

Environmental Protection Commission

Tuesday, August 19, 2025

Teleconference: 661-615-8170 PIN: 219 411 781#

Video Conference: meet.google.com/fdw-vjzq-wcs
6200 Park Ave, Ste 200, Des Moines, IA, 50319

Conf Rm: Walnut Woods

Tuesday, August 19, 2025 10:00 AM – EPC Business Meeting

If you are unable to attend the business meeting, comments may be submitted for public record to Alicia Plathe at <u>Alicia.Plathe@dnr.iowa.gov</u> or 6200 Park Ave, Des Moines IA 50321 up to 24 hours prior to the business meeting.

1	Approval of Agenda
2	Approval of the Minutes
3	Monthly Reports

4 Director's Remarks

5 Water Supply - Water Use & Allocation Annual Permit Fee

Notice of Intended Action - Chapter 30 – Air Quality Fees

7 Referral of Ames Business Group and Wes Ames to the Iowa Attorney General

8 General Discussion9 Upcoming Meetings

6

- Tuesday, September 16, Des Moines
- Tuesday, October 21, Des Moines

Ed Tormey (Information) Kayla Lyon

(Information)
Taylor Jorgensen

(Decision) Wendy Walker

(Decision)

Noah Poppelreiter

(Decision)

For details on the EPC meeting schedule, visit http://www.iowadnr.gov/About-DNR/Boards-Commissions

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¹Comments during the public participation period regarding proposed rules or notices of intended action are not included in the official comments for that rule package unless they are submitted as required in the Notice of Intended Action.

Any person with special requirements such as those related to mobility or hearing impairments who wishes to participate in the public meeting should promptly contact the DNR or ADA Coordinator at 515-725-8200, Relay Iowa TTY Service 800-735-7942, or Webmaster@dnr.iowa.gov to advise of specific needs.

MINUTES OF THE **ENVIRONMENTAL PROTECTION COMMISSION** MEETING

JuLY 15, 2025

Video Teleconference

Approved by the Commission TBD

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Adjourned	
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Meeting Minutes

CALL TO ORDER

The meeting of the Environmental Protection Commission (Commission or EPC) was called to order by Chairperson Mark Stutsman at 10:00 AM on July 15, 2025, via video/teleconference attendees.

COMMISSIONERS PRESENT

Patricia Foley

Roger Zylstra

Jason Ballard

Kyle Tobiason

Dawn Refsell

Jim Christensen

COMMISSIONERS ABSENT

Amy Echard

Rebecca Dostal

APPROVAL OF AGENDA

Motion was made by Patricia Foley to approve the agenda as presented. Seconded by Roger Zylstra.

Roger Zylstra-aye, Jason Ballard-aye, Dawn Refsell-aye, Rebecca Dostal-absent, Kyle Tobiason-aye, Jim Christensen-aye, Patricia Foley-aye, Amy Echard-absent, Mark Stutsman-aye. Motion passes.

APPROVED AS PRESENTED

APPROVAL OF MINUTES

Motion was made by Kyle Tobiason to approve the item as presented. Seconded by Patricia Foley.

Roger Zylstra-aye, Jason Ballard-aye, Dawn Refsell-aye, Rebecca Dostal-absent, Kyle Tobiason-aye, Jim Christensen-aye, Patricia Foley-aye, Amy Echard-absent, Mark Stutsman-aye. Motion passes.

APPROVED AS PRESENTED

MONTHLY REPORTS

• Ed Tormey, Division Administrator, informed Commissioners of an upcoming DNR family night at the state fair on Tuesday, August 5th, likely from 5 to 7 PM. Commissioners are invited to meet staff from various divisions. Alex Moon, DNR's Deputy Director, also mentioned that the DNR building at the fair will feature a new permanent structure mimicking scenes from state parks, including Maquoketa Caves and Pilot Knob State Park.

Information

DIRECTOR'S REMARKS

None

CHAPTER 69, PRIVATE SEWAGE DISPOSAL SYSTEMS - FINAL RULE

Eric Wiklund, NPDES Section Supervisor, requested Commission approval for the adopted and filed rule to rescind and replace Chapter 69. This chapter establishes requirements for the construction permitting program for new or modified private sewage disposal systems and the Time of Transfer program, aiming to prevent disease spread and

safeguard public health. The changes align with Executive Order 10, removing outdated requirements, clarifying terminology, and reducing redundancy.

Public Comments –

- RG Schwarm (representing Planet Care Biofilter): Opposed these rules, stating that the changes would compromise public health and safety by leading to increased discharge of untreated or raw sewage. While acknowledging that ATUs and packed media filters meet NSF40 standards, he believes they do not perform at the same level in real-world situations, citing reliability issues and inconsistent maintenance for ATUs.
- Steve Johnson (Director of Field Operations for Consolidated Treatment): Supported the revision. He stated that aerobic treatment plants in Illinois have proven reliable and provide superior water quality, attributing this to proper dealer support, training, and regulator oversight. He noted that ATUs have a valid place in wastewater treatment.
- Sheryl Ervin (Infiltrator Water Technologies): Supported the rule revision. She highlighted that all discussed technologies are tested and certified under the same standard. She noted that ATUs are widely installed and approved across the country, with data showing they perform to or better than required standards.
- **Brett Wieber (Vice President of Treatment System Sales at Norweco):** Strongly supported the adoption of the rules, emphasizing that they create an "equal playing field" for all technologies. He cited strict technology approval and monitoring requirements in states like Ohio, Florida, and Maryland, where aeration-based systems predominate and meet rigorous standards.
- Kyle Dierolf (Product Manager with Premier Tech Water and Environment, manufacturing ecoflow coco units): Opposed the rules. He stated that packed bed media filters provide consistent treatment and a physical filtration barrier, reducing the risk of untreated wastewater discharge to the ground surface. He also noted that while ATUs are allowed in Iowa, they cannot currently discharge directly to the ground surface due to these concerns.
- Threase Harms (President CEO for Advocacy Strategies, representing Infiltrator Water Technologies): Supported the rule change, stating it is consistent with EO10's goals of removing barriers and outdated regulations. She emphasized that these treatment systems are used in other states, and allowing their use in lowa provides Iowans with more choices. She also stated that maintenance and recordkeeping are separate issues from this rule update.
- Curtis Cluckey (Infiltrator Water Technologies): Supported the rule, stating that all technologies should be on a level playing field. He mentioned that Infiltrator now offers packed bed technology and that direct discharging systems using ATUs are successful in other states like Illinois.
- Brandon Rogers (Rogers Septic): Supported an equal playing field. He highlighted that while all systems require maintenance, the cost to repair a packed media system is significantly higher (around \$6,000 to replace media) compared to an ATU (around \$1,000). He also noted the need for better homeowner training and county enforcement of rules.
- **Eric D. Dursky (Mahaska and Kakut County):** Supported the new rule. He stated that systems perform well with proper maintenance and that ATUs, when maintained, provide good quality effluent. He emphasized the cost-effectiveness of ATUs for homeowners.
- Amber Meixner (Owner of Fairfield Creek Concrete): Supported the rule change. She stated that every system is effective with proper maintenance and that homeowners should have more options. She highlighted that ATUs are a cheaper option for lowans.
- Mike (Boone County): In favor of the rule.
- Damora Johnston (Story County Environmental Health Specialist): In support of the rule changes.
- **Kimberly Grandinetti (Story County Environmental Health):** Supported the rule, specifically appreciating the clarifications that will help ensure consistency across the state.
- Will Boston (Wastewater Supply Wholesaler): Expressed concerns about the rule, noting that historically, many systems are not maintained due to lack of available maintenance providers, and questioned why the state is "going backwards."
- Chase Mail (National Sales Representative for Norweco): In favor of the rule revisions.
- Joe Raori (Bile Microbics): In support of the rule.

