



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

AUG 1 8 2004

4WD-ERRB

ACTION MEMORANDUM

SUBJECT: Request for Ceiling Increase and Continued Removal Action at the BCX Tank Site, Jacksonville, Duval County, Florida

FROM: Terry Stilman
On-Scene Coordinator

TO: Winston A. Smith, Director
Waste Management Division

Site ID #: A4FE

I. PURPOSE

The purpose of this Action Memorandum is to request and document approval of the proposed ceiling increase for continued removal action described herein for the BCX Tank Site (the "Site"), located in Jacksonville, Duval County, Florida. This request is based on the presence of over 2 million gallons of waste water in leaking tanks and secondary containment. The total project ceiling if approved will be \$1,492,000, of which an estimated \$1,235,000 comes from the FY 04 Regional removal allowances.

II. SITE CONDITIONS AND BACKGROUND

A. Site Description

The CERCLIS ID number for this time-critical removal action is FLD982109761.

1. Removal Site Evaluation

On June 21, 2004, OSC Stilman mobilized to the BCX Tank Site along with the Florida Department of Environmental Protection, Bureau of Emergency Response (BER) personnel to conduct a removal site evaluation. While conducting a reconnaissance of the site, OSC Stilman discovered approximately fifteen abandoned tanks on the Site, located near a public road bordering the Site. The tanks were located within a concrete secondary containment wall that showed signs of past leakage. The secondary containment also held over two feet of waste water from various tank leaks and area rain. During the assessment OSC Stilman observed on-going leaks from cracks in the secondary containment wall. The largest tank was reported to have a capacity of 600,000 gallons. The tanks and waste in the secondary containment were suspected to contain industrial waste water and waste oil. The specific contents of the tanks were unknown at the time, but a past explosion and fire at one of the tanks occurred at the facility resulting in the death of an employee. Based on the fire and explosion incident, the contents of the tanks were believed to contain waste that exhibited hazardous

characteristics under RCRA (ie. Flammability). The waste at the facility was considered CERCLA hazardous substances and OSC Stilman initiated an emergency response and established a Site ceiling of \$250,000.

In July 1987, International Processing Specialists, Inc. (IPS) leased the property from Petroleum Fuel and Terminal Co. to operate a used oil storage facility. IPS also operated an industrial waste water facility at the same location. Used oil storage and processing is regulated by the Florida Department of Environmental Protection (FDEP). Industrial waste water processing and sanitary sewer discharge is regulated by the City of Jacksonville. In 1991, IPS began used oil processing. In September of 1995 an explosion at its 630,000 gallons used oil storage tank caused the death of one of IPS's employees. As a result of the explosion, the FDEP conducted an inspection of the facility. In May of 1996, FDEP entered into a Consent Order with IPS that required IPS to upgrade its facility and allow it to continue to operate the used oil processing facility until it completed a permit application

FDEP issued a permit in 1997 to IPS to operate as a used oil processing facility. After sending several letters to the facility regarding non-compliance, in 1999 FDEP issued an Intent to Deny IPS's permit modification request, to accept and process Petroleum Contact Water at the IPS facility. In May of 2000, FDEP filed a Civil Complaint to compel compliance, prohibit receipt of used oil or wastewater by the facility, revoke the permit, and collect penalties. In May of 2002, FDEP issued a Final Order to revoke IPS's Used Oil Processor permit.

In 2001, BCX became the new owner of the facility. Between 2001 and June of 2004, FDEP and the City of Jacksonville have attempted to force IPS and BCX to remove waste and close the facility. In 2001, the facility removed equipment, containers and associated piping in a process area and demolished the process building. To date, no other clean-up has taken place. The facility is not known to have received waste since 2001.

