UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

AUG 0 8 2014

REPLY TO THE ATTENTION OF

MEMORANDUM

SUBJECT: Request for Concurrence on Federal Lead Corrective Action Activities Using LUST Trust Funding in EPA Region 5 Indian Country: Tower Standard Gas Station Site, Lac du Flambeau Reservation, Wisconsin

FROM: Margaret M. Guerriero, Director
Land and Chemicals Division

Am for MG
8/8/14

TO: Carolyn Hoskinson, Director
Office of Underground Storage Tanks

Introduction

The purpose of this memorandum is to request your approval for Region 5 to use up to $50,000 from the LUST Trust Fund. The money will be used to conduct federal-lead corrective action activities at the Tower Standard gas station Site (the Site), Lac du Flambeau, Wisconsin within the boundaries of the Lac du Flambeau Reservation.

The delegation in OSWER Directive 8-33 requires approval from the Director of OUST to use LUST Trust Funding amounts of up to $250,000 on any one specific site in Indian Country. Pursuant to this directive, Region 5 is sending you this memorandum for your approval to use up to $50,000 in LUST Trust Funds to undertake federal-lead corrective action activities at the Site.

Background and History of the Site

The Site is located on fee land within the Lac du Flambeau Indian Reservation at the intersection of State Highway 70 and County Road D near Lac du Flambeau, Wisconsin. The Site is bordered on the north by State Highway 70, to the south by Haskell Lake, and to the southwest by the Haskell Lake Lodge motel. The Tribe's Land Management Office is located to the northwest of the intersection. A bait shop is now located on the property. (See Site Area Figure 1.)

The Tower Standard gas station was built in the early 1940's and operated until 1997. Six underground storage tanks were located on the property, five of which contained leaded or unleaded gasoline. One tank contained waste oil. All tanks were removed in 1997. Following the closure of the gas station, the owner opened a bait and tackle shop called Bill and Linda's Lively Bait and Tackle on the site. This shop operates during the summer months.

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William and Linda Kozak are the owners of the property where Tower Standard formerly operated. The Kozaks are not Lac du Flambeau tribal members and the property is located on fee land. The Wisconsin LUST Program determined that Mr. and Ms. Kozak were the responsible parties for remediating the Site.

Site Investigations and Corrective Action Activities

Investigations at the Site began with a preliminary site assessment in 1997. Stained soils and odors were noted and contamination was confirmed by soil sampling. A sample collected from a private well at the Site in 1998 contained benzene. The Wisconsin LUST program paid to replace the well. Afterward, monitoring wells were installed at the Site and samples drawn from the wells showed petroleum compounds in the groundwater. Contamination was found to be moving downward in the aquifer, affected by the pumping of nearby drinking water wells. Subsequently, a groundwater pump and treat system was installed at the Site to remove petroleum contamination and prevent off-site migration. The system was shut down at the request of the owner because of costs. The Wisconsin LUST program determined that the site met conditions for closure in 2006, although soil and groundwater contamination was still present.

An unrelated investigation performed under the Targeted Brownfields Assessment (TBA) program was begun in 2011 in response to a request from the Tribe. A fireworks stand directly across Highway 70 from the Tower Standard Site burned down and the Tribe was concerned about perchlorate contamination leaching to groundwater and surface water. The purpose of the investigation was to identify the horizontal and vertical extent of perchlorate contamination in groundwater and assess potential routes of exposure to local residents or ecological receptors. Much of the work occurred on the south side of Highway 70, near the Tower Standard Site location because groundwater movement in this area is in-part toward Haskell Lake. (See Potentiometric Map Figure 2.)

While performing vertical aquifer sampling for perchlorates during the TBA investigation, strong petroleum odors were noted by the field geologist at 30 feet in one boring and at 40 to 50 feet in another boring. Samples were not analyzed for petroleum compounds at this time due to the nature of the TBA investigation.