• **Amy Davo:** Stated that lack of maintenance is an issue across all system types (ATUs, packed bed, and media filters) and that all pose health and environmental issues when not maintained.

Written Comments -

Greetings,

I am writing as the Sanitarian for Boone County Iowa. In my position as Sanitarian, I work with the Chapter 69 rules every day. I am in full support of the proposed rules as they are submitted and urge the Commission to approve the rules as submitted. The updates are very much needed and the proposal is fair and will help homeowners, and the industry as a whole while protecting the environment and public health.

Thank you for your consideration.

Sincerely, Mike Salati, Sr.

Michael J. Salati, Sr. Director, Planning and Development County Sanitarian

Office: 515-433-0550 Cell: 515-298-2257

Email: msalati@boonecounty.iowa.gov

Motion was made by Roger Zylstra to approve the item as presented. Seconded by Patricia Foley.

Roger Zylstra-aye, Jason Ballard-aye, Dawn Refsell-aye, Rebecca Dostal-absent, Kyle Tobiason-aye, Jim Christensen-aye, Patricia Foley-aye, Amy Echard-absent, Mark Stutsman-aye. Motion passes.

APPROVED AS PRESENTED

GENERAL DISCUSSION

 Alicia Plathe announced that normal meetings are scheduled for August 19, 2025, and September 16, 2025, both in Des Moines. She also reiterated the invitation to the DNR family night at the state fair on August 5th and offered to send an additional invitation to Commissioners.

ADJOURN

Chairperson Mark Stutsman adjourned the Environmental Protection Commission meeting at 10:56 pm on July 15, 2025.

ADJOURNED

	Monthly Waiver Report July 2025											
Item #	DNR Reviewer	Decision	Date	Agency								
1	Lucas Tenborg	IPL- Ottumwa Generating Station	AQ	to use a temporary vapor combustion unit for 14 days (within a 4-week time period) while the vapor recovery unit covered under permit (93-A-213) is undergoing maintenance.	Approved	7.3.25	25agw152					
2	Nate Tatar	Musco Sports Lighting, LLC - Hwy 23	Air Quality Construction Permits	Waiver of Initial Stack Test Requirement.	Approved	7.3.25	25aqw153					
3	Jasmine Bootman	River City Paving-PP-89-000	Air Quality Construction Permits	Waiver of Initial Stack Test Requirement.	Approved	7.7.25	25aqw154					
4	Nate Tatar	Boomerang Corp.	Air Quality Construction Permits	Waiver of Initial Stack Test Requirement.	Approved	7.11.25	25aqw155					
5	Nate Tatar Grain Millers, Inc. Air Quality Construction Permits W		Waiver of Initial Stack Test Requirement.	Approved	7.14.25	25aqw156						
6	Danjin Zulic City of Rock Valley Air Quality Construction Perm		Air Quality Construction Permits	Waiver of Initial Stack Test Requirement.	Approved	7.15.25	25aqw157					
7	Karen Kuhn	IPL - Oelwein Operation Center	Air Quality Construction Permits	Waiver of Initial Stack Test Requirement.	Approved	7.15.25	25aqw158					
8	Jasmine Bootman	Hearth & Home Technologies (HHT), Inc	Air Quality Construction Permits	Waiver of Initial Stack Test Requirement.	Approved	7.16.25	25aqw159					
9	Lucas Tenborg	Ballard Properties	AQ	The company owner would like a variance to burn several large piles of left over tree branched and brush left over from a clearing and grubbing project within the city of Ames	Denied	7.17.25	25aqw160					
10	John Curtin	HNI Corp North Campus	Air Quality Construction Permits	Waiver of Initial Stack Test Requirement for nine powder coating cure ovens.	Approved	7.17.25	25aqw161					
11	Tim Duda	University of Iowa Water System	Water Supply Construction	Construct a reinforced concrete pipe (RCP) storm sewer with ASTM C433 gaskets instead of replacing the existing water main at the identified crossing conflict for the WSE project (W2022-0765, PWSID IA 5225101).	Approved	7.17.25	25wcw162					
12	Julie Ritter	Koch Fertilizer Fort Dodge	AQ	Request to modify stack characteristics prior to permit issuance	Approved	7.11.25	25aqw163					



Second Quarter 2025 Chemical Spill, Manure Release and Wastewater By-Pass Report

(Quarterly report to the Environmental Protection Commission)

Chemical Spills

During the period April 1, 2025, through June 30, 2025, 149 hazardous conditions were reported to the department (567 IAC 131.2 (455B.386)). This does not include releases from underground storage tanks, which are reported separately.

