



United States Department of the Interior
NATIONAL PARK SERVICE
Caribbean Parks
501 Norzagaray St.
San Juan, P.R. 00901




IN REPLY REFER TO:
L7617

SEP 26 2018

Memorandum

To: Regional Director, Southeast Region- National Park Service

From: Superintendent, Caribbean National Parks- National Park Service 

Subject: EE/CA Approval Memorandum, Caneel Bay Resort Site, Virgin Islands National Park

This memorandum recommends and documents the decision of the National Park Service (NPS) to conduct an Engineering Evaluation/Cost Analysis (EE/CA) pursuant to the *Comprehensive Environmental Response, Compensation, and Liability Act* (CERCLA), 42 U.S.C. §§ 9601 *et seq.* for the Caneel Bay Resort Site (Site), Virgin Islands National Park, St. John, U.S. Virgin Islands. Pursuant to Executive Order 12580, as amended, NPS is the lead agency with authority to respond to the release or threatened release of hazardous substances at or from the Site. This memorandum was prepared in accordance with CERCLA, the *National Oil and Hazardous Substances Pollution Contingency Plan* (NCP), 40 C.F.R. Part 300, and the U.S. Environmental Protection Agency's (USEPA's) *Guidance on Conducting Non-Time-Critical Removal Actions Under CERCLA* (OSWER Publication 9360.0-32, August 1993).

Background

The Caneel Bay resort (resort) is located on a peninsula on the Atlantic Ocean on the northwestern shore of the island of St. John within the Virgin Islands National Park (Park). The approximately 150 acres on which the resort is constructed is under NPS jurisdiction as it was conveyed to the Park in 1984, subject to a 40-year reservation for exclusive use and occupancy of this land as the resort. This reservation is now held by CBI Acquisitions, LLC. The property primarily consists of natural vegetation and fauna. Resort facilities include approximately 100 buildings and structures used for lodging, food services, recreation, landscape and maintenance, security, and utility. Resort facilities are bordered by beaches to the north and west and by Park forest to the south and east; the forest is crossed by hiking trails and public roads. The resort allows public access to the popular Honeymoon Beach located on the southwest portion of the resort property.

The resort property occupies a prominent place in the history of St. John, with evidence of pre-Columbian settlement and development in the early 1700s as a plantation. The resort is not currently listed on National Register of Historic Places, but plantation ruins have been preserved in the central portion of the resort. In 1938, the West Indies Company built seven small rental

cottages on the property. By 1952, the resort had been developed with a small hotel and eight rental cottages. Since conveyance of the approximately 150-acre resort property to the Park, the resort has been owned, operated, and/or managed by numerous entities. The Level 1 Environmental Site Assessment (ESA) indicates that in 1992, the facility was regulated as large quantity hazardous waste generator under the *Resource Conservation and Recovery Act* (RCRA) and had no violations. No additional information was provided regarding wastes generated, nor is the record verifiable on USEPA's information system, RCRAInfo. The Caneel Bay Hotel is currently listed as a RCRA very small quantity hazardous waste generator, handler ID VIR988267936, with waste codes for cadmium and lead. The resort hotel also has a surface water pollutant discharge permit.

Level 1 and 2 ESAs were conducted for the resort property in 2012 and 2014, respectively. The assessments noted open containers of oil and oil filters, batteries, numerous pieces of oily equipment, oil stained tables, oil-stained concrete floors, numerous cans of gasoline and oil, and generally poor housekeeping practices. Gasoline and diesel aboveground storage tanks (ASTs) were present and remained in use at the time of the ESA. Underground storage tanks (USTs) were removed in the 1990s and no USTs appear to remain at the resort.

The ESAs identified seven areas with confirmed contamination from former operations at the resort:

- Located approximately 0.25 mile east of guest buildings:
 - Waste Water Treatment Plant
- Located in a separate maintenance and staff area southeast of guest buildings:
 - Engineering and Maintenance Area
 - Engineering Area Former UST
 - Grounds and Landscaping Chemicals Storage Sheds
 - Grounds and Landscaping Equipment Maintenance Building
 - Emergency Generator Building
- Located in a clearing above Honeymoon Beach, approximately 0.5 mile from guest buildings:
 - Debris Landfill

All of these areas are in locations not readily accessible to resort guests. These areas comprise approximately 8 acres of the 150-acre resort property.

