

**United States Environmental Protection Agency
Region IX
POLLUTION REPORT**

Date: Monday, March 19, 2007

From: Craig Benson

To:

| | |
|---|---|
| Francisco Arcaute, USEPA | Andrew Helmlinger, USEPA |
| Daniel Meer, USEPA | George Baker, DTSC |
| Barbara Lee, USEPA | Celeste Temple, USEPA |
| polrep polrep, NPFC | Sheila Soderberg, RWQCB-Central Coast |
| Steven John, USEPA | Paul Hamdorf, CADFG |
| Ken Wilson, CADFG | Sherry Fielding, USEPA |
| DOI DOI, DOI (Federal Trustee) | Rob Wise, USEPA |
| Jason Musante, USEPA | Jim Hanson, USEPA |
| Steve Sawyer, CADFG OSPR | Rich Chandler, RWQCB |
| Tom Franklin, SB County Fire | Kate Sulka, SB Co. Fire |
| Bob Hildebrand, NPFC | Vicki Rosen, EPA |
| Jim Vreeland, EPA | John Baker, Santa Barbara County |
| Scott Coffman, Carpinteria-Summerland Fire District | Richard Evans, Carpinteria-Summerland Fire District |
| Matt Naftaly, Public Works Water Agency | |

Subject: Continuation of Action
Toro Creek
1073 Toro Canyon Road, Summerland, CA
Latitude: 34.4569000
Longitude: -119.5600000

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|--------------------------|-------------------|-------------------------------|----------------|
| POLREP No.: | 14 | Site #: | Z918 |
| Reporting Period: | 4/21/06 - 3/19/07 | D.O. #: | |
| Start Date: | 1/12/2005 | Response Authority: | OPA |
| Mob Date: | 1/12/2005 | Response Type: | Time-Critical |
| Demob Date: | | NPL Status: | Non NPL |
| Completion Date: | | Incident Category: | Removal Action |
| CERCLIS ID #: | | Contract # | EP-R9-05-01 |
| RCRIS ID #: | | Reimbursable Account # | |
| FPN# | 117026 | | |

Site Description

See POLREP 1 in the documents link at www.epaosc.net/torocreek.

EPA involvement with the Toro Creek Oil Spill site was initiated in the summer of 1997 to support the California Department of Fish and Game (CADFG) with cleanup and control actions following vandalism that disabled a State installed oil/water separation system at this historic oil well site. The 1997 event resulted in the discharge of an estimated 3,000 gallons of oil to Toro Creek which impacted the creek for its full 4.5-mile length to the Pacific Ocean. In the years prior to the 1997 spill event, the State Regional Water Quality Control Board (RWQCB) and CADFG had responded to numerous oil discharges to Toro Creek and the Pacific Ocean resulting from primitive and improperly managed private oil/water separation systems on-site.

The State represented to EPA OSC B. Mandel that available State response funds would be exhausted by July 19, 1997, well short of the spill cleanup completion and installation of a new replacement treatment system. This factor, together with an on-site evaluation, led OSC Mandel to determine that the spill met the criteria for funding under the Oil Pollution Act of 1990 (OPA) and secured response funds from the Oil Spill Liability Trust Fund (OSLTF). Federal Project Number (FPN) 117026 was issued by Lt. Ron Chilton, USCG Dist. 11 on July 15, 1997.

The site is in a steep forested canyon (Toro Canyon) near Summerland, Santa Barbara County, CA. The Site is bordered upstream by the Los Padres National Forest, and by private property on the downstream edge. Land use in the Toro Canyon area is a mix of residential and agricultural uses, and as a perennial

stream, the Creek provides critical wildlife habitat. Up to 50 gpm of an oil/water mixture discharges at the headwaters of the Creek from an abandoned collapsed oil mine portal dug some 200 feet into the side of the canyon. Historical records indicate this well was constructed in 1882 by excavating a horizontal shaft into the side of Toro Canyon. After the oil “miners” struck a heavy flow of ground water in the shaft, they then built a primitive oil/water separator and sold the water for irrigation downstream.

Geologists have advised that sealing the old horizontally-dug well cannot be successfully accomplished using any known techniques. The flow fluctuates minimally and favored the continued operation of an oil/water separator.

POLREPS 1-11 (through May 1999) summarize the completion of the cleanup actions resulting from the 1997 spill event and describe the design, installation and field modifications to an EPA installed treatment system. The main components of the system include a 800 gpm capacity two clarifier system featuring a primary bottom-less stainless steel separator with underflow baffles for oil-water separation. It was placed directly on top of the seep resulting in an upflow from the bottom into the separator. The separated oil flows into a buried chemhose pipeline which drops 300 feet in a 900 foot run to the collection tank. The tank is a 6,000 gallon capacity conventional double-walled fiberglass underground storage tank (UST) providing secondary containment and is typical of those installed at gasoline stations. It is buried to provide security both from vandals and the threat of wildfire and uses conventional pipe fittings. The entire system has no moving parts and any elements not buried were enclosed in security fencing.

The most recent modification to the treatment system was added in the fall of 2002 and involved the construction of a 25-30 foot high mechanically stabilized segmental retaining wall to protect the upper oil/water separator enclosure from surficial sliding, slumping, and rock fall. The retaining structure was built following recommendations in a slope stability report commissioned by EPA. The retaining wall was necessary, in large part, due to slope instability caused by illegal grading and soil disturbance activities by the current property owner.

