



State of Oregon
Department of
Environmental
Quality

17th Annual Environmental Cleanup Report

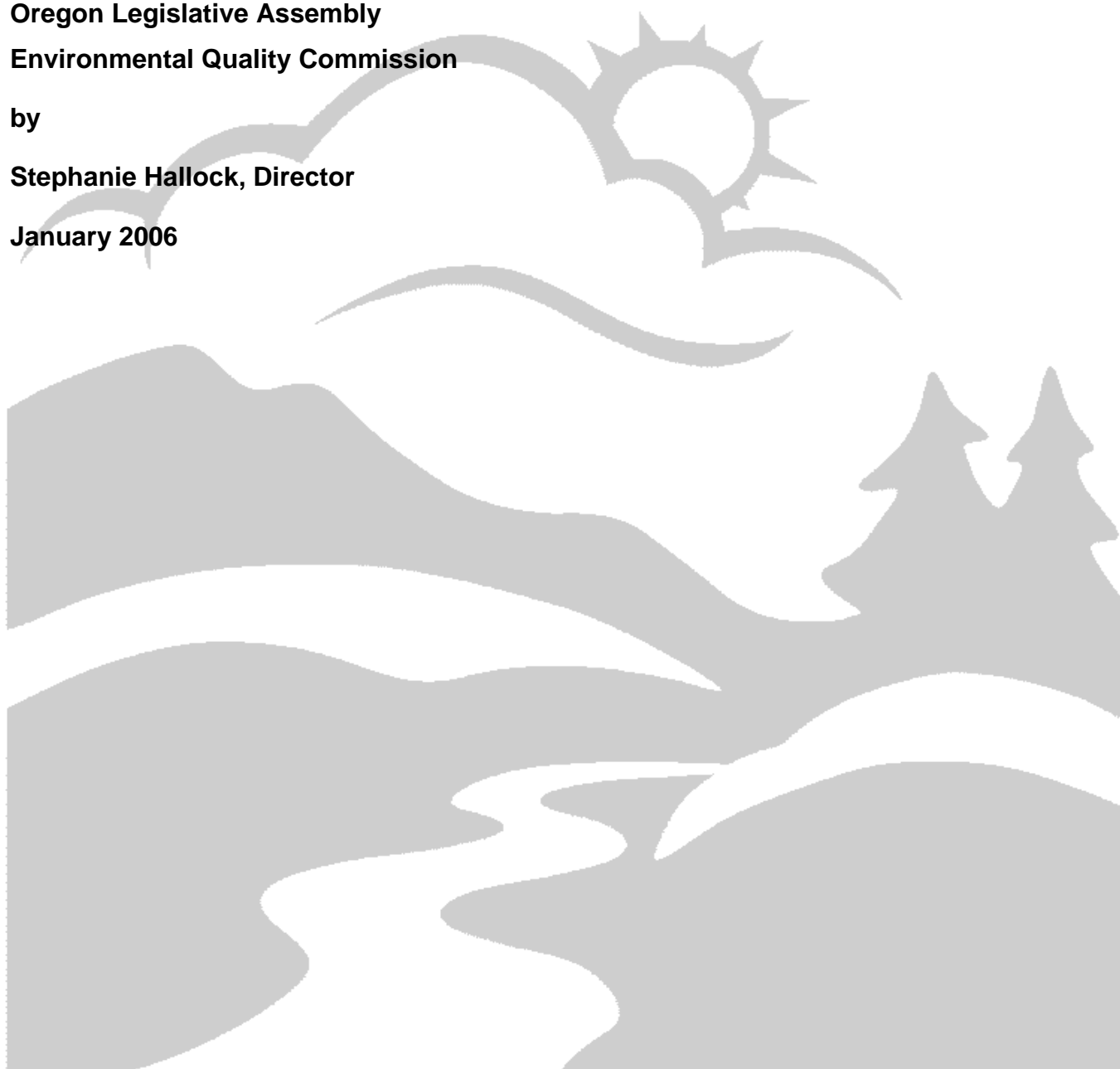
Submitted to:

Governor Ted Kulongoski
Oregon Legislative Assembly
Environmental Quality Commission

by

Stephanie Hallock, Director

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Introduction

Oregon's environmental cleanup program:

- assists property owners and local communities restore properties to productive use through voluntary cleanup, brownfield redevelopment, and prospective purchaser agreements; and
- requires investigation and cleanup of sites that present a significant risk to human health and the environment.

