



Underground Storage Tank Revolving Loan and Grant Program

Washington State Pollution Liability Insurance Agency

**Report to the Legislature
2015–2017 Biennium**

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Underground Storage Tank Revolving Loan and Grant Program
2018 Report to the Legislature

Contents

Underground Storage Tank Loan and Grant Program	3
Appropriation	4
Program Timeline and Accomplishments	5
Preliminary Planning Assessments	7
Loan and Grant Process	8
Project Timelines	9
Loan Repayments	9
Operating Costs	9
Current Program Status (July 2018)	9
Conclusion	10
Recommendation	10
Appendix A: Underground Storage Tank Revolving Loan and Grant Program Background	11
Appendix B: 2015–2016 Capital Financial Assistance Grant Pilot Program	14
Appendix C: 2016–2017 Award Year Project Summaries	18
Appendix D: Agency Contact Information.....	61



Underground Storage Tank Loan and Grant Program

The Washington State Legislature established the Underground Storage Tank Revolving Loan and Grant Program (Loan and Grant Program) to address Washington's aging underground storage tank (UST) infrastructure, the existing barriers to cleaning up historical contamination from leaking UST sites, and the evolving transportation fuel market. The Loan and Grant Program provides UST owners and operators access to capital to:

- Replace or upgrade aging fuel systems to prevent leaks and dispense modern fuels.
- Clean up historical or ongoing contamination caused by UST releases.
- Transform old stations into the gas stations of the future, adapted to the changing transportation fuel market, including the installation of alternative fueling infrastructure such as electric vehicle (EV) charging stations.

The Pollution Liability Insurance Agency (PLIA) is partnering with the Washington State Department of Health (DOH) for administration of the financial lending portion of the program. The DOH has existing underwriting capabilities and experience administering loan and grant programs, while PLIA has the technical expertise and project management experience to efficiently and effectively guide cleanups and infrastructure upgrades to prevent future contamination.

By September 1 of each even-numbered year, the agency must provide the Office of Financial Management and the appropriate legislative committees a report on the agency's activities supported by expenditures from the Pollution Liability Insurance Agency Underground Storage Tank Revolving Account (RCW 70.340.090). The report must at a minimum include:

- (1) The amount of money the Legislature appropriated from the Pollution Liability Insurance Agency Underground Storage Tank Revolving Account under RCW 70.340.080 during the last biennium;
- (2) For the previous biennium, the total number of loans and grants, the amounts loaned or granted, sites cleaned up, petroleum underground storage tank systems upgraded, replaced, or permanently closed, and jobs preserved;
- (3) For each loan and grant awarded during the previous biennium, the name of the recipient, the location of the underground storage tank facility, a description of the project and its status, the amount loaned, and the amount repaid;
- (4) For each underground storage tank facility where PLIA conducted remedial actions under RCW 70.340.060 during the previous biennium, the name and location of the site, the amount of money used to conduct the remedial actions, the status of remedial actions, whether liens were filed against the underground storage tank facility under RCW 70.340.070, and the amount of money recovered; and



Washington State Pollution Liability Insurance Agency
Underground Storage Tank Revolving Loan and Grant Program
2018 Report to the Legislature

- (5) The operating costs of PLIA and DOH to carry out the purposes of this chapter during the last biennium.

This report focuses primarily on program activities during the 2015–2017 Biennium. This includes the Capital Financial Assistance Grant Pilot Program (Pilot Program) authorized by the 2015 Legislature and the initial phases of the UST Loan and Grant Program, which was authorized by the 2016 Legislature and took effect on July 1, 2016.

Appendix A includes background information on the current state and impacts of Washington’s aging storage tank infrastructure and historical petroleum contamination across the state. Appendix B provides information on the Pilot Program projects. Appendix C presents summaries of each of the projects accepted into the UST Loan and Grant Program for the 2016–2017 award year.

Appropriation

The 2015 Legislature appropriated \$1,800,000 for the Pilot Program, directing PLIA to conduct a pilot demonstration at three study sites with aging tanks, contamination to soil and/or groundwater, and serious financial hardship.

Based on the success of the Pilot Program, the 2016 Legislature appropriated \$10,000,000 for the establishment and operation of the UST Loan and Grant Program in Fiscal Year 2017. At the time of the initial fund transfer on July 1, 2016, \$2,500,840 was unobligated and available for transfer to the Pollution Liability Insurance Agency Underground Storage Tank Revolving Account (RCW 70.340.130) for the startup activities of the program. PLIA spent \$378,470 on startup costs during the 2015-2017 Biennium, 80% of which paid for staff salaries and benefits. During the subsequent biennium (2017-2019), PLIA will complete additional program startup activities and begin issuing loan and grant funding.



Program Timeline and Accomplishments

UST Grant Pilot Program Timeline	
July 2015	PLIA received Pilot Program appropriation and issued request for applications
August 2015	Grants awarded to three pilot projects
Fall 2015	Project work began
December 2016	Cleanup and infrastructure work completed on first project (performance monitoring ongoing)
June 2017	Cleanup and infrastructure work completed on second project (performance monitoring ongoing)
July 2018	Investigation of residential vapor intrusion completed on third project (vapor extraction ongoing)
UST Loan & Grant Program Timeline	
April 2016	Enabling legislation signed by Governor
July 2016	Legislation took effect
October 2016	Program launch
2017 Award Year	
March 2017	Application Deadline
Spring and Summer 2017	Intake Meetings and Preliminary Planning Assessments
Summer 2018	Financial Offers Initiated

At the direction of the 2015 Legislature, PLIA developed and launched the Pilot Program in July 2015. In August 2015, PLIA awarded three \$575,000 grants to project sites with aging tanks, contamination to soil and/or groundwater, and serious financial hardship. Project work began in the fall of 2015. To date, environmental cleanup and tank system removal, replacement, and upgrades have been completed at two of the project sites, which are now under performance monitoring. On the third project, investigation of residential vapor intrusion has been completed and vapor extraction is ongoing.

The businesses at both sites that have successfully completed cleanup and infrastructure upgrades would have been unable to continue operating without the assistance provided



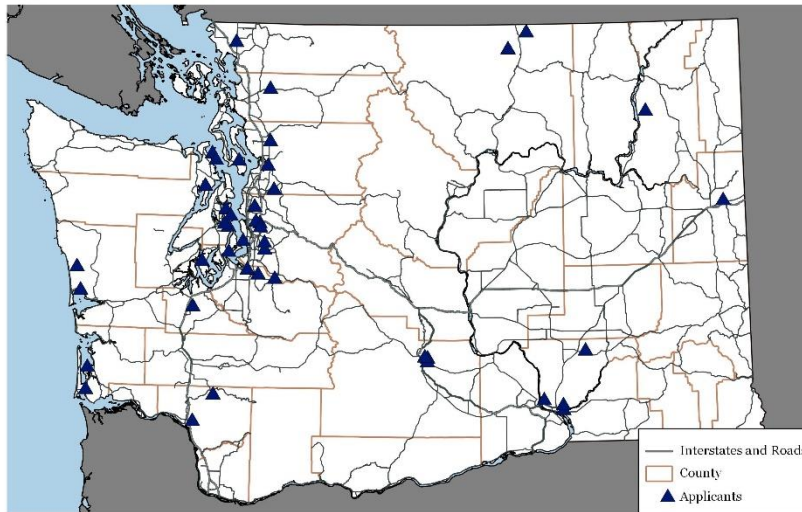
Washington State Pollution Liability Insurance Agency
Underground Storage Tank Revolving Loan and Grant Program
2018 Report to the Legislature

through PLIA's Pilot Program. This assistance led directly to the preservation of at least 47 jobs between the two businesses, and had positive impacts on many more jobs in associated businesses. (See Appendix B for full Pilot Program project descriptions.)

Building off of the successful implementation of the Pilot Program, and at the direction of the 2016 Legislature, PLIA developed and launched the UST Loan and Grant Program. Owners and operators of USTs were invited to submit applications from October 4, 2016, to March 1, 2017. PLIA received and reviewed 43 applications, entering 41 applicants into the program (the other two applicants withdrew voluntarily). PLIA notified applicants regarding acceptance in May 2017. The map below shows the geographical distribution of applicant projects.



2017 Loan and Grant Applications



The first phase of the program after acceptance is the Preliminary Planning Assessment (PPA) process. During the spring and summer of 2017, PLIA conducted intake meetings with participants and awarded grants of \$150,000 for PPAs at each of the 41 sites. The PPAs were completed in less than six months, providing site owners and the state of Washington with critical data about the conditions at the project sites. Projected cleanup and infrastructure costs for all sites with completed PPAs total \$45,426,570. (See next section for more information about the PPA process. See Appendix C for a table of individual project costs and full descriptions of UST Loan and Grant Program projects.)



Washington State Pollution Liability Insurance Agency
Underground Storage Tank Revolving Loan and Grant Program
2018 Report to the Legislature

After the PPAs were completed, PLIA ranked each site according to the program criteria, and PLIA and DOH began reviewing each participant's financial resources to determine eligibility for financing. These financial reviews are ongoing as of August 2018. As financial reviews are completed, PLIA, DOH, and the participant meet to discuss financing options. Once the participant agrees to and is approved for financing, work proceeds under PLIA oversight. (See "Loan and Grant Process" section on page 6 for more information on project financing, planning, and implementation.)

The Loan and Grant Program's award process is being governed by interpretive guidance while the program rules are under development. PLIA submitted a CR-101 on August 1, 2017, and is now developing a stakeholder outreach plan to support formal rulemaking.

Preliminary Planning Assessments

For projects accepted into the Loan and Grant Program, PLIA conducts a Preliminary Planning Assessment (PPA) to review existing data and reports, identify and fill existing data gaps, and develop a robust cleanup and construction plan.

PLIA has used a competitive solicitation process to establish a pool of consultants who contract with PLIA to complete the PPAs, which may include:

- Soil and groundwater borings.
- Laboratory analysis of soil and groundwater samples.
- Development of a conceptual site model.
- Development of a cleanup scope of work.
- Design specifications for alternative fuel infrastructure.

Collection and assessment of data is critical, given that the issues the program addresses are typically invisible from the surface, such as the condition of USTs and piping, and the extent and impacts of contamination to soil and groundwater. Data and reporting from each PPA provide the crucial groundwork for a successful project. Completing a thorough PPA at the outset of any project ensures accountability and efficiency and reduces the time it takes to successfully complete site cleanup.

The PPAs provide PLIA with the necessary information to critically evaluate and rank each site using the program criteria, which take into account environmental and financial aspects of each site. The PPA also provides participants with a better understanding of the site conditions and the costs of cleaning up and/or upgrading the site. In some cases, data collection during the PPA alerts a participant to previously undiscovered contamination, for which they may be able to access pollution liability insurance funds to help offset project costs. In other cases, data from the PPA reveals that contamination at the site has already been remediated adequately to bring the site to closure with no further action required.



Washington State Pollution Liability Insurance Agency
Underground Storage Tank Revolving Loan and Grant Program
2018 Report to the Legislature

While PLIA provides funding for PPAs, the cost is subtracted from the financing limit for each participant. This approach and business model ensures reliable, high-quality data collection and reduces uncertainty in environmental projects over the long-term. PPAs also provide information needed to right-size financing to fit participant needs and successfully bring projects to closure. UST owners and operators who receive a PPA from PLIA are not guaranteed financing through the Loan and Grant Program.

Loan and Grant Process

Using the data submitted by applicants and collected during the PPAs, PLIA prioritizes project sites according to the criteria listed in the program guidance document (State of Washington Pollution Liability Insurance Agency Revolving Loan and Grant Program Guidance Publication No. 02-2016-04).

Once projects are ranked, PLIA assesses participants' financial resources using established underwriting methods to inform financing options. UST owners and operators may receive financing to cover the estimated costs of cleaning up their site and/or upgrading fuel systems infrastructure. Interest-rate discounts may be awarded as an incentive to encourage recipients to opt for alternative fuel strategies, such as installing EV charging stations, in support of the Governor's Pollution Reduction and Clean Energy Executive Order 14-04.

PLIA works with recipients to identify all existing funding sources—such as current insurance policies or other financial responsibility mechanisms—to ensure the use of these private funding sources before expending loan and grant funds.

Recipients select an environmental consultant to complete the cleanup work outlined in the PPA. PLIA, the recipient, and the consultant hold a project kickoff meeting to develop shared project expectations, timelines, and milestones. After the meeting, the consultant submits a final cleanup and construction plan for review and approval. Once approved by the recipient, the plan is submitted to PLIA for review to ensure it meets program requirements and state cleanup regulations.

Upon approval from PLIA, the consultant begins work on the project, including submittal of permit applications. PLIA will schedule meetings and site visits as necessary throughout the project to ensure oversight of cleanup activities, regulatory compliance, and continued transparency for interested parties.

Upon completion of cleanup activities, the consultant will submit a plan to PLIA for a Model Toxics Control Act (MTCA) compliance review through PLIA's Petroleum Technical Assistance Program.



Project Timelines

Projects begin with a project kickoff meeting and must follow an agreed-upon timeline established at that meeting. Any changes require written concurrence by PLIA and the recipient. Contracts may be terminated if projects are not progressing as scheduled.

Loan Repayments

Loan repayment will begin after the first project invoice is submitted for payment. The DOH will administer loan repayment schedules and processing.

Operating Costs

During Fiscal Year 2016, operating costs for the Pilot Program were \$66,119. During Fiscal Year 2017, startup operating costs for the UST Loan and Grant Program were \$2,500,840. Included in the startup operating costs was \$57,000 for program administration activities carried out by the DOH.

