



Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Dave Freudenthal, Governor

John Corra, Director

February 10, 2010

Ms. Francisca M. Chambus
U.S. Environmental Protection Agency
1595 Wynkoop Street MC: 8P-W-GW
Denver, Colorado 80202-1129

RE: Wyoming Storage Tank Program (STP) Semi-Annual LUST TF ARRA Report
August 2009 through January 2010

Dear Ms. Chambus:

The State of Wyoming was awarded an American Recovery and Reinvestment Act (ARRA) Grant on July 6, 2009. This letter provides required semi-annual reporting under that grant.

Measure 1: Summary of Activities

Two projects were authorized: investigation and remediation of the Kelly Oil site in Rawlins and investigation and remediation of 27 pre-law tank sites throughout the state.

Measure 2: Accomplishments/Problems

Kelly Oil Site: The subsurface investigation, including tank removal, is underway and a remedial alternative for the site has been chosen. The remedial alternative will include limited excavation in the source area and backfill with clean material. Enhanced bioremediation using BOS-200 will be completed in the excavation. BOS-200 injections will also be completed outside of the excavation area to enhance the cleanup effort. Bids will be received on March 4, 2010, for completion of the remedial alternative. The STP anticipates the work will begin on or about May 11, 2010, and be completed in 60 days. The site will be put into active monitored natural attenuation, and quarterly groundwater monitoring will be conducted.

Kelly Oil Site Problems: Survey data obtained by the engineer indicates that a corner of the property, including the smaller tank basin, is not owned by Kelly Oil. The STP will be contacting the site owner to provide him with his options. No further work will be completed on this portion of the site at this time. The site may be added to the ARRA work plan at a later date if the site owner chooses not to join the State cleanup program.

Pre-Law Tanks Project: The consultant has completed the ownership research of the sites and submitted the Ownership Report of Findings. Four of the original 27 sites were removed from the project after the initial file review completed by the consultant. It was found that 3 of the sites were previously closed with no further action required, and 1 site could not be found (no such address or facility could be found on the ground). Four more sites were removed after the ownership report was completed. Evidence that tanks

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had existed at these 4 sites was not found. There are now 19 sites remaining in the project. The updated list has been provided to Theresa Martella at EPA. The STP will send letters requesting access from site owners so the consultant can begin the Phase I Environmental Site Assessment (ESA) Report for the remaining 19 sites. The report will include recommendations for continued work at each site where the owner has granted access. WDEQ anticipates that no further work will be done at any site where the owner will not grant access.

The eight sites that have been removed from the project are:

Big Horn Motel
Buffalo Federal Savings and Loan
Ray's Taxidermy
Wilson Addition
Former Gas Station
Homedco
Interstate Auto Sales
Bayles Insurance Agency

Pre-Law Tanks Project Problem: All 27 sites were input to EPA's LUST-4 website. It is unclear as to how to remove or otherwise categorize in LUST-4 the 8 sites that have been removed from the project. This problem was conveyed to Theresa Martella, EPA, in an email dated January 5, 2010, and again in an email dated February 4, 2010. Ms. Martella responded on January 7, 2010, via email stating that she had not received information from OUST regarding how to count these sites within the LUST-4 database. Ms. Martella instructed the STP to remove the sites from the "cleanups initiated" and "cleanups completed" sections within LUST-4, which was done. These sites remain counted in LUST-4 as "investigation initiated" and "investigation completed."

Pre-Law Tanks Project Problem: The STP anticipates that the majority of the grant will be obligated as soon as the bids for Kelly Oil are received. There will be little, if any, grant funds remaining to complete pre-law tanks project work. The pre-law tanks project consultant's contract includes obligation of funds to complete subsurface investigation at 13 sites. However, after the subsurface investigation is done, there will likely not be enough remaining funds to complete cleanup at any of the pre-law tank sites.

