



File: 102.26.177

October 30, 2019

Electronic delivery only

Dave Thompson  
OSC Holdings, LLC  
845 106<sup>th</sup> Avenue NE, Suite 100  
Bellevue, WA 98004

Re: Decision Document: Commercial Property – 530 Old Steese Highway  
Cleanup Complete Determination

Dear Mr. Thompson:

The Alaska Department of Environmental Conservation, Contaminated Sites Program (ADEC) has completed a review of the environmental records associated with the Commercial Property – 530 Old Steese Highway, Fairbanks. Based on the information provided to date, it has been determined that the contaminant concentrations remaining on site do not pose an unacceptable risk to human health or the environment and no further remedial action will be required unless new information becomes available that indicates residual contaminants may pose an unacceptable risk.

This Cleanup Complete determination is based on the administrative record for the Commercial Property – 530 Old Steese Highway, which is located in the ADEC office in Fairbanks, Alaska. This decision letter summarizes the site history, cleanup actions and levels, and standard site closure conditions that apply.

**Site Name and Location:**

Commercial Property – 530 Old Steese Highway  
530 Old Steese Highway  
Fairbanks, AK 99701

**Name and Mailing Address of Contact Party:**

Dave Thompson  
OSC Holdings, LLC  
845 106<sup>th</sup> Avenue NE, Suite 100  
Bellevue, WA 98004

**ADEC Site Identifiers:**

File No.: 102.26.177  
Hazard ID.: 26324

**Regulatory Authority for Determination:**

18 AAC 78 and 18 AAC 75

**Site Description and Background**

In May 2014, OSC Holdings LLC, began initial site development for a Walgreens at the former Gene’s Chrysler business at 530 Old Steese Highway, Fairbanks, Alaska. During site construction/demolition, contaminants were found below the concrete slab, surrounding underground storage tanks, and within the groundwater. A total of 15 hydraulic lift stations were identified, removed and contaminated soils characterized and replaced with clean fill. Two underground storage tanks were found, one a 1,500-gallon diesel tank (Tank #1) and the second was a 1,500-gallon used oil tank (Tank #2). Tank #1 was removed and surrounding soils were confirmed to be clean. Tank #2 was determined to be a regulated Underground Storage Tank (UST). Forty cubic yards of petroleum contaminated soil was excavated during the removal of Tank #2 and taken to OIT Inc. in North Pole for thermal remediation. High levels of petroleum contamination remained at the base of the excavation at 8 feet below ground surface (ft bgs) and in the southwestern excavation sidewall on property owned by Safeway Gas and operated as Safeway Fuel Center #3410. Because Tank #2 was in a location where a storm swale was planned for construction, and contaminated soils remained in the sidewalls of the excavation, the excavation pit was covered with an impervious liner to prevent storm water from spreading contamination. During construction of the drainage swale, discolored soil also was found approximately 40 feet south of Tank #2. Soil samples results indicated tetrachloroethylene (PCE) was present in this stockpiled soil. The contaminated soil, in the amount of approximately 40 yards, was then removed from the site and thermally remediated at OIT Inc. in North Pole.

**Contaminants of Concern**

During site characterization and cleanup activities at this site, samples were collected from soil and/or groundwater and analyzed for diesel range organics (DRO); gasoline range organics (GRO); residual range organics (RRO); benzene, toluene, ethylbenzene, and xylenes (BTEX); volatile organic compounds (VOCs); metals; polynuclear aromatic hydrocarbons (PAHs); and polychlorinated biphenyls (PCBs).

Based on these analyses, the following contaminants were detected above the applicable cleanup levels and are considered Contaminants of Concern at this site:

- DRO
- RRO
- Naphthalene
- PCE
- 1,2,4-Trimethylbenzene
- 1,3,5-Trimethylbenzene
- Lead

**Cleanup Levels**

The approved soil cleanup levels for this site are the most stringent of the levels established in 18 AAC 75.341(c), Table B1, and 18 AAC 75.341(d), Table B2 for the under 40-inch precipitation zone. The approved groundwater cleanup levels are established in 18 AAC 75.345, Table C.

