



North Carolina Department of Environment and Natural Resources

Beverly Eaves Perdue
Governor

Dee Freeman
Secretary

July 12, 2011

TO: The Honorable Thom Tillis, Speaker of the House of Representatives
Joint Legislative Commission on Governmental Operations

The Honorable Phil Berger, President Pro Tempore
Joint Legislative Commission on Governmental Operations

FROM: Kari Barsness
Director of Legislative and Intergovernmental Affairs

RE: Report of Superfund Cost Share Fund Expenditures for North Carolina's Ten Percent
Share for Cleanup of Sites on the National Priorities List – May 31, 2011

Section 15.6.(a) of House Bill 168 (Session Law 1999-237) authorizes the Department of Environment and Natural Resources, with the approval of the Office of State Budget and Management, to use available funds for the 10 percent cost share required for Superfund cleanups on the National Priorities List sites.

Section 15.6.(b) directs DENR to report to the Environmental Review Commission and the Joint Legislative Commission on Governmental Operations as to “the amount and source of the funds used pursuant to subsection (a) of this section within 30 days of the expenditure of these funds.” The attached report provides this information.

If you have any questions, please contact Mr. David Lown, Head, Federal Remediation Branch, Superfund Section at 508-8464.

Attachment

cc: Robin Smith, Assistant Secretary for Environment

Dexter R. Matthews, Director, Division of Waste Management

Kristin Walker, Fiscal Research Division

Lanier McRee, Fiscal Research Division

Claire Hester, Fiscal Research Division

Mariah Matheson, Research Division

**Report to the
Joint Legislative Commission on Governmental Operations**

**Expenditures from the
Superfund Cost Share Fund
For North Carolina's Ten Percent Share**

May 2011



**Division of Waste Management
Superfund Section**

**REPORT TO
THE JOINT LEGISLATIVE COMMISSION ON
GOVERNMENTAL OPERATIONS
ON EXPENDITURES FROM THE
SUPERFUND COST SHARE FUND
FOR NORTH CAROLINA'S TEN PERCENT SHARE
OF CLEANUPS FOR SITES ON THE
NATIONAL PRIORITIES LIST**

North Carolina has 36 hazardous waste sites on the National Priorities List (NPL) and two sites proposed for the NPL. Fifteen of the NPL sites are fund-financed sites, where no viable responsible parties have been identified. These sites are being cleaned up using a combination of federal and state public funds. The Hazardous Response Trust Fund (the Superfund) contributes 90 percent of the money for the remedial action and the state contributes the remaining 10 percent.

The state's 10 percent contribution comes from the Superfund Cost Share Fund (SCSF). As of May 31, 2011, the fund had accumulated \$16,498,471 in appropriations, interest and other income. Of that total, \$12,078,064 has been encumbered or disbursed to pay for the state's share of the cleanup costs at the 14 NPL sites with signed Superfund State Contracts (SSCs). Other disbursements and reductions, including operations and maintenance costs, have removed \$1,665,440 from the SCSF, leaving \$2,754,968 available for future cleanup actions and long-term operation and maintenance. Recently, \$71,995 of interest income were removed from the fund to assist in balancing the state budget. Planning for remedial action at one site, Ore Knob in Ashe County, is underway and some of the available funding may be obligated for this cleanup in the next few months. An SSC has not been negotiated for Ore Knob and we have not received estimates of costs from US EPA. In addition to Ore Knob, remediation is being planned for the Cape Fear Wood Preserving site in Cumberland County, and the Aberdeen Contaminated Groundwater site in Moore County. Other sites may be added to the NPL and could require a 10 percent state cost share match for cleanup.

For Superfund-financed cleanups, CERCLA section 104(c)(3) requires the state to pay for the long-term operation and maintenance (O&M) of sites after they have been transferred to the state by EPA. The funds to perform O&M will come from the SCSF. The first site to come under the state's care is the FCX Statesville site. A sampling event at the FCX Statesville site was initiated in July and is presently underway. Since the previous report for December 2010, \$1,703 has been used for operation and maintenance at the FCX Statesville site. The total cost for operation and maintenance since the work began in October 2009 is \$21,403. The annual cost estimate is \$30,000 and there are two sampling events planned for the site in FY2012.

