

State of Alaska FY2007 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, redevelopment, and management of contaminated sites in Alaska.

Core Services

- Identify, assess, rank, prioritize, track, and oversee the cleanup and redevelopment 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

- Determine risk of contaminated sites to public health and the environment.
- Manage cleanup and redevelopment of sites.
- Manage state owned contaminated sites through a Memorandum of Agreement with other State agencies.
- Facilitate Prospective Purchaser Agreements between landowners and buyers that limit liability of new owners.

FY2007 Resources Allocated to Achieve Results

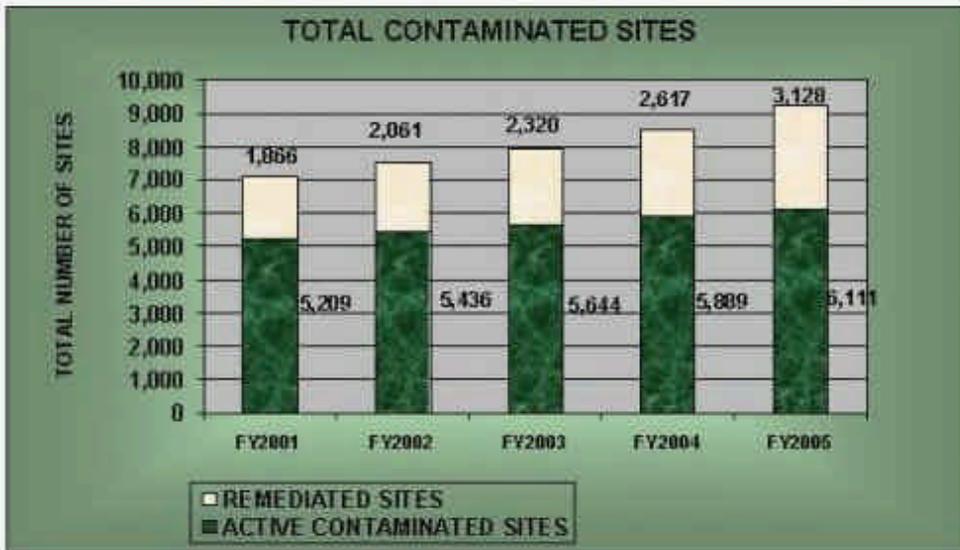
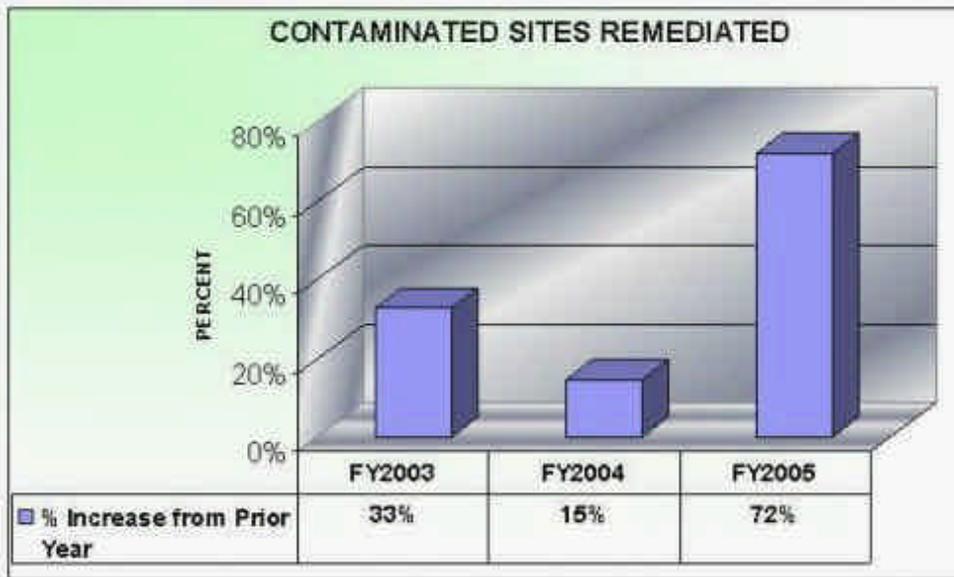
<p>FY2007 Component Budget: \$6,510,900</p>	Personnel:	
	Full time	64
	Part time	1
	Total	65

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.