The Tribe obtained a contractor to investigate the suspected petroleum contamination. Drilling in the same locations used during the TBA investigation, the contractor discovered a total volatile organic compounds (VOCs) concentration of over 47,000 parts per billion (ppb) at 25 feet in one groundwater sample taken near the Site. A sample collected immediately adjacent to Haskell Lake found total VOCs of over 2,500 ppb at 40 feet in the groundwater.

The Tribe expressed concern to the region about the persistence of petroleum-related contamination at the Site. The Tribe also met with the region and the Wisconsin LUST Program on February 6, 2014 to ask that they reopen the Site and assess lingering contamination. Wisconsin agreed to review file and investigation information and meet again with the region

and Tribe to discuss their findings. Wisconsin has not taken any action since the meeting and the Tribe is concerned that the unaddressed contamination will affect the residents, wetlands, and water resources.

Optimization Efforts and Remediation Progress Using LUST Trust Funds

Risk-based decision making will be central to our efforts, and it will serve as a mechanism for identifying necessary and appropriate action throughout the corrective action process.

LUST Eligibility Determination

Contamination appears to be moving toward and possibly under the bed of Haskell Lake, in the direction of houses that border the lake (groundwater flow direction shown on Figure 2). Due to site conditions and proximity to residences, drinking water wells, and surface water, Region 5 believes that prompt action is necessary to conduct sampling to assess possible threats to human health and the environment.

Potential Environmental Impacts and Receptors

The Site lies adjacent to Haskell Lake, used by tribal members for sustenance fishing, and wetlands used for native plant gathering. The Tower Standard Site is also located next to a motel, which houses some long-term residents, including tribal members. In addition, single-family housing, mostly owned by tribal members on trust land, lie along the shore of Haskell Lake. All residences and businesses in the area use private wells for potable water. Current information shows that groundwater contamination is moving under the lake bed and toward private drinking water supplies (see Figure 2). Given the potential threat to human health and the environment, the Region believes that it is necessary to undertake activities to determine whether the Site groundwater poses a risk.

Tribal Government and Community Engagement

The Lac du Flambeau Tribe requested assistance for sampling at the Tower Standard Site in a letter to the region dated May 14, 2014. As work progresses, regional staff will continue to work closely with the Tribe to keep them informed and part of the decision-making process. The region anticipates that tribal representatives will accompany the sampling team to help provide access to sampling locations and answer residents' questions.

Estimated Funds Needed

The region requests approval to use up to $50,000 of LUST Trust Funds to collect samples from private wells, evaluate the samples, and obtain a recommendation for next steps.

Should corrective action costs exceed $50,000, Region 5 may request approval to use an additional amount if required for the Site.

Policy Implications

There are no known policy implications regarding the approval of this action.

Conclusion

Region 5 requests LUST Trust funding of $50,000 for the Tower Standard Site. Using this money, the region will conduct private well sampling to determine whether groundwater contamination has impacted nearby drinking water wells. All significant findings and proposed decisions regarding the Site will be shared with the Lac du Flambeau Tribe and other interested parties before taking additional action at the Site.

If you have any questions concerning this action memorandum, please contact Sherry Kamke, Chief, Underground Storage Tanks Section, LCD, EPA Region 5 at (312) 353-5794, or Bob Egan, the Contract Officer Representative, at (312) 886-6212 or by e-mail at egan.robert@epa.gov.

