



Heidelberg Materials

Heidelberg Materials

700 25th StNW
Mason City, IA 50401

March 28, 2024

CON 12-1-1
Doc # 109764

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

Subject: 2022 Industrial Monofill Financial Assurance Report Form and Required Documentation

Dear Mr. Blum,

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

Due to employee turnover at the facility, the affidavit from an independent CPA firm has not been completed as of the date of this letter, however, a CPA firm has been engaged to complete the affidavit which will be provided upon completion. The affidavit from the 2023 submission is included for reference.

Please contact me at (317) 452-9201 or wendy.krause@heidelbergmaterials.com should you have any questions or if you require additional information.

Sincerely,

Wendy M. Krause, CHMM

Wendy M. Krause, CHMM
Midwest Director, Environment & Sustainability

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APR 02 2024

Industrial Monofill Financial Assurance Report Form

Section 1: FACILITY INFORMATION *(please print or type)*

Information Requested	
Facility Name	Heidelberg Materials US Cement LLC
Permitted Agency/Entity	Heidelberg Materials US Cement LLC
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	\$ 616,521	3/6/2024
Updated Postclosure Cost Estimate	\$ 1,528,626	3/6/2024
Initial or Updated Corrective Action Cost Estimate	\$	

*Attach closure/postclosure cost estimate(s) signed and certified by an Iowa-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 Iowa-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	980,000
Amount of waste disposed of at the facility during the prior year	7535

Section 4: PROOF OF COMPLIANCE

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

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Section 5: FINANCIAL ASSURANCE INSTRUMENT

Type and Value of Financial Assurance Instrument(s)		(ATTACH INSTRUMENT(S))	
Assurance Instrument	Establishment Date	Mechanism Covers	Instrument Value
Trust Fund 567 IAC 115.31(6)"a"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Surety Bond 567 IAC 115.31(6)"b"	March 15, 2010	Closure <input checked="" type="checkbox"/> Postclosure <input checked="" type="checkbox"/> Corrective Action <input type="checkbox"/>	\$ 1,882,108
Letter of Credit 567 IAC 115.31(6)"c"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Insurance 567 IAC 115.31(6)"d"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Corporate Financial Test 567 IAC 115.31(6)"e"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Local Gov't. Financial Test 567 IAC 115.31(6)"f"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Corporate Guarantee 567 IAC 115.31(6)"g"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Local Gov't Guarantee 567 IAC 115.31(6)"h"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Local Gov't. Dedicated Fund 567 IAC 115.31(6)"i"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$

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 <i>(see formula below)</i>	\$	\$	\$
Trust Fund Balance <i>(see formula below)</i>	\$	\$	\$

Formula for Projected Deposits

Dedicated/Trust Fund

$$\frac{CE - CB}{Y}$$

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

SUBMITTAL OF THIS COMPLETED AND ENDORSED FORM ALONG WITH ALL REQUIRED DOCUMENTATION ESTABLISHES
NOTIFICATION AND PROOF OF PERMIT HOLDER COMPLIANCE WITH IAC 567 CHAPTER 115.

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	
patrick.karamaga@heidelbergmaterials.com		
Email Address		

	Plant Manager	3/28/24
Signature of Official	Title	Date

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

SURETY RIDER

To be attached to and form a part of

Bond No. 0115514

dated March 15, 2010
effective (MONTH-DAY-YEAR)

executed by Heidelberg Materials US Cement LLC, as Principal,
(PRINCIPAL)

and by Berkley Insurance Company, as Surety,

in favor of State of Iowa, Department of Natural Resources
(OBLIGEE)

in consideration of the mutual agreements herein contained the Principal and the Surety hereby consent to changing

The Bond Amount from:

One Million Nine Hundred Eighty-two Thousand Seven Hundred Sixty & 00/100 Dollars (\$1,982,760.00)

To:

Two Million One Hundred Forty-five Thousand One Hundred Forty-seven & 00/100 Dollars (\$2,145,147.00)

Nothing herein contained shall vary, alter or extend any provision or condition of this bond except as herein expressly stated.