**Table 1 – Approved Cleanup Levels**

Contaminant	Soil <sup>1</sup> (mg/kg)	Groundwater (µg/L)
-------------	------------------------------	-----------------------

DRO	250	1,500
RRO	10,000	1,100
Naphthalene	0.038	1.7
PCE	0.19	41
1,2,4-Trimethylbenzene	0.61	0.056
1,3,5-Trimethylbenzene	0.66	0.060
Lead	400	15

<sup>1</sup> Soil cleanup levels are based on the migration to groundwater pathway, except for RRO, which is based on the ingestion pathway, and lead, which is based on the human health pathway.

mg/kg = milligrams per kilogram

µg/L = micrograms per liter

### Characterization and Cleanup Activities

Characterization and cleanup activities conducted under the regulatory authority of the Contaminated Sites Program began in September 2014. These activities are described below.

In January 2015, groundwater samples were collected to determine the extent of contamination remaining in the groundwater along the western boundary of the Walgreens property. Sample efforts included installation of two direct push temporary wells believed to be generally downgradient from the former Tank #2 location. Two groundwater samples were then collected from each of the two wells. One sample was collected at the groundwater table around 15 ft below ground surface (bgs) and the second was collected approximately 25 ft bgs. Samples were analyzed for DRO, RRO, GRO, BTEX, Metals, VOCs, and PAHs. Sample results indicated the presence of trace amounts of petroleum contamination in the groundwater at the site. All sample results met groundwater cleanup levels in 2015 except for PCE in monitoring well MW-1 (12.3 µg/L). Because of changes to cleanup levels, those sample results are now below the current ADEC groundwater cleanup level of 41 µg/L.

Site characterization activities around the area of Tank #2 on the Safeway Fuel Center #3410 side was conducted in May 2018. Four soil borings were proposed, however, only two were installed due to the unknown subsurface configuration of the fuel retail facility utilities. The two soil borings were advanced adjacent to the west side of the former excavation and were completed as monitoring wells. With the exception of arsenic, all soil and groundwater sample results were below their respective cleanup levels. Arsenic was considered to be at background levels in this area.

In November 2018, OSC Holdings, LLC completed an additional sampling event on the Walgreens property. One soil boring was installed in the drainage swale area where PCE had been observed. No shallow soil samples were collected because the drainage swale has been backfilled with large drainage rock to 8 ft bgs. Two samples and a duplicate were taken from the soil boring at 9-10 and 11-12 ft bgs. This boring was also completed as a groundwater monitoring well. No analytes were present in concentrations that exceeded the applicable ADEC cleanup levels, except arsenic which were considered to be at background levels.

Soil contamination remains beneath an impervious liner in the former excavation associated with Tank #2 (see attached site figure). The liner is located at approximately 6 to 8 ft bgs. Under 18 AAC 75.380(c)(1), ADEC calculated the mean soil concentrations at the 95<sup>th</sup> upper confidence levels for the

COCs in this area, as shown in Table 2. Soil contamination remaining beneath the liner included RRO above ADEC’s maximum allowable levels and above a level considered protective of the ingestion pathway; however, because the contamination is beneath an impervious liner, in a limited area, and does not appear to be affecting groundwater, ADEC has determined that this contamination is not likely to migrate and site conditions are preventing exposure.

**Table 2 – Remaining Soil Contamination in UST#2 Excavation.**

<b>Contaminant</b>	<b>Mean Soil Concentration<sup>1</sup> (mg/kg)</b>	<b>ADEC Soil Cleanup Level</b>
DRO	7,900	250
RRO	24,000	10,000
Naphthalene	1.3	0.038
PCE	3.8	0.19
1,2,4-Trimethylbenzene	1.2	0.61
1,3,5-Trimethylbenzene	2.0	0.66

<sup>1</sup> 95<sup>th</sup> upper confidence level.

**Cumulative Risk Evaluation**

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 meet the human health cumulative risk criteria for residential land use.

**Exposure Pathway Evaluation**

Following investigation and cleanup at the site, 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 3.