Approve: _____ 8-14-2014

Carolyn Hoskinson, Director, OUST — Date

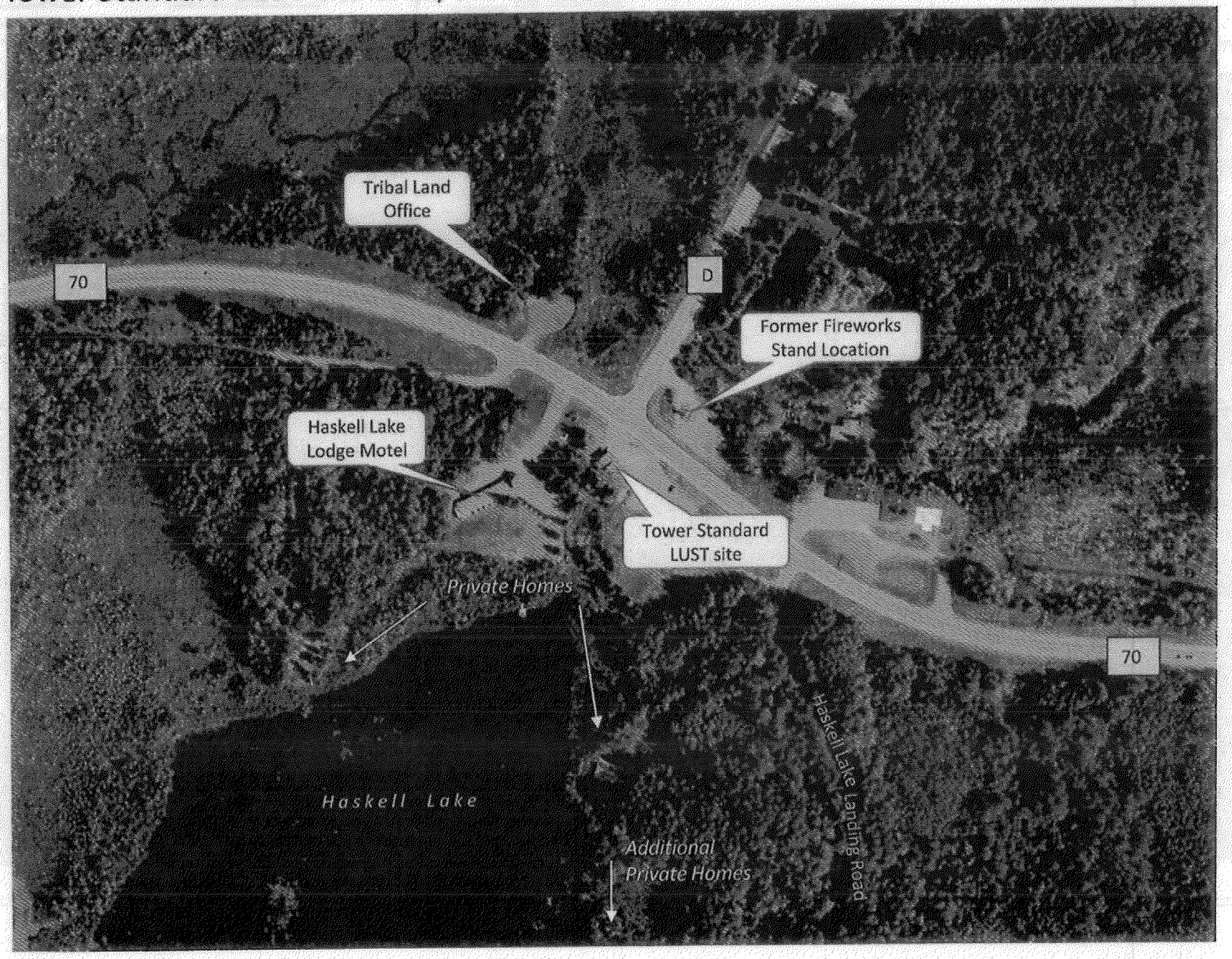
Disapprove: _____ _____

Carolyn Hoskinson, Director, OUST — Date

cc: William Lienesch, Office of Underground Storage Tanks
Judy Barrows, Office of Underground Storage Tanks
Lela Hagan, Office of Underground Storage Tanks
Sherry Kamke, Underground Storage Tanks Section, Region 5
Lynn Depont, Office of Underground Storage Tanks
Thomas Kenney, Senior Attorney, Region 5

