

West Des Moines, IA

PROJECT: Ottumwa,2024 FA,IA DATE: 6/24/2024
27224160.00

SUBJECT: Ottumwa-Wapello County Landfill TRANSMITTAL ID: 00001
- 90-SDP-01-75 - 2024 Financial Assurance Report

PURPOSE: For your approval VIA: Info Exchange

FROM

NAME	COMPANY	EMAIL	PHONE
Isaac Creech West Des Moines, IA	SCS Engineers	ICreech@scsengineers.com	

TO

NAME	COMPANY	EMAIL	PHONE
Becky Jolly		becky.jolly@dnr.iowa.gov	
chad.stobbe@dnr.iowa.gov		chad.stobbe@dnr.iowa.gov	
brian.rath@dnr.iowa.gov		brian.rath@dnr.iowa.gov	

REMARKS: Good Morning:

SCS Engineers, on behalf of the Ottumwa-Wapello County Solid Waste Commission, is submitting the attached 2024 Financial Assurance Review. If you have any questions regarding this submittal, please contact us using the information below.

Thank you,

Isaac Creech, E.I.T.
Technical Associate
1690 All-State Court, Suite 100
West Des Moines, IA 50265
(515) 631-6160 (Office)
(515) 415 -9211 (W)
icreech@scsengineers.com
www.scsengineers.com

DESCRIPTION OF CONTENTS

QTY	DATED	TITLE	NOTES
1	6/24/2024	Ottumwa-Wapello County Landfill - 90-SDP-01-75 - 2024 Financial Assurance Report.pdf	

COPIES:

Transmittal

DATE: 6/24/2024
TRANSMITTAL ID: 00001

Zach Simonson
Tim Buelow
Nathan Ohrt
Isaac Creech

(Ottumwa-Wapello County)
(SCS Engineers)
(SCS Engineers)
(SCS Engineers)

June 20, 2024
File No. 27224160.00

Mr. Michael Sullivan
Iowa Department of Natural Resources
Land Quality Bureau
Wallace State Office Building
502 E 9th Street
Des Moines, Iowa 50319-0034

Subject: 2024 Financial Assurance
Ottumwa - Wapello County Landfill
Permit No. 90-SDP-01-75P

Dear Mr. Sullivan:

SCS Engineers, on behalf of the Ottumwa-Wapello County Solid Waste Commission, has completed the 2024 closure, post-closure, and corrective action cost estimates required by the Iowa Administrative Code (IAC) and the Ottumwa-Wapello County Landfill permit. We have attached the completed DNR Form 542-8090.

The closure, post-closure, and corrective action cost estimate (Attachment A) was prepared by updating the line-item costs using similar costs from other 2023 Iowa landfill cell construction and closure bid tabs, inflated to 2024 dollars. The City of Ottumwa provides financial assurance for the Ottumwa-Wapello County Landfill using the financial test mechanism. The Municipal Solid Waste Sanitary Landfill Local Government Financial Test & CFO Letter is contained in Attachment B.

A copy of the owner/operator's most recent annual audit report in the form prescribed by the Office of the Auditor of the State of Iowa as described in IAC 567 Chapter 113 can be obtained at: <https://auditor.iowa.gov/audit-reports>.

If you have any questions or comments regarding this submittal, please contact Tim Buelow at (515) 681-5455.

Sincerely,



Isaac Creech, E.I.T.
Technical Associate
SCS Engineers



Timothy C. Buelow, P.E.
Project Advisor
SCS Engineers


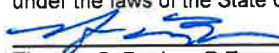
IAC/TCB

Copies: Zach Simonson, Ottumwa-Wapello County Solid Waste Commission

Enclosure



Certification

 <p>The seal is circular with a double-line border. The outer ring contains the text "LICENSED PROFESSIONAL ENGINEER" at the top and "IOWA" at the bottom, separated by two stars. The center of the seal contains the name "Timothy C. Buelow" and the license number "14445". A blue ink signature is written across the seal.</p>	<p>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.</p> <p> _____ Timothy C. Buelow, P.E.</p> <p>Date: <u>6/20/2024</u></p> <p>License No. 14445</p> <p>My license renewal date is December 31, 2025</p> <p>Pages or sheets covered by this seal: <u>Ottumwa-Wapello County Landfill 2024 Closure and Postclosure Cost Estimate</u></p>
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Municipal Solid Waste Sanitary Landfill Financial Assurance Report Form

