

## Phase I Environmental Site Assessment

Matanuska Townsite, Lot 15, Block 4, East Matanuska Spur Road,  
Matanuska-Susitna Borough, Alaska.

Eklutna Incorporated



Prepared for:

**Eklutna Inc.**

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**March 2009**

## **Phase I Environmental Site Assessment**

Matanuska Townsite, Lot 15, Block 4, East Matanuska Spur Road, Matanuska-Susitna  
Borough, AK

March 2009

**Date of Field Inspection:** August 27<sup>th</sup> and September 17<sup>th</sup>, 2008

**Introduction:** This Phase I Environmental Site Assessment (ESA) investigation was conducted by Chilkat Environmental for Eklutna Incorporated (EI) on the Matanuska Townsite Property; Lot 15, Block 4 East Matanuska Spur Road. The 100 foot by 100 foot property owned by EI is occupied by an illegal squatter in a small plywood bungalow. On April 13<sup>th</sup>, 2006 EI received a letter forwarded from Alaska Department of Environmental Conservation (ADEC) addressed to Gerald Poirier regarding the site. EI has made many attempts to request the squatter vacate the property. On August 20<sup>th</sup> 2008, EI received a letter from ADEC providing notification that EI may have some responsibility for costs associated with characterization and management of environmental issues presented from Poirier's occupation. (Attachment A)

On August 27<sup>th</sup>, Chilkat Environmental joined EI to participate in the site inspection conducted by Environmental Protection Agency (EPA), ADEC, the EPA's contractor, and the borough and property owners. Significant concerns were identified on adjacent properties such as transformers, some still containing dielectric oil, poorly contained unlabeled drums of unknown contents, batteries, hundreds of 5 gallon buckets of leaking paint and other products, areas used to burn wire insulation and melt battery lead, and significant amounts of metal debris, vehicles and garbage. Site inspection included adjacent properties including the Poirier properties.

On September 17<sup>th</sup> Chilkat Environmental conducted an ESA investigation to discover what impacts are present on EI property and adjacent properties for the purpose of this report.

**Purpose:** The purpose of this ESA is to review available information and to physically inspect the site to identify the presence or likely presence of contamination from hazardous substances or petroleum products at the site. This includes an assessment of the land and any materials found on the property.

**Subject Property Location:** The property is located within the Matanuska Townsite, U.S. Survey 1169, in Sections 23 & 26, Township 17 North, Range 1 East, Seward Meridian, Palmer Recording District, Third Judicial District, State of Alaska. (Attachment B) The subject property is 100 feet by 100 feet totaling the 10,000 square foot property owned by EI at Lot 15, Block 4 on D Street accessed from East Matanuska Spur Road on the Glenn Highway near Palmer and commonly known as the Matanuska Townsite. (Attachment C) To determine existing and imminent impacts to the EI property, adjacent properties are included in this investigation. The subject and adjacent properties are situated in a wetland dominated area with shallow groundwater that feeds into salmon streams and provides habitat for migratory birds and moose. Nearby Block

31 has been set aside for wetland conservation by the Matanuska-Susitna Borough and Blocks 18, 19, 32, and 34 have been inventoried for wetlands mitigation.

**Investigators:** This Phase 1 Environmental Site Assessment was prepared by Chilkat Environmental in Haines, Alaska. Fieldwork was conducted by Primary Investigator, Elijah Donat MS PMP and Environmental Scientist William Prisciandaro BS. Investigations occurred August 27<sup>th</sup>, 2008 and September 17<sup>th</sup>, 2008. Contact information for investigators is included below.

Elijah Donat, Primary Investigator, 907/303-7899  
Chilkat Environmental, Eklutna Inc. Contractor  
August 27 Site Assessment  
September 17 Site Investigation

William Prisciandaro, Environmental Scientist, 907/303-0007  
Chilkat Environmental, Eklutna Inc. Contractor  
September 17 Site Investigation

**Methodology:** This Phase 1 ESA was conducted in compliance with ASTM 1527-06 standard practice including All Appropriate Inquiry (AAI). This type of assessment is performed as Due Diligence to identify any Recognized Environmental Condition (REC). REC is defined as

“Presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release of any hazardous substances or petroleum products on the property or into the ground, ground water, or surface water of the property.”

