



Underground Storage Tank Revolving Loan and Grant Program

Washington State Pollution Liability Insurance Agency

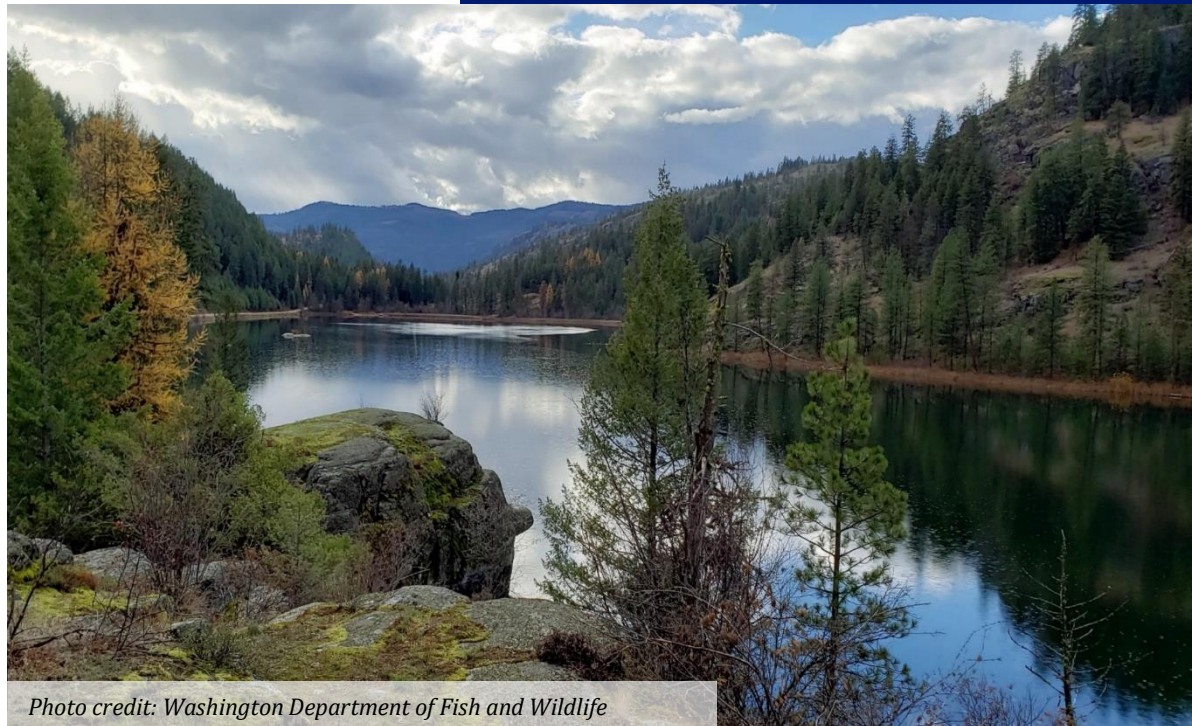


Photo credit: Washington Department of Fish and Wildlife

Report to the Legislature

As required by [RCW 70A.345.090](#).

2019-2021 Biennium

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Underground Storage Tank Revolving Loan & Grant Program

In 2016, the Washington State Legislature authorized¹ the Pollution Liability Insurance Agency (PLIA) to establish the Underground Storage Tank Revolving Loan and Grant Program (Loan and Grant Program) to address Washington's aging underground storage tank (UST) infrastructure. This program assists owners and operators of petroleum UST systems with financial assistance to:

- Remediate historical or ongoing contamination caused by UST releases.
- Replace, remove, or upgrade aging petroleum fuel systems to prevent future releases.
- Install new infrastructure or retrofit existing infrastructure for dispensing or using renewable or alternative energy including the installation of electric vehicle (EV) charging stations.

In 2020, the Legislature expanded² the Loan and Grant Program to assist owners and operators of heating oil tanks to:

- Remediate past or current releases from heating oil tank systems.
- Prevent future releases by upgrading, replacing, decommissioning, or removing heating oil tank systems.
- Transition home heating by installing new infrastructure.

PLIA partners 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.

