



OFFICE OF INSPECTOR GENERAL

*Catalyst for Improving the Environment*

## **Special Report**

# **Congressional Request on Funding Needs for Non-Federal Superfund Sites**

**Report 2004-P-00001**

**January 7, 2004**

## **Abbreviations**

AOA	Advice of Allowance
CERCLIS	Comprehensive Environmental Response, Compensation, and Liability Information System
EPA	U.S. Environmental Protection Agency
FY	Fiscal Year
LTRA	Long-Term Response Action
NPL	National Priorities List
NTCRA	Non-time Critical Removal Action
OIG	Office of Inspector General
OU	Operable Unit
OSRTI	Office of Site Remediation and Technology Innovation
PRP	Potentially Responsible Party
RA	Remedial Action
RPM	Remedial Project Manager



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**  
WASHINGTON, D.C. 20460

INSPECTOR GENERAL

The Honorable Barbara Boxer  
Ranking Member  
Subcommittee on Superfund and Waste Management  
U.S. Senate  
Washington, D.C. 20510

Dear Senator Boxer:

This report responds to your May 23, 2003, request of the Environmental Protection Agency (EPA) Office of Inspector General (OIG) to provide information concerning funding needs for non-Federal Superfund sites. We are sending identical reports to the cosigners of the letter: Senator Jeffords, Representative Dingell, and Representative Solis. Your letter requested that we address the sufficiency of funding for non-Federal sites at all stages of the site cleanup process, including a more detailed review of a limited number of sites to determine if cleanup actions are being stretched out over a greater number of years because of inadequate funding.

The body of this report and enclosures 1 through 5 address funding for Fiscal Year (FY) 2003. The attachment to your letter posed a series of questions relating to our October 25, 2002, letter on FY 2002 funding needs for non-Federal Superfund sites. Our responses to those questions are in enclosures 6 through 11. Please note that given the volume of data requested, we are providing certain requested financial information via the enclosed disk.

In summary, during FY 2003, limited funding prevented EPA from beginning construction at all sites or providing additional funds needed to address sites in a manner believed necessary by regional officials, and caused projects to be segmented into phases and/or scaled back to accommodate available funding. Within this context, regional officials told us that they considered FY 2003 funding sufficient to address most sites. However, as discussed in the body of this report and in the enclosures, sufficient funds were not available to address a limited number of removal, pipeline, and remedial action sites. We estimate that the FY 2003 site-specific funding shortfall was \$174.9 million. Our estimate of shortfall only considers the regions' use of extramural resources (those resources that are used to fund work by the Army Corps of Engineers or contractors) applied to site-specific work. This report does not address intramural resources, or those obligations involving the labor and travel of EPA personnel that are obligated to specific Superfund sites.

Our October 25, 2002, letter on FY 2002 funding needs was limited to two phases of the cleanup process for Superfund sites - those sites requiring remedial action and those requiring long-term

response actions (LTRA). Your May 23, 2003, request letter asked us to inquire about all stages of the process. Accordingly, in addition to discussing funding for remedial action and LTRA sites, the enclosed information for FY 2003 addresses sites requiring (1) time critical removal actions, and (2) preconstruction activities (referred to as pipeline activities), such as remedial investigation/feasibility studies and remedial design work.

## **The Superfund Funding Process for FY 2003**

The Office of Site Remediation and Technology Innovation (OSRTI) within the Office of Solid Waste and Emergency Response provides funds for EPA regions to conduct site cleanup activities using three Advices of Allowance (AOA):

### ***Removal Funding***

The Removal AOA funds emergency and time-critical removal actions at those sites where it is determined that the contaminants present an immediate threat to human health and the environment. The regions do not request funds from Headquarters on a site-by-site basis prior to the start of a fiscal year because the nature of this work requires an immediate response to unanticipated conditions. Instead, OSRTI provides funds to the regions based on historical allocations for the emergency removal program.

### **Pipeline Funding**

The Pipeline AOA provides the regions funds for pre-construction activities, such as conducting remedial investigation/feasibility studies that characterize the nature of the contaminants at a site; selection of the remedy, which is documented in the Record of Decision; the design of the construction work to address the contaminants; and non-site-specific work, such as community involvement activities, records management, and State program development. The regions do not request funds on a site-specific basis from Headquarters for pipeline activities.

Prior to receiving funds, the regions input information on pipeline activities accomplished in the prior year and those planned for the current year into the Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS), the Superfund information system. During this process, the regions identify or “target” activities in certain categories they believe can be initiated with funding amounts from OSRTI. OSRTI then allocates funds to each region using a formula that considers historical allocations and pipeline activities accomplished in the prior year and work planned for the current year (i.e., the targeted activities). The regions then apply pipeline funds to targeted activities for sites or allocate an amount of money to contracts that will later be used to conduct pipeline activities. The latter process is known as “bulk funding.” Under bulk funding, site-specific obligations are not recorded in the Agency’s financial management system until the contractor is instructed to perform a pipeline activity for a particular site.

## ***Remedial Funding***

The Remedial AOA funds remedial construction, LTRA activities, non-time critical removals, and five-year reviews. LTRAs involve continuing treatment activities after construction is complete. Groundwater monitoring is an example of an LTRA. The regions annually request funds from Headquarters for remedial, non-time critical removal, and LTRAs on a site-specific basis. Regions input cost estimates into CERCLIS, and complete Project Evaluation forms for ongoing and new start projects with estimated costs of \$600,000 or more. The Project Evaluation forms enable the regions to provide a desired amount of funding, a minimum amount, and a description of the known hazards present at the site and the impacts of not providing funding. New construction starts are evaluated by the National Risk Based Priority Panel, a group of senior Headquarters and regional officials whose analysis is used by management to make funding decisions

Once the regional information is available, OSRTI and the regions begin discussions about regional requests and eventually arrive at an initial allocation of funds for each site. Following a methodology from FY 2002, projects with estimated costs of less than \$5 million were generally funded at the amount requested by the regions, while the amounts allocated for higher cost sites represent the amounts mutually agreed to by Headquarters and the region. OSRTI issued its initial funding memorandum for FY 2003 on October 30, 2002. OSRTI officials indicated to us that the allocation of funds is a dynamic process that continues throughout the year. (We found this to be the case. For example, as shown on enclosures 3 and 4, regions reported not needing funds they initially requested from OSRTI based on various factors such as delays and being able to use funds from prior year appropriations. On the other hand, some sites required and received additional funds beyond the amounts estimated for FY 2003.)

In addition to funds provided by OSRTI, the regions obligate funds from two other sources. Funds are obligated from monies provided by States as matching funds for construction activities and from "Special Account" monies provided by Potentially Responsible Parties (PRPs) in accordance with Consent Decrees.

### ***FY 2003 Emphasis on Ongoing Remedial Actions***

For FY 2003, OSRTI transferred \$10 million of pipeline funds to remedial construction. In its October 30, 2002, memorandum discussing initial FY 2003 funding decisions, OSRTI stated that "Because of the limited resources available for construction, regions have the discretion to minimize new Fund-financed remedial investigation/feasibility study (RI/FS) and remedial design (RD) work." OSRTI also revised its deobligation policy to direct that 75 percent of deobligations become part of the national pool for reobligation.

As with FY 2002, OSRTI emphasized funding ongoing construction over new construction starts. For FY 2003, the National Risk Based Priority Panel considered 35 new start projects and determined that 9 should receive remedial funds. Of the remaining 26, 15 did not receive remedial funds, and 11 were, according to an OSRTI official, determined not ready for various reasons, including enforcement issues, changed site conditions, or design complications. Two of

the sites not receiving remedial funds - Elizabeth Mine in Region 1 and the Washington Recreation portion of Operable Unit #3 of the Bunker Hill site in Region 10 - did receive removal and pipeline funds, respectively.

## Results of OIG Review

Regional officials told us that they had sufficient funding for the majority of sites for FY 2003. However, a limited number of removal, pipeline, and remedial action sites did not. When funding is not sufficient, construction at National Priority List (NPL) sites cannot begin; cleanups are performed in less than an optimal manner; and/or activities are stretched over longer periods of time. As a result, total project costs may increase and actions needed to fully address the human health and environmental risk posed by the contaminants are delayed. We estimate that the FY 2003 funding shortfall was \$174.9 million as summarized in the following table.

Category	Estimated FY 2003 Funding Shortfall (millions)	Enclosure
FY 2003 new start construction projects not funded	\$118.5	3
FY 2003 remedial projects not sufficiently funded	\$40.8	3
FY 2003 removal projects not sufficiently funded	\$9.4	1
FY 2003 pipeline projects not sufficiently funded	\$6.1	2
Total (difference due to rounding)	\$174.9	

In analyzing whether funding was sufficient for a given site, we began by asking regional Superfund officials/Remedial Project Managers (RPMs) whether they developed their estimate for FY 2003 without consideration of budget limitations (i.e., whether their estimate was based on the work that needed to be done from an engineering standpoint to address the site in an optimal way in FY 2003). In response to our questions about how site cleanup estimates are developed, some regional officials told us that expected budget limitations were a factor in developing their estimates for FY 2003. Some regional officials informed us that cleanup work is conducted differently than it was conducted when full funding was available. Limited funding forces work at certain sites to be phased and/or scaled back to accommodate available funding. We then asked regional officials whether the amount obligated was sufficient to proceed in an optimal way. Their responses are noted in enclosures 1 through 4 under the Sufficient Funding column.

We also inquired about 15 sites in greater detail. These sites are summarized in enclosure 5. For these sites, in addition to discussing them with regional Superfund officials, we obtained information such as the nature and extent of contamination and the status of cleanup from CERCLIS. OIG engineers assisted in our review of these sites and provided their opinion of whether EPA's funding decisions were appropriate given the unique nature of each site. We considered four of the 15 sites to be insufficiently funded for FY 2003.

## ***Removal Funding***

Financial information provided by OSRTI indicated that the regions obligated \$128.1 million from the FY 2003 and prior-year appropriations and an additional \$32.2 million from State Superfund contracts and amounts provided by PRPs in response to Consent Decrees for a total of \$160.3 million. Enclosure 1 lists those removal actions that were not fully funded in FY 2003.

Regions generally reported having sufficient funds to address emergency removals. However, several regions said that because of the amount of removal funds available to them, they made decisions to modify the type and extent of the removal, or partially fund sites. Examples follow:

- Region 1 officials said that friable asbestos in buildings on the Inter Royal site was not completely dismantled. Further work may be needed in the future as the buildings degenerate.
- Region 3 reported having sufficient funds for removal actions but stated that it had changed its approach for the removal program because of limited funding over time. Region 3 now focuses on stabilization of sites (for example, erecting a fence and/or enclosing leaking drums to control spread of the contaminant) rather than on complete cleanups.
- Region 5 officials reported that three sites requiring removal actions were not sufficiently funded - Kip Nelson Properties, Hog Hollow, and the Circle Smelting Site. The Circle Smelting site needs a time critical removal action to mitigate the threat to public health and the environment from lead contamination at an estimated cost of \$8.3 million. However, the Region was only able to obligate a total of \$1.6 million from appropriated funds and Special Accounts during FY 2003. Regional officials also told us that they reduced the extent of cleanup in some time-critical removal cases. For example, a site might be fenced and leaking drums placed in sealed containers instead of removing the contaminated soil.
- Regions 6 and Region 7 reported that they were involved with the Columbia Shuttle disaster for approximately three months during FY 2003. Interviews with Regions 6 and 7 Removal Team staff indicated that if this had not been the case, they would have investigated other sites that probably would have needed removal actions. Region 6 officials told us that addressing other removal actions “. . . would have overwhelmed our removal Advice of Allowance.”

## ***Pipeline Funding***

Financial information provided by OSRTI indicated that the regions obligated a total of \$107.6 million from current year appropriations, prior-year appropriations, State Superfund contracts, and amounts provided by PRPs in response to Consent Decrees to site-specific pipeline activities in FY 2003. As discussed below, the amounts obligated for a limited number of sites were not sufficient to conduct pipeline activities in the manner considered necessary by regional officials.

When Regions responded to our questions about the sufficiency of pipeline funding, they generally said the amounts obligated to specific sites were sufficient for targeted sites for FY 2003. However, some appeared to base their answers on whether they were able to make some progress with the funding received. For example, Region 2 considered funding sufficient if the funding allowed the Region to address the site in a manner the Region described as “minimally sufficient.” Region 4 officials considered funding sufficient because the work can be phased (divided into segments) to accommodate available funds spread over as many projects as possible. Region 7 officials told us that they instructed their RPMs to reduce the scope, phase, or delay planned activities where possible. As a result, for some sites the Region reduced the number of samples collected, limited the number of contaminants analyzed, and reduced the number of monitoring wells installed. Region 8 officials indicated that the Region cut all pipeline activities by 10 percent and incrementally funded cooperative agreements at 50 percent to free up funds for remedial investigation/feasibility studies and remedial design work for NPL sites. Thus, some regional officials considered funding sufficient within the constraints imposed by limited funding.

However, some pipeline activities were not sufficiently funded. Enclosure 2 is a list of non-Federal Superfund sites with funding shortfalls for pipeline activities during FY 2003 totaling \$6.1 million. Examples of funding concerns for pipeline sites follow:

- Region 7 estimated \$2.5 million for the Omaha Mining site for FY 2003 but only obligated \$1 million. As a result, fewer residences were sampled for lead contamination.
- The remedial investigation/feasibility study for the Annapolis Mine site in Region 7, estimated to cost \$400,000, was not started.
- The RPM for the Libby, Montana site in Region 8 indicated that an additional \$740,000 was needed to take additional samples, analyze the samples taken, and conduct a study to determine a cost-effective method for quantifying the amount of asbestos in the soil.
- Region 10 officials told us that pipeline operations were significantly cut for the remedial design for the Bunker Hill site and for various community involvement projects. For the Bunker Hill site, the Region obligated \$3.9 million versus its estimate of \$7.05 million for pipeline activities.

### ***Remedial Funding***

Enclosures 3 and 4 list non-Federal Superfund NPL sites for which FY 2003 remedial funding was requested or obligated. For FY 2003, OSRTI allocated \$224.4 million for site-specific remedial work. Considering amounts obligated from the FY 2003 appropriation, prior-years appropriations, State Superfund contracts, and amounts provided by PRPs in response to Consent Decrees. Financial information supplied by OSRTI indicated that the regions obligated a total of \$369.3 million during FY 2003.

To obtain the views of regional officials on the sufficiency of FY 2003 funding, we asked regional Superfund officials, including RPMs, whether the amount allocated to a site was sufficient to address that site in an optimal way without consideration of budget limitations. Generally speaking, the regions reported that there was sufficient funding in FY 2003 for ongoing remedial construction and LTRA projects. However, some Regions reported their decision about sufficiency of funds rested on whether funding was sufficient for site work to continue as planned, even if phased, without additional delays or work stoppage. Regional officials consider every LTRA site listed in enclosure 4 to be sufficiently funded for FY 2003.

Specific planned site work and funding was the result of a series of discussions between Headquarters and the regions. During these work planning discussions, a number of factors are considered, such as what sites are the highest priority for funding, what specific site work could be achieved with available funds in the fiscal year, and when the funding is needed. Regions also told us that because of limited funding, they sometimes “phase” and “scale back” work, do not start new remedial actions, and experience delays. Phasing is the division of a project into smaller work elements, which, according to OSRTI, allows more projects to get funded. However, several RPMs told us that phasing work is not as efficient as up-front funding for remedial actions. For example, as discussed below, at Region 1's Atlas Tack site, remedial action work was partitioned into three phases because there was not enough money to fully fund the site:

- Phase I was the planned work for FY 2002 – if funding was available, the building on the site would have been demolished. The cost estimate was \$1.8 million, but funding was not available.
- Phase II would have occurred during FY 2003, if Phase I was completed in FY 2002. Phase II involves cleaning up the site and preparing it for future use. The estimated cost for this phase is \$11.3 million (Region 1's estimate for FY 2003 was \$13.1 million for Phases I and II). However, the site received no funding in FY 2003.
- Phase III is being designed at this time and will not be ready for funding until FY 2005. The current cost estimate is \$4.3 million.

A Region 1 official indicated that had sufficient funds been available in FY 2002 the work for Phases I and II could have been completed in 6 to 9 months.

Scaling back site work is the reduction of the amount and extent of the work. For example, the RPM for Region 2's Welsbach site stated that this site received the requested funding to excavate three study areas during FY 2003. However, when digging began at the primary study area, the contamination was determined to be substantially greater than anticipated. Since additional funding could not be obtained, work was scaled back at the primary work site and postponed at the two other areas. The RPM said that construction delays at this site could increase construction costs, increase the number of days required for road closures, lengthen the time required before eight displaced families can move back into their homes, and negatively affect the ability of a private swim club to stay in business. The Region reported that the delayed cleanup cannot be associated with an increased health risk at this time.

We asked regional officials how site estimates were developed. We were told that RPMs' requests are generally based on Independent Government Cost Estimates for contractor services and developed in collaboration with supervisors. Some regional officials told us that they did consider the limited budget when preparing site estimates. Region 10 told us that estimates were based on the Headquarters' predicted allocation of the money that would be available during FY 2003. Region 10 officials said that OSRTI informed them in advance that OSRTI would cut back any requested amounts over \$5 million for a particular site due to limited funds. Without that direction, Region 10 staff we interviewed stated that they would have requested more funds for the Bunker Hill site.

Our estimate of the remedial funding shortfall for FY 2003 is comprised of sites where construction could not begin and sites with ongoing construction where the need exceeded available funds. Following are the sites where construction activities were ready to begin but no funding was available because the sites were not ranked high enough by the National Priority Panel:

Region	State	Sites Not Funded in FY 2003	FY 2003 Site estimate (millions)
1 *	Massachusetts	Atlas Tack	\$13.1
1	New Hampshire	Mohawk Tannery	6
1 *	Vermont	Elizabeth Mine	8
1	New Hampshire	New Hampshire Plating	3.5
5*	Indiana	Continental Steel	39.1
5	Illinois	Jennison Wright	12.5
6	Louisiana	Marion Pressure Treating	9
6	New Mexico	North Railroad Ave. Plume	6.5
6	Texas	Hart Creosoting	9.9
6	Texas	Jasper Creosoting	6.2
10	Oregon	McCormick and Baxter	4.7
<b>Total</b>			<b>\$118.5</b>

\*NOTE: site involves multiple operating units

In addition, some sites received less funding than the region requested or, in the view of regional officials, were not sufficiently funded. Some examples of sites not sufficiently funded are:

- The Bunker Hill site in Region 10 – The Region estimated \$37.8 million and obligated \$15.0 million. The entire shortfall involves Operable Unit #3. The impact of reduced funds for the Bunker Hill site is associated with risk to human health, particularly for young children and pregnant women, from lead contamination in a residential area. The future costs are expected to increase as work is delayed.

- The Roebling Steel site in Region 2 – The Region requested \$5 million from OSRTI to demolish a building with asbestos during FY 2003. When OSRTI did not provide the funds, the Region looked to other sources and obligated a total of \$4.3 million from prior year deobligations and State Superfund contracts in September 2003. However, because funding was not available earlier, demolition could not begin in FY 2003.
- The Welsbach site in Region 2 – Region 2 obligated a total of \$20.5 million but the RPM told us that the extent of contamination was greater than expected and work was scaled back at the primary work site and postponed at other areas. The RPM estimated an additional \$7 million were needed for FY 2003.
- The Libby Mine site in Region 8 – Region 8 officials discussed the Libby, Montana site, a non-time critical removal, that poses a cancer health threat to residents in the towns of Libby and Troy. The region requested funds for operable units involving the town of Libby, the town of Troy, and the mine itself (Libby Mine). Funding was obtained for the Libby operable unit, but not for Troy or for the Libby Mine. Region 8 officials indicated that the Region could have used another \$3.7 million. The additional funds would have enabled the Region to analyze more samples to help characterize the site and to conduct a study to determine how clean the site should be.
- The Upper Tenmile Creek site in Region 8 – Region 8 obligated \$3.8 million but the RPM indicated that an additional \$1.3 million was needed to clean up two additional areas and begin installation of an alternate water supply and treatment system.

The request letter also asked that we provide expenditure data by date and the unobligated site balances at the end of FY 2003. Enclosure 3 contains this information for the two sites in each region with the highest total obligations in FY 2003. Because of the volume of data involved, we are providing this information for other sites on the enclosed disk.

### ***High Cost Sites***

Enclosure 5 summarizes the work conducted for a limited number of sites with large estimates of overall costs. We judgmentally selected these sites based on information included in our October 25, 2002, letter on FY 2002 funding. Our selection was primarily based on sites with high overall project costs with comparatively low total obligations at the end of FY 2002. We focused on these sites to inquire in greater depth about how the region arrived at its estimate for FY 2003 and whether, in our opinion, the amount requested appeared appropriate to address these site in an optimal way in FY 2003. For these sites, in addition to discussing them with regional Superfund officials, we obtained information such as the nature and extent of contamination and the status of cleanup from EPA's Superfund information system, CERCLIS. OIG engineers assisted in our review of these sites and provided their opinions of whether EPA's funding decisions were appropriate given the unique nature of each site. In summary, we

identified funding concerns for 4 of the 15 sites reviewed – the Welsbach site in Region 2, the Upper Tenmile Creek and Libby sites in Region 8, and the Bunker Hill site in Region 10. These sites are discussed above and in enclosure 5.

In analyzing funding for remedial action sites, we noted that the demands of a limited number of high-cost, complex sites limit OSRTI's ability to fully fund all ongoing sites and new starts. For example, approximately half of the FY 2003 Remedial AOA funding for remedial action, non-time critical removals, and LTRAs went to 8 sites out of a total of 94 sites receiving funding. In addition, the funding demands for some sites will grow. For example, the RPM for the New Bedford site in Region 1 indicated that the site will require at least \$15 million per year beginning in FY 2004 but could need as much as \$80 million per year for optimal cleanup. The RPM for the Woolfolk Chemical site in Region 4 indicated that if funding of an estimated \$25 million is not available over the next 2 to 3 years there could be increased risk to human health and the environment from the continued migration of contaminants to the groundwater. Such high-cost sites, in addition to sites discussed above such as Continental Steel that did not receive any funding in FY 2003, will continue to pose significant funding challenges for EPA.

## **Scope and Methodology**

We interviewed OSRTI and regional officials, including RPMs, about the FY 2003 process for funding Superfund sites and reviewed documentation relating to FY 2003 funding. During the interviews, we asked regional officials if they prepared cost estimates for sites without considering budget limitations and whether the funding available to them was sufficient to address sites in an optimal way for FY 2003. To calculate funding shortfalls, we verified with regional officials and RPMs those sites they had designated as insufficiently funded and confirmed with them our estimate of shortfall. We also asked regional officials whether not obligating funds until late in the fiscal year limited the amount of site cleanup activity.