Up to ½ mile radius is included in AAI dependent on site topography to capture potential contaminant sources from up gradient of the property or impacting site groundwater. This Phase 1 ESA constitutes AAI for the purpose of innocent landowner defense pursuant to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA).

This assessment includes local, state and federal contaminated sites database research, interviews with individuals or governmental entities familiar with the property, site recon, site investigation, photolog, and authorship of the report.

The subject and adjacent properties featured excellent demarcation of corners and boundaries with labeled survey stakes. Surveying was conducted by the Matanuska Borough prior to clean-up efforts carried out around 2005 and 2006. Further surveying was conducted by Rodney P. Kinney and Associates for Eklutna Inc. in 2004. Jim Arnesen, Corporate Lands & Regulatory Manager for Eklutna Inc., joined Chilkat Environmental for September 17<sup>th</sup>, 2008 fieldwork to assist in location of survey markers. The quality of survey markers allowed investigators to locate necessary property lines to connect the monuments using a compass and measuring tape. Inconsistencies were not encountered between the survey markers and the property map, however investigators are not surveyors and reasonable margin of error can be assumed. Impacts were documented by lot and block to the best of our ability.

**Site Description:** Site description is provided by land ownership below. The subject property presents non-hazardous waste and metal debris and no environmental concerns were observed. Other Eklutna Inc properties in the vicinity of the site did not present debris or environmental concerns. The adjacent properties, including rights of way, feature significant metal debris, poorly contained and leaking petroleum products, vehicles, transformers, burn areas and solid waste which may impact soils and groundwater of the subject property. Refer to Attachment D for Photolog and Attachment C for property ownership.

#### Subject Property

The subject property features a small plywood bungalow with a shed containing possessions of Ms. Poirier. (Photos 1-4) The remainder of the property includes scattered debris. (Photos 5-12) No hazardous substances or poorly contained fluids were encountered on the subject property. Material on the subject property is considered solid waste and could be disposed of at an approved landfill facility.

#### Other Eklutna Inc. Property

Other EI owned property adjacent to the site was investigated including; Lots 10-13 of Block 1, Lots 11-13, 15-16, 18-19, and 21 of Block 2, Lots 1-14 of Block 3, Lots 6-8 of Block 4 and Lots 1-5 of Block 5. No debris was located on any of these lots. (Photo 13)

#### Adjacent Properties

Significant debris and environmental concerns were identified on other adjacent properties primarily including those owned by Ms. Poirier and the Matanuska Susitna Borough as Right of Way (ROW). These impacts are discussed below by ownership.

#### Poirier Properties

Adjacent properties owned by Poirier include Lots 1, 2, 13 and 14 of Block 4. Lots 13 and 14 feature significant concerns such as an estimated 52 drums and numerous buckets stored on a flat bed and on the ground, many of which are actively leaking. (Photo 14) Soil contamination is evident on the Poirier property though it appears limited. (Photo 15) The landscape between the Poirier property and the subject property is level and contamination from the Poirier property could reasonably impact the subject and other adjacent properties. Non-hazardous debris includes a burned trailer, vehicles and general debris. (Photo 16) One transformer shell is also present but has been drained.

Lots 1 and 2 of Block 4 feature one small shop, two sheds and a small camp trailer. (Photo 17) Three areas of the property evidence wire and/or battery burning with stained soils and blackened debris. (Photo 18) At least 100 batteries (Photo 19), 120 paint cans (some with free product) and one transformer shell were identified

#### Matanuska-Susitna Borough Properties

Matanuska-Susitna Borough properties are the most heavily impacted adjacent property. These properties and ROW's are discussed below.

The D Street ROW features debris, vehicles, about 7 pressure tanks, burn box and an unused leaking transformer still on a pole. This transformer was found to not contain

PCB and the power company, Matanuska Electric Association, plans to remove the unused transformer. The D Street ROW west of 2<sup>nd</sup> street is free of debris.

The 2<sup>nd</sup> Street ROW extends from unimpacted wetland through significant debris, wire and/or battery burn area, poorly contained fluids and large diesel engines. (Photos 20-23)

The ROW between Lots 1-8 and Lots 9-15 of Block 4 presented an estimated 40 drums with at least 7 containing significant fluid. (Photo 24) Many washing machines and other non-hazardous debris were encountered. (Photo 25)

The ROW between Lots 1-8 and 9-14 of Block 2 presented 4 drums of unknown contents with significant free product. (Photo 26) This ROW included limited metal debris and waste wood.

