

From Bas.
0.1
2/11/03

**INTERIM REPORT ON COMPLIANCE WITH
DANGEROUS WASTE REGULATIONS AT THE BASIN
OIL CO. FACILITY, SEATTLE, WASHINGTON**

**BASIN OIL COMPANY, INC.
SEATTLE, WASHINGTON**

DECEMBER, 2000



ENVIRONMENTAL MANAGEMENT RESOURCES

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FIGURE 1-1 Compliance Schedule

FIGURE 1-2 Site Plan

SECTION NUMBER 1

BACKGROUND

On November 26, 2000, the Washington Department of WDOE (WDOE) performed a facility compliance inspection at the Basin Oil Company site. The subsequent inspection report, dated November 2, 2000, cited eight compliance issues at the facility. Seven of the issues were organized into a checklist at the end of the report and the last, revisions to the stormwater pollution prevention plan, is referenced earlier in the report. A copy of the WDOE inspection report is attached as Appendix A.

Upon receipt of the report, Basin Oil contacted EMR, Inc. (EMR) to review the findings and facilitate compliance at the facility. On December 15, 2000, EMR personnel met with Basin Oil personnel to discuss the WDOE findings and inspect the steps that had been taken at the Basin Oil facility. On December 20, EMR and Basin Oil staff met to work out a schedule for achieving compliance for the other issues listed by WDOE. The resulting schedule is attached as Figure 1-1. The remainder of this report documents steps that have been taken and planned for achieving facility compliance.

Basin Oil Company is a collector, transporter, and marketer of used oil. Used oil is delivered to the facility by Basin Oil tank trucks and transferred to storage tanks prior to treatment. Figure 1-2 shows the site layout. Treatment includes gravity sediment separation and de-emulsification by heating. Following treatment and cooling, the oil is blended for BTU value and transferred into tank trucks for transport to off-site customers. These operations are conducted in an aboveground storage tank farm comprised of approximately 22 tanks with a total capacity of approximately 150,000 gallons.

Terry Drexler is the owner and operator of the Basin Oil facility. Two other companies that are owned and operated by Mr. Drexler are also located at this site. Northwest Antifreeze Service, Inc. uses two of the tanks in the aboveground storage tank farm for on-site storage of used and new antifreeze that is delivered to the site and new antifreeze delivered off-site. Used antifreeze is shipped off-site to Phillip Services by Basin Oil tank trucks. Basin Tank and Environmental Service (BTES) removes above ground and underground storage tanks and residential heating oil tanks.

The south end of the facility is used for BTES equipment and vehicle storage, and for tank decommissioning. Basin had recently completed the purchase of the