Current Program Status (July 2018)

UST Project Status	
2016 Pilot Program	
Acme Fuel Company Olympia	Cleanup and infrastructure upgrades complete, performance monitoring ongoing
Genesee Energy Seattle	Cleanup and infrastructure upgrades complete, performance monitoring ongoing
Sharp's Automotive Moxee	Investigation into residential vapor intrusion complete, vapor extraction ongoing
2017 Award Year - Loan and Grant Program	
Applications received	43
Intake meetings held	43
Preliminary Planning Assessments	41 (completed within 6 months) Estimated total project costs of \$45,426,570
Grant offers made	1
Loan offers made	4 (3 accepted to date)



Washington State Pollution Liability Insurance Agency
Underground Storage Tank Revolving Loan and Grant Program
2018 Report to the Legislature

Conclusion

PLIA's Capital Financial Assistance Grant Pilot Program and Underground Storage Tank Revolving Loan and Grant Program were created to assist UST owners and operators who wish to:

- Replace or upgrade aging fuel systems to prevent leaks and dispense today's fuels.
- Clean up historical or ongoing contamination caused by UST releases.
- Transform old stations into the gas stations of the future, adapted to the changing transportation fuel market, including the installation alternative fueling infrastructure such as EV charging stations.

During the 2015–2017 Biennium, PLIA developed and launched the successful \$1,800,000 Pilot Program. This program has enabled the removal of two outdated UST systems; cleanup of environmental contamination at two UST sites; installation of two modernized UST systems; investigation of residential vapor intrusion and installation of a vapor extraction system at one UST site; and direct preservation of at least 47 jobs.

PLIA has used the \$10,000,000 biennial appropriation for the UST Loan and Grant Program to develop and successfully launch the program, receiving 43 applications for financial and technical assistance from Washington UST owners and operators in the program's first year. PLIA has conducted Preliminary Planning Assessments on 41 project sites, characterizing environmental contamination and developing well-informed plans for site cleanup and infrastructure removal, replacement, and upgrades. Project cost estimates indicate over \$45 million in financial need to achieve site cleanup and infrastructure upgrades in order to ensure safe operation and insurability of these UST sites in the years ahead. Loan and grant award offers are in progress, and PLIA is now receiving applications for the 2019 award year.

Recommendation

PLIA recommends continuation of the program and its spending authority. Continued program operation will allow the agency to continue working with UST owners and operators to achieve their environmental cleanup and infrastructure management goals so they can effectively, and responsibly serve their communities. Program updates and information for prospective program participants is posted to PLIA's website at www.plia.wa.gov.

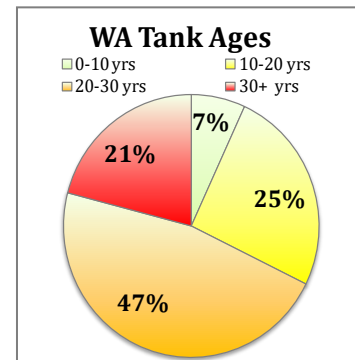


Appendix A: Underground Storage Tank Revolving Loan and Grant Program Background

Washington’s existing underground storage tank (UST) infrastructure is aging. In the 1990s, television news coverage of leaking fuel tanks and their impact on community drinking water sources led to national initiatives for large-scale replacement or lining of UST infrastructure. Now, more than 20 years later, the infrastructure once again needs replacing or upgrading, but the national and state programs of the 1990s no longer exist to provide incentives and support.

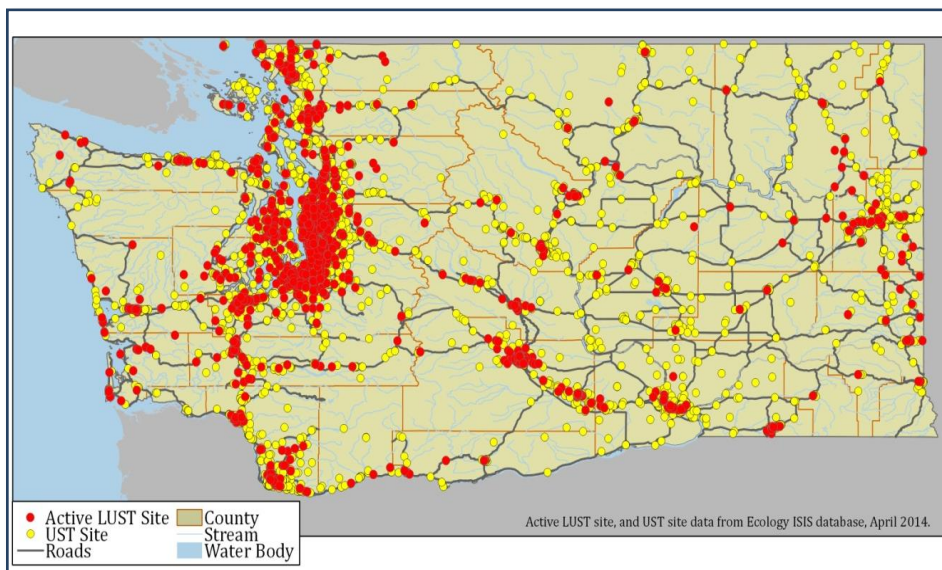
Aging Infrastructure

The average age of Washington’s UST infrastructure is over 20 years. These older UST systems are more difficult and costlier to insure since the likelihood of leaks from the tanks or the associated piping and fittings increases over time (ASTSWMO, 2015). UST manufacturers generally warranty UST systems for 30 years. Close to 70% of Washington’s UST infrastructure will be 30 years or older by 2021.



Historical Contamination

Washington has more than 2,900 leaking UST sites still awaiting remediation, several of which include historical contamination. In 1989, PLIA was established to ensure the continued availability of affordable UST insurance in Washington from that point forward. PLIA’s Commercial UST Reinsurance Program reinsures approximately 80% of



Reported leaking UST sites (red) and active UST sites (yellow) across Washington.



Washington's current UST infrastructure. At the time PLIA's program was established, it was assumed that pre-existing contamination would be resolved through other means, such as property redevelopment.

Two factors affect the overall ability to resolve historical contamination in Washington: 1) the high groundwater tables in many parts of the state, and 2) Washington's stringent environmental cleanup laws. When a gasoline leak reaches the groundwater table, cleanup costs rise sharply. In Washington's major metropolitan areas, redevelopment has led to a large number of cleanups. In many of the state's rural areas, however, property values are disproportionate to cleanup costs, so redevelopment has not been as successful a driver of cleanup.

Financial Barriers

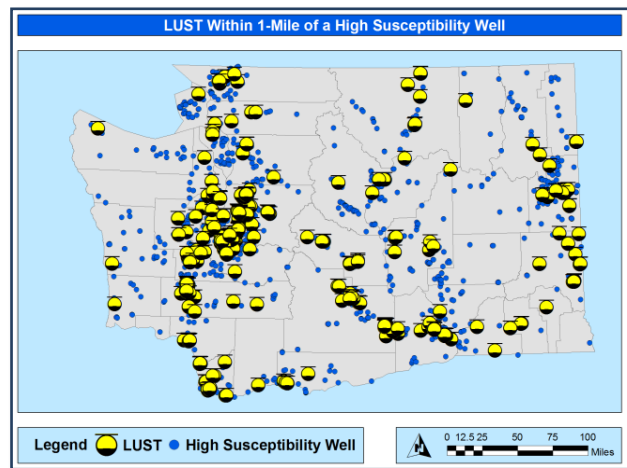
Many owners and operators of USTs are currently unable to access the financial resources necessary to upgrade their UST systems and clean up residual contamination. Traditional lenders are hesitant, and sometimes unable, to provide financing for UST infrastructure, especially if the property already has documented contamination. In addition, many of the UST owners in Washington are small business owners who cannot raise the capital needed from other sources, despite their desire to clean up existing contamination and protect the environment from future releases of contaminants.

Community Impacts

The problem of failing USTs combined with a lack of financial resources negatively impacts Washington's communities (Integrative Economics, LLC & Sound Resource Economics, 2016).

Drinking water: More than 2,500 operational USTs are located within one mile of a well designated as highly susceptible to contamination. When one of those USTs begins to leak, local drinking water sources are jeopardized, requiring either costly treatment or well abandonment and loss of a resource.

Economy: Surrounding property values can decrease due to historical and current contamination. A recent national study estimates that housing prices decrease by 3–6% when a contaminant release from a nearby UST is discovered (Guignet, et al., 2016). The study also found that prices return to pre-contamination levels once the contamination has been cleaned up. Lower property values impact



<https://fortress.wa.gov/ecy/publications/publications/0909048.pdf>



Washington State Pollution Liability Insurance Agency
Underground Storage Tank Revolving Loan and Grant Program
2018 Report to the Legislature

not only individual property owners, but also the amount of property tax collected by local municipalities to support community services.

Environment: Aging tanks and their infrastructure release fuel into soil and groundwater, causing contamination that can take years to clean up. Harmful vapors from the contamination can travel through the soil and impact air quality in nearby houses and commercial buildings. When contaminated groundwater reaches surface water, it can harm fish and other organisms.

Small businesses: When owners of small and midsize gas stations cannot obtain the capital needed to meet regulations and adapt to alternative fuel strategies, they may not be able to continue operating. This leads to the loss of local businesses, some of which have been handed down over several generations and are a central component in their communities.

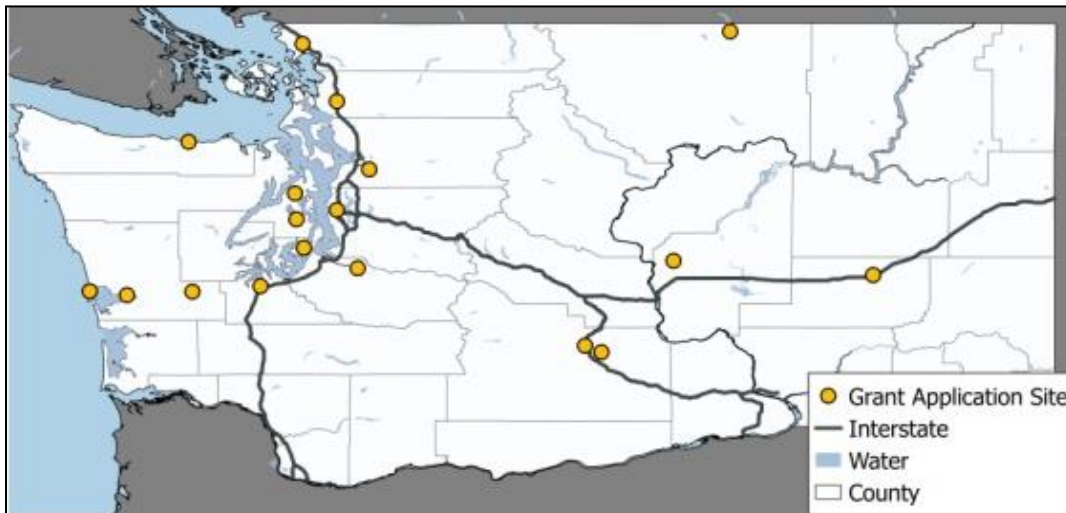
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Appendix B: 2015–2016 Capital Financial Assistance Grant Pilot Program

Chapter 3, Laws of 2015, 64th Legislature, 3rd Special Session, Section 3085 directed PLIA to conduct a pilot demonstration at three study sites with aging tanks, contamination to soil and/or groundwater, and serious financial hardship. PLIA received 21 applications for the Pilot Program grants.



PLIA Proviso Grant Applications Received

PLIA reviewed and ranked each applicant based on the selection criteria established for the program to select the three sites eligible for Pilot Program grants. On August 17, 2015, PLIA awarded three \$600,000 grants to the following recipients: Acme Fuel Company of Olympia; Genesee Fuel and Heating Company, Inc. of Seattle; and Sharp’s Automotive of Moxee.

After selecting the three pilot demonstration sites, PLIA met with each of the grantees and their environmental consultants to review existing information for their sites and develop cleanup and infrastructure upgrade plans. PLIA’s successful Pilot Program provides the foundation for expansion to the full Loan and Grant Program in 2017.

On the following pages are profiles of each of the pilot demonstration grant sites.



Acme Fuel Company, Olympia

Acme Fuel Company, founded in 1925, is a third generation family-owned business located in downtown Olympia. Acme Fuel Company provides fuel services to homes and businesses throughout Thurston and Mason Counties. They deliver propane and heating oil to homes, repair and install heating and cooling equipment, and operate two card lock gas stations that provide fuel to businesses and individuals.



In 2011, Acme Fuel Company's fuel supplier delivered fuel to a discontinued tank, resulting in a catastrophic release and an emergency cleanup. During the cleanup investigation they discovered historical contamination from the underground fuel piping and fittings which had been leaking over several years. Upon discovering the contamination, Acme Fuel Company's owner, Christophe Allen, worked with an environmental consultant to develop a plan to clean up the contamination. Mr. Allen was surprised to learn that while his insurance policy covered the cleanup work, none of the station rebuilding costs would be covered. He approached his banker to set up financing and was told that the bank would not be able to help, because his property was already contaminated, and the costs were too large compared to the size of his small family business.



The pilot program grant allowed Acme Fuel Company to move ahead with the teardown of the station and cleanup of the contamination using insurance funds, with the reassurance that they would have the resources to put their station back together once the contamination was removed. With the grant funds, Acme Fuel Company has installed new tanks and lines that are less likely to leak in the future.

Current Project Status: Cleanup and tank system upgrade complete. Performance monitoring ongoing.



Genesee Fuel & Heating Company, Inc., Seattle

Genesee Fuel & Heating Company is a third generation family-owned business located in South Seattle. The company, started in 1929, is one of only three companies that provide heating oil services to the Seattle area. Genesee Fuel & Heating Company is also the largest dealer of bioheat, which is a form of biodiesel used for home heating. The company provides biodiesel blends of up to 99% biodiesel for their environmentally conscious customers.



