

US EPA ARCHIVE DOCUMENT



**WHITE MOUNTAIN APACHE TRIBE**  
 Environmental Protection Office  
 P.O. Box 2109 • 201 East Walnut Street  
 Whiteriver, AZ. 85941



Environmental Management Support, Inc.  
 Attn: Mr. Don West  
 8601 Georgia Avenue, Suite 500  
 Silver Spring, MD 20910

November 28, 2011

Re: Brownfield Cleanup Grant Application – Fiscal Year 2012 (FY 2012)  
Former McNary Lumber Mill (Hazardous Substances)

Dear Mr. West:

The rural community of McNary, Arizona covers approximately 5.6 square miles and has a population of 528. McNary was once home to one of the oldest commercial developments and largest volume lumber mills in the Southwestern United States (the Former McNary Lumber Mill). The McNary Lumber Mill was established in about 1915 by a private non-tribal corporation who leased the land through an agreement with the Bureau of Indian Affairs (BIA). Although the land was established as the Fort Apache Indian Reservation and rightfully belonged to the White Mountain Apache Tribe (as established by Executive Order in 1871), the Tribe had little to no input into the establishment or operation of the mill site. At the height of its operations, over 3,000 people lived in McNary and worked either at the mill or in ancillary businesses and service industries that existed to support the mill operations. When the mill was closed in 1980, the 320-acre townsite and mill was abandoned and left to decay. Today, remnants of the mill buildings are deteriorated and falling down, and soil and groundwater have been left tainted with hazardous substances.

The former mill is located adjacent to residential and commercial structures, and residents are potentially exposed to contaminants, primarily via wind-borne inhalation. The median age of these residents is 19 years old, and almost all children in McNary live below the poverty line. The Community is predominantly Native American (95%) and has an unemployment rate almost double that of the State of Arizona and the national average.

The White Mountain Apache Tribe received EPA Region 9 Brownfields Assessment Demonstration Pilot grant in 1999 to evaluate properties of the former McNary Lumber Mill. The grant helped the Tribe to evaluate the feasibility of redevelopment of the property as part of a long-term community redevelopment plan. A Phase I ESA of the property was completed in July 2002 and a Phase II ESA was completed in December 2003. The Tribe believes the site has been adequately characterized and no further site assessment is warranted, and cleanup activities can be initiated immediately upon receipt of grant funds. Based on the analytical results from the soil samples and building materials, the following types and quantities of materials impacted by constituents above Region 9 RSLs exist at the site:

- Soil impacted by Polychlorinated Biphenyls (PCBs): 85 cubic yards
- Soil impacted by Petroleum Hydrocarbons: 6,000 cubic yards
- Soil impacted by Arsenic: 75,000 cubic yards
- Asbestos-containing material: 150,000 square feet

The White Mountain Apache Tribe is submitting this Brownfields cleanup grant application to remediate soil impacted by PCBs, arsenic, and petroleum hydrocarbons and abate asbestos-containing materials. The Tribe's contribution will be \$250,005. A preliminary Analysis of Brownfields Cleanup Alternatives completed by the Tribe demonstrates that soil excavation and off-site disposal is the best remedial solution for PCB-contaminated soil and asbestos-containing materials; *ex situ* bioremediation is the best solution for petroleum hydrocarbon-contaminated soil; and a risk assessment to establish safe, alternative cleanup standards is the best solution for arsenic-contaminated soil. The anticipated outputs and outcomes resulting from this grant are:

**Outputs:**

- Cleanup 185 acres of former Brownfields for sustainable redevelopment
- Conduct eight Community meetings
- Complete Community Relations Plan, Quality Assurance Project Plan, Sampling and Analysis Plan, Health and Safety Plan, and Final Cleanup Report

**Outcomes:**

- Create two temporary jobs for McNary residents during site cleanup
- Create 60 to 100 full-time, permanent jobs at site
- Develop 6 acres of recreational and/or greenspace at the site
- Conserve 2 acres of wetlands at the site
- Minimize potential Community exposure to carcinogens and probable carcinogens

<p><b><u>a. Applicant Identification</u></b>          White Mountain Apache Tribe          PO Box 2109 Whiteriver, AZ. 85941</p>	<p><b><u>c. Funding Requested</u></b>          i. Grant type: Cleanup          ii. Funds Requested: \$200,000          iii. Contaminants: Hazardous</p>
<p><b><u>b. Applicant DUNS number:</u></b>          86-0092030</p>	<p><b><u>e. Property Name and Address</u></b>          Former McNary Lumber Mill          85930</p>
<p><b><u>d. Location</u></b>          McNary, Arizona          Fort Apache Indian Reservation 85930</p>	<p><b><u>f. Contacts:</u></b>          i. Project Director:          Brenda P. Begay          PO Box 2109          Whiteriver, Arizona 85941          Telephone: (928) 338-2474          Facsimile: (928) 338-5195          E-mail: <a href="mailto:bbegay@wmat.us">bbegay@wmat.us</a></p>
<p><b><u>g. Date Submitted</u></b>          November 28, 2011</p>	<p><b><u>h. Project Period</u></b>          3 years</p>
<p><b><u>i. Population:</u></b>          City: 528 (2010 Census Population Estimate)</p>	

Sincerely,



Brenda P. Begay, Environmental Manager  
 White Mountain Apache Tribe  
 Environmental Protection Office



## 1. COMMUNITY NEED

### **a. HEALTH, WELFARE, AND ENVIRONMENT**

#### **i. Effects of Brownfields on Targeted Community**

The rural community of McNary, Arizona covers approximately 5.6 square miles and has a population of 528, with most of its residents clustered around the town proper. McNary was once home to one of the oldest established commercial developments and largest volume lumber mills in the Southwestern United States (the Former McNary Lumber Mill). At the height of its operations, over 3,000 people lived in McNary and worked either at the mill or in ancillary businesses and service industries that existed to support the mill operations. When the mill was closed in 1980, the 320-acre townsite and mill was abandoned and left to decay. Today, remnants of the mill buildings are deteriorated and falling down, and soil and groundwater have been left tainted with hazardous substances.

Soil at the abandoned mill site is impacted above EPA Region 9 Regional Screening Levels (RSLs) for polychlorinated biphenyls (PCBs), arsenic, petroleum hydrocarbons, and asbestos. PCBs are considered to be probably carcinogens; arsenic and asbestos are known carcinogens; and total hydrocarbons are considered to be potential carcinogens. The presence of these constituents keeps the site from being redeveloped which is necessary for job creation and blight removal.

The former mill is located adjacent to residential and commercial structures, and residents are potentially exposed to contaminants, primarily via wind-borne inhalation. The median age of these residents is 19 years old, and almost all children in McNary live below the poverty line. The Community is predominantly Native American (95%) and has an unemployment rate almost double that of the State of Arizona and the national average.

### **b. FINANCIAL NEED**

#### **i. Demographic Information**

Demographic Indicator	McNary	Apache County	Arizona	United States
Population	528 <sup>1</sup>	71,518 <sup>2</sup>	6,392,017 <sup>2</sup>	308,745,538 <sup>3</sup>
Unemployment	16.3 <sup>4</sup>	16.1 <sup>4</sup>	9.1 <sup>4</sup>	9.6 <sup>5</sup>
Poverty Rate	75.3 <sup>6</sup>	35.4 <sup>2</sup>	17.4 <sup>7</sup>	14.3 <sup>8</sup>
Minority (%)	95.1 <sup>1</sup>	76.7 <sup>2</sup>	27.0 <sup>2</sup>	26.7 <sup>3</sup>
Per Capita Income (\$)	7,035 <sup>6</sup>	11,614 <sup>2</sup>	23,618 <sup>7</sup>	26,530 <sup>8</sup>

According to the U.S. Census Bureau's statistics, McNary's population is 528, with minorities, predominantly Native Americans, comprising over 95% of the population. The per capita income for

<sup>1</sup> US Census Bureau; <http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk>

<sup>2</sup> US Census Bureau; <http://quickfacts.census.gov/qfd/states/04/04001.html>

<sup>3</sup> US Census Bureau; <http://www.census.gov/>

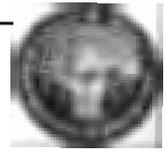
<sup>4</sup> Arizona Department of Administration; <http://www.azstats.gov/pubs/specrates2011.pdf>

<sup>5</sup> Bureau of Labor Statistics; [www.bls.gov](http://www.bls.gov)

<sup>6</sup> City-Data.com; <http://www.city-data.com/city/McNary-Arizona.html>

<sup>7</sup> US Census Bureau; <http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk>

<sup>8</sup> 2009 American Community Survey; [http://www.census.gov/newsroom/releases/archives/income\\_wealth/cb10-144.html](http://www.census.gov/newsroom/releases/archives/income_wealth/cb10-144.html)



McNary is a mere \$7,035, which lags almost 73% behind the national average of \$26,530, and is also substantially lower than those of Apache County and the State of Arizona at \$11,614 and \$23,618, respectively. The US Department of Labor reported that McNary's unemployment rate in October 2011 was 16.3% compared to the national average of 9.6% and Arizona's average of 9.1%.

Arizona has the second highest poverty rate in the nation, according to figures from the U.S. Census Bureau. More than one-fifth of Arizonans live in poverty, a figure higher than anywhere else in the nation except Mississippi. Nearly 1.4 million Arizonans (about 21 percent of the population) live in households earning less than the federal poverty level.<sup>7</sup> The poverty rate in McNary is over 75% and essentially every child in McNary lives in poverty (97%).<sup>6</sup> To compound matters, approximately \$500 million in cuts to the Arizona Health Care Cost Containment System (AHCCCS), which provides free health care to individuals living below the poverty level, have recently been initiated. An estimated 100,000 people, including a disproportionate amount in our area, will be impacted in the first year.<sup>9</sup>

The primary economic industries of the White Mountain Apache Tribe are tourism and natural resources, particularly timber production. As described in the following paragraphs, each of these industries have been especially hard hit by natural disasters and the precipitous decline in the Arizona recession over the past decade.

