

Heidelberg Materials North America 300 E. John Carpenter Fwy Irving, TX 75062

April 5, 2023

Bill Blum, Program Manager Iowa Department of Natural Resources Land Quality Bureau 502 East 9th Street Des Moines, IA 50319-0034

Subject: 2023 Industrial Monofill Financial Assurance Report Form and Required Documentation

Dear Mr. Blum,

Heidelberg Materials, f.k.a. Lehigh Cement Company LLC (Lehigh) is providing the following enclosed documents:

- Industrial Monofill Financial Assurance Report Form
- Financial Assurance Cost Estimate (Closure and Post-Closure)
- Landfill Closure/Post-Closure Surety Bond Rider
- Certification from an independent CPA firm

If you have any questions or require additional information, please contact me at (641) 421-3459 or Rachel.glaza@heidelbergmaterials.com

) /

Rachel Glaza

Environmental Manager

Industrial Monofill Financial Assurance Report Form

Industrial Monofill Financial Assurance Report Form

Section 1: FACILITY INFORMATION (please print or type)

Information Requested		
Facility Name	Heidelberg Materials US Cement CKD Monofill	
Permitted Agency/Entity	Heidelberg Materials US Cement CKD Monof	
Permit Number	17-SDP-08-99P	

Section 2: CLOSURE/POSTCLOSURE OR CORRECTIVE ACTION COST ESTIMATES

Information Requested	Cost Estimate	Date of Cost Estimate				
Updated Closure Cost Estimate	\$ 563,653	3/17/2023 3/17/2023				
Updated Postclosure Cost Estimate	\$ 1,419,107					
Initial or Updated Corrective Action Cost Estimate	\$					

^{*}Attach closure/postclosure cost estimate(s) signed and certified by an lowa-licensed professional engineer. Cost estimates shall include, at a minimum, each of the cost line items defined in 115.31(3)"c" for closure and 115.31(4)"c" for postclosure. Please provide closure and/or postclosure site area acreage information with the estimates.

Provide a cost estimate for corrective action only if corrective action is required and a corrective action plan has been approved by the Department. Attach the corrective action cost estimate signed and certified by an lowa-licensed professional engineer. The cost estimate shall account for total costs of the activities described in the approved corrective action plan for the corrective action period.

Section 3: Facility Waste Tonnage Information

Information Requested	Tons
Remaining permitted capacity as of the beginning of permit holder's current fiscal year	711,808
Amount of waste disposed of at the facility during the prior year	3,357

Section 4: Proof of Compliance

Publicly Owned Industrial Monofills	(ATTACH AUDIT REPORT)
Owner's Most Recent Annual Audit Report	
Prepared by: Hogan-Hanson	
For fiscal year ending: 2023	
Privately Owned Industrial Monofills	(ATTACH AFFIDAVIT)
Attach owner/operator's affidavit indicating that an annual accountant to determine whether the privately owned mo affidavit shall state the name of the certified public account the steps taken to rectify any deficiencies identified by the	nofill is in compliance with IAC 567 Chapter 115. The stant, the dates and conclusions of the review, and

Section 5: FINANCIAL ASSURANCE INSTRUMENT

pe and Value of Financial As	ssurance Instrument(s)	(ATTACH INSTRUMENT(S)				
Assurance Instrument	Establishment Date	Mechanism Covers	Instrument Value			
Trust Fund 567 IAC 115.31(6)"a"		Closure Postclosure Corrective Action	\$			
Surety Bond 567 IAC 115.31(6)"b"	March 15, 2010	Closure ⊠ Postclosure ⊠ Corrective Action □	\$ 1,982,760			
Letter of Credit 567 IAC 115.31(6)"c"		Closure Postclosure Corrective Action	\$			
Insurance 567 IAC 115.31(6)"d"		Closure Postclosure Corrective Action	\$			
Corporate Financial Test 567 IAC 115.31(6)"e"		Closure Postclosure Corrective Action	\$			
Local Gov't. Financial Test 567 IAC 115.31(6)"f"		Closure Postclosure Corrective Action	\$			
Corporate Guarantee 567 IAC 115.31(6)"g"		Closure Postclosure Corrective Action	\$			
Local Gov't Guarantee 567 IAC 115.31(6)"h"		Closure Postclosure Corrective Action	\$			
Local Gov't. Dedicated Fund 567 IAC 115.31(6)"i"		Closure Postclosure Corrective Action	\$			

Section 7: FUND PAYMENTS (only if using dedicated or trust fund)

Completion of the following fund information complies with the annual financial statement requirements of IAC 567 115.31(3)"a" and 115.31(4)"a" by indicating the current balance(s) of the dedicated/trust fund and the projected amount(s) to be deposited in the fund(s).