Attached Table 1, Fund-Financed NPL Sites, lists the 14 fund-financed sites for which State Superfund Contracts have been signed. The table also shows all encumbrances and disbursements that have occurred due to the state's 10 percent cost share requirement. Note that some sites are divided into Operable Units (OU). This is common practice in the cleanup of NPL sites, because it makes designing and executing the cleanups more structured and easier to control.

For the month of May 2011, four disbursements totaling \$60,386 were made to US EPA from the SCSF. The money was used for cleanup activities underway at the following sites and operable units: ABC One Hour Cleaners OU1 and OU2 in Onslow County, Blue Ridge Plating in Buncombe County, and Ram Leather in Mecklenburg County. Other than the payments for O&M at the FCX Statesville site discussed above, these were the only disbursements from the SCSF since the December 2010 report.

TABLE 1
FUND-FINANCED NPL SITES
AMOUNTS ENCUMBERED AND DISBURSED
(As of May 31, 2011)

	Dates	Estimated				Remaining
	SSC	Total Cost of	Cost to	Dates	Amounts	Amount
Site Name and Location	Signed	Remediation	State	Disbursed	Disbursed	Encumbered
ABC One Hour Cleaners	9/12/1996	\$3,760,000	\$376,000	11/20/1997	\$94,000	
Operable Unit # 1				10/15/2001	\$26,964	
Jacksonville, Onslow Co.				3/31/2004	\$126,091	
				12/31/2006	\$40,336	
				1/31/2008	\$14,904	
				12/31/2008	\$18,574	
				3/31/2010	\$16,198	
				5/31/2011	\$23,929	
Site Totals		\$3,760,000	\$376,000		\$360,997	\$15,003
ABC One Hour Cleaners	9/19/1997	\$750,000	\$75,000	11/20/1997	\$18,750	
Operable Unit # 2	9/1/2009	\$322,000	\$32,200	7/31/2003	\$3,803	
Jacksonville, Onslow Co.				11/30/2003	\$5,133	
				10/31/2006	\$31,600	
				1/31/2008	\$7,163	
				12/31/2008	\$8,515	
				3/31/2010	\$16,235	
				5/31/2011	\$12,448	
Site Totals		\$1,072,000	\$107,200		\$103,647	\$3,553
Barber Orchard	5/26/2005	\$24,300,000	\$2,430,000			
Operable Unit #1						
Waynesville, Haywood Co.						
Site Totals		\$24,300,000	\$2,430,000		\$0	\$2,430,000
Benfield Industries	9/27/1996	\$6,729,200	\$672,920	11/20/1997	\$168,230	
Hazelwood (Waynesville)				3/31/2001	\$69,841	
Haywood Co.						
Site Totals		\$6,729,200	\$672,920		\$238,071	\$434,849
Blue Ridge Plating	10/27/2005	\$1,357,600	\$135,760	4/30/2007	\$47,591	
Arden, Buncombe County	5/25/2007	\$917,600	\$91,760	6/30/2008	\$118,204	
				3/31/2010	\$16,212	
				5/31/2011	\$9,651	
Site Totals		\$2,275,200	\$227,520		\$191,658	\$35,862
Cape Fear Wood Preserving	9/29/1994	\$16,965,300	\$1,696,530	3/31/2001	\$1,758,697	
Fayetteville, Cumberland Co.	9/22/2000	\$4,350,000	\$435,000	5/14/2003	\$478,263	
	9/20/2002	\$3,092,274	\$309,227	5/31/2005	\$91,520	
Site Totals		\$24,407,574	\$2,440,757		\$2,328,480	\$112,277
Carolina Transformer	9/25/1997	\$9,851,700	\$985,170	11/20/1997	\$246,293	
Soil Remediation	1/14/2000	\$4,634,850	\$463,485	4/30/2001	\$20,266	
Fayetteville, Cumberland Co.	9/28/2001	\$2,000,000	\$200,000	2/28/2003	\$1,181,561	
	9/20/2002	\$3,513,450	\$351,345	3/31/2005	\$497,867	
	5/13/2003	\$2,000,000	\$200,000			
				7/31/2006	\$153,534	
Site Totals		\$22,000,000	\$2,200,000		\$2,099,521	\$100,479
Carolina Transformer	6/15/2006	\$328,300	\$32,830			
Groundwater Remediation						
Fayetteville, Cumberland Co.						
Site Totals		\$328,300	\$32,830		\$0	\$32,830