The 2002 Rodeo-Chediski Fire scorched approximately 467,000 acres (or 730 square miles), approximately 60 percent of which was on White Mountain Apache land. The impacted area had to be closed for several years because of hazards such as burned timber left standing and ready to fall at any moment and dangerous concealed craters created when smoldering root clumps turned to ash. The Western Forestry Leadership Coalition, comprised of state and federal forestry officials, figured the total cost of the Rodeo-Chediski Fire was more than \$308 million. "Job losses in this case were particularly acute; following the fire, two local timber mills did not resume pre-fire productivity, leading to a decline in merchantable timber that would impact the tribal community for multiple generations," the coalition reported. The loss of sales tax revenue and jobs in the tribal community amounted to \$8.1 million.<sup>10</sup>

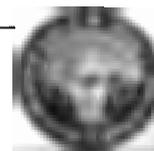
In the summer of 2011, the Wallow Fire surpassed the Rodeo-Chediski Fire as the largest fire in Arizona history. In this fire, an additional 21,000 acres of richly forested land on the reservation was burned. In addition to creating further economic havoc to the economic base, soot and ash from the fire impacted the federally-listed Apache trout and destroyed critical habitat of the endangered Mexican gray wolf. The Federal Emergency Management Agency (FEMA) issued a Fire Management Assistance Declaration for the area in June 2011.

Almost 365,000 jobs have been lost in the state since December 2007, and initial claims for Unemployment Insurance exceeded 28,000 in July 2011. Residential and commercial construction is a significant bellwether of Arizona's health and this industry remains exceedingly weak. Only 10,000 building permits per month were issued in August 2011, down from a high of almost 80,000 in mid-2005 and with over 50,000 homes in foreclosure in the State, this industry is not likely to rebound in the near

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<sup>9</sup> Newspaper article; Yuma Sun; <http://www.yumasun.com/articles/state-71135-change-friday.html>

<sup>10</sup> Western Forestry Leadership Coalition; [http://www.wflccenter.org/news\\_pdf/324\\_pdf.pdf](http://www.wflccenter.org/news_pdf/324_pdf.pdf)



future.<sup>11</sup> The loss of jobs and disposable income has created an estimated 10% loss in jobs for the tourism industry in the White Mountains over the last 4 years.<sup>12</sup>

The loss of tourism and timber revenue is exacerbated by the inability to redevelop the former McNary Lumber Mill due to the presence of hazardous substances. The site redevelopment plan envisions a diverse mixture of light industrial and commercial ventures that will supplement the tourism and timber industries, thus sparking job creation and improved health and financial welfare across the Fort Apache Indian Reservation, but particularly in the impoverished community of McNary.

## **2.0 PROJECT DESCRIPTION AND FEASIBILITY OF SUCCESS**

### **a. PROJECT DESCRIPTION**

#### **i. Existing Property Conditions and Proposed Redevelopment**

The McNary Lumber Mill was established in about 1915 by a private non-tribal corporation who leased the land through an agreement with the Bureau of Indian Affairs (BIA). Although the land was established as the Fort Apache Indian Reservation and rightfully belonged to the White Mountain Apache Tribe (as established by Executive Order in 1871), the Tribe had little to no input into the establishment or operation of the mill site. Primarily due to the negative consequences of the Dawes Act of 1887, Tribal resources during the 60 years after the establishment of the Reservation and the passing of the Indian Self Determination Act of 1934, Tribal resources were controlled externally.

The mill site at McNary was one of the largest volume mills in the Southwestern United States and at the height of its operations the town of McNary had a population of nearly 3,000 people. The private corporation constructed a lumber mill, accompanying townsite to house and support lumbering operations, and a private railroad to haul lumber. Most of the original buildings listed below have been removed from the site and the remaining buildings are in dilapidated and/or collapsed.

- Planer Mill
- Molding Mill
- Finished Lumber Storage
- Saw Mill
- Lumber Sales
- Dry Kilns
- Power Plant
- Railroad Maintenance
- Truck Maintenance
- Dispatch Office

The mill operation operated via the unsustainable harvesting and milling of the Tribe's virgin forest resources, until the mill closed in 1980. The private non-Tribal company made little to no attempt to cleanup the site and essentially abandoned it without consideration for its future reuse. Subsequently, the town's economic base and population collapsed. From 1995 to 1996, a tribally-owned timber company abated asbestos-containing materials from the old powerhouse and then demolished the structure. Underground storage tanks (USTs) and aboveground storage tanks (ASTs), formerly used to store fuel, were removed from the site. The company also removed transformers containing PCBs and partially remediated soil at four areas where releases of PCBs had occurred.

<sup>11</sup> Tracking Arizona's Recovery; Arizona Legislature, Joint Legislative Budget Committee; August 2011;

<http://www.azleg.gov/jlbc/TrackingAZRecovery.pdf>

<sup>12</sup> Bureau of Labor Standards; [http://data.bls.gov/timeseries/SMS04000007000000001?data\\_tool=XGtable](http://data.bls.gov/timeseries/SMS04000007000000001?data_tool=XGtable)



The White Mountain Apache Tribe received EPA Region 9 Brownfields Assessment Demonstration Pilot grant in 1999 to evaluate properties of the former McNary Lumber Mill. The Pilot area involved approximately 320 acres, of which 185 were associated with the former lumber mill site. The grant helped the Tribe to evaluate the feasibility of redevelopment of the property as part of a long-term community redevelopment plan.

A Phase I ESA of the property was completed in July 31, 2002. Eight recognized environmental conditions (RECs) were identified on the property that could potentially produce environmental impairment to the site. These conditions consisted of potentially hazardous materials, electrical transformers, former USTs, former ASTs, surface soil staining, dumped debris, previous site use, prior asbestos-containing material (ACM) release, and presence of ACM in existing buildings.

The Phase II ESA scope of work included a physical and chemical evaluation of the RECs identified in the Phase I ESA and an evaluation of the potential that pond sediment, surface water, and/or fish tissue have been impaired. Over 50 samples were collected across the site and variously analyzed for volatile organic compounds (VOCs), semi-volatile organic compounds (SVOCs), polynuclear aromatic hydrocarbons (PAHs), heavy metals, total hydrocarbons, and asbestos. In addition, 46 building material samples were collected and analyzed for asbestos content. The Tribe believes the site has been adequately characterized and no further site assessment is warranted, and cleanup activities can be initiated immediately upon receipt of grant funds.

PCBs were identified in excess of EPA Region 9 RSLs at the location of a former transformer along an abandoned railroad line. Petroleum hydrocarbons were found in soils at a former AST location along an abandoned railroad line and in two areas of stained soil. Arsenic concentrations in excess of RSLs for residential uses were identified in numerous locations, generally distributed throughout the site soil and sediment. Elevated arsenic concentrations do not appear to be due to former mill operations, but are a result of natural contribution, a condition typical of the southwestern United States. Asbestos was found in several building materials at the former lumber mill buildings. In addition, asbestos-containing materials have fallen to the ground in the vicinity of the Planer Mill and Molding Mill due to the deterioration and collapse of these buildings. The material is not friable but is in fair to poor condition.

Based on the analytical results from the soil samples and building materials, the following types and quantities of materials impacted by constituents above Region 9 RSLs exist at the site:

- Soil impacted by PCBs: 85 cubic yards
- Soil impacted by Petroleum Hydrocarbons: 6,000 cubic yards
- Soil impacted by Arsenic: 75,000 cubic yards
- Asbestos-containing material: 150,000 square feet

Pond sediment, surface water, groundwater, and fish tissue were also sampled and analyzed using judgmental sampling designs approved by EPA. Groundwater at one location, the former UST location at the Truck Maintenance Building, is impacted by two volatile organic compounds (VOCs), benzene and naphthalene, in excess of RSLs. Analysis of fish tissue samples from the mill pond did not contain concentrations of target analytes above the EPA Recommended Screening Values for Target Analytes - Recreational Fishers. However, because this application is for funding for cleanup of soil only, these results will not be discussed further in this application.



The White Mountain Apache Tribe is submitting this Brownfields cleanup grant application to remediate soil impacted by PCBs, arsenic, and petroleum hydrocarbons and abate asbestos-containing materials. The Tribe's contribution will exceed the required 20% cost share for the grant. A preliminary Analysis of Brownfields Cleanup Alternatives completed by the Tribe demonstrates that soil excavation and off-site disposal is the best remedial solution for PCB-contaminated soil and asbestos-containing materials; *ex situ* bioremediation is the best solution for petroleum hydrocarbon-contaminated soil; and a risk assessment to establish safe, alternative cleanup standards is the best solution for arsenic-contaminated soil. However, the Tribe will conduct an ABCA following grant award to define the final remedial solution. The anticipated outputs and outcomes resulting from this grant are:

**Outputs:**

- Cleanup 185 acres of former Brownfields for sustainable redevelopment
- Conduct eight Community meetings
- Complete Community Relations Plan, Quality Assurance Project Plan, Sampling and Analysis Plan, Health and Safety Plan, and Final Cleanup Report

**Outcomes:**

- Create two temporary jobs for McNary residents during site cleanup
- Create 60 to 100 full-time, permanent jobs at site
- Develop 6 acres of recreational and/or greenspace at the site
- Conserve 2 acres of wetlands at the site
- Minimize potential Community exposure to carcinogens and probable carcinogens

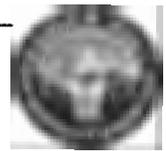
Community notification and input has been incorporated into the development of this grant application. A meeting was held in McNary on October 27, 2011 with Community members to discuss this grant application and the results of the preliminary ABCA. Seventeen Community residents attended the meeting and expressed concern about the potential environmental and safety hazards associated with the site and the lack of redevelopment at the site.

We have examined numerous redevelopment options for the Former McNary Lumber Mill site, originally documented in a report dated November 2003 and subsequently updated. The plan was developed with significant Community input and promoted redevelopment of the site with the following:

- Light industrial (value-added timber products, non-timber forest products)
- Commercial and retail sales (tourist-oriented commercial and Native American crafts production and sales)
- Recreational (park and picnic area)
- Greenspace (wetland conservation, grass meadows, conifer buffers, and ponds)

**ii. Proposed Cleanup Plan**

The Tribe will employ several remediation strategies at this site. These have been developed based on previous site assessment investigations, preliminary ABCA, future redevelopment plans, and preservation of archaeological resources, citizen input, and protection of the adjacent Community. The major elements of our proposed plan to cleanup this site are described below.



