



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

MAR 21 2012

Mr. Andy Binford
Department of Environment & Conservation
401 Church Street
4th Floor – L & C Annex
Nashville, TN 37243-1538

Dear Mr. Binford:

We are pleased to provide a copy of the Ceiling Increase Action Memorandum for the Liberty Fibers Site (the Site) located in Morristown, Hamblen County, Tennessee. If you have any questions or comments concerning this document or the continuation of the removal activities at this Site, please contact the On-Scene Coordinator at the following address:

David Andrews
U.S. Environmental Protection Agency
ERRB
61 Forsyth Street
Atlanta, Georgia 30303

Sincerely,

A handwritten signature in black ink, appearing to read "A. Shane Hitchcock".

A. Shane Hitchcock, Chief
Emergency Response & Removal Branch

Enclosure

cc: Debbie Jourdan
Dawn Taylor
Kerri Sanders
David Andrews
Matt Taylor
Terry Stilman
Alyssa Hughes
Monty Bates



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MAR 19 2012

ACTION MEMORANDUM

SUBJECT: Request for a Ceiling Increase and Change of Scope for a Time-Critical Removal Action at the Liberty Fibers Site, Morristown, Hamblen County, Tennessee

FROM: Dave Andrews, On-Scene Coordinator *RD*
Emergency Response and Removal Branch

THRU: Shane Hitchcock, Chief *RD*
Emergency Response and Removal Branch

TO: Franklin E. Hill, Director
Superfund Division

Site ID: B457

I. PURPOSE

The purpose of this Action Memorandum is to request additional funding and a change of scope for the Liberty Fibers Site (Site) located in Morristown, Hamblen County, Tennessee. The Site continues to pose a threat to public health and the environment that meets the National Oil and Hazardous Substances Pollution Contingency Plan (NCP) section 300.415(b) criteria for removal actions. Site activities were commenced under the attached Emergency Action Memorandum signed April 22, 2010. A ceiling increase is needed in order to continue activities at the Site and to further mitigate the threats to human health, welfare, and the environment. If approved, this ceiling increase will bring the total project ceiling to \$5,712,695, of which \$4,733,195 will be funded through the Regional Removal Allowance.

II. SITE CONDITIONS AND BACKGROUND INFORMATION

CERCLIS ID: TNN000410507
Removal Category: Time-Critical Removal Action

A. Site Description

1. Removal Site Evaluation

A Removal Site Evaluation (RSE) was conducted in January 2010, where the presence of friable asbestos was identified and documented in several demolition and debris piles throughout the 350-acre Site. The types of asbestos identified included chrysotile, amosite, and anthophyllite, which were also identified in a 2008 sampling event conducted by the responsible party's (RP) contractor ACT. Asbestos was identified at maximum detections of 25% chrysotile, 30% amosite and 50% anthophyllite. Additionally, the RSE sampling event conducted in January 2010 confirmed the presence of friable asbestos contaminated material (ACM). The condition of most of the bulk

material sampled has been described by the sampling team as damaged or weathered. Based on the consultant for the RP and EPA's site visit and sampling events in December 2009 and January 2010, EPA determined that friable and weathered ACM is widely dispersed across approximately 83 acres of the Site.

2. Physical Location and Site Characteristics

The Site is located at 4855 Enka Highway (State Route 160), Morristown, Tennessee at Latitude N 36.1545740 and Longitude -83.2116280. The Site is located on a 350-acre parcel on the northern end of the former 1000-acre BASF textile facility in the community of Lowland located south of Morristown. The facility was previously used by BASF to manufacture rayon and other synthetic fibers for the textile industry. During the late 1980's, BASF sold the facility to Lenzig Fibers which eventually transferred manufacturing to Liberty Fibers. Land use of the surrounding area is primarily industrial and agricultural with a few residential properties located across a railroad line that borders the northern fence line of the former rayon facility. Several acres of land immediately east of the facility are utilized as landfills previously operated by BASF and Lenzig Fibers. The Site also contains a railroad spur that enters from the northern gate of the site off of Chucky River Road. The Nolichucky River is located approximately one quarter mile to the south.

3. Site Characteristics

Following the Liberty Fibers bankruptcy, the land was sold in auction to Lowland Industries Inc. and operated primarily as a recycling company. Several intact structures on-site were demolished and scrap metal was salvaged from the demolition. Within the property boundaries of the former Liberty Fibers facility contains few intact structures, partially demolished buildings, and approximately 80 acres of asbestos contaminated property and an estimated volume of 50,000 cubic yards of demolition debris contaminated with friable asbestos. The most significant landmark structure is a 10-story coal fire power plant that is partially demolished with two 200-foot smoke stacks (Figures 1a & 1b). The closed BASF and Lenzig Fibers landfills are located on 50 acres of land on the easternmost property of the Site.

