

State of Alaska FY2006 Governor's Operating Budget

Department of Environmental Conservation Contaminated Sites Program Component Budget Summary

Component: Contaminated Sites Program

Contribution to Department's Mission

Protect public safety, public health and the environment by identifying, overseeing and conducting the cleanup and management of contaminated sites in Alaska.

Core Services

- Identify, assess, rank, prioritize, track, and monitor the cleanup and management of over 3,300 contaminated sites in the state, including military, privately owned, and state-owned sites, rural bulk fuel storage facilities, leaking underground storage tank sites, and “orphan” sites (where the responsible party is unknown or unable to perform adequate remediation).
- Conduct cleanups of highest-priority state-owned, privately owned, and orphan sites.
- Provide technical assistance to responsible parties of contaminated sites.
- Regulate contaminated site cleanups using a risk-based approach to protect public health and the environment and promote the economic re-use of contaminated properties.

End Results	Strategies to Achieve Results
<p>A: Risk from historical contamination of privately owned, state owned, and military sites is reduced.</p> <p><u>Target #1:</u> 10% increase from the previous year in the number of historical sites cleaned up.</p> <p><u>Measure #1:</u> % increase from the previous year in the number of historical sites cleaned up.</p>	<p>A1: Remediate historical contamination.</p> <p><u>Target #1:</u> Remediation of historical contamination.</p> <p><u>Measure #1:</u> % of existing contaminated sites closed out with no further action required.</p>

Major Activities to Advance Strategies

- Ensure the remediation of contaminated sites.

FY2006 Resources Allocated to Achieve Results

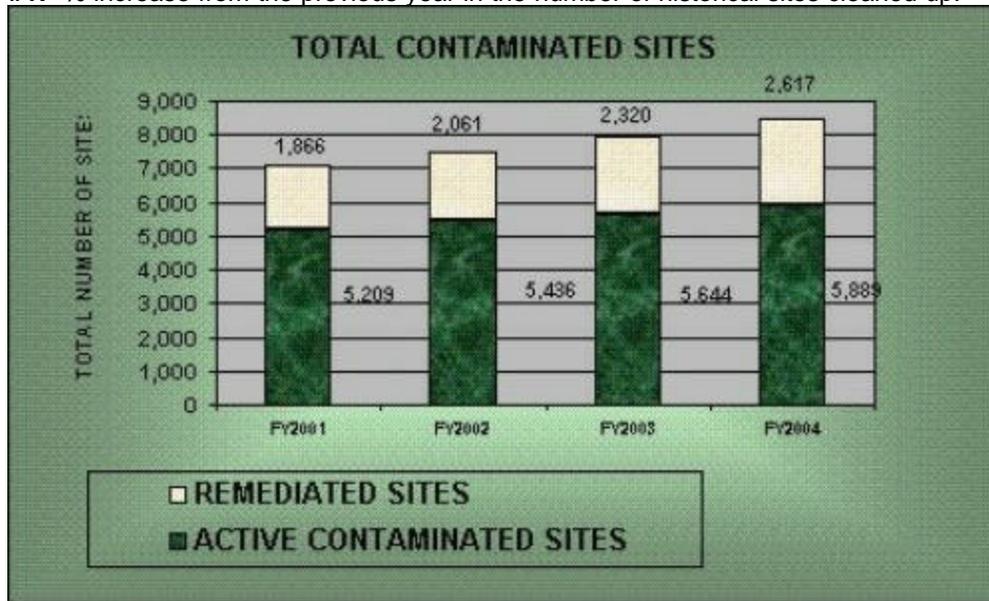
<p>FY2006 Component Budget: \$6,661,800</p>	<p>Personnel:</p>
	<p>Full time 64</p>
	<p>Part time 1</p>
	<p>Total 65</p>

Performance Measure Detail

A: Result - Risk from historical contamination of privately owned, state owned, and military sites is reduced.

Target #1: 10% increase from the previous year in the number of historical sites cleaned up.

Measure #1: % increase from the previous year in the number of historical sites cleaned up.



Percent Increase from the Previous Year in the Number of Historical Contaminated Sites Remediated

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2003	0	0	0	0	32.8%
2004	0	0	0	0	14.7%

Analysis of results and challenges: Alaska has many sites that have been contaminated with oil or hazardous substances. Most of the contamination is historic, much of it occurring before the risks to the environment and human health were known, and additional historic contaminated sites are discovered almost daily. Severely contaminated sites may also have adverse economic and social impacts in terms of cleanup costs, or limitations on land use or land sales or transfers.