		Total C	hemical	Substance						Mode			
		Sp	ills	Agricu	ultural	Petro	leum	Other Ch	emicals*	Transpoi	rtation**	Fixed	Facility
		Previous	Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current
Quarter	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
1st	2025	83	91	2	0	64	56	23	35	24	31	59	60
2nd	2025	148	149	28	17	92	77	22	62	50	36	98	113
3rd	2025	127		8		71		53		33		94	
4th	2025	103		13		59		40		36		67	
Calendar Year to													
Date		461	240	51	17	286	133	138	97	143	67	318	173

Total Chemical Spill Reports

200
100
100
100
1 2 3 4
Quarter

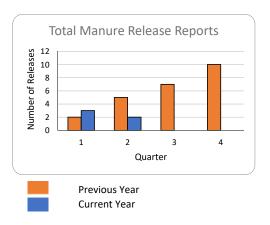
Previous Year
Current Year

Manure Releases

During the period April 1, 2025, through June 30, 2025, 2 manure releases were reported to the department. 567 IAC 65.2 (455B, 459, 459A, 459B)

						At an A	Animal	Not at a	n Animal
		Total Reported		Impacts to a Water		Feeding C	peration	Feeding Operation	
			Releases	of the State		(on-site)		(off-site)*	
		Previous	Current	Previous	Current	Previous	Current	Previous	Current
Quarter	Year	Year	Year	Year	Year	Year	Year	Year	Year
1st	2025	2	3	0	1	0	2	2	1
2nd	2025	5	2	2	0	4	2	1	0
3rd	2025	7		3		1		6	
4th	2025	10		5		3		7	
Calendar	Calendar Year to								
Date		24	5	10	1	8	4	16	1

^{*} Off Site includes: transportation and land application related incidents.



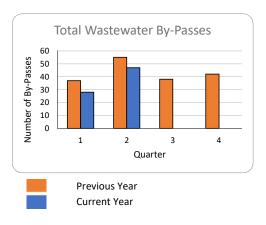
^{*} Other includes: non-agricultural and non-petroleum based chemicals including but not limited to chlorine, acids/bases, inorganic and organic chemicals

^{**} Transportation includes: water transportation, vehicle transportation, rail transportation and pipeline transportation. All other types of incidents are considered fixed facility.

Wastewater By-Passes

During the period April 1, 2025 through June 30, 2025, 47 wastewater by-passes were reported to the department (567 IAC 63.6(3) (455B.186)). This does not include by-passes resulting from precipitation events (including flood water infiltration) or bypasses resulting in basement backups.

						Average	Volume		
		Total Wastewater		Average Length		(Million			
		Ву-р	asses	(days)		Gallons/Day)		Reported Fish Kills	
		Previous	Current	Previous	Current	Previous	Current	Previous	Current
Quarter	Year	Year	Year	Year	Year	Year	Year	Year	Year
1st	2025	37	28	0.317	0.472	0.208	0.034	0	0
2nd	2025	55	47	0.745	0.325	1.095	0.171	0	0
3rd	2025	38		0.363		0.241		0	
4th	2025	42		1.282		0.07		0	
Calendar Year to									
Date		172	75					0	0



Iowa Department of Natural Resources Environmental Protection Commission

TOPIC Water Supply - Water Use & Allocation Annual Permit Fee

The Department requests Commission approval for the Water Use and Allocation Program annual permit fee of \$115 per permit for SFY 2026.

Background

Water use permits are required of any person or entity using more than 25,000 gallons of water in a single day during the year, and are issued for a period of up to 10 years. Iowa Code §455B.265(6)(a) authorizes the Department to charge a fee for the permits and to collect up to \$500,000 per year through these fees. The fee is required to be based on the Department's "reasonable cost of reviewing applications, issuing permits, ensuring compliance with the terms of the permits, and resolving water interference complaints." There are two types of fees in the Water Use and Allocation Program: an application fee and an annual permit fee. This request is for the determination of the annual permit fee for SFY 2026.

The annual permit fee is calculated as follows:

- Each year, the Commission is asked to set the annual permit fee based on the costs for administering the water use program for the previous calendar years and on the anticipated expenses for the next fiscal years.
- The Department reviews the annual permit fee each year and adjusts the fee as necessary to cover all reasonable costs required to develop and administer the water use permitting program.
- The annual permit fee is based on the number of active permits.
- Each permit holder pays the same annual permit fee.
- The Department requests Commission approval of the amount of the annual permit fee no later than September 30th of each year.
- The annual permit fee due date is December 1st; and the Department is required to provide an annual fee notice to each permittee at least 60 days prior to the fee due date (i.e., no later than October 1st).
- The annual permit fee history: \$135 in 2010-2011, \$95 in 2012, \$66 in 2013-2014, \$99 in 2015-2016, \$66 in 2017, \$134 in 2018-2019, \$95 in 2020-2022, and \$115 in 2023-2025.

Stakeholder Meeting and Fee Analysis

At the Water Use Stakeholder meeting on July 17, 2025, the program's activities and budget were reviewed for the past and future years. In the SFY 2026 budget, there are 4.0 FTE staff persons and routine expenses. The budget less the anticipated general fund, average application fee revenue, and anticipated carryforward use was used to determine the annual fee. The Department proposed a \$115.00 annual fee in order to have stability in budgeting and less annual fluctuation of the fee. All fee monies are held in the water use permit fund to be used for the water use and allocation program needs.

Annual Permit Fee Calculation:

A. Budget – Anticipated general fund – Average application fee revenue – Carryforward spent = Annual permit fee revenue

\$599,037 - \$179,711 - \$34,969 - \$4,052 = \$380,305 for annual permit fee revenue

B. Annual permit fee revenue/number of active permits that would pay fee in SFY 2026 = Annual permit fee per permit

\$380,305 / 3,307 = \$115.00 per permit

Therefore, a \$115.00 annual water use permit fee was proposed by the Department for SFY 2026. The stakeholder members participating in the meeting did not object to this permit fee amount.

Based on the budget and stakeholder input, the annual water use permit fee for SFY 2026 should be \$115.00.