For the financial information in enclosures 1 through 4, we relied on information supplied by OSRTI and regional Superfund officials. To obtain the desired financial information by site, special queries of EPA's Integrated Financial Management System were developed for us by OSRTI and financial management officials. Prior to giving the information to us, OSRTI corrected errors and modified certain data to meet our reporting needs. Given time constraints, we were not able to test whether the queries extracted the data in the manner desired. Further, because unique queries were developed, we were not able to rely on the transaction testing conducted during our audit of EPA's financial statements. However, prior to finalizing this letter, we asked regional officials to confirm the accuracy and completeness of the data provided for the information appearing in enclosures 1 through 4 which they did.

In addition to the above limitation, we did not test the controls governing certain activities, such as the work of the National Risk Based Priority Panel, or the process used to deobligate and reobligate funds. For these reasons, our work does not represent an audit conducted in accordance with *Government Auditing Standards*.

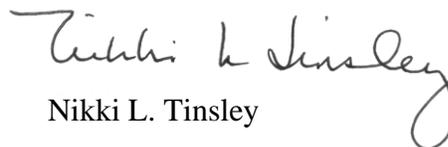
Because of OSRTI's emphasis on remedial action funding during FY 2003, enclosures 3 and 4 contain obligation information for all sites with FY 2003 extramural obligations. However, given the volume of data involved, enclosures 1 (removal) and 2 (pipeline) only list those sites with an identified funding shortfall for FY 2003. Information on other sites is included on the enclosed disk.

To answer the questions in the attachment to your request letter, we obtained information from OSRTI and regional officials in writing and through interviews. This information is provided in enclosures 6 through 11.

As I'm sure you are aware, the Conference Committee on the FY 2004 Omnibus Appropriations Act directed the OIG to conduct an evaluation of how to increase cleanups and reduce administrative costs within the Superfund program. This will provide yet another opportunity for the OIG to provide the Congress with additional information on the Superfund program. We plan to begin this work early in 2004.

If you or your staff have any questions, feel free to call me on (202) 566-0847, or Eileen McMahon, Assistant Inspector General for Congressional and Public Liaison, on (202) 566-2546.

Sincerely,



Nikki L. Tinsley

Enclosures

# ***Listing of Enclosures***

- 1 Non-Federal Facility Sites with Removal Funding Shortfalls for FY 2003**
- 2 Non-Federal Facility Sites with Pipeline Funding Shortfalls for FY 2003**
- 3 Non-Federal Facility Fund-financed Remedial Actions - FY 2003**
- 4 Non-Federal Facility Fund-financed Long-term Response Actions - FY 2003**
- 5 Summary of Sites Selected for Focused Review by OIG**
- 6 OIG Response to Attachment Question 1**
- 7 OIG Response to Attachment Question 2**
- 8 OIG Response to Attachment Question 3**
- 9 OIG Response to Attachment Question 4**
- 10 OIG Response to Attachment Question 5**
- 11 OIG Response to Attachment Question 6**

ENCLOSURE 1 - NON-FEDERAL FACILITY SITES WITH  
REMOVAL FUNDING SHORTFALLS FOR FY 2003

Non-Federal Facility Fund-Financed Removal Actions - FY03

Region	State	Site Name	National Priorities List Site (Y/N)	FY03 Regional Estimate	FY03 Obligated Amount From Removal AOA*	Date of Obligation	Special Accounts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
1	CT	Inter Royal Corp	N		150,000	1/14/2003			150,000	N	1
5	IL	Circle Smelting	N	8,298,423	500,000 500,000 1,000,000	04/09/03 07/10/03	550,000 550,000	09/05/03	1,550,000	N	2
5	IN	Hog Hollow	N	243,000	100,000	06/05/03			100,000	N	3
5	WI	Kip Nelson Properties	N	1,172,384	168,000	09/30/03			168,000	N	4
4	<b>TOTAL</b>			<b>9,713,807</b>	<b>1,418,000</b>		<b>550,000</b>		<b>1,968,000</b>	<b>N</b>	

\* - includes prior year fund appropriation obligations  
Note: PRP oversight costs are not included above.

**Notes:**

- 1 Due to limited funds the scope was limited to fencing the property and removing the bulk of friable asbestos that could blow out of the building. With more funds the Region would consider removal of entire structure as a permanent solution. The impact now is the abandoned building remains a potential fire threat that could release asbestos to the surrounding area. FY2003 funding shortfall amount is estimated at: \$1,500,000.
- 2 This site is in need of additional funding to continue to mitigate the threat to public health and the environment from lead contamination. FY2003 funding shortfall amount: \$6,748,423.
- 3 This site needs a time critical removal to mitigate the threat to public health and the environment from contamination. FY2003 funding shortfall amount: \$143,000
- 4 Work at this site has been started. However, insufficient funding is available to complete the clean up action in a timely fashion. FY2003 funding shortfall amount: \$1,004,384.

ENCLOSURE 2 - NON-FEDERAL FACILITY SITES WITH  
PIPELINE FUNDING SHORTFALLS FOR FY 2003

Non-Federal Facility Fund-Financed Pipeline Operations - FY03

Region	State	Site Name	National Priorities List Site (Y/N)	FY03 Regional Estimate	FY03 Obligated Amount From Pipeline AOA*	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
7	MO	Annapolis Lead	N	400,000				N	1
7	MO	Union Electric - Campbell	N	50,000				N	2
7	NE	Omaha Lead	Y	2,500,000	14,000	12/19/02		N	3
					1,068	07/09/03			
					<u>1,000,000</u>	07/30/03			
					1,015,068		<u>1,015,068</u>		
<b>3</b>	<b>TOTALS</b>			<b>2,950,000</b>	<b>1,015,068</b>		<b>1,015,068</b>	<b>N</b>	

Note: Potentially Responsible Party oversight costs are not included above.

Pipeline Operations include site assessments, remedial investigations/feasibility studies, remedial design, and community involvement.

\* includes prior year fund appropriation obligations

**Notes:**

- 1 Unable to fund Remedial Investigation due to Pipeline AOA shortfall for FY 2003. FY2003 funding shortfall amount: \$400,000.
- 2 Completed work using Regional Employee. FY2003 funding shortfall amount: \$50,000.
- 3 Sampling could have started earlier and been more extensive if the full request was received.  
This resulted in 5,000-7,000 residential yards not being sampled for lead contamination. FY2003 funding shortfall amount: \$ 1,500,000.

Non-Federal Facility Fund-Financed Pipeline Operations - FY03

Region	State	Site Name	National Priorities List Site (Y/N)	FY03 Regional Estimate	FY03 Obligated Amount From Pipeline AOA*	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
8	MT	Barker Hughesville Mining District	Y	150,000	150,000	09/10/03	150,000	N	1
8	MT	Libby Asbestos Site	Y	4,050,000	250,000	01/09/03		N	2
					50,000	03/04/03			
					750,000	03/12/03			
					30,000	04/02/03			
					8,000	04/07/03			
					100,000	05/01/03			
					(8,000)	05/27/03			
					8,000	05/29/03			
					500,000	06/03/03			
					200,000	07/14/03			
					19,274	07/28/03			
					1,200,000	08/25/03			
					200,000	09/29/03			
					<u>3,307,274</u>		<u>3,307,274</u>		
<b>2</b>	<b>MT</b>	<b>Total</b>		<b>4,200,000</b>	<b>3,457,274</b>		<b>3,457,274</b>	<b>N</b>	

Potentially Responsible Party oversight costs are not included above. Pipeline operations include site assessments, Remedial investigations/Feasibility studies, remedial design, and community involvement activities.

\* - includes prior year fund appropriation obligations

**NOTES:**

- 1 Pipeline work on this site was scaled back or completion timeframes extended due to the overall pipeline funding shortfall. FY2003 funding shortfall amount: \$200,000.
- 2 Pipeline work on this site was scaled back or completion timeframes extended due to the overall pipeline funding shortfall. FY2003 funding shortfall amount: \$740,000.

Non-Federal Facility Fund-Financed Pipeline Operations - FY03

Region	State	Site Name	National Priorities List Site (Y/N)	FY03 Regional Estimate	FY03 Obligated Amount From Pipeline AOA*	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
10	ID	Bunker Hill Mining & Metallurgical	Y	7,050,000	188	09-Oct-02		N	1
					104	29-Oct-02			
					99	01-Nov-02			
					125	20-Nov-02			
					3	09-Dec-02			
					156	10-Dec-02			
					79,635	23-Dec-02			
					1,351	13-Jan-03			
					215	21-Jan-03			
					234	05-Feb-03			
					29,948	20-Mar-03			
					631,228	31-Mar-03			
					400,000	14-Apr-03			
					25,000	07-May-03			
					960	08-May-03			
					149,854	13-May-03			
					200,000	15-May-03			
					125,000	19-May-03			
					1,447,448	29-May-03			
					33,000	19-Jun-03			
					175,000	20-Jun-03			
					80,000	02-Jul-03			
					19,795	24-Jul-03			
					518	19-Aug-03			
					440	20-Aug-03			
					460,000	17-Sep-03			
					<u>3,860,301</u>		<u>3,860,301</u>		
1		<b>TOTAL</b>		<b>7,050,000</b>	<b>3,860,301</b>		<b>3,860,301</b>	<b>N</b>	

Note: Potentially Responsible Party oversight costs are not included above.

Pipeline operations include site assessments, Remedial investigations/Feasibility studies, remedial design, and community involvement activities.

\* - includes prior year fund appropriation obligations

**Notes:**

1 The Region cut its planned FY03 obligations for this site in half because of insufficient funding. Consequently, it reduced management and technical assistance funding; reduced the Minewater remedial design because the state was not going to sign a State Superfund contract to cover the remedial action work; postponed starts of some remedial designs (ecological designs) because it was hearing that the ecological remedial action funding would not be available. FY2003 funding shortfall amount: \$3,189,699.

ENCLOSURE 3 - NON-FEDERAL FACILITY FUND-  
FINANCED REMEDIAL ACTIONS - FY 2003  
(INCLUDES NON-TIME CRITICAL REMOVAL ACTIONS)

Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
1	MA	Atlas Tack Co.	13,100,000											18,600,000				N	1
1	ME	Eastland Woolen Mill	5,000,000	5,000,000	132	01/08/03												Y	
					5,000,000	03/10/03													
					7	09/26/03													
					5,000,139						5,000,139								
1	VT	Elizabeth Mine	8,000,000															N	2
1	NH	Mohawk Tannery	6,000,000															N	3
1	MA	New Bedford	13,500,000	10,000,000	10,000,000	05/06/03	675,000	05/06/03	1,400,000	05/06/03		18,331	10/28/02	130,000,000	106,499,530	79,649,785	26,849,745	Y	4
							520,700	08/04/03				74,232	10/30/02						
							325,000	09/26/03				1,433,741	11/13/02						
												9,511	11/18/02						
												76,077	11/22/02						
												10,852	12/10/02						
												2,504,167	12/17/02						
												327,935	12/24/02						
												206,634	12/30/02						
												1,671,244	01/14/03						
												177,668	01/28/03						
												1,970,733	02/11/03						
												3,193	02/14/03						
												205,823	03/07/03						
												1,399,011	03/13/03						
												26,494	03/21/03						
												135,657	04/04/03						
												2,020,213	04/17/03						
												184,958	05/02/03						
												2,665,464	05/09/03						
												146,536	05/23/03						
												3,061	06/03/03						
												1,989,847	06/05/03						
												149,215	06/19/03						
												4,790	07/08/03						
												1,375,634	07/09/03						
												177,379	07/11/03						
												3,342	07/31/03						
												1,495,022	08/06/03						
												188,223	08/22/03						
												1,585	08/26/03						
												1,246,067	09/03/03						
												23,099	09/04/03						
												875,578	09/18/03						
												227,905	09/22/03						
												1,585	09/30/03						
					10,000,000		1,520,700		1,400,000		12,920,700	23,030,806							
1	NH	New Hampshire Plating Co.	3,500,000											15,400,000				N	5
1	VT	Pownal Tannery	x		2,400,000	07/23/03						581	09/19/03	8,800,000	9,500,000	581	9,499,419	Y	6
					6,400,000	08/21/03													
					700,000	09/29/03													
					9,500,000						9,500,000	581							
1	NH	Savage Municipal Water Supply	x		49	05/30/03								15,500,000				Y	7
					249,968	08/27/03													
					11	09/17/03													
					250,028						250,028								
8	Total		49,100,000	15,000,000	24,750,167		1,520,700		1,400,000		27,670,867	23,031,387		188,300,000	115,999,530	79,650,367	36,349,164	N	

\* - includes prior year fund appropriation obligations

\*\* - can involve amounts obligated in prior years as well as Special Accounts and State SF Contracts.

\*\*\* - reflects estimated total costs for remedial actions for sites with Records of Decision. Some future costs may be borne by responsible parties.

x OSRTI records do not indicate a Regional request for these sites.

Non-Federal Facility Fund-Financed Remedial Actions - FY03

**Notes:**

- 1 Site was not approved for funding by the National Priority Panel. FY2003 funding shortfall amount: \$13,100,000.
- 2 Remedial Action funding was not approved for this site. However, this site did receive emergency removal funds to stabilize the site. FY2003 funding shortfall amount: \$8,000,000.
- 3 Site was not approved for funding by the National Priority Panel. FY2003 funding shortfall amount: \$6,000,000.
- 4 This site was funded sufficiently to continue FY03 actions.
- 5 Site was not approved for funding by the National Priority Panel. FY2003 funding shortfall amount: \$3,500,000.
- 6 The Region did not request funds for FY03 based on work schedule, however during the year, the Region requested and HQ provided the monies listed.
- 7 These funds were for an unplanned site optimization project that will allow the state to take the lead for this site.

**Additional:**

There were two sites listed on the FY02 Remedial Actions spreadsheet that are not included here. They are:  
Eastern Surplus - This site received Long Term Response Funding in FY03, \$1.2 million from Special Accounts.  
Ottati Goss - This site was obligated \$529,355 in Pipeline Funding.





Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
2	NJ	Vineland Chemical Co., Inc. - Soil Excavation/treatment	10,000,000	10,000,000	99	11/06/02			2,000,000	09/17/03				32,000,000				Y	15
					96	11/18/02													
					478	12/05/02													
					229	12/20/02													
					293	01/06/03													
					167	01/07/03													
					99	01/30/03													
					304	02/20/03													
					92	03/19/03													
					269	03/27/03													
					98	03/28/03													
					204	04/14/03													
					98	04/18/03													
					157	05/09/03													
					386	05/14/03													
					98	05/20/03													
					271	06/04/03													
					98	06/25/03													
					267	06/27/03													
					196	07/02/03													
					98	07/14/03													
					399	07/29/03													
					98	08/27/03													
					72	09/05/03													
					6,000,000	09/17/03													
					6,004,666				2,000,000		8,004,663								
2	NY	Wide Beach Development	x						1,469,965	06/24/03	1,469,965							Y	16
18	Totals		70,504,510	64,929,500	80,722,959			700,000	17,957,282		99,380,241	53,337,653		193,180,000	156,444,025	106,991,300	49,452,725	N	

\* - includes prior year fund appropriation obligations

\*\* - can involve amounts obligated in prior years as well as Special Accounts and State SF Contracts.

\*\*\* - reflects estimated total costs for remedial actions for sites with Records of Decision. Some future costs may be borne by responsible parties.

x OSRTI records do not indicate a Regional request for these sites.

- 1 The region did not submit a request for funding as it expected State Superfund Contract funds.
- 2 The region did not submit a request for funding as it expected Special Account funds.
- 3 FY03 activities were funded in FY02. This obligation is for work to be done the first quarter of FY04.
- 4 Additional funding is for FY04 first quarter activities.
- 5 This was an unplanned Court ordered settlement for a construction claim. The increase is based on the amount settled and the balance of Remedial Action funds remaining on the State grant after construction was completed.
- 6 Final cost estimate for EPA's portion was \$1 million less than originally anticipated.
- 7 Site cost overruns were greater than expected. The Region diverted some funds from the Vineland site to cover the Region's shortfall.
- 8 The region did not submit a request for funding as it expected the Special Account funds.
- 9 This site was completed in a prior year, the amount above reflects an administrative closing.
- 10 Additional contamination found during excavation, therefore additional funding was necessary.
- 11 FY02 obligations were sufficient to complete actions in FY02 and FY03. This amount reflects need for first quarter FY04.
- 12 The Region indicated that additional contamination was discovered at the site and funds for planned activities had to be diverted to address this new situation. The result is that work was scaled back at the primary worksite, and postponed at two other planned areas because sufficient additional funds were not available to address this situation, causing the site to be insufficiently funded for FY03. FY2003 funding shortfall amount: \$7,000,000.
- 13 This site was delayed due to funding constraints. Work was stopped at this site in November 2002 and was not resumed until FY2004 due to the timing of the funding. FY2003 funding shortfall amount: \$5,000,000.
- 14 This site was completed in a prior year, the amount above reflects an administrative closing.
- 15 Work was slowed on this site due to a new process that includes multiple monitoring techniques. These techniques reduced costs in FY03.
- 16 This funding was received for an administrative closing.

Additional

The following list provides those sites that received funding in FY02 but not in FY03:

Burnt Fly Bog	This is a state lead, fully funded in FY02.
Montgomery Township	This site was previously fully funded and will require additional funding only in the event of cost overruns.
Rocky Hill	This site was previously fully funded and will require additional funding only in the event of cost overruns.
Vestal Water Supply Well	This site was previously fully funded and will require additional funding only in the event of cost overruns.
Tutu Wellfield	This site was previously fully funded and will require additional funding only in the event of cost overruns.
Imperial Oil	Previously funded \$42 million contingency for new wells later deemed not necessary.
Cosden Chemical Coatings	This new start was planned but not possible because a timely agreement could not be reached with the State.
Fried Industries	Planned work could not take place because the design required extended testing.
U.S. Radium	The final design did not call for remediation as expected. Funds were not needed.



Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Initial	FY03	Date of	Special	Date of	State SF	Date of	Total FY03	Total FY03	Estimated Total	Total Funds	Total Funds	Unexpended	Sufficient	Notes
			Amount	Amount						Amount	Amount						
			Initially	From HQ	Obligation	Accounts	Obligation	Contracts	Obligation	Obligated (sum of	Expenditures	Remedial	Obligated through	Expended	9/30/03	(Y/N)	
			Requested by	October 2002	HQ RA AOA*					prior 3 columns)	for Remedial	Action***	9/30/03	through 9/30/03			
3	DE	Tybouts Corner Landfill	x			500,000	09/08/03			500,000						Y	13
14		<b>Totals</b>	<b>305,000</b>	<b>305,000</b>	<b>359,800</b>	<b>500,000</b>		<b>9,610,880</b>		<b>10,470,680</b>	<b>136,800</b>	<b>78,192,105</b>	<b>66,927,224</b>	<b>64,073,361</b>	<b>2,853,864</b>	<b>Y</b>	

\* - includes prior year fund appropriation obligations

\*\* - includes amounts obligated in prior years

\*\*\* - reflects estimated total costs for remedial actions for sites with Records of Decision. Some future costs may be borne by responsible parties.  
x OSRTI records do not indicate a Regional request for these sites.

**Notes:**

- 1 The region did not submit a request for funding as it expected State Superfund Contract funds.
- 2 This amount was requested for a State cooperative agreement. However, it was not funded as the state did not submit the application.
- 3 The region did not submit a request for funding as it expected State Superfund Contract funds.
- 4 The region did not submit a request for funding as it expected State Superfund Contract funds.
- 5 This obligation was for an unplanned cooperative agreement with the state to support agency Remedial Action work.
- 6 The region did not submit a request for funding as it expected State Superfund Contract funds.
- 7 The region did not submit a request for funding as it expected State Superfund Contract funds.
- 8 Though funding was received late in the fiscal year, site activities were not interrupted or delayed.
- 9 The region did not submit a request for funding as it expected State Superfund Contract funds.
- 10 Original estimate was short of required funding for operation and maintenance of the facility.
- 11 Additional monies were needed for a cooperative agreement to a state agency allowing them to monitor site activity.
- 12 The region did not submit a request for funding as it expected State Superfund Contract funds.
- 13 The region did not submit a request for funding as it expected Special Account funds.

**Additional:**

Two sites were funded in FY02 that were not funded in FY03. They are Berkeley Products and Walsh Landfill.

These two sites did not have planned estimates for FY02 but were funded due to unexpected construction needs.

These two sites were not at a stage that required action in FY2003. Neither had estimates, nor received funding in FY03.

Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Initial Funding Plan FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
4	FL	Alaric Area Groundwater	1,700,000	1,700,000	1,700,000	05/21/03					1,700,000			3,500,000	3,800,000			Y	
4	FL	American Creosote Works (Pensacola)	3,000,000	3,000,000	300,000	09/30/03					300,000			21,000,000	7,300,000			Y	1
4	NC	Benfield Industries, Inc.	x						138,071	02/11/03	138,071			13,000,000	6,400,000			Y	2
4	NC	Cape Fear Wood Preserving	x						1,508,697	02/24/03	1,508,697			38,400,000	22,400,000			Y	3
4	NC	Carolina Transformer Co.	x		300,000	08/22/03			600,000	06/23/03				22,300,000	18,700,000			Y	4
					40,000	09/19/03			225,000	07/23/03									
					160,000	09/27/03			200,000	08/11/03									
									156,561	08/20/03									
					500,000				1,181,561		1,681,561								
4	FL	City Industries	x						412,000	12/12/02	412,000			3,800,000	3,000,000			Y	5
4	FL	Coleman-Evans Wood Preserving Co.	4,850,000	4,850,000	4,500,000	03/03/03						574,262	10/03/02	64,700,000	60,538,450	53,699,603	6,838,847	Y	6
					5,200,000	03/19/03						362,024	10/15/02						
					5,700,000	05/07/03						127,232	10/17/02						
					3,300,000	08/20/03						230,008	10/18/02						
					2,250,000	09/25/03						71,629	10/25/02						
												389,502	11/07/02						
												38,622	11/25/02						
												349,531	11/27/02						
												660	12/03/02						
												258,789	12/04/02						
												578,965	12/09/02						
												370,205	12/17/02						
												267,455	12/20/02						
												546,030	01/10/03						
												56,972	01/21/03						
												394,486	01/24/03						
												124,169	01/28/03						
												345,746	02/12/03						
												48,819	02/19/03						
												310,673	02/21/03						
												207	03/03/03						
												691,426	03/04/03						
												294	03/07/03						
												5,200,000	03/17/03						
												214,318	03/19/03						
												47,475	03/26/03						
												315	04/02/03						
												608,974	04/03/03						
												457,533	04/17/03						
												59,580	04/28/03						
												3,132,842	04/30/03						
												386,282	05/22/03						
												607,073	06/06/03						
												284,245	06/25/03						
												795,684	06/30/03						
												153,308	07/25/03						
												1,500,000	07/28/03						
												134,993	07/31/03						
												686,687	08/04/03						
												48,715	08/25/03						
												209,864	08/26/03						
												306,914	08/27/03						
												796,666	09/08/03						
												198,370	09/09/03						
												514	09/10/03						
												63,899	09/22/03						
												184,381	09/23/03						
												296	09/24/03						
												1,115,012	09/29/03						
					20,950,000						20,950,000	23,331,646							

Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Initial Funding Plan FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
4	KY	Distler Brickyard	x						133,048	03/20/03	133,048							Y	7
4	FL	Escambia Wood Preserving	500,000	500,000					523,027	05/07/03	523,027			28,000,000				Y	8
4	NC	FCX, Inc. (Statesville Plant)	x		3,071	01/31/03					3,071			7,500,000	6,820,000			Y	9
4	NC	North Belmont PCE	x						31,835	02/20/03	31,835							Y	10
4	TN	Ross Metals Inc	3,000,000	3,000,000	2,000,000	01/02/03	714,253	03/07/03				72,356	10/11/02	10,000,000	8,626,083	6,212,814	2,413,269	Y	11
					285,747	03/07/03	20,000	08/04/03				115,745	10/24/02						
					61,400	03/11/03	74,000	08/11/03				1,122	11/04/02						
					340,000	06/11/03	62,000	09/23/03				130,800	11/08/02						
					726,000	08/11/03						18,612	11/13/02						
					1,018,475	09/29/03						(18,612)	11/14/02						
												128,812	11/21/02						
												508	11/26/02						
												19,971	11/29/02						
												(19,971)	12/11/02						
												770	12/18/02						
												163,391	12/20/02						
												344	12/27/02						
												126,961	12/31/02						
												23,555	01/03/03						
												(23,555)	01/09/03						
												118,949	01/13/03						
												145,397	01/17/03						
												23,933	02/05/03						
												523	02/11/03						
												244,948	02/13/03						
												805	02/18/03						
												152,644	02/19/03						
												22,962	03/06/03						
												311,342	03/07/03						
												384	03/18/03						
												422,129	03/20/03						
												22,132	03/26/03						
												733	04/03/03						
												(46,065)	04/07/03						
												822,708	04/25/03						
												16,238	05/02/03						
												(15,728)	05/12/03						
												273,681	05/13/03						
												416,108	05/22/03						
												196,410	06/03/03						
												18,831	06/04/03						
												365	06/09/03						
												(18,831)	06/11/03						
												490	06/23/03						
												16,825	06/24/03						
												278,317	06/30/03						
												(16,825)	07/03/03						
												216,178	07/09/03						
												508,360	07/25/03						
												137,983	08/05/03						
												(24,016)	08/06/03						
												560	08/11/03						
												372,764	08/27/03						
												719	08/28/03						
												17,691	09/02/03						
												(17,691)	09/04/03						
												356,392	09/19/03						
												734	09/29/03						
					4,431,622		870,253				5,301,875	5,719,888							
4	FL	Soltron Microwave	2,100,000	2,100,000	500,000	09/25/03					500,000			10,840,000	2,430,000			Y	12
4	FL	Tower Chemical Co.	400,000	400,000										10,000,000	1,600,000			Y	13

Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
4	FL	Trans Circuits, Inc.	700,000	700,000	1,000,000	09/25/03					1,060,000			4,800,000	2,375,000			Y	14
					60,000	09/29/03													
					1,060,000						1,060,000								
4	GA	Woolfolk Chemical Works	1,300,000	1,300,000	1,300,000	09/30/03					1,300,000			35,000,000	4,750,000			Y	15
12	TOTAL		13,050,000	13,050,000	30,744,693		1,282,253		3,516,239		35,543,185	29,051,534		212,200,000	137,584,533	59,912,417	9,252,116	Y	

\* - includes prior year fund appropriation obligations

\*\* - includes amounts obligated in prior years

\*\*\* - reflects estimated total costs for remedial actions for sites with Records of Decision. Some future costs may be borne by responsible parties.

x OSRTI records do not indicate a Regional request for these sites.

**Notes:**

- Community objections to the design delayed the start of activity. This amount reflects the amount needed to obtain consensus and modify the design.
- No 2003 Remedial Action funds requested or needed at this site. The above funds were used to pay 1996 expenditures at this site that had been previously funded from Trust account monies.
- No Remedial Action funding was needed in FY2003. Remedial Design funding was requested to cover the cost of conducting a pilot scale treatability study at the site on technologies to enhance the removal of residual DNAPL. Remedial Action was completed in 2003.
- The region did not submit a request for funding as it expected Special Account and State Superfund Contract funds. The AOA obligation was for an unplanned need at the site.
- The region did not submit a request for funding as it expected Special Account funds.
- Increase in cost for the Coleman-Evans Remedial Action is attributable to two causes: a three fold increase in the volume of contaminated soil requiring treatment; and, settlement of a contract dispute with the contractor performing the Remedial Action.
- The region did not submit a request for funding as it expected State Superfund Contract funds.
- The Remedial Investigation/Feasibility Study has not been completed on this site and the site is not yet ready for Remedial Action.  
The State Superfund Contract funds received were for moving the last residents from the site and maintaining the grass cover over the contaminated soil and debris.
- 2003 Remedial Action allocation was for a consultant geologist from Northwinds Environmental to review and make recommendations for optimizing the groundwater "pump and treat" remedy ongoing at the site. This site was also funded under LTRA.
- The obligation was not for 2003 Remedial Action activity at the site, it was needed to pay 2000 expenditures at this site that had been previously paid from Trust Account monies.
- Insufficient funding in prior years lead to a 15 month delay of this site. 2003 funding increased for this site due to flooding and wet weather which delayed cleanup and maintenance crews required to stay on-site.
- Funding was reduced because of technical problems with implementing a portion of the remedy.
- No obligations for Tower Chemical could be made until late 09/03 because of problems with getting State to sign State Superfund Contract. However, RPM was still not willing to obligate Remedial Action funds until analytical and technical problems are resolved at the site.
- The funding increase was largely due to the fact that the location of the new municipal supply well was nearly twice the distance from the water plant than what was originally estimated.
- Cleanup of Woolfolk Chemical site was originally a PRP-lead. The PRP costs are not reflected above and are one reason for the large variance between total estimated remedial action costs and obligations to date columns.  
Remedial Action obligation for Woolfolk Chemical was delayed until 09/30/03 because of problems getting State to sign State Superfund Contract.

**Additional:**

Five sites from FY02 were not listed on the FY03 spreadsheet. One was listed on the FY03 LTRA sheet as receiving funding - Elmore Waste Disposal.

Hollingsworth - Funds were not required in FY03 for this site. This site is still in the Remedial Design phase.

Southern Solvents - FY02 funds were for a soil vapor extraction system and treatability study. Funds were not needed in FY03. The State was unwilling to implement additional clean up action in 2003 until the prior study was completed.

ABC One Hour Cleaners - Prior year funds were sufficient for FY03 actions as well.

Wrigley Charcoal Plant - FY02 funding was for well replacement and debris removal. Funds were not needed in FY03.

Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
5	MI	Aircraft Components (OU1 & 2)	4,000,000	3,848,000	550,000	12/13/02						4,186	11/14/02	5,600,000	5,822,000	2,051,438	3,770,562	Y	1
					272,000	04/17/03						5	11/21/02						
					3,500,000	08/25/03						21,931	12/19/02						
												6	12/27/02						
												79,761	01/15/03						
												237,745	02/14/03						
												353,323	03/17/03						
												330,819	04/16/03						
												407,135	05/16/03						
												415,650	06/19/03						
												4,119	07/15/03						
												193,687	08/13/03						
												3,082	09/12/03						
					4,322,000						4,322,000	2,051,449							
5	MI	Arrowhead Refinery Co (RA002)	100,000	100,000											200,000			Y	2
5	MI	Bofors Nobel, Inc.	x				937,069	04/08/03			937,069							Y	3
5	OH	Bowers Ldfl Oh	x						407,452	05/08/03	407,452							Y	4
5	MI	Velsicol Chemical Corp.	11,000,000	11,000,000	4,100,000	12/26/02			3,215,210	05/06/03		1,447	10/03/02	60,000,000	46,184,355	33,924,335	12,260,020	Y	5
					178,234	04/16/03						2,032,256	10/18/02						
					3,215,210	05/30/03						922	10/24/02						
					3,973,928	07/30/03						702	11/04/02						
					155,000	08/20/03						897	11/05/02						
												5,340	11/08/02						
												1,032,130	11/14/02						
												343,294	11/18/02						
												366	11/21/02						
												264,474	12/16/02						
												406,716	12/17/02						
												7,421	01/03/03						
												189,020	01/08/03						
												2,402	01/13/03						
												516,665	01/14/03						
												134	01/28/03						
												(765)	01/29/03						
												215,223	02/13/03						
												130,739	03/03/03						
												77	03/11/03						
												64,447	03/17/03						
												479	03/19/03						
												99,666	03/24/03						
												653	03/27/03						
												1,248	04/09/03						
												206,346	04/14/03						
												29,638	05/13/03						
												94,614	05/15/03						
												338	06/09/03						
												28,546	06/12/03						
												76,543	06/13/03						
												360	07/03/03						
												553,575	07/16/03						
												110,270	07/23/03						
												129	07/24/03						
												546	08/06/03						
												503,766	08/14/03						
												(6,687)	08/28/03						
												127,261	09/03/03						
												(4,165)	09/04/03						
												1,398,820	09/12/03						
												237	09/16/03						
												230,510	09/25/03						
					11,622,372				3,215,210			14,837,582	8,666,600						

Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
5	IN	Continental Steel (RA001 and RA002)	39,100,000															N	6
5	IL	Jennison Wright	12,500,000															N	7
5	MI	Lower Ecorse Creek Dump	50,000	50,000	19,883	01/13/03					19,883			3,050,000				Y	8
5	MN	Macgillis & Gibbs Co (RA004)	150,000	150,000	50,000	05/20/03			1,311,030	05/08/03	1,361,030			17,751,950				Y	9
5	MI	Ott/Story/Cordova	x						591,836	05/20/03	591,836							Y	4
5	MI	Parsons Chemical	90,921	90,921														Y	10
5	MI	Peerless Plating	x		11,000	12/13/02					11,000							Y	
5	WI	Stoughton Wi	x						1,000,000	05/09/03	1,000,000							Y	4
5	MI	Torch Lake Mi	x						506,667	05/20/03	506,667							Y	11
5	MI	US Aviox (RA001)	200,000															Y	12
15		<b>Total</b>	<b>67,190,921</b>	<b>15,238,921</b>	<b>16,025,255</b>		<b>937,069</b>		<b>7,032,195</b>		<b>23,994,519</b>	<b>10,718,049</b>		<b>86,601,950</b>	<b>52,006,355</b>	<b>35,975,773</b>	<b>16,030,582</b>	<b>N</b>	

\* includes prior year fund appropriation obligations  
 \*\* includes amounts obligated in prior years  
 \*\*\* reflects estimated total costs for remedial actions for sites with Records of Decision. Some future costs may be borne by responsible parties.  
 x OSRTI records do not indicate a Regional request for these sites.

**Notes:**

- 1 Additional asbestos contamination was discovered at this site and cleanup costs increased.
- 2 This amount was set aside to repay the state. However, EPA decided to repay the state later when LTRA ends.
- 3 BOFORS special account money is disbursed to the PRPs performing the remedy. The source of the money is an earlier deminimis settlement with "small" PRPs who are not part of the PRP group performing the remedy.
- 4 Region received this State Superfund Contract funding for work which was completed in another year. This site is construction complete.
- 5 Funding was sufficient since field conditions only allow this amount of dredging.
- 6 This site received no funding from the Prioritization Panel. The Region plans to begin a phased funding approach at this site in FY2004.  
This site has been on the NPL since 1989. FY2003 funding shortfall amount: \$39,100,000.
- 7 This site received no funding from the Prioritization Panel. FY2003 funding shortfall amount: \$12,500,000.
- 8 The early estimate of \$50,000 to cover newly-discovered contaminated soil was revised because only \$19,883 was needed to clean up the soil.
- 9 The Regional request was in case there were finalizations for construction and engineering costs. These were not needed. The \$50,000 is for contingencies. State Superfund Contract monies are not included in Regional requests.
- 10 The state and EPA decided \$90,921 was not needed because no more work was done at the site.
- 11 Region received this State Superfund Contract money for work which was completed in another year.
- 12 The \$200,000 was an early estimate and was not needed because the State's contract contained sufficient funding to cover the site's operation.

Additional:  
 All sites funded in FY03 appear in the above schedule.



Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
6	OK	Tar Creek	5,000,000	5,000,000	5,000,000	03/03/03			1,660,042	03/03/03	11,304	11,304	10/04/02	95,000,000	62,266,290	51,111,627	11,154,663	Y	18
									1,070,000	07/15/03	1,405	1,405	10/07/02						
											1,232	1,232	10/16/02						
											299,597	299,597	10/18/02						
											333	333	10/25/02						
											120	120	10/29/02						
											1,826	1,826	10/31/02						
											1,361	1,361	11/04/02						
											790,434	790,434	11/14/02						
											680	680	11/21/02						
											14,442	14,442	11/26/02						
											1,866	1,866	11/29/02						
											919	919	12/13/02						
											475,941	475,941	12/16/02						
											2,521	2,521	12/24/02						
											1,952	1,952	12/31/02						
											523	523	01/02/03						
											673	673	01/07/03						
											2,325	2,325	01/10/03						
											2,513	2,513	01/16/03						
											331,709	331,709	01/17/03						
											1,104	1,104	01/22/03						
											2,038	2,038	01/27/03						
											92	92	02/06/03						
											91,815	91,815	02/10/03						
											356,383	356,383	02/13/03						
											543	543	02/14/03						
											951	951	02/18/03						
											1,877	1,877	02/19/03						
											(304)	(304)	02/21/03						
											1,082	1,082	02/24/03						
											45,448	45,448	02/26/03						
											421	421	02/27/03						
											657	657	03/06/03						
											2,380	2,380	03/07/03						
											1,029	1,029	03/11/03						
											1,230	1,230	03/17/03						
											687	687	03/18/03						
											521,999	521,999	03/21/03						
											1,153	1,153	03/24/03						
											466	466	03/25/03						
											192	192	03/27/03						
											192	192	04/01/03						
											682	682	04/02/03						
											667	667	04/15/03						
											403,077	403,077	04/17/03						
											673	673	04/21/03						
											9,330	9,330	04/24/03						
											(27,198)	(27,198)	04/28/03						
											6,593	6,593	04/29/03						
											1,271	1,271	04/30/03						
											4,187	4,187	05/01/03						
											964	964	05/05/03						
											762	762	05/06/03						
											1,444	1,444	05/09/03						
											741	741	05/14/03						
											648,293	648,293	05/19/03						
											5,108	5,108	06/03/03						
											722	722	06/04/03						

Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
6	OK	Tar Creek										709	06/10/03						
		Continued										1,260	06/12/03						
												960	06/16/03						
												407,770	06/17/03						
												939	06/27/03						
												1,322	06/30/03						
												2,263	07/15/03						
												941	07/17/03						
												1,423,087	07/21/03						
												535	07/22/03						
												1,976	07/24/03						
												958	08/04/03						
												86,717	08/08/03						
												997	08/14/03						
												1,041,818	08/18/03						
												1,274	08/19/03						
												1,284	08/28/03						
												685	09/04/03						
												373	09/05/03						
												1,294	09/09/03						
												429	09/12/03						
												281	09/16/03						
												836	09/17/03						
												1,458,055	09/19/03						
												528	09/22/03						
												1,151	09/23/03						
												2,047	09/25/03						
												921	09/30/03						
					5,000,000				2,730,042		7,730,042	8,473,837							
20		Totals	62,940,000	14,220,000	28,396,011			4,150,000	5,101,085		37,647,096	8,473,837		174,643,701	106,180,445	51,111,627	18,354,663	N	

\* includes prior year fund appropriation obligations  
 \*\* includes amounts obligated in prior years  
 \*\*\* reflects estimated total costs for remedial actions for sites with Records of Decision. Some future costs may be borne by responsible parties.

x OSRTI records do not indicate a Regional request for these sites.

Notes:

- 1 Region 6 stated that the funding listed here should be included with the LTRA Regional request and obligations.
- 2 There were no expenditures as the design for this site had to be updated. Also, the contractor began the bidding process for subcontracts in FY03, but expenses will not be incurred until FY04.
- 3 Region had additional money so it applied it to this site to ensure funding into the first quarter of FY04.
- 4 Additional contaminant was discovered at the site leading to additional waste disposal costs.
- 5 RPM requested entire amount for Remedial Action, the amount obligated reflects actual costs for FY03.
- 6 This site was not approved for funding by the Priority Panel. Estimated Total Amount For Remedial Action equals request as this site is a Non-Time Critical Removal. FY2003 funding shortfall amount: \$9,880,000.
- 7 This site did not need the full amount of the funding request.
- 8 This site was not approved for funding by the Priority Panel. Estimated Total Amount For Remedial Action equals request as this site is a Non-Time Critical Removal. FY2003 funding shortfall amount: \$6,240,000.
- 9 This site was identified as ready for actions but it was not funded. FY2003 funding shortfall amount: \$400,000.
- 10 Additional funding was requested to complete the action within one year.
- 11 This site was not approved for funding by the Priority Panel. Also there were design delays making the site not ready for FY03 RA funding. FY2003 funding shortfall amount: \$9,000,000.
- 12 This site was not approved for funding by the Priority Panel. Also there were design delays making the site not ready for FY03 RA funding. FY2003 funding shortfall amount: \$6,500,000.
- 13 This site was identified as ready for actions but it was not funded. FY2003 funding shortfall amount: \$300,000.
- 14 Region did not request funding as it expected Special Account funding in FY03.
- 15 This site was identified as ready for actions but it was not funded. FY2003 funding shortfall amount: \$400,000.
- 16 This site was completed for less than the estimated costs.
- 17 Region did not request funding as it expected Special Account funding in FY03.
- 18 Site received what they expected.

Additional:  
 There were 3 sites funded in FY02 but not in FY03.  
 Highland Acid Pit - site activities finished February 28, 2003, future obligations will cover operation and maintenance of the facility.  
 Midland Products, and North Cavacade Street - remedial actions are currently under review.

Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
7	NE	10th Street "TC"	700,000	1,150,000	300,000	02/24/03					300,000	4,334	12/17/02	1,980,100	2,850,000	275,196	2,574,804	Y	
					550,000	06/03/03					550,000	2,215	01/15/03						
					300,000	09/10/03					300,000	3,968	02/19/03						
												2,147	03/20/03						
												3,172	04/10/03						
												470	04/28/03						
												21,033	05/15/03						
												15,245	06/12/03						
												603	06/26/03						
												12,971	07/16/03						
												192,052	08/18/03						
												268	08/27/03						
												97	09/09/03						
												18,058	09/19/03						
												268	09/25/03						
											<u>1,150,000</u>	<u>1,150,000</u>	<u>276,901</u>						
7	KS	57th and North Broadway Streets Site	x						154,899	07/31/03	154,899							Y	1
7	KS	Ace Services	x	572,800	72,825	03/14/03								6,805,437				Y	2
					500,000	07/02/03													
					<u>572,825</u>						<u>572,825</u>								
7	NE	Cleburn Street Well	x						69,800	07/31/03	69,800							Y	3
7	NE	Hastings 2nd Street		500,000														Y	4
7	IA	Mid-America Tanning Co.	x						96,062	07/31/03	96,062							Y	5
7	MO	Newton County Mine Tailings		1,000,000	400,000	09/30/03					400,000							Y	6
7	MO	Oronogo-Duenweg OU 2	x				114,000	12/27/02				16,233	10/03/02	31,294,125	29,951,212	28,151,818	1,799,394	Y	7
							75,034	01/23/03				23,800	10/04/02						
							652,167	01/28/03				21,358	10/07/02						
							144	03/20/03				216,033	10/25/02						
							1,636,937	07/22/03				2,263	11/18/02						
												168	11/26/02						
												29,774	11/27/02						
												4,989	11/29/02						
												175	12/11/02						
												144	01/06/03						
												23,000	01/08/03						
												1,100	01/29/03						
												75,034	02/07/03						
												202,561	02/11/03						
												4,663	03/05/03						
												144	03/21/03						
												18,298	04/02/03						
												6,859	04/14/03						
												387	04/29/03						
												170,493	05/08/03						
												133,869	06/05/03						
												334	06/09/03						
												98,201	07/10/03						
												8,168	09/30/03						
							<u>2,478,282</u>				<u>2,478,282</u>	<u>1,058,048</u>							
8	TOTALS		2,200,000	2,122,800	2,122,825		2,478,282		320,761		4,921,868	1,334,949		40,079,662	32,801,212	28,427,014	4,374,198	Y	

\* includes prior year fund appropriation obligations

\*\* includes amounts obligated in prior years

\*\*\* reflects estimated total costs for remedial actions for sites with Records of Decision. Some future costs may be borne by responsible parties.

x OSRTI records do not indicate a Regional request for these sites.

Non-Federal Facility Fund-Financed Remedial Actions - FY03

**Notes:**

- 1 Region did not request FY03 funding as it expected State Superfund Contract funds.
- 2 Funds for this site were requested under Long-Term Remedial Actions. The sum of the Long-Term and the Remedial Action obligations equal the Region's request for FY03.
- 3 Region did not request FY03 funding as it expected State Superfund Contract funds.
- 4 Planned funds not needed in FY03 as Investigation and site design were not yet complete.
- 5 Region did not request FY03 funding as it expected State Superfund Contract funds.
- 6 This site's project implementation strategy changed. The listed obligation was submitted to priority panel during the year, and the site received the obligation to begin the project.
- 7 Region did not request FY03 funding as it expected Special Account funding.

**Additional:**

There was one site funded in FY02 that does not appear above, Cherokee County received Pipeline Funding in FY03.



Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
8	MT	Libby Asbestos Site	\$21,100,000	17,600,000	1,000,000	12/18/02												N	7
					550,000	04/01/03													
					600,000	04/17/03													
					1,000,000	05/22/03													
					500,000	06/12/03													
					1,400,000	06/16/03													
					580,011	07/09/03													
					2,700,000	07/14/03													
					2,100,000	07/23/03													
					2,019,990	08/25/03													
					419,989	09/10/03													
					1,600,000	09/16/03													
					900,000	09/19/03													
					381,000	09/25/03													
					3,627,000	09/30/03													
					19,377,990						19,377,990								
8	CO	Summitville Mine	x				2,900,000	03/12/03			2,900,000							Y	8
8	MT	Upper Tenmile Creek	5,000,000	3,700,000	450,000	04/30/03	73,963	06/30/03						24,363,000				N	9
					3,250,000	05/05/03													
					3,700,000		73,963				3,773,963								
11	TOTAL		45,975,000	36,175,000	42,611,025		6,123,963		163,672		48,898,660	11,360,248		168,115,294	121,764,048	98,635,088	23,128,960	N	

\* includes prior year fund appropriation obligations

\*\* includes amounts obligated in prior years

\*\*\* reflects estimated total costs for remedial actions for sites with Records of Decision. Some future costs may be borne by responsible parties.  
x OSRTI records do not indicate a Regional request for these sites.