▪ **Community Relations Plan**

We will prepare a site-specific Community Relations Plan (CRP) that describes how we will meet public involvement requirement. The CRP will outline steps that the Tribe will complete to provide reasonable notice of proposed cleanup, opportunity for involvement, response to comments, and administrative records that are available to the public. The CRP will be submitted to EPA before notifying the Community that the ABCA is available for review. The CRP will address the following:

- Notice of the availability of the draft ABCA to the Community and the opportunity for the Community to provide written or oral comments prior to the final development of the ABCA.
- Preparation of written responses to significant and appropriate comments, and documentation of any changes to the cleanup plan.
- Preparation of an administrative record and notification to the Community of its availability for inspection at a location convenient to McNary and the general public. The administrative record will contain the documents that form the basis for the selection and implement of the cleanup plan. Documents in the administrative record will include the ABCA, site investigation reports, cleanup plan, cleanup standards used, responses to public comments, and verification that show that the cleanup is complete.

▪ **Historic Preservation and Endangered Species**

It is unlikely that historic structures and/or threatened and endangered species will be encountered during this project. However, we will

▪ **Analysis of Brownfields Cleanup Alternatives**

The Tribe will prepare a Final ABCA that provides information about the site and contamination issues (e.g., site characteristics, surrounding environment, land-use restrictions, potential future uses, and cleanup goals). The ABCA will be signed by an authorized representative of the White Mountain Apache Tribe. At a minimum, the following remedial alternatives will be considered as part of the ABCA:

- No Action
- Excavation and off-site disposal
- Bioremediation (*in situ* and *ex situ*)
- Solidification/Stabilization
- Sorption
- Soil Washing
- Phytoremediation

Remedial alternatives that are protective of human health and the environment, but do not meet the remedial objective of cleanup to RSLs (such as capping or institutional controls), will be considered at the Tribe's discretion. Remedial alternatives may be combined in order to effectively treat the contamination (e.g., excavation may be used in soil containing PCBs and *ex situ* bioremediation may be used in areas containing petroleum hydrocarbon contamination). The remedial alternatives will be evaluated using the following criteria:

- Ability to meet remedial objective
- Effectiveness – ability to maintain desired level of protection over time



- Implementability – technical, logistical, and administrative feasibility
- Short-Term Risks
- Total Costs – short-term cost to implement remedial alternative in addition to long-term monitoring; operations and maintenance; and future costs to replace alternative
- Community Acceptance
- Preservation of archaeological artifacts
- Green and Sustainable Remediation factors

▪ **Quality Assurance/Quality Control and Safety Plans**

EPA policy mandates that all environmental data collection activities and analytical results must be addressed in a Quality Assurance Project Plan (QAPP). We will develop a QAPP that presents the functions, procedures, and specific quality assurance (QA) and quality control (QC) activities designed to achieve the data quality objectives (DQOs) to support sample collection activities for the Cleanup grant. Guidelines to be followed in the preparation of the QAPP are described in the following documents:

- Quality Assurance Guidance for Conducting Brownfields Site Assessments (EPA 540-R-98-038); Environmental Protection Agency; September 1998.
- EPA Region 9 Requirements for Quality Assurance Program Plans (Draft), R9QA/03.1; Environmental Protection Agency; August 2001.
- EPA Requirements for Quality Assurance Project Plans, EPA QA/R-5 (EPA/240/B-01/003); Environmental Protection Agency; March 2001.
- EPA Guidance for Quality Assurance Project Plans, EPA QA/G-5 (EPA/240/R-02/009); Environmental Protection Agency; December 2002.
- Guidance on Systematic Planning Using the Data Quality Objective Process, EPA QA/G-4 (EPA/240/B-06/001); Environmental Protection Agency; February 2006.

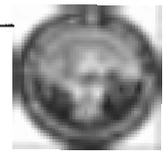
The Tribe will also prepare a Sampling and Analysis Plan (SAP) to complement the QAPP. The SAP will be prepared in accordance with EPA Region 9 Template for Sampling and Analysis Plan; Version 3 – Brownfields Projects (R9QA/006); United States Environmental Protection Agency; June 2004.

A site-specific HASP will be developed to assure that site activities are conducted in a safe manner, and will be prepared in accordance with 29 CFR 1910. The plan will assign responsibilities, to establish personnel protection standards and mandatory safety practices and procedures, and to provide for contingencies that may arise while operations are being conducted at the site. The plan will be developed by professionals experienced in health and safety requirements at hazardous waste sites. The HASP will require that all on-site workers be trained in accordance with Hazardous Waste Operations and Emergency Response (HAZWOPER) requirements found at 29 FR 1910.120.

The QAPP, SAP, and HASP will be submitted to the Region 9 Project Manager and Quality Assurance Office for review. All comments will be addressed and incorporated into the final plans.

▪ **Site Cleanup**

The remedy(ies) selected via the ABCA process will be implemented following approval of the ABCA and QAPP, SAP, and HASP. Based on the Preliminary ABCA completed for this site, we anticipate that the following cleanup options will be employed:



- Soil impacted by petroleum hydrocarbons: Excavation and Bioremediation via Landfarming
- Soil impacted by PCBs: Excavation and Off-Site Disposal
- Soil impacted by Arsenic: Human Health Risk Assessment to establish remediation levels
- Asbestos-Containing Building Materials - Abatement and Off-Site Disposal

Stormwater and fugitive dust controls will be put into place prior to site cleanup activities. The site will be secured to prevent unauthorized entry and to protect the surrounding Community. Work will not be conducted at night in order to avoid light nuisances and heavy equipment traffic noise.

Soil will be excavated and either placed directly into transport trucks for off-site disposal (anticipated 85 cubic yards of soil impacted by PCBs) or placed into the bioremediation cells (anticipated 6,000 cubic yards of soil impacted by petroleum hydrocarbons). It is anticipated that, based on the concentrations of petroleum hydrocarbon contained in the soil samples collected during the Phase II ESA, bioremediation of the soil to Region 9 R5Ls will be completed in approximately 8 months. The Tribe will till the stockpiled soil in the bioremediation cell at least once per month and add amendments such as nutrients and water, as necessary. Treated soil will be returned to the excavation location and backfilled. Additional clean backfill will be imported to replace soil that is disposed off site.

We will complete a Human Health Risk Assessment to estimate the nature and probability of adverse health effects in humans who may be exposed to arsenic in soil at a level greater than the Region 9 RSL. The Risk Assessment will be conducted following the guidance of the Risk Assessment Guidance for Superfund (RAGS), Volume 1 Human Health Evaluation Manual. The components of the risk assessment will include a Site Conceptual Model, Exposure Assessment, Toxicity Assessment, Risk Characterization, and Uncertainty Analysis. The Risk Assessment will be reviewed with EPA and cleanup levels for arsenic will be established in consultation with EPA.

Asbestos-containing material found in the on-site buildings and scattered on the grounds immediately surrounding the buildings (approximately 150,000 square feet) will be abated by a licensed contractor according to AHERA and OSHA standards. Once the asbestos containing materials have been abated, the buildings will be dismantled and the steel will be recycled. Funds generated from metal salvage (estimated to be approximately \$150,000) will be used for a portion of the cost share for the grant. All applicable rules and regulations pertaining to off-site transportation and disposal of soil and asbestos-containing material will be followed. Manifests documenting the material quantities, transporter information, and off-site disposal locations will be provided in the Final Closure Report.

#### ▪ **Reporting**

A Final Cleanup Report will be prepared and submitted to EPA for review and comment following completion of all site remediation activities. The Report will contain the following components:

- Summarizes cleanup activities including timeline, quantities, and areas addressed
- Documents cleanup is complete and protective of human health and the environment
- Identifies institutional controls used and long-term monitoring requirements, if any
- Documents determinative sampling in accordance with approved QAPP to verify cleanup levels with analytical results and data verification

The White Mountain Apache Tribe will comply with all reporting requirements contained in the Cooperative Agreement. At a minimum, these requirements will include:

Former McNary Lumber Mill Redevelopment Project  
 Fiscal Year 2012 Brownfields Cleanup Grant Application  
 Hazardous Substances



- Timely and accurate entry of project data into ACRES
- Quarterly Progress Reports - within 10 working days following the end of the Federal fiscal quarter
- DBE and MBE/WBE Reports - as required under Cooperative Agreement terms and conditions
- Annual Financial Status Reports - Annually by December 30
- Federal Cash Transaction Report - Annually by January 15
- Final Project Report and Close Out Paperwork (summary of project activities, grant outputs and outcomes, and documentation that 20% cost share was met) - within 90 days following EPA approval of Final Cleanup Report

The timeline for site cleanup, beginning with grant fund availability in October 2012 through grant closeout is provided in the following table.

Task	Completion Date
Cooperative Agreement signed and funding available	October 2012
Grant announced to Community	October 2012
Enter property information into ACRES	November 2012
Develop Contractor Request for Proposal and select Contractor	December 2012
Begin Community Relations Plan	January 2013
Finalize Community Relations Plan and public comment period	April 2013
Finalize ABCA	May 2013
Submit QAPP, SAP, and HASP to EPA	June 2013
Begin site cleanup (soil excavation, asbestos abatement)	June 2013
Operate bioremediation system (petroleum hydrocarbon soil treatment)	February 2014
Submit Cleanup Report to EPA	April 2014
EPA Review/Submit Final Cleanup Plan to EPA	June 2014
Enter information into ACRES	June 2014
Grant Closeout	September 2014

**b. BUDGET FOR EPA FUNDING AND LEVERAGING OTHER SOURCES**

**i. Budget Table**

Budget Categories (programmatic costs only)	Project Tasks				Total
	Task 1 – Community Involvement/Training	Task 2 – ABCA and Risk Assessment	Task 3 – Remediation	Task 4 – Reporting	
Personnel					
Fringe Benefits					
Travel	\$7,200				\$7,200
Equipment					
Supplies					
Contractual	\$4,800	\$34,800	\$145,160	\$8,040	\$192,800
Other (specify)					
<b>Total</b>	<b>\$12,000</b>	<b>\$34,800</b>	<b>\$145,160</b>	<b>\$8,040</b>	<b>\$200,000</b>
Cost Share	\$3,000		\$247,005		\$250,005



### **Task 1 - Community Involvement and Training**

Site information will be entered into EPA's Assessment, Cleanup, and Redevelopment Exchange System (ACRES). A Community Relations Plan will be developed and submitted to EPA for review and comments. Community meetings will be held in the McNary Council during ABCA development, during site remediation, and upon completion of site cleanup. Citizen concerns related to contaminant exposure, truck movement through the community, and final site end uses will be discussed and considered. A project repository will be established in McNary to facilitate project communication.