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

Information Requested	
Facility Name	Ottumwa-Wapello County Landfill
Permitted Agency/Entity	Ottumwa-Wapello County Solid Waste Commission
Permit Number	90-SDP-01-75P

Section 2: CLOSURE/POSTCLOSURE OR CORRECTIVE ACTION COST ESTIMATES

Information Requested	Cost Estimate	Date of Cost Estimate
Updated Closure Cost Estimate	\$ 3,235,427	March 7, 2024
Updated Post Closure Cost Estimate	\$ 2,455,044	March 7, 2024
Initial or Updated Corrective Action Cost Estimate	\$ 196,551	March 7, 2024

*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 113.14(3)"c" for closure and 113.14(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	4,970,598*
Amount of waste disposed of at the facility during the prior year	36,411

* Remaining permitted capacity estimated based on December 14, 2023 airspace survey.

Section 4: PROOF OF COMPLIANCE

Publicly Owned Municipal Solid Waste Landfills	<i>(ATTACH AUDIT REPORT)</i>
Owner's Most Recent Annual Audit Report	
Prepared by: <u>BerganKDV, Ltd.</u>	
For fiscal year ending: <u>June 30, 2023</u>	
Privately Owned Municipal Solid Waste Landfills	<i>(ATTACH AFFIDAVIT)</i>
Attach owner/operator's affidavit indicating that an annual review has been performed by a certified public accountant to determine whether the privately owned landfill is in compliance with IAC 567 Chapter 113. 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.	

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 113.14(6)"a"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Surety Bond 567 IAC 113.14(6)"b"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Letter of Credit 567 IAC 113.14(6)"c"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Insurance 567 IAC 113.14(6)"d"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Corporate Financial Test 567 IAC 113.14(6)"e"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Local Gov't. Financial Test 567 IAC 113.14(6)"f"		Closure <input checked="" type="checkbox"/> Postclosure <input checked="" type="checkbox"/> Corrective Action <input checked="" type="checkbox"/>	\$ 4,667,446
Corporate Guarantee 567 IAC 113.14(6)"g"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Local Gov't Guarantee 567 IAC 113.14(6)"h"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Local Gov't. Dedicated Fund 567 IAC 113.14(6)"i"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	

*Pursuant to IAC 567 113.14(9), if account(s) are restricted/reserved to pay for closure, postclosure or corrective action costs, then the amount of the financial assurance instrument may be reduced by the sum of the cash balance of the account(s) established to comply with subrule 113.14(8).

Section 6: INITIAL PROOF OF ESTABLISHMENT OF ACCOUNTS

Check Which Applies:	<input type="checkbox"/> New Mechanism	<input checked="" type="checkbox"/> Previously Submitted
<p>Pursuant to IAC 567 Chapter 113.14(8)"f", documentation of the establishment of accounts is to be submitted to the department by April 1, 2003 for currently permitted MSWLFs. Permit holders for MSWLFs permitted after April 1, 2003, shall submit documentation of the establishment of accounts prior to the MSWLF's initial receipt of waste.</p> <p>Please attach documentation indicating accounts/fund have been established for closure and postclosure care and if the account(s) are restricted/reserved for closure or postclosure care. Examples of documentation include bank statements for closure/postclosure accounts, letter signed by the chief financial officer, letter from certified public accountant, etc.</p> <p>Accounts established pursuant to paragraph 113.14(6)"a" for trust funds or paragraph 113.14(6)"i" for local government dedicated funds also satisfies the requirements of this subrule, and the permit holder shall not be required to establish additional closure and postclosure accounts.</p>		

Section 7: CLOSURE AND POSTCLOSURE ACCOUNTS

Completion of the following closure and postclosure account information complies with the annual financial statement requirements of IAC 567 113.14(3)“a” and 113.14(4)“a” by indicating the current balance(s) of the closure/postclosure account(s) or dedicated/trust fund and the projected amount(s) to be deposited in the account(s).