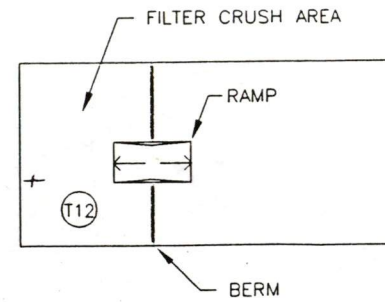
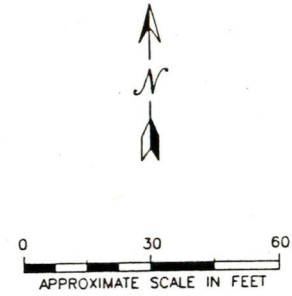
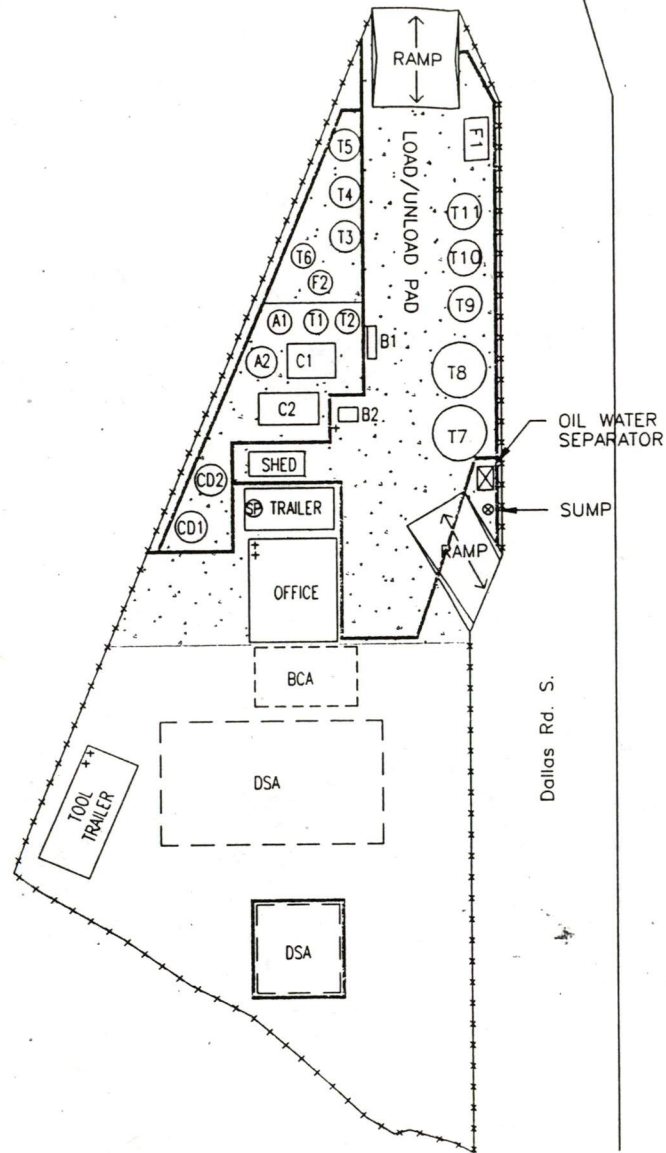
ID	Task Name	Duration	Start	December		January					February					March				April				May					
				1/1	1/2	2/1	2/1	2/1	2/2	2/3	1/7	1/1	1/2	1/2	2/4	1/1	1/2	3/4	1/1	1/2	4/1	4/8	1/1	1/2	1/2	5/6	1/1	1/2	1/2
1	LABELING AND MARKING	30 days	Wed 11/22/00	[Task Bar]																									
2	COMPATIBLE/CLOSED CONTAINERS	30 days	Mon 12/25/00	[Task Bar]																									
3	SECONDARY CONTAINMENT FOR DRUMS	55 days	Wed 11/22/00	[Task Bar]																									
4	Temporary Drum Storage Area Containment	34 days	Tue 12/19/00	[Task Bar]																									
5	Repair Secondary Containment	10 days	Mon 1/22/01	[Task Bar]																									
6	Seal Concrete Pads and Sidewalls	10 days	Wed 1/24/01	[Task Bar]																									
7	Secure the Antifreeze Dispenser	1 day	Wed 1/24/01	[Task Bar]																									
8	Preparedness and Prevention	10 days	Wed 11/22/00	[Task Bar]																									
9	INTEGRITY ASSESSMENT	55 days	Wed 12/20/00	[Task Bar]																									
10	As-Built Drawings	23 days	Wed 12/20/00	[Task Bar]																									
11	Storage Calculations	2 days	Mon 1/22/01	[Task Bar]																									
12	Oil/Water Separator Assessment	2 days	Wed 1/24/01	[Task Bar]																									
13	Ultrasonic Measurements	10 days	Fri 1/26/01	[Task Bar]																									
14	Corrosion Assessment	10 days	Wed 1/24/01	[Task Bar]																									
15	Integrity Report	20 days	Wed 2/7/01	[Task Bar]																									
16	TANK AND CONTAINMENT REPAIRS	60 days	Wed 3/7/01	[Task Bar]																									
17	Repair Tank Ancillary Equipment	30 days	Wed 3/7/01	[Task Bar]																									
18	Repair Tanks	60 days	Wed 3/7/01	[Task Bar]																									
19	SWPPP	24 days	Tue 1/2/01	[Task Bar]																									

