \$8,000.00 |
| | <u>\$9,707.42</u> | <u>\$8,000.00</u> |
| Disbursements: | | |
| Adjustments | \$0.00 | \$0.00 |
| Transfer to Unassigned Revenue Fund (0450) | \$0.00 | \$0.00 |
| Transfer to Innocent Landowner Fund (0485) | \$0.00 | \$0.00 |
| Transfer to Remedial Non-Bonding Fund (0208) | \$0.00 | \$1,000,000.00 |
| | <u>\$0.00</u> | <u>\$1,000,000.00</u> |
| Balance of Fund, November 30, 2022 | \$2,219,194.74 | \$1,217,487.32 |
| 0450 - UST UNASSIGNED REVENUE FUND (Non-Bonding) | | |
| Balance of Fund, July 1, 2022 | \$1,717,002.57 | \$1,717,002.57 |
| Receipts: | | |
| Refund/Overpayment | \$0.00 | \$0.00 |
| Transfer From UST Revenue Fund (0471) | \$0.00 | \$0.00 |
| Interest Income | \$18,653.72 | \$13,000.00 |
| | <u>\$18,653.72</u> | <u>\$13,000.00</u> |
| Disbursements: | | |
| UST Administrator's Fees | \$24,794.00 | \$125,000.00 |
| Adjustment | \$0.00 | \$0.00 |
| Attorney General's Fees | \$26,286.93 | \$50,000.00 |
| Cost Recovery Expense (i.e. Lien Filing, Overpayment Refund) | \$0.00 | \$100.00 |
| Auditor of the State Fees | \$0.00 | \$4,200.00 |
| Claim Settlement | \$0.00 | \$0.00 |
| Department of Inspection & Appeals Service Fee | \$0.00 | \$0.00 |
| Professional Services - Owner/Operator Training | \$6,100.00 | \$20,000.00 |
| Special Project Claims - Closure Contract Projec | \$199,476.89 | \$250,000.00 |
| Travel Expenses-UST Board Members | \$0.00 | \$100.00 |
| 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) | \$59,665.29 | \$250,000.00 |
| Appropriations Prior Fiscal Year | \$8,825.19 | \$10,000.00 |
| Outdated / Outstanding Warrants | \$0.00 | \$0.00 |
| | <u>\$325,148.30</u> | <u>\$909,400.00</u> |
| Balance of Fund, November 30, 2022 | \$1,410,507.99 | \$820,602.57 |
| 0208 - UST REMEDIAL NON-BONDING FUND | | |
| Balance of Fund, July 1, 2022 | \$2,617,038.65 | \$2,617,038.65 |
| Receipts: | | |
| Transfer From UST Revenue Fund (0471) | \$0.00 | \$1,000,000.00 |
| | <u>\$0.00</u> | <u>\$1,000,000.00</u> |
| Disbursements: | | |
| Retroactive Claims | \$0.00 | \$15,000.00 |
| Remedial Claims | \$28,854.13 | \$125,000.00 |
| 28E Agreement - NFA Claims | \$35,948.75 | \$300,000.00 |

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND
STATEMENT OF FUND BALANCES
FISCAL YEAR TO DATE
ENDING NOVEMBER 30, 2022

| | | FY 2023 BUDGET |
|--|------------------------------|------------------------------|
| Tank Closure Claims (455G.9) | \$448,500.00 | \$750,000.00 |
| Adjustment | \$0.00 | \$0.00 |
| Balance of Outdated / Outstanding Warrants | \$0.00 | \$0.00 |
| | <u>\$513,302.88</u> | <u>\$1,190,000.00</u> |
| Balance of Fund, November 30, 2022 | <u>\$2,103,735.77</u> | <u>\$2,427,038.65</u> |
| 0478 - UST MARKETABILITY FUND | | |
| Balance of Fund, July 1, 2022 | \$283,257.03 | \$283,257.03 |
| Receipts: | | |
| Interest | \$12,004.84 | \$4,000.00 |
| Use Tax | \$0.00 | \$0.00 |
| | <u>\$12,004.84</u> | <u>\$4,000.00</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, November 30, 2022 | <u>\$295,261.87</u> | <u>\$287,257.03</u> |
| 0485 - UST INNOCENT LANDOWNERS FUND | | |
| Balance of Fund, July 1, 2022 | \$2,473,342.95 | \$2,473,342.95 |
| Receipts: | | |
| Cost Recovery (i.e. lien settlements) | \$0.00 | \$0.00 |
| Transfer From UST Revenue Fund (0471) | \$0.00 | \$0.00 |
| Outdated Warrants | \$0.00 | \$0.00 |
| Miscellaneous Income (cancelled warrant) | \$0.00 | \$0.00 |
| | <u>\$0.00</u> | <u>\$0.00</u> |
| Disbursements: | | |
| Balance Outstanding Warrants | \$0.00 | \$0.00 |
| Intra State Fund Transfers Paid (to Unassigned R | \$0.00 | \$0.00 |
| Global Settlement Claims | \$723.15 | \$500.00 |
| Innocent Landowner Claims | \$38,786.47 | \$450,000.00 |
| Balance of Outdated / Outstanding Warrants | \$0.00 | \$0.00 |
| | <u>\$39,509.62</u> | <u>\$450,500.00</u> |
| Balance of Fund, November 30, 2022 | <u>\$2,433,833.33</u> | <u>\$2,022,842.95</u> |
| TOTAL FUND BALANCES, November 30, 2022 | | |
| | <u>\$8,462,533.70</u> | <u>\$6,775,228.52</u> |