#### **Cost Breakdown**

Travel: Two Tribal staff attending two EPA conferences (4 trips @ \$1,800/trip = \$7,200)

Contractual: Consultant preparation of Community Relations Plan (\$4,800)

Cost Share: Tribal staff conducting community outreach/information meetings (80 hours @ \$25/hour = \$3,000)

### **Task 2 – Analysis of Brownfields Cleanup Alternatives (ABCA) and Risk Assessment**

The final ABCA will be prepared to evaluate remedial alternatives for the site. EPA Region 9 Regional Screening Levels will be used for cleanup standards. Public Notice and a 30-day comment will be provided following EPA review of the draft ABCA and public comments will be incorporated into the ABCA, as appropriate. Prepare Risk Assessment to establish alternative cleanup levels to Region 9 RSL for arsenic.

#### **Cost Breakdown**

Contractual: Consultant preparation of ABCA (\$13,560)

Contractual: Consultant preparation of Risk Assessment (\$21,240)

### **Task 3 - Remediation**

The budget estimate provided in this grant application presupposes a combination of excavation and off-site disposal (for soil containing PCBs and asbestos-containing materials), ex situ bioremediation (for soil containing total petroleum hydrocarbons), and risk assessment to establish safe, higher cleanup levels (for soil containing arsenic). Areas disturbed during the remediation process will be graded, and storm water and fugitive dust controls will be put in place. Analytical testing will be performed to assure exposure to soil above the applicable RSLs does not occur and proper profiling of off-site disposed soil occurs.

The Tribe will prepare written project documents to guide worker safety, environmental protection, data quality, regulatory requirements, and standard environmental industry practice. The specific plans and documents that will be developed include an approved Quality Assurance Project Plan, Sampling and Analysis Plan, and Health and Safety Plan. These plans will be prepared to meet, at a minimum, EPA, Occupational Health and Safety Administration (OSHA), and Tribal standards and requirements.

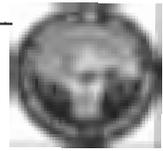
#### **Cost Breakdown:**

Contractual: Remediation contractors, analytical fees and soil disposal (\$151,300)

Cost Share: Remediation contractors, analytical fees and soil disposal (\$177,000)

### **Task 4 – Reporting**

Analytical data and field results from the cleanup activities will be compiled into a final Cleanup Report prepared by a professional engineer or geologist registered in the State of Arizona and submitted to EPA



for review and comment. The report will be placed in the project repository and will be posted on the Tribe's website. A flier summarizing cleanup activities will be prepared to advise the surrounding community and stakeholders of the results of the site work and analysis. Recommendations for further site remediation, if required, will be detailed in the Final Report. Final cleanup information will be entered into ACRES and the project will be properly closed out with EPA.

**Cost Breakdown**

Contractual: Site closure documentation (\$8,040)

**ii. Plan for Tracking and Measuring Progress**

The Tribe will prepare a Work Plan with defined, quantitative project goals (outputs and outcomes), and a schedule that will be included with the Cooperative Agreement with EPA. Project output, outcomes, and schedule will be tracked by the Tribe on a quarterly basis and reported to EPA as part of the Quarterly Report. The report will include a list of goals accomplished and expected goals for the next quarterly reporting period. Should either the goals or schedule not be met, the Tribe will provide a reason and proposed corrective actions. We will communicate frequently with EPA throughout the course of the grant. In addition to Quarterly Reports, we will discuss project status at National Brownfields meetings, regional EPA conferences, and during trips made by EPA to review the project status.

The Tribe will input project information into EPA's Assessment, Cleanup, and Redevelopment Exchange System (ACRES) within 15 days following completion of a Phase I ESA or Phase II ESA. Information submitted into ACRES will be complete and accurate, and will include all requested information (as available) including property attributes, assessment activities, contaminants and media, institutional and engineering controls, cleanup requirements and activities, and redevelopment and leveraged accomplishments.

**iii. Leveraging**

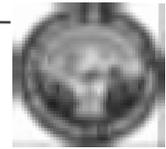
The Tribe's contribution will be approximately \$250,005 or 125% which exceeds the required 20% cost share requirement for the grant. Cost share will be provided as follows:

- Funds from metal recycling: \$189,205
- Landfarm Operation (labor): \$12,800
- Soil excavation (labor and equipment): \$48,000

**c. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE**

**i. Programmatic Capability**

The Environmental Protection Office (EPO) of the White Mountain Apache Tribe will manage this Brownfields Cleanup grant. The EPO was established in 1996 to enhance the quality of life within the Fort Apache Indian Reservation by protecting and preserving the land, ecosystems, and natural resources of the White Mountain Apache Tribe. EPO administers environmental regulatory programs, addresses environmental issues, and provides environmental outreach to Tribal public. EPO staff monitors development throughout the Reservation through the Tribal Plan and Project Review process, performs site inspections, and enforces environmental regulations. The Programs administered by the EPO include:



- Environmental Policy Program
- Air Quality Program
- Water Quality Regulatory Program
- Solid Waste Regulatory Program
- Underground Storage Tank Regulatory Program

Brenda P. Begay EPO Environmental Manager, will manage this grant. Ms. Begay has 11 years of environmental experience, all of which have been with the White Mountain Apache Tribe. She holds a Bachelor of Arts degree in Environmental Sciences (Environmental Management emphasis) from Northern Arizona University and has supplemented her degree with numerous training courses and programs. Ms. Begay successfully managed the previous EPA Region 9 Brownfields Assessment Demonstration Pilot grant awarded to the Tribe in 1999.

Ms. Begay and the EPO are managing the three grants listed below totaling over \$1 million. The EPO is in compliance with all grant terms and conditions.

- Clean Air Act Section 103(b) Tribal Air
- EPA General Assistance Program
- General Assist Program IV

The Tribal EPO supplements its in-house expertise through the use of consultants and contractors. Selection of these services is completed through a competitive proposal process, based on technical skill, past experience, and cost. This process meets applicable federal, state, and local requirements (including consideration for disadvantaged and small businesses) and will be used to select consultants and other subcontractors.

## ii. Adverse Audit Findings

The White Mountain Apache Tribe has not received any adverse audit findings from an OMB Circular A-133 audit, an audit conducted by a federal, state, tribal, or local government inspector general or similar organization, or audits conducted by the U.S. General Accounting Office. Tucson is not nor has previously been required to comply with special "high risk" terms and conditions under agency regulations implementing OMB Circular A-102. The White Mountain Apache Tribe did not request a no-cost time extensions for its Brownfields grant.

## iii. Past Performance

### 1. Previous EPA Brownfields Grant

The White Mountain Apache Tribe received a EPA Region 9 Brownfields Assessment Demonstration Pilot grant in 1999 to evaluate this site. The Tribe successfully managed the grant as demonstrated by the following:

- Funds expenditure: \$200,000
- Compliance with grant requirements: Staff has completed quarterly reports, MBE/WBE reports, ACRES database reporting, etc. in a timely manner.



- Accomplishments: Completed a Quality Assurance Project Plan, Health and Safety Plan, community Involvement, Travel to EPA National Brownfields Conference
- Completed Phase I ESA and Phase II ESA that adequately assessed the site
- Grant closed with anticipated outcomes completed

### **3. COMMUNITY ENGAGEMENT AND PARTNERSHIPS**

#### **a. Plan for Involving the Affected Community**

The means by which the active communication will be maintained with the Community will be documented in the Community Relations Plan. In general, Council and Community meetings are the most effective and traditional methods used by the Apache people to communicate important information. Personal communication engenders trust and show respect for the individual. Newspaper and website announcements are largely ineffective on the reservation due to the Community's extremely limited access to these modes of communication. Community meetings will be held at significant milestones throughout the grant process, beginning with the announcement of the grant receipt. At a minimum, Community meetings will be held at the following points in the grant progress:

- Upon availability of the draft ABCA
- Completion of final ABCA
- Prior to initiating site remediation
- Completion of soil excavation for off-site disposal and asbestos abatement
- Mid-point of soil bioremediation operation
- completion of draft Cleanup Report
- Completion of grant closeout

Because a significant portion of the Native American community speaks Apache, information will be provided to the community in both English and Apache. Flyers and meeting announcements will be bilingual, and interpreters will be provided, as necessary, for meetings. Bilingual Tribal staff, who are knowledgeable of the project, will be available to meet with Apache-speaking residents.

#### **b. Efforts and/or Plans to Develop Partnerships**

The project will be managed by the Tribe's Environmental Protection Office (EPO), which oversees site assessment and remediation on the Fort Apache Indian Reservation. The EPO will work closely with EPA to assure that required planning documents are prepared, appropriate cleanup standards are established, and remedial objectives are accomplished. EPO will consult with EPA's toxicologists and environmental scientists to evaluate the adequacy of the Human Health Risk Assessment to be prepared to establish alternative cleanup levels for arsenic in soil at the site.

There are no local Brownfields job training programs in the McNary area. Community members will be given access to potential employment opportunities related to the Former McNary Lumber mill through several avenues. First, employment of Community members by environmental consultants and contractors working at the site will be strongly encouraged. Even greater employment opportunities will arise due to demand for skilled and unskilled workers during the site redevelopment process.

#### **c. Description and Role of Key Community-Based Organizations**



As previously described, Council and Community meetings are the most effective communication means and are expected to play a predominant role during the life of the grant. Because of the remoteness and small size, there are no community-based organizations located in the vicinity of McNary. However, while Tribal Community members are not formally organized into named organizations, they play a very active role in the community. The Environmental Protection Office presented an overview of the proposed Cleanup grant and the Preliminary ABCA to a Community meeting in McNary on September 27, 2011. Seventeen Community members attended the meeting and provided valuable input into the grant application, current site conditions, and future redevelopment options. The presentation materials, sign-in sheet, and comments and response are contained in Attachment C.