In January 2015, the owner of the company, Steve Clark, received a notice of nonrenewal from his insurance company, stating that his coverage would be discontinued within three months due to the age of his company’s USTs. The tanks were installed in 1949 and 1955. Without an insurance policy, Mr. Clark could not meet the state and federal operating requirements. Although his company was financially sound, Mr. Clark’s banker was unable to assist him with financing for tank replacement. Mr. Clark’s banker explained that trucks and buildings are simple to finance, as they are easy to collateralize, but financing for a UST would be an uncollateralized loan—something his bank could not provide. Without the Pilot Program grant award, Mr. Clark would not have been able to remove the outdated tank system and clean up the associated contamination in order to install an upgraded tank system. Without the upgraded system, Mr. Clark would not have been able to continue to operate his business.

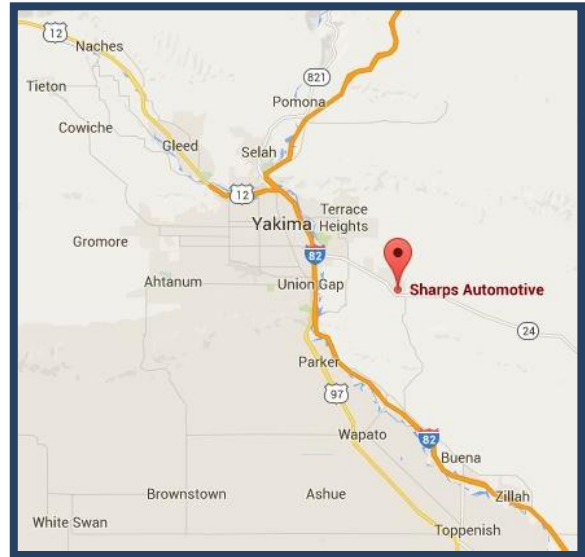
Current Project Status: Cleanup and tank system upgrade complete. Performance monitoring ongoing.



Sharp's Automotive, Moxee

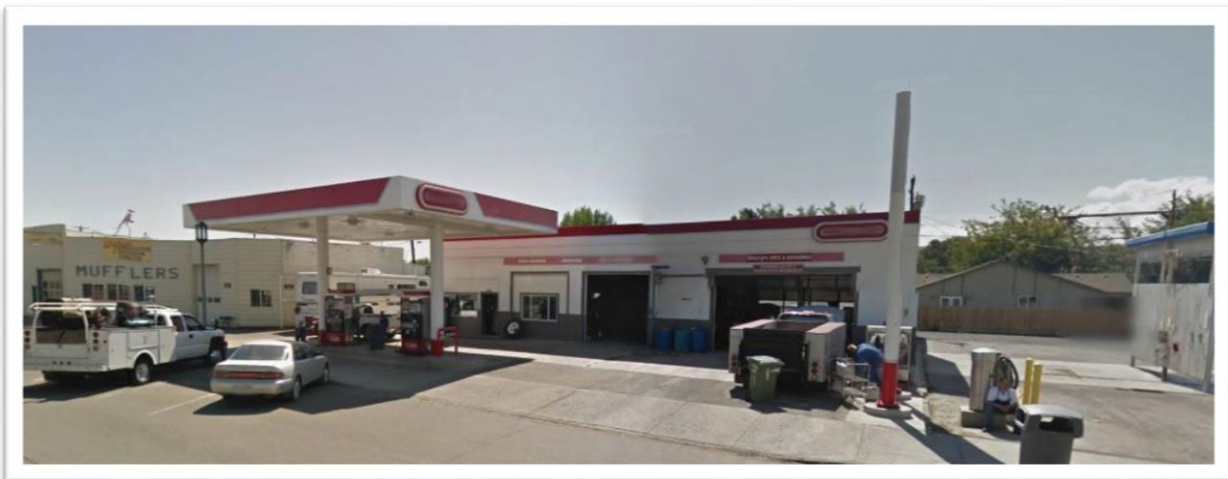
Sharp's Automotive is a small family-owned fuel and service station located in the town of Moxee near Yakima. The Sharp family purchased the business in 1987. The service station is a central part of the community and provides essential services to the surrounding area, especially area farmers.

In 1994, during the nationally led UST upgrade efforts, the station's USTs were removed and replaced. Soil contamination was discovered on the site and interim cleanup actions were completed, but a full cleanup of the site did not occur due to the limited availability of funds.



In 2016, the Department of Ecology issued a letter to Mr. and Mrs. Sharp and the previous property owner, noting potential vapor intrusion concerns. The Sharp's were denied financing from their local credit union and were unable to fund the investigation and cleanup work necessary at their site. PLIA grant funds are being used to complete the site investigation, secure access agreements, and conduct vapor monitoring to set MTCA cleanup levels for the site.

Current Project Status: Investigation into residential vapor intrusion complete. Vapor extraction ongoing.





Appendix C: 2016–2017 Award Year Project Summaries

When completing the Preliminary Planning Assessments, PLIA’s environmental consultants developed project cost estimates for each project. The table below shows the estimated cost for each project. (Projects shaded in green indicate that a financial offer has been made and accepted, unless otherwise specified.) The pages that follow present individual project summaries.

Rank	Project/Site	Location (City/County)	Cleanup Cost	Infrastructure Cost	Total Cost
1	Vashon Athletic Club	Vashon/King	\$1,018,000	\$850,000	\$1,868,000
2	Conan Fuel	Gig Harbor/Pierce	\$910,000	\$928,000	\$1,838,000
3	Family Supermarkets (Quick Stop #4)	Longview/Cowlitz	\$1,650,000	\$850,000	\$2,500,000
4	P&J Deli Mart (<i>offer pending</i>)	Tacoma/Pierce	\$370,000	\$126,793	\$496,793
5	Smitty's Conoco #190	Yakima/Yakima	\$870,000	\$721,200	\$1,591,200
6	Ocean Mart & Gas	Hoquiam/Grays Harbor	\$218,400	\$739,200	\$957,600
7	You & I Market	Pacific Beach/Grays Harbor	\$720,000	\$482,000	\$1,202,000
8	PetroCard, Inc. (South Kent)	Kent/King	\$2,284,680	\$1,494,000	\$3,778,680
9	Former Whidbey Marine & Auto Supply (<i>offer forthcoming</i>)	Freeland/Island	\$994,000	\$0	\$994,000
10	Seaview Mobil	Seaview/Pacific	\$409,000	\$630,000	\$1,039,000
11	Jack's Country Store	Ocean Park/Pacific	\$140,000	\$1,914,900	\$2,054,900
12	PK Sandhu LLC	Oroville/Okanogan	\$1,474,000	\$348,000	\$1,822,000
13	PetroCard Inc. (North Kent)	Kent/King	\$579,000	\$725,400	\$1,304,400
14	Daisy Station	Rice/Stevens	\$5,000	\$750,000	\$755,000
15	PetroCard, Inc. (Seattle 4th)	Seattle/King	\$1,050,600	\$1,274,640	\$2,325,240
16	Port of Illahee (<i>offer forthcoming</i>)	Bremerton/Kitsap	\$539,940	\$0	\$539,940
17	Woohoo Enterprises, LLC	Bremerton/Kitsap	\$68,500	\$560,000	\$628,500
18	Central Valley Store	Poulsbo/Kitsap	\$410,000	\$1,949,350	\$2,359,350
19	Portal Way Station	Ferndale/Whatcom	\$1,070,000	\$1,000,000	\$2,070,000
20	Apple Barrel	Yakima/Yakima	\$0	\$1,270,000	\$1,270,000



Washington State Pollution Liability Insurance Agency
 Underground Storage Tank Revolving Loan and Grant Program
 2018 Report to the Legislature

Rank	Project/Site	Location (City/County)	Cleanup Cost	Infrastructure Cost	Total Cost
21	Connell Oil (900 S Columbia)	Connell/Franklin	\$5,000	\$625,509	\$630,509
22	Nordic Properties, Inc.	Port Orchard/Kitsap	\$789,000	\$1,310,000	\$2,099,000
23	Smitty's Minimart #60	Yakima/Yakima	\$130,000	\$771,700	\$901,700
24	Repaul, LLC	Puyallup/Pierce	\$565,000	\$0	\$565,000
25	Sandy's Chevron	Quilcene/Jefferson	\$183,000	\$0	\$183,000
26	Smokey Point Chevron	Marysville/Snohomish	\$180,000	\$100,000	\$280,000
27	Connell Oil - 1980 Terminal	Richland/Benton	\$0	\$628,964	\$628,964
28	Connell Oil - 3802 Swallow	Pasco/Franklin	\$0	\$628,964	\$628,964
29	Drew's Grocery & Service, Inc.	Toutle/Cowlitz	\$143,000	\$1,537,000	\$1,680,000
30	Gold Creek Community Church	Woodinville/King	\$339,300	\$0	\$339,300
31	Hi-Way Grocery	Buckley/Pierce	\$96,000	\$571,505	\$667,505
32	Port of Port Townsend	Port Townsend/Jefferson	\$5,000	\$1,268,800	\$1,273,800
33	Port of Skagit	Sedro Woolley/Skagit	\$224,400	\$0	\$224,400
34	Loomis Kwik Stop	Loomis/Okanogan	\$0	\$860,000	\$860,000
35	Jarrell's Cove Marina	Shelton/Mason	\$5,000	\$630,000	\$635,000
36	Bill's Garage	Chimacum/Jefferson	\$550,000	\$0	\$550,000
Completed under PPA or withdrawn after PPA					
	Connell Oil - 817 W A St	Pasco/Franklin	\$0	\$105,000	\$105,000
	Genesee Fuel & Heating Co, Inc.	Seattle/King	\$0	\$59,000	\$59,000
	Villa Grove Market & Gas	Olympia/Thurston	\$0	\$1,313,247	\$1,313,247
	US Petro Food Mart	Spokane/Spokane	\$5,000	\$402,578	\$407,578
Withdrawn before PPA was completed					
	76 Food Mart	Everett/Snohomish			
	Honu Crossing	Seattle/King			
	Jim's Market & Gas	Seattle/King			

Apple Barrel, Yakima, Washington

The Apple Barrel was operated as a convenience store and retail gasoline station since at least 1982. Three former underground storage tanks (USTs) were installed at the site in 1982 and were removed in 1993, and the current two-compartment UST was installed in 1997. Limited soil samples were collected during the UST removal in 1993, and none of the samples contained concentrations of petroleum hydrocarbons above regulatory limits.

The current property owners would like to upgrade or repair the existing fueling system, which is not in operation, and resume selling gasoline at the property. Several businesses currently operate at the property, including a laundromat, insurance office, and convenience store.



In 2017, PLIA awarded the Apple Barrel property a grant to conduct a Preliminary Planning Assessment (PPA) at the property. The PPA included funding for an assessment of impacts to soil and groundwater at the site, and development of cost estimates to upgrade the current USTs and fueling system. Petroleum-impacted soil and groundwater were not identified at the site during the investigation; all soil and groundwater samples were below Ecology's soil and groundwater cleanup levels. Through funding from PLIA's Revolving Loan and Grant Program, the property owners were able to demonstrate that there were no issues with petroleum releases at their property, which will allow for future property investments to support upgrading the aging UST infrastructure.

Apple Barrel is located in Yakima, Washington, along a busy thoroughfare. The fueling area of the property has been unused since 2010 and the property owners hope to upgrade the fueling system and resume sales of gasoline.

Current Project Status: Awaiting Funding Status for Infrastructure Upgrades.

BILL'S GARAGE AND GAS, CHIMACUM

In 2006, petroleum contamination was discovered in soil and groundwater on the Bill's Garage property. Upon discovery, property managers Steve and Nannette Aurdal began working with an attorney and environmental consultant to recover costs for the required cleanup and investigate the contamination.

Despite fighting hard to recover costs for the investigation and cleanup from previous insurers and major oil companies, the Aurdals have paid out-of-pocket for the progress that has been made. However, when they enrolled in PLIA's loan and grant program in 2017, their investment outlook began to look more positive.



Photo credit: PT Leader



PLIA's loan and grant program has allowed the Aurdals to complete the remedial investigation and begin planning for the removal of the old underground storage tanks and contaminated soil (to the extent practicable), and long-term monitoring of groundwater to confirm conditions are improving until cleanup levels are achieved. If successful, this remedy will facilitate returning the currently vacant property to beneficial reuse, both economically and for the community of Chimacum.

Bill's Garage is a sixth-generation, family-owned business located in Chimacum, Washington. Dating back to 1860, the property was used as blacksmith shop. By 1920 the property was a full-service gasoline and repair station, the first of its kind on the Olympic Peninsula. The business operated as various branded retail gas stations until 2006 when the property was put up for sale.

Current Project Status: The property owners are developing a financial plan for the projected cost of the cleanup and leveraging the loan and grant program to bridge potential gaps between recovered costs and costs associated with the proposed cleanup.

*Washington State Pollution Liability Insurance Agency
Revolving Loan and Grant Program*





*Washington State Pollution Liability Insurance Agency
Revolving Loan and Grant Program*

Central Valley Store, 10400 Central Valley Rd. NE., Poulsbo, WA, 98370

This property is located approximately 2 miles northeast of Silverdale, Washington, surrounded by rural and agricultural land. A gasoline station was first built on the property in 1924 and then redeveloped in 1982 with a convenience market and new fueling systems. Soil and groundwater contamination was discovered on the property in 2013, as part of a pending sale. Given this contamination, the buyer cannot purchase the property.



In December of 2016, the property owner applied for financial assistance from the Pollution Liability Insurance Agency (PLIA) Revolving Loan and Grant Program. This assistance was requested to provide funding for site characterization, removal of the underground tanks, and cleanup of identified petroleum contamination. With this completed effort, the potential buyer should be able to purchase the Property and upgrade the fueling system for future use.