Under “Beginning Balance”, please state the account/fund balance 30 days after the start of the previous fiscal year, for “Ending Balance”, indicate the account 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
Closure Account Balance <i>(see formula below)</i>	\$ 402,365	\$ 435,493	\$ 20,510
Postclosure Account Balance <i>(see formula below)</i>	\$ 764,937	\$ 784,083	\$ 12,240

Or

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

Formula for Projected Deposits


Closure or Postclosure Account	Dedicated/Trust Fund
$\frac{CE - CB}{RPC} \times TR$	$\frac{CE - CB}{Y}$
<p>Where “CE” is the closure or postclosure cost estimate, “CB” is the balance 30 days after close of the previous fiscal year, “RPC” is the remaining permitted capacity in tons, of the landfill from the beginning of the current fiscal year, and “TR” is the total number of tons of solid waste disposed in the prior year.</p>	<p>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.</p>

02354 If needed, the space below can be used to show calculations for projected deposits

Closure	Postclosure
$\frac{\$3,235,427 - \$435,493}{4,970,598} \times 36,411 = \$20,510$	$\frac{\$2,455,044 - \$784,083}{4,970,598} \times 36,411 = \$12,240$

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 113.		
Zach Simonson	Director of Community Development	
Name of Official	Title	
Ottumwa-Wapello County Solid Waste Commission		
Agency/Entity		
105 E Third Street		
Address		
Ottumwa	Iowa	52501
City	State	Zip
641-683-0694	641-683-0609	
Telephone	Fax	
simonsonz@ottumwa.us		
Email Address		

	DIRECTOR OF COMMUNITY DEVELOPMENT	6/19/24
Signature of Official	Title	Date

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

Attachment A

2024 Closure Cost Estimate - Ottumwa Wapello County Landfill

Task ¹	Units	Cost per Unit	Cost year	Cost of Task
1. Closure and Postclosure Plan Document Revisions	1	\$ 10,000 lump sum	2024	\$ 10,000
2. Site Preparation, Earthwork, and Final Grading	1	\$ 125,609 lump sum	2024	\$ 125,609
3. Drainage Control Culverts, Piping, and Structures	0	\$ - lump sum	2024	\$ -
4. Erosion Control Structures, Sediment Ponds, and Terraces	1	\$ 88,759 lump sum	2024	\$ 88,759
5.1. Final Cap Construction (Non-Composite Area) ²	2.8	\$ 15,303 / acre	2024	\$ 42,850
5.2. Final Cap Construction (Composite Area) ³	18.6	\$ 89,699 / acre	2024	\$ 1,671,996
6. Cap Vegetation Soil Placement ⁴	21.4	\$ 18,704 / acre	2024	\$ 401,019
7. Cap Seeding, Mulching, and Fertilizing ^{4, 5}	37.3	\$ 2,506 / acre	2024	\$ 93,574
8. Monitoring Well, Piezometer, and Gas Control Modifications	1	\$ 667,099 lump sum	2024	\$ 667,099
9. Leachate System Cleanout and Extraction Well Modifications	1	\$ 6,400 lump sum	2024	\$ 6,400
10. Monitoring Well Installation and Abandonments	0	\$ - lump sum	2024	\$ -
11. Facility Modifications to Effect Closed Status	1	\$ 1,500 lump sum	2024	\$ 1,500
12. Engineering and Technical Services	1	\$ 101,410 lump sum	2024	\$ 101,410
13. Legal, Financial, and Administrative Services	1	\$ 15,211 lump sum	2024	\$ 15,211
14. Closure Compliance Certifications and Documentation	1	\$ 10,000 lump sum	2024	\$ 10,000
2024 Total Cost of Closure				\$ 3,235,427

Notes:

¹ Task items based on the list from IAC 567-113.14(3)"c"(6).