**Table 3 – Exposure Pathway Evaluation**

<b>Pathway</b>	<b>Result</b>	<b>Explanation</b>
Surface Soil Contact	Pathway Incomplete	Contaminated surface soil (0 to 2 ft bgs) was removed during initial excavation activities.
Sub-Surface Soil Contact	De Minimis Exposure	Contamination is below ADEC’s health-based levels, with the exception of RRO. RRO contamination remains in soil beneath an

		impermeable liner. ADEC does not consider this contamination to present an exposure threat.
Inhalation – Outdoor Air	De Minimis Exposure	Contamination is below ADEC’s health-based levels.
Inhalation – Indoor Air (vapor intrusion)	De Minimis Exposure	Volatile contaminants remain in soil in a limited area beneath an impermeable liner. Vapors are not expected to affect the current or future buildings.
Groundwater Ingestion	De Minimis Exposure	Contaminants were not found in groundwater above ADEC’s cleanup levels.
Surface Water Ingestion	De Minimis Exposure	The likelihood of contaminants from this site reaching the nearest waterbody (the Chena River) is not significant.
Wild and Farmed Foods Ingestion	Pathway Incomplete	Samples have been analyzed for bio-accumulative compounds and were not found to be present.
Exposure to Ecological Receptors	De Minimis Exposure	The site is in a commercial area. Contamination is in the subsurface and not likely to impact ecological receptors.

**Notes to Table 2:** “De Minimis Exposure” means that in ADEC’s judgment receptors are unlikely to be adversely affected by the minimal volume or concentration of remaining contamination. “Pathway Incomplete” means that in ADEC’s judgment contamination has no potential to contact receptors. “Exposure Controlled” means there is an institutional control in place limiting land or groundwater use and there may be a physical barrier in place that prevents contact with residual contamination.

**ADEC Decision**

Following investigation and cleanup of the site, the areas around the hydraulic lift stations, Tank #1, and the storm swale have been determined to no longer have remaining levels of contaminants above applicable ADEC cleanup levels. Soil contamination remains beneath an impervious liner in the vicinity of Tank #2. This site will receive a “Cleanup Complete” designation on the Contaminated Sites Database, subject to the following standard conditions.

**Standard Conditions**

1. Any proposal to transport soil or groundwater from a site that is subject to the site cleanup rules or for which a written determination from the department has been made under 18 AAC 75.380(d) (1) that allows contamination to remain at the site above method two soil cleanup levels or groundwater cleanup levels listed in Table C requires ADEC approval in accordance with 18 AAC 75.325(i). A “site” as defined by 18 AAC 75.990 (115) means an area that is contaminated, including areas contaminated by the migration of hazardous substances from a source area, regardless of property ownership. (See attached site figure.)
2. Movement or use of contaminated material in a manner that results in a violation of 18 AAC 70 water quality standards is prohibited.
3. Groundwater throughout Alaska is protected for use as a water supply for drinking, culinary and food processing, agriculture including irrigation and stock watering, aquaculture, and industrial use. Contaminated site cleanup complete determinations are based on groundwater being considered a potential drinking water source. In the event that groundwater from this site is to be

used for other purposes in the future, such as aquaculture, additional testing and treatment may be required to ensure the water is suitable for its intended use.

This determination is in accordance with 18 AAC 75.380 and does not preclude ADEC from requiring additional assessment and/or cleanup action if future information indicates that contaminants at this site may pose an unacceptable risk to human health, safety, or welfare or to 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, 555 Cordova Street, Anchorage, Alaska 99501-2617, within 20 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, P.O. Box 111800, Juneau, Alaska 99811-1800, 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.

