



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of
Environmental Conservation

DIVISION OF SPILL PREVENTION & RESPONSE
Contaminated Sites Program

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File No: 2100.38.416
2100.26.221

May 23, 2014

NORCON, Inc.
Law Office of John M. Miller, LLC
2448 Brooke Drive
Anchorage, AK 99517

Re: Decision Document: VECO Eastwind, Inc. and Eastwind/VECO Yard sites
6501, 6601 and 6645 Changeport Drive, Anchorage, AK 99518
Cleanup Complete determination for VECO Eastwind, Inc. and
Corrective Action Complete determination for Eastwind/VECO Yard groundwater

Dear Mr. Miller;

The Alaska Department of Environmental Conservation, Contaminated Sites Program (ADEC) has reviewed the environmental record associated with the VECO Eastwind, Inc.¹ contaminated site and the Eastwind/VECO Yard leaking underground storage tank (LUST)² site in Anchorage.

Based on a review of the files for the LUST site and contaminated site, ADEC has determined that the remaining contamination in soil and groundwater at these sites does not pose an unacceptable risk to human health or the environment, and the sites will be closed. Note that the LUST site was granted Corrective Action Complete status for soil only in ADEC's letter dated October 1, 2013. This decision completes the LUST site closure by granting Corrective Action Complete status for groundwater at the site.

Site information and applicable regulations considered for the closure determinations are summarized below.

Site Names and Locations:

VECO Eastwind, Inc. site
Eastwind/VECO Yard (LUST) site
6501, 6601 and 6645 Changeport Dr.
Anchorage, AK 99518

Name and Mailing Address of Contact Party:

NORCON, Inc.
c/o John M. (Jack) Miller
Law Office of John M. Miller, LLC
2448 Brooke Drive
Anchorage, AK 99517

¹ ADEC's Contaminated Sites database record for the VECO Eastwind, Inc. site is currently at the following URL:
http://dec.alaska.gov/Applications/SPAR/CCReports/Site_Report.aspx?Hazard_ID=2735

² ADEC's Contaminated Sites database record for the Eastwind/VECO site is currently at the following URL:
http://dec.alaska.gov/Applications/SPAR/CCReports/Site_Report.aspx?Hazard_ID=24736

Database File Numbers and Hazard ID:

VECO Eastwind, Inc. site
File: 2100.38.416
Hazard ID: 2735

Eastwind/VECO Yard (LUST) site
File: 2100.26.221
Hazard ID: 24736

Regulatory authority under which the site is being cleaned up:

18 AAC 78 and 18 AAC 75

Background

Potential contaminant sources associated with Eastwind's operations at the site from 1981 through 1996 included two regulated underground storage tanks (USTs) installed in 1982; a heavy equipment maintenance and repair shop with floor drains; an equipment wash-down area on the west side of the shop that drained to a ditch that ran north-south along the western property boundary; a drum storage shed; and numerous waste oil and hydraulic fluid surface spills related to equipment operations.

The LUST site and contaminated site comprise an approximately 34-acre area that is bounded by the dashed line shown on Figure 1, right. The two sites are referred to herein as the VECO sites for brevity and to distinguish them from a third contaminated site present within the boundary of the VECO sites, known as the Alaska Refrigerated Services Cold Storage Bldg. site (ARS site). Contamination at the ARS site was limited to the parcel now having the address of 6601 Changepoint Drive and was not related to or intermingled with contamination associated with former activities by Eastwind and VECO. A record of the ARS site cleanup and closure with institutional controls decision can be accessed on ADEC's online database or within ADEC's files at the return address above.³