Taylor Jorgensen, Environmental Specialist Water Supply Engineering Section, Water Quality Bureau Environmental Services Division

August 19, 2025

Iowa Department of Natural Resources Environmental Protection Commission

ITEM #6 DECISION

TOPIC Notice of Intended Action - Chapter 30 – Air Quality Fees

The Commission is requested to approve this Notice of Intended Action to amend 567 Iowa Administrative Code (IAC) Chapter 30 "Fees" for the air quality program to increase the fee caps and to establish two new fee types, a Title V base fee and a fee for revisions to asbestos notifications.

The increase to the fee caps will provide sustainable funding to cover program expenses, and the new fees will distribute the costs more equitably to those businesses actively using Departmental services. All fees directly support the air quality program, which exists to prevent, abate, and control air pollution in the State of Iowa.

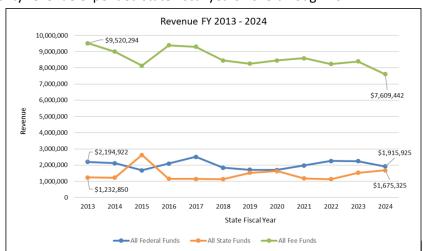
The proposal does not make any changes to the current air quality fee schedule, nor the total revenue caps on each of the air quality accounts contained in Iowa Code sections 455B.133B and 455B.133C. Any proposed changes to the fee schedule will be discussed first with affected stakeholders and then reviewed and approved by the Commission prior to going into effect in accordance with rule 567 IAC 30.6. The earliest any fee could increase from this rulemaking would be July 1, 2026.

Background

Prior to 2015, the Department charged only an annual fee for emissions from facilities subject to the Title V operating permit program. In 2015, the General Assembly granted the Commission authority to establish application fees for both construction and operation of air pollution emitting equipment and fees for asbestos notifications (Iowa Code sections 455B.133B and 455B.133C). The new fees were based on recommendations from a 2014 stakeholder workgroup and became effective in January 2016.

Even with the establishment of the 2016 fees, the Department receives less money today than it did ten years ago. This is due to relatively static state and federal funding combined with a substantial decline in fee revenue.

Chart 1: Air quality revenue expended state fiscal years 2013 through 2024.



Much of the decline in fee revenue comes from decreases in emissions from Title V facilities. While the Department's workload has increased due to the implementation of new state and federal air quality regulations, and the number of facilities in the Title V program has remained relatively constant, emissions subject to fees have declined 45% in the last 8 years from nearly 150,000 tons in calendar year 2015 to 82,000 tons in calendar year 2024. The decline in emissions is due to a combination of factors, including market shifts in the cost of fossil fuel use versus renewable energy and the implementation of federal emission reduction requirements at coal-fired utilities.

Air quality fees have not changed since 2016, and the Department has made every effort to stay within the budget afforded by the existing fees by reducing staffing, reducing expenses, and streamlining processes. These efforts have resulted in cost reductions of over \$3,952,000. Approximately 48% of the cost savings have come from reducing staffing by thirteen full-time equivalent (FTE) employees over an eight-year period. About 35% of the cost savings have come from contract reductions including:

- programmatic cuts to the local air quality programs and small business assistance provider,
- a 23% reduction in the ambient air monitoring network in FY 2018, and
- an additional 16% reduction to the ambient air monitoring network in FY 2023.

Additionally, the Department has located more than \$3,100,000 in alternate funding sources to support the program. Despite these efforts, revenues can no longer support existing levels of service. Accordingly, in June 2024, the Department convened an industrial stakeholder workgroup comprised of small and large businesses that use air quality services and several business advocacy groups. This diverse industrial workgroup was given the task of completing a detailed review of the Department's budgets, staffing, and contracts to look for additional cost saving measures and/or discuss potential fee increases.

The workgroup members had numerous meetings from June 2024 to March 2025 with Department staff to review budgets and to discuss their findings and ideas. They then invited all affected industries to hear their results in a series of open meetings held in October and December 2024. See the attachment for workgroup members and meeting dates and details. Thus, this fee proposal is based on the discussions among the workgroup members as well as the workgroup discussions with the larger affected stakeholder community as a whole.

The Regulatory Analysis was published in the May 14, 2025 edition of the Iowa Administrative Bulletin. A public hearing was held on June 3rd. The hearing was attended by six people representing both industry and the general public. Several questions relating to the current fees, amount of fees collected in the prior fiscal year, increases in the fee cap, and comparison to other states were answered. No oral comments were received. One written comment was received during the comment period. The written comment was in support of the rulemaking and was signed by three business advocacy groups – the Iowa Asphalt Paving Association, Iowa Ready Mix Association, and Iowa Limestone Producers.

Overview of Fees and Proposed Changes

Title V Operating Permit Fees

Congress established the Title V Operating Permit program as part of the 1990 Clean Air Act (CAA) amendments. A Title V operating permit is required for facilities with potential emissions greater

than the major stationary source thresholds. As required by the CAA, major stationary sources are required to obtain a Title V operating permit in addition to any necessary construction permits. Operating permits provide industries with a single document that incorporates all of the state and federal air quality regulations for their facility. Sources subject to Title V include electric utilities, large food and grain processors, large manufacturing operations, and natural gas pipelines.

Title V Application Fee

Title V facilities are required to apply for an initial operating permit within one year of when they become subject to the program, and they are required to renew the resulting issued permit every five years. Instead of a flat fee per permit, the 2014 stakeholder workgroup determined fees for this activity should be based on the amount of time a permit writer takes to review and issue each individual permit, billed at an hourly fee. The 2024 workgroup requested to keep the same fee format. The fee for the review and issuance of initial and renewal Title V permit applications is currently capped at \$100/hour. Future fee revenue is projected to be insufficient to cover direct and indirect costs of the program without further cuts to service. This rulemaking proposes to set the fee cap at \$145/hour.

Title V Emissions Fee

Per the CAA, lowa is required to charge emissions fees to Title V facilities that cover the direct and indirect costs of implementing the program. These costs include reviews of annual compliance certifications and semiannual monitoring reports, annual compliance inspections, and annual emissions inventory collection and review. The current Title V emissions fee of \$70/ton is assessed annually on July 1st based on a facility's emissions from the previous calendar year. The Title V emissions fee cap is proposed to increase from \$70/ton to \$98/ton.