Project: COMPLIANCE SCHEDULE
Date: Thu 12/21/00

Task	[Solid Bar]	Summary	[Solid Bar with Arrow]	Rolled Up Progress	[Solid Bar]
Split	[Dotted Bar]	Rolled Up Task	[Solid Bar]	External Tasks	[Hatched Bar]
Progress	[Solid Bar]	Rolled Up Split	[Dotted Bar]	Project Summary	[Solid Bar with Arrow]
Milestone	[Diamond]	Rolled Up Milestone	[Diamond]		

LEGEND

- BCA BARREL CRUSH AREA
- DSA DRUM STORAGE AREA
- CONCRETE
- SPILL KIT
- FENCE
- BERM
- FIRE EXTINGUISHER



SITE PLAN

Basin Oil Co. Inc.

Drawn by: O.D.D.
 Checked By: D.C.
 Project No.:
 File Name: BASINOILDWG
 Revision No.:
 Date: 6/22/00
 Scale: 1" = 30'

FIGURE
 I-2

property at this location. Basin Oil leases a portion of the metal warehouse located on adjacent property that is owned by the Port of Seattle. The operations in this building include the warehousing and storage of non-regulated waste received in 55-gallon drums, and the draining and crushing of used oil filters. Used oil is collected in a small tank for transfer to the treatment area.

The following Sections are organized in the same order as the compliance problems listed in the Compliance Certificate for the facility (inspection date 9/20/2000; transmittal letter dated 11/14/2000).

SECTION 2

LABELING AND MARKING

During the WDOE inspection, it was noted that not all of the tanks and containers were properly marked or labeled "Used Oil" so as to be readable from a distance of 50 feet from the tank. Proper labeling and marking of containers is a standard operating procedure at Basin Oil; however, diligence is required to ensure that all such containers are marked. In the future, a line item on the inspection form will be added to remind inspectors to look for proper labels. The form is enclosed following this page.

Labeling all Used Oil Containers is scheduled to be completed by January 2nd, 2001. The labeling will be done in such a way as to be readable from 50 feet. Additional labeling procedures are discussed in Section 8, Tracking System. Once labeling is complete, photos documenting compliance will be forwarded.

BASIN OIL COMPANY, INC.
Aboveground Storage Tank Facility
Inspection Checklist

Facility: _____ Inspector: _____

Tank #: _____ Contents: _____

Item to Inspect	Acceptable	Unacceptable	Corrective Action
Tank shell and roof not cracked/corroded, no structural damage			
Tank seams or welds not cracked, leaking or corroded			
Tank rivets/bolts not loose, missing or corroded			
Coating not bubbled, cracked or damaged			
Tank foundation not cracked, eroded or settled unevenly			
Tank has not slipped from foundation or support			
Pipe supports not deteriorated/damaged, sagging or loose			
Piping, valves, fittings, couplings not leaking, corroded or damaged			
Cathodic protection system functioning properly			
"Used Oil" label readable from fifty feet away			
Dates that barrels of Used Oil arrived are all less than 60 days ago.			

