



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

MEMORANDUM

NOV 14 2019

DATE:

SUBJECT: Ceiling Increase Action Memorandum for the Factory Street Lead Site, Honolulu, HI

FROM: Amanda Pease, On-Scene Coordinator
Emergency Response Section (SFD-9-2)

THROUGH: Kathryn Lawrence, Acting Assistant Director
Emergency Response Planning & Preparedness Branch (SFD-9)

TO: Enrique Manzanilla, Director
Superfund & Emergency Management Division (SFD-1)

I. PURPOSE

The purpose of this memorandum is to request and document approval of the proposed ceiling increase at the Factory Street Lead Site (Site) located in the City and County of Honolulu, island of Oahu, Hawaii (HI). The initial action memo, dated June 28, 2019 and included as Attachment I, documented high concentrations of lead in surface soils in a degrading and abandoned street. Additional information about transportation and disposal of contaminated soil and project debris necessitates additional costs. This memorandum requests an additional \$683,000 in direct extramural cleanup costs beyond the current ceiling, which increases the Regional removal allowance costs from \$1,297,000 to \$1,980,000.

The proposed ceiling increase will allow for the completion of all work at the Site. As described below, the ceiling increase is necessary due to unanticipated costs associated with shipping waste, including project debris and lead contaminated soil, to an appropriate facility on the United States mainland.

The State of Hawaii currently only has one landfill approved to accept waste in accordance with the off-site rule (40 CFR §300.440). The landfill is a private facility that accepts only non-hazardous waste. The facility is currently proposing an expansion and is not accepting waste from this project at this time. Since there is no other disposal facility in compliance with the off-site rule in Hawaii, additional funding is needed to support labor and shipping costs associated with the disposal of all waste on the United States mainland.

This memorandum would serve as approval for the expenditure required for EPA to take actions described herein to abate an imminent and substantial endangerment to nearby residents and the community by hazardous substances. The proposed removal of hazardous substances would be undertaken pursuant to Section 104(a)(1) of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. § 9604(a)(1), and Section 300.415 of the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), 40 CFR § 300.415.

II. **SITE CONDITIONS AND BACKGROUND**

Site Status: Non-NPL
Category of Removal: Time-Critical
SEMS ID: HI0000049775
SITE ID: 09BJ

A. **Site Description**

1. **Physical Location**

Refer to previous Action Memorandum dated June 28, 2019.

2. **Site Characteristics**

Refer to previous Action Memorandum dated June 28, 2019.

3. **Removal site evaluation**

Refer to previous Action Memorandum dated June 28, 2019.

4. **Release or threatened release into the environment of a hazardous substance, or pollutant or contaminant**

Refer to previous Action Memorandum dated June 28, 2019.

5. **NPL status**

This Site is not currently on, or proposed for, the NPL.

B. **Other Actions to Date**

Refer to the previous Action Memorandum for actions taken prior to June 28, 2019. In October 2019, EPA covered potholes in the project area where there was a potential for community members to be exposed to lead contaminated soil. This temporary action minimizes community exposure in the short term until the lead contaminated soil can be removed.

C. State and Local Authorities' Roles

1. State and local actions to date

Refer to previous Action Memorandum dated June 28, 2019.

2. Potential for Continued State/Local Response

Refer to previous Action Memorandum dated June 28, 2019.

III. THREATS TO PUBLIC HEALTH OR WELFARE OR THE ENVIRONMENT, AND STATUTORY AND REGULATORY AUTHORITIES

Refer to previous Action Memorandum dated June 28, 2019.

IV. ENDANGERMENT DETERMINATION

Refer to previous Action Memorandum dated June 28, 2019.

V. PROPOSED ACTIONS AND ESTIMATED COSTS

A. Proposed Actions

1. Proposed action description

Refer to previous Action Memorandum dated June 28, 2019. This ceiling increase provides funding for EPA to dispose of waste from the Site at appropriate facilities on the United States mainland in accordance with the off-site rule.

2. Contribution to remedial performance

Refer to previous Action Memorandum dated June 28, 2019.

3. Applicable or relevant and appropriate requirements (ARARs)

Refer to previous Action Memorandum dated June 28, 2019.

4. Project schedule

Preparations for the removal action are ongoing. Upon approval of this ceiling increase, EPA will seek an extension to the Federal warrant granting legal access to the abandoned street for the removal action. EPA will also continue extensive outreach to affected residents and businesses related to the upcoming removal action.

It is anticipated that the excavation and backfill process will begin early in calendar year 2020 and take approximately 5-6 weeks to complete. The paving process is estimated to take approximately a week to complete.