Title V Base Fee

To further address declining emissions, the Department is also proposing to add an annual base fee to supplement the emissions fee. A base fee would ensure that all affected Title V facilities pay for their portion of the Title V program instead of being subsidized by larger-emitting sources. In 2024, 59% of Title V sources did not pay emissions fees adequate to cover the costs of Department services they use. The Title V base fee cap is proposed to be set at \$7,800.

Construction Permit Fees

A construction permit is required for any facility that plans to install or modify a source of air emissions to ensure protection of the National Ambient Air Quality Standards (NAAQS). For fee purposes, construction permits are divided into two categories: major sources and minor sources. A major source is a facility that has emissions at or above the Title V program emission thresholds. Minor sources are all facilities that have less emissions than the Title V thresholds and include: small to medium manufacturing operations, metal foundries, asphalt paving plants, and concrete batch plants.

Major Source Application Fee

Much like the Title V application fee, the 2014 stakeholder workgroup determined fees for major source construction permit applications should also be based on the amount of time a permit writer, and potentially dispersion modeler, take to review and issue each permit, billed at an hourly fee. The 2024 workgroup requested to keep the same fee format.

¹ A major stationary source is a facility that has the potential to emit 100 tons per year (tpy) or more of any air pollutant; or the potential to emit 10 tpy or more of any individual hazardous air pollutant; or the potential to emit 25 tpy or more of any combination of hazardous air pollutants.

The major source construction permit engineer review fee is currently capped at \$115/hour, and the dispersion modeling fee is capped at \$90/hour. Future fee revenue is projected to be insufficient to cover the costs of the program without further reductions to service. The fee cap is proposed to be set at \$165/hour for both. Dispersion modeling requires significant indirect time to develop background information for the computer simulation used for NAAQS comparison and is therefore proposed to be increased to the same hourly rate as engineering review time to cover these extra services provided to industry.

Minor Source Application Fee

The minor source construction permit fees were set in 2016 at a flat fee of \$385 for permit applications and \$100 for template and registration permit applications. Templates and registrations provide a streamlined permit process if a facility accepts predetermined conditions on their operations. Template and registration options exist for grain elevators, small painting operations such as auto body shops, concrete batch plants, aggregate plants, asphalt plants, and bulk gasoline storage facilities. All other minor permits are evaluated on a case-by-case basis, like the major sources.

The flat fee amounts for minor source permits were based on the 2014 stakeholder workgroup recommendations that also included that minor sources pay only 40% of the cost of the permit. The remainder of the cost, 60%, would be covered by the Department using state and federal funds.

As is demonstrated in the chart below, minor fees have never been adequate to cover 40% of the expenses due to the 2014 stakeholder workgroup underestimating the costs of service to minor sources.

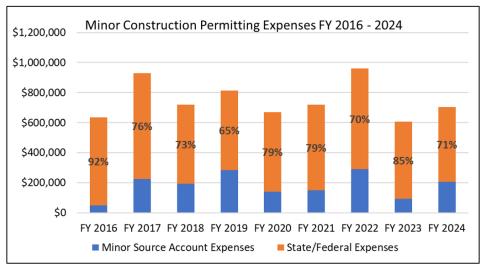


Chart 2: Percentage of minor source expenses in FY 2016 through 2024 covered by fees versus state/federal funds

As a result, the minor source fee account has been in or near a significant deficit in most of the previous ten fiscal years. The Department has shifted federal and state funds to pay for the costs of the minor program that could not be covered by fees, but the Department can no longer afford to shift extra monies from other air quality programs to cover the minor fee deficit without cutting services to stakeholders.

The 2024 workgroup recommended to keep minor source fees as a flat fee and increase the fees to ensure the same level of service and guarantee the Department does not contribute more than 60%

of the cost. The fee caps are proposed to be set at \$1,200 for minor source permit applications and \$500 for templates and registrations.

Asbestos Notification for Demolition and Renovation Fee

Asbestos notification fees are required to be submitted for the renovation or demolition of any institutional, commercial, public, or industrial building that contains asbestos. Residential buildings with less than four dwelling units are generally exempt from the notification requirement unless they are being demolished as part of a commercial project. All fees collected are used to educate affected businesses on the federal asbestos requirements, to complete inspections of asbestos containing renovations and demolitions, and to follow-up on citizen complaints.

The asbestos notification fee was proposed by the 2014 stakeholder workgroup and became effective in 2016. The current fee cap is \$100 per initial notification. Future fee revenue is projected to be insufficient to cover the costs of the program. The 2024 workgroup recommended to both raise the fee cap for initial notifications and begin charging a fee for revised notifications. Revised notifications occur when a contractor changes demolition or renovation dates, the amount of asbestos material in the building increases, or the asbestos waste transporter or disposal location changes. The fee cap for initial notifications is proposed to be set at \$175 and new fee cap for revised notifications is proposed to be set at \$100.

Wendy Walker, Environmental Specialist Senior Program Development Section, Air Quality Bureau Environmental Services Division

August 19, 2025

Air Quality Workgroup Members

Kelly Jorgensen- Workgroup Chair

Director of Environmental Compliance, Ag Processing, Inc.

Mona Bond

Consultant, heavy highway sector (asphalt and concrete)

J.D. Davis

Vice President of Public Policy, Iowa Association of Business & Industry

Amy Drahos

Environmental Compliance Specialist, Facilities Mgmt., University of Iowa

Christopher Hage

Environmental Director, Grain Processing Corporation

Jeffrey Hanson

Director, Environment/Sustainability, Alliant Energy

Nathan Hohnstein

Policy Director, Iowa Renewable Fuels Association

Mark Mathias

Environmental Lead, Bayer Crop Sciences

Josh Mohr

Senior Director, Environmental Programs, MidAmerican Energy Company

Randy Olson

Executive Director, Iowa Limestone Producers Association

Lain Pacini

Regional Environmental Manager, John Deere

Asbestos Subgroup

Shawn Courtney

Iowa-Illinois Taylor Insulation

Mick Day

Mid-Iowa Environmental

Mark Hogan

Environmental Management Services of Iowa

Michele Pfeiffer

Earth Services & Abatement Company

Dave Reisner

Active Thermal Concepts

Chuck Woodworth

Environmental Property Solutions

Summary of Stakeholder Meetings

June 17, 2024 (workgroup meeting)

The purpose and objectives of the group was reviewed along with member roles. Budget information on past, current, and projected expenses and fee revenue was reviewed. Stakeholders discussed but decided not to reduce the Department's service levels for permitting and other programs.