In March 2005, The ERRS contractor was used to clear and re-grade portions of the dirt access road leading to the upper oil/water separator enclosure and repair/install drainage culverts and water diversions damaged by rock-slide and heavy seasonal rainfall (see POLREP 12 at www.epaosc.net/torocreek).

Treatment system inspection and maintenance activities have been accomplished under a series of uninterrupted site-specific EPA contracts since FPN inception. The latest contract was awarded in January 2005 and involves approximate tri-weekly site and treatment system inspections/coordination with the OSC and periodic transfer of accumulated oil to an approved facility.

On November 15, 2004, EPA OSC lead was transferred from OSC Mandel (retired) to OSC C. Benson. More complete background information and a more detailed chronology of project specific events can be found in the documents link at www.epaosc.net/torocreek.

Current Activities

04/24/06:

1,790 gallons crude oil pumped from UST and transported to Venaco Carpinteria Gas Plant On-Shore facility in Ventura County, California.

05/05/06:

In response to a request letter from the Central Coast RWQCB, the California Department of Conservation, Division of Oil, Gas and Geothermal Resources (DOGGR) reiterated their position that DOGGR does not have jurisdictional authority over the Toro Creek site and that there is no feasible way to plug or seal the seep.

07/06/06:

2,346 gallons crude oil pumped from UST and transported to Venaco Carpinteria Gas Plant On-Shore facility in Ventura County, California.

09/21/06:

1,233 gallons crude oil pumped from UST and transported to Venaco Carpinteria Gas Plant On-Shore facility in Ventura County, California.

11/21/06:

2,085 gallons crude oil pumped from UST and transported to Venaco Carpinteria Gas Plant On-Shore facility in Ventura County, California.

Week of 2/26/07:

Conference call between EPA ORC Attorney A. Helmlinger, CADFG OSPR Attorney S. Sawyer and Santa Barbara County Council R. Sanchez to discuss Federal to County-State project lead transition issues.

03/06/07:

OSC Benson received call from Greka Energy Patners rep. Bob Allen. Mr. Allen expressed an interest in supporting the Toro project for PR purposes. Mr. Allen was advised that a State-County decision on final transition strategy was pending and that any private sector involvement would have to be negotiated at a later time.

03/08/07:

2,127 gallons crude oil pumped from UST and transported to Venaco Carpinteria Gas Plant On-Shore facility in Ventura County, California.

03/12/07:

1,730 gallons crude oil pumped from UST and transported to Venaco Carpinteria Gas Plant On-Shore facility in Ventura County, California. OSCs Benson and Duncan on-site.

03/12/07:

Third Multi-agency Coordination Group Meeting held at the Santa Barbara Administration Building. Participants included: OSCs Benson and Duncan, County CEO Jim Laponis; County Council Rick Sanchez; CADFG OSPR Council Steve Sawyer; CADFG OSPR Biologist Ken Wilson; Central Coast RWQCB rep. Rich Chandler; County Fire reps. Tom Franklin and Kate Sulka; and NPFC Case Officer Bob Hildebrand.

Action Items from the 2nd Multi-Agency Coordination Group Meeting (4/20/06) were discussed and a brief re-cap of treatment system operation and performance provided. There is an understanding of the inability to use NPFC funds after 2008 and/or funding from the CADFG OSPR Inland Account for on-going system O&M, however, both funds are potentially accessible for any significant future releases. Use of the State Water Resources Control Board Cleanup and Abatement Account and the County Planning and Development, Energy Division Coastal Resource Enhancement Fund have not been ruled out. Other options included a County imposed Special District and creating a MOU between Federal, State and County Agencies whereby site work could continue under "EPAs umbrella" utilizing non-NPFC funding/support. It was agreed that a phone conference between attorneys representing EPA, OSPR, RWQCB, NPFC and the County should take place to advance the MOU concept.

Planned Removal Actions

Tri-weekly site and system inspections will continue under the existing EPA contract mechanism.

Next Steps

- Continue coordination with NPFC Case Officer Hildebrand.
- Scheduling of agency-attorney conference call.
- Periodic OSC site visits to coincide with scheduled oil pump-out events.

Key Issues

- NPFC and DOJ have previously determined that the property owner has no ability to pay.
- Followup with County investigation into the legality of the Thorndike parcel under the California Subdivision Map Act.
- No current media interest.
- In this reporting period, there have been no incidents affecting system performance. There has been no slope instability caused by illegal soil disturbance activities and the dirt access road is in good repair.
- There was an approximate 17% increase in the volume of oil transported off-site between 2005 and 2006. The average monthly collection of oil remains within the range first predicted in 1997 (approx. 16 bbl/mo.).

Estimated Costs *

| | Budgeted | Total To Date | Remaining | % Remaining |
|-------------------------|-----------------|----------------------|------------------|--------------------|
| Extramural Costs | | | | |
| FPN To Date | \$850,000.00 | \$750,000.00 | \$100,000.00 | 11.76% |
| Intramural Costs | | | | |
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|-------------------------|--------------|--------------|--------------|--------|
| Total Site Costs | \$850,000.00 | \$750,000.00 | \$100,000.00 | 11.76% |
|-------------------------|--------------|--------------|--------------|--------|

* The above accounting of expenditures is an estimate based on figures known to the OSC at the time this report was written. The OSC does not necessarily receive specific figures on final payments made to any contractor(s). Other financial data which the OSC must rely upon may not be entirely up-to-date. The cost accounting provided in this report does not necessarily represent an exact monetary figure which the government may include in any claim for cost recovery.

response.epa.gov/torocreek

POLREP #14 Last Updated 3/19/2007