EPA-R5-2017-010506_0000430

Tower Standard LUST site area, Lac du Flambeau Reservation, WI



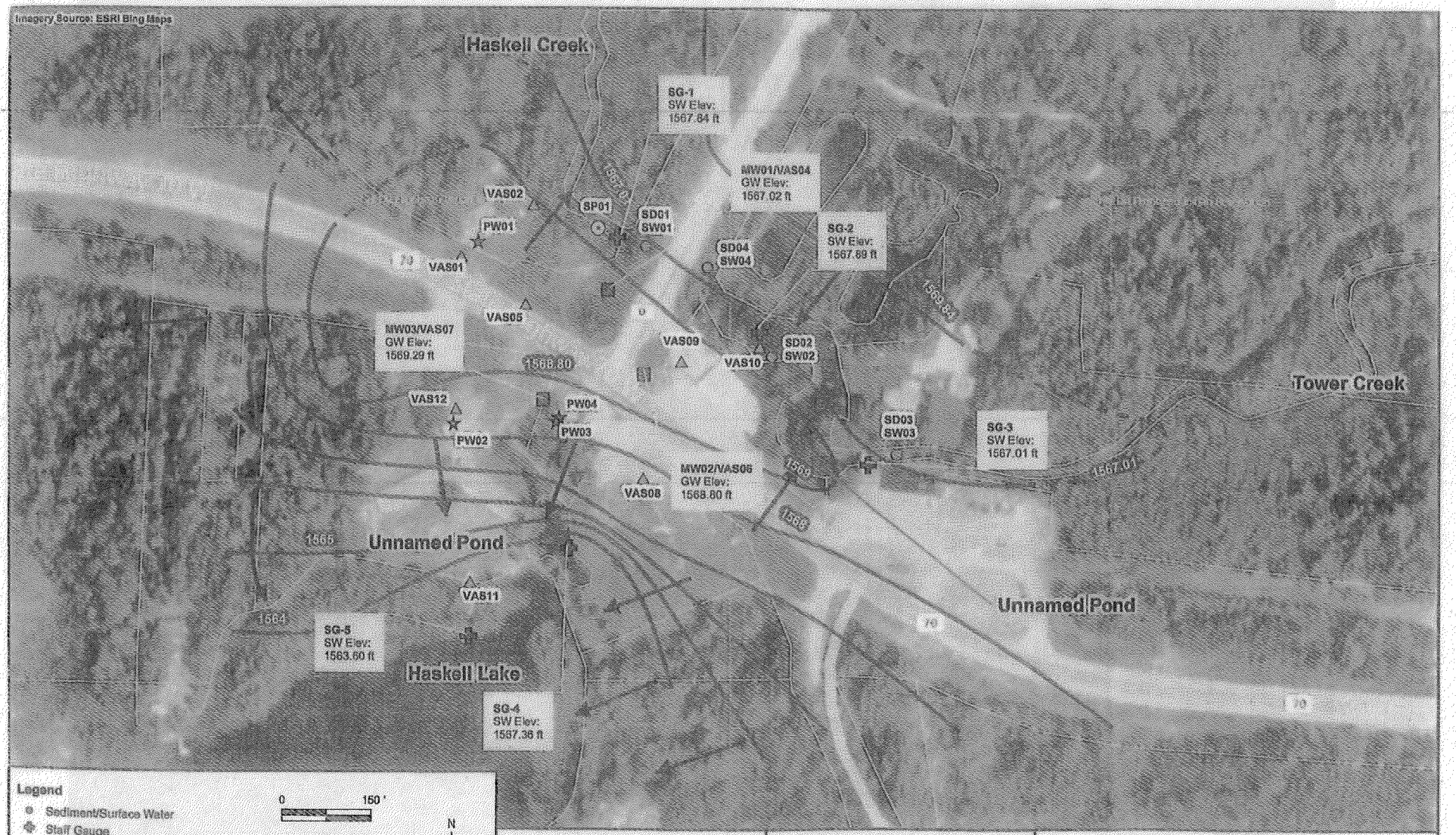


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Figure 2
Potentiometric Surface and Cross Section Location Map
May 12, 2011
Tower Standard LUST site area
Lac du Flambeau, Vilas County, Wisconsin