July 2, 2024 (workgroup meeting)

Workgroup members reviewed historical AQ budgets (FY2008 – FY2023) and a draft fee calculator spreadsheet developed by the Department. Stakeholders wanted to ensure funding maintained current permit turnaround times. There was a discussion to seek additional, dedicated state general funds for the air quality program.

July 23, 2024 (workgroup meeting)

The workgroup chair and committee members reviewed their individual suggestions for possible fee changes. After the meeting, the Department provided a breakout of the Title V emissions fees, state and federal funds for FY 2024, and budget and actual expenses for the core air quality program activities. Requested information on minor source projects and time spent on review was also distributed.

July 30, 2024 (asbestos subgroup meeting)

At their request, this subcommittee only met one time and the rest of the committee review of draft rules and budget calculations occurred via email. The stakeholders discussed but decided they did not want a reduction in service level. The Department provided a budget calculator with a proposal that would retain existing service levels by increasing the existing fee on initial notifications from \$100 to \$250 or an alternate of \$110 on all initial and revised notifications. The stakeholders proposed a different approach with a maximum fee of \$175 on initial notifications and a fee of \$100 on revised notifications.

August 22, 2024 (workgroup meeting)

Stakeholders discussed the desire for additional state funding for the program and different fee scenarios for both minor and major source construction permitting.

September 12, 2024 (workgroup meeting)

This meeting focused on the projected continue decline in Title V emissions in future years. The tonnage fee was discussed in conjunction with a proposed annual Title V base fee. Draft base fee language for the Iowa Administrative Code was drafted, which included an allowance for municipalities, universities, and facilities with more than one permit at a single facility to pay one base fee annually.

October 7, 2024 (public meeting – minor sources)

The Department sent an invitation on behalf of the workgroup for a public meeting focused on just minor sources to our technical listserv with over 30,000 members. Twenty-six minor source representatives and advocacy groups attended the meeting. Workgroup members presented to the group and took questions and comments on the background, revenue levels, and ideas for potential fee revisions for minor source fees.

October 30, 2024 (public meeting)

The Department sent an invitation on behalf of the workgroup for a public meeting to discuss all fees on the technical listserv. Thirty-five people attended the meeting

representing a wide variety of major and minor sources and advocacy groups. Workgroup members presented an overview of the draft fee backgrounds and status of funding for all five existing fees. Draft fee scenarios for each fee were discussed and the workgroup answered questions and solicited comments on the proposals.

December 10, 2024 (public meeting)

The Department sent an invitation on behalf of the workgroup for a public meeting on the technical listserv. Forty-four people attended the meeting. The meeting focused on the proposals for the Title V emissions fees and minor source construction permit fees. Multiple fee options were discussed, including options that would cover the entirety of the cost if additional state funds were not appropriated to the program.

January 7, 2025 (annual public meeting)

The Department held its annual meeting to discuss the budget and fees for the upcoming fiscal year. The fee stakeholder meetings were discussed. There were 22 participants in the hybrid meeting.

January 7, 2025 (workgroup meeting)

Workgroup reviewed the comments received from the public meetings on the draft fee proposals. All five comments received were related to the minor source construction permit fees. Four comments supported either the \$1,000 or \$1,200 fee maximum with one supporting the \$1,000. All supported maintaining a state subsidy for the minor permitting program.

March 11, 2025 (workgroup meeting)

Workgroup members met to finalize the fee proposals and proposed rule language.

June 3, 2025 (regulatory analysis public hearing)

The Regulatory Analysis was published in the Iowa Administrative Bulletin on May 14, 2025. Six participants attend the public hearing on June 5, 2025. No oral comments were received during the meeting. One written comment was received during the comment period in support of the rulemaking and was signed by three industrial associations – the Iowa Asphalt Paving Association, Iowa Ready Mix Association, and Iowa Limestone Producers.

ENVIRONMENTAL PROTECTION COMMISSION [567]

Notice of Intended Action

Rule making related to air quality

The Environmental Protection Commission (Commission) hereby proposes to amend Chapter 30, "Fees", of the Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 455B.133(8)"a"(2), 455B.133B, and 455B.133C.

State or Federal Law Implemented

State or federal law(s) implemented by the rulemaking: federal Clean Air Act (42 U.S.C. §7401, et seq.) and Iowa Code sections 455B.133, 455B.133B, 455B.133C, and 455B.134.

Purpose and Summary

The proposed rulemaking amends Chapter 30 to increase the fee caps (the maximum amount that can be assessed for specific air quality fees), to add a new Title V annual base fee, and to add a new fee for revisions to asbestos notifications. The increase to the fee caps will provide sustainable funding to cover program expenses, and the new fees will distribute the costs more equitably to those businesses actively using Departmental services. All fees directly support the air quality program, which exists to prevent, abate, and control air pollution in the State of Iowa. Fees received by the Department are deposited in one of two funds. The Air Contaminant Fund (Iowa Code section 455B.133B) was established to receive emissions and operating permit fees. The Air Quality Fund (Iowa Code section 455B.133C) was established to receive construction permit and asbestos notifications fees.

Item 1 amends rule 567—30.3(455B) to add a new asbestos demolition or renovation notification fee for revisions to initial notifications. Paragraph 30.3(2)"d" currently states that

the Department does not require fees for revised, canceled, and courtesy notifications.

Paragraph 30.3(2)"d" is proposed to be stricken since it is no longer needed.

Item 2 amends rule 567—30.4(455B) to strike a redundant reference to the dollar cap

on the fee amount that is also listed in subrule 30.6(2). Additionally, a Title V annual base fee

is proposed in new subrule 30.4(3). Only one annual base fee will be assessed for

municipalities, universities, and facilities that have requested that a permit be divided into

more than one permit for administrative purposes.

Item 3 amends subrule 30.6(2) to increase the fee caps on all fee types based on the

recommendations received from industrial stakeholders. Item 3 also adds fee cap amounts for

the new fees for revisions to asbestos notifications and the Title V annual base fee.

Waivers

Any person who believes that the application of the discretionary provisions of this

rule making would result in hardship or injustice to that person may petition the Department

for a waiver of the discretionary provisions, if any, pursuant to 561—Chapter 10.