This report to the Legislature describes the PLIA's activities in the Loan and Grant Program and meets the reporting requirements of [RCW 70A.345.090](#). 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. 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 70A.345.080](#) 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

¹ [RCW 70A.345.010\(1\)](#). Formerly RCW 70.340.010.

² [RCW 70A.345-010\(2\)](#).

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 70A.345.060](#) 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 70A.345.070](#), and the amount of money recovered; and
- (5) The operating costs of PLIA and DOH to carry out the purposes of this chapter during the last biennium.

This report describes program activities during the 2019–2021 biennium. Details about the Heating Oil Loan and Grant Program, which began in Fall 2021, will be addressed in PLIA’s next biennium report.

- 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 presents summaries of each of the projects accepted into the UST Loan and Grant Program for the 2019 and 2020 award years.
- Appendix C presents selected project highlights.
- Appendix D lists the agency’s staff.

Appropriation

For the Loan and Grant Program account in the 2019-2021 biennium, PLIA received expenditure authority of \$32,519,864 which includes operating costs of \$881,000 and \$4,000,000 designated for heating oil tanks.

Program Timeline and Accomplishments

UST Loan & Grant Program Timeline

April 2016	Enabling legislation signed by Governor.
July 2016	Legislation took effect.
October 2016	Program launch, open applications for 2016-2017 Award Cycle.
March 2017	43 applications received.
July 2017	40 Preliminary Planning Assessments (PPAs) completed with project requests totaling \$44,346,733.
October 2017	Open applications for 2017-2018 Award Cycle.
March 2018	12 applications received and accepted.
July 2018	8 PPAs completed for projects from the 2017-2018 Award Cycle.
October 2018	Open applications for 2018-2019 Award Cycle.
March 2019	23 applications received and accepted.

UST Loan & Grant Program Timeline

July 2019	21 PPAs in progress for projects from the 2018-2019 Award Cycle.
October 2019	Open applications for 2019-2020 Award Cycle.
March 2020	11 applications received and accepted.
July 2020	11 PPAs in progress for projects from the 2019-2020 Award Cycle.