 Inspector Signature

 Date

SECTION 2



Labeled Drums



Unlabeled Dispenser Catch Basins

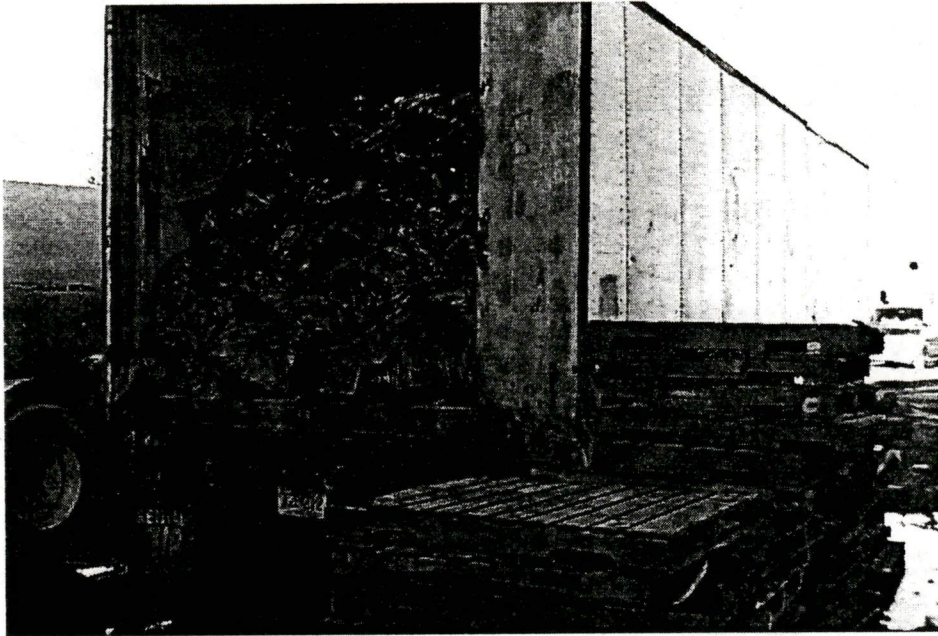
SECTION 3

COMPATIBLE/CLOSED CONTAINERS

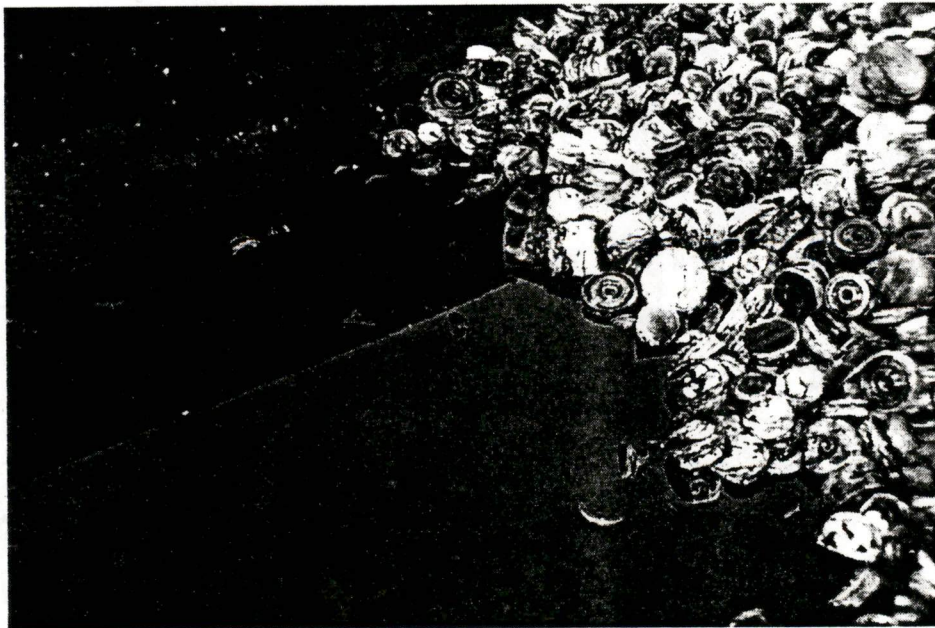
The primary concern in the WDOE inspection is the storage area at the south end of the facility. Crushed oil filters within a shallow open rolloff bin, and a trailer used to store plastic trash bags of oils solids, require storage in closed containers. plastic trash bags containing rags, pads, and booms, located in the trailer by the warehouse. At the time of the WDOE inspection, some of the plastic trash bags in the trailer were ripped, allowing contents to spill out. At the time of the EMR inspection the remaining bags were sealed. In addition, impacted soil had been removed and replaced with fresh gravel. Photo documentation is included on the following page.

The use of the storage area at the south end of the facility is currently being phased out. Solid waste will be shipped off site, and the open rolloff bin will be relocated to within the fenced area and fitted with a cover. Compliance date for making these improvements is February 2, 2001.

