



# IOWA UNDERGROUND STORAGE TANK FUND

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October 26, 2021

## **MEMORANDUM**

TO: Legislative Council and Legislative Services Agency

FROM: James R. Gastineau, Administrator  
Iowa Comprehensive Petroleum Underground Storage Tank Fund

RE: Fiscal Year 2022, 1<sup>st</sup> Quarter Report on the Iowa Comprehensive Petroleum Underground Storage Tank Fund Program

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We are pleased to provide the attached report regarding the Iowa Comprehensive Petroleum Underground Storage Tank Fund (UST Fund) progress for activities through the end of the 1<sup>st</sup> quarter of Fiscal Year 2022.

The report is submitted pursuant to Iowa Code Section 455G.4(6) titled "Reporting". 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

Some information in the attached table is obtained from the Iowa Department of Natural Resources (DNR), but the report numbers deal with UST Fund claims and therefore do not include all DNR reported releases since not all meet the eligibility criteria of Iowa Code Section 455G.

If you have any questions regarding the enclosed report or other issues associated the UST Fund, please call the UST Fund Administrator's office at (515) 725-8450 or contact the Administrator at [USTFUND@dnr.iowa.gov](mailto:USTFUND@dnr.iowa.gov)

## UST Fund Program Status Areas 1QFY2022 (September 30, 2021)

### 1. Financial Balances

	09/30/2021	06/30/2021	06/30/2020	06/30/2019	6/30/2018
Revenue Fund	\$3,953,229	\$3,951,754	\$5,432,811	\$5,328,873	\$5,222,601
Unassigned Revenue Fund	\$1,479,979	\$1,585,786	\$2,539,840	\$3,382,142	\$3,633,898
Remedial Fund	\$2,382,965	\$2,707,740	\$2,546,803	\$4,043,862	\$5,966,703
Marketability Fund	\$278,896	\$278,250	\$268,937	\$210,079	\$941,612
Innocent Landowner Fund	\$2,537,665	\$2,571,254	\$2,498,227	\$2,913,651	\$2,764,684
Loan Guarantee Funds	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Reserve Funds	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<b>Total Fund Balances</b>	<b>↓\$10,632,734</b>	<b>↓\$11,094,764</b>	<b>↓\$13,286,618</b>	<b>↓\$15,878,605</b>	<b>↓\$18,529,498</b>

Previous Transfers  
 FY2009--\$4.9 million  
 FY2011--\$26.4 million  
 FY2012--\$3 million

Claims Paid  
 \$1.8 million FY 2019  
 \$2.2 million FY 2020  
 \$1.7 million FY 2021

### 2. Operational

#### Changes

- Program administration managed under 28E agreement by the Iowa Department of Natural Resources
- Program funding ceased 12/31/2016 (2016 legislation, HF2464).
- Transfer of 199 liability claims completed 10/2017 with payment of \$13.1M
- Focus on mission to complete action on remaining liability claims prior to ceasing operations.
- Coordinate with Department of Natural Resources to address liabilities on all remaining claims

#### Expected Results

- Retirement of program liabilities and reduction of future liabilities.
- Reduction of fund balance and number of Program claims.

### 3. Results - Iowa DNR LUST Sites / Risk Classifications in relation to Open UST Fund claims

Iowa DNR / Iowa UST Site Data (as of 09/30/2021)	DNR LUST Sites	Remedial CRP/NFA claims	Retroactive claims	Innocent Landowner Fund Claims	Total UST Fund Claims
Total Active LUST Sites / Fund Claims	353	50	1	21	72
Sites "Not Classified"	56	6	0	0	6
Low Risk sites	77	11	0	6	17
High Risk sites	201	27	1	12	40
No Action with free product sites	19	2	0	1	3
No Action Required or other sites	6,457	4	0	2	6

### 4. Results - UST Fund Open Claims / Liabilities

	Liabilities (as of 09/30/2021)	September 2021	June 2021	June 2020	June 2019	June 2018
Retroactive Claims	\$ 0.08 million	1	1	2	3	4
Remedial/CRP/ NFA Claims	\$ 2.14 million	50	48	50	68	78
Innocent Landowner Fund Claims	\$ 1.71 million	21	21	23	32	34
<b>Total*</b>	<b>\$ 3.93 million</b>	<b>72</b>	<b>70</b>	<b>75</b>	<b>104</b>	<b>116</b>
Claim Liabilities *		\$3.93M	\$4.09M	\$5.05M	\$5.83M	\$6.79M