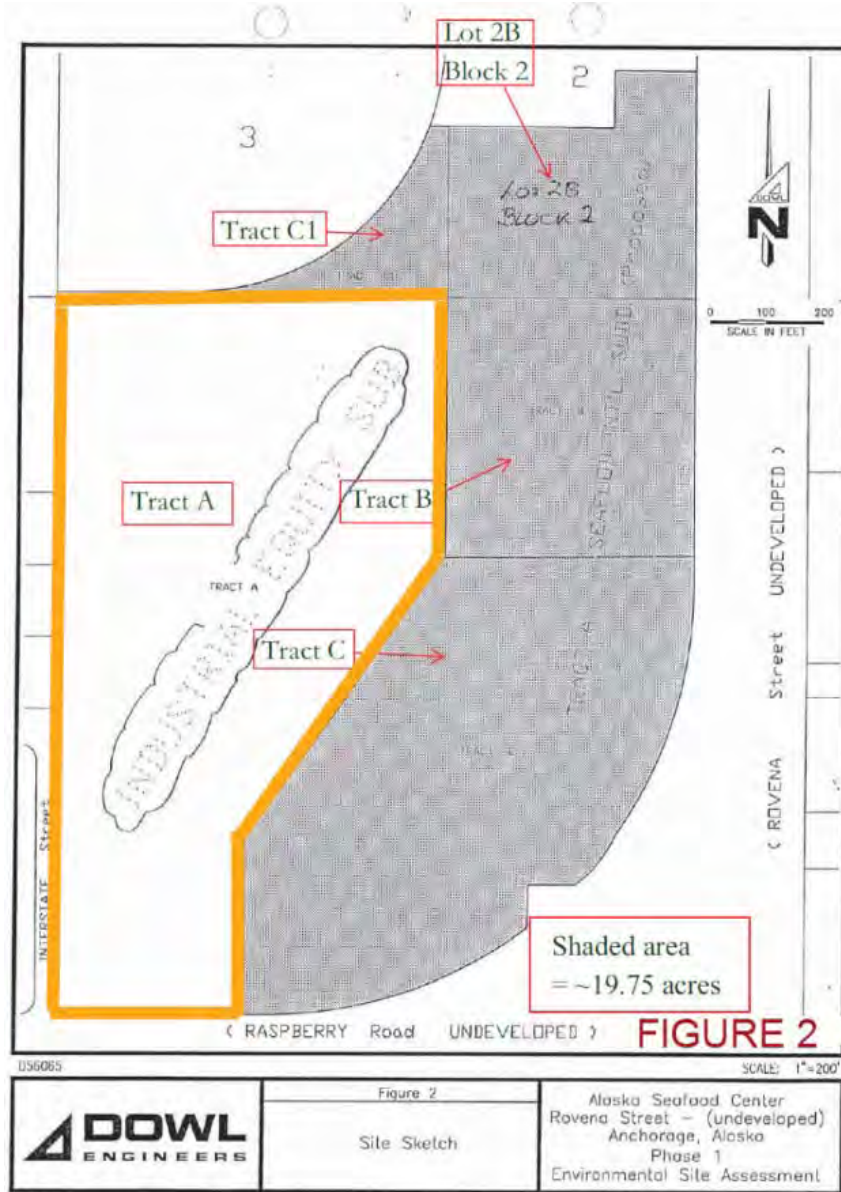


³ ADEC's Contaminated Sites database record for the ARS site is currently at the following URL: http://dec.alaska.gov/Applications/SPAR/CCReports/Site_Report.aspx?Hazard_ID=25967

The VECO sites currently comprise four Municipality of Anchorage tax parcels totaling approximately 34 acres that have the addresses of 6501, 6601 and 6645 Changepoint Drive. Two parcels have the same address of 6501 Changepoint Drive but have unique legal descriptions. The property was re-platted into these four parcels in 1999 and the subdivision name changed from Industrial Equity to Alaska Seafood International.

Prior to 1999 the property boundaries within the site were as shown on Figure 2, right.⁴ In 1981 Eastwind, Inc. (Eastwind) acquired and developed the 14.7-acre parcel identified as Tract of Industrial Equity Subdivision on Figure 2. Eastwind operated an asphalt paving and highway construction company on the property until 1996. Following a series of joint ventures between Eastwind and VECO starting in 1990, Eastwind became a VECO subsidiary in January 1991.

Eastwind vacated the in 1996 and moved its operations to another location in anticipation property transfer. In May 1998 the sale of Tract A and four then-undeveloped adjacent properties (Tract B, Tract C, Tract C1 and Lot 2B, Block 2, shown on Figure 2) to Alaska Seafood International (ASI) was completed. Vegetation and existing structures were removed and construction of the ASI seafood processing plant began, followed by construction of the ARS cold storage building.



A

site of a

⁴ Figure 2: From 1997 *Phase I* report by DOWL Engineers.

