

Underground Storage Tank Removal Fund

Mission Statement

It is the mission of the Underground Storage Tank (UST) Removal Fund to remove tanks located at the City Yards complex, and, if necessary, provide a cleanup effort.

Primary Functions → The primary function of the UST Fund is to account for the expenditures incurred with removing underground storage tank removal and the cleanup of contaminants.

Fund Highlights → A majority of the City's Public Works Department's operations are located at the City Yards complex. This facility, given to the City in the late Sixties, dates back to the late nineteenth century and was used by a number of industrial concerns, the latest being the Case Company. Seventeen underground storage tanks were located on the grounds of this facility dating back as far as 1905.

Under new standards and regulations from both the Federal and Illinois EPA agencies, underground storage tanks need to be registered, monitored for leaks, and removed if inactive for a year. Sites, if contaminated, must be cleaned up. To aid these efforts, a new State law, effective January 1, 1990, added three-tenths of a cent on a gallon of fuel to fund a state cleanup fund. On a contaminated site, State funds, if available, would cover all approved costs over the first \$15,000.

Budget Summary

UNDERGROUND STORAGE TANK REMOVAL FUND					
APPROPRIATION	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE (DECREASE)
TANK REMOVAL	\$25,464	\$20,000	\$0	\$15,000	(\$5,000)
INTEREST	0	0	0	0	0
TOTAL	<u>\$25,464</u>	<u>\$20,000</u>	<u>\$0</u>	<u>\$15,000</u>	<u>(\$5,000)</u>
FUNDING SOURCE		2004 <u>AMOUNT</u>	2004 <u>PERCENTAGE</u>	2005 <u>AMOUNT</u>	2005 <u>PERCENTAGE</u>
PROPERTY TAXES					
CORPORATE					
STATE OF ILLINOIS		\$0	0.0	\$12,500	0.0
INTEREST		0	0.0	0	0.0
TOTAL		<u>\$0</u>	<u>0.0</u>	<u>\$12,500</u>	<u>0.0</u>

This project has had three phases. During the first phase, completed in 1990, the seventeen tanks after registration were emptied of product and removed. Phase II, begun in 1991 to determine the type and magnitude of ground pollution by drilling and sampling, has been completed. Testing the area by drilling holes in selective sites for sampling, the consultant continued taking borings until clean soil defined the limits of the plume. Analyzing the results and applying current regulations, the consultant has determined that we can ask the State for closure. With a public water supply available and the plume stationary, the third phase, remediation, is not necessary. The City entered the Site Remediation Program in late 2004 and will seal and blacktop the affected areas in 2005. After 15 years, this project will be complete.

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Budget Analysis

No costs were incurred in 2004. The total project cost of \$891,000 has been offset by property tax loans, \$394,400, state reimbursements, \$544,500, and interest income, \$29,100.

During the first two years of the project, 1990-1991, \$200,000 of Corporate property taxes were levied annually for this project with the understanding that if and when State reimbursements are received, they will be used to lower or abate property taxes after the project has been completed. For 1992 and years thereafter, State reimbursements have funded the activity.

To complete the project, \$15,000 is budgeted for 2005 to seal and blacktop the affected areas. Sign off on the completion of this project by the State IEPA is expected during the year. State reimbursement of \$12,500 is expected and approximately \$75,000 should be available to reimburse the General Fund when this project is complete.

Five Year Financial Forecast

This fund is scheduled to be closed out this year.