

**SB**

**165**



**Anchorage  
School  
District**

5530 E. Northern Lights Blvd.  
Anchorage, Alaska 99504-3135  
(907) 742-4000

March 10, 2009

The Honorable Nancy Dahlstrom  
State of Alaska  
House of Representatives

Re: Alaska Railroad/Municipality of Anchorage Land Trade; HB 171

Dear Representative Dahlstrom:

It is my understanding that the above-mentioned bill is being considered at this legislative session.

The land trade proposed between the Alaska Railroad and the Municipality of Anchorage will result in a small parcel of land, directly in front of the entrance to the Government Hill Elementary School, being transferred to the Municipality of Anchorage. Last year the Municipality purchased the business located there, and razed the derelict building. If the parcel is owned by the Municipality it can be used to improve the entrance to the school and enhance student safety there.

The Anchorage School District is in support of this legislation and we urge the legislature to pass the bill in this session.

Thank you for your consideration.

Sincerely yours,

Carol Comeau, Superintendent  
Anchorage School District

February 23, 2009

Representative Nancy Dahlstrom  
State of Alaska  
House of Representatives

Dear Representative Dahlstrom:

At our February 19<sup>th</sup> Government Hill Community Council meeting, Ron Pollock, Executive Director and Sue Lukens, Development Director of Anchorage Community Development Authority, asked us to support the bill authorizing the exchange of Alaska Railroad land in Government Hill for Municipality of Anchorage land. Following their presentation and discussion, our council voted to support this legislation.

Two railroad parcels within Government Hill are under consideration for trade. One is a small triangle of land near the entrance to Government Hill Elementary School. Last year, the Municipality of Anchorage purchased a business on this site and razed the derelict building. Mr. Pollock and Ms. Lukens report that this parcel, if owned by the Municipality, will be modified to improve the entrance to the school, which could enhance appearance, traffic flow and student safety.

The second railroad parcel is approximately 1.77 acres located on the south side of Hollywood Drive. Currently, it is leased from the railroad but is included in the Northpointe Bluff Subdivision. If traded to the Municipality, this parcel could be sold to the developer/owner of the subdivision, who, in turn, could sell lots to individual buyers for single family, owner/occupied homes.

Given the future uses of the above two parcels, as stated by the Municipality, Government Hill Community Council supports this land trade. We ask for your support as well.

Sincerely,



Thomas Pease  
Acting President  
Government Hill Community Council



Adopted: February 17, 2009

Resolution No. 2009-006

Approving Transfer of Real  
Property to the Municipality of  
Anchorage

WHEREAS, the Alaska Railroad Corporation (ARRC) is the owner of two separate parcels of land on Government Hill that are proposed for a land swap with the Municipality of Anchorage; and

WHEREAS, one of the parcels, shown on the attached Exhibit A as ARRC Parcel 1, is not contiguous with other ARRC property and does not currently produce lease revenue; all improvements were previously removed from the parcel to expedite the Municipality's movement of gravel from a nearby site to the Port of Anchorage; the parcel presents a physical and legal obstruction to safe and efficient access to the Municipality's Government Hill Elementary School; and

WHEREAS, the second parcel, covered under a long-term lease and shown on the attached Exhibit A as ARRC Parcel 2, is surrounded by municipally owned or controlled property known as the Hollywood Vista site; the site is currently being redeveloped into a residential subdivision after years of planning by the Government Hill community and the Municipality of Anchorage, and ARRC's parcel will be incorporated into the redevelopment; and

WHEREAS, the Municipality would like to acquire the ARRC Parcel 2 in order to more efficiently develop the entire site, allowing the ARRC parcel to be subdivided as part of the overall development which would otherwise be restricted in its use; and

WHEREAS, the Municipality has offered to transfer the land shown on Exhibit A as MOA Parcel 1, which is more desirably located for ARRC use or development, in exchange for both ARRC parcels; and

WHEREAS, the ARRC and municipal properties proposed for exchange have been independently appraised and valued at \$602,800 and \$645,000, respectively; the Municipality has indicated it expects no additional consideration for its slightly higher valued property; and

WHEREAS, ARRC management recommends approval of this land exchange because the corporation will acquire property of equivalent or greater value that will increase the development potential of a central business district site or could potentially be incorporated in the development ARRC's existing Ship Creek land

holdings, which would increase the value of ARRC's property that surrounds MOA Parcel 1; and

WHEREAS, both ARRC Board approval and legislative approval are required for conveyance of the corporation's entire interest in land under AS 42.40.120(c)(14) and AS 42.40.285(1), respectively.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors has reviewed the proposed transaction and approves the conveyance of Parcels A and B as shown on Exhibit A to the Municipality of Anchorage in exchange for conveyance of MOA Parcel 1 as shown on Exhibit A; and

FURTHER RESOLVED, the President and CEO or his designee is authorized to negotiate such other conditions of transfer and take such other steps as he deems are appropriate and in the best interests of the corporation, including but not limited to seeking legislative approval of the conveyance of the corporation's entire interest in land as required by law.