SECTION 3



Old Oil Pads Bin



Cushed Filter Bin

SECTION 4

SECONDARY CONTAINMENT

4.1 Storage Trailer and Crushed Filter Bin

“The trailer used to store rags, pads, and booms and the roll-off bin used to store crushed oil filters did not have adequate secondary containment to prevent release”...”of oil or stormwater to the environment.”

As mentioned in Section 3, the old oil pads trailer is scheduled to be removed by February 1st, 2001, being replaced by a new bin located in the warehouse. In addition, the crushed oil filter bin is scheduled to be moved into the warehouse by the same date, where it will have secondary containment.

4.2 Secondary Containment for Drums

Basin Oil plans to surface the south portion of the facility with concrete at a later date. The concrete will be formed to provide secondary containment and stormwater drainage. Until that is completed, a temporary liner will be set up in the south portion of the property, with a berm, as secondary containment for stored Used Oil drums. A Layfield Plastics OR RPE® 25, 12-mil liner, or equivalent material, will be used with provisions for forklift entry and stormwater handling. This site improvement is scheduled for completion by February 2.

4.3 Repair of Tank Area Secondary Containment

Repairs will be made to the main tank area secondary containment walls. These improvements will consist of sealing cracks and breaks in the cinder block containment wall and the concrete pad. This work will be completed by February 1, 2001.

4.4 Overhanging Antifreeze Dispensers

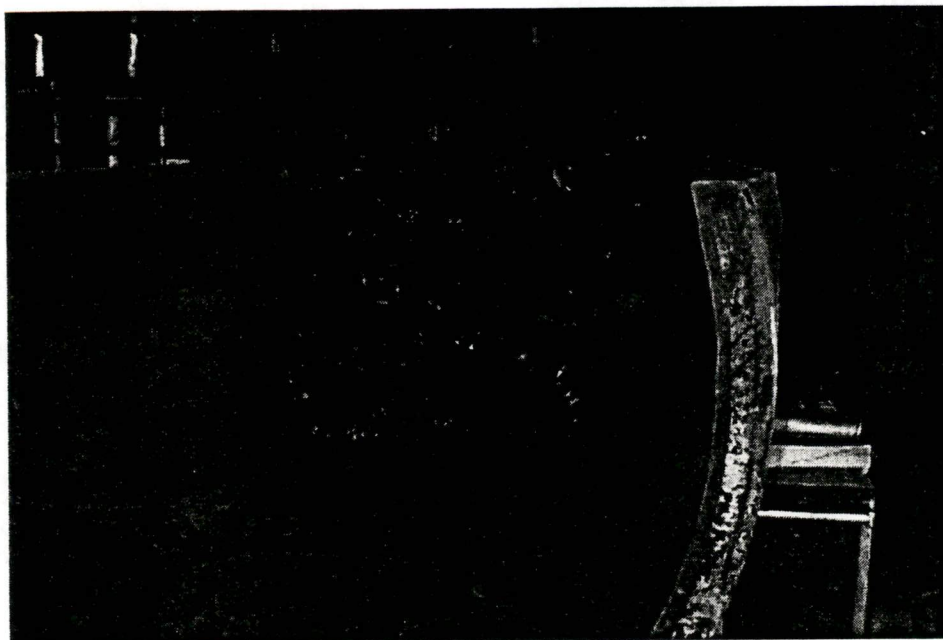
The antifreeze dispensers that hang over the containment wall are no longer in use. They are scheduled to be removed by January 5, 2001.