#### **4. PROJECT BENEFITS**

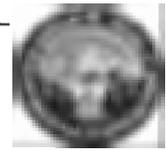
This Brownfields Coalition grant will directly support five of the Livability Principles developed by EPA, Department of Housing and Urban Development (HUD), and the Department of Transportation (DOT). The means by which these livability principles will be incorporated into our program are:

- **Promote equitable, affordable housing** – renovate or construct new low-to-moderate, energy-efficient housing through in-fill on existing Brownfields sites.
- **Support existing communities** – advance the preservation and redevelopment of this rural communities by providing mixed-use development, job creation, and sustainable community growth, while increasing community revitalization and the efficiency of public works investments and safeguarding rural landscapes. Remove environmental hazards that are impediments to redevelopment and that impact citizen health and safety.
- **Enhance economic competitiveness** - provide employment opportunities for unemployed or underemployed employees to develop new job skills and provide necessary resources to expand and/or attract new sustainable businesses. It will enhance the tax base of our rural communities to allow for re-investment into local communities for services such as health care, infrastructure, employment training, and recreational amenities.
- **Coordinate and leverage federal policies and investment** – make land available for sustainable development such as locally-generated renewable energy by building upon past Brownfields grants and other Federal and State investments
- **Value communities and neighborhoods** - enhance the unique characteristics of our Native American culture and preserve important recreational and commercial resources (forest and Native American culture) to allow a sustainable community to thrive. Actively seek and incorporate stakeholder input to assure community vision and values are maintained.

##### **a. Welfare and/or Public Health**

The site is contaminated with two known carcinogens (arsenic and asbestos), on probable carcinogen (PCBs), and a potential carcinogen (total hydrocarbons). The Tribe has not been able to proceed with site redevelopment plans due to the environmental contamination. The Former McNary Lumber Mill potentially impacts human health and the environment in the following manner:

- **Contaminant exposure through ingestion.** Compounds at concentrations found at this site are deemed by EPA to be a potential health risk. The primary route of exposure of these compounds is ingestion. Because children will frequent this park, cleanup and redevelopment will reduce potential ingestion exposure of this sensitive population and other site users.



- **Dust generation contributing to air quality degradation.** One of the primary sources of PM-10 is disturbed vacant land. Because this site cannot be further developed and revegetated due to the presence of elevated metals in the soil, dust generated from wind or disturbances from unlawful entry on the site directly contributes to PM-10 generation and air quality degradation. The cleanup will be conducted in a manner that minimizes impacts to neighboring residents from airborne dust.

**b. Economic Benefits and/or Greenspace**

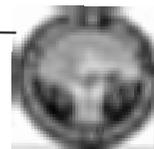
McNary is situated 3 miles north of the Hon Dah Casino and Conference Center along US Highway 260, the main thoroughfare to the immensely popular recreational amenities of Arizona's White Mountains. The proposed redevelopment plan leverages these amenities and resources through light industry based on sustainable use of forest products and retail and commercial services to tourists and visitors. Redevelopment at the site is estimated to create 60 to 1000 full-time permanent jobs. This provides substantial economic benefits in a community experiencing over 16% unemployment and a per capita income of just over \$7,000.

Redevelopment of the Former McNary Lumber Mill will provide important benefits in addition to purely economic ones. Two acres of wetlands will be protected and conserved. In addition, 6 acres of parks and greenspace (grass meadows, conifer buffers, and ponds) will be created.

**c. Environmental Benefits from Infrastructure Reuse/Sustainable Reuse**

The Former McNary Lumber Mill is serviced by existing, functional utilities and has direct access to Highway 260. We are committed to supporting EPA's environmental and sustainability initiatives, specifically, the Best Management Practices (BMPs) described in EPA's guidance document entitled *Green Remediation: Incorporating Sustainable Environmental Practices into Remediation of Contaminated Sites*. For example, we will require our consultants and contractors to implement a Sustainability Plan that will incorporate activities such as recycling, reuse, and/or waste minimization practices; fuel-efficient vehicle use; implement water conservation practices; use electronic communication to the extent practicable; use paper containing at least 30% post-consumer recycled content and produce reports that are printed double-sided; avoid off-road travel as much to reduce dust generation and protect natural resources.

Waste material reuse and recycling is an important component of our proposed cleanup plan. On-site bioremediation of soil will be implemented, thereby eliminating off-site disposal and transportation. Following asbestos abatement, steel and other building materials will be recycled and the funds will be used to partially finance sit cleanup.



# ATTACHMENT A

## DOCUMENTATION OF APPLICABLE THRESHOLD CRITERIA



## THRESHOLD CRITERIA

### 1. APPLICANT ELIGIBILITY

#### a. Eligible Entity

The Fort Apache Indian Reservation, homeland of the White Mountain Apache Tribe, was established by Executive Order in 1871, and is a federally recognized and organized tribe pursuant to Section 16 of the Indian Reorganization Act of 1934.

#### b. Site Ownership

The White Mountain Apache Tribe is the owner of the site.

### 2. LETTER FROM STATE AUTHORITY

This grant application is being submitted by the White Mountain Apache Tribe - Environmental Protection Office (EPO) which is the tribal environmental authority. Therefore, as stated in the grant proposal guidelines, a letter from the appropriate tribal authority acknowledging that the applicant plans to conduct cleanup activities and is planning to apply for federal grant funds is not required.

### 3. SITE ELIGIBILITY AND PROPERTY OWNERSHIP ELIGIBILITY

#### a. Basic Site Information

##### Site Name

Former McNary Lumber Mill

##### Site Address

Approximately 185 acres located south of Highway 260 in McNary, Arizona 85930  
(No physical address assigned)

##### Current Site Owner

The White Mountain Apache Tribe is the current owner of the site.

#### b. Status and History of Contamination at the Site

##### Petroleum or Hazardous Substances Site

The Former McNary Lumber Mill Site is contaminated with hazardous substances including polychlorinated biphenyls (PCBs), arsenic, asbestos, and polynuclear aromatic hydrocarbons (PAHs).

##### Operation History and Current Use(s) of the Site

The McNary Lumber Mill was established in about 1915 by a private non-tribal corporation who leased the land through an agreement with the Bureau of Indian Affairs (BIA). Although the land was established as the Fort Apache Indian Reservation and rightfully belonged to the White Mountain Apache Tribe (as established by Executive Order in 1871), the Tribe had little to no input into the establishment or operation of the mill site. Primarily due to the negative consequences of the Dawes



Act of 1887, Tribal resources during the 60 years after the establishment of the Reservation and the passing of the Indian Self Determination Act of 1934, Tribal resources were controlled externally.

The mill site at McNary was one of the largest volume mills in the Southwestern United States and at the height of its operations the town of McNary had a population of nearly 3,000 people. The private corporation constructed a lumber mill, accompanying townsite to house and support lumbering operations, and a private railroad to haul lumber. Most of the original buildings listed below have been removed from the site and the remaining buildings are in dilapidated and/or collapsed.

- Planer Mill
- Molding Mill
- Finished Lumber Storage
- Saw Mill
- Lumber Sales
- Dry Kilns
- Power Plant
- Railroad Maintenance
- Truck Maintenance
- Dispatch Office

The mill operation operated via the unsustainable harvesting and milling of the Tribe's virgin forest resources, until the mill closed in 1980. The private non-Tribal company made little to no attempt to cleanup the site and essentially abandoned it without consideration for its future reuse. Subsequently, the town's economic base and population collapsed.

The site is currently abandoned and in a dilapidated condition.

#### **Environmental Concerns**

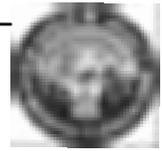
The Phase II ESA completed at the site identified the presence Polychlorinated Biphenyls (PCBs) and arsenic in excess of EPA Region 9 Regional Screening Levels (RSLs), and petroleum hydrocarbons in excess of Tribal cleanup standards in soil. Asbestos-containing material was found in several buildings and dispersed across the site as a result of deterioration of the buildings.

#### **How the Site Became Contaminated and Nature and Extent of Contamination**

The 65+ years of lumber production operations on the property caused significant environmental impairment. Underground storage tanks and aboveground storage tanks leaked fuel onto the soil and poor housekeeping practices further added to the petroleum hydrocarbon impacts. Leaking electrical transformers spilled polychlorinated biphenyls onto the site soils. Buildings located on the site were constructed with asbestos-containing materials which are unabated.

A Phase I ESA of the property was completed in July 31, 2002. Eight recognized environmental conditions (RECs) were identified on the property that could potentially produce environmental impairment to the site. These conditions consisted of potentially hazardous materials, electrical transformers, former USTs, former ASTs, surface soil staining, dumped debris, previous site use, prior asbestos-containing material (ACM) release, and presence of ACM in existing buildings.

The Phase II ESA scope of work included a physical and chemical evaluation of the RECs identified in the Phase I ESA and an evaluation of the potential that pond sediment, surface water, and/or fish tissue have been impaired. Over 50 samples were collected across the site and variously analyzed for volatile



organic compounds (VOCs), semi-volatile organic compounds (SVOCs), polynuclear aromatic hydrocarbons (PAHs), heavy metals, total hydrocarbons, and asbestos. In addition, 46 building material samples were collected and analyzed for asbestos content. The Tribe believes the site has been adequately characterized and no further site assessment is warranted, and cleanup activities can be initiated immediately upon receipt of grant funds.

PCBs were identified in excess of EPA Region 9 RSLs at the location of a former transformer along an abandoned railroad line. Petroleum hydrocarbons were found in soils at a former AST location along an abandoned railroad line and in two areas of stained soil. Arsenic concentrations in excess of RSLs for residential uses were identified in numerous locations, generally distributed throughout the site soil and sediment. Elevated arsenic concentrations do not appear to be due to former mill operations, but are a result of natural contribution, a condition typical of the southwestern United States. Asbestos was found in several building materials at the former lumber mill buildings. In addition, asbestos-containing materials have fallen to the ground in the vicinity of the Planer Mill and Molding Mill due to the deterioration and collapse of these buildings. The material is not friable but is in fair to poor condition.

Based on the analytical results from the soil samples and building materials, the following types and quantities of materials impacted by constituents above Region 9 RSLs exist at the site:

- Soil impacted by PCBs: 85 cubic yards
- Soil impacted by Petroleum Hydrocarbons: 6,000 cubic yards
- Soil impacted by Arsenic: 75,000 cubic yards
- Asbestos-containing material: 150,000 square feet

Pond sediment, surface water, groundwater, and fish tissue were also sampled and analyzed using judgmental sampling designs approved by EPA. Groundwater at one location, the former UST location at the Truck Maintenance Building, is impacted by two volatile organic compounds (VOCs), benzene and naphthalene, in excess of RSLs. Analysis of fish tissue samples from the mill pond did not contain concentrations of target analytes above the EPA Recommended Screening Values for Target Analytes - Recreational Fishers. However, because this application is for funding for cleanup of soil only, these results will not be discussed further in this application.