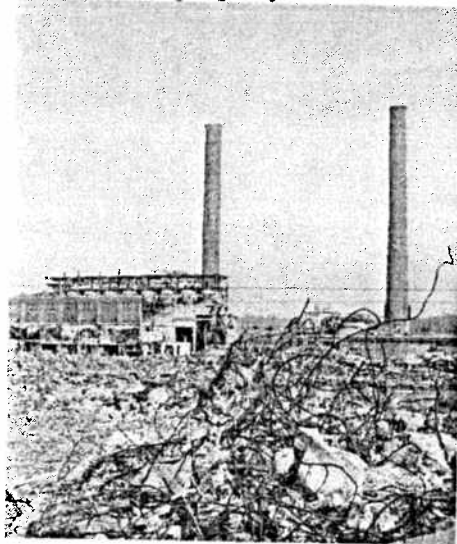


Figure 1a (View to the east and the Power House)

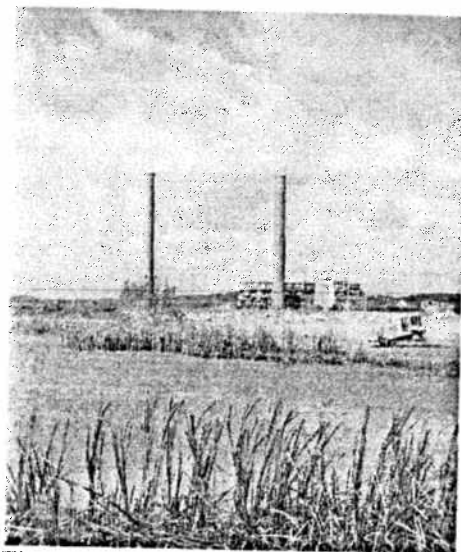


Figure 1b (View to the west from the middle of the landfill under construction)

4. Release or threatened release into the environment of a hazardous substance, or pollutant or contaminant

The On-Scene Coordinator (OSC) responded to a fire event on April 19, 2010, that was limited to an area approximately 100 by 150 feet along the southern perimeter of the Site and near two former waste water neutralization pits associated with rayon and cellulose treatment. The conclusions from the fire investigation indicated that the fire originated in the area where hot-work or metal cutting using acetylene torch took place. The cause of the incident was deemed “accidental” in the conclusions from the arson investigation by the local fire department. The OSC noted that the fire occurred in a location of the Site that was identified as contaminated by friable asbestos.

Asbestos is a hazardous substance as defined in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) 101 (14). The majority of friable asbestos and primary area of concern is located near the former powerhouse and core of the Site which are the foundation pads and basements of the former structures Site (Figure 2). The total volume of friable asbestos and ACM currently is estimated at 50,000 cubic yards over 80 acres of former building foundations and impacted soil.

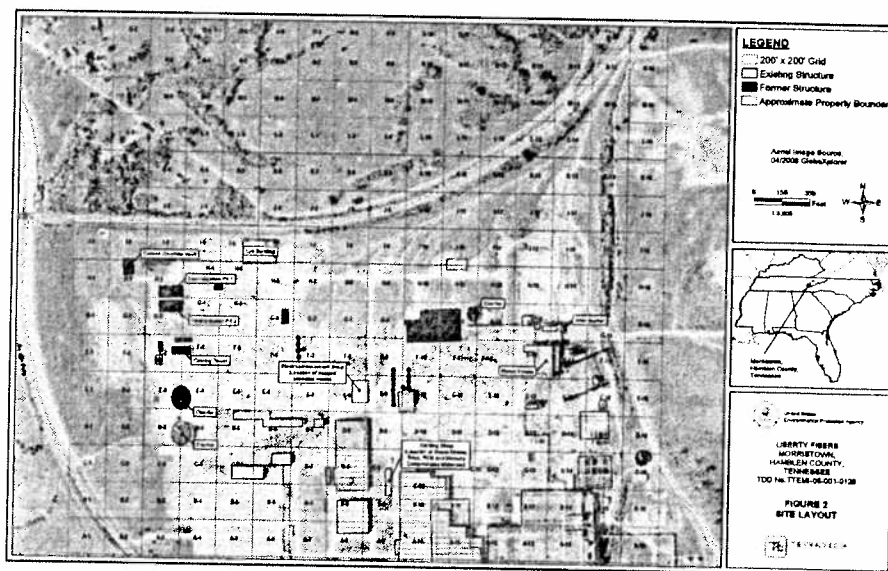


Figure 2
Overlay of hot-zone and sampling grid

5. NPL Status

This Site is not currently on the National Priorities List (NPL). Plans to evaluate the Site for NPL consideration are being coordinated with the Tennessee Department of Environment and Conservation (TDEC) and EPA's Site Evaluation Program.