**Notes:**

- 1 The Region did not request FY03 funding as it expected State Superfund Contract funds.
- 2 Non-Time Critical Removal was funded sufficiently, and as RA funding was not need for Cal Gulch in FY 03. Region 8 obtained authority to redirect the funds to Guilt Edge Mine.
- 3 The initial estimate was high, and the amount received was sufficient to keep the work going at the desired pace.
- 4 Received these funds from the ASARCO settlement. This was a contingency request.
- 5 This site was not in R8's initial request, but received funding late in FY 03. There were no expenditures in FY03. The obligation on 9/16/03 was the first Remedial Action Obligation, prior funds expended were in the Removal category.
- 6 The Region does not appear to distinguish between LTRA and RA funding. This site is sufficiently funded as combined funding for the site matches the combined requested amount.
- 7 RPM stated that this site needed \$2 million in addition to the estimate that was not requested translating into a shortfall of \$3.7 million.
- 8 Region did not request FY03 funding as it expected Special Account funding.
- 9 An impact of the funding shortfall is the overall delay of the project, and the increased time residents live near contamination. FY2003 funding shortfall amount: \$1,300,000.

**Additional:**

One site was listed in the FY02 sheet that is not listed in the FY03 sheet.  
Vasquez Boulevard and I-70 - This site received Pipeline funding in FY03.

Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
9	CA	Del Norte Pesticide Storage	x						259,468	07/07/03	259,468							Y	1
9	CA	Frontier Fertilizer	x		500,000	06/09/03												Y	
					218,400	09/26/03													
					<u>718,400</u>						<u>718,400</u>								
9	AZ	Indian Bend Wash Area	135,000	135,000	100,000	12/16/03								140,000,000	23,213,453			Y	2
					35,000	06/09/03													
					<u>135,000</u>						<u>135,000</u>								
9	CA	Iron Mountain Mine	5,000,000	5,000,000	2,000,000	02/18/03			400,000	05/12/03		377	10/04/02	990,000,000	53,929,693	38,702,208	15,227,485	Y	3
					600	03/14/03			100,000	09/16/03		440,031	10/09/02						
					2,500,000	09/16/03						1,544,462	10/21/02						
												932	10/30/02						
												1,214,808	11/18/02						
												295	12/16/02						
												820,847	12/18/02						
												13,251	01/03/03						
												1,595,229	01/07/03						
												1,577,746	01/22/03						
												1,040,477	02/19/03						
												797	02/20/03						
												917,112	03/19/03						
												629,464	04/24/03						
												869	04/28/03						
												251,307	04/30/03						
												1,417	05/15/03						
												996,150	05/16/03						
												653	05/21/03						
												796	06/06/03						
												730	06/11/03						
												648,298	06/17/03						
												973	07/02/03						
												1,525,799	07/18/03						
												1,399,310	08/15/03						
												881	08/21/03						
												235,150	09/15/03						
												<u>826,804</u>	09/19/03						
					<u>4,500,600</u>				<u>500,000</u>		<u>5,000,600</u>	<u>15,684,965</u>							
9	CA	Jibboom Junkyard	x						283,675	07/07/03	283,675							Y	4
9	CA	Lorentz Barrel & Drum	x					450,275	03/31/03		450,275			7,500,000	3,334,725			Y	5
9	CA	Mccormick & Baxter Creosoting Co.	2,000,000	2,000,000	2,000,000	03/31/03					2,000,000	604	12/30/02	36,500,000	5,105,000	1,612,378	3,492,622	Y	
												10,130	03/04/03						
												235,672	03/24/03						
												451,540	03/31/03						
												390,954	04/21/03						
												3,350	05/05/03						
												355,044	05/19/03						
												<u>168,435</u>	09/08/03						
					<u>2,000,000</u>						<u>2,000,000</u>	<u>1,615,729</u>							
9	CA	Modesto Ground Water Contamination	520,000	520,000	520,000	07/08/03			105,000	07/08/03	625,000			26,000,000	10,882,569			Y	6
9	CA	Newmark Ground Water Contamination	x		250	06/12/03								109,000,000	54,172,830			Y	7
					21,637	03/06/03													
					50,000	02/18/03													
					<u>71,887</u>						<u>71,887</u>								
9	Totals		7,655,000	7,655,000	7,945,887			450,275	1,148,143		9,544,305	17,300,694		1,309,000,000	150,638,270	40,314,586	18,720,107	Y	

Non-Federal Facility Fund-Financed Remedial Actions - FY03

\* - includes prior year fund appropriation obligations

\*\* - includes amounts obligated in prior years

\*\*\* - reflects estimated total costs for remedial actions for sites with Records of Decision. Some future costs may be borne by responsible parties.

x OSRTI records do not indicate a Regional request for these sites.

**Notes:**

- 1 Region did not request FY03 funding as it expected State Superfund Contract funds.
- 2 EPA has reached agreement with the PRP, to pay \$129,000,000 for actions at this site; reducing EPA's future participation.
- 3 EPA has reached agreement with the PRP, to pay \$872,000,000 for actions at this site; reducing EPA's future participation.
- 4 Region did not request FY03 funding as it expected State Superfund Contract funds.
- 5 Region did not request FY03 funding as it expected Special Account funding.
- 6 Total estimated costs includes annual expenditures of \$500,000 for the next 30 years for groundwater monitoring.
- 7 The obligations were to pay for an award claim against EPA and fund an ongoing lawsuit with the Principal Responsible Party.

Additional:

Region 9 - One site was funded in FY02 and not listed on the spreadsheet, San Gabriel Valley  
This site appears on the Region 9 LTRA spreadsheet.

Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes
10	ID	Bunker Hill Mining & Metallurgical	42,250,000	7,250,000	100,000	11/21/02	1,502,703	09/16/03			437,396	437,396	10/04/02	564,324,941	153,651,234	129,298,451	24,352,783	N	1
					100,000	12/13/02	269,978	09/17/03				3,550	10/07/02						
					100,000	05/07/03						54,497	10/08/02						
					5,300,000	09/16/03						13,121	10/09/02						
					7,000,000	09/17/03						(18,117)	10/11/02						
					708,538	09/19/03						3,550	10/16/02						
												36,441	10/17/02						
												(56,402)	10/18/02						
												230,984	10/21/02						
												(32,793)	10/22/02						
												141,596	11/05/02						
												42,714	11/13/02						
												82,155	11/14/02						
												(74,930)	11/19/02						
												35,578	11/21/02						
												99,654	11/22/02						
												123,918	11/25/02						
												903	12/11/02						
												3,550	12/20/02						
												7,784	12/31/02						
												384,521	01/02/03						
												610	01/07/03						
												9,133	01/08/03						
												1,507	01/09/03						
												16,694	01/10/03						
												86,219	01/13/03						
												26,275	01/14/03						
												3,550	01/21/03						
												(25,238)	01/24/03						
												57,662	01/27/03						
												9,957	01/29/03						
												545	02/03/03						
												8,831	02/07/03						
												143,781	02/10/03						
												(132,170)	02/12/03						
												149,745	02/18/03						
												3,550	02/24/03						
												190,305	02/25/03						
												528	02/26/03						
												660	03/04/03						
												31,952	03/10/03						
												258	03/11/03						
												103,033	03/12/03						
												254	03/14/03						
												1,260	03/17/03						
												2,214	03/21/03						
												345	03/26/03						
												22,683	03/28/03						
												352	04/01/03						
												259	04/03/03						
												88,461	04/11/03						
												343,790	04/15/03						
												103,283	04/25/03						
												(53,980)	04/30/03						
												24,859	05/02/03						
												68,031	05/12/03						
												(4,882)	05/14/03						
												106,447	05/23/03						
												92,805	06/06/03						
												165,933	06/13/03						
												81,288	06/16/03						
												(66,658)	06/17/03						
												1,377	06/18/03						
												400	06/19/03						
												137,599	06/26/03						
												153,033	07/08/03						
												5,564	07/14/03						
												69,259	07/17/03						
												220,954	07/18/03						
												3,550	07/21/03						
												144,929	07/23/03						
												137	07/28/03						
												590	08/04/03						

Non-Federal Facility Fund-Financed Remedial Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Total FY03 Expenditures for Remedial Action**	Date of Expenditure	Estimated Total Costs for Remedial Action***	Total Funds Obligated through 9/30/03	Total Funds Expended through 9/30/03	Unexpended Balance at 9/30/03	Sufficient Funding (Y/N)	Notes	
10	ID	Bunker Hill Mining & Metallurgical Continued									298,767	298,767	08/06/03							
											279,110	279,110	08/07/03							
											197,382	197,382	08/11/03							
											3,066	3,066	08/12/03							
											(6,788)	(6,788)	08/13/03							
											3,550	3,550	08/14/03							
											470,709	470,709	08/20/03							
											48,964	48,964	08/26/03							
											15,643	15,643	08/28/03							
											131,996	131,996	08/29/03							
											399	399	09/05/03							
											585,576	585,576	09/11/03							
											317,633	317,633	09/12/03							
											(1,088)	(1,088)	09/15/03							
											17,257	17,257	09/16/03							
											333,954	333,954	09/17/03							
											251	251	09/19/03							
											188	188	09/24/03							
											176,133	176,133	09/25/03							
											226,395	226,395	09/26/03							
											121,411	121,411	09/29/03							
											302	302	09/30/03							
											13,308,538	13,308,538								
											1,772,681	1,772,681								
											15,081,219	15,081,219								
											7,142,003	7,142,003								
10	WA	Frontier Hard Chrome, Inc.	4,000,000	4,000,000	215,743	01/27/03					280,000	280,000	10/04/02	7,049,743	7,049,743	1,951,759	5,097,984	Y	2	
					124,000	02/03/03					7,555	7,555	12/19/02							
					2,500,000	02/24/03					10,391	10,391	01/15/03							
					3,680,000	05/09/03					215,743	215,743	01/27/03							
											10,567	10,567	02/14/03							
											9,093	9,093	03/17/03							
											36	36	03/24/03							
											20,824	20,824	04/16/03							
											145	145	04/18/03							
											153,515	153,515	05/16/03							
											36	36	05/23/03							
											23,420	23,420	06/19/03							
											108,251	108,251	07/15/03							
											67	67	07/28/03							
											321,177	321,177	08/13/03							
											791,329	791,329	09/12/03							
											70	70	09/29/03							
											6,519,743	6,519,743								
											6,519,743	6,519,743								
											1,952,219	1,952,219								
10	OR	McCormick & Baxter Creosoting Co.	5,087,700	498,733	225,000	09/29/03					225,000	225,000		30,900,000	14,700,000			N	3	
10	OR	Northwest Pipe & Casing	4,000,000	4,000,000	10	12/02/02	10,000	03/31/03						6,103,721	6,103,721			Y	4	
					1,650	04/22/03	450,000	06/16/03												
					75	04/24/03														
					2,126,353	06/16/03														
					237,368	06/17/03														
					195	08/28/03														
					59,475	09/08/03														
					106	09/17/03														
					123	09/29/03														
					2,425,355		460,000				2,885,355	2,885,355								
10	WA	Pacific Sound Resources	x				5,650,000	06/02/03			5,650,000	5,650,000							Y	5
10	WA	Palermo Well Field	x		10,000	11/21/02					10,000	10,000		784,431	784,431				Y	6
10	WA	Wyckoff Co./Eagle Harbor	x				800,000	02/24/03	500,000	09/16/03				125,412,744	52,912,744				Y	7
							15,000	03/31/03												
							235,000	05/07/03												
							540,744	06/30/03												
							1,322,000	09/16/03												
							2,912,744		500,000		3,412,744	3,412,744								
8	Totals		55,337,700	15,748,733	22,488,636		10,795,425		500,000		33,784,061	9,094,222		734,575,580	235,201,873	131,250,210	29,450,768	N		

Non-Federal Facility Fund-Financed Remedial Actions - FY03

\*\* - includes amounts obligated in prior years

\* - includes prior year fund appropriation obligations

\*\*\* - reflects estimated total costs for remedial actions for sites with Records of Decision. Some future costs may be borne by responsible parties.

x OSRTI records do not indicate a Regional request for these sites.

**NOTES**

- 1 A new operable unit start at this site was not sufficiently funded. FY2003 funding shortfall amount: \$22,729,781.
- 2 Site needed more funding than was estimated.
- 3 A portion of this site was a new start, however, the Priority Panel did not issue funding. FY2003 funding shortfall amount: \$4,727,300.
- 4 Site needed less funding than was estimated.
- 5 Site received only Special Accounts funding, so it was not included in funding requests.
- 6 No funding needs were anticipated, however, \$10,000 was needed to settle a contractor dispute.
- 7 The region did not submit a request for funding as it expected Special Account and State Superfund Contract funds.

Additional:

All sites funded in FY03 appear in the above schedule.

ENCLOSURE 4 - NON-FEDERAL FACILITY FUND-  
FINANCED LONG-TERM RESPONSE ACTIONS -  
FY 2003

Non-Federal Facility Fund-financed Long-Term Response Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes	
1	MA	Baird & McGuire	x						300,067 350,000 <u>650,067</u>	01/30/03 09/29/03	Y	1	
1	MA	Charles-George Reclamation Landfill	310,000	310,000							Y	2	
1	ME	Eastern Surplus	x				1,200,000	06/25/03		1,200,000	Y	3	
1	MA	Groveland Wells	540,000	540,000	540,000	02/25/03				540,000	Y		
1	NH	Kearsarge Metallurgical Co	300,000	300,000	1,062,612	04/24/03				1,062,612	Y	4	
1	NH	Keefe Environmental Services	x				350,350	09/09/03		350,350	Y	5	
1	NH	Mottolo Pig Farm	5,000	5,000	2,120	04/02/03			1,200	04/02/03	3,320	Y	6
1	NH	Savage Municipal Water Supply	450,000	450,000			500,032	08/27/03		500,032	Y	7	
1	MA	Silresim Chemical Corp.	x				100,000 210,000 <u>310,000</u>	03/10/03 06/20/03		<u>310,000</u>	Y	8	
<b>9</b>	<b>Totals</b>		<b>1,605,000</b>	<b>1,605,000</b>	<b>1,604,732</b>		<b>2,360,382</b>		<b>651,267</b>	<b>4,616,381</b>	<b>Y</b>		

\* - includes prior year fund appropriation obligations

x OSRTI records do not indicate a Regional request for these sites.

**Notes:**

- 1 No FY03 request due to State Superfund Contract funding. Though received late in the FY, funds were sufficient to complete FY03 activities.
- 2 The Regional Project Officer reevaluated the contract needs and determined that funds were not needed this year.
- 3 No FY03 request due to Special Account funding.
- 4 Additional funds were needed for an optimization project and a five-year review.
- 5 No FY03 request due to Special Account funding. Though received late in the FY, funds were sufficient to complete FY03 activities.
- 6 Actual funding need was less than anticipated.
- 7 Additional funds were needed for an optimization project.
- 8 No FY03 request due to Special Account funding.

Additional:

All sites funded in FY02 appear in the above schedule.

Non-Federal Facility Fund-Financed Long-Term Response Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from		FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
				HQ October 2002 Funding Decision										
2	NJ	Bog Creek Farm	1,000,000	1,000,000	200,000	800,000	04/10/03			100,000	09/25/03		Y	1
					<u>1,000,000</u>				<u>100,000</u>		<u>1,100,000</u>			
2	NY	Brewster Well Field	600,000	600,000	600,000		03/07/03					600,000	Y	
2	NY	Circuitron Corp.	585,000	585,000	585,000		09/11/03					585,000	Y	1
2	NY	Claremont Polychemical	1,000,000	1,000,000	1,000,000		05/06/03					1,000,000	Y	
2	NJ	Garden State Cleaners Co.	450,000	450,000	450,000		05/06/03		50,000	05/06/03		500,000	Y	
2	NJ	Higgins Farm	1,500,000	1,500,000	1,500,000		04/25/03					1,500,000	Y	
2	NJ	Lang Property	1,170,000	1,170,000	1,040,000		09/08/03		260,000	09/08/03		1,300,000	Y	1
2	NJ	Lipari Landfill	x					4,100,000	02/25/03			4,100,000	Y	2
2	NY	SMS Instruments, Inc.	350,000	350,000	350,000		01/08/03					350,000	Y	
2	NJ	South Jersey Clothing Co.	450,000	450,000	450,000		05/06/03		50,000	05/06/03		500,000	Y	
2	NY	Stanton Cleaners Area Ground Water Cont.	650,000	650,000	370,000	280,000	05/16/03						Y	
					<u>650,000</u>						<u>650,000</u>			
2	NY	Vestal Water Supply Well	750,000	750,000	750,000		09/04/03					750,000	Y	1
2	NJ	Vineland Chemical Co., Inc. - Groundwater Operable Unit	4,000,000	4,000,000	3,200,000		06/04/03					3,200,000	Y	3
<b>13</b>	<b>Totals</b>		<b>12,505,000</b>	<b>12,505,000</b>	<b>11,575,000</b>			<b>4,100,000</b>		<b>460,000</b>		<b>16,135,000</b>	<b>Y</b>	

\* - includes prior year fund appropriation obligations

x OSRTI records do not indicate a Regional request for these sites.

**Notes:**

- 1 Though received late in the fiscal year, funds were sufficient for FY03 activities.
- 2 No funds requested for FY03 as this site has a \$19 million trust fund settlement designated.
- 3 The \$800,000 difference was diverted to another site. The movement of funds did not affect FY03 activities as the money had been allocated for pump & treat work scheduled for FY04.

**Additional:**

Two sites received funding in FY02 but did not in FY03. They are Ellis Property and American Thermostat. Both sites received enough funding in FY02 to continue activities through FY03.

Non-Federal Facility Fund-Financed Long-Term Response Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
3	PA	A.I.W. Frank/Mid-County Mustang	275,000	275,000	150,000	09/29/03					150,000	Y	1
3	PA	Berks Sand Pit	200,000	200,000	155,700	07/23/03			44,300	07/23/03	200,000	Y	
3	PA	Butz Landfill	200,000	200,000	15,000	11/19/02						Y	
					188,000	09/29/03					203,000		
					203,000								
3	PA	Croydon TCE	250,000	250,000	212,983	09/27/03			37,017	09/27/03	250,000	Y	2
3	PA	Cryochem, Inc.	250,000	250,000	47,984	02/03/03						Y	3
					150,000	07/02/03					197,984		
					197,984								
3	VA	Greenwood Chemical Co.	500,000	500,000	240,000	02/25/03						Y	4
					760,000	09/27/03					1,000,000		
					1,000,000								
3	PA	Havertown PCP	1,000,000	1,000,000	400,000	12/20/02						Y	
					413,941	04/17/03			186,059	04/17/03	1,000,000		
					813,941				186,059				
3	PA	Hellertown Manufacturing Co.	260,000	260,000	130,000	12/18/02						Y	
					130,000	06/05/03					260,000		
					260,000								
3	PA	North Penn - Area 1	21,000	21,000							0	Y	5
3	PA	North Penn - Area 6	550,000	550,000	550,000	09/27/03					550,000	Y	6
<b>10</b>		<b>Totals</b>	<b>3,506,000</b>	<b>3,506,000</b>	<b>3,543,608</b>		<b>0</b>		<b>267,376</b>		<b>3,810,984</b>	<b>Y</b>	

\* - includes prior year fund appropriation obligations

## Non-Federal Facility Fund-Financed Long-Term Response Actions - FY03

**Notes:**

- 1 The RPM lowered the required amount during the year when better information regarding actual costs was obtained.  
Though funds were received late in the fiscal year, activities were not delayed or interrupted.
- 2 Though funds were received late in the fiscal year, activities were not delayed or interrupted.
- 3 The RPM lowered the required amount during the year when better information regarding actual costs was obtained.
- 4 The RPM asked for additional monies for unplanned construction.
- 5 The RPM did to need these planned funds as prior activities have not been completed as yet.
- 6 Though funds were received late in the fiscal year, activities were not delayed or interrupted.

**Additional:**

All sites funded in FY02 appear in the above schedule.

Non-Federal Facility Fund-Financed Long-Term Response Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
4	NC	Benfield Industries, Inc	x		100,000	09/29/03					100,000	Y	1
4	KY	Distler Brickyard	x				4,000	03/19/03			4,000	Y	2
4	SC	Elmore Waste Disposal		500,000	500,000	09/25/03					500,000	Y	3
4	NC	FCX, Inc. (Statesville Plant)	x						\$ 300,000	02/03/03	300,000	Y	4
4	SC	Palmetto Wood Preserving		150,000	150,000	03/28/03						Y	5
					175,000	04/17/03							
					100,000	09/30/03							
					<u>425,000</u>						<u>425,000</u>		
<b>5</b>	<b>Totals</b>			<b>650,000</b>	<b>650,000</b>		<b>4,000</b>		<b>300,000</b>		<b>1,329,000</b>	<b>Y</b>	

\* - includes prior year fund appropriation obligations

x OSRTI records do not indicate a Regional request for these sites.

**Notes:**

- 1 RPM indicated that no LTRA operating funds were requested thus far in 2003 for Benefiled site. However, RA money was requested for installation of additional extraction wells. The RA money was obligated as LTRA funds, thus they are shown here. Carryover LTRA operating funds were sufficient for 2003 expenses.
- 2 RPM indicated that LTRA activities are undertaken by the State on this site under a Fund-Financed State-Lead Cooperative Agreement which currently has sufficient money.
- 3 2002 funding was sufficient through 2003 for LTRA operation. This \$500,000 obligation will ensure adequate funding through 2006.
- 4 No FY03 request due to State Superfund Contract funding.
- 5 The \$150,000 estimate was inadvertently entered into CERCLIS, actual LTRA operating costs are in excess of \$325,000 per year. The increase in funding was made to cover the actual operating cost of the system.

Additional:

All sites funded in FY02 appear in the above schedule.