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AMOUNTS ENCUMBERED AND DISBURSED Continued
(As of May 31, 2011)

	Dates	Estimated				Remaining
	SSC	Total Cost of	Cost to	Dates	Amounts	Amount
Site Name and Location	Signed	Remediation	State	Disbursed	Disbursed	Encumbered
Davis Park Road TCE Site	4/1/2000	\$3,873,299	\$387,330	3/31/2001	\$49,061	
Gastonia, Gaston Co.				12/3/2001	\$13,226	
				11/30/2003	\$21,958	
				4/30/2007	\$16,961	
Site Totals		\$3,873,299	\$387,330		\$101,206	\$286,124
FCX-Statesville	9/12/1996	\$4,161,525	\$416,153	11/20/1997	\$104,038	
Operable Unit # 1				5/31/2003	\$3,245	
Statesville, Iredell Co.				1/31/2008	\$38,749	
Site Totals		\$4,161,525	\$416,153		\$146,032	\$270,121
FCX-Statesville	9/25/1997	\$4,840,000	\$484,000	11/20/1997	\$121,000	
Operable Unit # 2				4/30/2001	\$53,979	
Statesville, Iredell Co.	2/22/2002	\$1,160,000	\$116,000			
				3/31/2002	\$379,969	
				4/30/2003	\$23,814	
Site Totals		\$6,000,000	\$600,000		\$578,762	\$21,238
FCX-Washington	6/15/2006	\$255,791	\$25,579			
Washington, Beaufort Co.						
Site Totals		\$255,791	\$25,579		\$0	\$25,579
GMH Electronics	5/18/2009	\$2,158,550	\$215,855	11/30/2010	\$98,300	
Roxboro, Person Co.						
Site Totals		\$2,158,550	\$215,855		\$98,300	\$117,555
North Belmont PCE Site	7/26/2000	\$7,535,000	\$753,500	12/3/2001	\$31,835	
North Belmont, Gaston Co.				5/14/2003	\$223,157	
				3/31/2007	\$112,076	
Site Totals		\$7,535,000	\$753,500		\$367,068	\$386,432
Potters Septic Tank Pits	9/16/1994	\$8,000,000	\$800,000	1/30/1995	\$200,000	
Sandy Creek, Brunswick Co.	6/15/1998	\$350,000	\$35,000			
Site Totals		\$8,350,000	\$835,000		\$200,000	\$635,000
Ram Leather Care	6/15/2006	\$2,244,800	\$224,480	1/31/2009	\$127,596	
Charlotte, Mecklenberg Co.				3/31/2010	\$23,479	
				5/31/2011	\$14,359	
Site Totals		\$2,244,800	\$224,480		\$165,433	\$59,047
Sigmon's Septic Tank	6/24/2008	\$2,415,801	\$241,580			
Statesville, Iredell Co.	10/28/2009	(\$2,415,801)	(\$241,580)			
	10/28/2009	\$1,329,400	\$132,940	5/31/2010	\$21,141	
Site Totals		\$1,329,400	\$132,940		\$21,141	\$111,799
TOTALS		\$120,780,639	\$12,078,064		\$7,000,317	\$5,077,748



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TO: Commission Counsel Jeff Hudson
Environmental Review Commission

Commission Counsel Jennifer McGinnis
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FROM: Kari Barsness
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**Report to the
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**Expenditures from the
Superfund Cost Share Fund
For North Carolina's Ten Percent Share**

May 2011



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**REPORT TO
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