

State of Oregon

Department of Environmental Quality

Memorandum

Date: May 3, 2005

**To:** Alan Kiphut, Administrator, Land Quality Division  
**From:** Gil Wistar  
**Subject:** Additional project number for Northwest Pipe and Casing orphan

The purpose of this memorandum is to request official designation of an additional project number to be associated with the existing Northwest Pipe and Casing orphan project. The orphan declaration letter for this site was signed on May 11, 2001.

Some phases of EPA's work on the project have now been completed, and DEQ will soon begin paying for operation & maintenance costs. A new business office project has been established so that these operation & maintenance costs can remain separate from earlier DEQ-funded work at the site.

As this is a new project, approval of this memo will authorize transfer of costs to the Orphan Site Account beginning April 1, 2005. The attached accounting addendum provides account details and additional information about previous accounting for this orphan site.

Please sign below to approve this request for designation of project #698800 as a project associated with the existing Northwest Pipe and Casing orphan.

  
\_\_\_\_\_  
Al Kiphut, Administrator  
Land Quality Division

  
\_\_\_\_\_  
Date

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Land Quality Division  
Department of Environmental Quality



Date: May 9, 2001

**To: Paul Slyman, Administrator, Environmental Cleanup Division**

**From: Kevin Dana, Cleanup Policy & Orphan Program**

**Through: Dave St. Louis, Northwest Region Cleanup Manager  
Al Kiphut, Cleanup Policy & Orphan Program Manager  
Norm King, Headquarters F&O Manager**

**Subject: Request for Orphan Site Designation – Northwest Pipe & Casing/  
Hall Process Company  
ECSI No. 139**

The purpose of this memorandum is to request official designation of the Northwest Pipe & Casing/Hall Process Company site (Business Office #696570) as an Orphan Site, as defined in Oregon Revised Statute (ORS) 465.381. The purpose of the designation is to make the Orphan Site Account available for funding the investigation, stabilization, or cleanup of this site instead of the Hazardous Substance Remedial Action Fund (HSRAF). In the statute pertaining to the Orphan Site Account (ORS 465.381 through .385) it is stated that the Orphan Site Account can be used for “. . . expenses of the department related to facilities or activities . . . where the department determines the responsible party is unknown, unwilling, or unable to undertake all required removal or remedial action . . . .” As described in this memorandum, it is DEQ’s determination that the currently identified responsible parties are “unable” to afford further investigation or cleanup of this site.

The 53-acre site is located between SE Lawnfield Road and SE Mather Road in Clackamas. Hall Process Company began operating a pipe-coating facility on the southern portion of the site in 1956. In 1966, Northwest Pipe & Casing (NWPC) purchased 21 acres on the northern part of the site (“Parcel A”) and began producing steel pipe. In 1978, NWPC purchased the pipe coating facilities from Hall Process and leased the remaining 32 acres of the site (“Parcel B”). Hall Process Company ceased operations. NWPC operated at the site until 1986, when the company relocated to a site in North Portland after filing for Chapter 11 bankruptcy. Parcel A was divided into two parcels: one was sold to the Oregon Department of Transportation and one to Northwest Development Company. Parcel B was left vacant and abandoned.

Both companies coated pipes with various materials, including coal tar or pitch, coal tar epoxy, cement mortar, and asphalt. Coal tar contains polynuclear aromatic hydrocarbons (PAHs), many of which are carcinogenic. Volatile organic compounds (VOCs), including benzene, toluene, and xylenes were also used on-site. Waste products were allegedly buried and/or burned on the site.

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The United States Environmental Protection Agency (EPA) first collected samples at the site in July 1988. On-site soils were contaminated with PAHs, VOCs, and polychlorinated biphenyls (PCBs). EPA conducted more extensive sampling from December 1989 to February 1990 and found that shallow groundwater at the site was contaminated with chlorinated solvents, including tetrachloroethylene (PCE) and its associated breakdown products.

In September 1991, DEQ received approval from the Emergency Board to sell pollution control bonds to finance creation of the Orphan Site Account (OSA). In arguing for the creation of the OSA, DEQ identified six high-priority sites with no viable responsible parties, including Northwest Pipe & Casing. The first pollution control bonds were sold in July 1992. However, EPA listed the NWPC/HPC site on the National Priorities List (NPL) in October 1992. With EPA paying for the investigation and cleanup, only \$108 in orphan funds was ever spent at the site. As a consequence, since 1994 DEQ has neglected to include Northwest Pipe & Casing in its lists of designated orphan sites.

In November 1993, EPA conducted a removal action at the site, demolishing the abandoned buildings and erecting a fence to keep out trespassers and vandals. In the summer of 1995, EPA contacted all of the potentially responsible parties associated with the site, seeking contribution. EPA eventually settled with all of the parties (even the NWPC bankruptcy case was reopened). The settlement amounts only covered a portion of the investigation and cleanup costs; the rest has been paid for out of the Superfund.

Two additional removal actions were completed during the Remedial Investigation. In the spring of 1997, EPA removed approximately 230 tons of debris that had been dumped at the abandoned site, including scrap metal, coal tar, wood, tires, and car batteries. In December 1998, DEQ removed two underground storage tanks and approximately 77 tons of petroleum-contaminated soil from around the tanks. EPA completed the Remedial Investigation in 1998, and the Feasibility Study in 1999. DEQ and EPA signed a Record of Decision for the soils operable unit in June 2000. A proposed plan for the groundwater remedy will be released in June 2001.

The Soil Operable Unit Record of Decision requires the removal of soils with contaminant levels above levels of concern, and capping of the site. The soil will either be disposed of in an off-site landfill or thermally treated and returned to the site. The estimated cost of soil removal, treatment and disposal is \$4,000,000. The estimated cost for the cap is \$2,000,000. The cap costs may be reduced if the site is redeveloped and capping is incorporated into the redevelopment. The Groundwater Operable Unit proposed remedy is in-situ air stripping, for both source control and plume interception (to prevent off-site migration). The estimated capital cost for the groundwater remedy is \$1,600,000.

Under the Superfund program, DEQ is required to provide a 10% match for all remedial action costs. At this site, the 10% match is estimated to be \$760,000. However, DEQ will not be able to recover this cost from the two primary responsible parties. Hall Process Company went out of business in 1978, and Northwest Pipe & Casing's Clackamas operations went through Chapter

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11 bankruptcy in 1985. Further, EPA has already settled with both companies for their share of the contamination at the site. Orphan Site Account funds will be needed to pay for the cleanup of this high priority NPL site.

If Orphan designation for this site is approved, the Business Office will begin using the Orphan Site Account to pay for Account-eligible activities. Orphan Site Account declaration, if approved, will also enable a transfer of any appropriate prior expenses paid from HSRAF pursuant to DEQ's Orphan Site Account reimbursement resolutions.

Please sign below to approve this request for designation of the Northwest Pipe & Casing/Hall Process Company site as an Orphan Site, and to authorize use of the Orphan Site Account.

  
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Paul Slyman, Administrator  
Environmental Cleanup Division

5/11/01  
\_\_\_\_\_  
Date