The ESAs also identified two areas of possible concern including

- Water piping near the Grounds and Landscaping area with possible asbestos and
- A UST near Cottage 7 that a former Caneel Bay Resorts employee believed may have been associated with an emergency generator at a former bomb shelter, the location or contents of which have not been confirmed.

The debris landfill has reportedly been used for more than 50 years to dispose of all types of wastes from the resort. The area also was reportedly used for disposal of sewage sludge from the waste water treatment plant, which is operated by and solely serves the resort. The vertical and horizontal extent of the debris landfill and its contents are unknown. Currently, the area is used for disposal of compostable materials such as trees and brush.

The Level 1 and 2 ESAs identified soil contamination in six of the areas, and groundwater contamination in the Engineering Area Former UST area based on USEPA's regional screening levels. The assessments identified elevated concentrations of pesticides, semi-volatile organic compounds (SVOCs), metals, and polychlorinated biphenyls (PCBs) in soil based on the residential soil screening levels. Potential for impacts to shallow groundwater were also identified based on soil screening levels established to evaluate the potential of contaminants to leach from the soil and migrate to the groundwater at levels of concern. Groundwater contaminants of concern include volatile organic compounds (VOCs) and SVOCs. Testing of the water piping near the Grounds and Landscaping area confirmed that it was asbestos-containing material; additional investigation is necessary to determine whether that material poses a risk of release to the environment. The Cottage 7 exterior and grounds near the cottage were inspected, but no evidence of the UST was observed. More research concerning the UST should be conducted.

Stressed vegetation, petroleum stained soil, and an oily odor were noted during a September 2016 onsite review. Additionally, a used-equipment staging area near the wastewater treatment plant contained multiple unmarked and unlabeled 55-gallon drums covered in shade cloth and partially buried with fill. The drums that were visible were rusted and in poor condition and contained various amounts of unknown liquids.

NPS has reviewed all available Site information and concluded that the nature and extent of contamination at the Site has not been adequately characterized. Further, NPS had determined that a Non-Time-Critical Removal Action may be necessary to address the current and potential threats to public health, welfare, and the environment at the Site. NPS intends for any Non-Time-Critical Removal Action implemented at the Site to be the final, permanent response action addressing the release or threatened release of hazardous substances at and from the Site. To fully characterize contamination at the Site and develop and evaluate removal action alternatives in accordance with CERCLA and the NCP, this memorandum recommends that an EE/CA be undertaken at the Site.

Use of Removal Action Authority

Previous assessments indicate that hazardous substances are present at the Site and may pose a threat to public health or welfare or the environment. These assessments identified: petroleum stained soil; drums containing unknown liquids; a debris landfill of unknown content and extent; concentrations of pesticides, SVOCs, metals, and PCBs in soil samples that exceed screening criteria; concentrations of VOCs and SVOCs in groundwater samples that exceed screening criteria; and asbestos in underground water pipes.

Pursuant to Sections 104(a)(1) and (b)(1) of CERCLA, 42 U.S.C. §§ 9604(a)(1) and (b)(1), whenever there is a release or substantial threat of a release of hazardous substances into the environment, the President is authorized to act, consistent with the NCP, to remove or arrange for the removal of such hazardous substances or take any other response action, including appropriate investigations, deemed necessary to protect public health or welfare or the environment. Section 104(a) and (b) response authority (including the authority to perform a Non-Time-Critical Removal Action, including the EE/CA that is the subject of this memorandum) has been delegated to the Secretary of the Department of the Interior (DOI) pursuant to Executive Order 12580, 52 Fed. Reg. 2923 (1987), as amended, and further delegated to NPS by DOI Manual Part 201, Chapter 7, with respect to property under the jurisdiction, custody, or control of NPS.