The former parcels adjacent to Tract A (shaded parcels on Figure 2 and shown as vegetated or clear areas on Figure 3⁵) became part of the site, expanding the site from 14.7 acres to approximately 34 acres in August 1998 when ADEC became aware that thousands of cubic yards of contaminated soil had been excavated and transported from the site to a clean fill pit and to a Municipality of Anchorage (MOA) soccer field that was under construction. It was not known whether the soil originated from LUST or contaminated site sources, or both.

Approximately 6,000 cubic yards of contaminated soil was retrieved, stockpiled at the site and spread as fill over previously uncontaminated areas in 2004. The fill was later determined to be contaminated by DRO and was investigated, excavated and disposed of off-site during MOA-funded parking lot upgrades in 2012. The upgrades included paving most of the parking areas surrounding the Alaska Dome (privately owned indoor sports facility) at 6501 Changeport Drive that has the legal description of Tract A, Fragment Lot 4A.

The ASI seafood processing plant failed financially and was dissolved in 2003. The Alaska Industrial Development and Export Authority (AIDEA), the state agency that financed the plant, regained possession of the plant and in 2005 sold it to the current owners, Anchorage Community Development (ACD). ACD later sold ASI Tract A, Fragment Lot 4A to Anchorage Sportsplex, Inc.



Contaminants of Concern

Soil

During investigations at the sites soil was analyzed for gasoline range organics (GRO); DRO; residual range organics (RRO); total petroleum hydrocarbons (TPH) by EPA Method 418.1 (withdrawn method); volatile organic compounds (VOCs); halogenated volatile organics (HVO), benzene, toluene, ethylbenzene, and total xylenes (BTEX); polynuclear aromatic hydrocarbons (PAHs); polychlorinated biphenyls (PCBs); extractable metals by the toxic characteristic leaching procedure (TCLP); and semi-volatile organic compounds (SVOCs).

Based on the above analyses and knowledge of the source area, the following contaminants of concern (COCs) were identified in soil:

- GRO
- DRO
- RRO
- Benzene
- Toluene
- Ethylbenzene
- Xylenes (Total)

Groundwater

Groundwater samples were analyzed for GRO, DRO, RRO, HVO, BTEX, TPH by EPA Method 418.1 (withdrawn method), SVOC and VOC. Based on the above analyses and knowledge of the source area, the following contaminant of concern (COCs) were identified in groundwater:

- GRO
- DRO
- RRO
- Benzene
- Methylene Chloride

⁵ Figure 3: Sept. 1988 air photo from Sept. 1992 *Environmental Site Investigation* report by Shannon & Wilson.

Cleanup Levels

Soil and groundwater cleanup levels for the soil and groundwater are presented in Table 1 below. The default soil cleanup levels for this site are established in 18 AAC 75.341, Method Two, Tables B1 and B2, Migration to Groundwater. The default groundwater cleanup levels for this site are established in 18 AAC 75.345 Table C Groundwater Cleanup Levels.

Table 1- ADEC Soil and Groundwater Cleanup Levels (Under 40 Inch Zone)

Contaminants of Concern	Soil - Method Two, Direct Contact /Ingestion (mg/Kg)	Soil - Method Two, Inhalation (mg/Kg)	Soil - Migration to Groundwater (mg/Kg)	Groundwater (mg/L)
DRO	10,250	12,500	250	1.5
GRO	1,400	1,400	300	2.2
RRO	10,000	22,000	11,000	1.1
Benzene	150	11	0.025	0.005
Toluene	8,100	220	6.5	1.0
Ethylbenzene	10,100	110	6.9	0.7
Xylenes (total)	20,300	63	63	10
Methylene Chloride	1,100	160	0.016	0.005

Site Characterization and Cleanup Activities

Contamination at the VEEO sites was first documented in the September 1992 *Environmental Site Investigation* report prepared by Shannon & Wilson, Inc. The contamination was not reported or the report provided to ADEC until October 1997.