4.5 Warehouse Improvements

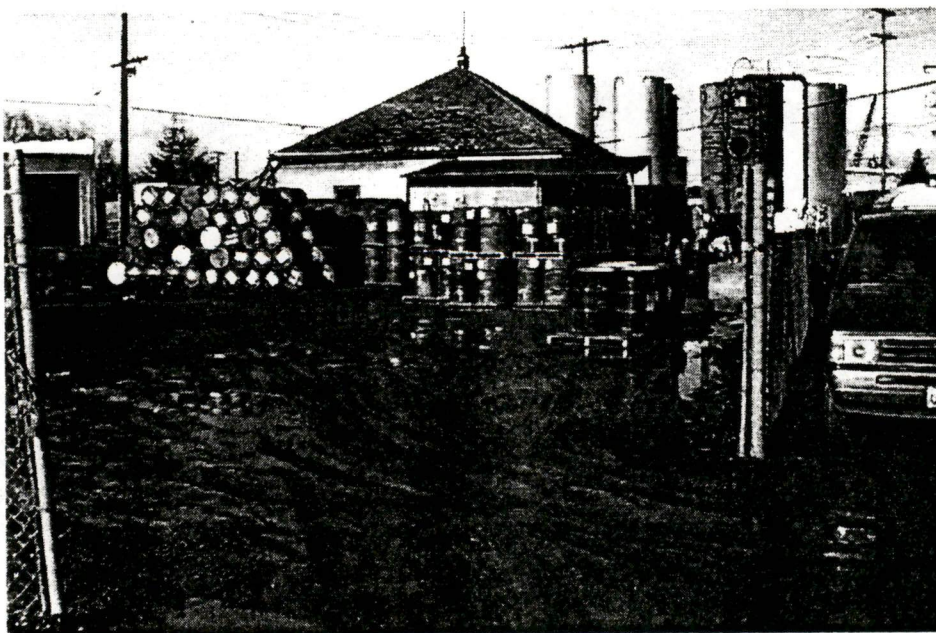
The oil storage tank in the filter crush area does not have adequate secondary containment to prevent release to the environment. The berm wall did not extend along the entrances to the warehouse and that the bricks along the chain link fence were broken and incomplete.

A speed bump will be placed in the overhead doorway and at the chain link door at the back. The back door speed bump will be added to an improved berm wall along the fence line. These improvements are scheduled for completion by January 16, 2001.

SECTION 4



New Oil Pads Bin

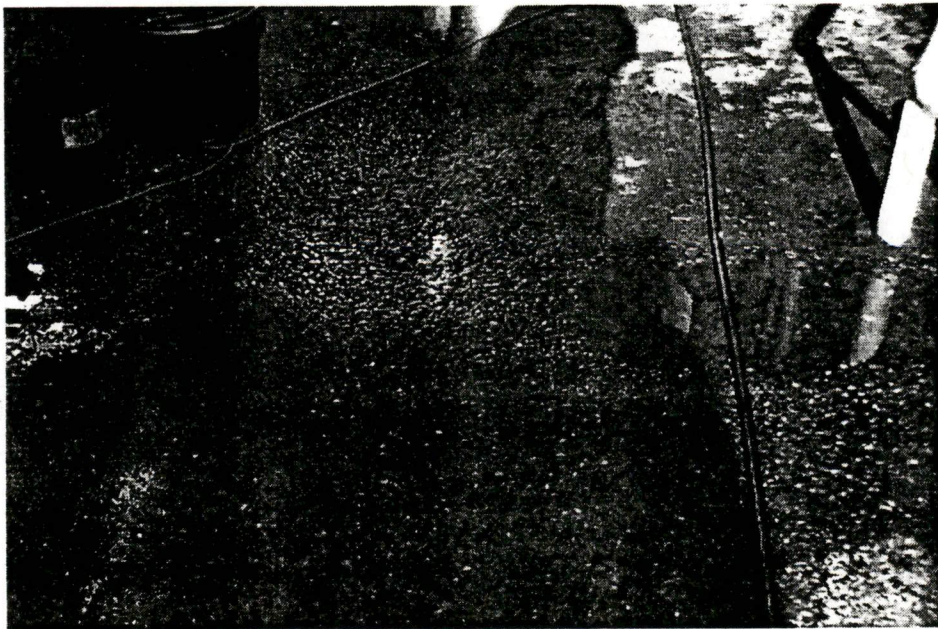


Liner to be Installed in South Lot

SECTION 4 (contd)