The borough also owns Lot 8 of Block 2 which features significant debris, 6 full drums of unknown contents (Photo 27-28) and many leaking five gallon and smaller paint containers. (Photos 29-30)

The ROW between Blocks 3 and 4 presented significant concerns. Over 200 1 gallon paint cans leaking, over 100 five gallon paint buckets, many pint paint cans leaking, 4 transformers with cores removed and three transformers still full of PCB suspected dielectric oil with tops disconnected (Photos 31-35)

The borough also owns Lots 4-5 of Block 4 featuring 4 vehicles, debris and many appliances (Photo 36).

#### Carl Martin

Mr. Carl Martin owns Lot 3 of Block 4 which contains debris and a small shed. The shed contains an estimated 20 five gallon buckets, many small paint cans, toner cartridges and two full drums of unknown contents. (Photo 37-38)

#### Anne Barnes

Ms Anne Barnes owns Lots 15-16 of Block 3 which features a camper trailer, vehicle and a small shack. (Photo 39) While most of the debris was non-hazardous, some items were of concern including many cans of leaking hydraulic fluid.

**Record Review:** The following sources were investigated for this site assessment:

#### Federal Record Review

- CERCLIS: No sites in are listed in the EPA CERCLIS database. None impacting subject property
- EPA Currently Designated Non-attainment Areas for All Criteria Pollutants: None
- EPA Envirofacts: No sites are listed in the area of the Matanuska Townsite

#### State Record Review

- ADEC Impaired Waters of Alaska: None



- ADEC Underground Storage Tank (LUST) Database: None Reported
- ADEC Contaminated Sites Database: Subject property is listed as East D and South 2<sup>nd</sup> Street under File Number 2245.38.001 by the Contaminated Sites Program. The site was listed in 2003 because it appeared petroleum releases had occurred and that hazardous waste was poorly contained. It is assumed by Chilkat Environmental that the EI property is listed in the database because it was the location of Gerald Poirier's illegal residence at the time of listing.

**Site Ownership History:** The subject property, Lot 15 of Block 4, is currently owned by EI. EI obtained the property as part of ANCSA land selection in 1988 from the Alaska Railroad. During the entire tenure of EI's ownership the Poirier family has occupied the subject property without permission. Mr. Poirier purchased Lots 1 and 2 of Block 4 in 1979 and began transporting waste to adjacent properties for his salvage business in 1987 according to neighbors Francis Shor and Daniel Stephan.

**Conclusions:** A review of the site history, regulatory records, aerial photographs and a comprehensive field investigation indicate potential that soils and groundwater may be impacted from adjacent properties but that the surface conditions of the subject property do not present Phase 1 concerns. Adjacent properties present significant concerns including over 60 drums of unknown and leaking contents suspected to be primarily combinations of anti-freeze, fuel, brake fluid, engine oil, and gear oil, hundreds of five-gallon buckets with leaking contents, hundreds of one gallon and smaller paint and petroleum product containers with leaking contents, estimated 100 automotive batteries, 5 transformer shells and 3 transformers containing PCB suspected dielectric oil, areas of soil staining evidencing spills and burning sites used to remove copper from wire and lead from batteries. The adjacent properties also feature significant metal debris and other solid waste.

**Recommendations:** Chilkat Environmental recommends EI author a response to the 8/20/08 ADEC letter which presents this Phase 1 Environmental Site Assessment and requests the State Department of Law review the document for their consideration of Alaska Statute 46.08.070 cost recovery claims.

**Attachments:**

Attachment A: ADEC letter from 8/20/08  
Attachment B: Aerial photograph of Matanuska Townsite  
Attachment C: Matanuska Townsite Property Ownership  
Attachment D: Photo Log

**Contacts:**

Mark Sielaff, ADEC Contaminated Sites Project Manager, 907/269-7532  
ADEC Division of Spill Prevention and Response, Prevention and Emergency Response Program  
September 17 Site Investigation

Jim Arnesen, Corporate Lands & Regulatory Manager, 907/696-2828  
Eklutna Inc.  
August 27 Site Assessment  
September 17 Site Investigation

Matt Carr, Emergency Response Manager, 907/271-3616  
EPA Environmental Clean-up Office  
August 27 Site Assessment

Nancy Cameron, Land Management Agent, 907/745-9848  
Matanuska-Susitna Borough  
August 27 Site Assessment

Michele L.S. Sherwood, P.E., 907/257-5000  
Ecology and Environment, EPA Contractor  
August 27 Site Assessment

**References:**

ADEC. Contaminated Sites and Leaking Underground Storage Tank List. March 19, 2009 <http://www.dec.state.ak.us/SPAR/CSP/search/default.asp>

ADEC. Impaired Waterbodies 303 (d) List. March 19, 2009  
<http://www.dec.state.ak.us/water/wqsar/waterbody/2008ImpairedWaters.pdf>

Shor, Francis. Personal Communication. August 27, 2008 and September 17, 2008.