G. Liens Report

Iowa Underground Storage Tank Fund Liens Filed

Updated 12/08/2022

| Lien # | County | Site # | Claim # | Site Address | Property Owner | Owner Address | Lien Amount | Lien Filed Date | Book & Page | Expiration for 10 Yr Lien Period | Risk (12/2022) | 2021 Assessed Value |
|---------|------------|---------|---------------|-------------------------------|-------------------------------|-------------------------------------|--------------|--------------------------------|-------------------------|----------------------------------|----------------|---------------------|
| 0310004 | Palo Alto | 8916647 | 13007 | 510 Inman, Mallard | T & N Larson | 510 Inman Ave, Mallard | \$59,055.50 | 10/30/2003; renewed 10/30/2013 | 2013-2389 | 10/2023 | HIGH | \$ 40,950 |
| 0404009 | Butler | 8608131 | 12039 | 12682 Hwy 3, Dumont | D Dohleman | 11794 195th, Dumont | \$13,650.00 | 4/14/2004; renewed 3/17/2014 | 2014-1057 | 03/2024 | HIGH | \$ 63,280 |
| 0404010 | Ida | 8710293 | 73001 / 73013 | Hwy 175, Ida Grove | Robin Hill Trust | Box 113, Ida Grove | \$330,131.40 | 4/30/2004; renewed 6/24/14 | 6-349 | 06/2024 | HIGH | \$ 27,540 |
| 0605012 | Keokuk | 8609694 | 73040 / 11003 | 407 Barnes, What Cheer | M & K Foubert | 601 Barnes, What Cheer | \$82,373.75 | 5/16/2006; renewed 5/16/2016 | 2006-0962 | 05/2026 | NAR | \$ 24,600 |
| 0610017 | Jefferson | 8601629 | 11023 / 14009 | 206 West Main St, Lockridge | R & C Richardson | 206 West Main St, Lockridge | \$35,202.00 | 10/25/2006; renewed 10/05/16 | Bk 4 - pg 258 | 10/2026 | HIGH | \$ 62,500 |
| 0701022 | Van Buren | 8600890 | 11032 / 14002 | Hwy. 1 & 180th St., Keosauqua | Henry Robbins | 102 Greenvale Drive, Mansfield, TX | \$32,980.90 | 1/19/2007; renewed 11/7/2016 | 2016 - 1395 | 11/2026 | LOW | \$ 4,930 |
| 0702023 | Montgomery | 8607574 | 15013 | Tenville IA | Marvin G. Shipley | 2048 Tenville Avenue, Villisca | \$2,795.00 | 2/16/2007; renewed 1/9/2017 | Book 6, Pg 275-6 | 01/2027 | NAR | \$ 31,660 |
| 0704025 | Tama | 9017159 | 14005 | 100 Jacobs St., Chelsea | T & C Jacobi | 100 Jacobs, Chelsea | \$17,839.00 | 5/17/2007; renewed 4/28/2017 | Book 2017 - 1371 | 04/2027 | NAR | \$ 740 |
| 0706029 | Woodbury | 9217516 | 73002 | 29 Deer Run, Climbing Hill | P Benjamin | 7 Movable Blacktop, Climbing Hill | \$14,400.00 | 8/7/2007; renewed 8/4/2017 | Roll 754, Image 1063-64 | 08/2027 | NAR | \$ 25,900 |
| 200916 | Black Hawk | 8608488 | 18533 | 1104 Washington, Waterloo | Star Real Estate Holdings LLC | 1104 Washington, Waterloo, IA 50703 | \$29,028.70 | 10/8/2020 | 2021-00007519 | 10/2030 | Tank Closure | \$325,120 |

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 October 2022 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 Karen E. Andeweg Kayla Lyons
 Timothy L. Gartin Lisa Coffelt Patricia J. Beck John Maynes

MEMORANDUM

TO: UST Board Members
FROM: James R. Gastineau
DATE: December 8, 2022
SUBJECT: Contracts Entered Into Since October 27, 2022 Board Meeting

The Board entered into reimbursement agreements with the following for UST Operator Training Services:

- 1) R&A Risk Professionals, for activities through December 2023
- 2) UST Training, for activities through December 2023

Correction to October 2022 report:

The Board entered into an agreement with Seneca Companies on September 30, 2022 for services on the State Lead Closure Contract project for activities through October 14, 2023.