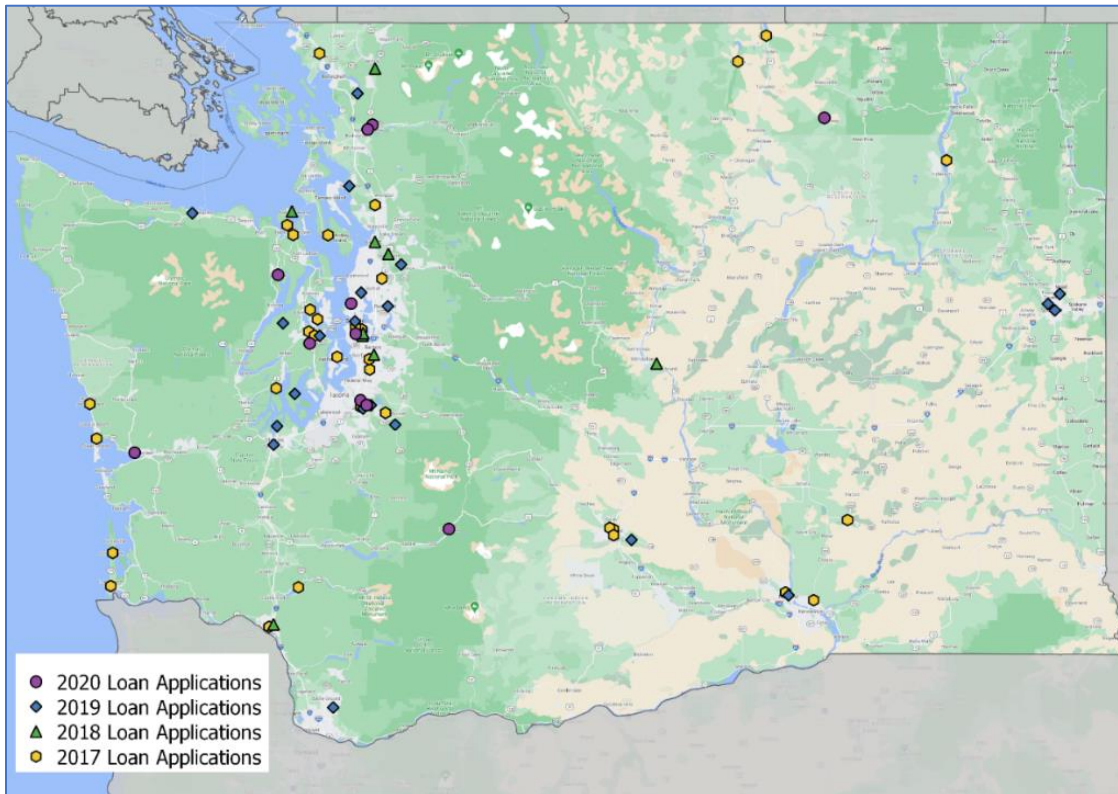
Applications

From 2017 through 2020, PLIA received applications between October and March, with program acceptance notifications given in May. The program received twelve (12) applications in 2018, twenty-three (23) applications in 2019, and eleven (11) applications in 2020. Appendix B summarizes each of the project sites accepted into the program for the 2019 and 2020 award years.

In March 2021, the UST Loan and Grant Program suspended the application cycle due to limited program funding.

The following map shows the geographical distribution of 2017 through 2020 applicant project sites.

UST Loan and Grant Applications Statewide





Preliminary Planning Assessment Grants

The first phase of the program after acceptance is the Preliminary Planning Assessment (PPA) process. Grants of up to \$150,000 are awarded to each accepted applicant.

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 consider the 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 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 can reveal that contamination at the site has already been remediated adequately to bring the site to closure with no further action required.

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.

- During the 2019-2021 biennium, the total amount spent on PPAs was \$2,398,193.
 - In 2019, PPA grants were awarded at twenty-three (23) sites. At the end of the 2019-2021 biennium, three (3) sites withdrew from the program, thirteen (13) sites completed their PPAs, and seven (7) sites were in the process of completing their PPAs. The projected cleanup and infrastructure costs (needs) total \$8,313,400.
 - In 2020, PPA grants were awarded to eleven (11) sites. At the end of the 2019-2021 biennium, one (1) site withdrew from the program, one (1) site completed their project during the PPA phase, and nine (9) sites were in the process of completing their PPAs.

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 which is found on PLIA's website (www.plia.wa.gov/ust-loan-and-grant-program/).

After project site ranking, DOH reviews each participant's financial resources so PLIA can determine eligibility for financing. As financial reviews are completed, PLIA, DOH, and the participant meet to discuss 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 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 begins after the first project invoice is submitted for payment. The DOH administers the loan repayment process by sending invoices and tracking payments.

Rulemaking

The Loan and Grant Program's procedures and award process is governed by interpretive guidance while the program rules are under development. PLIA submitted a CR-101 on August 1, 2017 and developed a stakeholder outreach plan to support formal rulemaking. However, after the 2020 legislative expansion to include heating oil tanks, PLIA required additional time to develop and implement the program for residential heating oil tank owners and operators.

Currently, the program rulemaking is still under the CR-101 notice. The agency uses the published guidance documents for both Heating Oil and Commercial UST programs. These documents are regularly updated to reflect adjustments to program administration and policy changes.

PLIA anticipates completing draft rule language and filing a CR102 by the end of 2022 and completing the necessary Small Business Economic Impact Statement before the end of the 2021-2023 biennium.

Total Costs

During the 2019-2021 biennium, the total costs were \$5,452,230.

- PLIA's operating costs were \$929,781.
- DOH operating costs were \$178,970.
- Total capital costs were \$4,343,478.



Program Status

	Award Year				Totals
	2017	2018	2019	2020	
Applications Received	43	12	23	11	89
PPAs Completed	40	8	13	0	61
PPAs In Progress	0	1	7	9	17
Estimated Total Project Costs	\$44,346,733	\$6,397,600	\$8,313,400	-	\$59,057,733
PPA Funds Spent	\$4,042,622	\$1,046,189	\$1,762,182	\$636,012	\$7,487,005
Grant Offers Made	2	0	0	0	2
Loan Offers Made	7 (4 accepted)	0	0	0	7

Loan and Grant Sites with Accepted Funding Awards

Through June 30, 2021, PLIA has made funding award offers to seven sites of which four sites have accepted. The following sites and award amounts reflect total PPA grant and loan funding.