#### **c. Sites Ineligible for Funding**

The White Mountain Apache Tribe affirms that the Former McNary Lumber Mill Site is not listed or proposed for listing on the National Priorities List; not subject to unilateral administrative orders, court orders, administrative orders on consent, or judicial consent decrees issued to or entered into by parties under CERCLA; or not subject to the jurisdiction, custody, or control of the U.S. government.

#### **d. Sites Requiring a Property-Specific Determination**

The Former McNary Lumber Mill Site does not require a Property-Specific Determination because it is not subject to planned or ongoing removal actions under CERCLA; has not been issued or entered into a unilateral administrative order, a court order, an administrative order on consent, or judicial consent decree or to which a permit has been issued by the U.S. or an authorized state under RCRA, FWPCA, TSCA, or SDWA; subject to RCRA corrective action (§3004(u) or §3008(h)) to which a corrective action



permit or order has been issued or modified to require the implementation of corrective measures; a land disposal unit that has submitted a RCRA closure notification or that is subject to closure requirements specified in a closure plan or permit; has had a release of PCBs and all or part of the property is subject to TSCA remediation; or received monies for clean up from the LUST trust fund.

**e. Environmental Assessment**

The White Mountain Apache Tribe received an U.S. Environmental Protection Agency (EPA) Region 9 Brownfields Assessment Demonstration Pilot grant in 1999 to evaluate properties of the former McNary Lumber Mill. The Pilot area involved approximately 320 acres, of which 185 were associated with the former lumber mill site.

A Phase I ESA of the property was completed in July 31, 2002. Eight recognized environmental conditions (RECs) were identified on the property that could potentially produce environmental impairment to the site. These conditions consisted of potentially hazardous materials, electrical transformers, former USTs, former ASTs, surface soil staining, dumped debris, previous site use, prior asbestos-containing material (ACM) release, and presence of ACM in existing buildings.

The White Mountain Apache Tribe completed a Phase II ESA per the substantive requirements of ASTM E1903-97 to address environmental concerns on the property. The scope of work included in the Phase II ESA included a physical and chemical evaluation of the RECs identified in the Phase I ESA resulted in actual physical impairment. In addition, the scope of work included an evaluation of the potential that pond sediment, surface water, and/or fish tissue have been impaired. Soil, pond sediment, surface water, groundwater, and fish tissue were sampled and analyzed using judgmental sapling designs approved by EPA. Laboratory analysis of samples measured chemicals in soil/fills, water, groundwater, and fish tissue above analytical laboratory method detection limits for residential uses were identified in soils at a former AST location along an abandoned railroad line. Polychlorinated biphenyls (PCBs) were identified in excess of EPA Region 9 Regional Screening Levels (RSLs) at the location of a former transformer along an abandoned railroad line. Arsenic concentrations in excess of RSLs for residential uses were identified in numerous locations, generally distributed throughout the site soil and sediment. elevated arsenic concentrations do not appear to be due to former mill operations, but are a result of natural contribution, a condition typical of the southwestern United States.

Asbestos was found in several building materials at the former lumber mill buildings. In addition, asbestos-containing materials have been spread across the site in the vicinity of the Planer Mill and Molding Mill due to the deterioration and collapse of these buildings. The material was not friable but was noted to be in fair to poor condition.

Groundwater at one location, the former UST location at the Truck Maintenance Building, is impacted by two volatile organic compounds (VOCs), benzene and naphthalene, in excess of RSLs. Inorganic metals impact (chromium, lead, and selenium) was identified in groundwater. However, it is believed this occurrence may represent a background condition and/or be due to suspended soil particles in unfiltered water samples and not to significant concentrations of chemical dissolved in groundwater. The water sample obtained upgradient of the mill also contained elevated concentrations of chromium and lead.



Analysis of fish tissue samples from the mill pond did not contain concentrations of target analytes above the USEPA Recommended Screening Values for Target Analytes - Recreational Fishers.

The initial investigation was completed to identify the nature of potential impacts to surface soil; areas where batteries, drums, ASTs, and other petroleum or hazardous materials were stored; and other areas of potential impact at the site. Subsequent soil sampling investigations were performed to investigate the extent of the contamination.

**f. CERCLA §107 Liability**

EPA prepared a listing of Frequently Asked Questions and answers to assist potential applicants for Brownfields applicants regarding the Fiscal Year 2012 grant proposal guidelines (found at [http://www.epa.gov/brownfields/proposal\\_guides/FY12\\_FAQs.pdf](http://www.epa.gov/brownfields/proposal_guides/FY12_FAQs.pdf)). In responding to Question 12 which states: *Are tribes considered "potentially responsible parties" (PRPs) and therefore prohibited from using Brownfields grant funds to pay for response costs at a site for which the recipient is potentially liable under CERCLA §107?*, EPA affirms that it has not generally considered tribes to be liable as PRPs under CERCLA and, therefore, they are not subject to the statutory prohibition. Presumably, this determination is made based on the June 19, 2009 decision by the United States District Court for the Eastern District of Washington in *Pakootas et al. v. Teck Cominco Metals et al.*, Case No. CV-04-256-LRS, that Indian tribes are not "persons" subject to liability under CERCLA.

Therefore, the White Mountain Apache Tribe affirms that it is not potentially liable for contamination at the site under CERCLA §107.

**g. Enforcement Actions**

There are no known ongoing or anticipated environmental enforcement actions relating to this site.

**h. Information on Liability and Defenses/Protections (Hazardous Substances Sites)**

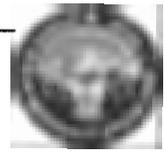
**i. Information on Property Acquisition**

The community and lumber mill were established in about 1915 by a private non-tribal corporation who leased the land through an agreement with the Bureau of Indian Affairs (BIA).

The Fort Apache Indian Reservation was established by Executive Order in 1871 and the White Mountain Apache Tribe was a federally recognized and organized tribe pursuant to the Indian Reorganization Act of 1934, at which time it became owner of the land occupied by the Former Lumber Mill Site. The White Mountain Apache Tribe is not aware of any familial, contractual, corporate, or financial relationships or affiliations between the Tribe and any prior owners or operators of the property.

**ii. Timing of Hazardous Substance Disposal**

The McNary Lumber Mill was established in about 1915 by a private non-tribal corporation who leased the land through an agreement with the Bureau of Indian Affairs (BIA). Although the land was established as the Fort Apache Indian Reservation and rightfully belonged to the White Mountain



Apache Tribe (as established by Executive Order in 1871), the Tribe had little to no input into the establishment or operation of the mill site. Primarily due to the negative consequences of the Dawes Act of 1887, Tribal resources during the 60 years after the establishment of the Reservation and the passing of the Indian Self Determination Act of 1934, Tribal resources were controlled externally.

All disposal of hazardous substances at the Former McNary Lumber Mill occurred before the Tribe took control of the property and the Tribe did not cause or contribute to any release of hazardous substances at the site. The Tribe affirms that it has not, at any time, arranged for the disposal of hazardous substances at the site or transported hazardous substances to the site.

### **iii. Pre-Purchase Inquiry**

The White Mountain Apache Tribe received an U.S. Environmental Protection Agency (EPA) Region 9 Brownfields Assessment Demonstration Pilot grant in 1999 to evaluate properties of the former McNary Lumber Mill. The Phase I ESA of the property was completed in July 31, 2002 and the Phase II ESA was completed on December 29, 2003.

### **iv. Post-Acquisition Uses**

The Former McNary Lumber Mill site has been used for commercial timber production operations since its first developed use. The following businesses have operated on the site:

- Apache Lumber Company (1915 - 1924)
- W.M. Cady Lumber Company (1924 - 1935)
- Southwest Lumber Mills (1935 - 1963)
- Fort Apache Timber Company (1963 - 1980)
- Vacant (1980 - present)

All site users operated at the site under lease agreements with the Bureau of Indian Affairs.

### **v. Continuing Obligations**

Continuing releases have ceased at the site because the operations that contributed to the release are no longer being performed. Additionally, in exercising appropriate care at the site to prevent any threatened future release of hazardous substances, from 1995 to 1996, a tribally-owned timber company abated asbestos-containing materials from the old powerhouse and then demolished the structure. Underground storage tanks (USTs) and aboveground storage tanks (ASTs), formerly used to store fuel, were removed from the site. The company also removed transformers containing polychlorinated biphenyls (PCBs) and partially remediated soil at four areas where releases of PCBs had occurred.

The White Mountain Apache Tribe confirms its commitment to comply with all land use restrictions and institutional controls; assist and cooperate with those performing the cleanup and to provide access to the property; comply with all information requests and administrative subpoenas that have or may be issued in connection with the property; and provide all legally required notices.



**i. Petroleum Sites**

The Former McNary Lumber Mill site is not a petroleum site.

**4. CLEANUP AUTHORITY AND OVERSIGHT STRUCTURE**

**Site Cleanup Oversight**

The White Mountain Apache Tribe - Environmental Programs Office will be responsible for managing this grant and cleanup oversight. This office currently manages over \$2.5 in grant funds. The Tribe supplements its in-house expertise through the use of consultants and contractors. Selection of these services is completed through a competitive proposal process, based on technical skill, past experience, and cost. This process meets applicable federal, state, and local requirements (including consideration for disadvantaged and small businesses) and will be used to select environmental consultants and other subcontractors.

**Impact on Adjacent or Neighboring Properties**

The site has clear access from Highway 260 and therefore the Tribe does not require access to the site from adjacent residential properties. Because the site use was industrial and was in a blighted condition, the neighbors fully support the Tribe's cleanup efforts.

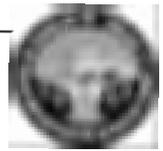
**5. COST SHARE**

The Tribe's contribution will be approximately \$250,005 or 125% which exceeds the required 20% cost share requirement for the grant. Cost share will be provided as follows:

- Funds from metal recycling: \$189,205
- Landfarm Operation (labor): \$12,800
- Soil excavation (labor and equipment): \$48,000

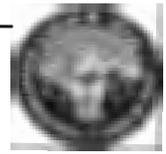
**6. COMMUNITY NOTIFICATION**

The Environmental Program Office presented an overview of the proposed Cleanup grant and the Preliminary ABCA to a Community meeting in McNary on September 27, 2011. Seventeen Community members attended the meeting and provided valuable input into the grant application, current site conditions, and future redevelopment options. The presentation materials, sign-in sheet, and comments and response are contained in Attachment C.