Under "Beginning Balance", please state the fund balance 30 days after the start of the previous fiscal year, for "Ending Balance", indicate the fund balance 30 days after the close of the previous fiscal year, and for "Projected Deposit", indicate the amount to be deposited within 30 days of the close of the permit holder's fiscal year.

Information Requested	Beginning Balance	Ending Balance	Projected Deposit
Dedicated Fund Balance (see formula below)	\$	\$	\$
Trust Fund Balance (see formula below)	\$	\$	\$

Formula for Projected Deposits

Dedicated/Trust Fund

CE - CB

Where "CE" is the closure or postclosure cost estimate, "CB" is the balance 30 days after close of the previous fiscal year, and "Y" is number of years remaining in the pay-in period.

If needed, the space below can be used to show calculations for projected deposit(s)

Section 8: PERMIT HOLDER ENDORSEMENT

Patrick Karamaga	Plant Manager	
Name of Official	Title	
Heidelberg Materials US Cement, LLC		
Agency/Entity		
700 25 th Street NW		
Address		
Mason City	IA	50401
City	State	Zip
641-421-3442	641-421-3445	- · · · · · · · · · · · · · · · · · · ·
Telephone	Fax	

	Plant Manager	3/29/2023		
Signature of Official	Title	Date		

Questions? Contact Bill Blum at (515) 725-8376 or Bill.Blum@dnr.iowa.gov

Financial Assurance Cost Estimate (Closure and Post-Closure)

March 17, 2023 File No. 27223180

Rachel Glaza Environmental Manager Lehigh Cement Company, LLC 700 25th Street NW Mason City, IA 50401

Subject:

2023 Financial Assurance

Heidelberg Materials US Cement CKD Monofill

Permit No. 17-SDP-08-99P

Dear Rachel,

SCS Engineers has completed the 2023 closure and post closure cost estimates to be included in the financial assurance report for the Heidelberg Materials US Cement CKD Monofill located in Mason City, lowa. Cost estimates for closure and postclosure are found in Attachment A.

Sincerely.

Kevin Jensen

Senior Project Professional

SCS Engineers

kjensen@scsengineers.com

(515) 368-3155

Timothy C. Buelow, P.E.

Project Director

SCS Engineers

tbuelow@scsengineers.com

Zunty CBm

(515) 681-5455

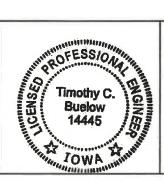
KAJ/TCB

cc: Patrick Karamaga - Heidelberg Materials US Cement

Heidelberg Materials US Cement March 2023 Page 2

ATTACHMENT A 2023 Closure and Postclosure Cost Estimates

CERTIFICATION



I hereby certify that this engineering document was prepared by me or under my direct personal supervision and that I am a duly licensed Professional Engineer under the laws of the State of Iowa.

Date: 3/17/2023

Timothy C. Buelow, P.E.

License No. 14445

My license renewal date is December 31, 2023.

Pages or sheets covered by this seal: 2023 Closure and Postclosure Cost Estimates

2023 Closure Cost Estimate (Heidelberg Materials CKD Monofill)

					Cost		
Task	Units		Cost per Unit		Year	Cost of Task	
Closure and Postclosure Plan Document Revisions	1.00	\$	11,000	lump sum	2023	\$	11,000
Site Preparation, Earthwork, and Final Grading	1.00	\$	96,094	lump sum	2023	\$	96,094
Drainage Control Culverts, Piping, and Structures	0.00	\$	-	lump sum	2023	\$	_
4. Erosion Control Structures, Sediment Ponds, and Terraces	1.00	\$	32,804	lump sum	2023	\$	32.804
5. Final Cap Construction	10.50	\$	11,559	per acre	2023	\$	121,366
Cap Vegetation Soil Placement	10.50	\$	15,893	per acre	2023	\$	166,878
7. Cap Seeding, Mulching, and Fertilizing	11.50	\$	3,010	per acre	2023	\$	34,614
Monitoring Well, Piezometer, and Gas Control Modifications	1.00	\$	1,139	lump sum	2023	\$	1,139
Leachate System Cleanout and Extraction Well Modifications	1.00	\$	3,418	lump sum	2023	s	3,418
10. Monitoring Well Installation and Abandonments	0.00	\$	· <u>-</u>	lump sum	2023	\$	-
11. Facility Modifications to Effect Closed Status	1.00	\$	855	lump sum	2023	\$	855
12. Engineering and Technical Services	1.00	\$	81,986	lump sum	2023	\$	81,986
13. Legal, Financial, and Administrative Services	1.00	\$	5,500	lump sum	2023	\$	5,500
14. Closure Compliance Certifications and Documentation	1.00	\$	8,000	lump sum	2023	\$	8,000
Total Cost of Closure						\$	563,653