- Vashon Athletic Club, Vashon Island, WA: \$1,537,987.
- Seaview Mobil, Pacific, WA: \$727,943.70.
- Smitty’s Conoco #190, Yakima, WA: \$1,127,295.94.
- Quick Stop #4, Longview, WA: \$1,377,022.02.

Of these four sites, Seaview Mobil and Quick Stop #4 have completed cleanup and construction. At least 10 jobs were preserved between these two sites.

Heating Oil Loan and Grant Program

As previously mentioned, the Legislature expanded the UST Loan and Grant Program to include heating oil tank owners and operators in 2020. RCW 70A.345.010(2).

Heating oil tanks are generally located in residential homes, and cleanup of releases and contamination are not as costly as those at commercial UST sites. However, not all heating oil tank owners and operators have the capital available to pay for necessary cleanup and required infrastructure needs.

PLIA implemented an initial application cycle in June 2021 and received sixteen (16) applications.

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 of alternative fueling infrastructure such as EV charging stations.

For the 2017-2018 Award Cycle applications, PLIA has 8 projects with completed PPAs. The estimated project costs requests total \$6,397,600. In the 2018-2019 Award Cycle, twenty-three (23) applications were received with thirteen (13) projects with completed PPAs and seven (7) projects undergoing the PPA. The estimated project requests total \$8,313,400. In the 2019-2020 Award Cycle, PLIA received eleven (11) applications with each applicant project starting the PPA. Highlights of some of these project sites are presented in Appendix C.

Based on the completion of sixty-one (61) PPAs, the total projected costs are \$59,057,733 to meet the cleanup and infrastructure needs requested.

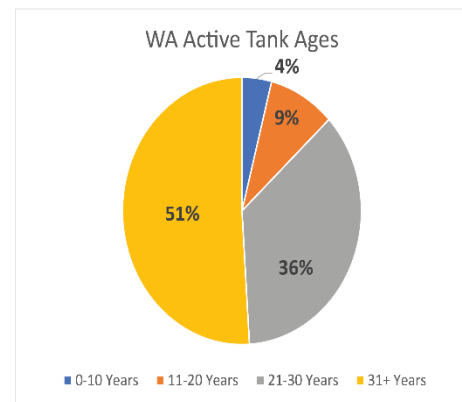
This program has enabled the agency to assist UST owners and operators achieve their environmental cleanup and infrastructure management goals so they can effectively, and responsibly serve their communities. Program updates and information for prospective program participants is posted to PLIA's website 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.



Data gathered from the [EPA's UST Finder](#) on July 28, 2022.