PLIA selected the Property to undergo a Preliminary Planning Assessment (PPA), in order for PLIA to gather additional information to determine if a loan or grant could be provided. The initial site-characterization work has been completed, as summarized in the completed PPA report. Soil and groundwater contamination has been confirmed on the property, with migration to the south beneath the adjacent roadway. A preferred remedial-action alternative to address this contamination has been identified. The PPA report also includes an appraisal of the current property value, as well as a projected value should the cleanup work occur.

Current Project Status: Awaiting Funding Status for Cleanup and Possible Infrastructure Upgrades.

The Pollution Liability Insurance Agency provides an effective and efficient government funding model to support owners and operators in meeting financial responsibility and environmental cleanup requirements for underground storage tanks and petroleum-contaminated sites.

CONAN FUEL, GIG HARBOR, WASHINGTON



CLIENT

Client: Conan Fuel
Location: Gig Harbor, Washington



OBJECTIVES

Completely characterize contamination on site and develop budget estimate for remediation to closure and facility upgrades.



COMPLETED SCOPE

Completed Site Characterization
Evaluated Existing System
Conducted Feasibility Study
Developed Budget Estimates

BACKGROUND

Between December 1998 and February 1999, failure of a leak detection device at Conan Fuel reportedly resulted in a release of approximately 9,500 gallons of premium grade gasoline. Daniel Root, the owner of Conan Fuel, was able to use his insurance policy to implement emergency response actions, which enabled the recovery of more than 3,700 gallons of liquid-phase petroleum product and more than 30,000 gallons of contaminated groundwater during the initial remediation efforts, likely preventing the contamination from migrating into McCormick Creek, located across Burnham Drive Northwest from the property.

Conan Fuel's previous environmental consultants developed a plan to clean up the remaining contamination, and multiple additional remediation approaches were taken at the site with limited success until 2013, when Mr. Root's insurance policy was exhausted, leaving contamination in place at the property (including liquid-phase petroleum product in the subsurface). The facility also encountered challenges from local agencies which are requiring upgrades to the infrastructure on site in order to continue supplying fuel to the local community.

The Preliminary Planning Assessment Grant provided financial assistance which allowed Conan Fuel to completely characterize the extents of contamination remaining at the site and understand, with a greater level of certainty, the anticipated costs for cleaning the site up and upgrading the infrastructure to comply with local agency directives.

Conan Fuel is a family-owned business located in Gig Harbor. It provides retail and commercial petroleum distribution and vehicle repair services, including a substantial amount of recreational vehicle fueling.

Current Project Status: Project on hold pending site ranking and agreements.



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Connell Oil Pacific Pride Card Lock Facility – 817 West A Street, Pasco, WA



Connell Oil leased and operated the card lock facility at 817 West A Street in Pasco, WA which was constructed in 1984. The station had three 10,000 gallon single wall steel tanks and four dispensers. The pumps, dispensers and monitoring equipment were nearly obsolete.

Connell Oil applied to the Pollution Liability Insurance Agency (PLIA) Loan and Grant program for assistance with removing the 33-year old system and installing new UST's and modern dispensers. Budinger & Associates performed Preliminary Planning Assessment (PPA) for PLIA to evaluate environmental conditions and facilitate replacement of the system.

The PPA included UST historical research, soil sampling, groundwater sampling, chemical analysis and soil vapor screening. The PPA did not identify a release from the system or petroleum contamination of soil or groundwater.



During the process, Connell Oil decided to remove the system and not renew their lease of the property. They removed the UST system and other improvements and restored the site to its' original condition. Contaminated soils were encountered beneath a diesel dispenser and piping during UST removal from minor leaks and spills. A total of 15.4 tons of petroleum contaminated soil was over-excavated and hauled off site for disposal to remediate the site.

PLIA's Loan and Grant program did not finance removal of the old UST system, however, the site would have been eligible for funding if a significant release had occurred. We believe that participation in the program, and the PPA process facilitated Connell Oil's decision to vacate the site.

Current Project Status

The property has now been fully reclaimed and returned to the owner for commercial or residential redevelopment. Removal of these older tanks provides a significant environmental benefit by eliminating further risk of contamination.

Connell Oil Pacific Pride Card-Lock Facility – 1980 Terminal Drive, Richland, WA

The Richland Pacific Pride site is a commercial card-lock fueling station that began operations in 1984. The site is located in an industrial park southeast of the Richland Airport. The airport dates to the 1940s as well as the construction of the nearby Hanford Nuclear Reservation, however, the industrial park and surrounding area has been nearly fully developed into residential and commercial use.

The station has three 10,300 gallon single wall steel tanks along with 4 pump islands. The pumps, dispensers and monitoring equipment are nearly obsolete. The site also has an above-ground tank and dispenser for E85 fuel which will remain in service.



Connell Oil applied to the Pollution Liability Insurance Agency (PLIA) Loan and Grant Program for assistance with replacing the 33-year old system with new UST's and modern dispensers which can accept credit cards from the public as well as commercial accounts.

Budinger & Associates performed Preliminary Planning Assessment (PPA) for PLIA to evaluate environmental conditions and facilitate estimating costs and planning for replacement of the system. The PPA included UST system

records review, soil sampling, groundwater sampling, chemical analysis, and soil vapor screening.

The PPA did not identify a release from the system, or petroleum contamination of soil or groundwater. It characterized shallow soil conditions and determined that the water table is too deep to impact the proposed replacement project. These results increased the owner's confidence in the cost and schedule of the project by removing the potential for unknown expense and delays which can be caused by unanticipated soil or groundwater contamination.

Current Project Status

Connell Oil elected to commence replacement of the system in October of 2017. The tanks were removed and additional soils testing performed which confirmed that a release had not occurred. The PLIA Loan and Grant Program helped facilitate replacing a very old UST system with a modern system much less likely to have a release in the future.

Connell Pacific Pride Card Lock Facility- 3802 N. Swallow Ave., Pasco, WA

This station is located in a heavy industrial and commercial area north of Pasco, and west of the Tri-Cities Airport. It has been in operation since 1983.

The UST system consists of three 10,000 gallon single wall steel tanks, with five pump islands and a total of 8 dispensers. The pumps, dispensers and monitoring equipment are nearly obsolete.



Connell Oil applied to the Pollution Liability Insurance Agency (PLIA) Loan and Grant program for assistance with removing the 34-year old UST system, and installing new UST's and modern dispensers which can accept credit cards from the public as well as commercial accounts.

Budinger and Associates performed Preliminary Planning Assessment (PPA) for PLIA to evaluate environmental conditions to facilitate

estimating costs and planning for replacement of the system. The PPA included UST system records review, sampling, chemical analysis and soil vapor screening.

The PPA did not identify a release from the system. It characterized shallow soils and determined that a shallow water table or bedrock would not be a concern. These results greatly increase confidence in the cost and schedule of the project by removing the potential for unknown expense or delays which can be caused by unanticipated soil or groundwater contamination.

Current Project Status

PLIA is currently processing the application and evaluating eligibility for the 2018 loan and grant program budget cycle. Connell Oil can move forward with plans to replace the outdated system to better meet the needs of the community and comply with current environmental regulations. The new UST system should be much less likely to have a release in the future.

Connell Oil Pacific Pride Card Lock Facility – 900 S. Columbia Ave., Connell, WA



This station serves many government agency, commercial and agricultural customers located near the remote town of Connell, WA.

This site currently operates with three 10,000 gallon, single-wall underground fuel tanks and four pump islands with multiple dispensers. The UST system was installed in 1984, and the

pumps, dispensers and monitoring equipment are nearly obsolete.

Connell Oil applied to the Pollution Liability Insurance Agency (PLIA) Loan and Grant program for assistance in removing the 33-year old system and installing modern UST's and dispensers which can accept credit cards from the public, as well as commercial accounts.

Budinger and Associates performed Preliminary Planning Assessment (PPA) for PLIA to evaluate environmental conditions and facilitate estimating costs and planning for replacement of the system. The PPA included UST system records review, sampling, chemical analysis and soil vapor screening. The PPA did not identify a release from the system. It characterized shallow soils and depth to rock, and determined that a shallow water table or groundwater is not a concern. These results greatly increase confidence in cost and schedule of the project by removing the potential for unknown expense or delays which can be caused by unanticipated soil or groundwater contamination.

Current Project Status

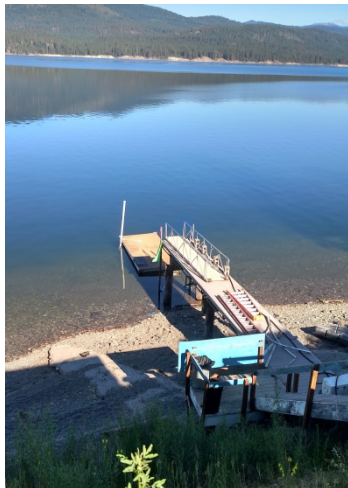
PLIA is currently processing the application and evaluating eligibility for the 2018 loan and grant program budget cycle. Connell Oil can move forward with removing and replacing the outdated system to better meet the needs of the community and comply with current environmental regulations. The new UST system should be much less likely to have a release in the future.

Daisy Station - 2990 Hwy 25 South, Rice, WA

Daisy Station is a small general store and fueling station on the east shore of Lake Roosevelt in Stevens County, WA, approximately 6 miles north of the Gifford Ferry landing. The remote outpost has provided land and marine fuel, as well as supplies, to recreational customers, local residents, public agencies, fire, and emergency vehicles since 1948. The nearest service station is more than 20 miles away.



The Pollution Liability Insurance Agency (PLIA) UST Community Assistance Program provided financial assistance and oversight to remove the older tanks, perform remediation of a small release, and install the current system in 1993. It is presently outdated and requires an attendant to dispense fuel. The current owner applied for assistance from PLIA to replace and upgrade the UST system.



Budinger & Associates performed Preliminary Property Assessment (PPA) for PLIA to evaluate environmental conditions, determine whether remediation would be necessary, and to plan and estimate replacement of the system. The PPA included sampling of soil and groundwater beneath the UST system as well as soil vapor extraction and testing. We also coordinated with the owner and vendors to estimate the cost and schedule for a suitable replacement system. The PPA did not identify soil or groundwater contamination that would require remediation during replacement of the system.

The owner is planning to move forward with replacing the UST system with new, card-lock dispensers capable of accepting all major credit cards and allow for 24-hour fuel sales. A modern, fully contained boat fueling dock system will replace the current dispenser. Installation of the new system will significantly reduce potential environmental risks to the Columbia River and Lake Roosevelt.

CURRENT PROJECT STATUS

Planning, design, and contract negotiations are underway to upgrade the system in the spring of 2018; PLIA is currently processing the application and evaluating eligibility for the loan and grant programs 2018 budget cycle.



*Washington State Pollution Liability Insurance Agency
Revolving Loan and Grant Demonstration Program*

Drew's Grocery & Service, 5304 Spirit Lake Hwy., Toutle, WA 98649

In 1937, the current property owner's grandmother and his father started a rural grocery store. The store also sold fuel and automotive products, serving the local logging community and hunters/tourists on their way to Mount St. Helens. A new grocery store and full-service gas station was constructed in 1969. The eruption of Mount St. Helens in 1980 significantly disrupted the economy in the area. A PLIA grant in 1992 provided funding for removal of old fuel-storage tanks and installation of new tanks, allowing for the store/station to remain in business.



In December of 2016, Drew's Grocery applied for financial assistance from the Pollution Liability Insurance Agency (PLIA) Revolving Loan and Grant Program. This assistance was requested to provide funding for site characterization, removal of the underground tanks, cleanup of possible petroleum contamination, and installation of new fuel storage and distribution equipment. With this completed effort, the property owner would be able to continue to serve residents and visitors in this area of Washington. PLIA selected the Property to undergo a Preliminary Planning Assessment (PPA), in order for PLIA to gather additional information to determine if a loan or grant could be provided.

The initial site-characterization work has been completed, as summarized in the completed PPA report. Only minor soil and groundwater contamination has been identified on the property. But given the age of the tanks and dispenser systems, their replacement is warranted. A preferred remedial-action alternative to address contamination has been identified and a design for the replacement system has been prepared. The PPA report also includes an appraisal of the current property value, as well as a projected value should the cleanup and system-replacement work occur.

Current Project Status: Awaiting Funding Status for Cleanup and Infrastructure Upgrades.

The Pollution Liability Insurance Agency provides an effective and efficient government funding model to support owners and operators in meeting financial responsibility and environmental cleanup requirements for underground storage tanks and petroleum-contaminated sites.

Quick Stop#4, Longview

Quick Stop #4 is a family owned and operated service station and convenience store in Longview, Washington. Owned by Family Supermarkets, Inc., Quick Stop #4 was constructed in 1962. The community that Quick Stop #4 serves includes vehicles from the Department of Social and Health Services (including Child Protective Services) and Columbia Wellness, a private non-profit agency providing mental health services to adults, children, and families.

In 2013, the pollution liability insurance premiums for the Quick Stop#4 underground storage tanks (USTs) tripled due to their age. Additionally, Family Supermarkets faced the risk of these aged USTs becoming uninsurable. Family Supermarkets applied to the PLIA Revolving Loan and Grant Program to obtain financing for removal and replacement of the aging fuel system to minimize the potential for leaks and maintain insurability.

The first step in this process was to complete a Preliminary Planning Assessment (PPA). For Quick Stop #4, the PPA included: 1) performing an environmental investigation to determine the extent of contamination, 2) preparing a conceptual remedial design



and cost estimate to clean up site contamination and replace the fuel system, and 3) completing a property value appraisal to enable PLIA to assess the value of the property after cleaning up contamination and replacing the fuel system.

