

October 15, 2019

Senator Cecile Bledsoe, Co-Chairperson
Representative Jeff Wardlaw, Co-Chairperson
Arkansas Legislative Council
State Capitol Building
Little Rock, AR 72201

RE: Quarterly Status Report on Hazardous Waste Removal Activities at the Trafalgar Road Site in Bella Vista, Arkansas

Dear Co-Chairs:

Pursuant to Section 2 of Act 345 of 2019, the Arkansas Department of Energy and Environment, Division of Environmental Quality (DEQ) respectfully submits the following status report on efforts made to address the conditions at the Trafalgar Road site in Bella Vista, Arkansas.

The Bella Vista Property Owners Association (BVPOA) agreed to take ownership over extinguishing the fire and site restoration. In May and June 2019, BVPOA contractors completed the fire suppression and they are currently working on official restoration plans.

DEQ contractors initiated work in the Third Quarter of FY2019. First Quarter expenses of FY2020 were in the amount of \$328,631 and total expenses incurred to date are \$955,500. The final invoices will be paid once reviewed and approved.

DEQ will pay all expenses from the Hazardous Substance Remedial Action Trust Fund. DEQ will not require a loan from the Budget Stabilization Trust Fund to pay for expenses related to the Site.

Since the BVPOA has now responded to the incident, DEQ expenses related to the fire suppression have ceased. There still remains subsequent surface water and groundwater testing; however, the total expenses to the State of Arkansas for the response action are estimated to be under \$1,000,000. As of this date, removal efforts are completed with vegetative growth underway. Water monitoring and restoration will continue into the 2020 calendar year. The data derived during water monitoring will ultimately determine when this project is completed.

Pursuant to Ark. Code Ann. § 8-7-501 *et seq.*, DEQ is actively investigating potentially responsible parties (PRPs) who could be liable to the state for cost of the remedial or removal actions referenced above. Evidence is being collected to establish the degree of liability for each PRP. On September 11, DEQ executed an Administrative Order with PRPs for the Site, namely Thomas Fredericks and

Division of Environmental Quality

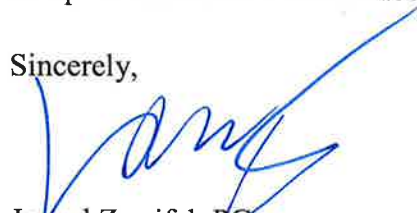
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Fredericks Construction Company, Inc., whereby these parties agreed to pay \$70,000 to DEQ for potential cost recovery liability on removal or remedial actions at the Site, and \$6,500 to DEQ as a civil penalty. Previously, the BVPOA commented on the issuance of this Administrative Order, and the time period allowed by Arkansas law for commenters to request the Arkansas Pollution Control and Ecology Commission to set aside this Order has not elapsed.

DEQ will continue to seek cost recovery against responsible parties when the investigation is complete and there is a final accounting of all expenses incurred by the State of Arkansas.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jarrod Zweifel', is written over the word 'Sincerely,'.

Jarrod Zweifel, PG
Associate Director
Office of Land Resources