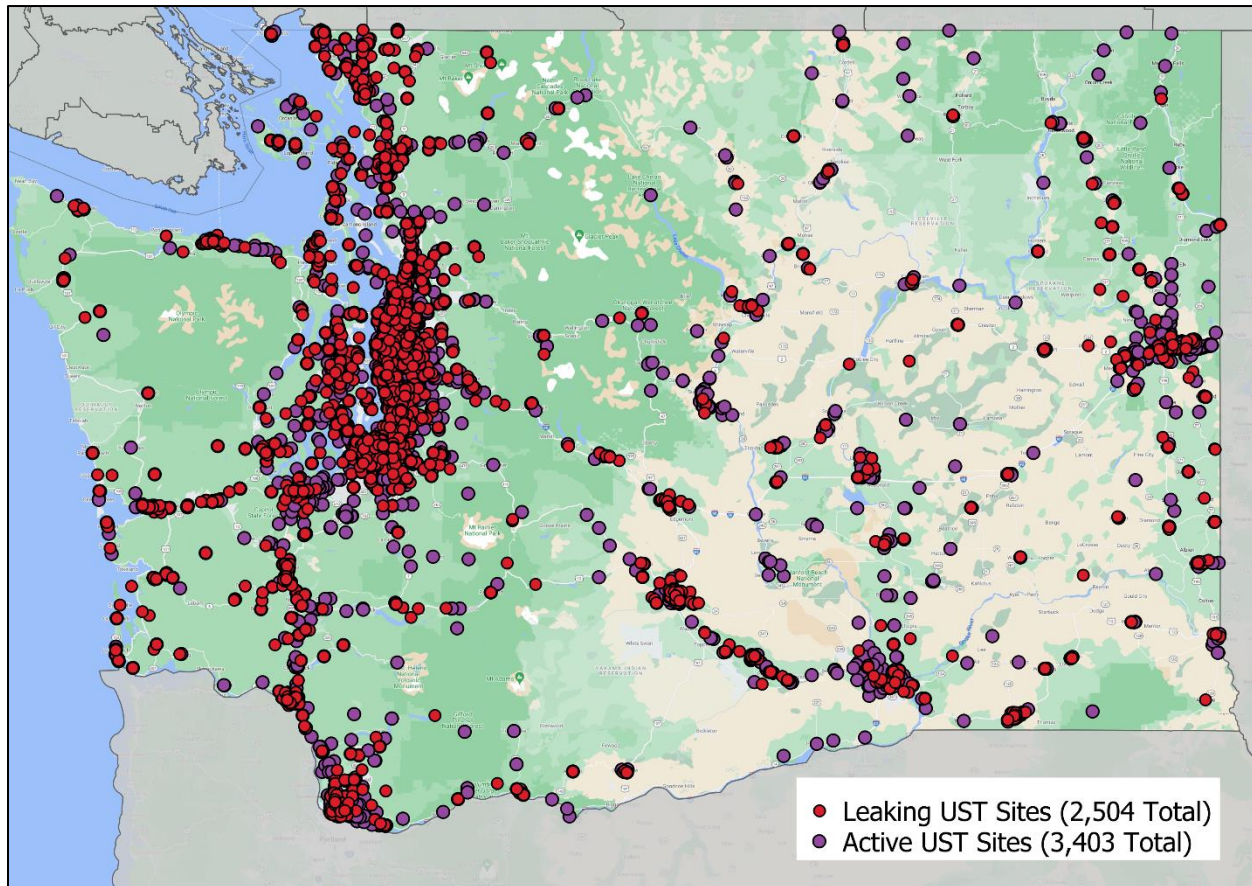
Historical Contamination

Washington has more than 2,500 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 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.

Underground Storage Tank (UST) Sites in Washington

(Data retrieved from Ecology's Integrated Site Information System website in August 2022)



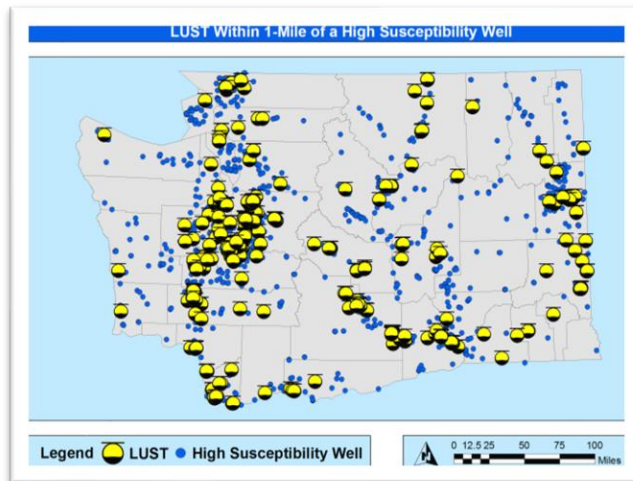
Financial Barriers

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.



Source: The Department of Ecology's "[Leaking Underground Storage Tank \(LUST\) Sites Near Sensitive Wellheads](#)"

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 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.

References

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Appendix B: 2019–2020 Award Year Project Summaries

When completing the Preliminary Planning Assessments, PLIA’s environmental consultants developed project cost estimates for each project. The tables below show the estimated cost for each project.