The purpose of this report is to report on major developments in the state's environmental cleanup program; identify accomplishments from the previous fiscal year; and forecast activities for the current year. The Department of Environmental Quality (DEQ) is also required by statute (ORS 465.235) to report annually to the Legislature, the Governor and the Environmental Quality Commission on DEQ's environmental cleanup program.

Highlights

This report includes:

- A report on significant cleanup program budget shortfalls, and steps the Department has taken and will be taking to address this shortfall;
- Statistics on Environmental Cleanup Program activities in fiscal year 2005 and anticipated activities in fiscal year 2006; and
- Descriptions of Environmental Cleanup Program components.

Budget Shortfall

The environmental cleanup program is currently dealing with a significant funding shortfall largely unanticipated until this year. The shortfall is due to a combination of factors contributing to reduced program revenue and increased expenditures.

Cleanup program operating revenue consists of carryover funds from previous years, revenue from waste disposal fees at the Arlington hazardous waste landfill, cost recovery, and EPA grant funds. The revenue available from these combined sources is declining. For example, EPA has indicated that grant funds are likely to decrease in the foreseeable future. In addition, revenue from hazardous waste disposal fees is flat to declining. DEQ also believes the number of cost recovery projects and amount of cost recovery work is stable and may also decline over time. At the same time, personnel costs, including salaries and benefits, and other program costs have increased.

Declining carryover funds from previous biennia is a major factor in the current operating budget shortfall. Prior to fiscal year 2003, the state's General Fund provided a significant amount of funding (\$700,000/year) for the state's emergency response program; these General Fund dollars are no longer available to help pay for emergency response activities.

The cleanup program recognized that, unless steps were implemented to reduce spending in the current biennium, the program would not have sufficient cash to pay for expenses beyond the end of the current

fiscal year (June 2006). The cleanup program's immediate challenge is to create a sustainable program of the "right size" so that revenue and expenses are in alignment. This transition necessarily implies a smaller program, and will result in some reductions in cleanup program services and activities.

What Are We Doing To Address the Problem?

For the past year, the program has not filled vacancies. DEQ is also implementing a 17.4 Full-Time Equivalent (FTE) reduction in personnel, representing 30% of program staff assigned to cleanup and emergency response activities. These reductions are intended to reduce program operating expenses to levels that we can afford.

As a consequence of the budget shortfall, cleanup and emergency response FTE will be reduced, and DEQ will be forced to take some work "off the plate". However, to the maximum extent possible, we intend to maintain a core program of services to support emergency response, site assessment, voluntary and independent cleanup, brownfield redevelopment, orphan site cleanup, and enforcement activities.

DEQ intends to convene an external stakeholder group to advise us on whether or not we are emphasizing the right emergency response and cleanup program activities.

If you have questions or comments, please contact Jeff Christensen, Cleanup Program Manager at christensen.jeff@deq.state.or.us or (503) 229-6391.

For More Information

More information about specific cleanup projects and cleanup programs is available from the Land Quality section of DEQ's web site, DEQ Online: <http://www.deq.state.or.us/wmc/index.htm>. Information can be found under the *Emergency Response*, *Environmental Cleanup*, and *Underground Storage Tanks* headings.

Accomplishments – Fiscal Year 2005

Sites Discovered

DEQ has identified approximately 3,750 contaminated and potentially-contaminated sites in Oregon since 1988. 227 new sites were identified in Fiscal Year 2005 (FY 2005). DEQ added these sites to its Environmental Cleanup Site Information System (ECSI) for tracking and public-reporting purposes.