B. Estimated Costs with Ceiling Increase

	Current Ceiling	Proposed Increase	Proposed Ceiling
<u>Regional Removal Allowance Costs</u>			
ERRS	\$897,000	\$553,000	\$1,450,000
START	<u>\$184,000</u>	<u>\$16,000</u>	<u>\$200,000</u>
Extramural Subtotal	\$1,081,000	\$569,000	\$1,650,000
Extramural Contingency (20% of Subtotal, round to the nearest thousand)	<u>\$216,000</u>	<u>\$114,000</u>	<u>\$330,000</u>
TOTAL, Removal Action Project Ceiling	\$1,297,000	\$683,000	\$1,980,000

VI. EXPECTED CHANGE IN THE SITUATION SHOULD ACTION BE DELAYED OR NOT TAKEN

If the ceiling increase is not granted, EPA will not be able to remove the majority of the contaminated soil from the Site. If no action is taken, the abandoned street will continue to degrade, exposing areas of highly contaminated surface soil to community members. Lead is known to cause irreversible neurological impacts on children.

VII. OUTSTANDING POLICY ISSUES

None.

VIII. ENFORCEMENT

Refer to previous Confidential Enforcement Addendum from the previous Action Memorandum for a discussion regarding potentially responsible parties and enforcement. No viable potentially responsible parties have been identified for the Site.

In addition to the extramural costs estimated for the proposed action, a cost recovery enforcement action also may recover the following intramural costs:

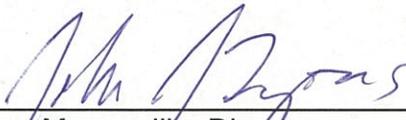
<u>Intramural Costs</u> ¹	<u>Original Cost</u> ²	<u>Additional Costs</u>	<u>Total Costs</u>
U.S. EPA Direct Costs	\$75,000	\$25,000	\$100,000
U.S. EPA Indirect Costs (50.65%)	<u>\$694,918</u>	<u>\$358,602</u>	<u>\$1,053,520</u>
Total Intramural Cost	\$769,918	\$383,602	\$1,153,520

The total EPA extramural and intramural costs for this removal action based on full-cost accounting practices that will be eligible for cost recovery are estimated to be \$3,133,520. Of this, an estimated spending of \$1,980,000 comes from the Regional removal allowance.

IX. U.S. EPA RECOMMENDATION

This decision document represents the selected removal action for the Factory Street Lead Site in the City and County of Honolulu, island of Oahu, Hawaii, developed in accordance with CERCLA, as amended, and is not inconsistent with the NCP.

Site conditions continue to meet the NCP section 300.415(b) criteria for a removal, and I recommend your approval of the proposed direct extramural ceiling increase of \$683,000 in order to dispose all project waste on the United States mainland. The total project ceiling if approved will be \$3,133,520, of which as much as \$1,980,000 will be funded from the Regional removal allowance. If you approve of this action, please indicate your decision by signing below.

Approve: 
 Acting Enrique Manzanilla, Director
 Superfund & Emergency Management Division

November 14, 2019
 Date

Disapprove: _____
 Enrique Manzanilla, Director
 Superfund & Emergency Management Division

 Date

¹ Direct costs include direct extramural costs and direct intramural costs. Indirect costs are calculated based on an estimated indirect cost rate expressed as a percentage of Site-specific direct costs, consistent with the full cost accounting methodology effective October 2, 2000. These estimates do not include pre-judgment interest, do not take into account other enforcement costs, including Department of Justice costs, and may be adjusted during the course of a removal action. The estimates are for illustrative purposes only and their use is not intended to create any rights for responsible parties. Neither the lack of a total cost estimate nor deviation of actual costs from this estimate will affect the United States' right to cost recovery.

² From the Action Memorandum dated June 28, 2019.

Attachments:

I. Factory Street Action Memorandum, June 28, 2019

cc: Ellen Treimel, U.S. EPA, OEM, HQ
Iris van der Zander, Hawaii Department of Health

bcc:

Site File
P. Guria, SFD-9-2
L. Keller, SFD-9-1
C. Whitenack, SFD-7-5
B. Fairbanks, ORC-3
M. Mathews, SFD-9-3
B. Lee, SFD-9-3
Y. Sanchez, OPA-2
A. Diaz, OPA
K. Castro, SFD-2
A. Pease, SFD-9-2
B. Moxley, SFD-9-1

ATTACHMENT I
Factory Street Action Memorandum, June 28, 2019