Estimated Costs of 2019 Award Year Projects

2019					
Rank	Project/Site	Location (City/County)	Cleanup Cost	Infrastructure Cost	Total Cost
	Butler Garage	Seattle/King			
	Car Smart Auto Service, LLC	Sumner/Pierce	\$700,000	\$0	\$700,000
	Chuck’s Service, Inc.	Wilkeson/Pierce	\$990,400	\$431,000	\$1,421,400
	CI Camp Union Grocery	Seabeck/Kitsap	\$793,000	\$0	\$793,000
	Divine Corporation (2 nd Ave)	Spokane/Spokane			
	Divine Corporation (Market St)	Spokane/Spokane			
	Estate of Ruby McDonald	Port Angeles/Clallam			
	Gull Harbor Mercantile	Olympia/Thurston			
	H.D. Watkins Estate	Richland/Benton	\$227,000	\$0	\$227,000
	Hockinson Market	Brush Prairie/Clark	Not Provided	\$125,000	\$125,000
	Lakebay Marina and Resort	Lakebay/Pierce	\$354,000	\$1,710,000	\$2,064,000
	Old City Hall	Tumwater/Thurston	\$476,000	\$0	\$476,000
	Orchard Mart	Port Orchard/Kitsap			
	R & R Food Mart	Spokane/Spokane			
	Red Barn	Monroe/Snohomish			
	Seidel Group, LLC	Lake Forest Park/Kitsap	Not Provided	\$125,000	\$125,000
	Sharp’s Automotive Service	Moxee/Yakima	\$285,000	\$1,480,000	\$1,765,000
	Twin City Shell	Stanwood/Snohomish	\$355,000	Not Provided	\$355,000
	Whatcom County Fire Dist #18	Sedro-Woolley/Skagit	\$100,000	\$0	\$100,000
	William Stephenson Property	Puyallup/Pierce	\$162,000	\$0	\$162,000



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2019					
Rank	Project/Site	Location (City/County)	Cleanup Cost	Infrastructure Cost	Total Cost
Withdrawn/terminated before PPA was completed					
	Associated Petroleum Products	Redmond/King			
	Candace's Corner LLC	Port Townsend/Jefferson			
	Handy Mart	Longview/Cowlitz			

2019 Award Year Site Needs

2019			
Rank	Project/Site	Location (City/County)	Site Needs
	Butler Garage	Seattle/King	Cleanup.
	Car Smart Auto Service, LLC	Sumner/Pierce	Cleanup, remove tanks, and install electrical vehicle charging station.
	Chuck's Service, Inc.	Wilkeson/Pierce	Cleanup, replace tanks, piping, and dispenser island, install pumping system, leak detection, and electric vehicle charging station.
	CI Camp Union Grocery	Seabeck/Kitsap	Cleanup, replace tanks and piping, install leak detection, pumping system, and electric vehicle charging station.
	Divine Corporation (2 nd Ave)	Spokane/Spokane	Cleanup, install tanks, piping, leak detection, and electric vehicle charging station.
	Divine Corporation (Market St)	Spokane/Spokane	Cleanup, install tanks, piping, leak detection, and electric vehicle charging station.
	Estate of Ruby McDonald	Port Angeles/Clallam	Cleanup.
	Gull Harbor Mercantile	Olympia/Thurston	Cleanup.
	H.D. Watkins Estate	Richland/Benton	Cleanup.
	Hockinson Market	Brush Prairie/Clark	Cleanup, remove tanks, and install electric vehicle charging station.
	Lakebay Marina and Resort	Lakebay/Pierce	Replace tanks and piping, install leak detection, dispenser island, canopy, and electric vehicle charging station.
	Old City Hall	Tumwater/Thurston	Cleanup and install electric vehicle charging station.
	Orchard Mart	Port Orchard/Kitsap	Cleanup and remove building.
	R & R Food Mart	Spokane/Spokane	Replace tanks.