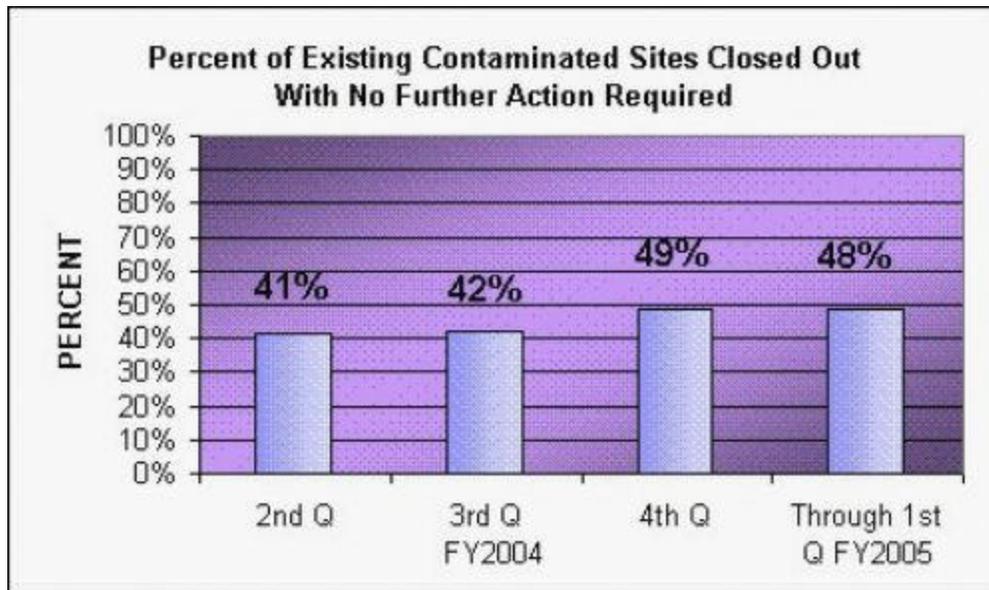
Although data shows that in FY2004 we exceeded our goal of a 10% increase in the number of sites cleaned over the previous fiscal year, there are challenges inherent in this measure. The type or amount of contamination can affect the number of sites that get remediated. Sites with large amounts of contamination, sites having several types of contamination or sites contaminated with particularly hazardous materials generally take more time and use more resources than other sites. Several of these sites already exist and are being worked on. If similar sites are discovered there is the potential for directing resources away from several sites to work on one that is especially problematic.

Data for this measure is reported annually, during the first quarter of the fiscal year, for the prior year.

A1: Strategy - Remediate historical contamination.

Target #1: Remediation of historical contamination.

Measure #1: % of existing contaminated sites closed out with no further action required.



Percent of Existing Contaminated Sites Closed Out with No Further Action Required.

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2003	0	0	0	0	40%
2004	41%	41%	42%	49%	
2005	48%	0	0	0	

Analysis of results and challenges: Alaska has many sites that have been contaminated with oil or hazardous substances. Additional sites are discovered almost daily. Most of the contamination is historic, much of it occurring before the risks to the environment and human health were known. Severely contaminated sites may also have adverse economic and social impacts in terms of cleanup costs, or limitations on land use or land sales or transfers.

It is important that historic contaminated sites are found and reported, so that appropriate steps can be taken to protect the public. However, as the data shows, for every site that is cleaned or cleaned to a point that no further action is required, nearly as many contaminated sites are discovered each year, making it a challenge to show progress toward reducing the number of contaminated sites in the state.

Our goal is be able to continue remediating sites at a rate that maintains the relative percentage of total sites remediated the previous year. Data shows that we are on target to meet or exceed that goal. Additionally, although results will fluctuate depending on the number of new historic sites discovered, there has been a slight decrease in the total number of contaminated sites in FY2004.

Key Component Challenges

The ever-increasing number of historical contaminated sites makes it essential that our new cleanup strategy is implemented to re-evaluate all sites with respect to potential threat to human health and the environment. This cleanup strategy focuses on risk-based decision making with the application of conditional closures, while addressing a wide variation of site contaminants such as unexploded ordnance, radioactive nuclides, chlorinated solvents and polychlorinated biphenyls. Improved evaluation of the sites will allow identification of "Brownfield" sites that can be remediated and put back to beneficial re-use, as well as identification of low risk sites that can be closed through a streamlined cleanup program.

Significant Changes in Results to be Delivered in FY2006

None.

Major Component Accomplishments in 2004

Actively worked 2,267 contaminated sites throughout the state. Removed risk by cleaning up contaminated sites and then closing or issuing “no further action” letters for 297 contaminated sites cleanups with historical contamination, including several high priority sights, such as Cape Prince of Wales Burn Area and Storage Area, Soldotna Maintenance Station, Green Construction Pad, Icy Bay East Logging Camp, Alyeska Happy Valley Camp, Port Ashton Packing Company, 42 ordnance sites on Adak Island and 21 sites at Elmendorf Air Force Base.

Conducted site specific risk assessments for high priority sites such as St. Lawrence Island/NE Cape, Fort Richardson Operable Unit E and the former Unocal Bulk Plant in Soldotna.

Oversaw third party inspections of 1084 storage tanks to bring them into compliance with spill prevention requirements.