Non-Federal Facility Fund-Financed Long-Term Response Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
5	MN	Arrowhead Refinery (LR001)	80,000	80,000								Y	1
5	WI	Better Brite Plating Chrome	175,000	175,000								Y	2
5	IN	Douglass Road/Uniroyal	200,000	200,000	200,000	06/19/03						Y	3
					75,000	08/20/03							
					85,000	09/26/03							
					<u>360,000</u>						360,000		
5	MN	MacGillis & Gibbs Co.(LR006)	1,300,000	1,300,000	245,635	12/26/02						Y	4
					283,365	01/22/03							
					721,000	08/07/03							
					300,000	08/20/03							
					179,000	09/26/03							
					<u>1,729,000</u>						1,729,000		
5	WI	Oconomowoc Electroplating	675,000	675,000	71,844	03/24/03						Y	
					575,000	09/26/03							
					<u>646,844</u>						646,844		
5	WI	Onalaska Municipal Landfill	200,000	200,000								Y	5
5	MI	Ott/Story/Cordova Chemical (LR001)	3,000,000	3,000,000	2,500,000	07/30/03					2,500,000	Y	6
5	MI	Peerless Plating (LR001)	375,000	375,000	375,000	12/13/02						Y	
					200,000	07/31/03							7
					<u>575,000</u>						575,000		
5	WI	Penta Wood Products	500,000	500,000	150,000	04/04/03						Y	8
					1,075,000	08/20/03							
					<u>1,225,000</u>						1,225,000		

Non-Federal Facility Fund-Financed Long-Term Response Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
5	MI	U.S. Aviex (LR001)	300,000	300,000								Y	9
5	MI	Wash King Laundry	130,000	130,000	130,000	05/27/03					130,000	Y	
11	<b>Totals</b>		<b>6,935,000</b>	<b>6,935,000</b>	<b>7,165,844</b>						<b>7,165,844</b>	<b>Y</b>	

\* - includes prior year fund appropriation obligations

**Notes:**

- 1 \$80,000 was the estimated need to address a site drainage problem. Due to local government involvement in the site, FY03 funding was not needed.
- 2 The requested amount was an estimated need to continue the action, however there was sufficient money in the contract to operate the plant through 2003.
- 3 Actual costs for FY03 activities were greater than estimated.
- 4 Actual costs for FY03 activities were greater than estimated.
- 5 Site was turned over to the state during FY2003 and estimated funding was not needed.
- 6 The contractor at this site is the Corps of Engineers (COE). The difference between the request and the obligation occurred because COE had excess funding from the previous year.
- 7 Actual costs for FY03 activities were greater than estimated.
- 8 Difference between original request and obligated amount is due to increased cost of construction at the site.
- 9 The requested amount was an early estimate for upgrades to the ground water treatment plant, however the upgrades were not necessary this year.

**Additional:**

There is one site that was funded in FY02 and not in FY03: Long Prairie Ground Water Contamination. It received multi-year funding in FY 02 that was sufficient for FY03.

Non-Federal Facility Fund-Financed Long-Term Response Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
6	LA	American Creosote	715,000	715,000	41,691	04/22/03						Y	1
					422,240	08/25/03							
					463,931						463,931		
6	NM	Cimarron Mining	150,000	150,000	100,000	09/23/03					100,000	Y	2
6	OK	Double Eagle	62,500				62,500	08/21/03			62,500	Y	
6	OK	Fourth Street	137,500	137,500	62,500	08/21/03					62,500	Y	3
6	TX	Odessa Chromium	485,000									Y	4
5	<b>Totals</b>		<b>1,550,000</b>	<b>1,002,500</b>	<b>626,431</b>		<b>62,500</b>				<b>688,931</b>	<b>Y</b>	

\* - includes prior year fund appropriation obligations

**Notes:**

- 1 Due to changes in the current contract, funds required for FY03 were reduced.
- 2 There is a dispute with the State over the remedy. Actual costs for FY03 activities were less than estimated.
- 3 The estimate for this site for FY03 was higher than actual costs for FY03 activities.
- 4 Prior to the start of FY03, the Region determined that FY03 activities could be funded through a previous Cooperative Agreement.

**Additional:**

All sites funded in FY02 appear in the above schedule.

Non-Federal Facility Fund-Financed Long-Term Response Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
7	NE	10th Street	650,000	650,000								Y	1
7	KS	57th & N. Broadway	100,000									Y	2
7	KS	Ace Services	1,500,000	927,200	200,000	02/25/03						Y	3
					<u>727,175</u>	03/28/03							
					927,175						927,175		
3	<b>TOTALS</b>		<b>2,250,000</b>	<b>1,577,200</b>	<b>927,175</b>						<b>927,175</b>	<b>Y</b>	

\* includes prior year fund appropriation obligations

**Notes:**

- 1 FY03 activities for this site were funded through Remedial Action funding.
- 2 Funds from savings on previous contracts were sufficient to cover FY03 site activities.
- 3 Balance of requested amount used and obligated for remedial action. Total FY03 funding for this site was \$1,500,000.

Additional:

No sites were funded in FY02.

Non-Federal Facility Fund-Financed Long-Term Response Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
8	CO	Central City, Clear Creek	1,100,000	1,100,000	600,000	03/24/03					600,000	Y	1
8	CO	Chemical Sales Co.	x				250,000	12/09/02			250,000	Y	2
8	SD	Gilt Edge Mine	2,450,000	2,450,000	250,000	12/20/02						Y	3
					400,000	02/26/03							
					300,000	06/03/03							
					<u>950,000</u>						<u>950,000</u>		
8	CO	Summitville Mine	x				384,860	04/14/03				Y	4
							315,000	06/05/03					
							200,000	09/10/03					
							<u>899,860</u>				<u>899,860</u>		
4	<b>TOTAL</b>		<b>3,550,000</b>	<b>3,550,000</b>	<b>1,550,000</b>		<b>1,149,860</b>				<b>2,699,860</b>	<b>Y</b>	

\* includes prior year fund appropriation obligations

x OSRTI records do not indicate a Regional request for these sites.

**Notes:**

- 1 \$500,000 was diverted to Gilt Edge Mine with approval from OSTRI. This action was due to an over estimate of what Central City really required in FY 03.
- 2 No funds were requested because this site was funded with Special Accounts.
- 3 Region 8 does not appear to distinguish between LTRA and RA funding. This site is sufficiently funded as combined funding for the site matches the combined requested amount.
- 4 No funds were requested because this site was funded with Special Accounts.

Additional:

All sites funded in FY02 appear in the above schedule.

Non-Federal Facility Fund-Financed Long-Term Response Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
9	CA	San Gabriel Valley Area 1 - W.Narrows	1,200,000	1,200,000								Y	1
9	CA	Newmark Ground Water Contamination	500,000	500,000	200,000	03/19/03						Y	2
					249,750	07/09/03							
					449,750						449,750		
9	CA	Selma Treating Co.	500,000	500,000								Y	3
3		<b>Total</b>	<b>2,200,000</b>	<b>2,200,000</b>	<b>449,750</b>						<b>449,750</b>	<b>Y</b>	

\* includes prior year fund appropriation obligations

**Notes:**

- 1 RPM had carry over money from prior year, funding was not needed in FY03.
- 2 Additional \$50,000 requested was funded through RAC bulk-funded contract in FY 2003.
- 3 Recovered response and oversight costs were sufficient to fund FY03 activities.  
The sampling and modelling needed for decisionmaking did not progress to the point where R9 was able to make decisions on placement of new extraction wells planned for FY03.  
The new monitoring wells are now planned for later in FY 2004.

Additional:

One site was funded in 2002 but not in 2003: Fairchild Semiconductor Corp. (CAD95989778). In FY 2003, EPA received \$178,183.60 in recovered response and oversight costs. This money was used in a special account "09M6" to fund site-related costs (i.e., oversight) instead of relying on Trust Fund money. In FY 2004, EPA anticipates receipt of approximately \$335,000 of recovered response and oversight costs, which will be placed in the special account "09M6".

Non-Federal Facility Fund-Financed Long-Term Response Actions - FY03

Region	State	Site Name	FY03 Amount Initially Requested by Region	FY03 Initial Funding Plan Amount from HQ October 2002 Funding Decision	FY03 Obligated Amount From HQ RA AOA*	Date of Obligation	Special Accounts	Date of Obligation	State SF Contracts	Date of Obligation	Total FY03 Amount Obligated (sum of prior 3 columns)	Sufficient Funding (Y/N)	Notes
10	WA	Commencement Bay, South Tacoma Channel	2,000,000	2,000,000	759	03/06/03					759	Y	1
10	OR	McCormick & Baxter Creosoting Co.	289,383	289,383								Y	2
10	OR	Northwest Pipe & Casing	150,000	150,000								Y	2
<b>3</b>		<b>Totals</b>	<b>2,439,383</b>	<b>2,439,383</b>	<b>759</b>						<b>759</b>	<b>Y</b>	

\* - includes prior year fund appropriation obligations

**NOTES**

- 1 Funding not needed in FY 2003 because funding was carried over from FY 2002, \$759 was a small award fee.
- 2 These two sites were behind schedule and not ready for Long Term Response funding. They both received funding for ongoing remedial actions.

Additional:

All sites funded in FY02 appear in the above schedule.

## **Summary of Sites Selected for Focused Review by OIG**

<b>New Bedford Harbor</b>	
Location/Region	New Bedford, Fairhaven, Acushnet, and Dartmouth, Massachusetts/ Region 1
Description of Site	This site, which was added to the NPL in 1983, encompasses two major projects. The first is the construction of a 4.5-acre sediment dewatering and transfer facility. The second project involves the cleanup of the Acushnet River area north of Wood Street due to high levels of PCBs.
FY 2003 Funding Information	Region 1 requested \$13.5 million in remedial action funds in FY 2003 and obligated a total of \$12.9 million.
OIG Comments on Adequacy of FY 2003 Funding	The RPM characterized FY 2003 funding as sufficient but cautioned that site progress will be adversely impacted if the Region's FY 2004 estimate of \$15 million for dredging is not provided. FY 2003 funding was sufficient.

<b>Vineland Chemical</b>	
Location/Region	Vineland, New Jersey / Region 2
Description of Site	Added to the NPL in 1984. This facility manufactured arsenic-based herbicides. Arsenic contaminated the soils, groundwater, and nearby river and lake.
FY 2003 Funding Information	Region 2 requested \$10 million in remedial action funds for FY 2003 and obligated a total of \$8 million.
OIG Comments on Adequacy of FY 2003 Funding	According to the RPM, actual costs were less than anticipated and funds were deobligated from this site for use at the Federal Creosote site. Funding was sufficient for FY 2003.

<b>Welsbach &amp; General Gas Mantle</b>	
Location/Region	Camden and Gloucester City, New Jersey / Region 2
Description of Site	Added to the NPL in 1996. Facilities at this site manufactured gas mantles using thorin, a radionuclide that emits gamma radiation during decay.
FY 2003 Funding Information	Region 2 requested \$15.7 million in remedial action funds for FY 2003 and obligated \$20.5 million.
OIG Comments on Adequacy of FY 2003 Funding	Despite obligating more funds than estimated, the RPM stated that funding for this site was not sufficient. The extent of contamination was greater than expected. As a result, work was slowed down during FY 2003 at the primary work site and postponed at other areas. The RPM estimated an additional \$7 million was needed for FY 2003. Funding was not sufficient for this site.

<b>American Creosote</b>	
Location/Region	Pensacola, Florida / Region 4
Description of Site	This wood treating facility was added to the NPL in 1983. Major contaminants in the soil, sediment, and groundwater included Volatile Organic Compounds and dioxin.
FY 2003 Funding Information	Region 4 initially requested \$3 million in remedial action funds for FY 2003 and obligated \$300,000.
OIG Comments on Adequacy of FY 2003 Funding	Community disagreement concerning the site's future use prevented planned remedial actions from occurring. Region 4 expects to implement remedial action activities in 2004/2005 consistent with the future use of the property. The site was not impacted by funding concerns in FY 2003. According to the RPM, the site does not present an immediate danger to human health. FY 2003 funding was sufficient.

<b>Coleman-Evans</b>	
Location/Region	Whitehouse, Florida / Region 4
Description of Site	This wood preserving facility was added to the NPL in 1983. Soil, sediment, and shallow groundwater in the residential area adjacent to the site was found to be contaminated with dioxin.
FY 2003 Funding Information	Region 4 requested \$4.9 million in remedial action funds for FY 2003 and obligated a total of \$21 million.
OIG Comments on Adequacy of FY 2003 Funding	The RPM indicated that more funds were needed than originally estimated to address a three-fold increase in the volume of contaminated soil and for the settlement of a contract dispute involving \$13 million. FY 2003 funding was sufficient for this site.

<b>Tower Chemical</b>	
Location/Region	Lake County, Florida / Region 4
Description of Site	This abandoned pesticide manufacturing facility was added to the NPL in 1983. The site is located in a mixed agricultural, industrial, and residential area. High levels of DDT and other contaminants were found at the main facility. Groundwater plumes of pesticides and other organic contaminants exist on site.
FY 2003 Funding Information	Region 4 requested and received \$400,000 in remedial funds but the site was not ready for remedial action. Instead, Region 4 obligated \$500,800 of pipeline funds during FY 2003.
OIG Comments on Adequacy of FY 2003 Funding	The RPM indicated that funding was not a concern at this site for FY 2003. Technical problems and characterization of the contaminants must be done before the remedial action can proceed. Work will be funded from State Superfund contract funds. FY 2003 funding was sufficient.

<b>Woolfolk Chemical</b>	
Location/Region	Fort Valley, Georgia / Region 4
Description of Site	This facility, which manufactured pesticides, herbicides, and insecticides, was added to the NPL in 1990.
FY 2003 Funding Information	Region 4 requested and obligated \$1.3 million in FY 2003.
OIG Comments on Adequacy of FY 2003 Funding	According to the RPM, funds were sufficient to resolve problems with the groundwater treatment facility and for determining the extent of the plume to be treated. Delays were due to negotiation and litigation with PRPs and not to lack of funding. FY 2003 funding was sufficient.

<b>Velsicol</b>	
Location/Region	St. Louis, Michigan / Region 5
Description of Site	From 1936 until 1978, the Velsicol Chemical Corporation produced various chemical compounds. Groundwater, soil, and sediments of the Pine River are contaminated with various chemicals.
FY 2003 Funding Information	Region 5 requested \$11 million and obligated \$19 million in FY 2003.
OIG Comments on Adequacy of FY 2003 Funding	FY 2003 funding was sufficient for this site.

<b>Sprague Road</b>	
Location/Region	Ector County, Texas / Region 6
Description of Site	Site was added to the NPL in 1997. Past chrome plating operations are potential sources of a groundwater contaminant plume containing chromium. The groundwater serves as a source of drinking water.
FY 2003 Funding Information	Region 6 requested \$4 million of remedial action funds for FY 2003 and obligated \$4.1 million.
OIG Comments on Adequacy of FY 2003 Funding	FY 2003 funding was sufficient.

<b>Tar Creek</b>	
Location/Region	Ottawa County, Oklahoma / Region 6
Description of Site	This site, which represents multiple mining facilities, was added to the NPL in 1983. The primary pollutants are lead, cadmium, and zinc.
FY 2003 Funding Information	For FY 2003, Region 6 requested \$5 million and obligated \$7.7 million.
OIG Comments on Adequacy of FY 2003 Funding	FY 2003 funding was sufficient.

<b>Upper Ten Mile Creek</b>	
Location/Region	Helena, Montana / Region 8
Description of Site	A mining area affected by lead and arsenic contamination. The primary focus of remedial action is the cleanup of waste in close proximity to the water source.
FY 2003 Funding Information	Region 8 requested \$ 5million and obligated \$3.7 million in FY 2003.
OIG Comments on Adequacy of FY 2003 Funding	The RPM indicated additional funds were needed. The additional funds could have cleaned up two additional areas, and began the installation of an alternate water supply and treatment system. FY 2003 funding was not sufficient. The RPM further indicated that the Record of Decision, which contains a 10-year time frame for cleanup, was impacted by limited funding. The RPM stated the work could be completed sooner if additional funds were available.

<b>Libby</b>	
Location/Region	Libby, Montana / Region 8
Description of Site	This is a large removal action being funded with remedial funds. Primary concern at this site is the cancer risk from exposure to asbestos.
FY 2003 Funding Information	Region 8 obligated \$19.4 million during FY 2003.
OIG Comments on Adequacy of FY 2003 Funding	According to the RPM, funding is not sufficient to address all operable units and completely characterize site conditions. Work was "scaled back" at this site. Instead of analyzing all the samples collected, EPA analyzed the minimum number to gain an understanding of site conditions. FY 2003 funding was not sufficient at this site.

<b>Indian Bend</b>	
Location/Region	Maricopa County, Arizona / Region 9
Description of Site	Site was added to the NPL in 1983. Numerous industrial facilities disposed of industrial solvents directly onto the ground or in dry wells contaminating the soil and groundwater
FY 2003 Funding Information	Region 9 requested and obligated \$135,000 in FY 2003.
OIG Comments on Adequacy of FY 2003 Funding	Majority of costs will be borne by the PRP. The PRP has signed a Consent Decree to pay \$129 million of the \$140 million estimated costs. FY 2003 funding was sufficient.

<b>Iron Mountain Mine</b>	
Location/Region	Shasta County, California / Region 9
Description of Site	Site was added to the NPL in 1983. Mine runoff has contaminated nearby water bodies with heavy metals.
FY 2003 Funding Information	Region 9 requested and obligated \$5 million in FY 2003.
OIG Comments on Adequacy of FY 2003 Funding	PRP has signed Consent Decree to pay \$862 million of the total estimated costs of \$880 million. Remedial action work is almost complete. FY 2003 funding was sufficient.

<b>Bunker Hill</b>	
Location/Region	Northern Idaho / Region 10
Description of Site	This abandoned lead zinc mine and smelter in Kellogg, Idaho was added to the NPL in 1983. Major contaminants in the soil, sediment, and water include lead, mercury, zinc, antimony, and arsenic cadmium. The site includes a 21-square-mile area called "The Box" and the downstream area called "The Basin."
FY 2003 Funding Information	Requested \$42,250,000 in remedial action funds and obligated \$15,081,219.
OIG Comments on Adequacy of FY 2003 Funding	According to the RPM, funding at a reduced level (\$15 million) delays the cleanup significantly. Compared to full funding, the lower funding level adds one additional year for cleanup of Box properties, four additional years for cleanup of Basin properties, seven additional years for cleanup of recreation areas, and a postponement of ecological projects until 2007. FY 2003 funding was not sufficient.

## ***OIG Response to Attachment Question 1***

**Question 1** - According to reports in the trade press, the Superfund program director, Mike Cook, informed the NACEPT Committee that the shortfall in Superfund funding would exceed \$200 million in FY 2002 and continue to grow in future years. Your October 25, 2002, report identified seven NPL sites where funding shortfalls totaling \$91.8 million prevented cleanups from beginning and an additional shortfall of \$17 million for long-term response actions. The report also identified four sites that received partial funding but had a shortfall from the needed amount.

Can you reconcile the difference between Mr. Cook's projection and your findings in the October 25, 2002, report? Does the fact that some sites received only partial funding for remedial actions or the fact that your report did not cover funding for remedial design or remedial investigation and feasibility studies account for some or all of the differential?

**OIG Response** - According to Mike Cook, Director of the Office of Site Remediation and Technology Innovation (OSRTI), the difference was due to the universe of projects being discussed. He described his reference to a "\$200 million shortfall" as a "planning estimate" which included (1) FY 2002 funding needs for the seven sites cited in the OIG's October 25, 2002, letter; (2) FY 2003 and FY 2004 funding needs for those projects where the FY 2002 need represented only the initial increment of funding; and (3) construction projects at other NPL sites that were initially considered for funding during FY 2002 but experienced schedule delays and subsequently were not ready to proceed by the end of FY 2002. Neither Mr. Cook's estimate of the funding shortfall nor the OIG's October 2002 letter discussed funding shortfalls for remedial design or remedial investigations and feasibility studies.

An OSRTI official indicated that OSRTI did not prepare detailed support for Mr. Cook's estimate at the time. In response to our questions, the OSRTI official provided the following information as a "rough frame of reference" for the estimate. We added information on the amount obligated during FY 2003 to provide understanding on the extent to which site needs were addressed in FY 2003.

Site Name (Region/State)	OSRTI Cost Estimate (millions)	Amount Obligated in FY 2003 (millions)
<b>Sites Reported by OIG That Did Not Receive Any FY 2002 Funding</b>		
Atlas Tack - Phase 1 (Region 1- Massachusetts)	\$13	\$0.0
Elizabeth Mine (Region 1 - Vermont)	15	0.0
Jennison Wright (Region 5 - Illinois)	10	0.0
Continental Steel (Region 5 - Indiana)	28	0.0
Central Wood (Region 6 - Louisiana)	9	7.2
Hart Creosoting (Region 6 - Texas)	10	0.0
Jasper Creosoting (Region 6 - Texas)	6	0.0
<b>Sites Needing Additional Funding in FY 2003/2004</b>		
Chemical Insecticide (Region 2 - New Jersey)	\$20	\$7.3
American Creosote (Region 4 - Florida)	3	0.3
Alaric (Region 4 - Florida)	2	1.7
Solitron (Region 4 - Florida)	2	0.5
Trans Circuits (Region 4 - Florida)	1	1.0
Aircraft Components (Region 5 - Michigan)	4	4.3
Hudson Oil (Region 6 - Oklahoma)	5	4.8
Sprague Road (Region 6 - Texas)	4	4.2
10 <sup>th</sup> Street (Region 7 - Nebraska)	1	1.2
Upper Ten Mile Creek (Region 8 - Montana)	4	3.8
Basin Mining (Region 8 - Montana)	3	2.6
Frontier Hard Chrome (Region 10 - Washington)	4	6.5
<b>FY 2002 Sites Not Ready for Construction</b>		
Vasquez Boulevard/VB I-70 (Region 8 - Colorado)	\$16	\$0.0*
Davenport & Flagstaff (Region 8 - Utah)	9	0.0*
Roebing Steel (Region 2 - New Jersey)	12	4.3
Eureka Mills (Region 8 - Utah)	28	7.2
Atlas Tack - Phase 2 (Region 1 - Massachusetts)	5	0.0
<b>Total Estimated Needs</b>	<b>\$214</b>	<b>\$56.9</b>

\* These sites received pipeline funding in FY 2003

According to an OSRTI official, the second group of sites above – Sites Needing Additional Funding in FY 2003/2004 – represent remedial construction projects started in FY 2002 that required additional funding in subsequent years. The cost estimates reflect the regions' estimate of need for these projects as reflected in OSRTI's initial FY 2003 funding decision of October 30, 2002. According to OSRTI, additional funding for the Chemical Insecticide Site is planned for FY 2004.

Concerning the sites listed in the FY 2002 Sites Not Ready for Construction category, the OSRTI official indicated that these five sites were reviewed by the National Risk Based Priority Panel. The regions subsequently determined that these sites were not ready for remedial funds in FY 2002. For example, our October 25, 2002, letter indicated that a delay in signing the Record of Decision for the Vasquez Boulevard site delayed construction.