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2019			
Rank	Project/Site	Location (City/County)	Site Needs
	Red Barn	Monroe/Snohomish	Cleanup.
	Seidel Group, LLC	Lake Forest Park/Kitsap	Cleanup and install electric vehicle charging station.
	Sharp's Automotive Service	Moxee/Yakima	Cleanup, replace leak detection, piping, dispenser island, and tanks, install pumping station and electric vehicle charging station.
	Twin City Shell	Stanwood/Snohomish	Cleanup, remove tanks, piping, canopy, and dispenser island.
	Whatcom County Fire Dist #18	Sedro-Woolley/Skagit	Cleanup remove tanks, piping, leak detection, dispenser island, canopy, and driveway.
	William Stephenson Property	Puyallup/Pierce	Cleanup.
Withdrawn/terminated before PPA was completed			
	Associated Petroleum Products	Redmond/King	
	Candace's Corner LLC	Port Townsend/Jefferson	
	Handy Mart	Longview/Cowlitz	

2020 Award Year Site Needs

2020			
Rank	Project/Site	Location (City/County)	Site Needs
	Aeneas Valley Country Store	Tonasket/Okanogan	Replace leak detection.
	Edgewood Mobile	Edgewood/Pierce	Cleanup.
	Former Arnold Building	Hoquiam/Grays Harbor	Cleanup and install electrical vehicle charging station.
	Former Northern State Hospital	Sedro-Woolley/Skagit	Cleanup.
	Greenwood Five-Plex	Seattle/King	Cleanup and install electrical vehicle charging station.
	Herb's Muffler & Tune-Up Center Inc	Sedro-Woolley/Skagit	Cleanup.
	Packwood Auto Parts	Packwood/Lewis	Cleanup.
	Snider Petroleum	Sumner/Pierce	Replace tanks, piping, leak detection, canopy and install electrical vehicle charging station.
	Superior Transmission Inc	Seattle/King	Cleanup.



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2020			
Rank	Project/Site	Location (City/County)	Site Needs
Withdrawn/terminated before PPA was completed			
	Port Orchard Market	Port Orchard/Kitsap	
Completed under PPA or withdrawn/terminated after PPA			
	Sandy's Chevron	Quilcene/Grant	

Appendix C: Selected Project Highlights

Illahee Foods, Bremerton

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: Site has received grant and is moving forward with the site delineation.

Former Northern State Hospital, Sedro-Woolley

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.



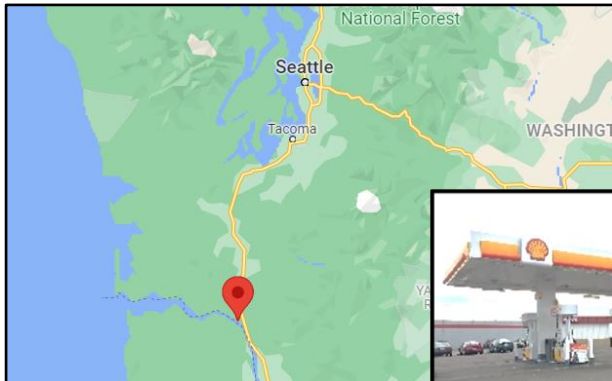
Former Northern State Hospital, Sedro-Woolley cont'd

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: One tank has been excavated, soil was removed, additional wells were installed, and groundwater was sampled. Awaiting funding for the next phase of this project, which is to remove the fuel line.

Quick Stop #4, Longview

Quick Stop#4 is a family-owned and operated convenience store and gas station serving the community of Longview for over 20 years. The station employs 1 part-time and 5 full-time employees.



Quick Stop#4 in Cowlitz County.



Photo credit: Vertex.

The Pollution Liability Insurance Agency (PLIA) received a Loan and Grant Program application for financial assistance to remove and replace five aging underground storage tanks (USTs) at the station. At the time of application, the tanks were 55 years old.

Old tanks are more costly to insure because of the greater risk of leaking. Gasoline and diesel leaks threaten human health and the environment and are expensive to clean up. Replacing the tanks was necessary at Quick Stop#4 so that the station maintained insurability and to mitigate further leaks.

In 2017, PLIA awarded Quick Stop#4 a grant of up to \$150,000 to conduct a Preliminary Planning Assessment (PPA). The PPA tests for contamination and prepares cost estimates for infrastructure. No environmental testing had been performed on the property prior to the PPA. The PPA revealed that the USTs had leaked gasoline and diesel into soil and groundwater.