Stephan, Daniel. Personal Communication. August 27, 2008 and September 17, 2008.

U.S. Environmental Protection Agency (EPA). CERLIS Hazardous Waste Sites. March 19, 2009 <http://www.epa.gov/superfund/sites/cursites>

U.S. Environmental Protection Agency (EPA). Currently Designated Nonattainment Areas for All Criteria Pollutants. March 19, 2009  
<http://www.epa.gov/oar/oaqps/greenbk/ancl.html>

U.S. EPA. Envirofacts. March 19, 2009 <http://www.epa.gov/enviro/html/em/index2.html>

**Attachment A:**  
**ADEC letter to Eklutna Inc. on 8/20/08**



# STATE OF ALASKA

## DEPARTMENT OF ENVIRONMENTAL CONSERVATION DIVISION OF SPILL PREVENTION AND RESPONSE Prevention and Emergency Response Program

August 20, 2008

Eklutna Inc.  
Attn: Jim Arnesen  
16515 Centerfield Dr., Suite 201  
Eagle River, AK 99577

SARAH PALIK, GOVERNOR  
555 Cordova Street  
Anchorage, AK 99503  
Ph: 907-269-7684  
FAX: 907-269-7648  
[www.dec.state.ak.us/spar/perp](http://www.dec.state.ak.us/spar/perp)

AUG 21 2008

Certified Mail Return  
Return Receipt Requested  
7007-0710-0004-3850-5216

Dear Mr. Arnesen:

This letter is to advise you that on March 29, 2006, we received a complaint of several harmful contaminants that encroached upon your land in the area of 8862 C Street East, Palmer AK 99645, Matanuska Town site which you may be financially responsible. Upon extensive investigation of the area by ADEC investigators, Matanuska Susitna Borough Code Compliance Officers, removal of solid waste by Mat-Su Borough, suspected responsible party, and various land owners it has been determined the hazards to be severe enough to warrant federal assistance. Due to the severity of the contaminants and the inability of responsible party and land owners to take corrective actions ADEC has requested Environmental Protection Agency (EPA) to conduct site assessment of all pollutants in which your land has been identified as a resting place for the contaminants. You must give EPA permission to conduct testing on your property no later than August 27, 2008. Failure to give EPA written permission to complete site assessment on your property will result in the land owner conducting their own site assessment at their cost no later than October 15, 2008. The site assessment must be approved by ADEC. Under Alaska statutes, the State has an interest in this incident, and further, may take appropriate action to minimize the damages that are threatened or which may be caused by this incident.

Alaska Statute, Title 46, authorizes the state government to respond to this pollution incident. Under this Act, if the owner, operator, or land owner of the source fails to take adequate removal actions, the owner, operator, or land owner may be held financially responsible for any actions taken by the State. Removal is adequate and being done properly if it is done in accordance with Federal and State statutes and State regulations 18 AAC 75. If you undertake removal actions, the adequacy of such actions shall be determined by the undersigned Mark Sielaff as the new project manager.

18 AAC 75.307 requires that a final written report be submitted for all discharges of oil and hazardous substances within 15 days after cleanup has been completed. If no cleanup occurs, the report must be submitted within 15 days of the discharge. As long as you are taking adequate actions in this matter, State response action will be limited to monitoring the progress of your activities and to providing guidance as necessary. Your response actions will be considered by the Department of Law in determining the amount of civil penalty assessed as a result of the discharge, if any.

Alaska Statute 46.08.070 requires recovery be sought for costs incurred by the State in response to this incident, which includes any oversight activities. Please be advised that we may be billing you at a later date for state expenditures associated with this spill. Billable state expenditures include all direct time and materials costs and indirect overhead costs. Billable staff time will comprise all time spent on activities related to the incident, including time spent for site visits, response and report reviews, telephone conversations and meetings.