Sites on the Confirmed Release List

Of the approximately 3,750 sites recorded in ECSI, 674 are on the Confirmed Release List. The Confirmed Release List is a list of sites where the presence of contamination has actually been documented (rather than just being suspected). DEQ added 27 sites to the Confirmed Release List in FY 2005. DEQ removed (“delisted”) six other sites from the Confirmed Release List in FY 2005. Sites are delisted when contamination at the site has been eliminated or reduced to levels that pose no unacceptable risks to human health or the environment.

Sites on the Inventory

The Inventory of Hazardous Substance Sites is a list of sites where contamination has been confirmed and where further investigation or cleanup is necessary. There are 400 sites currently listed on the Inventory. Of those, 15 sites were added in FY 2005. Four other sites were delisted from the Inventory in FY 2005 after they were cleaned up. Sites that rely on engineering or institutional controls as the remedy are not eligible for de-listing. All sites on the Inventory are also on the Confirmed Release List.

Removals

At sites where contamination is fairly extensive, a removal may take place to prevent further spread of the contamination and to protect the public. A removal is essentially a cleanup action

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The Cleanup Process in Oregon

Sites where hazardous substances may have been released are **evaluated** by DEQ to determine their priority for further action. If a release appears likely, a **preliminary assessment** may be conducted to confirm or deny the presence of contamination. A **site investigation** may also be conducted to delineate the extent of the contamination. However, if an emergency situation exists, a **removal action** may be necessary to stabilize the site before any investigations occur.

Sites that are known to be contaminated proceed through a three-step investigation process to determine how (or whether) they are to be cleaned up. A **remedial investigation** is performed to determine the full nature and extent of the contamination. A **risk assessment** looks at the threats posed by the contamination to human health and the environment. Finally, a **feasibility study** evaluates various options for cleaning up the site. From this information, a determination is made as to whether the site needs to be cleaned up, and if so, how it should be done. A **removal action** may be conducted at any time during this process to quickly reduce the amount of contamination.

For sites where the necessary cleanup is relatively straightforward and simple, an initial removal action may be all that is required. However, if the cleanup will be more difficult and complex, a formal cleanup decision (called a **Record of Decision**) will be adopted by DEQ after a **public comment period**. The resulting cleanup is referred to as a **remedial action**. In addition to (or instead of) removing or eliminating the contamination, an **engineering control** (such as a cap or fencing) may be put in place to isolate the contamination. Or an **institutional control** may be recorded to limit future activities at the site so that people don't come into contact with the contamination.

A site receives a **No Further Action** designation when DEQ determines that it poses no significant threat to human health or the environment. This may occur at any point during the investigation and cleanup process.

that occurs before a Remedial Investigation or Feasibility Study has been completed. In FY 2005, 25 removals were initiated under DEQ supervision, and 21 were completed. Since some removal actions may take months or years to complete (such as extracting contaminated groundwater), the removal actions completed in FY 2005 may be different from those that were started.

Preliminary Assessments

A Preliminary Assessment is an investigation of a site and its surrounding area. The history of a site is reviewed to determine whether any contamination is likely to be present. Certain characteristics of the surrounding area (population and land use, nearby streams, depth to groundwater, etc.) are also reviewed to determine the likelihood of any contamination migrating off-site. DEQ uses all of this information to determine whether the site is a high, medium, or low priority for further investigation and cleanup.

Preliminary Assessments were initiated by DEQ or other parties at 50 sites in FY 2005, and assessments at 55 sites were completed in FY 2005. Because Preliminary Assessments generally take only a few months to complete, the majority of assessments started in FY 2005 were also completed in FY 2005.

Remedial Investigations

A Remedial Investigation is a detailed examination of a site to determine the nature and extent of the contamination. Extensive sampling is conducted to determine what contaminants are present, and their locations, concentrations and migration. The investigation also includes an assessment of the risks to human health and the environment posed by the contamination. DEQ reviews and approves the investigations. DEQ initiated 12 Remedial Investigations in FY 2005, and completed 17. Because Remedial Investigations often take more than a year to complete, the investigations started and completed during a given time period are generally not the same.

