Department of Environmental Quality

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

Matthew H. Mead, Governor

John Corra, Director

August 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 February 2011 through July 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/Esquibel sites 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 cleanup at LUST sites.

Measure 2: Accomplishments/Problems

Kelly Oil/Esquibel Sites: The sites are in active monitored natural attenuation, and quarterly groundwater monitoring is being conducted. The engineer was authorized to complete an additional BOS-200 injection in an attempt to reach closure objectives. The injection was completed in July 2011.

Kelly Oil Site Problems: No problems encountered.

Pre-Law Tanks Project: This project is complete. After file review, it was determined that 21 of the 27 sites required no further action. The remaining 6 sites were referred to the Voluntary Remediation Program because the site owners would not allow the STP access to complete additional investigation.

Pre-Law Tanks Project Problems: 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 6 sites that have been referred to the Voluntary Remediation Program, remain counted in LUST-4 as "investigation initiated" and "investigation completed."

Salaries for STP Staff: During the reporting period, STP Project Managers spent 4,878.98 hours working on LUST cleanups at non-ARRA sites, Kelly Oil, and Esquibel. The hours were spent on 49 on-going projects, comprising 333 sites and 737 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.

Measure 3: Schedules

Kelly Oil/Esquibel Sites: The consultant will conduct one to two more groundwater sampling events, abandon all wells, and prepare the final report. The project is scheduled to be complete by December 31, 2011. Closure objectives may not be met at the time the project is completed.

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; the sites have been referred to the Voluntary Remediation Program.

STP Salaries: Salaries will continue to be paid for cleanup at LUST sites using the grant until the grant is exhausted or December 31, 2011, whichever comes first.

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 the 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 $202,567.73.

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.

STP Salaries: A total of $491,719.64 has been used for STP salaries. This includes work completed at the Kelly Oil and Esquibel sites, cleanup at non-ARRA LUST 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 $307,666.10 or 86% of the contractor-obligated amount 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 at LUST sites. Total expenditure to-date (contractors and salaries) is $799,385.74. Remaining in the grant is $129,614.26.

Measure 5: Estimates

Funding estimates for August through December (grant closure) are:

Kelly Oil/Esquibel Site Engineering: The STP estimates that approximately $50,000 will be used from August through December 2011 for BOS-200 injection, groundwater monitoring, well abandonment, and preparation of the final report.

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 $79,600 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