

**U.S. ENVIRONMENTAL PROTECTION AGENCY - REGION 9
SAN FRANCISCO, CALIFORNIA**

**CASMALIA SITE NEWSLETTER
CASMALIA RESOURCES HAZARDOUS WASTE MANAGEMENT FACILITY
SANTA BARBARA COUNTY
JANUARY 1998**

Casmalia Consent Decree Accepted by Court

The Consent Decree between the United States and 51 public and private entities called the Casmalia Resources Steering Committee (CSC), was entered by the federal court on June 27, 1997. This means that the Consent Decree, which is a legal document that embodies the work that the CSC will perform, as well as the legal terms and conditions under which the CSC will carry out its commitments, has been accepted by the Court and is now fully effective.

In accordance with the Consent Decree, the CSC will pay for and perform Phase I work at the Site, and will perform Phase II Site work contingent upon funding from other sources. For a description of the four work phases at the Site, please see "Summary of Work Phases" at the end of this newsletter.

What's Happened at the Site Since September 1996?

The United States filed the Consent Decree with the federal court on September 17, 1996. The court accepted this Consent Decree on June 17, 1997 (see above). Soon after the Consent Decree was filed in September, the CSC began Phase I work by immediately taking over the emergency response activities that were being performed by the United States Environmental Protection Agency (EPA). These activities include: 1) pumping, collecting, and treating contaminated liquids from the Perimeter Source Control Trench (PSCT), the Gallery Well, and Sump 9B (see Site map), 2) monitoring and sampling the contaminated liquids before and after treatment, 3) getting the Site ready for the winter, 4) providing Site security, and 5) maintaining and repairing Site facilities and roads.

More recently, the CSC has initiated the design of the Pesticides/Solvents Landfill cap and buttress, and is expected to commence construction by the summer of 1998. In addition, the CSC has prepared a draft work plan outlining a proposal for completing the Engineering Evaluation and Cost Analysis (EE/CA), which is a technical investigation that will help EPA to make a decision on how to properly close and remediate the area within the original facility boundary. The draft EE/CA work plan is currently under EPA review.

The CSC has also proposed actions to improve the operations of the current facilities to better control contaminated ground water migration during the interim period, pending EPA's longer-term decisions for the Site. EPA has conditionally approved the CSC to proceed with several of these proposed actions. These include segregating Gallery Well liquids from Sump 9B and shipping them offsite for treatment and disposal, initiating enhanced extraction from the PSCT through the pumping of a second location, PSCT-4, actively removing highly concentrated contaminants (referred to as DNAPLs) from the Gallery Well for offsite treatment and disposal, and discontinuing the discharge of treated water to Pond 18.

This past September, the CSC performed the first in a continuing series of ground water monitoring, sampling, and analysis. This first event included taking water level measurements at

all wells at the Site, and sampling and analysing the water from all of the ponds, ground water extraction and control facilities, and 34 other wells. The results of the ground water monitoring event are due to EPA in January. Meanwhile, the CSC conducted a second ground water monitoring event in December 1997. In November, the CSC completed the work involved with dismantling the Casmalia Neutralization Facility (CNS), a former hazardous waste treatment facility used by the owners/operator of the Site a number of years ago. The contaminated tanks and the toxic sludge that it contained were sent offsite to a permitted hazardous waste facility for treatment and disposal.

Is the Site Prepared for Potentially Heavy El Nino Rains?

The CSC has taken a number of actions in anticipation of potentially heavy rains this winter season. These actions include repairing eroded areas, re-grading areas to minimize rain water infiltration and help facilitate surface water runoff, constructing a new truck loading facility to improve offsite loading and shipments, paving and re-grading dirt roads at the Site, installing gunite channels, and planing grass to decrease soil erosion from heavy rains.

So far this season, there has been approximately 11.7 inches of rain at the Site. Currently, the Rainfall Ponds at the Site are estimated to have a total of approximately 165 million gallons of available capacity excluding freeboard. This is estimated to be enough capacity to handle the amount of rains associated with a winter season that brings in over three times the average rainfall for the area. In sum, for this winter season, there should be adequate capacity with the Rainfall Ponds to contain rains from even an exceptionally wet season. However, EPA is interested in planning for the next winter and will be facilitating a series of interagency meetings and discussions between the CSC and state and other federal agencies on future options for managing storm water.