Current open area requiring final cover: Area closed in 2007:

Current approximate borrow area:

10.50 acres

2.10 acres

1.00 acre

2023 Postclosure Cost Estimate (Heidelberg Materials CKD Monofill)

				Cost		
Task	Units	Cost per	r Unit	Year	30	Year Cost
1. General Site Facilities, Access Roads, and Fencing Maintenance	30	\$ 1,820 /	year	2023	\$	54,608
2. Cap and Vegetative Cover Maintenance	30	\$ 2,109 /	year	2023	\$	63,255
Drainage and Erosion Control Systems Maintenance	30	\$ 1,382 /	year	2023	\$	41,457
Groundwater to Waste Separation Systems Maintenance	30	\$ * I	year	2023	\$	-
5. Gas Control Systems Maintenance	30	\$ = /	year	2023	\$	-
6. Gas Control Systems Monitoring and Reporting	30	\$ 8 /	year	2023	\$	-
7. Groundwater and Surface Water Monitoring Systems Maintenance	30	\$ 466 /	year	2023	\$	13,987
8. Groundwater and Surface Water Quality Monitoring and Reporting	30	\$ 22,280 /	year	2023	\$	668,400
9. Groundwater Monitoring Systems Performance Evaluations and Reports	30	\$ - /	year	2023	\$	-
10. Leachate Control Systems Maintenance	30	\$ 1,167 /	year	2023	\$	35,000
11. Leachate Management, Transportation, and Disposal	30	\$ 8,680 /	year	2023	\$	260,400
12. Leachate Control Systems Performance Evaluations and Reports	30	\$ 2,000 /	year	2023	\$	60,000
13. Facility Inspections and Reports	30	\$ 3,500 /	year	0	\$	105,000
14. Engineering and Technical Services	30	\$ 850 /	year	2023	\$	25,500
15. Legal, Financial, and Administrative Services	30	\$ 1,000 /	year	2023	\$	30,000
16. Financial Assurance, Accounting, Audits, and Reports	30	\$ 2,050 /	year	2023	\$	61,500
Total Cost of Postclosure		\$ 47,304			\$	1,419,107

Landfill Closure/Post-Closure Surety Bond Rider

Brenda Wong



Marsh USA LLC 445 South Street Suite 210 Morristown, NJ 07962

Brenda.Wong@marsh.com www.marsh.com

March 28, 2023

Rachel Glaza Lehigh Cement Company, LLC 700 25th Street NW Mason City, IA 50401

Subject: Increase/Decrease Rider

Principal: Lehigh Cement Company

Obligee: State of Iowa, Department of Natural Resources

Bond Description: Industrial Solid Waste Sanitary Landfill Surety Bond - Permit No. 17-SDP-08-99

(Current Closure Estimate: \$547,020.00; Current Post Closure Estimate: \$1,030,452..00)

Bond Amount Change: \$100,652.00 **New Bond Amount:** \$1,982,760.00

Bond Number: 0115514

Surety Name: Berkley Insurance Company Transaction Effective Date: 03/28/2023

Dear Rachel Glaza:

In response to the request dated 03/28/2023, I am pleased to enclose the rider for the above-referenced bond that is based on the information we received with the request.

Prior to filing with State of Iowa, Department of Natural Resources the following items need to be completed:

- 1. Signed by authorized officer
- 2. Officer's name and title inserted below signature
- 3. Corporate seal affixed (if applicable)

As always, the document should be re-checked for accuracy before filing with State of Iowa, Department of Natural Resources.

If you have any questions, please feel free to contact me. Thank you for allowing Marsh to service your surety needs.