Potential sources identified by Shannon & Wilson included a fuel dispenser island; two USTs, one a 10,000 gallon UST used to store diesel and a 2,000 gallon UST used to store gasoline; floor drains and effluent pipes; and numerous observable petroleum-stained areas including staining associated with drum storage and equipment washdown areas. Shannon & Wilson's investigation included excavating and sampling 13 backhoe test pits; advancing and sampling five soil borings; installing and sampling five monitoring wells; and sampling the on-site drainage effluent and drinking water well. A surface water sample collected from a ditch along the west side of the property had a visible sheen and exceeded the cleanup level for TPH (withdrawn EPA method) and had non-detect results for HVOs and BTEX.

By the time ADEC received a copy of the 1992 report in October 1997, the shop and other structures and features on Tract A had been removed or demolished and the site graded. The drainage ditch no longer existed and no surface water was present on the site or around the site perimeter. Figure 4, right, from the 1992 report diagrams

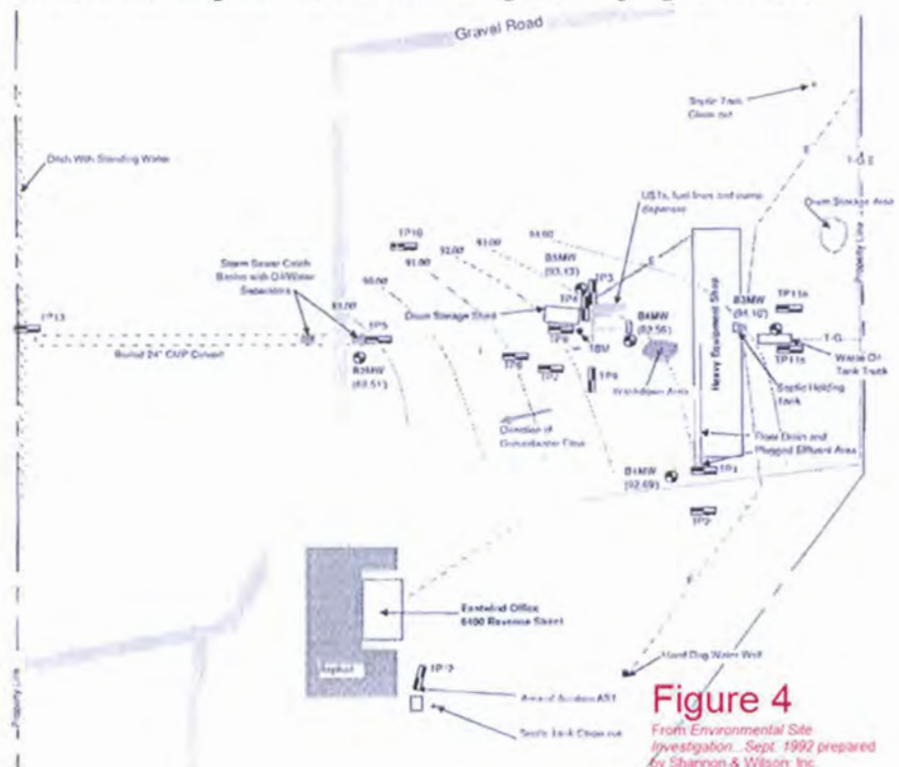


Figure 4
From *Environmental Site Investigation*, Sept. 1992 prepared by Shannon & Wilson, Inc.

potential and documented contaminant source areas. The five wells installed by Shannon & Wilson were only sampled once at the time of installation. One well was removed in 1995 during subsequent UST removal and a second well was abandoned during site work in 1997. The remaining three wells were not found during site visits in 1998 and were presumed to have been destroyed during construction site preparation work.

An UST summary of findings report submitted to ADEC in November 1995 was the earliest date that contamination at the sites was reported to ADEC.⁶ Eastwind had submitted a closure notice for the two USTs in November 1989 but continued to use the tanks until 1994 when ADEC learned they were still in use. The USTs, piping and dispenser island were removed in October 1995 and soil and groundwater contamination was documented with remaining soil exceeding cleanup levels for GRO, DRO, and benzene, and groundwater exceeding cleanup levels for GRO, DRO, and benzene.

