



Ship Creek Environmental Remedial Investigation and Feasibility Study: 2006 UPDATE

PROJECT FACTS

This fact sheet serves as an update regarding the Ship Creek Environmental Investigation's current site activities and plans for the remainder of 2006.

Background

A Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and Resource Conservation and Recovery Act (RCRA) Administrative Settlement Agreement and Order on Consent (Docket No. 10-2004-0065) dated June 29, 2004 and amended May 25, 2006 between the United States Environmental Protection Agency (U.S. EPA) Region 10 and the ARRC has resulted in the recent collection of environmental data on the 600-acre Anchorage Terminal Reserve in Anchorage, Alaska. ARRC's railroad operations occupy approximately half of the site and the remainder of the site is under lease to numerous other industrial and commercial businesses.

Site Field Sampling and Analysis

What are we doing and why?

- *Completing a site investigation of potential environmental impacts to fulfill requirements of the EPA and Alaska Department of Environmental Conservation (ADEC) to ensure protection of human health and the environment.*

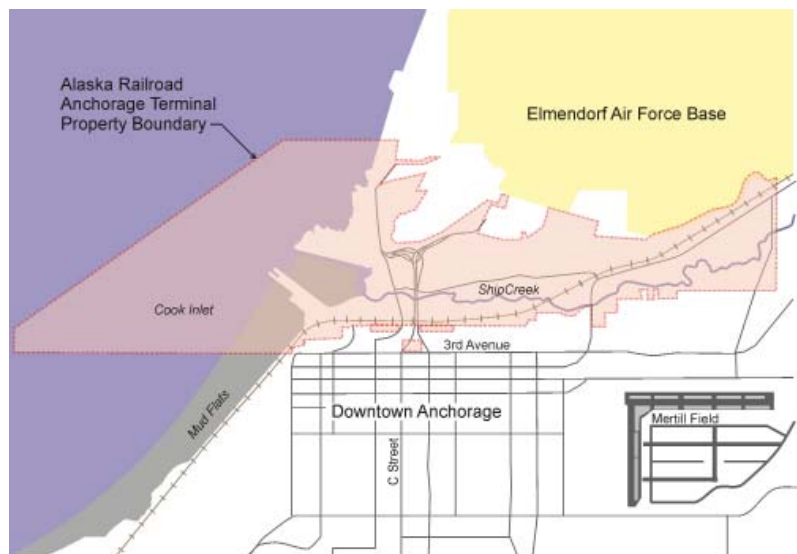
The purpose of the site investigation is to evaluate potential environmental impacts associated with industrial activity on the site and specifically the potential for these impacts

to have affected the quality of Ship Creek. Following the site investigation, ARRC will prepare a series of reports which detail the findings, evaluate the results for potential human health or ecological risk, and present a plan for remedy of impacts if necessary. Once approved, all reports will be available to the public.

What has been done to date?

- *In 2005, soil, groundwater, sediment and surface water data were collected and presented to EPA. Based on these results, additional characterization to further define extent of impacts is proposed for 2006.*

The first round of Remedial Investigation / Feasibility Study (RI/FS) field activities was completed between August and November 2005. Additional groundwater sampling was conducted in April 2006, and soil sampling was completed in May. The attached map shows the sampling locations. The analytical results to date indicate that there are localized areas that require further investigation.





Additionally, a water supply well inventory was conducted which identified eight water supply wells currently in use. Seven of the eight wells identified were sampled. Although specific depth data were not available, historical reports and user interviews indicated that the wells are drawing from a deep aquifer isolated from the shallow water table aquifer currently under investigation by up to 100 feet of Bootlegger Cove Formation clay.

Untreated water from these deep wells was sampled. Each well was analyzed for a full suite of inorganic and organic compounds, which included drinking water quality parameters. Results from the sampling indicated that the deep aquifer groundwater beneath the Anchorage Terminal Reserve meets all federal drinking water standards. As a result, no further sampling of these wells is necessary.

Remaining Work to be Completed in 2006

What will be completed in 2006 and how might it affect those doing business in the area?

- ARRC will continue the environmental sampling necessary to fully understand site conditions which will include additional sampling within the site in 2006.

A Remedial Investigation Work Plan (RI WP) Addendum for 2006 work has been submitted to EPA and is currently under review. The primary focus of data collection is at locations where further characterization of the nature and extent of potential impacts or sources of risk is warranted.

- Additional surface water and sediment will be collected from Ship Creek to determine natural metals concentrations in sediment and surface water upgradient from the site. In addition, further characterization of potential sources of environmental impacts in sediment and surface water will be conducted in drainage ditches and ponds on either side of Ship Creek.

- Based on the 2005 groundwater results, several new monitoring wells are planned for 2006. Sources of low level organic chemicals detected in groundwater along the south bank of Ship Creek require further investigation. New wells will also be installed to help further evaluate groundwater flow conditions south of Ship Creek. On the north side of Ship Creek, limited additional data collection will occur near where Post Road crosses the creek and in a couple of locations along Whitney Road.
- Three new wells will be installed along Reeve Boulevard to evaluate the water quality of groundwater flowing onto the Anchorage Terminal Reserve from off-site areas. These wells will also be used to better understand groundwater flow directions on the east side of the property.
- We have proposed to further characterize the extent of metals in soil identified near Ship Creek along Railroad Avenue and to collect metals and PCBs near the Post Road creek crossing.
- Once EPA has approved the RI WP Addendum, the Alaska Railroad will be contacting ARRC Ship Creek tenants where additional sampling is proposed.

Anticipated Schedule for Activities in 2006

Pending approval by EPA, site investigation activities will continue with field work occurring over the next several months. The majority of field data collection for site investigations will be completed by the end of 2006.

For more information, please feel free to contact Tim Thompson, ARRC Public Affairs Officer, 265-2695, or visit the ARRC website at www.alaskarailroad.com/scei