This rider
is effective March 6, 2024
(MONTH-DAY-YEAR)

Signed and Sealed March 22, 2024
(MONTH-DAY-YEAR)

Heidelberg Materials US Cement LLC
(PRINCIPAL)
By: [Signature]
(PRINCIPAL)

Berkley Insurance Company
(SURETY)
By: [Signature]
AnnMarie Keane, Attorney-in-Fact

**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: *Kristin S. Bender; Annette Audinot; Kelly O'Malley; April D. Perez; Jessica Iannotta; Megan Schlueter; or Ann Marie Keane of Marsh USA, Inc. of Morristown, NJ* 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 Delaware, 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 therein 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 issued 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 facsimile 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 issued.

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 31st day of January, 2022.

Attest:

By

Ira S. Lederman
Executive Vice President & Secretary

Berkley Insurance Company

By

Jeffrey M. Hafter
Senior Vice President



STATE OF CONNECTICUT)

) ss:

COUNTY OF FAIRFIELD)

Sworn to before me, a Notary Public in the State of Connecticut, this 31st day of January, 2022, by Ira S. Lederman and Jeffrey M. Hafter who are sworn to me to be the Executive Vice President and Secretary, and the Senior Vice President, respectively, of Berkley Insurance Company.

MARIA C. RUNDBAKEN
NOTARY PUBLIC
CONNECTICUT
MY COMMISSION EXPIRES
APRIL 30, 2024

Maria C. Rundbaken
Notary Public, State of Connecticut

CERTIFICATE

I, the undersigned, Assistant Secretary of BERKLEY INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing is a true, correct and complete copy of the original Power of Attorney; that said Power of Attorney has not been revoked or rescinded and that the authority of the Attorney-in-Fact set forth therein, who executed the bond or undertaking to which this Power of Attorney is attached, is in full force and effect as of this date.

under my hand and seal of the Company, this 22nd day of March, 2024.

Vincent P. Forte



March 6, 2024
File No. 27224104.00

Patrick Karamaga
Plant Manager
Lehigh Cement Company, LLC
700 25th Street NW
Mason City, IA 50401

Subject: 2024 Financial Assurance
Heidelberg Materials US Cement CKD Monofill
Permit No. 17-SDP-08-99P

Dear Patrick,

SCS Engineers has completed the 2024 closure and postclosure cost estimates to be included in the financial assurance report for the Heidelberg Materials US Cement CKD Monofill located in Mason City, Iowa. Cost estimates for closure and postclosure are found in Attachment A. The estimated closure cost is \$616,521. The estimated 30-year post-closure cost is \$1,528,626.

Sincerely,



Isaac A. Creech, EIT
Associate Professional
SCS Engineers



Christine L. Collier, P.E.
Senior Project Manager
SCS Engineers

IAC/CLC

cc: Wendy Krause - Heidelberg Materials US Cement

Attachment A: 2024 Closure and Post-Closure Cost Estimate



ATTACHMENT A

2024 Closure and Postclosure Cost Estimates

CERTIFICATION



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

Christine L Collier

Digitally signed by Christine L. Collier

Date: 2024.03.06 23:14:04 -06'00'

Christine L. Collier

Date _____

My license renewal date is: December 31, 2025

Pages or sheets covered by this seal:

2024 Closure and Postclosure Cost Estimates



2024 Closure Cost Estimate (Heidelberg Materials CKD Monofill)

Task ¹	Units	Cost per Unit	Cost Year	Cost of Task
1. Closure and Postclosure Plan Document Revisions	1	\$ 11,500 lump sum	2024	\$ 11,500
2. Site Preparation, Earthwork, and Final Grading	1	\$ 93,625 lump sum	2024	\$ 93,625
3. Drainage Control Culverts, Piping, and Structures	0	\$ - lump sum	2024	\$ -
4. Erosion Control Structures, Sediment Ponds, and Terraces	1	\$ 35,753 lump sum	2024	\$ 35,753
5. Final Cap Construction	10.5	\$ 13,557 per acre	2024	\$ 142,346
6. Cap Vegetation Soil Placement	10.5	\$ 18,641 per acre	2024	\$ 195,725
7. Cap Seeding, Mulching, and Fertilizing	11.5	\$ 2,506 per acre	2024	\$ 28,819
8. Monitoring Well, Piezometer, and Gas Control Modifications	1	\$ 1,600 lump sum	2024	\$ 1,600
9. Leachate System Cleanout and Extraction Well Modifications	1	\$ 4,500 lump sum	2024	\$ 4,500
10. Monitoring Well Installation and Abandonments	10	\$ - lump sum	2024	\$ -
11. Facility Modifications to Effect Closed Status	1	\$ 1,500 lump sum	2024	\$ 1,500
12. Engineering and Technical Services	1	\$ 85,403 lump sum	2024	\$ 85,403
13. Legal, Financial, and Administrative Services	1	\$ 5,750 lump sum	2024	\$ 5,750
14. Closure Compliance Certifications and Documentation	1	\$ 10,000 lump sum	2024	\$ 10,000
Total Cost of Closure				\$ 616,521

Notes:

¹ Task items based on the list from 567 IAC 115.31(3)"c"(6).

² Current open area requiring final cover: 10.50 acres

³ Area closed in 2007: 2.10 acres

⁴ Current approximate borrow area: 1.00 acre

2024 Postclosure Cost Estimate (Heidelberg Materials CKD Monofill)

Task ¹	Units	Cost per Unit	Cost Year	30 Year Cost
1. General Site Facilities, Access Roads, and Fencing Maintenance	30	\$ 1,993 / year	2024	\$ 59,791
2. Cap and Vegetative Cover Maintenance	30	\$ 3,047 / year	2024	\$ 91,398
3. Drainage and Erosion Control Systems Maintenance	30	\$ 1,420 / year	2024	\$ 42,600
4. Groundwater to Waste Separation Systems Maintenance	30	\$ - / year	2024	\$ -
5. Gas Control Systems Maintenance	30	\$ - / year	2024	\$ -
6. Gas Control Systems Monitoring and Reporting	30	\$ - / year	2024	\$ -
7. Groundwater and Surface Water Monitoring Systems Maintenance	30	\$ 420 / year	2024	\$ 12,586
8. Groundwater and Surface Water Quality Monitoring and Reporting	30	\$ 23,355 / year	2024	\$ 700,650
9. Groundwater Monitoring Systems Performance Evaluations and Reports	30	\$ - / year	2024	\$ -
10. Leachate Control Systems Maintenance	30	\$ 1,200 / year	2024	\$ 36,000
11. Leachate Management, Transportation, and Disposal	30	\$ 9,830 / year	2024	\$ 294,900
12. Leachate Control Systems Performance Evaluations and Reports	30	\$ 2,000 / year	2024	\$ 60,000
13. Facility Inspections and Reports	30	\$ 3,500 / year	2024	\$ 105,000
14. Engineering and Technical Services	30	\$ 850 / year	2024	\$ 25,500
15. Legal, Financial, and Administrative Services	30	\$ 1,000 / year	2024	\$ 30,000
16. Financial Assurance, Accounting, Audits, and Reports	30	\$ 2,340 / year	2024	\$ 70,200
Total Cost of Postclosure		\$ 50,954		\$ 1,528,626

Notes:

¹ Task items based on the list from 567 IAC 115.31(4)"c"(6).



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 Iowa 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:

1. 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 Iowa 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 Iowa 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 Iowa 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 Iowa.

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 Iowa 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 Iowa 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 Iowa 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