\*does not include special project claims or tank closure claims

IOWA UST FUND  
ACTIVITIES REPORT  
SEPTEMBER 30, 2021

Claims	Open Claims August Ending	Monthly Changes	Open Claims September Ending	Open & Closed Totals since
<b>RETROACTIVE</b>				
number	1	0	1	447
reserve	\$ 80,548.91	\$0.00	\$ 80,548.91	\$ 80,548.91
paid	\$ 719,451.09	\$0.00	\$ 719,451.09	\$ 18,439,077.46
total	\$800,000.00	\$0.00	\$800,000.00	\$18,519,626.37
<b>REMEDIAL</b>				
number	27	0	27	4,464
reserve	\$ 1,516,435.88	(\$7,664.15)	\$ 1,508,771.73	\$ 1,508,771.73
paid	\$ 7,962,534.98	\$7,600.00	\$ 7,970,134.98	\$ 224,198,728.01
total	\$9,478,970.86	(\$64.15)	\$9,478,906.71	\$225,707,499.74
<b>INNOCENT LANDOWNER</b>				
number	21	0	21	1,159
reserve	\$ 1,670,980.83	(\$3,292.50)	\$ 1,667,688.33	\$ 1,667,688.33
paid	\$ 3,054,948.51	\$3,292.50	\$ 3,058,241.01	\$ 36,783,665.16
total	\$4,725,929.34	\$0.00	\$4,725,929.34	\$38,451,353.49
<b>GLOBAL OPT-IN</b>				
number	6	0	6	1,313
reserve	\$ 36,537.24	\$0.00	\$ 36,537.24	\$ 36,537.24
paid	\$ 47,462.76	\$0.00	\$ 47,462.76	\$ 9,991,583.39
total	\$84,000.00	\$0.00	\$84,000.00	\$10,028,120.63
<b>UNASSIGNED REVENUE FUND PROJECTS</b>				
number	39	0	39	400
reserve	\$ 743,344.24	(\$108,735.75)	\$ 634,608.49	\$ 634,608.49
paid	\$ 555,425.76	\$12,235.75	\$ 567,661.51	\$ 4,681,873.65
total	\$1,298,770.00	(\$96,500.00)	\$1,202,270.00	\$5,316,482.14
<b>NFA RE-EVALUATIONS</b>				
number	24	(1)	23	100
reserve	\$ 791,122.47	(\$155,569.74)	\$ 635,552.73	\$ 635,552.73
paid	\$ 1,147,177.53	(\$175,430.26)	\$ 971,747.27	\$ 2,505,730.00
total	\$1,938,300.00	(\$331,000.00)	\$1,607,300.00	\$3,141,282.73
<b>TANK CLOSURE</b>				
number	37	1	38	822
reserve	\$421,629.71	\$0.00	\$421,629.71	\$ 421,629.71
paid	\$13,177.29	\$0.00	\$13,177.29	\$ 9,693,508.35
total	\$434,807.00	\$0.00	\$434,807.00	\$10,115,138.06

<b>Total Claims</b>	(RT, RM, ILO, NFA)	<b>72</b>	(USTCA, TX)	<b>77</b>
Reserves	(RT, RM, ILO, GS, NFA)	\$ 3,929,098.94		\$ 1,056,238.20
Total Reserves	(all claim types)	\$ 4,985,337.14		

<b>Operator</b>			
A/B (all)	3,779	A/B (FY2011-21)	\$368,520

<b>RT</b>	<b>#</b>
New	0
Reopen	0
Closed	0
<b>RM</b>	<b>#</b>
New	0
Reopen	0
Closed	0
<b>ILO</b>	<b>#</b>
New	0
Reopen	0
Closed	0
<b>GS</b>	<b>#</b>
New	0
Reopen	0
Closed	0
<b>USTCA</b>	<b>#</b>
New	0
Reopen	0
Closed	0
<b>NFA Re-</b>	<b>#</b>
New	0
Reopen	0
Closed	1
<b>Tank Pull</b>	<b>#</b>
New	2
Reopen	0
Closed	2
<b>DNR: 09-30-2021</b>	
Total	6810
High Risk	201
Low Risk	77
NAR-FP	19
Not	56
Open	353

Invoice Type	Sept. 2021	FYTD	Program to Date
Appropriations	\$ 10,909.19	\$ 35,243.26	
Government	\$ -	\$ 22,967.62	
2004 Tank Pull	\$ -	\$ -	\$ 1,761,823.44
2010 Tank Pull	\$ 30,000.00	\$ 239,902.19	\$ 9,973,478.50
American Soils	\$ -	\$ -	\$ 5,678,422.58
AST	\$ -	\$ -	\$ 11,217,932.11
CADR Charges	\$ -	\$ -	\$ 4,708,703.72
Corrective Action	\$ -	\$ 17,764.46	\$ 53,009,759.28
Expenses / OT	\$ 1,700.00	\$ 4,200.00	\$ 368,819.65
Free Prod Recover	\$ 1,795.75	\$ 23,406.35	\$ 12,907,491.96
Monitoring	\$ 13,732.50	\$ 61,016.68	\$ 35,405,745.36
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	\$ 10,529.20	\$ 43,009.10	\$ 27,757,360.07
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	\$ 4,500.00	\$ 6,885.00	\$ 1,462,492.07
Utilities	\$ -	\$ -	\$ 2,303,397.67
Well Closure	\$ 5,237.50	\$ 11,463.50	\$ 4,564,305.96
Total Invoice Types	\$ 67,494.95	\$ 407,647.28	\$317,496,551.54

<b>Remediation Budgets Approved to Date</b>		
Last month (Sep. '21)	0	\$0
Trailing 12 mos	2	\$282,010
Prev Trail 12 mos	4	\$222,339
Total Since Jan 2003	1,279	\$57,485,688

Project Contracts	Open	Closed	Pending
CRP's	0	45	0
Tank Closure	2	7	0
Plastic Water Line	0	2	0

	2021 (YTD)	2020	2019
<b>New LUST Sites</b>	23	34	29
<b>Closed (NAR) Sites</b>	56	74	82