Feasibility Studies

Feasibility Studies are conducted to evaluate various methods of cleaning up a site. Because various approaches or technologies can be used to clean up a site, each is evaluated for effectiveness, protectiveness, and cost, among other criteria. A

Routes to Cleanup in Oregon

The Environmental Cleanup Program has many components to help owners and operators of contaminated property move through the investigation and cleanup process. One of the most popular options is **Voluntary Cleanup**. Willing parties and their contractors essentially hire DEQ staff to oversee their projects, to ensure that their work meets all appropriate requirements. Parties can choose the standard Voluntary Cleanup approach or an Independent Cleanup approach, depending on the amount of oversight they wish to receive.

DEQ also “discovers” contaminated properties through **Site Assessment**. DEQ learns about potential contamination from phoned-in complaints, unsolicited reports, and from other government agencies, in addition to conducting its own inquiries. Sites are evaluated and ranked according to their potential threats. Responsible parties are often encouraged to address their contamination through Voluntary Cleanup.

If a site is a high priority, however, it may not be prudent for DEQ to wait for the responsible parties to take action. DEQ can require cleanups to be conducted through **Site Response**. (Parties can also voluntarily enter Site Response if they want to conduct their cleanup under a legally-enforceable order or decree). If no responsible parties are able or willing to clean up a high-priority site, DEQ may designate the site as an **Orphan Site** and conduct the cleanup using funds from the Orphan Site Account. **Dry Cleaner** sites are also addressed through their own separate account.

Other types of cleanups are conducted under separate statutory authority. Hazardous materials spills are cleaned up through **Emergency Response**. Releases of petroleum from regulated **Underground Storage Tanks** are likewise addressed through their own separate program.

preferred option is then chosen and recommended as the final cleanup strategy. Twelve Feasibility Studies were initiated in FY 2005, and 14 were completed. Because Feasibility Studies often take more than a year to complete, the studies started and completed during a given time period are generally not the same.

Records of Decision

A Record of Decision is a final cleanup decision on a site issued by DEQ after input from the public through a public comment process. The Record of Decision incorporates information from the Remedial Investigation and Feasibility Study to summarize the nature and extent of contamination at the site, the risks posed by that contamination, and the selected method for addressing the contamination. DEQ initiated 18 Records of Decision in FY 2005, and completed 16. It generally takes several months for a Record of Decision to be written, released for public comment, and approved. As a result, for a given period of time, the Records of Decision that were started are generally not the same ones that were completed.

Remedial Actions

A Remedial Action is the final cleanup action taken at a site; it may involve actually eliminating contamination from a site, or isolating the contamination through institutional controls (deed restrictions, etc.) or engineering controls (caps, fencing, barrier walls, etc.). DEQ initiated 26 Remedial Actions, and completed 15, in FY 2005. Because Remedial Actions often take more than a year to complete, the actions started and completed during a given time period are generally not the same.

No Further Actions

DEQ will issue a No Further Action letter to the responsible parties when the agency concludes that a site no longer poses risks to human health or the environment, and no further investigation or cleanup is necessary. This may occur at any point in the process. Since 1988, DEQ's Cleanup Program has issued No Further Action letters for 1,100 sites. In other words, DEQ has "signed-off" on nearly 30% of the 3,750 sites in the ECSI database. During FY 2005, DEQ issued No Further Action letters at 112 sites, after completing investigations and/or cleanups.

Brownfield Redevelopment

A brownfield is a vacant or underused property where expansion or redevelopment is complicated by actual or perceived environmental contamination. These sites are often community eyesores where there is pressure to "do something," but where uncertainty about the costs to clean up contaminated property keeps potential redevelopers at bay. DEQ's Brownfields effort emerged from a cross-program workgroup in 1996, in response to requests from local communities and prospective purchasers to help investigate and clean up these abandoned sites.