## ***OIG Response to Attachment Question 2***

**Question 2** - Please identify each site in FY 2002 where funds were obligated, the date and the amount of obligation, and each site where funds were actually expended in FY 2002 and the date and amount of expenditures. Also indicate for each site the amount of obligated funds which were not expended in FY 2003. Please indicate if each site is on target with the timeline set forth in the Record of Decision.

**OIG Response** - The charts on the following pages show the date and amount of obligations for non-Federal Remedial Action and Long-term Response Action sites considered for funding in FY 2002. The charts show the amount obligated and the date for FY 2002 obligations as well as the total expenditures for FY 2002 and the corresponding year of obligation. The information provided is only for those sites identified in our October 25, 2002, letter. OSRTI records show expenditures for other remedial action and LTRA sites that did not have obligations during FY 2002.

The OIG has not independently verified the FY 2002 obligation and expenditure information supplied by OSRTI officials. Information on obligated funds not expended at the end of FY 2003 for certain sites are in enclosures 1 through 4. The remaining data is included on the enclosed disk. Information on the sufficiency of FY 2003 site-specific funding is presented on pages 4 through 10 of this letter.

**ENCLOSURE 7 - OBLIGATION AND EXPENDITURE  
INFORMATION FOR REMEDIAL ACTION AND LTRA  
SITES INCLUDED IN OIG'S OCTOBER 25, 2002 LETTER**

Region 1 - Non-Federal NPL Remedial Action Site Funding

RG	ST	EPA ID	Site Name	FY02 Obligated		Special	Date	State SF	Date	Total FY02	Total FY02	
				Amount from	HQ RA AOA**						Amount Obligated	(sum of prior
						Accounts		Contracts		3 columns)	Amount	
1	MA	MAD980731335	New Bedford Site	\$6,441,026	09/27/2002	\$396,900	02/12/2002	\$200,000	03/25/2002	7,037,926		
				100,000	09/27/2002	9,796,493	03/25/2002			9,896,493		
						2,563,133	07/03/2002			2,563,133		
						310,659	07/25/2002			310,659		
						1,100,000	09/19/2002			1,100,000		
						1,100,000	09/27/2002			1,100,000		
1	ME	MED980915474	Eastland Woolen Mill	5,000,000	03/12/2002	0		0		5,000,000		
1	NH	NHD990717647	Ottati & Goss/Kingston Steel Drur	1,000,000	01/03/2002	554,005	04/09/2002	0		1,554,005	\$9,925,032	2000
				2,700,000	02/12/2002					2,700,000	5,440,089	2002
				4,600,000	04/09/2002					4,600,000		
1	ME	MED981073711	Eastern Surplus	0		900,000	05/15/2002	0		900,000		
						900,000	09/17/2002			900,000		
<b>TOTALS</b>				\$19,841,026		\$17,621,190		\$200,000		\$37,662,216	\$15,365,121	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 2 - Non-Federal NPL Remedial Action Site Funding

RG	ST	EPA ID	Site Name	FY02 Obligated		Special Accounts	State SF Contracts	Date	Total FY02	Total FY02	
				Amount from HQ RA AOA**	Date				Amount Obligated (sum of prior 3 columns)	Expenditures ****	Year of Obligation
2	NJ	NJD980504997	Burnt Fly Bog	\$20,111,271	09/30/2002	\$0	\$0		\$20,111,271	\$2,869	1990
2	NJ	NJD980484653	Chemical Insecticide Corp.	19,092,897	09/30/2002	0	0		19,092,897	7,442	1991
2	NJ	NJD094966611	Combe Fill South Landfill	1,150,000	09/30/2002	0	0		1,150,000	3,621,111	1990
2	NJ	NJ0001900281	Federal Creosote	7,600,000	02/12/2002	0	2,000,000	02/12/2002	9,600,000	\$526,069	1999
				13,400,000	04/25/2002		774,000	09/25/2002	14,174,000	12,700,662	2000
				9,970,000	09/25/2002		3,096,000	09/30/2002	13,066,000	21,564,107	2001
				30,000	09/27/2002				30,000	2,690,074	2002
				5,548,872	09/30/2002				5,548,872		
2	NJ	NJD980785646	Glen Ridge Radium Site	8,250,000	09/25/2002	0	1,750,000	09/25/2002	10,000,000	3,720,735	2000
2	NJ	NJD980654164	Montgomery Township Housing Dev.	2,000,000	09/30/2002	0	0		2,000,000		
2	NJ	NJD980654156	Rocky Hill Municipal Well	2,000,000	09/30/2002	0	0		2,000,000		
2	NJ	NJD073732257	Roebbling Steel Co.	2,400,000	04/01/2002	0	0		2,400,000	2,253,101	2000
				1,300,000	09/30/2002				1,300,000	2,486,301	2001
										1,376,642	2002
2	NJ	NJD980654172	U.S. Radium Corp.	3,000,000	07/23/2002	0	1,840,000	09/30/2002	4,840,000	111,944	1997
				3,160,000	09/30/2002				3,160,000	756,195	1998
										1,589,706	2000
										7,506,080	2001
2	NJ	NJD002385664	Vineland Chemical Co., Inc.	9,200,000	04/10/2002	0	800,000	04/10/2002	10,000,000	2,192,190	1999
										446,761	2000
										268,182	2001
2	NJ	NJD986620995	Welsbach & Gen. Gas Mantle (Camden)	7,000,000	07/15/2002	0	0		7,000,000	16,624	2000
										3,848,683	2001
2	NY	NYD981566417	GCL Tie & Treating Inc.	2,520,000	09/03/2002	0	480,000	09/03/2002	3,000,000	14,661	2000
2	NY	NYD986882660	Li Tungsten Corp.	1,000,000	05/06/2002	0	0		1,000,000	9,616	2000
				1,500,000	05/20/2002				1,500,000	539,777	2002
2	NY	NY0001233634	Little Valley	0		0	114,000	07/16/2002	114,000	18,735	2000
										16,705	2001
2	NY	NYD986950012	Mohonk Road Industrial Plant	250,000	09/30/2002	0	0		250,000	181,002	2000
										173,006	2001
2	NY	NYD980528657	Olean Well Field	1,400,000	09/30/2002	0	0		1,400,000	3,916	1998
2	NY	NYD047650197	Stanton Cleaners Area Ground Water	330,000	09/30/2002	0	0		330,000	48,533	2000
										228,680	2001
2	NY	NYD980763767	Vestal Water Supply Well 1-1	1,286,800	09/06/2002	0	0		1,286,800	467	1990
										490	1991
2	VI	VID982272569	Tutu Wellfield	5,600,000	09/23/2002	0	0		5,600,000		
<b>TOTALS</b>				\$129,099,840		\$0	\$10,854,000		\$139,953,840	\$68,921,066	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 3 - Non-Federal NPL Remedial Action Site Funding

RG	ST	EPA ID	Site Name	FY02 Obligated		Special Accounts	State SF Contracts	Total FY02	Total FY02	
				Amount from HQ RA AOA**	Date			Amount Obligated (sum of prior 3 columns)	Expenditures ****	Year of Obligation
3	PA	PAD980538649	Berkley Products	\$257,187	03/22/2002	\$0	\$0	\$257,187	\$912,106	2001
				\$4,741	05/03/2002	0	0	\$4,741		
3	PA	PAD980691794	Berks Sand Pit	23,000	08/12/2002	0	0	23,000	219,798	2000
				43,169	09/16/2002	0	0	43,169		
3	PA	PAD002338010	Havertown	300,000	02/15/2002	0	0	300,000	132,028	1999
				80,038	09/13/2002	0	0	ERR	237,690	2000
									1,337,320	2001
3	PA	PAD980829527	Walsh LF	35,000	03/29/2002	0	0	35,000	19,565	1995
									15,805	2000
									6,075	2002
3	VA	VAD003117389	Saunders Supply	114,550	09/20/2002	0	0	114,550	318,704	1996
									40,359	1999
									100	2000
<b>TOTALS</b>				\$857,685		\$0	\$0	\$857,685	\$3,239,550	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 4 - Non-Federal NPL Remedial Action Site Funding

RG	ST	EPA ID	Site Name	FY02 Obligated		Special Accounts	Date	State SF Contracts	Date	Total FY02 Amount Obligated (sum of prior 3 columns)	Total FY02 Expenditures ****	
				Amount from HQ RA AOA**	Date						Amount	Year of Obligation
4	FL	FLD012978862	Alaric Area Groundwater	\$200,000	09/27/2002	\$0		\$0		\$200,000		
4	FL	FLD008161994	American Creosote Works (Pensacola)	2,471,708	09/30/2002	0		228,292	09/30/2002	2,700,000	7,500	1997
											371,852	1999
4	FL	FLD991279894	Coleman-Evans Wood Preserving Co.	4,500,000	03/19/2002	0		2,246,302	09/27/2002	6,746,302	3,745,448	1999
				253,698	09/27/2002					253,698	7,903,395	2000
											3,604,888	2001
4	FL	FLD004119681	Hollingsworth Solderless Terminal	50,000	02/21/2002	0		0		50,000	173,009	2001
											40,169	2002
4	FL	FLD045459526	Solitron Microwave	268,227	09/30/2002	0		0		268,227		
4	FL	FL0001209840	Southern Solvents, Inc.	532,542	09/25/2002	0		0		532,542		
4	FL	FLD004065546	Tower Chemical Co.	100,000	09/27/2002	0		0		100,000		
4	FL	FLD091471904	Trans Circuits, Inc.	442,846	09/27/2002	0		0		442,846		
4	GA	GAD003269578	Woolfolk Chemical Works	300,000	09/28/2002	0		0		300,000		
4	NC	NCD024644494	ABC One Hour Cleaners	300,000	09/06/2002	0		0		300,000	569,086	1996
											20,789	1998
											238,678	1999
4	NC	NCD003188828	Cape Fear Wood Preserving	10,000	08/27/2002	0		250,000	09/24/2002	260,000	98,498	1994
											1,030,512	2001
											6,330	2002
4	NC	NCD003188844	Carolina Transformer Co.	500,000	02/08/2002	0		266,559	09/30/2002	766,559	1,897,669	1997
				1,500,000	02/08/2002					1,500,000	1,309,145	1999
				2,276,287	09/30/2002					2,276,287	1,889,550	2001
				300,000	08/16/2002					300,000		
				200,000	08/16/2002					200,000		
				57,154	09/30/2002					57,154		
4	SC	SCD980839542	Elmore Waste Disposal	1,351	04/09/2002	0		0		1,351	273,589	2000
											33,441	2001
4	TN	TND096070396	Ross Metals Inc	50,000	05/06/2002	0		0		50,000	2,605	1999
				175,000	09/04/2002					175,000	243	2000
				2,825,000	08/05/2002					2,825,000	494,404	2001
											8,077	2002
4	TN	TND980844781	Wrigley Charcoal Plant	0		12,801	09/30/2002	0		12,801		
<b>TOTALS</b>				\$17,313,813		\$12,801		\$2,991,153		\$20,317,767	\$23,718,877	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 5 - Non-Federal NPL Remedial Action Site Funding

RG	ST	EPA ID	Site Name	FY02 Obligated		Special Accounts	Date	State SF Contracts	Total FY02	Notes	Total FY02	
				Amount from HQ RA AOA**	Date				Amount Obligated (sum of prior 3 columns)		Expenditures ****	Year of Obligation
5	MI	INDOO1213503	Continental Steel Corporation	\$0		\$0		\$0	\$0	(1)		
5	MI	MID980476907	Parsons Chemical	390,921	09/17/2002	0		0	390,921			
5	MI	MI0001119106	Aircraft Components (D & L Sales)	1,500,000	09/25/2002	0		0	1,500,000			
5	MI	MID000722439	Velsicol Chemical Corp (Michigan)	928,000	12/04/2001	0		0	928,000			4,511,539 1999
				3,458,446	01/02/2002				3,458,446			810,536 2000
				3,200,000	01/02/2002				3,200,000			2,573,082 2001
				5,613,554	05/03/2002				5,613,554			4,307,294 2002
				338,812	09/27/2002				338,812			
				796,326	09/27/2002				796,326			
				2,299,305	09/27/2002				2,299,305			
				10,000	09/27/2002				10,000			
				147,250	09/27/2002				147,250			
5	MI	MID006030373	BOFORS NOBEL, INC.	0		643,096	05/09/2002	0	643,096			
						170,622	07/01/2002		170,622			
5	MI	MID985574227	Lower Ecorse Creek Dump	24,526	08/23/2002	0		0	24,526			
				25,000	08/23/2002				25,000			
5	MI	MID006031348	Peerless Plating	41,350	02/04/2002	0		0	41,350			91,944 1996
				20,000	09/19/2002				20,000			449,005 2001
5	MI	MID980794556	U.S. Aviex	20,850	09/17/2002	0		0	20,850			124,395 1999
				350,000	09/17/2002				350,000			
5	MN	MND006192694	MacGillis & Gibbs/Bell Lumber & Pole Cr	50,200	06/17/2002	0		0	50,200			10,000 1994
				198,050	07/17/2002				198,050			1,566,574 1995
				70,000	09/25/2002				70,000			105,425 2000
												91,938 2001
<b>TOTALS</b>				\$19,482,590		\$813,718		\$0	\$20,296,308			\$14,641,732

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Notes Provided by Regional Officials:

(1) Region 5 obligated \$50,000 for site security on 01/07/02.

**Region 6 - Non-Federal NPL Remedial Action Site Funding**

RG	ST	EPA ID	Site Name	FY02 Obligated		Special Accounts	State SF Contracts	Date	Total FY02	Notes	Total FY02	
				Amount from HQ RA AOA**	Date				Amount Obligated (sum of prior 3 columns)		Expenditures ****	Year of Obligation
6	AR	ARD980745665	Midland Products	\$300,000	09/09/2002	\$0	\$0		\$300,000		\$159,104	2001
6	LA	LAD052510344	Delatte Metals	14,000,000	09/27/2002	0	0		14,000,000			
6	LA	LAD000239814	American Creosote Works, Inc.	155,708	09/18/2002	0	0		155,708	(1)		
6	OK	OKD082471988	Hudson Refinery	3,000,000	09/19/2002	0	0		3,000,000			
6	OK	OKD980629844	Tar Creek (Ottawa County)	5,000,000	09/23/2002	0	1,660,042	09/23/2002	6,660,042		58,487	1997
											3,652	1998
											393,847	1999
											5,641,085	2000
											4,688,079	2001
											210	2002
6	TX	TX0001399435	City of Perryton Well No. 2	2,000,000	09/24/2002	0	0		2,000,000		384,582	2000
											212,879	2001
6	TX	TXD980514996	Highlands Acid Pit	12,769	06/24/2002	0	0		12,769		10,358	1999
				62,231	09/24/2002				62,231		24,994	2001
6	TX	TX0001407444	Sprague Road Ground Water Plume	4,000,000	08/27/2002	0	0		4,000,000			
<b>TOTALS</b>				\$28,530,708		\$0	\$1,660,042		\$30,190,750		\$11,577,277	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

**Notes Provided by Regional Officials:**

- (1) The new amount reflects updated information received from Region 6. Region 6 made a typographical error on an earlier remedial action table provided to the OIG. The OIG previously reported in its 10/25/02 letter to the Senate Committee on Environment and Public Works that Region 6 obligated \$115,708 for the American Creosote site. The correct figure is \$155,708.

Region 7 - Non-Federal NPL Remedial Action Site Funding

RG	ST	EPA ID	Site Name	FY02 Obligated		Special	State SF	Total FY02		Total FY02		
				Amount from	Date			Accounts	Date	Amount Obligated	Notes	Expenditures ****
				HQ RA AOA**			Contracts		(sum of prior		Amount	
									3 columns)			
7	KS	KSD981710247	57th and North Broadway St. Site	\$0		\$0	\$140,000	06/06/2002	\$140,000		\$388,775	2000
											308,845	2001
7	KS	KSD046746731	Ace Services	1,000,000	01/10/2002				1,000,000		1,147,344	2001
				2,000,000	04/18/2002	0	482,769	04/18/2002	2,482,769			
				2,200,000	09/18/2002				2,200,000	(1)		
7	KS	KSD980741862	Cherokee County	0		1,299	02/05/2002	0	1,299		352,977	1998
7	MO	MOD980686281	Oronogo Mining Belt	0		245,807	09/27/2002	0	245,807		145,199	1997
											152,629	1998
											1,117,259	1999
7	NE	NED981713837	10th Street Site	1,700,000	09/25/2002	0	0		1,700,000	(2)		
<b>TOTALS</b>				\$6,900,000		\$247,106	\$622,769		\$7,769,875		\$3,613,028	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Notes Provided by Regional Officials:

- (1) Includes \$750,000 obligated under the TC code (recertified funds) in CERCLIS.
- (2) Includes \$12,500 obligated under the TC code (recertified funds) in CERCLIS.

Region 8 - Non-Federal NPL Remedial Action Site Funding

RG	ST	EPA ID	Site Name	FY02 Obligated		Special Accounts	State SF Contracts	Date	Total FY02 Amount Obligated (sum of prior 3 columns)		Notes	Total FY02 Expenditures ****	
				HQ RA AOA**	Date				Amount	Year of Obligation			
8	CO	COD980716955	Denver Radium Site	\$5,000,000	02/01/2002	\$0	\$490,000	09/30/2002	\$5,490,000			\$1,121,605	2001
				\$3,000,000	09/20/2002				\$3,000,000				
8	CO	COD983778432	Summitville Mine	0		0	100,000	01/28/2002	100,000			1,640,450	1998
												2,509,021	1999
												543,717	2001
8	MT	MTD982572562	Basin Mining Area	1,238,984	07/26/2002	0	0		1,238,984			22,741	2002
				30,000	06/26/2002				30,000				
				30,000	07/08/2002				30,000				
8	MT	MTSFN7578012	Upper Tenmile Creek Mining Area	850,000	08/23/2002	0	0		850,000				
				50,000	08/14/2002				50,000				
				100,000	09/26/2002				100,000				
8	SD	SDD987673985	Gilt Edge Mine	1,000,000	04/22/2002	0	3,000,000	04/03/2002	4,000,000	(1)		4,362,094	2001
				300,000	07/16/2002				300,000			29,407	2002
				200,000	08/12/2002				200,000				
				1,375,000	08/22/2002				1,375,000				
				5,400,000	04/03/2002				5,400,000				
				500,000	09/25/2002				500,000				
				1,094,802	09/27/2002				1,094,802				
				9,040	09/27/2002				9,040				
<b>TOTALS</b>				\$20,177,826		\$0	\$3,590,000		\$23,767,826			\$10,229,035	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Notes Provided by Regional Officials:

- (1) The total for remedial action activities at the Gilt Edge site above is \$9,878,842, which is \$10,689 less than the amount EPA OIG reported in its 10/25/02 letter to the Senate Committee on Environment and Public Works. In the 10/25/02 letter, EPA OIG reported a total of \$9,889,531 for the Gilt Edge site. Region 8 informed us that they double-counted a transaction. Because of this difference, the FY02 Obligated Amount from HQ RA AOA is smaller here than previously reported in EPA OIG's 10/25/02 letter to the Senate Environment and Public Works Committee.

Region 9 - Non-Federal NPL Remedial Action Site Funding

RG	ST	EPA ID	Site Name	FY02 Obligated		Special Accounts	Date	State SF Contracts	Total FY02	Total FY02	
				Amount from HQ RA AOA**	Date				Amount Obligated (sum of prior 3 columns)	Expenditures ****	Year of Obligation
9	AZ	AZD980695969	Indian Bend Wash Area	\$100,000	01/17/2002	\$0		\$0	\$100,000	\$117,124	2000
9	CA	CAD980498612	Iron Mountain Mine	1,500,000	01/17/2002	0		0	1,500,000	48	1996
				9,854,049	09/30/2002				9,854,049	6,985,489	2000
9	CA	CAD029295706	Lorentz Barrel & Drum CO.	0		258,539	02/20/2002	0	258,539	1,256,892	2001
9	CA	CAD009106527	McCormick & Baxter Creosoting Co.	1,100,000	03/27/2002	0		0	1,100,000		
				305,000	09/17/2002				305,000		
9	CA	CAD981997752	Modesto Ground Water Contamination	368,000	07/16/2002	0		0	368,000	49,843	1999
										194,158	2000
										382,921	2001
9	CA	CAD980677355	San Gabriel Valley (Area 1)	600,000	01/17/2002	0		0	600,000	6,685,070	2000
				600,000	07/09/2002				600,000	580	2001
				1,200,000	09/30/2002				1,200,000		
<b>Totals</b>				\$14,027,049		\$258,539		\$0	\$14,285,588	\$15,672,125	

\*\* - includes prior year fund obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 10 - Non-Federal NPL Remedial Action Site Funding

RG	ST	EPA ID	Site Name	FY02 Obligated		Special Accounts	State SF Contracts	Total FY02	Total FY02	
				Amount from HQ RA AOA**	Date			Amount Obligated (sum of prior 3 columns)	Expenditures ****	Year of Obligation
10	ID	IDD048340921	Bunker Hill Mining & Metallurgical	\$2,532	02/27/2002	\$0	\$0	\$2,532	\$2,993,234	1998
				\$1,150,000	05/13/2002			\$1,150,000	1,758,803	1999
				\$39,425	04/10/2002			\$39,425	1,061,290	2000
				\$3,000,000	06/21/2002			\$3,000,000	958,471	2001
				\$4,700,000	09/25/2002			\$4,700,000	2,350	2002
				\$4,350,000	09/25/2002			\$4,350,000		
				\$450,000	09/27/2002			\$450,000		
10	OR	ORD009020603	McCormick & Baxter Creos. Co. (Portland)	4,000,000	08/09/2002	0	0	4,000,000	277,133	1998
10	WA	WAD053614988	Frontier Hard Chrome, Inc.	250,000	09/30/2002	0	0	250,000		
				280,000	09/30/2002			280,000		
10	WA	WAD009248295	Wyckoff Co./Eagle Harbor	800,000	02/01/2002	0	0	800,000	10,787	1999
				3,800,000	05/13/2002			3,800,000	149,784	2000
									4,773,785	2001
									627,801	2002
10	WA	WAD0000026534	Palermo Well Field Ground Water Contamir	826	02/01/2002	0	0	826	25,478	2000
				22,099	04/10/2002			22,099	87,896	2001
				1,819	08/20/2002			1,819	2,205	2002
				822	08/20/2002			822		
				96,446	09/27/2002			96,446		
<b>TOTALS</b>				\$22,943,969		\$0	\$0	\$22,943,969	\$12,729,017	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 1 - Non-Federal NPL Sites with Long-Term Response Actions

