



THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY

Department of Environmental Conservation

DIVISION OF SPILL PREVENTION AND RESPONSE
Contaminated sites Program
Kenai Area Office

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File: 2638.38.001

February 28, 2019

Issued electronically via e-mail

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

Re: Cook Inlet Processing - Uganik
ADEC Hazard ID: 3941
ADEC Report Review Comments
Site Characterization Work Plan Required

Dear Mr. Shupe:

On January 21, 2019, the Kenai Area Office of the Alaska Department of Environmental Conservation (ADEC), received Environmental Management, Inc.'s (EMI) January 15, 2019 Site Characterization Report for the Cook Inlet Processing - Uganik "site", which is located in Uganik Bay, Kodiak Island. EMI prepared this report on behalf of Polar Equipment, Incorporated. Thank you for authorizing this work, and the preparation of this report, for ADEC regulatory review and processing.

The Site Characterization report confirmed the presence of petroleum contamination at each laboratory soil sample location in concentrations exceeding ADEC soil cleanup levels for diesel range organics (DRO). Concentrations of DRO in two soil samples collected within AREA 2 exceeded ADEC maximum allowable concentrations. The DRO concentrations in these two soil samples were 128 and 55 times higher than ADEC's most restrictive soil cleanup level. These two samples were collected downslope from the largest of the above ground fuel storage tank farms. In prior years, this tank farm reportedly included five 20,000-gallon and one 10,000-gallon above ground storage tanks (ASTs).

EMI also inspected the beach and bluff top areas for petroleum sheens, and surface water and groundwater seepage that could negatively impact the marine waters. No petroleum sheens were identified on the beach or near shore marine waters. A surface water sample was collected from every location (three locations) where surface water/seepage was found above the bluff. We

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were encouraged to learn that no contamination was detected in these three water samples, which suggests that the soil contamination at this site wasn't leaching petroleum contamination into marine waters at the time EMI staff collected these samples.

Although DRO soil contamination in excess of ADEC soil cleanup levels was identified in all three AREAS investigated by EMI, ADEC is prioritizing additional site characterization work within AREA 2 at this time, in the effort to better delineate the extent of contaminated soil exceeding ADEC DRO maximum allowable concentrations. Therefore, we are requiring the preparation and submittal of a site characterization work plan consistent with 18 AAC 75.335, designed to identify the extent and volume of DRO contaminated soil in AREA 2. The site characterization work plan must entail soil sampling and another investigation for any petroleum sheens on surface water, groundwater seepage, and marine waters adjacent to the shoreline. We require that the site characterization work plan be submitted to our office no later than April 30th, 2019. The preparation and submittal of this work plan is a regulatory requirement.

If there are any questions regarding this letter, or any other aspect of this project, feel free to contact me at (907) 262-3422, or via e-mail at paul.horwath@alaska.gov

Sincerely,



Paul Horwath
Project Manager
ADEC Contaminated Sites Program

Electronic copy: Glenn Hasburgh, Environmental Management, Inc.