



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Environmental
Conservation

DIVISION OF SPILL PREVENTION AND RESPONSE
Contaminated sites Program

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February 23, 2018

Michael C Shupe, Registered Agent
Polar Equipment, Inc.
1035 W Northern Lights Blvd
Anchorage, AK 99503

Re: Cook Inlet Processing - Uganik
Hazard ID: 3941
Site Characterization Work Plan Required

Dear Mr. Shupe:

In July, 2002, the Kenai Area Office of the Alaska Department of Environmental Conservation (ADEC), received GeoEngineers' March 25, 2002 Phase I Environmental Site Assessment and June 18, 2002 Phase II Environmental Site Assessment reports for the Uganik Bay Processing Plant located in Uganik Bay, Kodiak Island. The work performed by GeoEngineers included the collection and analysis of soil and groundwater samples. The GeoEngineers' reports documented the presence of diesel range organics (DRO) contaminated soil at the facility in multiple locations at concentrations exceeding ADEC's soil cleanup levels. The DRO contamination is attributed to the many years of storage and use of diesel and heating fuels at the facility. Following our receipt and review of these reports, the Uganik Bay processing facility/property was entered into ADEC's Contaminated Sites Program database under the "site" name **Cook Inlet Processing – Uganik**.

At that time (2002), Cook Inlet Processing was identified as the land owner and entity financially responsible for assessment and cleanup of the petroleum contamination. ADEC sent multiple letters to Cook Inlet Processing between 2002 and 2005, requesting that a site characterization work plan be prepared and submitted to ADEC for review and approval, and then implementation, consistent with the requirements of 18 AAC 75, Alaska Oil and Hazardous Substances Pollution Control regulations. ADEC never received a work plan, and no additional environmental assessment or cleanup work has been completed or reported to ADEC, based on our review of the administrative records.

Our review of the Kodiak Island Borough's property ownership records show that Polar Equipment, Inc., currently owns the property. As the land owner, Polar Equipment is financially liable, or responsible, for the investigation and cleanup of the hazardous substances at this "site". The purpose of this letter is to inform you that we are now requiring that Polar Equipment, Inc., prepare, and provide our office with, a site characterization work plan, under the regulatory authority within 18 AAC 785.335 (Site characterization). This work plan is required to be prepared, and signed, by a qualified environmental professional. We are requiring that this work plan be provided to our office by no later than April 30, 2018. The work plan must include the following minimum work tasks:

- 1) A scope of site characterization work intended to identify the extent of the petroleum contaminated soil,
- 2) Site characterization work intended to identify whether or not petroleum contamination is migrating into the waters of Uganik Bay, and if so, the location and extent of those impacts along the waterfront.

Your work plan must be approved by ADEC, prior to implementation. Additional site investigation and cleanup work may be necessary following the implementation of an ADEC approved work plan. Site characterization work is commonly completed in more than one phase, with each following phase of work prepared utilizing the site assessment information collected in the prior assessment efforts.

If you have any questions about this letter, the requirement that Polar Equipment Incorporated submit a work plan to our office by April 30, 2018, or should you desire further assistance or direction, you may contact me at (907) 262-3422, or via e-mail at paul.horwath@alaska.gov

Sincerely,



Paul Horwath
Project Manager