In June of 2004, an inspector with the City of Jacksonville's Tanks Program discovered an accumulation of wastewater in the secondary containment area and that a crack in the containment wall was allowing waste to leak to the environment. FDEP confirmed the City's findings and contacted BCX. No action was taken by BCX. BCX had insufficient funds to address problems at the Site and comply with the requirements of FDEP. On June 11, 2004 the City of Jacksonville obtained an emergency Temporary Injunction ordering BCX, IPS, related companies, and real property owners to remove waste from the secondary containment within 1 week, sample wells within 3 weeks, remove all waste from the tanks within 3 months, and to remediate contamination and provide financial assurance. BCX also informed the City that insufficient funds were available.

On June 21, 2004, at the request of FDEP, OSC Terry Stilman, conducted a removal site assessment at the BCX facility. Based on the continuing release and threat of release, OSC Stilman initiated an emergency action. EPA's Emergency Response and Removal Services contractor, WRS, arrived on-scene to assist with stabilization of the secondary containment wall. FDEP and the City of Jacksonville began regular patrols of the facility. On June 28, 2004 EPA, the USCG Strike Team and WRS pumped approximately 100,000 gallons of waste

water into temporary tanks staged adjacent to the facility. This relieved pressure on the secondary containment walls and reduced the amount of waste water leaking through cracks in the wall. Sampling of the tanks was also conducted.

Analytical results indicated the presence of benzene, tetrachloroethene and naphthalene as well as other contaminants in high levels in the waste water and sludge in the tanks and secondary containment. Approximately 2 million gallons of waste water and sludge are on-site. The tanks are abandoned and in poor condition. In accordance with the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), 40 CFR Part 300.410, EPA has determined that there is a threat to public health or welfare or the environment posed by the presence of high levels of benzene, tetrachloroethene and naphthalene contaminated waste water at the BCX Tank Site. These substances are Comprehensive Environmental Response Compensation and Liability Act (CERCLA) hazardous substances. Based on the Site conditions, the OSC has determined that the Site meets the criteria for time-critical removal actions under Section 300.415 of the NCP.

2. Physical Location

The Site is located at East Adams Street, Jacksonville, Florida. The past operational history of the site involved the storage and treatment of industrial waste water and waste oil. Runoff from the facility flows to storm water ditches and storm sewers to the St. Johns River, approximately 1/4 mile from the facility. The facility is bordered by an active rail-road line and by parking areas for the All-tel Stadium, Site of the 2005 Super Bowl.

3. Site Characteristics

Topographically, the Site is relatively flat, with elevations ranging from sea level to 5 feet above mean sea level. The Site is located in a light industrial area and is adjacent to a residential area. The containment wall and floor are concrete constructed. The integrity of the containment is not known, but leaks along the side wall are present.

4. Release or threatened release into the environment of a hazardous substance or pollutant or contaminant.

The Site represents an actual ongoing release to human health, welfare and the environment from the CERCLA hazardous substances, benzene, tetrachloroethene and naphthalene. Sampling of the tanks by EPA, have detected benzene, tetrachloroethene and naphthalene in liquid and sludges.

5. NPL Status

This Site is not on the NPL. The Site has been referred to EPA's Site Evaluation Section for review.

B. Other Actions to Date

1. Previous Actions

Previous actions at this Site have included site assessment activities performed by EPA and FDEP and an on-going EPA funded emergency response action.

2. Current Actions

No other governmental or private clean-up efforts are occurring at the Site.

C. State and Local Authorities Role

1. State and Local Actions to Date.

See section B.1 above.

2. Potential for continued State/Local Response

The FDEP Waste Clean-up and Emergency Response Sections have referred this Site to EPA because of insufficient state funds to implement this action.

III. THREATS TO PUBLIC HEALTH OR WELFARE OR THE ENVIRONMENT, AND STATUTORY AND REGULATORY AUTHORITIES

A. Threats to Public Health or Welfare

Benzene, tetrachloroethene and naphthalene are hazardous substances as defined by section 101(14) of CERCLA and RCRA characteristic definitions. There are abandoned and unsecured tanks located on the site containing these hazardous substances. The tanks are within a secondary containment wall which is in poor condition that also contains over two feet of waste water in some locations. An employee died from an explosion and fire at one of the tanks at the facility. The tanks pose a significant threat to public health. The threat comes primarily from the continued release from the tanks and secondary containment and the potential for catastrophic release from these abandoned tanks.