6. Maps, pictures and other graphical representations

Maps, pictures and other graphics are available upon request.

B. Other Actions to Date

Region 4 OSC David Andrews conducted a Site visit in the Fall of 2006 accompanied by representatives from TDEC. The OSC was specifically requested to investigate possible storage and containment issues of polychlorinated biphenyl (PCB) oil and other chemical or oil products. At that time, salvage operations were underway and the Site visit was photo documented by the OSC. The OSC noted superficial oil and chemical staining of the floor or ground and within containment and in proximity of the electrical transformers and the hydraulic/motor oil drums on Site. There was no evidence of significant or reportable chemical releases in and around the storage areas or the electrical transformers that EPA and TDEC inspected. The OSC noted the asbestos insulation that was fractured or loose around sections of overhead plumbing inside the plant area. The OSC was advised that asbestos abatement crews were working to remove the insulation as the salvage operations progressed. No further actions were indicated for the Emergency Response and Removal Branch (ERRB) at that time.

Region 4 OSC Steve Spurlin conducted a Site visit in the spring of 2008. The OSC was requested to investigate the storage and containment of chemicals in bulk containers/tanks (PCBs, carbon disulfide, etc.) and if there were any evidence mishandling that may have warranted action by ERRB. The facility was shutting down operations under Liberty Fibers and salvage operations were underway. The OSC collected information from Liberty Fibers representatives regarding post closure management of bulk chemicals. Regulatory matters were still being handled at the state level. No further actions were indicated for ERRB at that time.

An emergency removal action was initiated by OSC Perry Gaughan under the OSC's warrant authority on April 21, 2010 following a fire incident on-site that may have been caused by cutting or hot-work during the salvage operations (Attachment A). The OSC and Emergency and Rapid Response Services (ERRS) contractor support mobilized to the Site on April 22, 2010.

The primary focus of the emergency response activities dating from April through August 2010 concentrated on securing and stabilizing the Site. ERRS was initially tasked to concentrate on safety related elements of the Site including securing access to the property boundaries, 12 hours off-hours security, marking and temporarily covering known asbestos containing debris piles and stacked thermal cast insulation from steam piping. In order to minimize the amount of airborne migration of friable asbestos across or off-Site due to wind or disturbing the debris, ERRS stabilized the debris piles and adjacent soils adjacent to the foundation pads with the application of a spray applied product *811 LE Lockdown Encapsulant*® ("811 LE) on the debris. 811 LE is a water soluble polymer which is applied to act as an adhesive coating and is temporarily resistant to weather and minimal disturbance of the material. During this period, the OSC and EPA Civil Investigator worked on acquiring a detailed history of property ownership or a potentially responsible party (PRP) search and formalizing an access agreement to the property. In late August 2010, ERRS response personnel were demobilized and through August 2011 the Site was covered by 24-hour security. In August 2011, and under a Ceiling Increase and Exemption from the Twelve-Month Statutory Limit and \$2 Million Exemption, EPA expanded the operations into a Time-Critical Removal Action

and began construction of a 4-acre landfill on-site and consolidating the ACM contaminated debris to the landfill (Attachment B).

C. State and Local Authorities' Roles

1. State and local actions to date

Prior to the OSC's emergency activation on April 21, 2010, local firefighters from Morristown responded to a fire at the Site on April 19, 2010. The response personnel from the Morristown Fire Department were aware of the asbestos contamination across the Site and additionally requested EPA's assistance to minimize future incidents by maintaining a presence if warranted under an emergency action.

2. Potential for continued State/local response

TDEC does not currently have sufficient funds to conduct necessary response measures in a time-critical manner. EPA will continue to coordinate activities with TDEC.