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 FY2005 the goal of a 10% increase in the number of sites cleaned over the previous fiscal year was exceeded, 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.

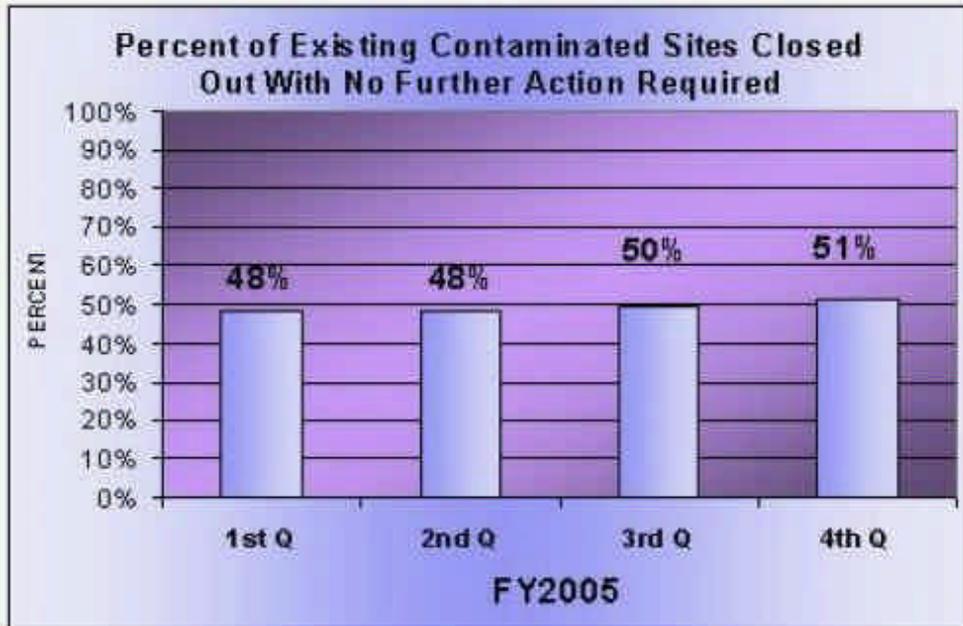
Data for this measure is reported annually, during the first quarter of the fiscal year, for the prior year. FY2005 shows a significant increase in the number of sites cleaned over the previous fiscal year. This is due to the

completion of cleanup activities at the former Adak Naval Air Station which was comprised of 170 individual sites.

A1: Strategy - Remediate historical contamination.

Target #1: Remediation of historical contamination.

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



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 to be able to continue remediating sites at a rate that maintains the relative percentage of total sites remediated the previous year. Data shows that during FY2005 significant progress was achieved and the goal was met. This was primarily due to the completion of cleanup activities at the former Adak Naval Air Station, which was comprised of 170 individual sites. 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 active contaminated sites in FY2005 versus 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 FY2007

None.

Major Component Accomplishments in 2005

Performed regulatory oversight, assessment, clean up, monitoring or closure activities at 3,815 contaminated sites throughout the state, including state owned sites and privately owned sites.

Conducted regulatory oversight of the federal Department of Defense \$60 million clean up program.

Reduced risk by cleaning up contaminated sites and then closing or issuing “no further remedial action” letters for 537 contaminated sites cleanups with historical contamination, including the following high priority sights: Nikiski Airstrip, Service City Pad, Alyeska Check Valve 92, Prescott Equipment, Holt Road Water Wells, Sterling Special Waste Sites, Kelly’s Firestone, Woods Air Fuel, Seldovia Cannery, Ryan Lode Mine, 19 NOAA sites on St.Paul/St George, 11 Northway formerly used defense sites, and Murphy Dome.

Facilitated successful reuse of 25 contaminated sites in FY2005 including Bentley Trust, Egegik/Woodbine, Prescott Equipment, Kelly’s Firestone and Nikiski Airstrip to accommodate development of major retail stores, small businesses, fish processing plants and other types of commercial activity on land previously unusable for such purposes.

Conducted site specific risk assessments for high priority sites at Port Heiden, NE Cape, Adak Naval Mobile Construction Battalion, Nikolski and Moses Point.

Performed initial site review and risk evaluation, for 200 newly discovered historical contaminated sites.

Simplified the use of computerized mapping systems by creating the ability to retrieve pertinent information by “clicking” on a location on a map, and coordinated development of software that allows public access to data from all DEC programs using a single map.