VERTEX, an environmental consultant working under contract with PLIA, performed the environmental investigation, which identified soil and groundwater contamination caused by fuel system leaks. Contaminated groundwater flows from the Quick Stop#4 property toward Lake Sacagawea, part of a Longview public park.

The combination of insurance and PLIA Loan and Grant Program funding will allow Family Supermarkets to clean up soil and groundwater contamination in conjunction with: 1) removing the existing aged USTs and fuel lines, 2) installing new USTs and fuel lines that will be insurable and less prone to leakage, and 3) installing an electric car charging station to allow Quick Stop #4 to serve the next generation of vehicles.

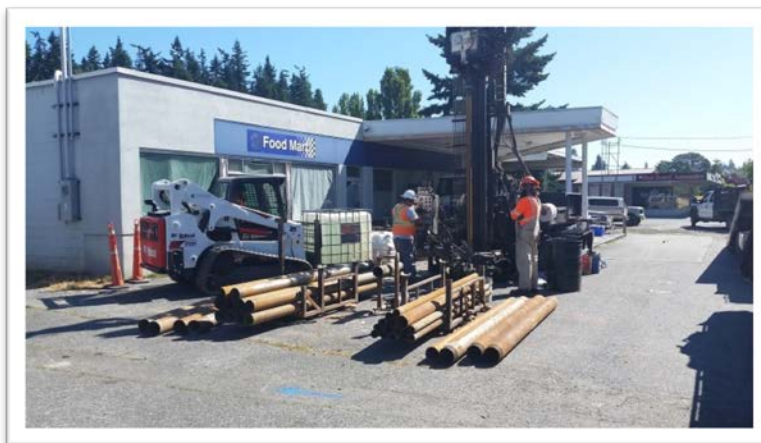
Current Project Status: PLIA is now ranking the applications for the 2017 award to determine which Applicant projects will be accepted into the Loan and Grant Program.



FORMER WHIDBEY MARINE & AUTO SUPPLY, FREELAND, WASHINGTON

The Former Whidbey Marine & Auto Supply, located in Freeland, Washington, formerly operated as a service station and auto repair shop between 1967 and 2008. In 2005, a release of petroleum hydrocarbons was identified related to the underground gasoline storage tanks installed at the property. In the same year, a subsurface investigation was conducted to determine the extent of contamination in soil and groundwater at the property. The 2005 investigation identified gasoline impacts in soil and groundwater beneath the property associated with the gasoline tanks installed at the property. The impacted groundwater was approximately 60 feet below the ground surface, above the level of the regional drinking water aquifer.

In 2006, a remediation system was installed and started operation at the property, utilizing soil vapor extraction technology to remove gasoline as a vapor. Whidbey Marine & Auto Supply continued operating as a gasoline service station until 2008. The remediation system continued operation until 2010, removing approximately 1,800 gallons of gasoline as vapor. In 2011, the fuel tanks, fuel dispensers, and piping were decommissioned and removed from the Property, and chemical injections were conducted to help with remediation efforts.



In 2012, additional investigations determined that gasoline impacts had reached the underlying sea-level aquifer. Freeland Water and Sewer District drinking water wells are installed in the sea-level aquifer approximately 0.5 mile downgradient of the property and are used as Whidbey Island's primary drinking water source. In response to the findings, groundwater monitoring wells were installed downgradient of the property to determine the extent of contamination in groundwater in the sea-level aquifer and evaluate if contamination was a risk to the drinking water wells. Groundwater sampling of downgradient monitoring wells has confirmed that contamination remained localized, and was not an immediate threat to the Whidbey drinking water supply.

In 2017, the Washington Pollution Liability Insurance Agency funded a Preliminary Planning Assessment to determine the current conditions of contamination in soil and groundwater, and to develop a plan to clean up the remaining contamination. As part of this assessment, SoundEarth sampled existing groundwater wells and advanced 4 soil borings across the property, 2 of which were completed as new groundwater monitoring wells. Results of groundwater sampling confirmed that contamination is still present but remains localized, and the extent of the groundwater plume downgradient has been defined. To address the remaining soil and groundwater contamination identified at the property, SoundEarth recommended installation of a remediation system utilizing deep soil vapor extraction and air sparge wells to treat remaining groundwater contamination from both the upper perched aquifer and lower sea-level aquifer.

Current Project Status: Awaiting Funding Status for Cleanup

Gold Creek Community Church, Woodinville

Gold Creek Community Church purchased 4 parcels of land in 2015 to construct a new church. One of the parcels was the former Turners Corner Handy Mart, which dispensed retail gasoline and diesel from 1975 to 2012. The church is currently converting the former Handy Mart convenience store into a daycare to serve the community.

In 2012 the underground storage tanks (USTs) were permanently removed, but post-UST removal conditions were not documented. In 2013, the previous owner contracted with a consultant to perform a site assessment. The site assessment discovered soil and groundwater contamination at the former service station and convenience store. Subsequently, the Snohomish Health District conducted a Site Hazard Assessment and gave the Turners Corner Handy Mart an overall rank of 2 out of 5 (with a rank of 1 being a site with the highest risk).



Gold Creek Community Church applied to the PLIA Revolving Loan and Grant Program to obtain financing to clean up the Turners Corner Handy Mart site and install an electric car charging station. The first step in this process was to complete a Preliminary Planning Assessment (PPA). The PPA for the Gold Creek Community Church property included: 1) an environmental investigation to determine the extent of contamination, 2) a conceptual remedial design and cost estimate to clean up site contamination, and 3) a property value appraisal to enable PLIA to assess the value of the property after cleaning up contamination.

VERTEX, an environmental consultant working under contract with PLIA, performed the environmental investigation, which identified soil, groundwater, and soil vapor contamination caused by fuel system leaks

PLIA Loan and Grant Program funding will allow Gold Creek Community Church to clean up contamination so they can build a new church. Additionally, installing an electric car charging station will allow the church to serve parishioners with the next generation of vehicles.

Current Project Status: PLIA is now ranking the applications for the 2017 award to determine which Applicant projects will be accepted into the Loan and Grant Program.



HI-WAY GROCERY, BUCKLEY, WASHINGTON

Hi-Way Grocery, a family-owned convenience store and gasoline service station in Buckley, Washington, has been in service since 1974. In 1992, a release occurred from 2 gasoline underground storage tanks (USTs) operating at the service station at that time. In response to the release, the gasoline tanks were removed and 3 new double-walled, fiberglass gasoline and diesel tanks were installed, which are currently still in operation.

When the current property owner acquired Hi-Way Grocery in 2002, a subsurface investigation was conducted to determine the extent of contamination in soil and groundwater at the property that may have resulted from the old or current USTs. The 2002 investigation identified limited amounts of gasoline impacts in soil near the pump islands, but the full extent of potential impacts at the property were not defined at that time.



To keep the gas station up-to-date and avoid the potential for additional leaks from the aging USTs and associated fuel dispenser system, Hi-Way Grocery has been planning to upgrade these systems and repair their storage tank leak detection system.

In 2017, the Washington Pollution Liability Insurance Agency (PLIA) funded a Preliminary Planning Assessment to determine the full extent of contamination in soil on the property and develop a plan to clean up the contamination. As part of this assessment, SoundEarth advanced 13 soil borings across the property and collected soil and vapor samples. Results of soil sampling confirmed contaminated soil to the southwest of the pump island extending off the Property, as well as limited contaminated soil to the east of the USTs.

The PLIA grant program will allow Hi-Way Grocery to remove the identified soil contamination on the property, and replace and upgrade the aging UST and fuel dispenser systems with systems that will be less likely to leak in the future.

Current Project Status: Awaiting Funding Status for Cleanup and Infrastructure Upgrades



*Washington State Pollution Liability Insurance Agency
Revolving Loan and Grant Demonstration Program*

Jack's Country Store, 26006 Pacific Hwy. 103, Ocean Park, WA 98640

This property is located in the community of Ocean Park Washington, located near the geographical center of the Long Beach Peninsula. Visitors frequent this area in summers, holidays, and special events, such as razor-clam harvests.



The property historically has been occupied by several generations of gasoline stations and a convenience market. The original store was constructed in 1885, with a fire destroying the store and adjoining buildings in 1937. A new building was constructed and fuel sales began as early as the 1940s. This business has served the local community for more than 100 years, but faces economic threats from Oregon-located businesses. Additionally, the current fuel-storage systems have been in place since the 1980s, nearing their operational lifecycle.

In December of 2016, Jack's Country Store applied for financial assistance from the Pollution Liability Insurance Agency (PLIA) Revolving Loan and Grant Program. With assistance from PLIA, the property owner would be able to replace the fuel-storage systems, be granted insurance coverage, and continue to serve the community. PLIA selected the Property to undergo a Preliminary Planning Assessment (PPA), in order for PLIA to gather additional information to determine if a loan or grant could be provided. In the completed PPA report, some localized contamination has been identified on the property and beneath the adjacent roadway to the west. A preferred remedial-action alternative to address this contamination has been identified. The PPA report also includes an appraisal of the current property value, as well as a projected value should the cleanup and tank-replacement work occur.

Current Project Status: Awaiting Funding Status for Cleanup and Infrastructure Upgrades.

The Pollution Liability Insurance Agency provides an effective and efficient government funding model to support owners and operators in meeting financial responsibility and environmental cleanup requirements for underground storage tanks and petroleum-contaminated sites.

Jarrell's Cove Marina, Hartstene Island

Jarrell's Cove Marina is a family owned and operated facility on the north end of Hartsene Island. The marina includes both upland and marine re-fueling facilities, and provides fuel to the Washington Department of Fish and Wildlife, Washington Department of Parks, U.S. Coast Guard, Mason County Fire District 5, and aquaculture industry vessels. Recreational boaters visiting Jarrell Cove, McMicken Island, and Stretch Point State Parks re-fuel at the marina.

The marina was originally developed in the mid-1960s. The current owners, Gary and Lorna Hink, purchased the marina in 1980. The marina was expanded to its current size in 1985 when the old dock was replaced with the current 70-berth dock and marine fuel dispensers.

The Hinks are currently working with the Washington Department of Natural Resources (WDNR) to renew the marina's aquatic land lease. WDNR asked that the marine fuel supply piping and dispensers (now over 32 years old) be replaced. Accordingly, the Hinks applied to PLIA's Revolving Loan and Grant Program for funding to remove and replace aged marine fuel supply piping and dispensers and underground storage tanks (USTs), and install an electric car charging station.

An environmental assessment was performed during the Preliminary Planning Assessment (PPA), the initial step in PLIA's Loan and Grant approval process. The environmental assessment performed by VERTEX—an environmental consultant working under contract with PLIA—found no significant soil or groundwater contamination associated with the USTs or upland fueling piping.



PLIA Loan and Grant Program funding will allow Jarrell's Cove Marina to replace the upland and marine fueling systems. This will allow the Hinks to renew their lease with WDNR, while minimizing the potential for a marine fuel spill. A new electric car charging station will allow owners of electric vehicles to travel to Hartstene Island. Further improvements to Jarrell's Cove Marina, funded independently of PLIA's Loan and Grant Program, will include new decking to increase light and improve fish habitat.

Current Project Status: PLIA is now ranking the applications for the 2017 award to determine which Applicant projects will be accepted into the Loan and Grant Program.



JIM'S MARKET AND GAS, SEATTLE

In 2016, as part of a pending property sale, an environmental investigation was performed at the Jim's Market and Gas property in Seattle. The investigation identified evidence of a gasoline release in soil and groundwater on the property. The owner, Richard Suh, subsequently filed a claim with his insurance carrier and began working with an environmental consultant to characterize the contamination.



Further investigation activities confirmed the presence of gasoline contamination in the soil around the underground storage tanks and near one of the dispensers at the pump islands. During conversations with his insurance company, Mr. Suh was advised that **while the cleanup may be covered under his insurance policy, replacement of the tanks and pump islands would not be fully covered.** Additionally, the environmental investigation concluded that excavation was the only viable cleanup technology for his property given the geology and depth of contamination.

Faced with the potential need to replace his fueling system infrastructure as part of the cleanup, **Mr. Suh applied to the loan and grant program to bridge the potential funding gap for effective cleanup of his property.** Without the capital to replace his tanks or pump islands, and without a bank willing to make a loan on a contaminated property, this was the only option that would allow Mr. Suh to realistically move forward with cleanup under this scenario.

Current Project Status: The property is now being controlled under a custodial receivership and awaiting enrollment in PLIA's Petroleum Technical Assistance Program for a review and opinion on the findings of the remedial investigation.

*Washington State Pollution Liability Insurance Agency
Revolving Loan and Grant Program*



Loomis Kwik Stop, Loomis, Washington

In 1993, three underground storage tanks (USTs) at the Loomis Kwik Stop were removed and replaced under an earlier Pollution Liability Insurance Agency (PLIA) grant, which led to the discovery of petroleum-impacted soil, likely the result of historical overfilling or leaking fuel piping. Following removal of the USTs and most of the impacted soils, new USTs and piping were installed and the excavation was backfilled with clean fill material. Unfortunately, the report for the UST excavation did not adequately characterize the extent of soil removal; consequently, it was unknown if residual petroleum-impacted soil was left in place at the property. In 2006, Jerry Ogle purchased the Loomis Kwik Stop and in 2009 the Washington State Department of Ecology (Ecology) issued a No Further Action (NFA) determination for the property. Because the extent of cleanup was unclear and because the only community water supply well is located nearby, the NFA required a deed restriction be placed on the property for the potentially impacted soils. The deed restriction required that a concrete cap placed over the new USTs be maintained, and that future underground activities would not occur without addressing the possibility of impacted soil.