Brenda Wong

Sincerety



Page 2

Enclosure

SURETY RIDER

To be attac	ched to and form a part of
Bond No.	0115514
dated effective	March 15, 2010
enective	(MONTH-DAY-YEAR)
executed by	Lehigh Cement Company , as Principal,
	(PRINCIPAL)
and by	Berkley Insurance Company , as Surety,
in favor of	State of Iowa, Department of Natural Resources
iii iavoi oi	(OBLIGEE)
in conside	ration of the mutual agreements herein contained the Principal and the Surety hereby consent to changing
The Bond A	mount from:
One Million	Eight Hundred Eighty-two Thousand One Hundred Eight & 00/100 (\$1,882,108.00)
().	
То:	
One Million	Nine Hundred Eighty-two Thousand Seven Hundred Sixty & 00/100 (\$1,982,760.00)
Nothing he	rein contained shall vary, alter or extend any provision or condition of this bond except as herein expressly stated.
This rider	
is effective	March 28, 2023 (MONTH-DAY-YEAR)
Signed and	Sealed March 28, 2023
	(MONTH-DAY-YEAR)
	Lehigh Cement Company (PRINCIPAL)
Ву	
•	(PRINCIPAL)
	Berkley Insurance Company
	(SUDEN)
By	Brenda Wong, Attorney-in-Fact
	Control of the contro

POWER OF ATTORNEY BERKLEY INSURANCE COMPANY WILMINGTON, DELAWARE

KNOW ALL MEN BY THESE PRESENTS, that BERKLEY INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Delaware, having its principal office in Greenwich, CT, has made, constituted and appointed, and does by these presents make, constitute and appoint: Tenzer V. Cunningham; Brenda Wong; Martha Gonzales; Regina Rangel; or Sokha Evans of Marsh USA, Inc. of Los Angeles, CA its true and lawful Attorney-in-Fact, to sign its name as surety only as delineated below and to execute, seal, acknowledge and deliver any and all bonds and undertakings, with the exception of Financial Guaranty Insurance, providing that no single obligation shall exceed Fifty Million and 00/100 U.S. Dollars (U.S.\$50,000,000.00), to the same extent as if such bonds had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office in their own proper persons.

This Power of Attorney shall be construed and enforced in accordance with, and governed by, the laws of the State of De laware, without giving effect to the principles of conflicts of laws thereof. This Power of Attorney is granted pursuant to the following resolutions which were duly and validly adopted at a meeting of the Board of Directors of the Company held on January 25, 2010:

RESOLVED, that, with respect to the Surety business written by Berkley Surety, the Chairman of the Board, Chief Executive Officer, President or any Vice President of the Company, in conjunction with the Secretary or any Assistant Secretary are hereby authorized to execute powers of attorney authorizing and qualifying the attorney-in-fact named there in to execute bonds, undertakings, recognizances, or other suretyship obligations on behalf of the Company, and to affix the corporate seal of the Company to powers of attorney executed pursuant hereto; and said officers may remove any such attorney-in-fact and revoke any power of attorney previously granted; and further

RESOLVED, that such power of attorney limits the acts of those named therein to the bonds, undertakings, recognizances, or other suretyship obligations specifically named therein, and they have no authority to bind the Company except in the manner and to the extent therein stated; and further

RESOLVED, that such power of attorney revokes all previous powers is sued on behalf of the attorney-in-fact named; and further

RESOLVED, that the signature of any authorized officer and the seal of the Company may be affixed by facs imile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligation of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed. The Company may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Company, notwithstanding the fact that they may have ceased to be such at the time when such instruments shall be is sued

ceased to be such at the time when such instruments shall be is sued. IN WITNESS WHEREOF, the Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 30th day of 2022 Berkley Insurance Company Attest MEURANCE SEAL Ira'S. Lederman 1975 Executive Vice President & Secretary OF MAIN STATE OF CONNECTICUT) 85: COUNTY OF FAIRFIELD Sworn to before me, a Notary Public in the State of Connecticut, this 30th day of 2022 August , by Ira S. Lederman Senior Vice President. and Jeffrey M. Hafter who are sworn to me to be the Executive Vice President and Secretary. and the MARIA C RUNDBAKEN NOTARY PUBLIC CONNECTICUT Y CONMISSION EXPIRES respectively, of Berkley Insurance Company. Notary Public, State of Connecticut APHIL 30, 2024 CERTIFICATE L the undersigned, Assistant Secretary of BERKLEY INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing is a

GELAVNAP

Vincent P. Forte

Please **verify the authenticity** of the instrument attached to this power by:

Toll-Free Telephone: (866) 768-3534; or

Electronic Mail: BSGInquiry@berkleysurety.com

Any written notices, inquiries, claims or demands to the Surety on the bond attached to this power should be directed to:

Berkley Surety Group
412 Mount Kemble Ave.
Suite 310N
Morristown, NJ 07960
Attention: Surety Claims Department

Or

Email:

BSGClaim@berkleysurety.com

Please include with all communications the bond number and the name of the principal on the bond. Where a claim is being asserted, please set forth generally the basis of the claim. In the case of a payment or performance bond please also identify the project to which the bond pertains.