Other Issues as Presented

Correspondence and Attachments



IOWA UNDERGROUND STORAGE TANK FUND

Douglas M. Beech, *Chairperson*

James R. Gastineau, *Administrator*

Board Members:

Michael L. Fitzgerald

Joseph D. Barry

Jeff W. Robinson

Karen E. Andeweg

Kayla Lyon

Timothy L. Gartin

Lisa Coffelt

Patricia J. Beck

John Maynes

December 6, 2022

The Honorable Jack Whitver, Majority Leader
Iowa State Senate, State Capitol
1007 E. Grand Avenue
Des Moines, IA 50319
jack.whitver@legis.iowa.gov

The Honorable Pat Grassley, Speaker of the House
Iowa House of Representatives, State Capitol
30601 Deer Trail Drive
New Hartford, IA 50660
pat.grassley@legis.iowa.gov

Re: Iowa Underground Storage Tank Program

Dear Majority Leader Whitver and Speaker Grassley:

At the request of the Board, I am writing to you. Since 1989, the Iowa Comprehensive Petroleum Underground Storage Tank Fund has worked to assist owners and operators of underground storage tanks with compliance of state and federal environmental regulations. Several programs were established to aid in the efforts including the following:

1. The Remedial Program. This program provides for the cleanup of past releases from underground storage tanks. To qualify, the release had to be reported to the Department of Natural Resources (DNR) between January 1, 1985 and October 26, 1990 and to the UST Board by February 26, 1994. The program reimburses for certain reports and pays a percentage of corrective action costs up to \$1 million. To date \$242,722,117 has been paid under the remedial program, and as of the date of this letter, 24 of the nearly 5,000 claims filed remain open.
2. The Innocent Landowner Program. This program was created primarily with monies recovered from major oil companies and provides corrective action and assessment benefits for eligible claimants that may have missed previous reporting deadlines and for previously ineligible pre-regulation tanks. To date \$36,877,439 has been paid under the innocent landowner program and as of the date of this letter, 16 of the 1,161 claims filed remain open. New claims continue to be filed under this program.

3. Tank Closure Funding. This program was established to assist tank owners pay for the costs associated with the permanent closure of old underground storage tanks. Although funding is limited to \$15,000 for each UST site, since 2010, more than \$10,555,591 has been paid to owners. New claims continue to be filed under this program.
4. No Further Action Funding. This program was initially created in 1998 to reimburse the DNR for corrective action completed on a site for which they had issued a No Further Action (NFA) Certificate and which was later found to have a risk condition caused by the original release. The program was modified and since 2007 funding has been provided to assist owners where additional work is needed on sites that are re-opened after NFA certificate has been issued. The program does not have a dedicated NFA Fund. To date, \$2,697,837 has been paid on these claims.

Historically, the UST Fund received funding from a variety of sources including tank fees, the environmental protection charge, the motor vehicle use tax, and the issuance of tax-exempt bonds. Allocations to the UST Fund ceased in December 2016 and the overall balance of the Fund has been decreasing since that time. In December 2016, the UST Fund balance was near \$39,963,441; today the balance is under \$8,885,884.

The UST Fund Board understands that the programs will end as the fund balance is depleted and in the interest of creating a smooth end to the program, the Board proposed language to wind up the fund the last 3 legislative sessions. In each session, the legislature and the stakeholders were unable to reach consensus on the legislation and ultimately the legislation failed.

For the 2023 session, the Board has opted not to pursue a legislative end to the program. As the program moves closer to ending, we acknowledge that there will be challenges in deciding which sites or programs will be funded. While the Board has worked diligently with the DNR to address the petroleum contaminated sites, we recognize some sites may never be fully remediated. Prioritization of the remaining funding, whether for the remedial or innocent landowner claims or for the NFA re-opened sites or tank closures, may need to be considered.

As the Board continues to provide assistance to owners and operators, we seek ways to maximize the dollars available and provide efficient and effective risk mitigation at these sites, we request your input on these issues and your direction on how the program should end. If you or members of your staff are available, we would like to invite you to our next Board meeting scheduled for Thursday, December 15, 2022, at 10 a.m. in Room G15 (Legislative Dining Room) at the Iowa State Capitol Building. As always we can be available to meet with you to discuss these or other issues at your convenience. Your input would be greatly appreciated by the Board as we move forward.

I look forward to hearing your thoughts and whether you can attend our meeting or would like to meet to discuss at your convenience.

Sincerely,



Douglas M. Beech

Chair, Petroleum Underground Storage Tank Board