² Current open area not requiring composite cap for final cover (north cell abutment)

2.8 acres

³ Current open area requiring composite cap for final cover

18.6 acres

⁴ Current total open area requiring final cover

21.4 acres

⁵ Current approximate borrow area:

15.9 acres

2024 Postclosure Cost Estimate - Ottumwa Wapello County Landfill

Task ¹	Units	Cost per Unit	Cost year	30 Year Cost
1. General Site Facilities, Access Roads, and Fencing Maintenance	30	\$ 1,088 / year	2024	\$ 32,626
2. Cap and Vegetative Cover Maintenance	30	\$ 7,305 / year	2024	\$ 219,143
3. Drainage and Erosion Control Systems Maintenance	30	\$ 4,498 / year	2024	\$ 134,939
4. Groundwater to Waste Separation Systems Maintenance	30	\$ 400 / year	2024	\$ 12,000
5. Gas Control Systems Maintenance	30	\$ 1,085 / year	2024	\$ 32,538
6. Gas Control Systems Monitoring and Reporting	30	\$ 4,235 / year	2024	\$ 127,050
7. Groundwater and Surface Water Monitoring Systems Maintenance	30	\$ 1,138 / year	2024	\$ 34,152
8. Groundwater and Surface Water Quality Monitoring and Reporting	30	\$ 29,001 / year	2024	\$ 870,040
9. Groundwater Monitoring Systems Performance Evaluations and Reports	30	\$ - / year	2024	\$ -
10. Leachate Control Systems Maintenance	30	\$ 3,899 / year	2024	\$ 116,975
11. Leachate Management, Transportation, and Disposal	30	\$ 21,964 / year	2024	\$ 658,922
12. Leachate Control Systems Performance Evaluations and Reports	30	\$ 1,250 / year	2024	\$ 37,500
13. Engineering and Technical Services	30	\$ 2,818 / year	2024	\$ 84,525
14. Legal, Financial, and Administrative Services	30	\$ 1,154 / year	2024	\$ 34,633
15. Financial Assurance, Accounting, Audits, and Reports	30	\$ 2,000 / year	2024	\$ 60,000
2024 Total Cost of Postclosure		\$ 81,835		\$ 2,455,044

2024 CA Cost Estimate - Ottumwa Wapello County Landfill

Task	Units	Cost per Unit	Cost year	Cost of Task
1. Corrective Action Groundwater Quality Monitoring and Reporting	1	\$ 5,419 / year	2021	\$ 93,844
2. Gas Sampling and Reporting	1	\$ 900 / year	2021	\$ 15,585
3. Operation of Active Venting System	1	\$ 4,378 / year	2021	\$ 75,809
4. Remedy Completion Certification and Documentation	1	\$ 2,500 lump sum	2021	\$ 2,886
5. Remedy Decommissioning	1	\$ 7,300 lump sum	2021	\$ 8,427
2024 Total Cost of Corrective Action				\$ 196,551

Notes:

¹ Task items based on the list from IAC 567-113.14(4)"c"(6).

Corrective Action estimated based on a 15 year Corrective action period. Inflated from initial estimate in 2021.

Attachment B

MUNICIPAL SOLID WASTE SANITARY LANDFILL LOCAL GOVERNMENT FINANCIAL TEST & CFO LETTER

June 17, 2024

Iowa Department of Natural Resources
Planning, Permitting & Engineering Services
Wallace State Office Building
502 East 9th Street
Des Moines, IA 50319

Dear Sir or Madam:

I am the DIRECTOR OF COMMUNITY DEVELOPMENT for the City of Ottumwa, herein referred to as the "Owner." This letter is in support of the Owner's use of the Financial Test to demonstrate financial assurance for closure and/or postclosure care costs, as specified in IAC 567 Chapter 113.14(3) and 113.14(4).