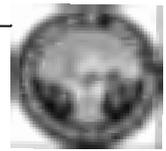


## ATTACHMENT B

# LETTER FROM WHITE MOUNTAIN APACHE TRIBE - ENVIRONMENTAL PROGRAM OFFICE



This grant application is being submitted by the White Mountain Apache Tribe - Environmental Protection Office (EPO) which is the tribal environmental authority. Therefore, as stated in the grant proposal guidelines, a letter from the appropriate tribal authority acknowledging that the applicant plans to conduct cleanup activities and is planning to apply for federal grant funds is not required.



## ATTACHMENT C

# PRELIMINARY ANALYSIS OF BROWNFIELDS CLEANUP ALTERNATIVES (ABCA)

# **Analysis of Brownfields Cleanup Alternatives Preliminary Evaluation**

**Soil Cleanup  
Former McNary Lumber Mill Site**

**October 2011**

**Prepared By:  
White Mountain Apache Tribe  
Environmental Protection Office**



Analysis of Brownfields Cleanup Alternatives – Preliminary Evaluation  
Soil Cleanup  
Former McNary Lumber Mill Site

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## I. INTRODUCTION AND BACKGROUND

### a. SITE LOCATION

The site is approximately 185 acres located south of Highway 260 in McNary, USA (herein referred to as “the Site”). This document addresses evaluation alternatives for soil only at the site.

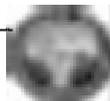
### b. PREVIOUS SITE USE(S) AND PREVIOUS CLEANUP/REMEDIATION

The McNary Lumber Mill is one of eastern Arizona’s older established commercial developments, located completely within the Fort Apache Indian Reservation. The community and lumber mill were established in about 1915 by a private non-tribal corporation who leased the land through an agreement with the Bureau of Indian Affairs (BIA). The mill site at McNary was one of the largest volume mills in the Southwestern United States and at the height of its operations the town of McNary had a population of nearly 3,000 people.

The private corporation who constructed a lumber mill, accompanying townsite to house and support lumbering operations, and a private railroad to haul lumber. The buildings listed below were originally located on the site. Most of the buildings have been removed from the site and the remaining buildings are in dilapidated and/or collapsed.

- Planer Mill
- Molding Mill
- Finished Lumber Storage
- Saw Mill
- Lumber Sales
- Dry Kilns
- Power Plant
- Railroad Maintenance
- Truck Maintenance
- Dispatch Office

The mill operation operated via the unsustainable harvesting and milling of the White Mountain Apaches Tribe’s (WMAT’s) virgin forest resources, until the mill closed in 1980. Subsequently, the town’s economic base and population collapsed. From 1995 to 1996, a tribally-owned timber company abated asbestos-containing materials from the old powerhouse and then demolished the structure. Underground storage tanks (USTs) and aboveground storage tanks (ASTs), formerly used to store fuel, were removed from the site. The company also removed transformers containing polychlorinated biphenyls (PCBs) and partially remediated soil at four areas where releases of PCBs had occurred.



**c. SITE ASSESSMENT FINDINGS**

WMAT received an U.S. Environmental Protection Agency (EPA) Region 9 Brownfields Assessment Demonstration Pilot grant in 1999 to evaluate properties of the former McNary Lumber Mill. The Pilot area involved approximately 320 acres, of which 185 were associated with the former lumber mill site. WMAT is evaluating the feasibility of redevelopment of the property as part of a long-term community redevelopment plan. A Phase II Environmental Site Assessment (ESA) was performed in order to facilitate the feasibility evaluation.

A Phase I ESA of the property was completed in July 31, 2002. Eight recognized environmental conditions (RECs) were identified on the property that could potentially produce environmental impairment to the site. These conditions consisted of potentially hazardous materials, electrical transformers, former USTs, former ASTs, surface soil staining, dumped debris, previous site use, prior asbestos-containing material (ACM) release, and presence of ACM in existing buildings.

The scope of work included in the Phase II ESA included a physical and chemical evaluation of the RECs identified in the Phase I ESA resulted in actual physical impairment. In addition, the scope of work included an evaluation of the potential that pond sediment, surface water, and/or fish tissue have been impaired. Soil, pond sediment, surface water, groundwater, and fish tissue were sampled and analyzed using judgmental sampling designs approved by EPA. Laboratory analysis of samples measured chemicals in soil/fills, water, groundwater, and fish tissue above analytical laboratory method detection limits for residential uses were identified in soils at a former AST location along an abandoned railroad line. Polychlorinated biphenyls (PCBs) were identified in excess of EPA Region 9 Regional Screening Levels (RSLs) at the location of a former transformer along an abandoned railroad line. Arsenic concentrations in excess of RSLs for residential uses were identified in numerous locations, generally distributed throughout the site soil and sediment. Elevated arsenic concentrations do not appear to be due to former mill operations, but are a result of natural contribution, a condition typical of the southwestern United States.

Asbestos was found in several building materials at the former lumber mill buildings. In addition, asbestos-containing materials have been spread across the site in the vicinity of the Planer Mill and Molding Mill due to the deterioration and collapse of these buildings. The material was not friable but was noted to be in fair to poor condition.

Groundwater at one location, the former UST location at the Truck Maintenance Building, is impacted by two volatile organic compounds (VOCs), benzene and naphthalene, in excess of RSLs. Inorganic metals impact (chromium, lead, and selenium) was identified in groundwater. However, it is believed this occurrence may represent a background condition and/or be due to suspended soil particles in unfiltered water samples and not to



significant concentrations of chemical dissolved in groundwater. The water sample obtained upgradient of the mill also contained elevated concentrations of chromium and lead.

Analysis of fish tissue samples from the mill pond did not contain concentrations of target analytes above the USEPA Recommended Screening Values for Target Analytes - Recreational Fishers.

**d. PROJECT GOAL (SITE REUSE PLAN)**

There are several options under consideration for the planned reuse of the site that are dependent on the ability to remediate this site. Because of the land area involved, it is likely that several mixed uses will be developed at the site that will promote job creation, sustainability, and recreational opportunities. These mixed uses include:

- Value-added timber products
- Non-timber forest products
- Tourist-oriented commercial development
- Crafts production and sales
- Parks and recreational amenities



## II. APPLICABLE REGULATIONS AND CLEANUP STANDARDS

### a. CLEANUP OVERSIGHT RESPONSIBILITY

The cleanup will be conducted under the oversight of the WMAT Environmental Protection Office (EPO) with assistance by EPA. Soil remediation and asbestos abatement will be conducted by an environmental firm that is licensed to conduct engineering work in the State of Arizona and overseen by a Professional Engineer or Professional Geologist registered in the State of Arizona. Asbestos abatement and disposal will be conducted by a registered contractor.

### b. CLEANUP STANDARDS FOR MAJOR CONTAMINANTS

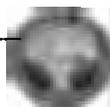
WMAT anticipates that the EPA Region 9 Regional Screening Levels for Residential Soil will be used as the cleanup standards for PAHs, metals, and PCBs. Tribal standards will be used for the cleanup standard for TPH. National Emissions Standards for Hazardous Air Pollutants (NESHAP) standards will be used for asbestos abatement. However, it is possible that risk-based cleanup standards will be generated for compounds of concern, in accordance with state regulations.

### c. LAWS AND REGULATIONS APPLICABLE TO THE CLEANUP

Laws and regulations that are applicable to this cleanup include:

- Federal Small Business Liability Relief and Brownfields Revitalization Act (grant fund expenditure)
- Federal Davis-Bacon Act
- Resource Conservation and Recovery Act (potential generation, transportation, and disposal of hazardous waste)
- Occupational Safety and Health Act (worker safety)
- Clean Water Act (protection of surface water via development of a Stormwater Pollution Prevention Plan)
- Clean Air Act (NESHAP standards for asbestos abatement)
- Toxic Substances Control Act (asbestos abatement, transportation, disposal)
- National Historic Preservation Act (evaluation of potential historic site features)

Tribal and Federal laws regarding procurement of contractors to conduct the cleanup will be followed.



### III. EVALUATION OF CLEANUP ALTERNATIVES

#### a. CLEANUP ALTERNATIVES CONSIDERED

The following alternatives were considered in evaluating soil remediation at the site:

- Alternative SR1 - No Action
- Alternative SR2 - Excavation and Bioremediation via On-Site Landfarming
- Alternative SR3 - Excavation and Off-Site Disposal

The following alternatives were considered in evaluating asbestos abatement at the site:

- Alternative AA1 - No Action
- Alternative AA2 - Encapsulation
- Alternative AA3 - Removal and Off-Site Disposal

#### b. CLEANUP ALTERNATIVE DISCUSSION

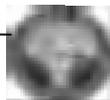
To satisfy EPA requirements, the effectiveness, implementability, and cost of each alternative was considered prior to selecting a recommended cleanup alternative.

##### Effectiveness - Soil Remediation

- Alternative SR1: No Action is not effective in controlling or preventing the exposure of receptors to contamination at the site.
- Alternative SR2: Excavation and Bioremediation and on-site landfarming is an effective method to treat PAHs and TPH, but is not effective for treatment of PCBs or metals.
- Alternative SR3: Excavation with Offsite Disposal is an effective way to eliminate risk at the Site, since contamination will be removed and the exposure pathways will no longer exist.

##### Effectiveness - Asbestos Abatement

- Alternative AA1: No Action is not effective in controlling or preventing the exposure of receptors to contamination at the site.
- Alternative AA2: Encapsulation is an effective short-term method to eliminate risk at the site. However, natural or man-made disturbance to the encapsulated asbestos-containing material will potentially cause exposure to receptors at the site. Encapsulation will also eliminate future reuse at the site because the buildings containing the encapsulated asbestos-containing material could not be disturbed or demolished. For these reasons, encapsulation is deemed to be an ineffective treatment alternative.
- Alternative AA3: Abatement with Offsite Disposal is an effective way to eliminate risk at the site, since contamination will be removed and the exposure pathways will no longer exist.