Public Comment

Any interested person may submit written comments concerning this proposed rule

making. Written comments in response to this rule making must be received by the

Department no later than 4:30 p.m. on October 20, 2025. Written comments should be

directed to:

Wendy Walker

Department of Natural Resources

6200 Park Avenue

Suite 200

Des Moines, Iowa 50321

Email: wendy.walker@dnr.iowa.gov

10 – Notice of Intended Action

Public Hearing

A public hearing at which persons may present their views orally will be held as follows:

Persons who wish to attend the public hearing should contact Wendy Walker at www.walker@dnr.iowa.gov or by phone at 515-250-7534. A virtual meeting link and conference call number will be provided prior to the hearing. The public hearing information will be also be provided through the Air Quality e-newsletter (GovDelivery) and on the air quality public input webpage (iowadnr.gov/airpublicinput). Persons who wish to make comments at the public hearing must submit a request to Ms. Walker prior to the hearing to facilitate an orderly hearing.

October 20, 2025 10:00 A.M. Virtual hearing / teleconference

Persons who wish to make comments at the public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rule making.

Any persons who intend to participate in the hearing and have special requirements, such as those related to hearing or vision impairments, should contact the Department and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule making actions are proposed:

ITEM 1. Amend rule 567—30.3(455B) as follows:

567—30.3(455B) Fees associated with asbestos demolition or renovation notification.

30.3(1) Payment of fees established. The owner or operator of a site subject to the national emission standard for hazardous air pollutants (NESHAP) for asbestos notifications, adopted by reference in 567—paragraph 23.1(3) "a," shall submit a fee with each required original, each revised, or each annual notification for each demolition or renovation, including abatement. Fees shall be paid as specified in the fee schedule approved by the commission and posted on the department's website. Fees shall be submitted with the notification forms provided by the department.

30.3(2) Fee not required. A fee shall not be required for the following:

- a. Notifications when the total amount of asbestos to be removed or disturbed is less than 260 linear feet, less than 160 square feet, and less than 35 cubic feet of facility components and is below the reporting thresholds as defined in 40 CFR 61.145 as amended on January 16, 1991;
 - b. Notifications of training fires as required in 567—paragraph 23.2(3) "g";
 - c. Controlled burning of demolished buildings as required in <u>567 paragraph</u> <u>23.2(3)"j"</u>; 567—paragraph 23.2(3)"j."

d. Revised, canceled, and courtesy notifications. A revision to a previously submitted courtesy notification due to applicability of the notification requirements in <u>567</u> paragraph <u>23.1(3)</u> "a" is considered an original notification and is subject to the fee requirements of <u>30.3(1)</u>.

ITEM 2. Amend rule 567—30.4(455B) as follows:

567—30.4(455B) Fees associated with Title V operating permits.

30.4(1) Payment of Title V application fee. Each owner or operator required to apply for a Title V permit, or a renewal of a Title V permit, shall pay fees as specified in the fee

schedule approved by the commission and posted on the department's website. Fees shall be submitted with forms supplied by the department.

- **30.4(2)** Payment of Title V annual emissions fee.
- a. Fee required. Any person required to obtain a Title V permit shall pay an annual fee based on the first 4,000 tons of each regulated air pollutant and shall be paid on or before July 1 of each year. The Title V emissions fee shall be based on actual emissions required to be included in the Title V operating permit application and the annual emissions statement for the previous calendar year. The commission shall not set the fee higher than \$70 per ton without adopting the change pursuant to formal rulemaking.
 - b. to e. No change.
 - **30.4(3)** Payment of Title V annual base fee.
- a. Fee required. Any person required to obtain a Title V permit shall pay an annual base fee as specified in the fee schedule approved by the commission and posted on the department's website. The fee shall be paid on or before July 1 of each year and shall be submitted with forms or through the electronic submittal method specified by the department.
- b. The following sources will be required to pay only one Title V annual base fee on or before July 1 of each year: municipalities, universities, and Title V facilities that have requested that their Title V permit be split into more than one permit for administrative purposes.

ITEM 3. Amend subrule 30.6(2) as follows:

30.6(2) Fee types and dollar caps on fee types. The commission may set fees for the fee types and activities specified in this subrule and shall not set a fee in the fee schedule higher than the levels specified in this subrule without adopting the change pursuant to formal rulemaking:

- a. New source review applications from major sources, which may include:
- (1) Review of each application for a construction permit, including air quality modeling review: \$115 \$165 per hour;
- (2) Review of each application for a prevention of significant deterioration permit: \$115 \$165 per hour;
- (3) Review of each plantwide applicability limit request, renewal, or reopening: \$115 \$165 per hour; and
- (4) Review of each regulatory applicability determination: \$\frac{\$115}{\$165}\$ per hour; and.
- (5) Air quality modeling review: \$90 per hour.
- b. New source review applications from minor sources, which may include:
- (1) Each application for a construction permit: \$385 \$1,200;
- (2) Each application for a registration permit: \$100\\$500;
- (3) Each application for a permit by rule: \$100 \$500; and
- (4) Each application for a permit template: \$100 \$500.
- c. Asbestos notifications: \$100., which may include:
- (1) Each initial or annual asbestos notification: \$175; and
- (2) Each revised asbestos notification: \$100.
- d. Review of each initial or renewal Title V operating permit application: \$100 \$145 per hour.
- e. Title V annual emissions: \$70 \$98 per ton.
- f. Title V annual base fee: \$7,800

Date			

Kayla Lyon, Director

Iowa Department of Natural Resources Environmental Protection Commission

ITEM #7 DECISION

Referral of Ames Business Group and Wes Ames to the Iowa Attorney General

Recommendation:

The DNR requests the Commission refer Ames Business Group and Wes Ames to the Iowa Attorney General's Office for enforcement of these parties in district court for violations of Iowa's solid waste laws, as detailed in the attached litigation report.

Attachments.

Noah Poppelreiter, DNR Legal Bureau Environmental Services Division August 19, 2025

LITIGATION REPORT

Prepared by: Noah Poppelreiter EPC Meeting Date: August 19, 2025

I. Summary

The Department of Natural Resources (DNR) seeks referral of Ames Business Group, LLC (ABG), and Mr. Wesley Ames, as its responsible corporate officer, to the Iowa Attorney General's Office for violations of Iowa's solid waste disposal laws and regulations and for violations of Administrative Order No. 2024-SW-02.