Measure 3: Schedules

Kelly Oil Site: Bid notices went out on February 2, 2010, and bids are due March 4, 2010, to complete the source removal at the site. The STP anticipates issuing notice to proceed on or about May 11, 2010. The contractor has 60 consecutive calendar days to complete the work. The work should be completed by July 12, 2010. The consultant will then begin quarterly groundwater sampling.

Pre-Law Tanks Project: The Ownership Report of Findings has been submitted. The STP is preparing a letter to send to site owners requesting access for Phase I ESA work. The letter will be sent sometime in March 2010. As soon as the STP receives access easements from site owners, the consultant will begin the Phase I ESAs including site visits and owner interviews. At this time it is unknown when the Phase I ESA Report will be completed. The schedule will depend on when the STP sends the access letter to the owners and when the owners return the letters that grant site access. We anticipate that follow up will be required to contact owners that do not return the letter or have questions regarding the content of the

letter. After the ESA Report is completed, the STP will contact site owners where further action has been recommended. If the site owner will allow access to complete subsurface investigation, that work will begin immediately upon receiving access.

Measure 4: Funds

The Wyoming Department of Environmental Quality received \$929,000 in economic stimulus funds for work under the Leaking Underground Storage Tank Trust Fund.

Kelly Oil Site: Terracon is the consultant for the project. The STP has obligated \$354,546.50 to Terracon for subsurface investigation including tank removal, design of the remedial alternative (small-scale source removal with BOS-200 injection), construction management during remedial alternative completion, and groundwater and soil sampling after implementation of the remedial alternative. To date, Terracon has submitted invoices for \$69,432.76.

Pre-Law Tanks Project: Delta Environmental is the consultant for the project. The STP has obligated \$335,402.50 for ownership review and Phase I ESAs at 27 sites and subsurface investigation at 13 sites. To date, Delta has submitted invoices for \$24,872.63.

Summary: A total of \$689,949 or 74.3% of the grant has been obligated. A total of \$94,305.39 or 10.2% of the grant has been invoiced. Invoices have either been paid or are in the State's system for payment.

Measure 5: Estimates

Funding estimates for the next six-month reporting period are:

Kelly Oil Site Engineering: The STP estimates that approximately \$131,180 will be invoiced to complete design, subsurface investigation, and construction management during the next 6-month reporting period. The STP estimates that an additional \$50,000 will be invoiced for sampling. The remaining sampling budget (\$140,000) will be used over the next two years.

Kelly Oil Site Construction: The STP estimates that another \$100,000 will be obligated for construction of the remedial alternative at the site (bids will open March 4, 2010). The first construction invoices should be received by the state in June 2010 (notice to proceed is expected on or about May 11, 2010). The construction contractor must be done with work within 60 days of the notice to proceed, or about July 12, 2010. The STP estimates that approximately 75% of the construction contract will be invoiced before the end of the next reporting period (July 31, 2010). The remaining amount, including 10% retainage, will likely be invoiced before the end of the 2010 calendar year.

Pre-Law Tanks Project Engineering: The STP estimates that the majority of the remaining obligated funds will likely be invoiced before the end of the next reporting period. Timing will depend on how quickly the STP can begin subsurface investigation work, which is dependent upon obtaining access easements from site owners. The remaining obligated work should be completed such that invoices are received by the end of the 2010 calendar year.

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Depending on the bids the STP receives for Kelly Oil construction, there may be \$139,050 grant funds remaining unobligated. These funds can be obligated for further work at pre-law tank sites if needed. If the STP cannot obtain access easements for at least 13 of the 19 pre-law tank sites, the majority of the funds obligated for the pre-law tanks project may not be used.

If you have any questions, please do not hesitate to call me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Karen L. Halvorsen". The signature is written in black ink and is positioned above the printed name and title.

Karen L. Halvorsen, P.E.
STP Manager

Cc: Carl Anderson, PhD, SHWD Administrator
Todd Parfitt, WDEQ Deputy Director
Steve Toalson, WDEQ Administration