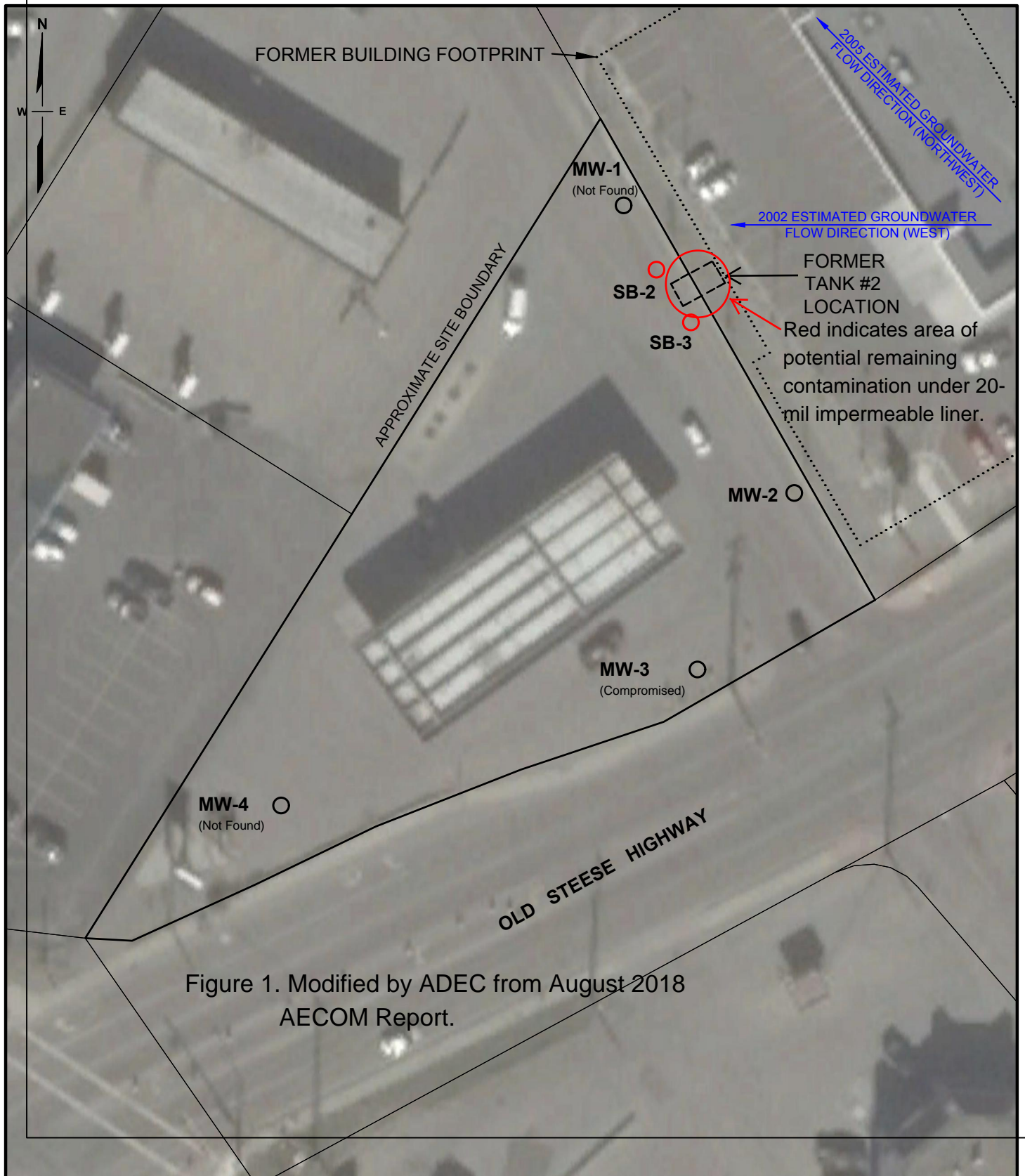
If you have questions about this closure decision, please feel free to contact me at (907) 451-2911, or email at [Laura.Jacobs@alaska.gov](mailto:Laura.Jacobs@alaska.gov).

Sincerely,



Laura Jacobs  
Project Manager

cc: Spill Prevention and Response, Cost Recovery Unit  
Eddie Packee, Travis/Peterson Environmental Consulting, Inc.  
Marianne Burrus, AECOM  
Jane Anderson, Albertson's Companies, LLC



C:\TEMP\AC\PUBLISH\_9060160543830 FIGS.DWG; Revised Wed, 07 Jun 2017 - 10:36am; Printed Thu, 08 Jun 2017 - 12:55pm

<p><b>LEGEND</b></p> <p>○ WELLS INSTALLED IN 2002</p> <p>○ 2018 BORING/MONITORING WELL LOCATION</p> <div style="text-align: center;"> <p>SCALE IN FEET</p> </div> <p>Image source: Google Earth; July 2016 image</p>	<p><b>ALBERTSONS - 500 OLD STEESE HIGHWAY FORMER UST INVESTIGATION</b></p>					
	<p><b>SITE LAYOUT</b></p> <p><b>FAIRBANKS, ALASKA</b></p>					
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="font-size: small;">JOB NO: 60543830</td> <td style="font-size: small;">DRAWN: ELK</td> </tr> <tr> <td style="font-size: small;">DATE: JUNE 2017</td> <td style="font-size: small;">FILE: 60543830 FIGS.DWG</td> </tr> </table>	JOB NO: 60543830	DRAWN: ELK	DATE: JUNE 2017	FILE: 60543830 FIGS.DWG	<p><b>FIGURE 2</b></p>	
JOB NO: 60543830	DRAWN: ELK					
DATE: JUNE 2017	FILE: 60543830 FIGS.DWG					