Removing concrete above USTs. Photo credit: Vertex.



Removed diesel tank. Photo credit: Vertex.

Quick Stop #4, Longview, continued

Construction began in October 2019. Five USTs and 3,873.56 tons of contaminated soil were removed. Efforts also included pumping contaminated groundwater out of the tank pit at the time of tank removal. Remaining pollution in groundwater is decreasing and continues to be monitored quarterly until the state cleanup levels are met.

Quick Stop #4 received insurance funds from PLIA's UST Reinsurance Program to pay for the cleanup and a \$700,000 loan award from Loan and Grant Program to supplement construction costs and to pay for infrastructure. Loan dollars funded:

- Installation of a new, 22,000-gallon, double steel wall tank with 3 compartments and a fiberglass coating.
- Double wall piping.
- New canopy.
- An electric vehicle charging station to be installed in 2022.

The new tank has been installed and re-fueling operations resumed in summer 2020.

Current Project Status: Cleanup and construction completed and electrical vehicle charging station has been installed. Currently in the process of assessing off-site impacts.



Installation of wells for groundwater extraction. Photo credit: Vertex.

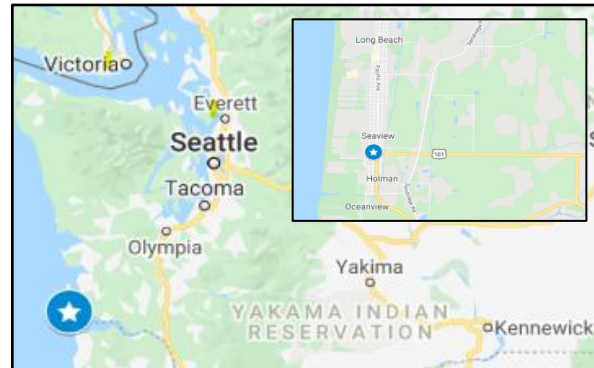


Installation of new multi-chambered UST. Photo credit: Vertex.

Seaview Mobil, Seaview

Seaview Mobil is a gas station and convenience store located in Seaview, Washington, a popular beachside tourist destination. Seaview Mobil is a family run business serving the community since 1980. The owners purchased the property in 2007 and employ seven staff members.

Financial assistance was requested to replace three aging underground storage tanks (UST's). At the time of application, the tanks were 37 years old.



Location map showing Seaview Mobil in Pacific County, WA.



The canopy and fueling dispensers prior to cleanup and construction.

The PPA tested for contamination and developed cost estimates for replacement tanks and infrastructure. Testing results show that soil was not polluted from the fueling activities. Groundwater at the property was discovered to be contaminated with petroleum.

Tanks over the age of 25 years have a greater risk of leaking. Gasoline and diesel leaks threaten human health and the environment. New tanks are costly yet vital in preventing contamination as the site continues to operate as a commercial gasoline refueling station.

In 2017, PLIA awarded Seaview Mobil a grant to conduct a Preliminary Planning Assessment (PPA) at the property.



Cleanup and construction included removal of the canopy and dispensers to access tanks.

Seaview Mobil, Seaview, continued



Concrete pad installed after the old tanks were removed and decommissioned.



Cleanup and construction is complete.



New electric vehicle charging station installed.

The groundwater pollution was addressed by *in situ* bioremediation. Nutrients are added to the water which stimulates microbes to breakdown the pollution. The pollution level in the ground water is currently being monitored.

The cleanup was funded by insurance dollars provided by PLIA’s UST Reinsurance Program and a low interest loan provided by PLIA’s Loan and Grant Program. Loan dollars also enabled the removal of two (2) tanks, closure of one (1) tank in place and installation of one (1) new, 23,000 gallon, double steel wall tank with 3 compartments and a fiberglass coating. The owners also installed an electric vehicle charging station.

Current Project Status: Cleanup and construction completed. Groundwater in confirmational monitoring phase. Property sold following upgrades.

Smitty's Conoco #190, Yakima

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 measurable 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 are 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 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: Performing groundwater monitoring. Waiting for electric vehicle charging station to be installed.

You & I Market, Pacific Beach

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 Staff List

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