The EPA OSC has determined that a release, as defined by Section 101 of CERCLA, is actual and ongoing. Therefore, Site conditions meet the requirements for initiating a time-critical removal action according to criteria listed in Section 300.415 of the NCP.

In evaluating the potential risks posed by the site, the following factors cited from the NCP must be considered in determining the appropriateness of a removal action:

- *Section 300.415 (b)(2)(i): "Actual or potential exposure to nearby human populations, animals, or the food chain from hazardous substances or pollutants or contaminants."*—There are abandoned tanks that contain hazardous substances, pollutants or contaminants located on the Site. These tanks are located near a public road which borders the Site. There is a fence that only covers the front of the Site. The Site is not fully secured. The tanks have leaked in the past and may leak in the future, because they are not being maintained.
- *Section 300.415(b)(2)(iii) "Hazardous substances or pollutants or contaminants in drums, barrels, tanks, or other bulk storage containers, that may pose a threat of release"*— There are unsecured, abandoned tanks containing hazardous substances, pollutants or contaminants on the Site. The integrity of these tanks are questionable and pose a threat of release. In addition, trespassers or vandals could access the Site and cause a release by tampering with the tanks. The actual condition of the tanks cannot be determined due to the amount of waste water within secondary containment.
- *Section 300.415(b)(2)(v) "Weather conditions that may cause hazardous substances or pollutants or contaminants to migrate or be released"*—Secondary containment at the facility has two to three feet of waste water in some locations. There are also indications of ongoing leaks through cracks in the containment wall. Reports from the City and State indicate that the containment continues to fill with each rain event.
- *Section 300.415(b)(2)(vi) "Threat of fire and explosion"*— An explosion and fire occurred at one of the facility's tanks, resulting in the death of an employee.
- *Section 300.415(b)(2)(vii) "Availability of other appropriate federal or state response mechanisms to respond to a release."* Given the potential size and scope of the action, State funds are insufficient. No other governmental entity has funds available to conduct the necessary removal activity.

B. Threats to the Environment

Benzene, tetrachloroethene and naphthalene contaminated waste water at the Site pose a significant threat to the environment. During major rain events, uncontrolled releases of contaminated waste water flow into the St. Johns River via the surface water pathway. The release poses a threat to aquatic species, including fish and mammal (manatee) populations. The manatee is a federal and state listed endangered species. There have been documented releases of waste water outside of the secondary containment wall. The continued migration of hazardous substances from known sources at the Site to this water resource could continue to have potential long term, negative impacts on the St. Johns River's native species.

IV. ENDANGERMENT DETERMINATION

Actual or threatened releases of the hazardous substances from this Site, if not addressed by implementing the removal action selected in this Action Memorandum, may present an imminent and substantial endangerment to the public health or welfare or the environment.

V. PROPOSED ACTIONS AND ESTIMATED COSTS

A. Proposed Actions

1. Proposed action description

EPA's proposed actions includes:

- 1) the continued emergency stabilization of the secondary containment wall which may be leaking or have questionable integrity;
- 2) sampling of waste from tanks and secondary containment to determine the specific nature of contents;
- 3) bulking of materials and disposal off site, if necessary, in compliance with Federal regulations including the CERCLA off site rule;
- 4) determination of the extent of sludge and soil contamination and disposal off-site, if necessary, in compliance with Federal regulations including the CERCLA off site rule.

These activities will to extent practicable be undertaken without movement of the tanks, however, movement and/or removal of some of the tanks will also take place to allow for the safe clean-up of the Site.

2. Contribution to remedial performance

Based on the information available at this time, the proposed removal activity will abate the immediate threats identified in Section III of this document. The EPA Site Evaluation Section is continuing to review the Site for possible inclusion on the NPL.