In 2017, PLIA awarded the Loomis Kwik Stop a grant to conduct a Preliminary Planning Assessment (PPA) at the property. The PPA included funding for an assessment of impacts to soil, and development of cost estimates to replace the existing USTs and related infrastructure. Petroleum-impacted soil was not identified at the site as part of the investigation, with all soil samples meeting Ecology's soil cleanup levels. Through funding from PLIA's Revolving Loan and Grant Program, Mr. Ogle was able to demonstrate that the historically identified petroleum impacted soil had been adequately addressed, which would allow future property investments to support upgrading the aging UST infrastructure.

The Loomis Kwik Stop is the sole fuel distributor in the small town of Loomis, Washington and serves local farmers/ranchers, the town's citizens, and many tourists who travel through and recreate in this part of Okanogan County.

Current Project Status: Awaiting Funding Status for Infrastructure Upgrades.

Nordic Hufeng's Quick Stop, Port Orchard, Washington

Nordic Hufeng's Quick Stop has been operated as a retail gasoline fueling station since the 1930's. Four underground storage tanks (USTs) are currently operated at the site, and were installed in 1958 and 1971. Both diesel and gasoline fuels are sold at the site. Previous environmental investigations have documented petroleum-impacted soil and groundwater at the site. A limited excavation of some of the petroleum-impacted soil occurred in 1999, but impacted soil was left in place. Additional remedial activities (chemical oxidation) have also been performed to address the residual impacted soil and groundwater at the site. Periodic groundwater monitoring at the site indicated that concentrations of petroleum hydrocarbons in groundwater still exceed cleanup levels, but were decreasing over time.



In 2017, PLIA awarded Nordic Hufeng's Quick Stop a grant to conduct a Preliminary Planning Assessment (PPA) at the property. The PPA included funding for an assessment of the current status of impacted soil and groundwater at the site from fueling activities and development of cost estimates to replace the existing USTs and related infrastructure. Through funding from PLIA's Revolving Loan and Grant Program, the property owners were able to obtain an assessment of the current status of their property, which more fully characterized the extent of petroleum at their site. The owners also received a cost estimate for future work, including remediation and fueling system upgrades. The property owner is now working with PLIA to obtain funding for future activities at the site.

The Nordic Hufeng's Quick Stop is a busy gas station located in Port Orchard, Washington. The site is located along a high-traffic road and is near to several recreational activities that bring visitors to the area.

Current Project Status: Awaiting Funding Status for Cleanup and Infrastructure Upgrades.

Ocean Mart and Gas, Hoquiam

Ocean Mart and Gas is a family owned and operated service station and convenience store near Ocean Shores and Pacific Beach. Ocean Mart and Gas was constructed in 1972 and has had only minimal upgrades since Sue & Lee, Inc. purchased the facility in 2006.

Recently, the pollution liability insurance premiums for Ocean Mart and Gas underground storage tanks (USTs) increased dramatically due to their age. Additionally, Sue & Lee faced the risk of these aged USTs leaking and contaminating soil and groundwater. Sue & Lee applied for the PLIA Revolving Loan and Grant Program to obtain financing to install modern USTs, double-walled piping with a leak detection system, and new fuel dispensers and canopy. An electric car charging station is also planned.

The first step in this process was to complete a Preliminary Planning Assessment (PPA). The PPA for Ocean Mart and Gas included: 1) performing an environmental investigation to assess whether the fueling system had caused contamination; 2) preparing a conceptual design and cost estimate to replace the fuel system, point of sale system, and canopy; and 3)



completing a property value appraisal to enable PLIA to assess the value of the property after replacing the fuel system and modernizing the facility.

VERTEX, an environmental consultant working under contract with PLIA, performed the environmental investigation, which did not identify significant soil or groundwater contamination.

PLIA Loan and Grant Program funding will allow Sue & Lee to remain competitive by modernizing the Ocean Mart and Gas facility. A new electric car charging station will allow owners of electric vehicles to travel to the Ocean Shores and Pacific Beach region.

Current Project Status: PLIA is now ranking the applications for the 2017 award to determine which Applicant projects will be accepted into the Loan and Grant Program.



P&J DELI MART, TACOMA

In 1997, a gasoline release was found at the P&J Deli Mart and service station in Tacoma during replacement of 1960s-era underground storage tanks. A total of 1,483 tons of petroleum-contaminated soils were excavated and disposed of at the time of the tank removal.

Peter and Jane Baek, the current owners, are interested in investigation and cleanup of the property. Documentation of the 1997 soil removal was poor and a more complete environmental evaluation of current property conditions would give them more confidence in their investment.

However, **the Baeks lacked the resources to pursue the cleanup out-of-pocket.**

PLIA's loan and grant program has allowed the Baeks to move forward with investigation of the property and gain perspective on potential cleanup costs. Prior to this investigation little was known about the nature and extent of contamination at the property, or the risk to human health or the environment. While further off-property investigation is still needed, the preliminary exposure pathway assessment made possible by the loan and grant program suggests that the contamination on the property is significant but fortunately represents a low risk for the surrounding area.

Preliminary costs for cleanup range could be as high as \$1.2M. Additional off-property investigation is needed to complete the remedial investigation and whittle down potential costs for prospective remedial actions. As Korean was the Baek's primary language and because the technical documentation for the investigation was written in English, PLIA recognized the importance of clarity and arranged to have a Korean-speaking environmental professional join the decision-making meetings.

The P&J Deli Mart and service station has operated since at least the 1940s and was rebuilt in the 1960s. Since 2000, Peter and Jane Baek have owned and operated the current gas station and convenience store.

Current Project Status: The Baeks are considering further investigation activities pending additional loan or grant funding.



*Washington State Pollution Liability Insurance Agency
Revolving Loan and Grant Program*



PetroCard, Inc. – 3215 4th Avenue South, Seattle

PetroCard, Inc. is a mid-sized business that serves commercial and fleet customers with Pacific Pride branded cardlock fueling stations in Washington and Oregon. The PetroCard facility at 3215 4th Avenue South in Seattle, Washington (referred to as the 4th Avenue cardlock) includes a convenience store and retail (branded Gull) and commercial (branded Pacific Pride) cardlock fueling operations. The fueling station was constructed in 1984. The current cardlock facility was constructed in 1991 and PetroCard began operating the facility in 1998.

PetroCard conducted numerous and extensive soil and groundwater cleanup actions at the site from 1999 through 2014, with the goal of attaining a 'no further action' (NFA) status under Washington Department of Ecology's Voluntary Cleanup Program. As a result, groundwater quality at the site improved markedly. However, despite this dramatic improvement in groundwater quality, PetroCard faced difficulty meeting the requirements for NFA status.

As a consequence, PetroCard applied to the PLIA Revolving Loan and Grant Program to: 1) receive PLIA's technical assistance planning a comprehensive investigation that would lead to NFA status for the 4th Avenue cardlock site, 2) obtain financing to complete this investigation, and 3) apply to PLIA's revolving loan program to finance installation of a modern fuel system that would minimize the potential for future leaks.



The first step in this process was to complete a Preliminary Planning Assessment (PPA). The PPA included: 1) performing an environmental investigation to determine the extent of contamination, 2) preparing a conceptual remedial design and cost estimate to clean up site contamination and replace the fuel system, and 3) completing a property value appraisal to enable PLIA to assess the value of the property after cleaning up contamination and replacing the fuel system.

VERTEX, an environmental consultant working under contract with PLIA, performed the environmental investigation, which identified soil and groundwater contamination that would need additional cleanup to attain an NFA.

Current Project Status: PLIA is now ranking the applications for the 2017 award to determine which Applicant projects will be accepted into the Loan and Grant Program. PetroCard plans to pursue an NFA under PLIA's Technical Assistance Program.



PetroCard, Inc. – 20007 80th Avenue South, Kent

PetroCard, Inc. is a mid-sized business that serves commercial and fleet customers with Pacific Pride branded cardlock fueling stations in Washington and Oregon. The PetroCard facility at 20007 80th Avenue South in Kent, Washington (referred to as the North Kent cardlock) is a cardlock fueling station. The fueling station was constructed in 1990 and PetroCard began operating it in 1997.

PetroCard implemented several environmental assessments and groundwater cleanup actions at the North Kent cardlock site from 2013 through 2015 with the goal of attaining ‘no further action’ (NFA) status under Washington Department of Ecology’s Voluntary Cleanup Program. In spite of their effort, PetroCard faced difficulty meeting the requirements for NFA status.

Accordingly, PetroCard applied to the PLIA Revolving Loan and Grant Program to: 1) receive PLIA’s technical assistance planning a comprehensive investigation that would lead to NFA status for the North Kent cardlock site, 2) obtaining financing to complete this investigation, and 3) applying to PLIA’s revolving loan program to finance installation of a modern fuel system that would minimize the potential for future leaks.



The first step in this process was to complete a Preliminary Planning Assessment (PPA). The PPA included: 1) performing an environmental investigation to determine the extent of contamination, 2) preparing a conceptual remedial design and cost estimate to clean up site contamination and replace the fuel system, and 3) completing a property value appraisal to enable PLIA to assess the value of the property after cleaning up contamination and replacing the fuel system.

VERTEX, an environmental consultant working under contract with PLIA, performed the environmental investigation on the North Kent cardlock, which characterized groundwater contamination that would need cleanup to attain an NFA.

Current Project Status: PLIA is now ranking the applications for the 2017 award to determine which Applicant projects will be accepted into the Loan and Grant Program. PetroCard plans to pursue an NFA under PLIA’s Technical Assistance Program.



PetroCard, Inc. – 828 Central Avenue South, Kent

PetroCard, Inc. is a mid-sized business that serves commercial and fleet customers with Pacific Pride branded cardlock fueling stations in Washington and Oregon. The PetroCard facility at 828 Central Avenue South in Kent, Washington (referred to as the South Kent cardlock) includes a bulk fuel plant and cardlock fueling station. The current underground storage tanks (USTs) and bulk fueling facility were constructed in the early 1980s. The current cardlock facility was constructed in 1991 and PetroCard began operating it in 1998.

PetroCard implemented numerous soil and groundwater cleanup actions at the Kent cardlock site from 2005 through 2012 with the goal of attaining ‘no further action’ (NFA) status under Washington State Department of Ecology’s Voluntary Cleanup Program. As a result, groundwater quality at the site improved markedly. Despite this, however, PetroCard faced difficulty meeting the requirements for NFA status.

Accordingly, PetroCard applied to the PLIA Revolving Loan and Grant Program to: 1) receive PLIA’s technical assistance planning a comprehensive investigation that would lead to NFA status for the South Kent cardlock site, 2) obtaining financing to complete this investigation, and 3) applying to PLIA’s revolving loan program to finance installation of a modern fuel system that would minimize the potential for future leaks.



The first step in this process was to complete a Preliminary Planning Assessment (PPA). The PPA included: 1) performing an environmental investigation to determine the extent of contamination, 2) preparing a conceptual remedial design and cost estimate to clean up site contamination and replace the fuel system, and 3) completing a property value appraisal to enable PLIA to assess the value of the property after cleaning up contamination and replacing the fuel system.

VERTEX, an environmental consultant working under contract with PLIA, performed the environmental investigation, which identified soil and groundwater contamination that would need additional cleanup to attain an NFA.

Current Project Status: PLIA is now ranking the applications for the 2017 award to determine which Applicant projects will be accepted into the Loan and Grant Program. PetroCard plans to pursue an NFA under PLIA’s Technical Assistance Program.



PK Sandhu Property, Oroville, Washington

In 2014, PK Sandhu LLC purchased a former gas station in Oroville, Washington at a public auction. The property had been previously operated as a gasoline service station since 1964, but has not been in operation since 2011. At least three unused underground storage tanks (USTs) are present at the site, and were originally installed in the 1960's. The underground fuel storage tanks at the site have been "red-tagged" by the Washington State Department of Ecology (Ecology), indicating they are out of compliance with current state regulations.

The site owner's goal is to remove the underground storage tanks and convert the former gas station into a commercial property. However, without insurance, Mr. Sandhu is without the financial means to pay for the UST removal and site assessment/remediation costs.



In 2017, PLIA awarded the PK Sandhu property a grant to conduct a Preliminary Planning Assessment (PPA) at the property. The PPA included funding for an assessment of impacts to soil and groundwater at the site, and development of cost estimates to remove the USTs at the site. During the PPA, gasoline- and diesel-impacted soil and groundwater were encountered at Mr. Sandhu's property, likely sourced from the aging UST infrastructure.

Through funding from PLIA's Revolving Loan and Grant Program, the site owner was able to obtain an assessment of the current status of the property. The property owner is now working with PLIA to obtain funding to remove the USTs and to clean up the petroleum-impacted soil and groundwater at the property.

The PK Sandhu property is located in Oroville, a small town on the border between Washington and British Columbia. The property has been unused since 2011, and is now awaiting remediation and redevelopment as a commercial property.

Current Project Status: Awaiting Funding Status for Cleanup.



*Washington State Pollution Liability Insurance Agency
Revolving Loan and Grant Demonstration Program*

Illahee Foods, 5507 Illahee Rd NE, Bremerton, WA, 98310

This property is located on Illahee Road NE, located north of Bremerton, Washington. The property historically was occupied by two generations of gasoline stations and a convenience market. The former station and store were constructed on the property prior to World War II, which served the local community until 2002. Since this time, the property has remained vacant. Three underground fuel-storage tanks, empty and unused, remain on the property.



In December of 2016, the Port of Illahee applied for financial assistance from the Pollution Liability Insurance Agency (PLIA) Revolving Loan and Grant Program. This assistance was requested to provide funding for site characterization, removal of the underground tanks, and cleanup of possible petroleum contamination. With this completed effort, and approval of a PLIA grant, the Port would be able to purchase the Property and remodel

the current building as a community-meeting space.



PLIA selected the Property to undergo a Preliminary Planning Assessment (PPA), in order for PLIA to gather additional information to determine if a loan or grant could be provided.