Should you require further information concerning this matter refer to case # 06239908801 or please contact me at 907-269-7532.

Sincerely,



Mark J. Sienoff  
Project Manager

cc: Gary Folley, SOSC  
Pamela Post, Dept. of Law  
Mat-Su Borough  
Environmental Protection Agency

**Attachment B:**  
**Aerial Photograph of Matanuska Townsite**



**Attachment C:**  
**Matanuska Townsite Property Ownership**



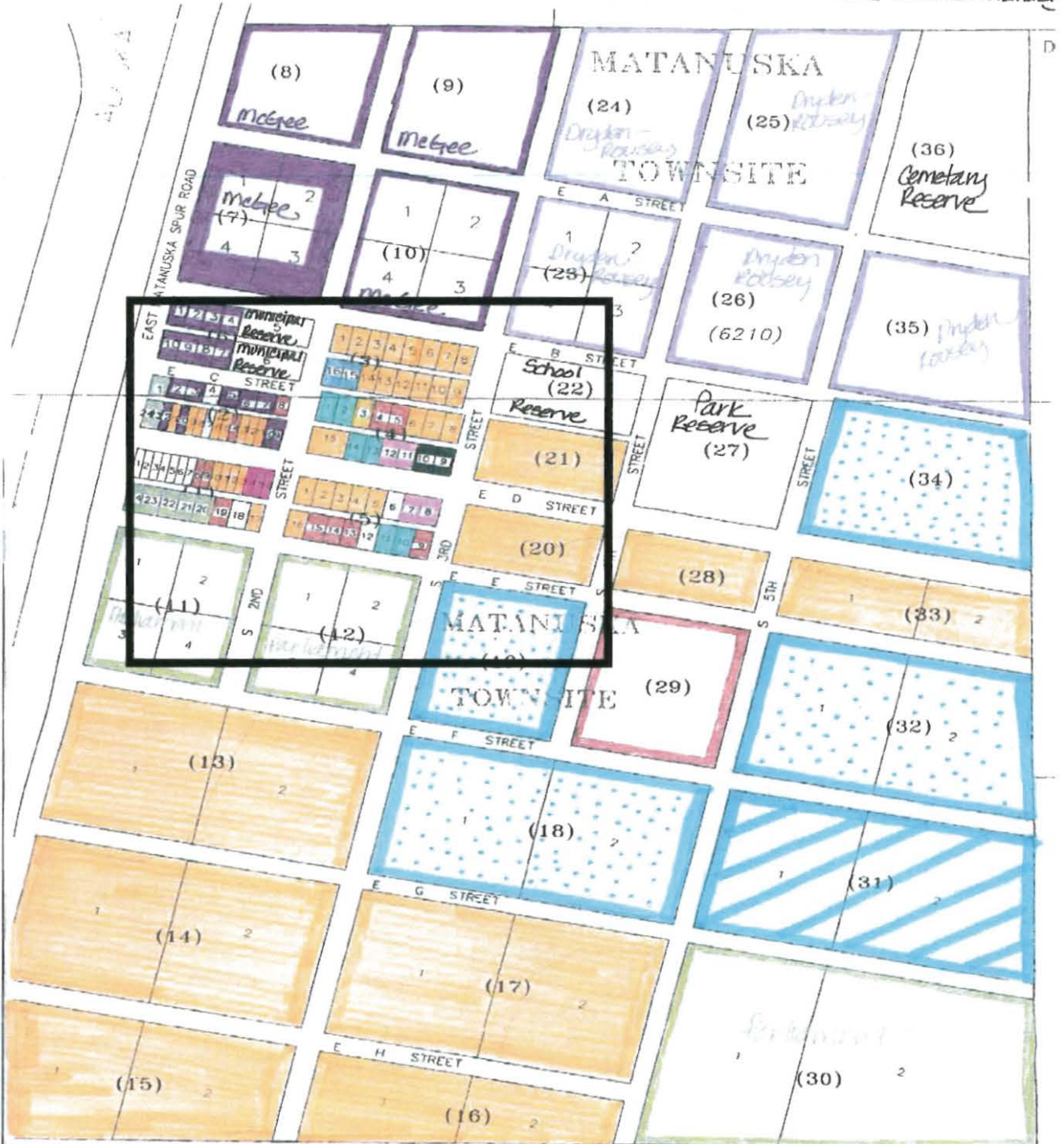


mse wetlands preserved in perpetuity  
mse wetlands mitigation inventory

- John J. J. J.

