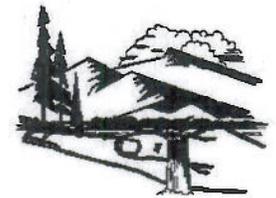




Department of Environmental Quality

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



John Corra, Director

Matthew H. Mead, Governor

February 3, 2011

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 2010 through January 2011, Grant #2L-97882201

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. Grant funds not used for these two projects have been authorized to pay salaries of STP staff working on remediation.

Measure 2: Accomplishments/Problems

Kelly Oil/Esquibel Site: The sites are in active monitored natural attenuation, and quarterly groundwater monitoring is being conducted.

Kelly Oil Site Problems: No problems encountered.

Pre-Law Tanks Project: This project is complete.

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 sites that have been removed from the project. This problem was conveyed to Theresa Martella, EPA, in emails dated January 5, 2010, and 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. All sites, including the six sites that have been referred to VRP, remain counted in LUST-4 as "investigation initiated" and "investigation completed."



Salaries for STP Staff: STP Project Managers spent 2,145.75 hours working on cleanup at Kelly Oil, Esquibel, and non-ARRA sites using ARRA funds for salaries. The hours were spent on 44 on-going projects, comprising 338 sites and 719 releases.

Salaries at Non-ARRA Sites Problem: The STP does not track hours by site or release; the program tracks by project. This issue was raised with EPA when we discussed using the remaining grant for STP salaries. Entering all releases into LUST-4 will be burdensome on the state as resources are unavailable to complete this level of effort. At this time, the program does not intend to enter the releases into LUST-4. A spreadsheet showing all the releases (as of December 31, 2010) by site name, location, and LUST-4 measure associated with the release was provided to EPA in January 2011.

Measure 3: Schedules

Kelly Oil/Esquibel Site: The consultant is conducting quarterly groundwater sampling.

Pre-Law Tanks Project: This project is complete. All but six sites were closed with no further work required. No work will be completed on the remaining six sites because the STP does not have site owner participation.

STP Salaries: Hours will continue to be tracked for remediation work until the grant is exhausted.

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/Esquibel Sites: Terracon is the consultant for this project. The STP has obligated \$254,546.50 to Terracon for subsurface investigation including tank removal, remedial alternative design (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. The original obligation was \$354,546.50; however, an amendment was prepared in August 2010 that reduced the obligation by \$100,000.00 due to the amount of work remaining. To date, Terracon has submitted invoices for \$197,681.91.

Platinum Environmental Services, LLC, was the construction contractor for the Kelly Oil/Esquibel sites. The STP has obligated, and Platinum has invoiced and was paid, \$50,800.63. Platinum's work is complete, and this contract has been closed.

Pre-Law Tanks Project: Delta Environmental was the consultant for the project. The STP originally obligated \$335,402.50 for ownership review and Phase I ESAs at 27 sites and subsurface investigation at 13 sites. Subsurface investigation was not completed due to lack of site owner participation. The STP de-obligated \$281,104.76 in September 2010 and closed the contract. Delta's work is completed. Delta received \$54,297.74 for work completed under this contract.

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STP Salaries: A total of \$228,777.03 has been used for STP salaries. This includes work completed at the Kelly Oil and Esquibel sites and ARRA reporting.

Summary: A total of \$359,644.87 or 39% of the grant has been obligated for contractors completing work for the program. Of that amount, a total of \$302,780.28 or 84% has been invoiced by contractors. Invoices have either been paid or are in the State's system for payment. The remaining portion of the grant is being used for STP-salaries for remediation work. Expenditure to-date for salaries is \$228,777.03. Total expenditure to-date (contractors and salaries) is \$531,557.31. Remaining in the grant is \$397,442.69.

Measure 5: Estimates

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

Kelly Oil/Esquibel Site Engineering: The STP estimates that approximately \$21,000 will be used over the next year for groundwater monitoring to close the site. Approximately \$12,000 may be invoiced during the next reporting period.

Kelly Oil/Esquibel Site Construction: Contract work is done; contract has been closed.

Pre-Law Tanks Project Engineering: Contract work is done; contract has been closed.

Salaries: The STP estimates that approximately \$300,000 will be used during the next reporting period.

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

Sincerely,



Karen L. Halvorsen, P.E.
STP Manager

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