III. THREATS TO PUBLIC HEALTH OR WELFARE OR TO THE ENVIRONMENT, AND STATUTORY AND REGULATORY AUTHORITIES

Section 300.415 of the National Oil and Hazardous Substances Pollution Contingency Plan (NCP) lists the factors to be considered in determining the appropriateness of a Removal Action. Paragraphs (b)(2)(i, iv, v, and vii) directly apply to the Site:

- ***300.415(b)(2)(i): Actual or potential exposure to nearby human populations, animals, or the food chain from hazardous substances or pollutants or contaminants.***

During recycling operations on April 19, 2010, a debris pile along the southern perimeter of the Site caught fire and there was a response by the Morristown Fire Department. In order to minimize such future events, and to minimize the chance of asbestos exposure, the OSC elected to serve the owner with a Notice of Federal Interest in order to initiate Site containment and mitigation measures. The Site contains numerous construction debris piles with large quantities of friable asbestos.

The exposure risk remains as documented in the June 30, 2011 Action Memorandum. On March 9, 2012, a Site inspection by the Agency for Toxic Substances and Disease Registry (ATSDR) noted that the remaining two-thirds of the former BASF/Lowland Complex and a commercial landfill (Tidy Waste) immediately adjacent to the east and south of the Site are occupied by businesses and are at risk to exposure. The disease and pathology associated with the inhalation of asbestos fibers is well documented in the medical literature. Congress has found that "*medical science has established that no minimal exposure to asbestos fibers which is considered safe to exposed persons.*" (20 U.S.C. § 3601(a)(3).

- ***300.415 (b)(2)(iv): High levels of hazardous substances or pollutants or contaminants in soils largely at or near the surface that may migrate***

Analytical and observable results reveal the presence of asbestos in the surface soil and within the demolition debris piles on the Site. Modification of the demolition area through movement of

material, digging, grading or any other means may create the potential for migration to off-site locations. There is no natural or man-made boundary to restrict asbestos that is interspersed within the debris from migrating off-site. A relationship between the concentration of fibers in a source material (soil or asbestos contaminated media) and the concentration of fibers in the air that results when the source is disturbed is very complex and depends on a broad range of variables. No method is available to predict the concentration of asbestos in air reliably as it relates to measured concentration of airborne asbestos in the source material. A low concentration of asbestos source material may, when disturbed, result in a high concentration of airborne asbestos. Future land-use of the site may be vigorous and routine disturbance of the soil and structural remnants of the former production structure. An action is warranted to prevent exposure to workers who will be operating at or near the area of contamination, and future occupants of the Site.

- ***300.415 (b)(2)(v): Weather conditions that may cause hazardous substances or pollutants or contaminants to migrate or be released***

Dry weather conditions could make the debris piles susceptible to asbestos becoming airborne thus contaminating the atmosphere in the local area on Site or migrate off-Site. The 811 LE Lockdown Encapsulant® that was applied in the Summer of 2010 is not an effective long-term control measure.

- ***300.415 (b)(2)(vii): The availability of other appropriate Federal or State response mechanisms to respond to the release***

At this time, there are no state or local government mechanisms that are able to respond to this incident with the resources needed to perform the necessary removal actions.

IV. ENDANGERMENT DETERMINATION

Actual or threatened releases of hazardous substances and/or pollutants from this Site, if not addressed by implementing the response action selected in this Action Memorandum, may present an imminent and substantial endangerment to public health welfare, or the environment.

V. RESPONSE ACTIONS AND ESTIMATE COSTS

A. Response Actions

1. Action description

During the initial emergency response in April 2010 and subsequent measures during the Fall of 2010, site safety measures and stabilization was conducted to prevent or minimize any further spread of friable asbestos on-site and secure the Site from public access.

Under the Ceiling Increase and Change of Scope Action Memorandum (June 30, 2011) a 4-acre on-site repository, and associated infrastructure, was constructed to TDEC Class 3 landfill requirements and will accommodate in excess (if needed) of the estimated 50,000 cubic yards of ACM debris. In January 2012 EPA ERRS began hauling ACM debris to the repository for disposal.

The requested additional funding outlined in this Action Memorandum will support operations to continue clearing the remaining ACM debris and decontaminate the established hot-zone per a grid system as well as modify the previously approved scope by deferring demolition work to future response action. The new scope of work will include the following actions:

- Consolidation of remaining friable asbestos and demolition debris contaminated with friable asbestos in the on-Site repository/landfill;
- Continue air monitoring measures and decontamination protocols necessary on all asbestos abatements;
- Restore areas disturbed by the removal action to their pre-removal state to the maximum extent practicable;
- Continue to provide Site security during non-working hours;
- Continue to coordinate all site removal activities with state and local officials;
- Refer Site control back to TDEC following completion of the response and removal action.

2. Contribution to remedial performance

The response actions will, to the extent practicable, contribute to the efficient performance of any long-term remedial action at the Site.