The NCP establishes the following criteria for determining the appropriateness of a removal action (40 C.F.R. § 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;*
- (ii) *Actual or potential contamination of . . . sensitive ecosystems;*
- (iii) *Hazardous substances or pollutants or contaminants in drums, barrels, tanks, or other bulk storage containers, that may pose a threat of release;*
- (iv) *High levels of hazardous substances or pollutants or contaminants in soils largely at or near the surface, that may migrate; and*
- (v) *Weather conditions that may cause hazardous substances or pollutants or contaminants to migrate or be released.*

As discussed above, pesticides, SVOCs, metals, and PCBs are present in soils at the Site at elevated concentrations, and VOCs and SVOCs are contaminants of concern for Site groundwater. Groundwater is not used to supply drinking water, but may discharge to sensitive ecosystems. Contaminants in soil have the potential to migrate to groundwater through leaching, a process by which soluble contaminants are mobilized from soil by the action of percolating liquid such as rainwater. TCLP testing of the soil exceeded USEPA's screening levels for the protection of groundwater. Additionally, weather conditions can cause surface flooding and increased runoff, both of which can distribute contaminated soil and/or soil contaminants to previously uncontaminated areas.

Exposed pervious soil in areas of confirmed contamination may pose a potential threat to the public through direct exposure and, given that the soil concentrations have the potential to leach into the groundwater at levels of concern, may pose a potential threat to the environment and ecological aspects of the surrounding habitat. The Site is at a vacation resort that is marketed to and accessible by the public. The groundwater in the Engineering Area Former UST area poses a potential threat to the environment and ecological aspects of the surrounding habitat.

Units of the National Park System are considered sensitive ecosystems. *See, e.g.,* National Park Service Organic Act, 16 U.S.C. § 1 (National Park System units shall be managed "to conserve the scenery and the natural and historic objects and the wild life therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations."). Additionally, the beaches in Caneel Bay and Honeymoon Bay are sensitive environments that could be affected by contaminants from the Site. Numerous federally-listed threatened or endangered species are present on St. John or in waters off St. John. National Marine Fisheries Service listed sea turtle and coral species may occur near the resort.

The proximity of Caneel Bay to the ocean leaves it susceptible to damage from hurricanes. Contaminants in soil could potentially be released through extreme rain and wind events and result in uncontrolled migration of contaminants that may be present in soil.

Based upon these considerations, NPS has determined that the use of removal action authority to

investigate, abate, prevent, minimize, stabilize, mitigate, and/or eliminate the release or threat of release of hazardous substances at or from the Site is appropriate. Additionally, NPS has determined that a planning period of at least six months exists before on-Site activities must be initiated. Therefore, NPS is authorized to conduct an EE/CA (or its equivalent) pursuant to and in accordance with the NCP. An EE/CA will be performed to determine the nature and extent of contamination, assess potential risks posed to human and ecological receptors from exposure to such contamination, identify and evaluate removal action alternatives to address unacceptable risks, and identify a recommended removal action alternative that best meets the evaluation criteria.

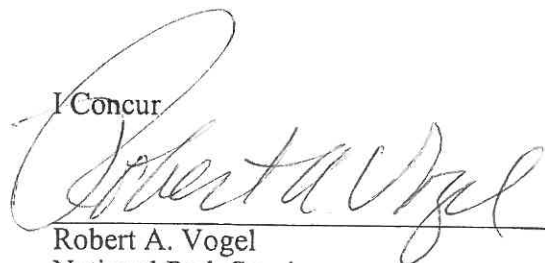
EE/CA Implementation and Funding

NPS has received funding from the NPS Environmental Management Program to implement the Site EE/CA. Upon approval of this recommendation and access to the Site being secured, NPS will initiate field work for the EE/CA.

Approval

Based on the information and recommendation outlined in this memorandum, please indicate your concurrence or non-concurrence with the recommendation to perform an EE/CA as part of a Non-Time-Critical Removal Action at the Caneel Bay Resort Site. If you have any questions, please contact me at (787) 729-6777 ext. 223.

I Concur



Robert A. Vogel
National Park Service
Southeast Region Director

9/27/18
Date

I Do Not Concur

Robert A. Vogel
National Park Service
Southeast Region Director

Date