---

This is to certify that I am the Secretary of the Board of Directors of the Alaska Railroad Corporation, and the above Resolution No. 2009-006 is a true and correct copy of the resolution adopted by the Alaska Railroad Corporation's Board of Directors at its regular meeting on February 17, 2009.

Date

Feb. 17, 2009 James B. Blasingame  
James B. Blasingame  
Board Secretary

Corporate Seal

Wm Dam

ENV-A220-03  
Corresp.

# STATE OF ALASKA

**DEPT. OF ENVIRONMENTAL CONSERVATION  
DIVISION OF SPILL PREVENTION AND RESPONSE  
CONTAMINATED SITES PROGRAM**

**SARAH PALIN, GOVERNOR**

555 Cordova Street  
Anchorage, AK 99501  
PHONE: (907) 269-3057  
FAX: (907) 269-7649  
www.dec.state.ak.us

File: 2100.26.113

June 8, 2007

William E. Dam  
211 East Cook Avenue  
Anchorage, AK 99501

Re: Former Unocal/Short's Texaco  
AMENDED Record of Decision

Dear Mr. Dam:

This letter replaces the letter dated June 6, 2007. Please see the section titled 'ADEC Decision' for additional conditions to the closure for this site.

The Department of Environmental Conservation, Contaminated Sites Program (ADEC) reviewed the environmental records associated with the former underground storage tanks (USTs) at the Former Unocal/Short's Texaco at 566 Bluff Road in Anchorage Alaska. This site had been contaminated by the release of a hazardous substance; however, based on the information provided to date, ADEC has determined that no further remedial action is required, and that the Former Unocal/Short's Texaco USTs can be closed subject to the conditions outlined in this document. The hazardous substance contamination has been adequately addressed and does not pose an unacceptable risk to human health or the environment.

This letter summarizes the decision process used to determine the environmental status of this site and provides a summary of the regulatory issues considered in the ADEC determination.

**Introduction**

Site Name and Location:

Former Unocal/Short's Texaco  
566 Bluff Road  
Anchorage, AK

Name and Mailing Address of Contact Party:

William E. Dam  
211 East Cook Avenue  
Anchorage, Alaska 99501

Database Record Key and CS File Number:

ADEC Reckey # 1987210034305  
LUST File # 2100.26.113

Regulatory authority under which the site is being cleaned up:  
18 AAC 78 and 18 AAC 75

## Background

Four USTs were utilized at the Former Unocal/Short's Texaco. Installation of groundwater monitoring wells in 1986 found total petroleum hydrocarbon concentrations in soil and groundwater that indicated the presence of contamination at the site. The highest levels of petroleum contamination were found in MW-4 on the upgradient edge of the property. The upgradient source for this contamination has not been confirmed, and may have been the result of surface water intrusion into the well.

## Site Characterization

In 1995, two 8,000-gallon gasoline USTs, one 300-gallon waste oil UST, and one 500-gallon heating oil UST were removed from the site. During the tank excavations, approximately 130 cubic yards of petroleum contaminated soil were excavated and transported to CleanSoils in Anchorage for thermal treatment. Groundwater was not encountered in any of the excavations.

Nine confirmation soil samples were collected from the excavation at the gasoline tanks, piping, and dispensers. Samples contained benzene up to 0.058 mg/kg, above the ADEC Method Two cleanup level of 0.02 mg/kg. No other analytes were detected above Method Two cleanup levels.

Nine confirmation soil samples were also collected from the common excavation at the waste oil and heating oil USTs. Diesel range organics (DRO) were detected up to 7,000 mg/kg beneath the heating oil UST at 8 feet below ground surface (bgs). Tetrachloroethylene was also detected at 0.091 mg/kg, above the Method Two cleanup level of 0.03 mg/kg. Other volatile organic compounds were detected, but at concentrations below Method Two cleanup levels.

Historic debris consisting of wire and wood fragments with hydrocarbon odor were found at a depth of 13 feet bgs also beneath the heating oil UST.

Following removal of the tanks, three groundwater samples were collected in 1996 from MW-1, MW-2, and MW-3 and analyzed for benzene, toluene, ethylbenzene, and xylenes (BTEX); no analytes were detected in these samples.

In 2004, seven soil borings were advanced in the source areas and also downgradient of the source areas to evaluate potential contaminant migration in soil and groundwater. Two of the soil borings were completed as monitoring wells: one at the location of the former used oil UST, the other at a location downgradient from all the former USTs. Additional borings were completed as vapor extraction wells to be used if additional remediation was required.

Fourteen soil samples were collected from the seven soil borings based on field screening and visual/olfactory evidence of contamination. DRO was detected in two of the samples at 357 mg/kg and 1,890 mg/kg. Benzene was detected in one sample at 0.0201 mg/kg. No other analytes were detected above ADEC Method Two cleanup levels.