Performed initial site review and risk evaluation, for 229 newly discovered historical contaminated sites.

Developed a draft inventory of Department of Defense Unexploded Ordnance sites.

After several years of providing oversight and guidance to ensure cleanup levels reached State approved standards, more than 47,000 acres of land on Adak Island was approved for transfer from the Navy to the Aleut Corporation.

Developed comprehensive program strategy to prioritize contaminated site cleanup actions based on risk to human health and the environment and other critical factors.

Developed a Streamlined Cleanup Process for low risk sites that will allow private cleanup activities to occur with minimal DEC oversight. Sites must meet certain criteria to be eligible. This action is expected to result in reduced costs to responsible parties.

Established and implemented methodology for acquiring and entering location (Geographical Information Services or spatial) data and developed networking capabilities to allow staff to manage spatial data on their individual desktops. This will allow mapping of site locations, making it easier to identify sites that may share common contamination, identify contamination sources and assign site work more efficiently.

Evaluated over 3500 open contaminated sites and identified approximately 200 sites that potentially meet the eligibility criteria as a Brownfield designated site. Brownfield sites are low risk sites that require cleanup before they can be sold or placed back into productive use. Performed site assessment at two Brownfield sites to allow transfer and redevelopment of property.

Served as one of four states working with the Department of Defense on the national Munitions Response Committee to develop procedures to prioritize, investigate, and cleanup military munitions contamination. The Committee produced guidelines for states to evaluate, propose and reconcile sites for the munitions inventory, as well as clarified state roles in response at munitions sites..

Oversaw and facilitated cleanup of the Arctic Surplus Salvage yard, which is on EPA’s national priorities list of the most contaminated sites in the country.

Statutory and Regulatory Authority

AS 46.03, AS 46.04, AS 46.08, AS 46.09, 18 AAC 75, 18 AAC 78.

Contact Information

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Contaminated Sites Program Component Financial Summary

All dollars shown in thousands

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,205.3	4,492.6	4,663.0
72000 Travel	244.0	524.1	336.4
73000 Services	1,275.3	2,203.8	1,470.1
74000 Commodities	92.0	111.6	97.3
75000 Capital Outlay	39.8	110.0	95.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	5,856.4	7,442.1	6,661.8
Funding Sources:			
1002 Federal Receipts	2,750.7	3,200.5	3,277.5
1007 Inter-Agency Receipts	30.5	205.9	75.7
1052 Oil/Hazardous Response Fund	2,333.7	3,215.9	3,308.6
1079 Underground Storage Tank Revolving Loan Fund	741.5	819.8	0.0
Funding Totals	5,856.4	7,442.1	6,661.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	2,750.7	3,200.5	3,353.3
Interagency Receipts	51015	30.5	205.9	76.5
Restricted Total		2,781.2	3,406.4	3,429.8
Total Estimated Revenues		2,781.2	3,406.4	3,429.8

**Summary of Component Budget Changes
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	0.0	3,200.5	4,241.6	7,442.1
Adjustments which will continue current level of service:				
-FY 05 Bargaining Unit Contract Terms: GGU	0.0	15.2	16.8	32.0
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	0.0	56.0	69.8	125.8
-Adjustments for Personal Services Working Reserve Rates and SBS	0.0	5.8	6.8	12.6
Proposed budget decreases:				
-Reduce I/A Authority to Align with Anticipated Needs	0.0	0.0	-130.9	-130.9
-Reduce USTRLF Authority due to Termination of Financial Assistance Activities	0.0	0.0	-819.8	-819.8
FY2006 Governor	0.0	3,277.5	3,384.3	6,661.8

**Contaminated Sites Program
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2005</u>	<u>FY2006</u>		
	<u>Management</u>	<u>Governor</u>		
	<u>Plan</u>			
Full-time	64	64	Annual Salaries	3,473,210
Part-time	1	1	COLA	46,556
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	1,654,614
			<i>Less 6.67% Vacancy Factor</i>	<i>(345,280)</i>
			Lump Sum Premium Pay	0
Totals	65	65	Total Personal Services	4,829,100

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant III	1	0	0	0	1
Accounting Tech I	1	0	0	0	1
Administrative Clerk II	2	0	1	0	3
Administrative Clerk III	1	2	1	1	5
Analyst/Programmer IV	1	0	0	0	1
Env Eng Associate	1	1	0	0	2
Environ Conserv Mgr I	2	1	1	0	4
Environ Conserv Mgr II	0	0	1	0	1
Environ Conserv Mgr III	0	1	0	0	1
Environ Engineer I	0	0	0	1	1
Environmental Spec II	3	1	0	0	4
Environmental Spec III	12	7	5	3	27
Environmental Spec IV	5	2	2	0	9
Environmental Tech II	1	0	0	0	1
Prog Coordinator	0	0	2	0	2
Project Coord	0	0	1	0	1
Publications Spec II	0	0	1	0	1
Totals	30	15	15	5	65