STATE OF ALASKA

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DEPT. OF ENVIRONMENTAL CONSERVATION

DIVISION OF SPILL PREVENTION AND RESPONSE
CONTAMINATED SITES PROGRAM

July 8, 2002

Mr. Brian Hedges
Haines Terminal and Highway Co., Inc.
c/o Russel Metals
1900 Minnesota Court, Suite 120
Mississauga, Ontario, Canada L5N 3C9

RE: No Further Remedial Action Planned
Skagway Tank Farm, reckey 1996110128503

Dear Mr. Hedges:

The department has received and reviewed the *Response to ADEC Comments on Remediation of the Haines Terminal and Highway Company, Inc. Skagway Upper Tank Farm,* which was prepared and submitted by Golder Associates and dated November 5, 2001. This report documents the field activities, which occurred during March 2002 in response to the department's January 28, 2002 letter concerning the previous cleanup actions.

The Skagway Tank Farm is located on an irregularly shaped 87-acre parcel of land bordering the Klondike Highway. The Tank Farm was built by the US Army in 1942 and was operated as a petroleum tank farm until 1994. The tanks and associated piping were removed in 1996. Site assessment and cleanup activities began in 1997, with most of the excavation actions taking place in 1999 – 2001. A large bioremediation cell was constructed in order to remediate the contaminated soil on-site and is currently being operated in accordance with the long-term operations and maintenance plan approved by the department on September 28, 1998.

The cleanup levels used at this site were the department's default cleanup levels of 18 Alaska Administrative Code (AAC) 75.341, Tables B1 and B2 for the under 40" rainfall climate zone, specifically gasoline range organics – 300 milligrams per kilogram (mg/kg), diesel range organics – 250 mg/kg, and residual range organics – 10,000 mg/kg. Contaminated soil at the site was excavated and placed in a bioremediation cell located in the area of the former tanks 9 and 10. Approximately 250,000 cubic yards of contaminated soil was removed. Confirmation samples were collected from the limits of the excavations and analytical results demonstrate that the applicable cleanup levels were achieved with the exceptions noted below.

A small volume of diesel range organics-contaminated soil remains under the seasonal-employee housing area at the Man Camp. Soil samples showed an impacted area of less than 450 cubic meters with a highest diesel range organics sample result of 2580 mg/kg. This soil will need to be addressed

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at the time that the Man Camp is removed. Another small area of diesel-range organics-contaminated soil remains near the former pump house at the septic leachfield.

A swath of contaminated soil remains on either side of the small anadromous fish stream on the Nelson property downgradient of the former tank 9. Contaminated soil was left within 25 feet of either side of the stream. Sample results of the contaminated zone showed a high of diesel range organics of 3140 mg/kg. Modeling has demonstrated that this contamination is not likely to impact the Skagway River.

Groundwater cleanup levels were set at the default levels in 18 AAC 75.345, Table C, specifically gasoline range organics – 1.3 milligrams per liter (mg/L), diesel range organics – 1.5 mg/L, and residual range organics – 1.1 mg/L. Forty-one (41) monitoring wells were installed and sampled at the site. The highest level of contamination was found in MW00-28 of diesel range organics at 5.16 mg/L. At this time, only 15 wells will be included in the annual groundwater monitoring events, as approved by the department in a letter dated January 28, 2002.

The department has determined that no further remedial action is planned at the Skagway Tank Farm. Some soil is present at the site that contains contaminants at levels above the most stringent cleanup levels in 18 AAC 75.341, Tables B1 and B2. Prior notification to the department for disposal, movement, or relocation of this soil off-site is required pursuant to 18 AAC 75.325(i). If, in the future, additional contamination is found to be present that may pose an unacceptable risk to human health, safety, welfare or the environment, it must be reported to the department and additional cleanup may be required.

The long-term operations and maintenance of the bioremediation cell and annual groundwater monitoring must continue until analytical sampling demonstrates that the cleanup levels have been achieved. Annual reports need to be submitted to DEC documenting the operations, maintenance and monitoring efforts and results until the cleanup levels are achieved.

If you have any questions about this site, please do not hesitate to contact me at 269-7553 or Anne Marie Palmieri, of my staff, at 766-3184.

Sincerely,

Anne Marie Palmieri

for/Jennifer Roberts
Section Manager

cc: Gary Hamilton, Golder Associates