The Owner is the owner and operator of the following municipal solid waste sanitary landfill(s) for which financial assurance for closure and/or postclosure care is demonstrated through the financial test, as specified in IAC 567 Chapter 113.14(6)"f":

Facility Name: Ottumwa-Wapello County Landfill

Address: 13277 165th Avenue, Ottumwa, Iowa 52501

Permit No: 90-SDP-01-75P

The current closure and/or postclosure care cost estimate, in accordance with IAC 567 Chapter 113.14(3) and 113.14(4), are shown below for each facility covered by the Financial Test:

Closure cost to be assured: \$ 2,799,934
Postclosure cost to be assured: \$ 1,670,961
Corrective action cost to be assured: \$ 196,551

The Owner meets or exceeds the financial test criteria as shown below in Alternative I and agrees to comply with the requirements, as specified in subrule 113.14(6)"f."

As DIRECTOR for the Owner, I hereby certify that the information provided in this letter is true to the best of my knowledge and that this letter is being submitted in accordance with IAC 567 Chapter 113.14(6)"f" for the Local Government Financial Test.

Signature: 

Name: ZACH SIMONSON

Date: 6/17/24

The figures for the following items are derived from the Owner's independently audited, year-end financial statements/audit report for the latest completed fiscal year, ended June 30, 2023.

Alternative I

1. Sum of the current closure and/or postclosure cost estimate(s) being assured by the Financial Test	\$4,667,446	\$4,611,844
	From most recent annual auditor's report	From 2nd most recent annual auditor's report
2. Total Revenues	\$ 37,595,978	\$34,622,341
3. Total Expenditures	\$ 33,679,066	\$25,192,072
4. Current bond rating of most recent outstanding general obligation bonds	A1	A1
Must be able to answer "Yes" or "True" to the following		
	Yes/ True	No/ False
5. Has evidence been provided of most recent bond rating?	Yes	
6. Are outstanding general obligation bonds rated at least Aaa, Aa, A, or Baa, as issued by Moody's or AAA, AA, A or BBB, as issued by Standard & Poor's?	Yes	
7. There are no outstanding general obligation bonds that are currently in default.	True	
8. There are no outstanding general obligation bonds rated lower than Baa as issued by Moody's or BBB as issued by Standard & Poor's.	True	
9. Have financial statements (audit) been prepared in conformity with Generally Accepted Accounting Principles or with Other Comprehensive Basis of Accounting?	Yes	
10. Is line 3 less than line 2 in each of the past two years?	Yes	
11. If answered "no" to line 10, line 3 does not exceed line 2 by more than 5 percent in each of the past two years.	n/a	
12. Is line 1 less than 43 percent of line 2?	Yes	
13. Have not received an adverse opinion or disclaimer of opinion from the independent certified public accountant or office of the auditor of the state of Iowa.	True	
14. Have closure and postclosure costs being assured been referenced in the owner's most recent audit report or instead placed in the owner's files if timing did not permit reference in the most recent audit?	Yes	

Definitions:

"Deficit" - means total annual revenues minus total annual expenditures.

"Total revenues" - means revenues from all taxes and fees but does not include the proceeds from borrowing or asset sales, excluding revenue from funds managed by local government on behalf of a specific third party.

"Total expenditures" - means all expenditures excluding capital outlays and debt repayment.

"Cash plus marketable securities" - means all the cash plus marketable securities held by the local government on the last day of a fiscal year, excluding cash and marketable securities designated to satisfy past obligations such as pensions.

"Debt service" - means the amount of principal and interest due on a loan in a given time period, typically the current year.