DEQ strives to work with communities, public organizations, other government agencies, and private parties to facilitate and encourage the redevelopment of brownfields. For example, the program works with staff from the Oregon Economic and Community Development Department (OECDD) to find available state and federal funding sources to investigate and/or clean up brownfields. In FY

2005, DEQ's Brownfields Program provided technical assistance to nine local governments and non-profit organizations that won EPA brownfield grants worth \$1,866,650. Brownfields redevelopment is also an integral part of the mission of the Economic Revitalization Team (ERT), of which DEQ is a member.

Orphan Sites

Orphan sites are highly contaminated properties or areas where persons responsible for the contamination are either unknown, unwilling, or unable to clean it up. The 1991 Legislature authorized the Orphan Site Account to help DEQ clean up contamination at Orphan sites where contamination posed a potentially serious threat to human health or the environment. The Account is funded through the sale of long-term bonds and cost recovery from insurance policies and responsible parties. Since 1992, DEQ has issued bonds totaling \$38 million.

Investigation/cleanup of 75 sites has been funded, in whole or in part, with funds from the Orphan Site Account since 1992. This includes eight sites that were designated as Orphan projects in FY 2004, and two additional sites designated in FY 2005. Orphan sites include a range of contaminated sites such as: small businesses; abandoned mines; and areas where drinking water supplies are contaminated with hazardous substances.

Voluntary Cleanups

The 1991 Legislature authorized Voluntary Cleanup to provide willing parties with DEQ oversight while they investigated and, if necessary, cleaned up contamination from their properties. Parties pay for a DEQ Project Manager and technical team who oversees their work and makes sure that it meets requirements of the Environmental Cleanup Law. This cooperative process helps parties to move through the process efficiently, to meet sometimes tight funding and redevelopment deadlines.

In 1999, DEQ formally added a second "pathway" through the Voluntary Cleanup process. **Independent Cleanup** is a process by which parties complete their own investigations and cleanups with minimal DEQ oversight. If a party provides DEQ with 90 days' notice, DEQ staff can arrange to review and approve a final cleanup report within 60 days after the report is submitted. This process allows parties to proceed at their own pace. The Independent Cleanup option is available for low- to moderately-contaminated sites that exceed acceptable risk levels set by the legislature, but do not pose an imminent threat to human health or the environment.

There are approximately 300 active Voluntary Cleanup sites, with 230 sites following the traditional pathway, and 70 in Independent Cleanup. Since 1991, Voluntary Cleanup has completed cleanups at 548 sites, far more than Site Response alone could have completed.

**Cleanup Phases Completed and Initiated
Actual and Projected, Fiscal Years 2005 and 2006**

Actions	Fiscal Year 2005 (Actual)		Fiscal Year 2006 (Forecast)	
	Initiated	Completed	Initiate	Complete
Suspected Releases Added to Database	NA	227	NA	150
Added to Confirmed Release List	NA	27	NA	40
Added to Inventory	NA	15	NA	20
Site Screenings	84	61	95	80
Preliminary Assessments & Equivalents	50	55	45	40
Voluntary Cleanup				
Removal Actions	15	16	6	5
Remedial Investigations	10	11	10	8
Feasibility Studies	9	8	6	5
Records of Decision	13	13	6	5
Remedial Actions	22	12	10	7
No Further Action Determinations	NA	106	NA	50
Site Response, including dry cleaners and orphan sites				
Removal Actions	10	5	6	7
Remedial Investigations	2	6	3	3
Feasibility Studies	3	6	2	1
Records of Decision	5	3	1	1
Remedial Actions	4	3	4	3
No Further Action Determinations	NA	6	NA	8

Note: Projections for initiated and completed cleanup phases were established in the 2003 “Four Year Plan of Action”. At that time, forecasts for FY 2005 and 2006 were for initiation and completion of the same number of actions in each year. As provided by ORS 465.235, the next four year plan will be prepared as part of next year’s annual report.