The initial site-characterization work has been completed, as summarized in the completed PPA report. Soil and groundwater contamination have been identified on the property. This contamination also has migrated to the east beneath the adjacent roadway. A preferred remedial-action alternative to address this contamination has been identified. The PPA report also includes an appraisal of the current property value, as well as a projected value should the cleanup work occur.

Current Project Status: Awaiting Funding Status for Cleanup.

The Pollution Liability Insurance Agency provides an effective and efficient government funding model to support owners and operators in meeting financial responsibility and environmental cleanup requirements for underground storage tanks and petroleum-contaminated sites.



Jefferson County International Airport, 300 Airport Rd., Port Townsend, WA a 98368

This public-use airport is located on Port of Port Townsend property, located approximately 2 miles to the northwest of Port Hadlock-Irondale, Washington. The airport provides fueling services, currently storing fuel in one 12,000-gallon underground fuel-storage tank.



In December of 2016, the airport applied for financial assistance from the Pollution Liability Insurance Agency (PLIA) Revolving Loan and Grant Program. This assistance was requested to provide funding for site characterization, removal of the underground tank, cleanup of possible petroleum contamination, and installation of a new aboveground-storage tank. With this completed effort, the Port would be able to maintain the viability of the airport and reduce the potential for environmental contamination.



PLIA selected the fueling area of the airport to undergo a Preliminary Planning Assessment (PPA), in order for PLIA to gather additional information to determine if a loan or grant could be provided. As summarized in the completed PPA report, no soil or groundwater contamination has been

identified. The PPA report also includes an appraisal of the current property value, as well as a projected value, should the tank removal and replacement work occur.

Current Project Status: Awaiting Funding Status for Cleanup and Infrastructure Upgrades.

The Pollution Liability Insurance Agency provides an effective and efficient government funding model to support owners and operators in meeting financial responsibility and environmental cleanup requirements for underground storage tanks and petroleum-contaminated sites.

FORMER NORTHERN STATE HOSPITAL PROPERTY, SEDRO-WOOLLEY, WASHINGTON

The Former Northern State Hospital property, located in Sedro-Woolley, Washington, is a 225-acre property that was initially developed in 1909. The property historically operated as a treatment and residence facility and hospital for people with mental illness until 1973. The property is currently comprised of approximately 80 buildings, some of which are leased by tenants, including the U.S. Department of Labor for Cascade Job Corps program and the Washington Military Department National Guard. The property was recently purchased by the Port of Skagit, who will be working in partnership with the City of Sedro-Woolley, Skagit County, and the Washington State Department of Enterprise Services to redevelop the property into a center for innovation and technology.



Previous environmental investigations conducted at the property between 1993 and 2014 identified several areas of concern throughout the property, which included chlorinated solvent contamination near a former laundry building, heavy oil contamination near the Power House building, and lead, arsenic, and other metal contamination throughout the property. In 2017, the Washington Pollution Liability Insurance Agency funded a Preliminary Planning Assessment focusing on areas of concern associated with impacts from petroleum hydrocarbons. During this assessment, SoundEarth advanced soil borings and installed groundwater monitoring wells near former gasoline underground storage tanks associated with a former fueling station, as well as behind the Power House building at the property to evaluate the presence and extent of petroleum hydrocarbon contamination in soil and groundwater.



SoundEarth's investigation identified gasoline and benzene contamination in soil and groundwater near the former fueling station. Heavy oil contamination in soil behind the Power House building was identified, which was determined to be the result of fill material throughout that area. The vertical and lateral extents of contamination are defined in both areas, and soil and groundwater impacts were determined to be limited.

To address the soil and groundwater contamination in the identified areas of the property, SoundEarth recommended a remedial excavation to remove all contaminated soil and groundwater from the former fueling station area. The contaminated cleanup will be completed in conjunction with property-wide redevelopment activities.

Current Project Status: Awaiting Funding Status for Cleanup



*Washington State Pollution Liability Insurance Agency
Revolving Loan and Grant Demonstration Program*

Portal Way Station, 6000 Portal Way, Ferndale, WA, 98248

This property is located approximately 1 mile north-northeast of the city of Ferndale, Washington. The property is located in an area with commercial and rural-residential properties and has operated as a gas station and convenience store since the 1930s. The original station had five underground storage tanks and an automotive-repair shop. The property was renovated 1992, when the original tanks were removed. Petroleum contamination in soil and groundwater was discovered during the 1992 renovation, with subsequent explorations showing the contamination had migrated off property to the southwest.



In December of 2016, the property owner applied for financial assistance from the Pollution Liability Insurance Agency (PLIA) Revolving Loan and Grant Program. This assistance was requested to provide funding for removal of the underground tanks and installation of new fueling systems. Cleanup of the identified contamination currently is being funded by a pollution-insurance policy.

PLIA selected the Property to undergo a Preliminary Planning Assessment (PPA), in order for PLIA to gather additional information to determine if a loan or grant could be provided.

The initial site-characterization work is summarized in the completed PPA report. The PPA report also includes an appraisal of the current property value, as well as a projected value should the fuel storage and distribution equipment be installed.

Current Project Status: On hold while PLIA evaluates all PPA submittals for priority ranking.

The Pollution Liability Insurance Agency provides an effective and efficient government funding model to support owners and operators in meeting financial responsibility and environmental cleanup requirements for underground storage tanks and petroleum-contaminated sites.

REPAUL LLC, PUYALLUP, WASHINGTON

The Repaul LLC property is a former gasoline service station located in Puyallup, Washington. The property currently operates as a Mexican restaurant in the central downtown commercial area. Two former gasoline underground storage tanks (USTs) were decommissioned on the southern portion of the property in 2007. Soil samples collected from below the USTs confirmed the presence of gasoline-contaminated soil.

Additional investigations completed since 2007 have confirmed that soil contamination is present between approximately 10 and 15 feet below ground surface. Groundwater was encountered between 11.5 and 15 feet below ground surface, and groundwater samples have confirmed contaminated groundwater in the vicinity of the former USTs and extending northwest, towards the Puyallup River.



In 2017, the Washington Pollution Liability Insurance Agency funded a Preliminary Planning Assessment to delineate the extent of contamination at the property, and determine the appropriate cleanup action and estimated costs for the cleanup. The property owner has been unable to sell the property due to the cost of contamination cleanup.



SoundEarth collected soil, vapor, and groundwater samples at the property during the assessment. Based on all the analytical results, the extent of contaminated soil and groundwater has been determined. Based on the groundwater samples collected near the property boundary, no contamination has migrated beyond the property boundary.

The recommended cleanup for the property is a remedial excavation of contaminated soil with groundwater monitoring to evaluate long-term groundwater impacts. The cleanup of the contaminated soil and groundwater on the property will allow the property owner to successfully sell the property.

Current Project Status: Awaiting Funding Status for Cleanup

FORMER SANDY'S CHEVRON, QUILCENE

In 1997, owner's Sandy and Linda Oen discovered a gasoline release on their Sandy's Chevron property resulting from retail gas station operations and leaking underground storage tanks. The property had been used as a service station and repair shop by Sandy's family since 1928, with leases to Standard Oil and others. Having been **denied insurance coverage and any assistance from major oil companies**, the Oens undertook the cleanup themselves.



Between 1997 and 2004, investigation and cleanup activities included decommissioning of four underground storage tanks, excavating over 90 tons of petroleum impacted soil, and bioremediation of residual soil impacts. In the course of investigation and cleanup activities, the business was closed in 2001.

In 2006, the Oens sought regulatory closure of the cleanup and entered the Washington State Department of Ecology's Voluntary Cleanup Program. Ecology determined that further action was necessary to complete the site characterization and select a final remedy. In 2012, the Oens resumed work with their environmental consultant to perform a site assessment to determine whether soil impacts were remediated, but the mounting costs of the investigation and cleanup activities stalled further progress.

In 2017, **PLIA's loan and grant program has allowed the Oens to complete the remedial investigation** and the results indicate soil on the property is in compliance with cleanup levels. If approved, this outcome will help restore the value of the property and bring closure for the Oens.

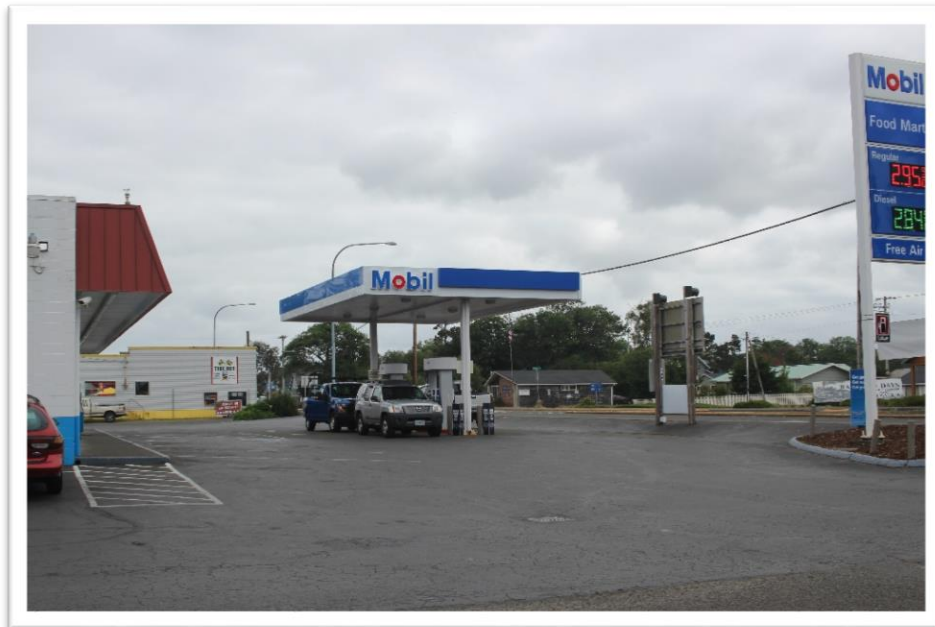
Current Project Status: Based on the 2017 findings of investigation activities, the property is recommended for No Further Action.

*Washington State Pollution Liability Insurance Agency
Revolving Loan and Grant Program*



Seaview Mobil, Seaview, Washington

The Seaview Mobil site has been operated as a commercial gasoline fueling station since 1980. Three underground storage tanks (USTs) are present at the site, including two USTs used for storage of gasoline fuel and one UST used for storage of diesel fuel. Fuel dispensers, fueling piping, and a canopy are located above the three USTs. A convenience store is also located at the site. The site is currently owned by Baby Island Inc., and was purchased from the previous owner in 2007. The property owners plan to continue operating the site as a commercial gasoline fueling station.



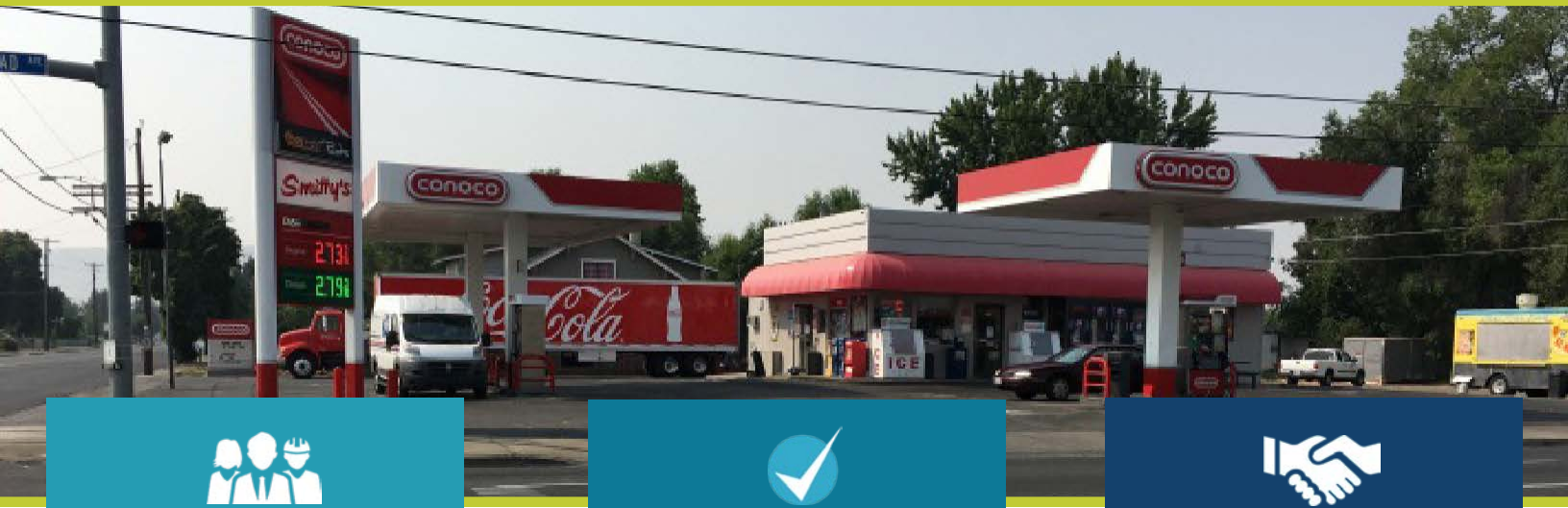
In 2017, PLIA awarded Seaview Mobil a grant to conduct a Preliminary Planning Assessment (PPA) at the property. The PPA included funding for an assessment of potential impacts to soil and groundwater from fueling activities, and development of cost estimates to replace the existing USTs and related infrastructure. During the PPA investigation, petroleum impacted soil was not identified at the site; all soil samples met Ecology's soil cleanup levels. Petroleum-impacted groundwater was encountered at the property at concentrations above regulatory limits.