RG	ST	EPA ID	Site Name	FY02 Obligated		Special	State SF	Total FY02	Total FY02		
				Amount from	Date				Accounts	Date	Amount Obligated
				HQ RA AOA**				(sum of prior	(Year of		
								3 columns)	Amount	Obligation)	
1	MA	MAD003809266	Charles-George Reclamation Trust Landfill	\$0		\$0	\$47,939	08/06/2002	\$47,939	46,476	1999
										26,106	2000
1	MA	MAD0001041987	Baird & McGuire	200,170	09/27/2002	0	3,500,000	08/19/2002	3,700,170	103,584	1999
										1,937,000	2000
1	MA	MAD980732317	Groveland Wells	0		0	400,000	07/01/2002	400,000	454,382	2001
1	MA	MAD000192393	Silresim Chemical Corp.	0		600,000	03/25/2002		600,000		
						150,000	07/03/2002		150,000		
1	NH	NHD062002001	Kearsarge Metallurgical Corporation	340,349	07/26/2002	0	137,423	07/26/2002	477,772	147,497	2000
										90,619	2001
1	NH	NHD980503361	Mottolo Pig Farm	0		0	21,537	09/26/2002	21,537	15,973	1997
										102,352	2001
<b>TOTALS</b>				\$540,519		\$750,000	\$4,106,899		\$5,397,418	\$2,923,989	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 2 - Non-Federal NPL Sites with Long-Term Response Actions

RG	ST	EPA ID	Site Name	FY02 Obligated Amount from		Special Accounts	Date	State SF		Total FY02 Amount Obligated (sum of prior 3 columns)	Total FY02 Expenditures **** (Year of Obligation)	
				HQ	RA AOA**			Contracts	Date		Amount	Obligation)
2	NJ	NJD063157150	Bog Creek Farm	\$500,000	09/27/2002	\$0		\$200,000	09/27/2002	\$700,000	147,654	1998
2	NJ	NJD980529085	Ellis Property	2,699,790	09/30/2002	0		0		2,699,790	133,757	1997
2	NJ	NJD053280160	Garden State Cleaners	450,000	09/26/2002	0		50,000	09/26/2002	500,000	4,664	2001
2	NJ	NJD981490261	Higgins Farm	900,000	03/26/2002	0		0		900,000	385,251	2001
2	NJ	NJD980505416	Lipari Landfill	0		4,500,000	01/09/2002	0		4,500,000		
						200,000	01/11/2002			200,000		
						750,000	06/12/2002			750,000		
2	NJ	NJD980766828	South Jersey Clothing Co.	450,000	09/26/2002	0		50,000	09/26/2002	500,000		
2	NJ	NJD002385664	Vineland Chemical Co., Inc.	4,000,000	04/08/2002	0		0		4,000,000	3,512,885	2001
2	NY	NYD002066330	American Thermostat Co.	1,500,000	09/24/2002	0		0		1,500,000	604,357	2000
2	NY	NYD980652275	Brewster Wellfield	676,000	02/27/2002	0		24,000	02/27/2002	700,000	429,842	2000
				174,000	09/30/2002					174,000	3,832	2002
2	NY	NYD981184229	Circuitron Corp.	390,000	09/27/2002	0		160,000	09/27/2002	550,000	207,055	2001
2	NY	NYD002044584	Claremont Polychemical	580,000	05/13/2002	0		0		580,000	439,812	2001
				420,000	09/30/2002					420,000	301,196	2002
2	NY	NYD986950012	Mohonk Road Industrial Plant	350,000	09/30/2002	0		0		350,000	353,355	2001
2	NY	NYD001533165	SMS Instruments, Inc.	200,000	01/24/2002	0		0		200,000	5,161	1997
				100,000	09/20/2002					100,000	15,053	2000
											200,000	2001
											37,967	2002
2	NY	NYD047650197	Stanton Cleaners Area GW Contaminator	150,000	09/30/2002	0		0		150,000		
2	NY	NYD980763767	Vestal Water Supply Well 1-1	213,200	03/04/2002	0		186,800	03/04/2002	400,000	236,003	1999
				100,000	04/03/2002					100,000		
<b>TOTALS</b>				\$13,852,990		\$5,450,000		\$670,800		\$19,973,790	\$7,017,844	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Notes Provided by Regional Officials:

Region 3 - Non-Federal NPL Sites with Long-Term Response Actions

RG	ST	EPA ID	Site Name	FY02 Obligated		Special	State SF	Total FY02 Amount Obligated (sum of prior 3 columns)	Total FY02 Expenditures ****	
				HQ RA AOA**	Date				Accounts	Contracts
3	PA	PAD980691794	Berks Sand Pit	\$133,903	09/30/2002	\$0	\$0	\$133,903		
3	PA	PAD981034705	Butz LF	200,000	08/12/2002	0	0	200,000	17,892	1999
									175,473	2001
3	PA	PAD002360444	Cryochem, Inc.	200,000	04/12/2002	0	0	200,000	90,900	2000
				50,000	09/25/2002			50,000	80,135	2001
3	PA	PAD002338010	Havertown PCP	220,000	08/13/2002	0	0	220,000	4,804	2002
3	PA	PAD002390748	Hellertown Manufacturing Co.	60,000	02/26/2002	0	0	60,000	190,166	2000
				75,000	04/17/2002			75,000	21,772	2002
				75,000	09/24/2002			75,000		
3	PA	PAD039017694	Raymark	150,000	09/24/2002	0	0	150,000	65,029	2000
3	VA	VAD003125374	Greenwood Chemical Co.	350,000	01/14/2002	0	0	350,000	613,080	2000
									25,000	2001
									104,210	2002
3	VA	VAD003117389	Saunders Supply	200,000	09/20/2002	0	0	200,000		
									237,488	2001
<b>TOTALS</b>				\$1,713,903		\$0	\$0	\$1,713,903	\$1,625,949	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 4 - Non-Federal NPL Sites with Long-Term Response Actions

RG	ST	EPA ID	Site Name	FY02 Obligated		Special	State SF	Total FY02	Total FY02		
				Amount from	Date				Accounts	Contracts	Amount Obligated
				HQ RA AOA**				(sum of prior	(Year of		
								3 columns)	Obligation)		
4	KY	KYD980602155	Distler Brickyard	\$0		\$200,000	09/17/2002	\$0	\$200,000		
4	NC	NCD981026479	Benfield Industries, Inc.	100,000	05/07/2002	0		0	100,000	3,402	2002
4	SC	SCD980839542	Elmore Waste Disposal	150,000	04/27/2002	0		0	150,000		
				36,938	09/17/2002				36,938		
4	SC	SCD003362217	Palmetto Wood Preserving	150,000	05/14/2002	0		0	150,000		
<b>TOTALS</b>				\$436,938		\$200,000		\$0	\$636,938	\$3,402	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 5 - Non-Federal NPL Sites with Long-Term Response Actions

RG	ST	EPA ID	Site Name	FY02 Obligated			Special Accounts	State SF Contracts	Date	Total FY02 Amount Obligated (sum of prior 3 columns)	Total FY02 Expenditures ****	
				HQ RA AOA**	Date						Amount	(Year of Obligation)
5	MI	MID060174240	Ott/Story/Cordova Chemical Co.	925,711	09/25/2002	0	1,574,289	09/25/2002	2,500,000	1,678,578	2000	
										770,115	2001	
5	MI	MID006031348	Peerless Plating Co.	258,650	02/04/2002	0	0		258,650	23,080	2001	
5	MI	MID980701247	Wash King Laundry	520,000	03/26/2002	0	0		520,000			
5	MN	MND980904072	Long Prairie Groundwater Contamination	450,000	06/20/2002	0	0		450,000	354,000	1999	
5	MN	MND006192694	MacGillis & Gibbs/Bell Lumber & Pole Co.	500,000	12/04/2001	0	0		500,000	542,000	2001	
				250,000	03/29/2002				250,000	282,393	2002	
5	WI	WID006100275	Oconomowoc Electroplating Co., Inc.	89,972	02/07/2002	0	0		89,972	319,797	2000	
				18,990	05/24/2002				18,990	236,317	2001	
				556,000	09/27/2002				556,000			
				44,000	09/27/2002				44,000			
5	WI	WID980821656	Onalaska Municipal Landfill	103,281	05/24/2002	0	0		103,281	132,010	1997	
										60,166	1998	
5	WI	WID0006176945	Penta Wood Products	400,000	01/02/2002	0	0		400,000	473,654	2001	
				900,000	01/02/2002				900,000	331,052	2002	
				852,519	09/25/2002				852,519			
<b>TOTALS</b>				\$5,869,123		\$0	\$1,574,289		\$7,443,412	\$5,203,162		

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 6 - Non-Federal NPL Sites with Long-Term Response Actions

RG	ST	EPA ID	Site Name	FY02 Obligated		Special	State SF	Total FY02 Amount Obligated (sum of prior 3 columns)	Total FY02 Expenditures **** (Year of Obligation)	
				Amount from HQ RA AOA**	Date				Accounts	Contracts
6	LA	LAD000239814	American Creosote	\$625,000	07/22/2002	\$0	\$0	\$625,000	114,834	2001
				\$135,649	09/30/2002			\$135,649		
6	NM	NMD980749378	Cimarron Mining Corp.	150,000	09/23/2002	0	0	150,000		
6	OK	OKD007188717	Double Eagle Refinery Co.	62,500	09/25/2002	0	0	62,500		
6	OK	OKD980696470	Fourth Street Abandoned Refinery	62,500	09/25/2002	0	0	62,500		
<b>TOTALS</b>				\$1,035,649		\$0	\$0	\$1,035,649	\$114,834	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

**Region 7 - Non-Federal NPL Sites with Long-Term Response Actions**

<u>RG</u>	<u>ST</u>	<u>EPA ID</u>	<u>Site Name</u>	<u>FY02 Obligated Amount from HQ RA AOA**</u>	<u>Special Accounts</u>	<u>State SF Contracts</u>	<u>Total FY02 Amount Obligated (sum of prior 3 columns)</u>	<u>Total FY02 Expenditures **** Amount</u>	<u>(Year of Obligation)</u>
-----------	-----------	---------------	------------------	---	-----------------------------	-------------------------------	---	--	---------------------------------

Note: Neither Region 7 nor OSRTI listed any LTRA sites with FY 02 obligations

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 8 - Non-Federal NPL Sites with Long-Term Response Actions

RG	ST	EPA ID	Site Name	FY02 Obligated			Special Accounts	Date	State SF Contracts	Total FY02 Amount Obligated (sum of prior 3 columns)	Total FY02 Expenditures ****	
				HQ RA AOA**	Date						Amount	(Year of Obligation)
8	CO	COD980717557	Central City/Clear Creek	\$1,100,000	04/23/2002	\$0		\$0	\$1,100,000	142,991 3,000	2000 2002	
8	CO	COD007431620	Chemical Sales	0		800,000	05/06/2002	0	800,000	22,646	1999	
8	CO	COD983778432	Summitville Mine	0		2,100,000	03/08/2002	0	2,100,000	335,672	2001	
						5,000	05/17/2002		5,000			
						252,300	08/15/2002		252,300			
8	SD	SDD987673985	Gilt Edge Mine	19,982	11/28/2001	0		0	19,982	192,520 29,651	2001 2002	
<b>TOTALS</b>				\$1,119,982		\$3,157,300		\$0	\$4,277,282	\$726,480		

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 9 - Non-Federal NPL Sites with Long-Term Response Actions

RG	ST	EPA ID	Site Name	FY02 Obligated Amount from HQ RA AOA**	Date	Special Accounts	Date	State SF Contracts	Date	Total FY02 Amount Obligated (sum of prior 3 columns)	Total FY02 Expenditures **** (Year of Obligation)
9	CA	CAD095989778	Fairchild Semiconductor Corp.	\$0		\$36,975	09/26/2002	\$0		\$36,975	
9	CA	CAD981434517	Newmark Ground Water Contaminatio	750,000	06/27/2002	0		0		750,000	883,607 2000
9	CA	CAD029452141	Selma Treating Co.	603,095	07/22/2002	0		500,000	09/25/2002	1,103,095	
9	CA	CAD0902527	Modesto Ground Water Contamination								1,099 1999
<b>TOTALS</b>				\$1,353,095		\$36,975		\$500,000		\$1,890,070	\$884,706

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

Region 10 - Non-Federal NPL Sites with Long-Term Response Actions

RG	ST	EPA ID	Site Name	FY02 Obligated		Special	State SF	Total FY02	Total FY02	
				Amount from	Date			Amount Obligated	Expenditures ****	(Year of
				HQ RA AOA**		Accounts	Contracts	(sum of prior	Amount	Obligation)
								3 columns)		
10	WA	WAD980726301	Commencement Bay, South Tacoma Channel	\$400,000	08/14/2002	\$0	\$0	\$400,000	499	1999
				\$444,031	09/27/2002			\$444,031	8,806	2000
				\$59,300	09/27/2002			\$59,300	16,475	2001
<b>TOTALS</b>				\$903,331		\$0	\$0	\$903,331	\$25,780	

\*\*includes prior year fund appropriation obligations

\*\*\*\*The amounts in this column do not relate to the obligation information on the same line.

### ***OIG Response to Attachment Question 3***

**Question 3** - In your October 25, 2002, report you reported that the final need was the same as or equal to the total amount obligated for FY 2002 at many sites where it was significantly less than the initial requested amount. Please provide any documentation that substantiates the EPA claims and identify where there were discrepancies between the information you received from the remedial project managers and Headquarters.

**OIG Response** - Our October 25, 2002, letter stated that Office of Emergency and Remedial Response officials (now OSTRI) indicated to us that managing uncontrolled hazardous waste sites is inherently uncertain in nature, and site funding needs change frequently based on dynamic site conditions (see page 2 of our letter). In analyzing the financial information obtained in preparation for our October 2002 letter, we noted that EPA had obligated funds for certain sites well above the amount requested at the start of FY 2002. In contrast, some sites, for which funds were originally requested, received no funding at all. For example, Region 1 originally requested \$10,000,000 for the New Bedford site for FY 2002, but by the end of the fiscal year had obligated \$22,008,211, the majority of which came from available funds supplied by PRPs in accordance with Consent Decrees. Also, Region 6 initially requested \$9,880,000 for the Hart Creosoting site but did not receive any funding for this site. OSRTI officials told us that amounts the regions request for sites at the beginning of a fiscal year are “planning estimates.” Thus, the question arose for the OIG as to what EPA’s “real funding need” was for each of the remedial and LTRA sites during FY 2002.

To provide some perspective on this issue, at the end of our field work we asked regional Superfund officials to provide the final FY 2002 need for each site. We asked regional officials to indicate an amount for “Final Site Need for FY 2002” on our spreadsheets which became part of our working papers. Given time constraints, we did not request any other supporting documentation. The information provided by regional officials is reflected in the column “Final Site Need for FY02” in enclosures 1 and 2 of our October 25, 2002, letter.

During our review, an OSRTI official indicated that he disagreed with Region 5 on the amount needed for the Continental Steel Corporation site. Region 5 indicated that its final FY 2002 need was \$28.5 million. According to a Region 5 official, this estimate reflected the operating “ground rules” for the Superfund program that a region receives the full Federal share for new construction starts. The OSRTI official maintained that the Region did not need all \$28.5 million in FY 2002 given the multi-year nature of this project. That official maintained that the site could be addressed by allocating approximately \$10 million per year over a 3-year period. The Region 5 official agreed that all \$28.5 million would not have been spent in the first year of construction but did not believe that the “ground rules” had been changed to support an incremental funding approach. The Region 5 official added that the danger with incremental funding is that future funding may not be available when needed to complete the project.

## ***OIG Response to Attachment Question 4***

**Question 4** - Please describe the budget formulation and funding process for FY 2003 for Superfund activities, focusing on remedial investigation, remedial design, remedial construction, and long-term response actions. Please describe the budget formulation and funding process for FY 2002 for these same activities. Please describe any changes to the budget and funding process from FY 2002 to FY 2003. Please provide any background documentation and memos.

**OIG Response** - OSRTI provided the following information:

EPA manages the allocation of Superfund resources using an AOA structure. For the remedial program, response resources (exclusive of payroll, travel and working capital fund) from the Superfund appropriation are placed in two AOAs. The **Remedial Action AOA** provides resources for remedial action construction, non-time critical removal construction, LTRAs (e.g., ground water restoration), and five-year reviews scheduled to be performed during the year. These actions are taken at sites on the Superfund NPL. The **Pipeline Operations AOA** provides resources for a wide variety of program activities including site assessment, remedial investigation/feasibility study, remedial design, oversight of responsible party cleanups, community involvement (including technical advisor grants), State involvement, and contracts management. The budget and funding process varies significantly for each AOA.

### **FY 2003 Budget and Funding Process**

#### ***Remedial Action AOA***

The resources planning and management process for Superfund cleanup construction projects is an ongoing effort throughout the fiscal year. Resources for construction projects are provided from the Remedial Action AOA and from the deobligation of unexpended funds from prior years. The highest priority for funding is given to “ongoing” projects with resource needs, including ongoing construction projects with resource needs to maintain progress or achieve completion, LTRA, and five-year reviews scheduled to be performed during the year. After ongoing construction needs are met, any remaining resources from the Remedial Action AOA and deobligations are allocated to sites where new cleanup construction projects are ready to proceed.

EPA began the Remedial Action funding process for FY 2003 during July/August 2002. A work planning memorandum was issued to the EPA Regional Offices on June 28, 2002. The memorandum asked the Regions to identify funding needs for ongoing remedial actions and LTRAs and for five-year reviews. The memorandum also requested that the regions

complete project evaluation forms for each ongoing remedial action project and each LTRA project (with an estimated annual cost exceeding \$600,000) requiring funding during FY 2003. These forms were intended to provide a brief description of the project and the projected resource need for the year. Using the project evaluation forms as well as reports pulled from the Superfund information management system, CERCLIS, initial resource requests for ongoing construction projects were identified, as well as candidates for new start construction expected to be ready to begin work during the fiscal year that the Region planned to present to the National Risk Based Priority Panel (see description below). A conference call was subsequently scheduled with each Region to review their funding request for each site/project. These discussions confirmed the resource estimates, the timing (fiscal quarter) when resources were needed, and whether other sources of funding were potentially available for the site/project (e.g., reimbursable resources from State cost share payments or responsible party settlement resources). A preliminary estimate of potential deobligations also was obtained from each Region. Most ongoing projects require a relatively small amount of funding and are readily approved at the amount requested by the Regional Office, while the larger, higher cost projects undergo a more detailed review. Factors considered in this review include the specific scope, status, and resource needs of the project, the total resource needs for all cleanup projects, the available budget for cleanup construction work from the Superfund appropriation, and other potential sources of funding. The goal of the program is to provide the resources required to maintain cleanup progress during the year. This allocation may be less than the amount initially requested by the Regional Office.

Concurrent with the work planning process, senior managers in EPA Headquarters, in consultation with the Superfund Directors in the Regions, considered options for increasing the available funding for cleanup construction. After extensive deliberations, a decision was made to transfer \$10 million from the Pipeline Operations AOA to the Remedial Action AOA. In addition, the Superfund deobligation policy was revised to direct a larger portion of deobligation resources to the National Deobligation Pool for construction funding. These adjustments were required to meet the growing need for resources for cleanup construction.

The FY 2003 Remedial Action AOA funding level, the Superfund deobligation policy, and the initial funding plan for ongoing remedial action needs were issued in a memorandum to the Regions on October 30, 2002. The Remedial Action AOA was tentatively set at \$230 million (subsequently reduced to \$227.8 million based on the final appropriation received from Congress and the proposed Agency Operating Plan). The deobligation policy was set with 25 percent of the resources retained by the Regions for regional priorities and 75 percent returned to Headquarters for national priorities, including funding for remedial action needs. Deobligation resources returned to Headquarters are placed in a reserve account called the National Deobligation Pool and remain available through the year until reprogrammed back to a Region for a specific project. The initial funding plan designated over \$220 million from the Remedial Action AOA for more than 180 projects with ongoing funding needs (including cleanup construction projects, LTRA's and five-year reviews).

Resources were provided to the Regional Offices as funding became available during the continuing resolution periods and after enactment of the appropriation, largely in accordance with the funding plan. During the course of the year, the Regional Offices refined their project needs as cleanup work progressed in the field, and EPA Headquarters adjusted the initial allocations as needed. A comprehensive review was conducted at mid-year and a revised plan reflecting the updated regional needs was issued on June 5, 2003. Resources were issued in accordance with the plan over the remainder of the fiscal year.

Concurrent with the work planning process for ongoing projects, EPA Headquarters asked the Regional Offices to submit new start construction project candidates for consideration by the National Risk Based Priorities Panel. EPA established this Panel to review and evaluate Superfund cleanup construction projects that are expected to be ready to proceed during a fiscal year. The Panel is comprised of national program experts from each EPA Regional Office and Headquarters. The panel uses the following factors to evaluate each project:

- Risk of human exposure;
- Stability of the contaminant;
- Characteristics of the contaminant, including concentration and volume;
- Ecological risk; and
- Program Management considerations, such as whether (1) innovative technologies can be employed, (2) design is complete, (3) the State's share of cleanup costs is available; (4) environmental justice concerns are present, and (5) economic redevelopment may occur.

Each factor receives a score of from 1 to 5 and the project's overall score is arrived at by adding the raw scores multiplied by the weight of each factor. For FY 2003, 35 projects were reviewed by the Panel.

New start construction projects are funded depending on the availability of resources. Priorities are set based on the relative risk posed by the site as determined by the Panel, and the potential for achieving construction completion. Based on a projection of available resources, largely from the deobligation of unexpended prior year resources, EPA designated 11 projects to receive construction funding during FY 2003. (OIG Note: one of the projects received removal funds and another project received pipeline funds.)

#### ***Pipeline Operations AOA***

EPA Headquarters and the Regional Offices engage in a work planning process for Pipeline AOA resources, but the critical difference is that Pipeline resources are not allocated to the Regions on a site/project-specific basis. For FY 2003, the Pipeline Operations AOA funding level was initially set at \$190 million (after \$10 million was shifted to the Remedial Action AOA to augment the construction budget). Similar to the Remedial Action

AOA, Pipeline funding was subsequently reduced to \$187 million following enactment of the Superfund appropriation.

The Pipeline Operations AOA resources are distributed among the Regions based on the Pipeline Allocation Model. A portion of the allocation is based on historical allocations and the remaining portion is based on a work-based scoring system. The work-based scoring system contains such factors as the number of completed actions, ongoing actions, and planned actions. Weights are assigned to the categories and differ depending on whether (1) the action will be funded with Federal funds or by the responsible parties, (2) the site is considered a mega site, or sites with estimated costs of \$50 million or more, and (3) the site is on the NPL. The various weights are used to calculate a work-based amount for each region. For FY 2003, the work planning memorandum issued to the Regions on August 12, 2002, provided general guidance regarding OSRTI's projections of the funding that would be available to the Regions through the Pipeline Operations AOA. Using this information, each Region planned for the use of its budget, entering its planned obligations and accomplishments for certain actions (e.g., remedial investigations/feasibility studies, remedial design, and oversight) into CERCLIS/WasteLAN. Pursuant to work planning discussions conducted during October/November 2002, EPA Headquarters refined resource allocation projections based on the Pipeline Allocation Model and Regions finalized their planned accomplishments in CERCLIS/WasteLAN. As a result of uncertainties due to the appropriation continuing resolutions, delays in obtaining an Agency Operating Plan, and concerns regarding the availability of funds for construction, Headquarters finalized its decision for distributing the Pipeline Operation AOA in April 2003.