Updated Contaminated Sites databases to provide accurate location data for more than 600 contaminated sites.

Coordinated creation of a Critical Water Management Area (CWMA) on St. Paul Island to be used as an institutional control to support risk-based site cleanup and to prevent groundwater to be used for drinking water purposes due to residual contamination.

Installed a vapor recovery system at the Sterling Zipmart site to further enhance cleanup actions designed to stop contaminant migration.

Completed cleanup of all the remote drum caches identified on the North Slope including completion of all of the “orphan” contaminated sites in the Prudhoe Bay and Kuparuk Oil Field Units and other eligible sites through the Charter for Development of the Alaskan North Slope agreement.

Investigated, identified and secured contaminated areas to prevent any human exposure, and developed a clean up plan for M&M Enterprises, a site used to store and process batteries which resulted in elevated levels of lead on the site.

Completed cleanup at the Arctic Surplus Salvage Yard, established institutional controls limiting future land use to industrial activities only, and stabilized and disposed of contamination in an on-site landfill that was capped with asphalt and closed in place, potentially allowing this site to be removed from the EPA National Priorities List as early as next year.

Completed investigation and cleanup work at 170 sites on the former Adak Naval Air Station with most of these sites transferred from federal ownership to the Aleut Corporation for reuse.

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

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,292.1	4,829.1	5,107.1
72000 Travel	235.5	336.4	278.1
73000 Services	1,071.8	1,270.1	1,020.9
74000 Commodities	105.7	97.3	48.8
75000 Capital Outlay	9.8	95.0	56.0
77000 Grants, Benefits	16.5	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	5,731.4	6,627.9	6,510.9
Funding Sources:			
1002 Federal Receipts	2,650.2	3,353.3	3,248.0
1007 Inter-Agency Receipts	30.8	76.5	80.6
1052 Oil/Hazardous Response Fund	3,011.3	3,198.1	3,182.3
1079 Underground Storage Tank Revolving Loan Fund	39.1	0.0	0.0
Funding Totals	5,731.4	6,627.9	6,510.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Managem nt Plan	FY2007 Governor
<u>Unrestricted Revenues</u>				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
<u>Restricted Revenues</u>				
Federal Receipts	51010	2,650.2	3,353.3	3,248.0
Interagency Receipts	51015	30.8	76.5	80.6
Restricted Total		2,681.0	3,429.8	3,328.6
Total Estimated Revenues		2,681.0	3,429.8	3,328.6

**Summary of Component Budget Changes
From FY2006 Management Plan to FY2007 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	0.0	3,353.3	3,274.6	6,627.9
Adjustments which will continue current level of service:				
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	0.0	38.7	47.7	86.4
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	0.0	4.8	6.0	10.8
-FY 07 Retirement Systems Cost Increase	0.0	76.2	93.4	169.6
Proposed budget decreases:				
-Reduce Excess Federal Authorization	0.0	-230.0	0.0	-230.0
-Reduce Excess RF Authorization	0.0	0.0	-165.0	-165.0
Proposed budget increases:				
-Risk Management Self-Insurance Funding Increase	0.0	5.0	6.2	11.2
FY2007 Governor	0.0	3,248.0	3,262.9	6,510.9

**Contaminated Sites Program
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2006</u> <u>Management</u> <u>Plan</u>	<u>FY2007</u> <u>Governor</u>		
Full-time	64	64	Annual Salaries	3,507,218
Part-time	1	1	COLA	93,073
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	1,889,149
			<i>Less 6.97% Vacancy Factor</i>	<i>(382,340)</i>
			Lump Sum Premium Pay	0
Totals	65	65	Total Personal Services	5,107,100

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	1	0	2
Env Eng Associate	1	1	0	0	2
Environ Engineer I	0	0	0	1	1
Environ Program Manager I	3	1	1	0	5
Environ Program Manager II	1	1	1	0	3
Environ Program Manager III	0	1	0	0	1
Environ Program Spec II	2	2	0	0	4
Environ Program Spec III	10	8	5	3	26
Environ Program Spec IV	4	1	2	0	7
Environ Program Technician	1	0	0	0	1
Prog Coordinator	0	0	1	0	1
Project Coord	0	0	1	0	1
Publications Spec II	0	0	1	0	1
Totals	28	17	15	5	65