

Heidelberg Materials North America

Mason City Plant 700 25th Street NW Mason City, IA 50401

April 1, 2025

Sent email and certified to: mary.klemesrud@dnr.iowa.gov

Ms. Mary Klemesrud Land Quality Bureau Department of Natural Resources 6200 Park Avenue Suite 200 Des Moines, IA 50321

RE: 2025 Industrial Monofill Financial Assurance Report Form and Required Documentation

Dear Ms. Klemesrud,

Heidelberg Materials US Cement LLC is providing the following enclosed documents:

- Industrial Monofill Financial Assurance Report Form
- Financial Assurance Cost Estimate (Closure and Post-Closure)

Bungardner

- Landfill Closure/Post-Closure Surety Bond Rider
- Industrial Monofill Landfill Owner's Affidavit
- Affidavit from an Independent CPA Firm

Please don't hesitate to contact me at (641) 529-8117 or <u>kimberlie.bumgardner@heidelbergmaterials.com</u> with any questions, concerns or for additional information.

Sincerely,

Kimberlie Bumgardner Environmental Manager

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

the steps taken to rectify any deficiencies identified by the accountant.

Information Requested	Cost Estimate	Date of Cost Estimate
Updated Closure Cost Estimate	\$ 631,318	3/12/2025
Updated Postclosure Cost Estimate	\$ 1,565,313	3/12/2025
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	711,501
Amount of waste disposed of at the facility during the prior year	307

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: 2024	
Privately Owned Industrial Monofills	(ATTACH AFFIDAVIT)

Section 5: FINANCIAL ASSURANCE INSTRUMENT

pe and Value of Financial As	ssurance Instrument(s)	(ATTACH INSTRUMENT)	(5)
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 □	\$ 1,882,108
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)

March 12, 2025 File No. 27225178.00

Kimberlie Bumgardner Heidelberg Materials US Cement, LLC 700 25th Street NW Mason City, IA 50401

Subject:

2025 Financial Assurance

Heidelberg Materials US Cement CKD Monofill

Permit No. 17-SDP-08-99P

Dear Kimberlie,

SCS Engineers has completed the 2025 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. No cell construction or closure activities have occurred since the 2024 closure and post-closure cost estimates were prepared; therefore, the previously certified cost estimates were utilized with the application of the inflation factor to calculate the 2025 closure and post-closure estimates as shown in the table below.

Estimate	2024	Inflation Factor	2025
Closure Cost	\$616,521	1.024	\$631,318
Post-Closure Cost	\$1,528,626	1.024	\$1,565,313
Total	\$2,145,147		\$2,196,631

As shown above, the estimated closure cost is \$631,318. The estimated post-closure cost is \$1,565,313.

If you have any questions regarding this report, please contact us at (515) 631-6160.

Sincerely,

Isaac A. Creech, EIT Associate Professional

Isaac Guech

SCS Engineers

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

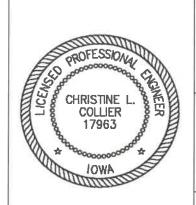
misting of Collier

SCS Engineers

IAC/CLC



Engineer's 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 lowa.

Christine L. Collier, P.E.

Digitally signed by Christine L. Collier, P.E. Date: 2025.03.12 14:15:35

-05'00'

Christine L. Collier

Date

My license renewal date is: December 31, 2025

Pages or sheets covered by this seal:

All

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	

7	Plant Manager	04.01.25
Signature of Official	Title	Date

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

SURETY RIDER

To be attac	ched 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
in conside	(OBLIGEE) ration of the mutual agreements herein contained the Principal and the Surety hereby consent to changing
The Bond A	mount from:
Two Million	One Hundred Forty-five Thousand One Hundred Forty-seven & 00/100 (\$2,145,147.00)
To:	
	One Hundred Ninety-six Thousand Six Hundred Thirty-one & 00/100 (\$2,196,631.00)
100 101111011	One Floridise Winety Stx Floridated Francy-One & 00/100 (\$2,190,031.00)
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 12, 2025 (MONTH-DAY-YEAR)
Signed and	Sealed March 18, 2025
J	(MONTH-DAY-YEAR)
	Heidelberg Materials US Cement LLC
Ву	(PRINCIPAL)
Бу	(PRINCIPAL)
	Berkley Insurance Company
	(SURED)
Ву	
	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 LLC 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 2nd day of May, 2024.

MSURANCE	Attest:	Berkley Insurance Company
SEAL SE	Philip S. Welt Executive Vice President & Secretary	By Jeffrey M. Hafter Senior Vice President
STATE	OF CONNECTICUT)	
) ss:	
COUNT	TY OF FAIRFIELD)	
Sworn to before	me, a Notary Public in the State of Connecticut, this	2nd day of May 2024, by Philip S.

Sworn to before me, a Notary Public in the State of Connecticut, this 2nd day of May 2024, by Philip S. Welt 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 HOTARY PUBLIC CONNECTICUT MY COMMISSION EXPIRES 04-80-2020

SEAL

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 in full force and effect as of this date.

3. On the authority of the Attorney in Fact set forth therein, who executed the bond or undertaking to which this Power of Attorney in full force and effect as of this date.

3. On the authority of the Attorney in Fact set forth therein, who executed the bond or undertaking to which this Power of Attorney is in full force and effect as of this date.

Vak Zh

Vincent P. Forte

INDUSTRIAL MONFILL LANDFILL OWNER'S AFFIDAVIT

As the Owner and/or Operator of Heidelberg-Mason City Cement Manufacturing Waste Landfill, a privately owned industrial monofill landfill, I certify that a yearly review has been performed by a certified public accountant to determine whether the landfill is in compliance with Iowa Administrative Code Chapter 115. Conclusions of the review and the steps taken to rectify any deficiencies identified by the accountant are listed below.

Date of Review:	3/28/2025
Certified Accountant that performed the Review:	Hogan Hansen
Company that owns the landfill:	Heidelberg Materials US Cement LLC
Conclusion(s) of the review:	No deficiencies or deviations.
Steps taken to rectify any def	iciencies identified: N/A
Owner/operator's Signature:	Date: 4/01/25
Owner/operator's printed Na	me: Patrick Karamaga
Owner/operator's Title:	Plant Manager



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 March 24, 2025.

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 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 lowa 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 lowa 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 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 March 24, 2025.

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 \$2,196,631 which is equal to the third-party cost estimates for closure and postclosure care costs of \$2,196,631.

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 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 March 24, 2025