Consultant TELLUS, Ltd. submitted a corrective action plan for contamination at the sites in August 1997. ADEC's review letter requested revisions to the plan and documentation of any previous environmental work at the site. Subsequent investigation and cleanup of the area impacted by the LUSTs and by non-regulated contaminant sources is documented in separate reports both dated December 1997.⁷

Additional work was done on behalf of VECO in accordance with the *Supplemental Corrective Action Plan* dated April 7, 1998 and the *Amendment to Supplemental CAP dated 4/29 and DEC approval dated 4/30/98* dated May 5, 1998 both prepared by TELLUS. Based on rushed analytical results submitted to ADEC on May 11, 1998, ADEC issued a closure decision for all soils at the VECO sites in a letter dated May 12, 1998. The letter also granted a request to decommission two monitoring wells at the site but noted that groundwater contamination still needed to be addressed and that ADEC expected to require installation of at least two monitoring wells once facility construction was complete. Following issuance of the soil closure letter construction activities at the sites escalated dramatically, and between May and August 1998 several areas of soil contamination were found and addressed by ASI's design engineering firm and environmental consultant, DOWL Engineers. Additionally, in June 1998 TELLUS installed and sampled two temporary wellpoints within the footprint of what is now the cold storage building, with DRO concentrations in both wells exceeding ADEC cleanup levels.⁸

On August 14, 1998 ADEC was notified that observably contaminated soil had been delivered to a MOA soccer field under construction in Anchorage. In the course of investigating that event ADEC learned that over 7,000 cubic yards of soil from the VECO sites had been delivered to the Anchorage Sand and Gravel (AS&G) Sand Lake clean fill pit. Retrieval of the contaminated soil from both locations began immediately. ADEC rescinded the soil closure in a letter to VECO's representative dated September 1, 1998. Removal of the contaminated soil from the Sand Lake clean fill pit was a lengthy process that took two seasons to complete. By 1999 approximately 6,000 cubic yards of contaminated soil had been retrieved from the soccer field and clean fill pit and were stockpiled within the VECO sites. The stockpiled soil was sampled and approved for spreading by ADEC in 2004 but was later determined to be contaminated by DRO during 2012 parking lot upgrades for the Anchorage Sportplex facility.

Following completion of the ASI seafood processing facility in 1999 ADEC repeatedly requested that VECO install monitoring wells in accordance with ADEC's May 12, 1998 conditional approval letter. VECO resisted doing so. Following the failure of ASI in 2003 the state agency AIDEA regained possession of the property and in 2005 contracted with Shannon & Wilson to perform a baseline site assessment prior to marketing the property. The resulting May 2005 *Environmental Baseline Assessment* documented the installation and sampling

⁶ See *Summary of Findings Report, UST Closure Program, 6400 Rovenna Street...November 1995* prepared by AGRA Earth & Environmental.

⁷ See *Field Summary Report, Former Underground Storage Tank Area...December 1997* and *Field Summary Report, Non-Underground Storage Tank Contaminated Areas...December 1997* both prepared by TELLUS.

⁸ See TELLUS letter report dated June 17, 1998.

of six monitoring wells, with limited soil sampling. The only contaminant exceeding ADEC cleanup levels was RRO in groundwater in two of the wells. One well close to the location of the former LUSTs was re-sampled in 2007 by TELLUS on behalf of VECO with no contaminants detected above the applicable cleanup levels.⁹ Three of the six wells were located and sampled by Shannon & Wilson during a 2012 investigation on behalf of Anchorage Community Development.¹⁰ The remaining three wells could not be located. Groundwater sampling results were below cleanup levels for the COCs. The report conclusions noted that sample results from the wells in the vicinity of the former UST excavation (B5MW) and within the former AST spill excavation (B1MW) had been below cleanup levels for the last two sampling events and recommended that the site be considered for cleanup complete status.

Also in December 2013, consultant BGES submitted the *Limited Phase II Environmental Site Assessment Activities, December 2013* report for investigations of potentially contaminated areas within the tax parcel that includes the ARS cold storage building at 6601 Changepoint Drive. Sampling results from all sources associated with past Eastwind and VECO sources did not exceed cleanup levels.

Cumulative Risk Calculation

Pursuant to 18 AAC 75.325(g), when detectable contamination remains on-site following a cleanup, a cumulative risk determination must be made that the risk from hazardous substances does not exceed a cumulative carcinogenic risk standard of 1 in 100,000 across all exposure pathways and does not exceed a cumulative non-carcinogenic risk standard at a hazard index of one across all exposure pathways.