Berkley Surety Group is an operating unit of W. R. Berkley Corporation that underwrites surety business on behalf of Berkley Insurance Company and Berkley Regional Insurance Company

Certification from an independent CPA firm



Independent Accountant's Report on Applying Agreed-Upon Procedures

Management Heidelberg Materials US Cement LLC Mason City, Iowa

We have performed the procedures enumerated below, which were agreed to by Heidelberg Materials US Cement LLC, in connection with Heidelberg Materials US Cement LLC's compliance with lowa Administrative Code (IAC) 567 Chapter 115 with regard to the Heidelberg Materials US Cement LLC Industrial Monofill as of April 4, 2023.

Heidelberg Materials US Cement LLC has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of compliance with IAC 567 Chapter 115. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Our procedures and findings are as follows:

Procedure: Determine if the surety bond required by IAC 567-115.31(6)b was effective before
the initial receipt of waste into the monofill or before the cancellation of an alternative financial
assurance mechanism.

Finding: The bond was effective May 20, 2008 and waste was first received into the monofill in 2002. However, we viewed correspondence from the lowa Department of Natural Resources dated July 16, 2008 which indicated that Heidelberg Materials US Cement LLC was in compliance with the financial assurance requirements of IAC 567-115. We noted no other financial assurance mechanisms.

2. Procedure: Determine that a copy of the surety bond was submitted to the Iowa Department of Natural Resources and that a copy was kept in the Heidelberg Materials US Cement LLC's files as required by IAC 567-115.31(6)b(1).

Finding: The bond was submitted to the Iowa Department of Natural Resources and a copy is kept in Heidelberg Materials US Cement LLC's files.

3. Procedure: Determine that the surety company that issued the bond is among those listed as acceptable sureties on federal bonds in Circular 570 of the U.S. Department of the Treasury as required by IAC 567-115.31(6)b(1).

Finding: Berkley Insurance Company is among those listed as acceptable sureties on federal bonds in Circular 570 of the U.S. Department of the Treasury.

4. Procedure: Determine that the state of lowa is not a party to the surety bond as required by IAC 567-115.31(6)b(1).

Finding: The state of Iowa is not a party to the surety bond.

5. Procedure: Determine that the bond is conditioned upon faithful performance by the owner of all closure and postclosure requirements of the Code of lowa as required by IAC 567-115.31(6)b(7).

Finding: The bond is conditioned upon faithful performance by the owner of all closure and postclosure requirements of the Code of lowa.

6. Procedure: Determine that the liability under the bond is for the duration of the operation and the closure and postclosure periods as required by IAC 567-115.31(6)b(8).

Finding: The liability under the bond is for the duration of the operation and the closure and postclosure periods.

7. Procedure: Determine that the bond has not been canceled.

Finding: The bond is still in effect as of April 4, 2023.

8. Procedure: Determine that the penal sum of the bond is in an amount at least equal to the amount of the third-party cost estimates for closure and postclosure care costs as required by IAC 115.31(6)b(2).

Finding: The penal sum of the bond is \$1,982,760 which is equal to the third-party cost estimates for closure and postclosure care costs of \$1,982,760.

9. Procedure: Determine that Heidelberg Materials US Cement LLC has established a standby trust fund as required by IAC 115.31(6)b(4).

Finding: A standby trust fund was established on July 10, 2008.

10. Procedure: Determine that the trustee of the standby trust fund is an entity which has the authority to act as a trustee and whose operations are regulated and examined by a federal or state agency as required by IAC 115.31(6)b(4).

Finding: The Bank of New York Mellon has the authority to act as a trustee. Its operations are regulated and examined by the Federal Reserve System.

11. Procedure: Determine that a copy of the trust agreement was properly submitted to the lowa Department of Natural Resources and that a copy was placed in Heidelberg Materials US Cement LLC's official files as required by IAC 115.31(6)b(4).

Finding: The trust agreement was properly submitted to the Iowa Department of Natural Resources and a copy was placed in Heidelberg Materials US Cement LLC's official files.

12. Procedure: Determine that payments made under the terms of the bond are deposited by the surety directly into the standby trust fund and that payments from the trust fund are approved by the trustee and the lowa Department of Natural Resources as required by IAC 115.31(6)b(5).

Finding: There has been no activity in the standby trust fund since its inception.

We were engaged by Heidelberg Materials US Cement LLC to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the specified elements, accounts or items. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Heidelberg Materials US Cement LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of Heidelberg Materials US Cement LLC and the lowa Department of Natural Resources and is not intended to be and should not be used by anyone other than these specified parties.

HOGAN - HANSEN

HOGAN - HANSEN

Mason City, Iowa April 4, 2023