Through funding from PLIA's Revolving Loan and Grant Program, the property owners were able to characterize their site and obtain a cost estimate for future work, including remediation and fueling system upgrades. The Seaview Mobil site is now working with PLIA to obtain funding for system upgrades and to address groundwater impacts at the site.

The Seaview Mobil is a busy gas station in Seaview, Washington, a popular beachside tourist destination. The store is located near a public beach access point. The Seaview Mobil store also provides services to motorists along Highway 101 and 103, which are considered scenic byways.

Current Project Status: Awaiting Funding Status for Cleanup and Infrastructure Upgrades.

SMITTY'S CONOCO #60, YAKIMA, WA



SITE OWNER

Name: R.H. Smith Distributing Co.
Location: Yakima, Washington



OBJECTIVES

Completely characterize contamination on site and develop budget estimate for remediation to closure and facility upgrades



COMPLETED SCOPE

Conducted Site Assessment
Feasibility Study
Developed Budget Estimates

BACKGROUND

In June 2013, subsurface investigation activities identified petroleum- contaminated soil and groundwater beneath the Smitty's Conoco #60 facility. The source(s) of the contamination was not determined. However, minor seepage was observed around a finger-tight fitting associated with an underground storage tank (UST) turbine pump. The facility owner, R.H. Smith Distributing Co., Inc., lacked insurance funding to execute further investigation activities.

These additional investigation activities were conducted in 2017 using the Preliminary Planning Assessment (PPA) grant. The facility's owner was able to develop a more complete understanding of the extent of site contamination, though seasonally-high water levels during the months of the assessment (influenced by agricultural irrigation in the Yakima River valley) may have affected the assessment data. However, wells installed using the grant may be accessed in the future to complete the characterization of the site.

The data collected using the PPA have also enabled the facility's owners to understand potential risks to human health and the environment and potential costs of cleaning up the contamination and upgrading the aging infrastructure at the site (which would help to reduce the chance of future releases).

The Smitty's Conoco #60 facility has operated as a service station for approximately 40 years and provides fueling and convenience store services for clients located in downtown Yakima. R.H. Smith Distributing Company was formed as a petroleum company in Grandview Washington, in 1947 by Robert H. Smith. Mr. Smith's three sons took over management of the company in the mid-1980s after learning the business from the ground up. The company currently owns multiple retail fuel stations and Card Lock facilities, and currently delivers close to 45 million gallons of fuel each year to various farm and commercial accounts.

Current Project Status: Project is currently on hold; however, additional assessment activities may be conducted during a period of lower groundwater elevations.



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SMITTY'S CONOCO #190, YAKIMA, WA



SITE OWNER

Name: R.H. Smith Distributing Co.

Location: Yakima, Washington



OBJECTIVES

Completely characterize contamination on site and develop budget estimate for remediation to closure and facility upgrades.



COMPLETED SCOPE

Completed Site Characterization
Pilot Testing of Remedial Technology
Conducted Feasibility Study
Developed Budget Estimates

BACKGROUND

Since 1986, numerous petroleum releases from the infrastructure at the Smitty's Conoco #190 facility have resulted in soil and groundwater contamination throughout most of the property. This contamination includes measureable liquid petroleum on the groundwater table. The owner, R.H. Smith Distributing Co., Inc., previously worked with an environmental consultant to characterize the contamination and conduct interim remedial actions. However, in 2017, tank tightness tests were conducted and all but one of the four 10,000-gallon underground storage tanks (USTs) at the property failed. Three tanks were emptied of product and have not been used since.

While at least some portion of the cleanup and assessment work to date has been covered by the facility's insurance policy, upgrades to the aging infrastructure and tanks is not covered under those policies, and can be prohibitively expensive. Further, the extent of contamination at the site may cost more to clean up than remains in the insurance policy.

The Preliminary Planning Assessment grant has allowed the facility's owners to characterize previously undefined data gaps and the potential risks to human health and the environment, and understand, with a greater level of certainty, the cost of cleaning up the contamination and upgrading the infrastructure at the site (which would help to reduce the chance of future releases).

The Smitty's Conoco #190 facility has operated as a service station for approximately 35 years and provides fueling and a convenient store services for clients located in downtown Yakima. R.H. Smith Distributing Company was formed as a petroleum company in Grandview Washington, in 1947 by Robert H. Smith. Mr. Smith's three sons took over management of the company in the mid-1980s after learning the business from the ground up. The company currently owns multiple retail fuel stations and Card Lock facilities, and currently delivers close to 45 million gallons of fuel each year to various farm and commercial accounts.

Current Project Status: Remediation pilot testing for system design underway.



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SMOKEY POINT CHEVRON, MARYSVILLE

In 1997, Smokey Point Chevron owner's Denis and Mary Rogers discovered a petroleum release on the property resulting from retail gas station operations and leaking underground storage tanks. The business was leased to a separate operator at the time, who had failed to maintain the proper insurance coverage for the tanks.



With their insurance claimed denied, the family sought financial help from banks and other lending institutions but were told **the project was too risky for potential lenders**. With no other options available, the family moved forward with investigation and cleanup of their property using their own savings. Business operations were closed in 2008 and the tanks and pump islands were removed in 2009 along with 1,250 cubic yards of petroleum-impacted soil and 4,000 gallons of contaminated water. In 2011, bioremediation was initiated to cleanup remaining soil and groundwater impacts. Unfortunately, the mounting costs of the investigation and cleanup activities stalled further progress.

In 2017, **PLIA's loan and grant program has allowed the family to move ahead with evaluating the remaining soil contamination** on the property and select a remedy that will help return the property to beneficial use.

Current Project Status: The family is considering a vapor mitigation system for the building on the property pending further loan or grant funding.

*Washington State Pollution Liability Insurance Agency
Revolving Loan and Grant Program*



US Petro Food Mart – 3021 E. Wellesley Avenue, Spokane, WA



The US Petro Food Mart is located in a commercial area of Hillyard, in northeast Spokane. The station had 3 tanks older than 40 years which the Fire Marshall ordered taken out of service due to age. A previous service station dating back to the 1950's had UST's in a similar location.

The current owner applied to the Pollution Liability Insurance Agency (PLIA) Loan and Grant program for assistance with removing and replacing the outdated UST system. Budinger and Associates performed a Preliminary Planning Assessment (PPA) for PLIA to evaluate environmental conditions, and to help plan and estimate replacement of the system. Budinger and Associates removed the UST system and piping and performed UST removal assessment in October of 2017. Approximately 25 tons of petroleum contaminated soils associated with minor leaks from dispensers and piping were excavated for disposal, however a significant release was not encountered.

Current Project Status

A triple compartment, double wall UST system, and modern dispensers have been installed by the owner in compliance with current environmental regulations. The store was remodeled and able to remain open through the tank replacement process. The site was reported as having had a release but is eligible for a formal No Further Action determination as the release was remediated during the Initial Investigation process.



The PLIA Loan and Grant Program has

successfully taken a very old UST system out of service. The new UST system should be much less likely to have a release in the future.

VASHON ATHLETIC CLUB, VASHON ISLAND, WASHINGTON



SITE OWNER

Name: Mark and Diana Leonard

Location: Vashon Island, Washington



OBJECTIVES

Completely characterize contamination on site and develop budget estimate for remediation to closure and facility upgrades.



COMPLETED SCOPE

Completed Site Characterization
Conducted Pilot Testing
Conducted Feasibility Study
Developed Budget Estimates

BACKGROUND

In 1999, site investigation activities at the Vashon Athletic Club/Mom's Grocery site revealed gasoline contamination present in soil and groundwater in the vicinity of the facility's underground storage tanks (USTs) and in an area of a historic pump island, which was removed prior to the current owners' acquiring the property.

Subsequent cleanup activities occurred in 2000, when approximately 370 tons of contaminated soil was excavated and treated offsite. During these activities a leaking UST was identified by a failed tightness test during the site remedial actions. The UST was emptied and has not been used since.

The initial site remediation activities in 2000 failed to remove all the contaminated soil in the immediate vicinity of the UST basin and product lines, and several areas of the site remained uncharacterized.

The owners of the property, Mark and Diana Leonard, are only able to use insurance funding for a portion of site remedial activities, and would not be able to use it to upgrade the site's aging infrastructure.

The Preliminary Planning Assessment enabled the site characterization to be largely completed, and provided valuable information on potential risks to human health and the environment and anticipated costs associated with upgrading the infrastructure at the site and cleaning up the remaining contamination.

The Leonard's have owned the property since 1991, which houses both the Mom's Grocery service station and the Vashon Athletic Club. Mom's Grocery provides one of the few fuel and grocery services to the residents of Vashon Island (largely accessible by ferry only). The Vashon Athletic Club provides exercise and swimming pool facilities for all ages to enjoy.

Current Project Status: On hold pending site ranking and funding.



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VILLA GROVE AND GAS, OLYMPIA

In 2007, a reported surface spill of approximately 30 gallons of gasoline at Villa Grove and Gas in Olympia by a customer resulted in a soil cleanup action at the property. The owners, Yang Joo & Chong Hwa Na, worked with their environmental consultant and insurance company to investigate and remediate soil and groundwater on the property following the initial spill response and cleanup. In 2014, the Washington State Department of Ecology subsequently issued a No Further Action opinion letter for the property.



The property began operating as a gasoline and diesel retail outlet and convenience store in 1974, and the three underground storage tanks associated with the fueling station believed to be over 40 years old. Faced with the rising cost of insurance premiums for tanks that are approaching the end of their intended useful life, the Nas applied to PLIA's loan and grant program to evaluate options for financing potential upgrades to their fueling system infrastructure.

The cost for completely replacing the tanks, piping, and dispensers is estimated at \$1.3M, a substantial capital investment that may be **difficult to obtain financing through traditional lending institutions. PLIA's loan and grant program has allowed the Nas to access low-interest financing for replacing their fueling infrastructure.** Additionally, as Korean was the owner's primary language and because the technical documentation for the investigation was written in English, PLIA recognized the importance of clarity and arranged to have a Korean-speaking environmental professional join the decision-making meetings.

Current Project Status: The results of the Preliminary Planning Assessment have been provided to the Nas. They informed PLIA they have decided to sell their property.

*Washington State Pollution Liability Insurance Agency
Revolving Loan and Grant Program*



WOOHOO ENTERPRISES, BREMERTON, WASHINGTON



SITE OWNER

Client: WooHoo Enterprises
Location: Bremerton, Washington



OBJECTIVES

Completely characterize contamination on site and develop budget estimate for remediation to closure.



COMPLETED SCOPE

Completed Site Characterization
Conducted System Evaluation
Conducted Feasibility Study
Developed budget estimates

BACKGROUND

In 1992, petroleum contaminated soil was encountered while upgrading dispensers at the former Charleston Beach 76 Station. The site's insurance policy covered remediation and assessment activities which occurred between 1992 and the present day, including the excavation of just under 2,000 cubic yards of contaminated soil and the removal of four underground storage tanks. Most recently, cleanup has continued with the installation of an air sparge/soil vapor extraction remediation system to address remaining impacts in soil and groundwater, largely beneath the onsite building, which had not been excavated. Insurance coverage of the remediation is limited, however, and the current cleanup plan could require additional funding.

Several data gaps were identified during reviews and planning of the most recent remedial action, but it was determined that both evaluation of these data gaps and the cleanup of the known contamination might not be possible using the existing insurance policy.

The Preliminary Planning Assessment grant enabled the additional assessment to occur, which included an evaluation of the new remediation system and its impact on indoor air quality at the facility, as well as determining the nature of remaining contamination including that beneath the building.

Further, assessment identified that the planned remediation would not be able to attain site cleanup goals under the existing plan, but SLR was able to identify a closure strategy that would more likely attain its objectives using the remaining funding under the policy.

WooHoo Enterprises, LLC, purchased the former Charleston Beach 76 Station property from the City of Bremerton in 2013. The retail gas service station operated at this property between approximately 1978 and 2002; and the facility is currently the Highway 420 marijuana shop which operates out of the former station building.

Current Project Status: System has been operational since mid-2017.



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YOU & I MARKET, PACIFIC BEACH, WASHINGTON

The You & I Market property, located in Pacific Beach, Washington, was identified as a contaminated site in 1995. The You & I Market property provides fuel services to individuals in Grays Harbor County, as well as operation of a convenience store and teriyaki restaurant. In 1995, 3 underground storage tanks (USTs) were removed from the property. At the time of the removal, 2 new USTs were installed, consisting of one 10,000-gallon unleaded gasoline UST and one 6,000/4,000-gallon split UST containing premium gasoline and diesel, respectively. Those USTs are currently in operation at the property.

Previous investigations conducted on the property between 1997 and 2011 indicated the presence of weathered gasoline and diesel contamination exceeding the applicable cleanup levels beneath and around the pump island and extending over 100 feet southeast beneath 2nd Street.

In 2017, the Washington Pollution Liability Insurance Agency funded a Preliminary Planning Assessment to delineate the extent of contamination at the property, and determine the appropriate cleanup action and estimated costs for the cleanup. As part of that investigation, SoundEarth advanced 10 soil borings across the property. Out of the 10 borings, 4 were completed as monitoring wells. SoundEarth collected soil samples from the borings and low-flow groundwater samples from the network of monitoring wells on the property.



Results of soil and groundwater sampling confirmed contaminated soil and groundwater are present on the property between 5 and 10 feet below ground surface. The full lateral and vertical extent of the contamination has been defined. Based on the results and the age of the UST system, SoundEarth recommended replacing the existing pump islands, USTs, and associated piping. Any contaminated soil encountered during the excavation activities would be excavated. To address contamination in the subsurface, SoundEarth recommended an air sparge/soil vapor extraction system to remediate the property.

Current Project Status: Awaiting Funding Status for Cleanup and Infrastructure Upgrades



Appendix D: Agency Contact Information

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