Based on a review of the environmental record, ADEC has determined that residual contaminant concentrations do not pose a cumulative human health risk at this site.

Pathway Evaluation

Following investigation and cleanup at the sites, exposure to the remaining contaminants was evaluated using ADEC's Exposure Tracking Model (ETM). Exposure pathways are the conduits by which contamination may reach human or ecological receptors. ETM results show all pathways to be one of the following: De Minimis Exposure, Exposure Controlled, or Pathway Incomplete. A summary of this pathway evaluation is included in Table 1.

Table 1 – Exposure Pathway Evaluation

Pathway	Result	Explanation
Surface Soil Contact	De Minimis Exposure	Contaminants in surface soil confirmation samples were below the most stringent cleanup levels and the remaining contaminated soil is considered De Minimis in volume. Therefore risk via this pathway is considered insignificant.
Sub-Surface Soil Contact	De Minimis Exposure	Contaminants in sub-surface soil confirmation samples were below the most stringent cleanup levels and the remaining contaminated soil is considered De Minimis in volume. Therefore risk via this pathway is considered insignificant.
Inhalation – Outdoor Air	Pathway Incomplete	Remaining petroleum contamination is below the most stringent cleanup level for soil. Therefore risk via this pathway is considered incomplete.
Inhalation – Indoor Air (vapor intrusion)	Pathway Incomplete	Remaining petroleum contamination is below the most stringent cleanup level for soil. Therefore risk via this pathway is considered incomplete.

⁹ See *Groundwater Quality Monitoring Report* dated July 7, 2007, prepared by TELLUS.

¹⁰ See *Groundwater Monitoring, 6501, 6601, AND 6689 Changepoint Drive* report dated December 16, 2013 and prepared by Shannon & Wilson.

Groundwater Ingestion	De Minimis Exposure	Contaminants were detected in groundwater above Table C cleanup levels within areas that were later excavated and investigated by installation/sampling of monitoring wells. Analytical results from recent groundwater monitoring did not exceed Table C cleanup levels for the COCs.
Surface Water Ingestion	Pathway Incomplete	Surface water is not used as a drinking water source in this area.
Wild Foods Ingestion	Pathway Incomplete	This area is not used for harvesting wild foods.
Exposure to Ecological Receptors	Pathway Incomplete	There are no complete exposure pathways to ecological receptors at the sites.

Notes to Table 1: "De minimis exposure" means that in ADEC's judgment receptors are unlikely to be affected by the minimal volume of remaining contamination. "Pathway incomplete" means that in ADEC's judgment contamination has no potential to contact receptors. "Exposure controlled" means there is an administrative mechanism in place limiting land or groundwater use, or a physical barrier in place that deters contact with residual contamination.

ADEC Decision

Based on the information available, ADEC has determined no further assessment or cleanup action is required. There is no longer a risk to human health or the environment, and the LUST site will be designated as Corrective Action Complete and the non-regulated site will be designated as closed on the Department's database.

Although a Cleanup Complete Determination has been granted, ADEC approval is required for off-site soil disposal in accordance with 18 AAC 75.325(i). It should be noted that movement or use of potentially contaminated soil or groundwater in a manner that results in a violation of 18 AAC 70 water quality standards is unlawful.

This determination is in accordance with 18 AAC 75.380(d) and does not preclude ADEC from requiring additional assessment and/or cleanup action if future information indicates that these sites may pose an unacceptable risk to human health or the environment.

Appeal

Any person who disagrees with this decision may request an adjudicatory hearing in accordance with 18 AAC 15.195 - 18 AAC 15.340 or an informal review by the Division Director in accordance with 18 AAC 15.185. Informal review requests must be delivered to the Division Director, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801, within 15 days after receiving the department's decision reviewable under this section. Adjudicatory hearing requests must be delivered to the Commissioner of the Department of Environmental Conservation, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801, within 30 days after the date of issuance of this letter, or within 30 days after the department issues a final decision under 18 AAC 15.185. If a hearing is not requested within 30 days, the right to appeal is waived.

If you have questions about this decision document, please contact the ADEC Project Manager, Eileen Olson at (907) 269-7527.

Sincerely,

Eileen Olson
Environmental Specialist

cc: DEC-Response Fund Administration via email