Oversight of CSC Work

As it has been since the initiation of emergency response activities in 1992, EPA remains the lead regulatory agency at the Site, and has responsibility for overseeing all of the CSC's work performed under the Casmalia Consent Decree. Karen Ueno continues as EPA project manager for enforcement activities, including litigation and settlement negotiations, and for community relations support. In addition, EPA has hired another project manager, Dennis Geiser, to oversee the technical work being performed by the CSC. Dennis graduated from U.C. Davis with a degree in civil engineering, and has been with EPA for more than 7 years. Prior to joining the Casmalian project, Dennis was a compliance inspector in the hazardous waste management program. He also spent two years in Northern Marianas as the engineer for all environmental matters.

EPA has also hired a contractor to oversee the field activities of the CSC. Jim Soutee has a broad background in managing hazardous waste projects, most recently completing a project for the Los Angeles County Metropolitan Transportation Authority. Jim has relocated to be near the Casmalia Site and spends Monday through Friday at the Site, as well as weekends, when appropriate.

Since taking over Site activities in the fall of 1995, the CSC has, for the most part, conducted its responsibilities without incident. There were, however, two incidents where the CSC did not meet the performance standards set forth in the Casmalia Consent Decree. One incident involving the performance standard for the water level in the PSCT occurred during particularly

heavy rains last winter. In response, the CSC took immediate corrective actions, implemented preventative measures to reduce the likelihood of a subsequent occurrence, and improved communication protocols. In a second incident, the CSC did not meet the treatment standards for the Gallery Well/Sump 9B liquids. Again, in response, the CSC implemented preventative measures, and has increased the sampling and analysis frequency to help ensure that treated liquids meet the required performance standard before being discharged to an onsite pond.

A third incident, while not associated with the performance standards, did result in a temporary (less than 24 hours) “stop work” order by EPA. EPA imposed the “stop work” order because of persistent misunderstanding and apparent procedural deficiencies associated with implementing the CSC’s first ground water monitoring and sampling event. After sampling and analytical procedures and protocol were corrected by the CSC, and certain samples were re-taken, the CSC resumed the remainder of its monitoring and sampling event. EPA does not anticipate that the data collected during this event were compromised by the “stop work” order or by the procedural and protocol deficiencies leading up to the “stop work” order.

With respect to the written documents that have been submitted by the CSC, EPA has had concerns with the general level of effort reflected in the CSC’s draft submissions. On a number of occasions, EPA required the CSC to revise and resubmit a particular technical document. The time required of EPA to review and comment on these documents, as well as the time needed by the CSC to make necessary revisions, has, in some instances, resulted in schedule delays and modifications. The CSC, however, continues to demonstrate its commitment to work cooperatively with EPA and its desire to improve the quality of its written work products. Both EPA and the CSC remain committed to the expeditious and proper closure of the Casmalia Site.

SITE STATISTICAL SUMMARY
Volumes: September 1996 - December 1997

Extracted

Gallery Well
921,912 Gallons

Sump 9B
651,974 Gallons

PCT-A
1,366,969 Gallons

PCT-B
958,769 Gallons

PCT-C
1,072,312 Gallons

Shipped Offsite

Gallery Well/Sump 9B
678,200 Gallons

Extracted/Treated Onsite

PSCT-1
6,949,503 Gallons

Gallery Well/Sump 9B
895,686 Gallons

Community Relations Activities

The Casmalia Site has a new EPA community relations involvement coordinator, Carmen White. Carmen graduated from U.C. Berkeley, and began her federal government career as a writer/editor, and later, a public information officer, at the U.S. Forest Service. She left the Forest Service to join a private environmental consulting firm, then returned to the Forest Service to become the public participation coordinator for the California region. From there she transferred to the EPA office in San Francisco where, among other things, she now serves as the Casmalia community relations involvement coordinator. Carmen grew up in a bilingual household, and is fluent in Spanish. She toured the site last June and met several community members, agency and political staff. Carmen is looking forward to getting to know the Casmalia community and can be reached at the toll-free number 800-231-3075.