II. Alleged Violators

The DNR alleges that ABG as the corporate owner of the facility described below, and Mr. Ames, in his capacity as the responsible corporate officer of ABG, have violated Iowa solid waste disposal laws and should be referred to the Attorney General's office for enforcement.

III. Description of Facility

ABG owns and operates a facility located at or about 4065 U.S. Highway 61, Burlington, Iowa, consisting of two parcels identified by their parcel ID numbers as 15-26-400-009 and 15-26-400-006, both parcels being approximately 44.3 acres in total (Property). ABG is the sole owner of the Property.

IV. Alleged Violations

A. FACTS

- 1) ABG is a business that provides wooden pallet disposal and grinding services and (allegedly) re-sells wooden pallets, among other services.
- 2) Mr. Ames is the owner and responsible corporate officer for ABG.
- 3) Pursuant to its website, https://www.amesbusinessgroup.com/ (accessed July 24, 2025), ABG holds itself out as a recycler of material. On or about January 17, 2020, ABG became the owner of the Property.
- On April 27, 2022, Iowa DNR Field Office 6 (FO6) received an anonymous complaint reporting a large stockpile of discarded pallets accumulating at the Property. On investigation of the Property that day, DNR FO6 staff observed estimated 1 million to 2 million pallets deposited and discarded at the Property.
- 5) On a subsequent visit to the Property on June 6, 2022, DNR FO6 staff also observed hundreds of rolls of fiberglass and bales of used rags deposited and discarded at the Property.
- 6) On May 3, 2022, the DNR issued ABG a Notice of Violation (NOV) for violations of Iowa solid waste disposal law.

LITIGATION REPORT for AMES BUSSINESS GROUP AND WESLEY AMES AUGUST 2025 EPC MEETING

- 7) Between June 6, 2022, and June 22, 2023, DNR FO6 staff engaged with Mr. Ames to provide technical assistance in bringing the Property into compliance with Iowa law. Minimal progress was made by ABG during this year.
- 8) On June 27, 2023, the DNR issues a second NOV to ABG.
- 9) On August 15, 2023, DNR FO6 staff conducted a site visit and observed no further progress on bringing the site into compliance.
- On February 15, 2024, Director Lyon issued an order which determined all material on the site was solid waste and ordered ABG and Mr. Ames to bring the facility into compliance with Iowa solid waste disposal law, comply with those laws, and pay an administrative penalty of \$10,000. See Order No. 2024-SW-02 (Order). This Order was not appealed.
- On May 31, 2024, DNR FO6 staff conducted a follow-up visit to the Property. Staff observed no progress towards compliance with Iowa law and the Order.
- On August 21, 2024, DNR FO6 staff conducted a follow-up visit to the Property. Staff observed no progress towards compliance with Iowa law and the Order.
- On November 5, 2024, the DNR sent ABG a letter of inquiry asking for ABG's timeline for bringing the facility into compliance.
- In November and December 2024, DNR FO6 staff engaged in conversations with ABG and a third-party business interested in grinding the pallets at the Property. The third-party business estimated grinding could begin by April 1, 2025, at the latest.
- On March 26, 2025, DNR FO6 staff conducted a follow-up visit to the Property. Staff observed no progress towards compliance with Iowa law and the Order.
- On May 15, 2025, DNR FO6 staff conducted a follow-up visit to the Property. Staff observed no progress towards compliance with Iowa law and the Order.
- On May 20, 2025, the DNR issued ABG and Mr. Ames a third NOV for violations of Iowa solid waste disposal law and failure to comply with the Order.
- 18) As of the date of this report, ABG and Mr. Ames have failed to pay the administrative penalty assessed in the Order.
- 19) Separate from this matter, on March 19, 2024, Director Lyon issued Order No. 2024-AQ-08 to ABG for failure to comply with Iowa's air quality laws. This order is not requested to be referred.

B. APPLICABLE LAW

LITIGATION REPORT for AMES BUSSINESS GROUP AND WESLEY AMES AUGUST 2025 EPC MEETING

- 1) Iowa Code section 455B.304 provides that the Commission shall establish rules governing the handling and disposal of solid waste. The Commission has adopted 567 IAC chapters 100-123.
- 2) Iowa Code section 455B.307(1) and 567 IAC 100.4 prohibit the dumping or depositing of any solid waste in an area other than a sanitary landfill or an area that has been granted a permit by the DNR. ABG and Mr. Ames has dumped and deposited solid waste on the Property in violation of these laws. Director Lyon issued the Order requiring ABG and Mr. Ames to remedy the harms associated with these violations and to pay an administrative penalty. ABG and Mr. Ames have failed to remove the solid waste from the Property, have failed to comply with the Director's Order, and remain in violation on an ongoing daily basis.
- 3) Pursuant to Iowa Code section 455B.307(2), the Iowa Attorney General may institute any legal proceedings necessary to obtain compliance with an order of the director and/or prosecute any person for a violation of Iowa's solid waste laws.
- 4) Pursuant to Iowa Code sections 455D.4A(2) and (3), if a material is not being legitimately recycled the DNR may deem the material and the associated holding facility subject to the solid waste provisions of Iowa Code chapter 455B, subchapter IV, part 1. The DNR has long held that all materials on the Property are not being legitimately recycled and are solid waste either by their very nature or by their improper handling as a potentially recyclable material pursuant to section 455D.4A(3). However, ABG holds itself out as a recycler of at least some of the material, to wit, the wooden pallets. As such, the provisions of both Iowa Code chapter 455B, subchapter IV, part 1 and Iowa Code sections 455D.23 and .25 apply to this matter.
- 5) Pursuant to section 455D.25, the Iowa Attorney General is authorized to institute any legal proceedings necessary to prosecute violations of Iowa Code chapter 455D.
- As such, the DNR requests the Commission refer this matter to the Iowa Attorney General's Office for enforcement in district court.

V. Witnesses

The DNR will have the following witnesses available for questioning:

- Kurt Levetzow, DNR FO6 Supervisor and DNR solid waste enforcement coordinator
- 2) Anthony Kerker, DNR FO6 Environmental Specialist

CC