Analysis of Brownfields Cleanup Alternatives – Preliminary Evaluation  
Soil Cleanup  
Former McNary Lumber Mill Site

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Implementability - Soil Remediation

- Alternative SR1: No Action is easy to implement since no actions will be conducted.
- Alternative SR2: Excavation and off-site disposal is relatively easy to implement, although ongoing maintenance of the stockpiled soil will require periodic addition of amendments and soil turning. In addition, it is anticipated that the treatment process will require 8 months to be complete.
- Alternative SR3: Excavation with Offsite Disposal is moderately easy to implement. Coordination (e.g., dust suppression and monitoring) during cleanup activities and short-term disturbance to the community (e.g., trucks transporting contaminated soils and backfill) are anticipated. However, ongoing monitoring and maintenance will not be required following excavation and offsite disposal.

Implementability - Asbestos Abatement

- Alternative AA1: No Action is easy to implement since no actions will be conducted.
- Alternative AA2: Encapsulation is difficult to implement. All asbestos-containing materials must be identified and then encapsulated. On-going maintenance of the encapsulated materials would be required to prevent receptor exposure.
- Alternative AA3: Asbestos abatement with offsite disposal is moderately difficult to implement. Proper controls must be put in place during abatement activities to prevent worker exposure and releases to the surrounding community. Short-term disturbance to the community (e.g., trucks transporting abatement asbestos-containing materials) are anticipated. However, the abatement process is anticipated to be completed in 2 weeks and ongoing maintenance will not be required following abatement and offsite disposal.

Cost - Soil Remediation

- Alternative SR1: There will be no costs under Alternative #1: No Action.
- Alternative SR2: Excavation and Bioremediation via On-Site Landfarming costs will be on the order of \$80,000.
- Alternative SR3: Removal with Offsite Disposal is estimated to cost roughly \$355,000.

Cost – Asbestos Abatement

- Alternative AA1: There will be no costs under Alternative #1: No Action.
- Alternative AA2: Encapsulation costs are estimated to be on the order of \$150,000.
- Alternative AA3: Removal and Offsite Disposal is estimated to cost roughly \$275,000.

**c. RECOMMENDED CLEANUP ALTERNATIVE**

The recommended cleanup alternative for soil impacted by TPH and PAHs is Excavation and Bioremediation via Landfarming (SR-2). Alternative SR-1 (No Action) is eliminated because it does not address contamination at the site and, therefore, prevents further



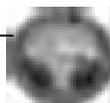
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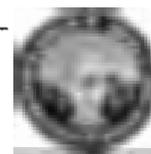
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redevelopment at the site. Alternative SR-2 is substantially less expensive than Alternative SR-3 and is deemed to be equally as effective although slightly less implementable.

The recommended cleanup alternative for soil impacted by PCBs is Excavation and Off-Site Disposal (SR-3). Alternatives SR-1 (No Action) and SR-2 (Excavation and Bioremediation via Landfarming) are eliminated because neither option effectively addresses contamination at the site and, therefore, prevents further redevelopment at the site.

The recommended cleanup alternative for asbestos is Alternative AA-3. Neither Alternative AA-1 (No Action) nor Alternative AA-2 provide for the potential for building demolition and reuse of the site.





# ATTACHMENT D

## COMMUNITY NOTIFICATION DOCUMENTATION

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## **A Brownfields Cleanup Grant For The Former McNary Mill Site**



### **History of McNary Brownfields Project**

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- ◆ Phase I and Phase II Env. Site Assessment (ESA) was completed under the EPA Region 9 Brownfields Assessment Demonstration Pilot Grant in 2001-2003.
  - Phase I: Identified conditions which had potential for release of chemicals to the environment.
  - Phase II: Field activities including soil borings, collection of soil, mill pond sediment, fish tissue, surface water and groundwater samples.

## Continue...

- Phase I Environmental Site Assessment (ESA) performed in 2002 identified 4 areas of potential sources of contamination on the site:
  - Surface staining at former UST area
  - Former transformer near power plant
  - Groundwater beneath UST pit
  - Asbestos-containing building materials

*However, most potential env. issues were localized within the site and do not affect the entire property.*

## Phase II: Redevelopment of area

- The following options were considered during last grant:
  - Natural Resource-Based Strategies:
    - Processing of traditional forest products
    - Biomass power generation
    - Non-timber forest products
  - Commercial Development Strategies:
    - Locally-oriented/Tourist-oriented commercial development
  - Traditional Craft Production
  - Any other suggestions?

## Upcoming Brownfields grant

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- **Brownfields Cleanup Grants** – this grant will provide funds to carry out cleanup activities at the former McNary Lumber mill.



## Contact Information...

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**Brenda Pusher-Begay, Environmental Manager**

Environmental Protection Office

Phone: (928) 338-2474

Fax: (928) 338-5195

**Cheryl Pailzote, Director**

Hydrology and Water Resources Program

Phone: (928) 338-2475

Fax: (928) 338-5195

Meeting Sign-In Sheet

Project McNary Community Meeting  
Facilitator: \_\_\_\_\_

Date: 10/27/11  
Time: \_\_\_\_\_

PRINT NAME	
1.	Brenda P. Begay, WMAT EPO
2.	Consoni Hill
3.	Joshua Begay, WMAT
4.	Daryl Metts
5.	EVAN TSOSIS
6.	Matthew Fung
7.	Gileen P. Kinney
8.	Jacqueline C. Coney
9.	Julianne Shaw
10.	Roniqua Suttle
11.	Klynn Kinney
12.	Ronald V. Luyelore
13.	Bill Hirt
14.	Jimmie Carroll
15.	Boyan DeClosy
16.	Carol Lutz
17.	Juan Cantu
18.	
19.	
20.	
21.	
22.	
23.	
24.	
25.	

McNary Community Meeting notes:

October 27, 2011

Meeting began at 6:39pm

Brenda P. Begay, Environmental Manager

(Handouts given to everyone)

- History of Brownfields project at old McNary millsite.
    - Sawmill was put into operation in 1918; in 1935 the name of the mill changed to Southwest Lumber Mill. The mill closed in 1980.
    - In 2001, Tribe was awarded the Brownfields Assessment Demonstration Pilot grant through EPA.
    - This was a 2-yr project-to do the following work:
      - Develop Environmental Site Assessment
      - Develop plans to assist with cleanup
      - Develop redevelopment plans for future use of site
    - This year, Tribe (Planning Department/EPO/Hydrology) is seeking cleanup funds for the site
    - The mill site is officially Tribal property (FATCO) and no one is allowed to go onto site to take anything such as metals, etc.
    - FATCO will go onto site with welders to take down buildings to salvage metals; waiting on letter from Legal Department.
- ~~~~~

Comments:

- 1) When Tribe goes into area to take down buildings for metals, Tribe should look into hiring people from McNary community area (such as laborers).
  - a. Answer: This concern will be addressed to the Tribal Executive Offices and Legal Department.
- 2) Fish concerns – are the fishes in the pond safe? Can pond be drained and cleaned to make sure pond and fishes are safe? Pond should be fenced off for safety of public and animals.
  - a. Answer: Collection of mill pond sediment and fish tissue samples were done under the study with the Brownfields grant in 2001; results show there was no contamination to the soil and fish tissues samples taken from the mill pond.
- 3) Concerns of contamination to groundwater because some pipes in the area had running water in it.
  - a. Answer: All pipes within the mill site area are not connected to any public water systems and all pipes to the old sewer lagoons are no longer in service.
- 4) If Tribe does not get the cleanup grant, what are the backup plans for site?
  - a. Answer: The Tribe will continue to seek funds for cleanup of mill site; we were not sure if another environmental assessment should be done for site to see what is still onsite but EPA did inform the Tribe to apply for the cleanup funds and in the meantime, EPA may work with Tribe to do assessment through their offices from Region 9.
- 5) Any future redevelopment plans for the area once the site is cleaned?

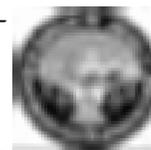
- a. Community would like to see area designated as recreation area – picnic areas, trails, fishing.
  - b. No other input was made at the time.
- 6) When cleanup starts, will there be any health concerns to the community of McNary?
- a. Answer: This grant will allow certified contractors to come onto site to do the cleanup and all cleanup will abide with federal regulations to keep the public safe at all times.
- 7) Can people continue to take metals that are outside of the main mill site area?
- a. Answer: The Tribe is concerned for the main mill site area (existing buildings) and anything outside of that area is at discretion of the community.
- 8) The area should be fenced off/blocked off due to safety of public; Tribe should take the buildings down immediately; area has many illegal activities such as dumping of garbage, drug/alcohol activities, non-tribal members stealing metals so more enforcement from the Tribal Police Department need to be done in that area.
- a. Answer: This concern will be addressed to the Tribal Executive Offices and Legal Department.
- .....

End of presentation 7:45pm



# ATTACHMENT E

## SPECIAL CONSIDERATIONS



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### SPECIAL CONSIDERATIONS CHECKLIST

Please identify (with an X) if any of the below items apply to your community or your project as described in your proposal. EPA will verify these disclosures prior to selection of the grant.

- Community population is 10,000 or less**  
McNary, Arizona population is 584
- Federally recognized Indian tribe**  
The White Mountain Apache Tribe is a federally recognized and organized tribe pursuant to Section 16 of the Indian Reorganization Act of 1934.
- United States territory
- Applicant assisting a Tribe or territory
- Targeted brownfield sites are impacted by mine-scarred lands
- Targeted brownfield sites are contaminated with controlled substances
- Community is impacted by recent natural disaster(s)**  
In the summer of 2011, the largest fire in Arizona history, the Wallow Fire, burned 21,000 acres of richly forested land on the Fort Apache Indian Reservation, home of the White Mountain Apache Tribe. The fire caused short-term and long-term damage to the Tribe's economic base, particularly to the timber and tourism industries. Soot and ash from the fire impacted the federally-listed Apache trout and destroyed critical habitat of the endangered Mexican gray wolf. The Federal Emergency Management Agency (FEMA) issued a Fire Management Assistance Declaration for the area in June 2011.
- Community demonstrates firm leveraging commitments for facilitating brownfield project completion by identifying amounts and contributors of funding in the proposal and have included documentation
- Community experiencing plant closures (or other significant economic disruptions), including communities experiencing auto plant closures due to bankruptcy
- Applicant is a recipient of a HUD/DOT/EPA Partnership for Sustainable Communities grant
- Applicant is implementing green remediation plans**  
We are committed to supporting EPA's environmental and sustainability initiatives, specifically, the Best Management Practices (BMPs) described in EPA's guidance document entitled *Green Remediation: Incorporating Sustainable Environmental Practices into Remediation of Contaminated Sites*.