= Bonnie McGehee  
= Philie Barnes  
= Matt & Bonny  
= Matt & Bonny  
= Loraine E.C. Lind

## Attachment B: Property Delineation



Note: See inset area enlarged on following page



## **Attachment D: Photo Log**





Photo 1: Subject property owned by Eklutna Inc. with bungalow residence of Ms. Poirier



Photo 2: Subject property. Contents of shed attached to Poirier residence.



Photo 3: Subject property with D Street ROW recently cleared photo right



Photo 4: Subject property demonstrating debris





Photo 5: Debris on subject property adjacent to ROW between Eklutna Inc Lot 15 and Poirier Lot 1 featuring empty drum storage and washing machines



Photo 6: Subject property corner adjacent to Poirier Lot 1 featuring scrap metal.





Photo 7: Empty drums on subject property along ROW adjacent Poirier Lot 1



Photo 8: Subject property along ROW adjacent Poirier Lot 1 featuring empty drum storage and debris





Photo 9: Subject property featuring debris



Photo 10: Subject property featuring Poirier residence at photo right. Eklutna Inc property extends to front of red and white trailer photo left





Photo 11: Debris on subject property.



Photo 12: Debris on subject property.



Photo 13: General setting of Eklutna Inc.'s Lots 10-13 of Block 1, Lots 11-13, 15-16, 18-19, and 21 of Block 2, Lots 1-14 of Block 3, Lots 6-8 of Block 4 and Lots 1-5 of Block 5.  
No debris was located on any of these lots.



Photo 14: Poirier property Lot 13 and 14 of Block 4. Full Drum storage area featuring an estimated 52 drums stored on flatbed trailer and pallets behind truck. Many of the drums are actively leaking.





Photo 15: Surface soil staining on Poirier Property Lot 13 of Block 4



Photo 16: General debris and cars located on Poirier Lots 13 and 14 of Block 4





Photo 17: Poirier Lots 1 and 2 of Block 4



Photo 18: One of 3 areas of soil staining from wire and/or battery burning located on Poirier Lots 1 and 2 of Block 4.



Photo 19: Estimated 100 batteries located on Poirier Lot 2 of Block 4



Photo 20: 2<sup>nd</sup> Street ROW facing toward D Street





Photo 21: Wire burning area located in 2<sup>nd</sup> Street ROW. Visible soil staining was observed around the empty barrels.



Photo 22: General Debris located on 2<sup>nd</sup> Street ROW.





Photo 23: Estimated 12 full 5 gallon buckets of paint in 2<sup>nd</sup> Street ROW



Photo 24: Estimated 40 drums with at least seven containing significant fluid and debris located on ROW between Eklutna Inc's and Poirier's property in Block 4





Photo 25: Non Hazardous debris found on ROW dividing Block 4



Photo 26: Four drums of unknown contents and containing significant free products located on ROW dividing Block 2



Photo 27: Two Empty and 2 full (with sample jars on top) located on western side of Lot 8 Block 2.



Photo 28: Four full drums located on the SE corner of Lot 8 of Block 2





Photo 29: Lot 8 of Block 2 demonstrating actively leaking 5 and 1 gallon metal paint containers.



Photo 30: Continuation of previous photo demonstrating large number of 5 and 1 gallon paint cans in this area. Most cans are actively leaking.



Photo 31: ROW between Blocks 3 and 4 featuring leaking paint cans.



Photo 32: ROW between Blocks 3 and 4 featuring transformer shells and leaking paint buckets





Photo 33: ROW between Blocks 3 and 4 showing one of 3 Transformers containing suspected PCB dielectric oil.



Photo 34: ROW between Blocks 3 and 4 featuring another transformer with suspected PCB dielectric oil.



Photo 35: Close-up of transformer shown in above photo demonstrating water and dielectric oil mixture.



Photo 36: Lots 4 and 5 of Block 4 owned by the borough featuring appliances





Photo 37: Lot 3 of Block 4 owned by Carl Martin demonstrating 5 gallon paint buckets



Photo 38: Lot 3 of Block 4 owned by Carl Martin demonstrating 5 gallon buckets



Photo 39: General Debris found on Lots 15 and 16 of Block 3 owned by Anne Barnes.