Since joining the Casmalia project at EPA, Carmen has been busy facilitating the CSC's effort to develop a technical assistance grant (TAG) application process for awarding \$50,000 for the community's use at the Site. EPA met with the CSC last March to discuss the characteristics of a good TAG. However, due to a number of developments, including the CSC's procurement of a new community relations firm to assist them, the CSC's draft of its TAG application has been delayed. EPA met with the CSC on this matter again in August, and most recently in November, and anticipates draft TAG application from the CSC in the immediate future.

Under the terms of the Casmalia Consent Decree, the CSC is to develop a community relations plan (CRP) for the Site. The foundation for developing a meaningful CRP in community interviews. The CSC and its community relations support contractor, Davies Communication, met with EPA in November to discuss initiating such interviews. EPA is currently reviewing the CSC's draft proposal and anticipates that the interviews will begin in February. If you would like to be interviewed, or if you have suggestions as to the type of information you want about the Site and the methods for getting that information, please contact Carmen White at 1-800-231-3075.

EPA Files Lawsuit Against Owners/Operator

On December 23, 1997, EPA filed a lawsuit against the owners/operator of the Casmalia Resources Hazardous Waste Management Facility in the U.S. District Court, Central District of California. The lawsuit was filed by the U.S. Department of Justice on behalf of EPA and seeks the recovery of EPA's past and future costs incurred in responding to the releases of threatened releases of hazardous substances from the facility. Named in the lawsuit are Kenneth Hunter, Jr., Hunter Resources, and Casmalia Resources. To date, EPA has spent over \$16 million at Casmalia. The future costs of cleaning up and closing the facility are anticipated to range in the hundreds of millions of dollars.

Other Enforcement Activities

The Casmalia Consent Decree set forth a framework for attempting to finance the Site in perpetuity. A major component of this framework is the implementation of a large cashout process, whereby EPA will seek financial contributions from thousands of additional former customers of the Casmalia facility to pay for, among other things, Phases II - IV of Site work. In essence, former customers will be offered an opportunity to settle their legal liability at the Site by providing funding. EPA anticipates initiating this cashout process in the coming months.

EPA will also resume discussions with the State of California on addressing its potential liability at the Casmalian Site. The State has expressed interest and willingness to discuss options for addressing its potential liability. EPA, in conjunction with the U.S. Department of Justice, expects to begin discussions with State representatives in the immediate future.

Potentially Unauthorized Discharge on Mr. Hunter's Property

Earlier this winter, we received several telephone inquiries related to a number of construction trucks heading toward the Casmalia Site. The owners/operator of the Site, including Mr. Kenneth Hunter, Jr., allowed these trucks to pass through the facility to get to other property owned by Mr. Hunter, located approximately a quarter mile west of the Site. Upon investigation of this activity, it was discovered that soil, concrete, and other materials were being discharged from Mr. Hunter's property into the Casmalian Creek. The matter has been referred to appropriate federal and state agencies for further investigation. The activity in question occurred outside of the Casmalia facility boundary and is completely unrelated to the work at the Site being performed by the CSC under the Consent Decree.

Summary of Work Phases

Phase 1

Continued and improved collection, treatment and disposal of contaminated liquids.

Design and construction of Pesticides/Solvents landfill cap and buttress.

Design of other landfill caps and buttresses.

Additional investigation and evaluation of Site characteristics to enable EPA to make appropriate response action decision, including final Site remedy selection.

Design of facilities associated with response actions selected by EPA.

Site maintenance, ground water monitoring, community/public information support.

\$50,000 technical assistance grant for use by the community.

Phase 2

Construction of other landfill caps and buttresses.

Construction of facilities associated with response actions selected by the EPA.

Continued site maintenance, ground water monitoring, community/public information support.

Five Years of operation and maintenance of facilities.

Phase 3

Thirty years of continued operation and maintenance of the facility

Phase 4

Continued operation and maintenance of facilities beyond Phase 3.