3. Description of alternative technologies

Because the final disposition of any waste materials at the site has not been determined, no formal evaluation of alternative technologies has been made. Such an evaluation will take place before the disposal phase of the response action and will be documented at that time.

4. Environmental Evaluation/ Cost Analysis (EE/CA)

Due to the time-critical nature of this removal action, an EE/CA is not required.

5. Applicable or relevant and appropriate requirements (ARARs)

On-site removal activities conducted under CERCLA are required to attain ARARs to the extent practicable considering the exigencies of the situation. Off-site removal activities need only comply with all applicable Federal and State laws, unless there is an emergency. All waste transferred off-site will follow the

CERCLA Off-site Rule.

The State of Florida has not identified additional ARARs.

6. Proposed Schedule

Response actions at the Site will be initiated upon approval of this Action Memorandum. Foregoing any unexpected delays, all actions are expected to be completed within three months of re-mobilization.

B. Estimated Costs

An independent government cost estimate was prepared using disposal prices and rates from the ERRS contract and START contract technical direction documents.

EXTRAMURAL COSTS:	CURRENT CEILING	PROPOSED INCREASE	PROPOSED CEILING
<u>Regional Removal Allowance Costs</u>			
ERRS	\$200,000	\$ 975,000	\$1,175,000
Coast Guard Strike Team	\$ 50,000	\$ 10,000	\$ 60,000
Subtotal	\$250,000	\$ 985,000	\$1,235,000
<u>Other Extramural Costs Not Funded from the Regional Allowance</u>			
START	\$ -0-	\$ 50,000	\$ 50,000
20% Contingency	\$ -0-	\$ 207,000	\$ 207,000
TOTAL EXTRAMURAL COSTS:	\$250,000	\$1,242,000	\$1,492,000

VI. EXPECTED CHANGE IN THE SITUATION SHOULD ACTION BE DELAYED OR NOT TAKEN

If action is significantly delayed or not taken, there will be a continued release into the environment increasing the possibility of exposure to the public and to the environment.

VII. OUTSTANDING POLICY ISSUES

None

VIII. ENFORCEMENT

ERRB anticipates that this will be a fund-lead response. The facility owner has insufficient funds to undertake this action. No other parties have been identified at this time. The OSC will continue to coordinate with the CERCLA Office of Legal Support on enforcement strategy. See attached Enforcement Addendum for detailed enforcement strategy information.

The total EPA costs for this removal action based on full-cost accounting practices that will be eligible for cost recovery are estimated to be \$2,151,864¹.
[(\$1,492,000 + \$25,000) + (41.85% of \$1,517,000)]

Direct costs include direct extramural costs and direct intramural costs. Indirect costs are calculated based on an estimated indirect cost rate expressed as a percentage of site-specific direct costs, consistent with the full cost accounting methodology effective October 2, 2000. These estimates do not include pre-judgement interest, do not take into account other enforcement costs, including Department of Justice costs, and may be adjusted during the course of the removal action. The estimates are for illustrative purposes only and their use is not intended to create any rights for responsible parties. Neither the lack of a total cost estimate nor deviation of actual total costs from this estimate will affect the United States' right to cost recovery.

IX. RECOMMENDATION

This decision document represents the selected removal action for the BCX Tank Site in Jacksonville, Duval County, Florida, developed in accordance with CERCLA as amended, and not inconsistent with the NCP. The document is based on the administrative record for the Site.

Conditions at the Site meet the NCP section 300.415(b)(2) criteria for a removal and I recommend your approval of the proposed removal action. The total project ceiling if approved will be \$1,492,000. Of this, an estimated \$1,235,000 comes from the FY 04 Regional removal allowances.

Approval: Winston A. Smith Date: 8/16/04
Winston A. Smith, Director
Waste Management Division

Disapproval: _____ Date: _____
Winston A. Smith, Director
Waste Management Division

Attachments

cc: Mike Norman
Matthew Monsees
Matt Taylor
Ruth Davidson