3. Engineering Evaluation and Cost Analysis (EE/CA)

This removal action is time-critical and does not require an EE/CA.

4. Applicable or Relevant Appropriate Requirements (ARARs)

On-site removal actions conducted under CERCLA are required to attain ARARs to the extent practicable, considering the exigencies of the situation. Off-site removal activities need only comply with all applicable federal and state laws, unless there is an emergency. This cleanup is being conducted as a removal action.

A letter to the State of Tennessee requesting identification of State ARARs was sent in April 2011. The On-Scene Coordinator will continue to coordinate with State officials to identify State ARARs and will evaluate such ARARs in accordance with the NCP.

All waste transferred off-site will comply with the CERCLA Off-Site Rule (40 CFR 300.440).

5. Project Schedule

Response actions at the Site will continue to be implemented at this Site. Foregoing any unexpected delays or, all aforementioned actions listed in the Action Description should be completed within approximately 6 months.

B. Estimated Costs

	Current Ceiling	Proposed Increase	Proposed Ceiling
<u>Extramural Costs:</u>			
Regional Allowance Costs:			
ERRS	2,838,195	1,895,000	4,733,195
Non-Regional Allowance Costs:			
START	180,000	190,000	370,000
USCG Strike Team	0.00	100,000	100,000
Bureau of Reclamation		40,000	40,000
<u>Subtotal, Extramural Costs:</u>	3,018,195	2,225,000	5,243,195
10% Contingency:	38,805	430,695	469,500
TOTAL EXTRAMURAL COSTS:	3,057,000	2,655,695	5,712,695
TOTAL SITE CEILING:	3,057,000	2,655,695	5,712,695

VI. EXPECTED CHANGE IN THE SITUATION SHOULD THE ACTION BE DELAYED OR NOT TAKEN

Actual or threatened releases of hazardous substances from this site, if not addressed by the response action selected in this Action Memorandum, present an imminent and substantial endangerment to public health, welfare, or the environment.

VII. OUTSTANDING POLICY ISSUES

The proposed Action Memorandum is considered nationally significant or precedent setting because the proposed action mitigates friable asbestos as the principle contaminant of concern based on EPA's policy regarding CERCLA actions at asbestos sites. Headquarters concurrence with this Action Memorandum is attached.

VIII. ENFORCEMENT

Enforcement activities are ongoing. An updated Enforcement Addendum is attached. It is expected that this Site will continue as a fund-lead removal action (Attachment C).

The total EPA costs for this removal action based on full-cost accounting practices that will be eligible for cost recovery are estimated to be \$8,588,781 using the following formula: (Total Extramural Costs + Total Intramural Costs) + (45.26% x (Total Extramural Costs + Total Intramural Costs)) or (\$5,712,695) + (\$200,000) + (45.26% x (\$5,912,695)) = \$8,588,781¹.

¹Direct costs include direct extramural costs and direct intramural costs. Indirect costs are calculated based on an estimated indirect cost rate expressed as a percentage of site-specific direct costs, consistent with the full cost accounting methodology effective October 2, 2000. These estimates do not include pre-judgment interest, do not take into account other enforcement costs, including Department of Justice costs, and may be adjusted during the course of a removal action. The estimates are for illustrative purposes only and their use is not intended to create any rights for responsible parties. Neither the lack of a total cost estimate nor deviation of actual total costs from this estimate will affect the United States' right to cost recovery.

IX. RECOMMENDATION

This decision document represents the selected removal action for the Liberty Fibers Site in Morristown, Hamblen County, Tennessee developed in accordance with CERCLA as amended, and not inconsistent with the NCP. This decision is based on the Administrative Record for the Site.

Conditions at the Site continue to meet the NCP Section 300.415(b) criteria for a removal and the CERCLA Section 104(c) emergency exemption from the \$2 million and Twelve-Month limitation. I recommend your approval for the proposed action to allow continued removal response. The total project ceiling, if approved, will be \$5,712,695 of which an estimated \$4,733,195 comes from the Regional Removal Allowance.

APPROVED: _____

Franklin E. Hill, Director
Superfund Division

Date: _____

3/19/2012

DISAPPROVED: _____

Franklin E. Hill, Director
Superfund Division

Date: _____

Attachments:

- Emergency Response Action Memorandum (April 22, 2010)
- Request for a Ceiling Increase and Exemption from the Twelve-Month Statutory Limit and \$2 Million Exemption for a Time-Critical Removal Action (June 30, 2011)
- Enforcement Addendum
- References