### **FY 2002 Budget and Funding Process**

The Remedial Action AOA planning and resource allocation process for FY 2002 was largely the same as described above. The methodology for allocating Pipeline AOA resources in FY 2002 was also substantially similar to that of FY 2003.

### **Process Changes from FY 2002 to FY 2003**

Process changes from FY 2002 to FY 2003 include the following:

- The Remedial Action AOA was increased by \$10 million for FY 2003 and the Pipeline Operations AOA reduced by \$10 million to address the increased need for cleanup construction funding. This decision, as well as the decision on the deobligation policy, was reached after extensive consultation with the regional Superfund Division Directors.
- The Superfund deobligation policy was revised for FY 2003 to allocate a higher percentage of regional deobligations for cleanup construction to the national deobligations pool. This allocation was increased from 50 percent for FY 2002 to 75 percent for FY 2003.

- For FY 2003, work planning discussions between OSRTI and the regions for cleanup construction were done separately from the work planning discussions on all other program activities. In prior years, construction resource discussions between OSRTI and the regions took place during the first quarter of the fiscal year as part of the work planning sessions. Because the construction resource discussions for FY 2003 began in the summer of 2002, OSRTI and the regions were able to conduct a more thorough review of regional needs. Because these discussions took place sooner than in prior years, OSRTI was able to issue its initial funding plan early in the fiscal year – on October 30, 2002.
- Although not a change in policy, OSRTI issued a memorandum to the Regions on September 20, 2002, reinforcing the need to explore all enforcement options prior to proceeding with a fund-financed cleanup construction project. The memorandum was released during FY 2002, but had its most practical affect during FY 2003.
- The Pipeline Allocation Model was adjusted for FY 2003, including giving greater weight to the number of pipeline actions completed in the prior year and giving more money to those regions that met or exceeded 80 percent of their planned starts for the previous fiscal year.
- The extended Continuing Resolution periods during FY 2003 resulted in increased control over the allocation of funds to the Regions from both the Pipeline operations and Remedial Action AOAs to ensure critical needs could be met within the limited cash flow of Continuing Resolution funding. Because each Continuing Resolution lasted for a specified period of time and only allowed a limited amount of funding to be used, OSRTI and the regions held discussions during each Continuing Resolution to discuss funding needs and craft a funding plan for that Continuing Resolution.
- The FY 2002 Superfund appropriation included a provision that \$100 million of the appropriated amount was not available until September 1, 2002 (referred to as the \$100 million hold-back). The hold-back was allocated \$60 million to the Remedial Action AOA and \$40 million to the Pipeline Operations AOA. As a result, these resources were not provided to the regional offices until after September 1, 2002. Congress did not include this provision in the FY 2003 appropriation, allowing the Agency more flexibility in allocating resources and funding projects.

Copies of memoranda relating to FY 2002 and FY 2003 processes are attached.

## ***OIG Response to Attachment Question 5***

**Question 5** - In your October 25, 2002, report you stated that Headquarters staff emphasized that one of the additional practices that helps conserve Superfund resources was “tightening the criteria for NPL listing.” Please specify these new criteria and indicate which sites may, have been, or will be affected or had their listing affected by the new criteria.

**OIG Response** - OSRTI provided the following information:

In considering sites for inclusion in the April 2003 proposed National Priorities List Rule, OSRTI used a tiering system as an additional component of the internal deliberative process. The tiering system used risk to human health/environment and urgency for cleanup as the two main factors. The sites were tiered by OSRTI staff and representatives from EPA’s ten Regions.

Generally, the Tiers used were as follows:

- Tier A:** Current actual human exposure (measurable with appropriate sampling/analytical data) to resident population, or students at schools/daycare, and Superfund remedial action is needed near term (e.g., within 10 years).
- Tier B:** Current actual human exposure to any population residents/students/workers/ trespassers) and Superfund remedial action is needed in the long term (e.g., more than 10 years).
- Tier C:** Human exposure has occurred in the past, but current risk management practices are adequate for the interim, or potential human exposure above screening/cleanup levels is a reasonable scenario in the future.
- Tier D:** No current/past human exposure. Possible future human exposure or contaminated sensitive environments, or there are known State endangered species habitats within the target distance limit (TDL).
- Tier E:** Contaminated ground water, surface water, soils, or air; no projected potential human exposure or projected exposures below screening/cleanup levels; no direct threat to sensitive environments.

Once the sites potentially eligible for the April 2003 NPL update were identified by EPA regions, the sites were selected for further evaluation by taking the Tiers into account. In selecting sites for this rule, EPA considered, in addition to the Tiers:

- the need for a strong enforcement program through cleanups conducted or financed by PRPs;
- the level of State, tribal, community, and congressional delegation support;
- estimated cleanup costs;
- the timing of the costs and cleanup;
- environmental justice issues;
- prospects for commercial redevelopment; and
- geographic balance.

An OSRTI official indicated that cleanup costs and timing were considered in the aggregate (e.g., the costs for all Tier A and B sites were presented as an option to management) and were not the cause for a final decision on any site. The official indicated that while the regions had considered the factors above for past rulemakings, this was the first time factors other than legal defensibility had been considered by Headquarters. These considerations resulted in proposing 14 sites (out of 30 sites identified by the regions) to the NPL on April 30, 2003 (68 FR 23094).

The 14 sites proposed were as follows:

**Proposed Rule No. 39, General Superfund Section**

State	Site name	City/county
CA	AMCO Chemical	Oakland
CO	Captain Jack Mill	Ward
MD	68th Street Dump	Baltimore
MO	Madison County Mines	Fredericktown
MO	Newton County Mine Tailings	Newton County
NC	Ram Leather Care	Charlotte
NH	Troy Mills Landfill	Troy
NJ	Rolling Knolls Landfill	Chatham Township
NJ	Standard Chlorine Chemical Company, Inc.	Kearny
NJ	White Swan/Sun Cleaners GW Contamination	Wall Township
OH	Armco Inc., Hamilton Plant	Hamilton
OH	Peters Cartridge Factory	Kings Mills
TX	Conroe Creosoting Company	Conroe
TX	Jones Road Ground Water Plume	Harris County

(EPA considers the 16 sites not proposed to be deliberative and enforcement-sensitive information. Seven sites were added to the NPL in April 2003, but these sites related to prior

rulemakings and thus were not evaluated using the tiering process described above. Final listing decisions concerning the 14 sites will occur after the public comment period closes and all relevant comments are considered and addressed.)

The tiering process only aided in identifying sites that should be a priority for further evaluation. Sites initially identified as candidates for proposed listing may not ultimately be proposed for listing for several reasons. Further technical, legal and policy review may indicate that certain sites are not ready for proposed listing. For example, EPA postponed decisions on some sites because States requested additional time to negotiate cleanup agreements or, alternately, EPA plans to negotiate cleanup agreements under the Superfund Alternative Sites approach. (Under the Superfund Alternative Sites policy, the listing process is suspended while responsible parties are given an opportunity to enter into an agreement to clean up the site in the same manner as if the site were listed.) Other EPA policies that may affect the decision to propose listing a site on the NPL include EPA's Resource Conservation and Recovery Act deferral and State deferral policies. According to OSRTI officials, the Agency will consider all sites identified by the regions as eligible for listing for future NPL proposed rules. While OSRTI will obtain information on the factors indicated above for the next proposed rulemaking, it has not decided how this information will be used.

(OIG note: The U.S. General Accounting Office discussed the tiering process on page 29 of its July 2003 report, "Superfund Program: Current Status and Future Fiscal Challenges," GAO-03-850.)

## **OIG Response to Attachment Question 6**

**Question 6** - The October 25<sup>th</sup> report indicates that \$95 million was de-obligated from prior year funding and used in FY 2002. Please identify the sites where the funding came from, identify the work the funding was reserved for, and indicate whether it was replaced or needs to be replaced in future years. Also, please indicate to what extent the EPA will be able to find significant amounts of additional prior year funding to de-obligate and use in FY 2003.

**OIG Response** - OSRTI reported that a total of \$85 million of FY 2003 obligations were from prior-year funds. The enclosed disk contains information each region provided for all deobligations during FY 2002. The information indicates where the funds were taken from and the region's comments on whether these activities would require funds to address any remaining needs. As a general rule, regional officials indicated that they did not have a need to replenish the funds deobligated from the activities indicated. Since the regions reported all deobligations, the total for the deobligations will exceed the \$95 million obligated to remedial actions in FY 2002. The OIG did not confirm the accuracy of the information provided by the regions. As an example, we are providing the information submitted by Region 6, the Region with the greatest total deobligations for FY 2002.

Amount De-obligated in FY 2002	Site from Which Funds Were De-obligated	Activity from Which Funds Were De-obligated	Note
\$21,430,712.00	Popile	Remedial Action	1
47,550.00	Brio	Technical Assistance Grant	1
150,805.00	Southern Shipbuilding	Remedial Action	1
1,018.00	Small Purchase Order for GP		1
8,233.13	North Railroad Plume	Management Assistance	2
47,593.00	Training	Non Site Specific	2
103,763.07	General Support	Removal	2
61,495.92	General Support	Remedial	2
181,023.00	PA/SI	Non Site Specific	2
30,602.87	Core Program	Non Site Specific	2
1,991,250.68	Madisonville	Remedial Action	3
330,000.00	All Indian Pueblo Council Coop Ag	PA/SI	4
301,492.00	All Indian Pueblo Council Coop Ag	Core	4
50,000.00	North Railroad Ave Plume	Management Assistance	4
75,000.00	North Railroad Ave Plume	HRS Pilot	4
21,884.00	Lockheed Martin ESAT Contract	Data Validation	4
500,000.00	DOT Interagency Agreement	Emergency Response Support	4
27,353.00	RSR	Management Assistance	4
26,726.08	Ecology & Environment (START)	Removal Support Assessment	4
92,994.54	Ecology & Environment (START)	Removal Support Assessment	4
83,477.39	Quinton Smelter	Removal	4
491,862.00	Odesa Chromium I	Remedial Action	4
450,000.00	Ice House Drums	Removal	4
13.45	Edmond Strees (S Valley)	RI/FS oversight	4
13.93	Dixie Oil Processors	RI/FS oversight	4

Amount De-obligated in FY 2002	Site from Which Funds Were De-obligated	Activity from Which Funds Were De-obligated	Note
1.20	Sheridan (cashout)	RI/FS oversight	4
2,911.29	PA/SI	Non-site	4
722.43	Brio	Oversight	4
376.19	RAB Valley	RI/FS	4
142.40	Arkwood	Oversight	4
21.47	Ag Street	Community Involvement	4
31,677.51	ARCS Contract Management	Non-site	4
23.26	Integrated Assessment	Non-site	4
15,000.00	Site Assessment		4
15,000.00	Tinker AFB	RD oversight	4
19,991.03	South 8th Street	Oversight	4
7,506.22	ATSF-Albuquerque	Remedial Analysis	4
8,174.48	Rinchem	Remedial Analysis	4
10,594.14	Tinker AFB	RA oversight	4
370.04	Remedial Support		4
36,561.26	4th Street	Remedial Action	4
12,437.80	Bailey Waste	PRP RA	4
26,701.28	ARCS Contract	Non-site	4
301.54	Sol Lynn	Oversight	4
39,707.46	South Calvacade	Oversight	4
19,873.57	Hardage	Oversight	4
13,664.59	Alcoa/Lavaca Bay	Oversight	4
19,597.92	Koppers	Oversight	4
18,517.12	Mosley Road	Oversight	4
10,286.65	Petrochem	Oversight	4
38,494.07	ATSF-Clovis	Oversight	4
50,040.68	PA/SI	Non-site	4
3,563.92	Alcoa/Lavaca Bay	Remedial Analysis	4
235,465.89	06009 Contract	Bulk Funding	4
17,661.68	4th Street	RD	4
3,203.77	South 8th Street	RI/FS	4
15,000.00	South 8th Street	RD	4
23,715.35	Integrated Assessment	Non-site	4
19,690.49	PetroChem	RD	4
23,970.47	Double Eagle	RA	4
25,514.13	Double Eagle	RD	4
4,155.21	Ag Street	FS	4
4,470.81	Bayou D'Inde	RI/FS	4
280,716.62	06009 Contract	Program Management	4
63,236.94	4th Street	RI/FS	4
1,000.00	Sol Lynn	RD	4
39,792.36	Double Eagle	RI/FS	4
3,817.58	North Calvacade	RD	4
8,107.28	Texarkana Wood	RD	4
10,908.67	Texarkana Wood	RI/FS	4

<b>Amount De-obligated in FY 2002</b>	<b>Site from Which Funds Were De-obligated</b>	<b>Activity from Which Funds Were De-obligated</b>	<b>Note</b>
10,325.10	United Creosoting	RD	4
10,196.28	Bio Ecology	RA	4
42,252.72	Morrison Knudson	Program Management	4
1,770,000.00	Tar Creek	RI/FS	4
2,200,000.00	Agriculture Street Landfill	Non-time Critical Removal	4
52,846.00	Brio Refining	Remedial design	4
20,035.00	Koppers	Remedial Analysis	4
24,039.00	MOTCO	PRP Oversight	4
14,533.00	Petro Chemical	Management Assistance	4
4,708.00	South Cavalcade	PRP Oversight	4
26,409.00	Sprague Road	Management Assistance	4
200,000.00	Texarkana Wood	Remedial Action	4
491,347.00	Texarkana Wood	Remedial Design	4
83,000.00	Thermo Labsystems	Laboratory Support	4
30,548.99	Metcalf & Eddy TES Contract	Non-site Specific Tech. Supp.	4
4,103.00	Non-site Specific	CORE Program	4
3,040.00	Non-site Specific	PA/SI	4
51,165.00	ATSF-Albuquerque	RI/FS Oversight	4
6,755.00	Cal West	Remedial Action	4
13,745.00	Cimarron Mining	Management Assistance	4
12,144.00	Cleveland Mill	Management Assistance	4
6,627.00	ATSF - Clovis	Management Assistance	4
12,096.00	Homestake Mining	Management Assistance	4
43,309.00	Molycorp	Management Assistance	4
13,764.00	South Valley	Management Assistance	4
7,273.00	United Nuclear	Management Assistance	4
12,075.00	Lee Acres	Management Assistance	4
181,538.52	A & B Border Contract	Non-site Technical Support	4
6,822.70	LaCostex Refining	Technical Assistance	4
11,164.56	R&H Oil	Technical Assistance	4
15,000.00	Tropicana Refinery	Technical Assistance	4
3,096.93	J.C. Elliott	Technical Assistance	4
3,368.20	Brownsville Drums	Technical Assistance	4
2,616.74	Los Ebanos	Removal Support	4
9,678.59	Gulf Coast Paint	Technical Assistance	4
775.96	Hazardous Materials Workshop	Training	4
579,275.00	Many Diversified Interests	RI/FS	4
15,939.00	Sikes Pits	Remedial Action	4
494,928.00	Odessa Chromium II	Remedial Action	4
6,743.00	Tex-Tin	Management Assistance	4
395,808.00	Jasper Creosoting	RI/FS	4
9,610,864.00	Sikes Pits	Remedial Action	4
871,798.00	North Calvacade	Remedial Action	4
21,100.00	Angie Wood	Removal	4
48,500.00	Jasper Creosoting	Removal	4

<b>Amount De-obligated in FY 2002</b>	<b>Site from Which Funds Were De-obligated</b>	<b>Activity from Which Funds Were De-obligated</b>	<b>Note</b>
129.83	Southern Shipbuilding	Removal	4
19,546.25	Texas Gulf Refining	Removal	4
20,000.05	Sprague Rd GW Plume	Removal	4
485.65	Mallard Bay	Removal	4
436.10	Delatte Metals	Removal	4
80,122.26	New Orleans Parathion	Removal	4
57,280.11	Stephenson Bennett	Removal	4
316.70	Mylar Fire	Removal	4
29.40	BPS, Inc.	Removal	4
68,115.46	Hudson Refinery	Removal	4
37,421.59	Rogers Enterprises	Removal	4
112.03	Hot Springs Mercury	Removal	4
20,729.38	Dallas Plating	Removal	4
9,415.56	Texarkana Mercury & Neon	Removal	4
39,687.88	Renner Creosoting	Removal	4
3,144.03	Doughty's Treating Plant	Removal	4
787.14	Pleasant Hill Pole Plant	Removal	4
122,707.21	Union Creosoting	Removal	4
224.18	Plano Mercury	Removal	4
154,154.10	R&H Oil	Removal	4
56,708.55	Tropicana Energy Co	Removal	4
350.49	Eri Tire Fire	Removal	4
88.05	Limestone Landfill Fire	Removal	4
7,030.03	Malone Service Co	Removal	4
772.70	R&P Electroplating	Removal	4
448.36	Rockwall Mercury	Removal	4
448.36	Arabi Mercury Spill	Removal	4
80,050.52	Gibson Recycling Tire Fire	Removal	4
25,434.87	Little Bit Rad Site	Removal	4
3,342.66	Old Storm Plastics Facility	Removal	4
10,410.07	Southwest Tire Processors	Removal	4
5,031.38	Woods Tank Farm	Removal	4
24,000.00	Red River Aluminum	Removal	4
6,110.29	Coastal Radiation Services	Removal	4
72,750.02	Gulf States Paint	Removal	4
2,950.40	North Louisiana Chemical	Removal	4
2,095.80	Tar Creek E-P Lab Chemicals	Removal	4
46,207.09	Urban Machine	Removal	4
10,516.31	Brownsville Furfural Spill	Removal	4
36,504.64	Dewey Mercury	Removal	4
15,613.36	Sol Lynn Well Plug Removal	Removal	4
17,284.90	Alvin Mercury	Removal	4
64,604.64	ETP	Removal	4
21,944.25	Nonsite Funding for Site Walks	Removal	4
602.00	Gulf Coast Vacuum	Removal	4

<b>Amount De-obligated in FY 2002</b>	<b>Site from Which Funds Were De-obligated</b>	<b>Activity from Which Funds Were De-obligated</b>	<b>Note</b>
119.00	Vertac	Removal	4
1,789.00	Kem Week Control	Removal	4
334.00	Ella Warehouse Drums	Removal	4
1,110.00	Service Circuits	Removal	4
2,228.00	Poly Cycle	Removal	4
1,610.00	Malter Internation	Removal	4
567.00	Dempco Paint & MFG	Removal	4
588.67	Shore Refining	Removal	4
1,175.00	Patterson-Edmonson Construction	Removal	4
2,891.00	Okay Trailer Park	Removal	4
11,613.32	Glenmora Creosoting	Removal	4
1,376.00	Card/Blanc/Carter	Removal	4
3,169.00	Hillsdale Drums	Removal	4
2,137.00	Marco of Iota	Removal	4
6,300.55	Hi-Chem. Inc.	Removal	4
859.00	Macmillan Ring Free	Removal	4
1,033.00	Lithium of Lubbock	Removal	4
1,023.00	Russell Fare Site	Removal	4
542.00	Ann T. King Property	Removal	4
8,132.93	Smith Smelter	Removal	4
944.00	Oklahoma Furniture	Removal	4
1,023.00	Hardco of Arkansas	Removal	4
252.00	Boeck Drums	Removal	4
1,980.00	Rab Valley	Removal	4
75,461.88	RSR OU1-Phase II RV Area	Removal	4
1,605.00	Johnson Lumber	Removal	4
5,296.52	Hart Creosoting	Removal	4
13,490.96	Central Wood	Removal	4
13,501.21	Tri Container Inc.	Removal	4
1,621.00	Good Latimer	Removal	4
1,450.00	Willie Heard Drum	Removal	4
3,216.00	Hearst Mill	Removal	4
1,333.00	Matagorda Round Up	Removal	4
967.18	Waco Drum	Removal	4
2,670.00	Terrell Plating	Removal	4
826.00	Reliable Coatings	Removal	4
714.00	Clearwater Fluids Recycling	Removal	4
13,366.16	Robin Boulevard	Removal	4
185.98	G.P. Drums	Removal	4
3,573.11	Ray Quinn Drum	Removal	4
364.17	Voda Petroleum	Removal	4
1,063.00	Cimarron Refining	Removal	4
915.00	Jacksonville Landfill	Removal	4
12,907.59	JC Pennco Waste Oil	Removal	4
1,310.93	Archem Company	Removal	4

<b>Amount De-obligated in FY 2002</b>	<b>Site from Which Funds Were De-obligated</b>	<b>Activity from Which Funds Were De-obligated</b>	<b>Note</b>
27,079.20	Tar Creek OU2	Removal	4
3,219.46	Safe Tire Fire	Removal	4
1,199.00	Rogers Road Landfill	Removal	4
3,041.91	Agricultural Street Landfill	Removal	4
480.00	Oklahoma Refining Company	Removal	4
499.00	Oklahoma Refining	Removal	4
1,381.00	Tomlinson Drums	Removal	4
1,639.00	King Sales Company	Removal	4
274.00	Baldwin Waste Oil	Removal	4
664.00	T/B Gail	Removal	4
17,111.27	CG Empire Tank Barge	Removal	4
1,041.00	Hart Creosoting	Removal	4
1,811.00	Red River Treating	Removal	4
<b>\$46,547,122.77</b>	<b>Total</b>		

### Notes

- 1 The funds deobligated from these projects, especially the Popile Remedial Action, were no longer needed as the action was complete. The funds were part of the Pipeline Operations AOA to assist the Region with the shortfall in that AOA and were not obligated for these same sites for these same activities.
- 2 The Cooperative Agreement with the All Indian Pueblo Consortium (AIPC) was closed out. Funds in the amount of \$216,355 were obligated to American Creosote for ongoing Remedial Action and Five-Year Review in FY 2002.
- 3 The funds deobligated from this project were no longer needed as the action was complete. The funds were part of the Removal Advice of Allowance and obligated on some removal actions and in the START contract for removal support.
- 4 Of the total funds recertified to the Region, \$6,151,860 was reobligated in FY2002 for the same sites and the same activities from which the funds were deobligated. These funds were transferred from one funding vehicle to another type. The remaining \$8,170,608 was deobligated from projects that were complete and the funds were no longer needed. These monies were obligated in FY 2002 for the Tar Creek Remedial Action (\$5 million) and three removal actions.