Groundwater samples were collected from the four existing monitoring wells and two newly installed monitoring wells. Depth to groundwater was measured at approximately 27 to 35 feet bgs. Contaminants were only detected above ADEC Table C groundwater cleanup levels in MW-4, which is on the upgradient edge of the property. Based on the calculated groundwater flow direction, the source of contaminants in MW-4 is upgradient of the site or is the result of surface water intrusion into the well casing.

#### Contaminants of Concern

Diesel Range Organics  
Benzene

#### Cleanup Levels

The soil cleanup levels for this site are established in 18 AAC 75.341 Tables B1 and B2, Under 40 inch Zone, Migration to Groundwater.

| <u>Contaminant</u>    | <u>Site Cleanup Level (mg/kg)</u> |
|-----------------------|-----------------------------------|
| Diesel Range Organics | 250                               |
| Benzene               | 0.02                              |

The groundwater cleanup levels for this site are established in 18 AAC 75.345 Table C.

| <u>Contaminant</u>    | <u>Site Cleanup Level (mg/L)</u> |
|-----------------------|----------------------------------|
| Diesel Range Organics | 1.5                              |
| Benzene               | 0.005                            |

#### Pathway Evaluation

The pathways evaluated at this site include the human health exposure pathways of soil ingestion and inhalation of vapors. The inhalation and ingestion pathways may be complete but contaminant concentrations are below inhalation and ingestion cleanup levels.

The migration to groundwater pathway may be complete but groundwater was not encountered during the excavation and contaminated groundwater was not found downgradient of the site.

#### ADEC Decision

There is contamination remaining above established cleanup levels at the Former Unocal/Short's Texaco but ADEC has determined there is no unacceptable risk to human health or the environment, and this site will be conditionally closed.

This decision is subject to the following conditions:

1. A Notice of Environmental Contamination will be recorded on the ADEC database to document that there is residual contamination remaining on site above the most stringent ADEC cleanup levels;
2. Any proposal to transport soil off site requires ADEC approval in accordance with 18 AAC 78.274(b);
3. The remediation system and all monitoring wells must be decommissioned in accordance with current ADEC guidance.

This determination is in accordance with 18 AAC 78.276(f) and does not preclude ADEC from requiring additional assessment and/or cleanup action if future information indicates that this site may pose an unacceptable risk to human health or the environment.

Site closure (without conditions) can be achieved when soil sampling confirms that all soil meets the most stringent ADEC cleanup levels.

#### Appeal

Any person who disagrees with this decision may request an adjudicatory hearing in accordance with 18 AAC 15.195 -18 AAC 15.340 or an informal review by the Division Director in accordance with 18 AAC 15.185. Informal review requests must be delivered to the Division Director, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801, within 15 days after receiving the department's decision reviewable under this section. Adjudicatory hearing requests must be delivered to the Commissioner of the Department of Environmental Conservation, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801, within 30 days after the date of issuance of this letter, or within 30 days after the department issues a final decision under 18 AAC 15.185. If a hearing is not requested within 30 days, the right to appeal is waived.

If you have questions about this closure decision, please contact William O'Connell at (907) 269-3057.

Sincerely,



Jim Frechione  
Environmental Manager

**Rebecca Rooney**

---

**From:** Jesse Cross-Call  
**Sent:** Wednesday, April 08, 2009 4:28 PM  
**To:** Rebecca Rooney  
**Cc:** Sen. Johnny Ellis  
**Subject:** SB 165 tomorrow

Hi Becky,

So you guys are ready, here's the list of people who will testify tomorrow:

- Bob French, Government Hill Community Council (calling from offnet)
- Wendy Lindskoog, Alaska Railroad (in-person)
- Jim Kubitz, Alaska Railroad (calling from offnet)
- Ron Pollock, Municipality of Anchorage (will be at Anchorage LIO; available to answer questions only)

Tell me if you need anything further.

Jesse

Jesse Cross-Call  
Office of Senator Johnny Ellis  
State Capitol, Room 103  
Juneau, AK 99801  
(907) 465-3704



U.S. Survey 1105 - June 16, 1911  
 Upper Development Group, LLC  
 Page 2

Block 4, Tract A, U.S. Survey No. 1405 A-10  
 Block 4, Tract A

Lot 7A, Block 24, P.M. 28-70  
 M.A. Project 1A  
 10/11



ALASKA RAILROAD CORPORATION  
 OFFICE OF THE CHIEF ENGINEER  
 P.O. BOX 10700, ANCHORAGE, ALASKA 99510-0700 (907) 266-1468

PARCEL LOCATION

BASEMAP

|              |           |        |                  |
|--------------|-----------|--------|------------------|
| DESIGNED BY: | R. BERRY  | SCALE: | N/A              |
| DRAWN BY:    | M. JENSEN | DATE:  | January 13, 2009 |
| CHECKED BY:  | M. JENSEN |        |                  |
| APPROVED BY: |           |        |                  |