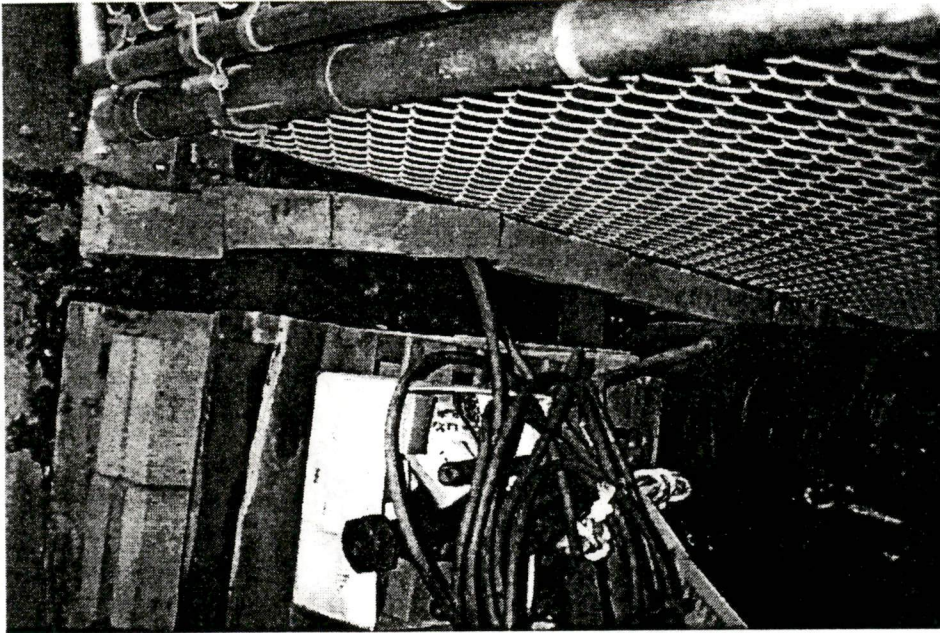


Cracked Berm Blocks

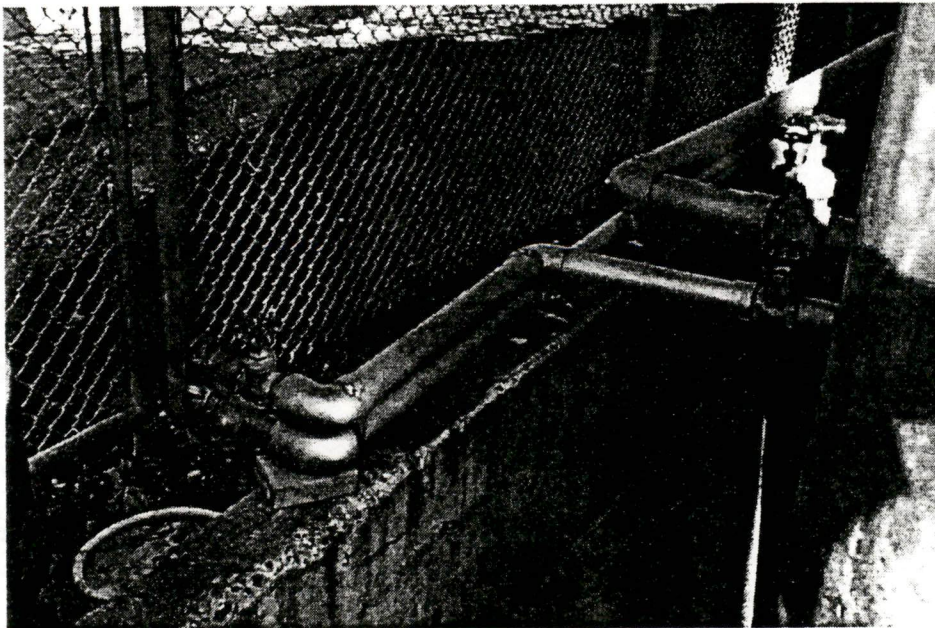


Main Tank Area Cracks

SECTION 4 (contd)



Broken Berm in the Warehouse



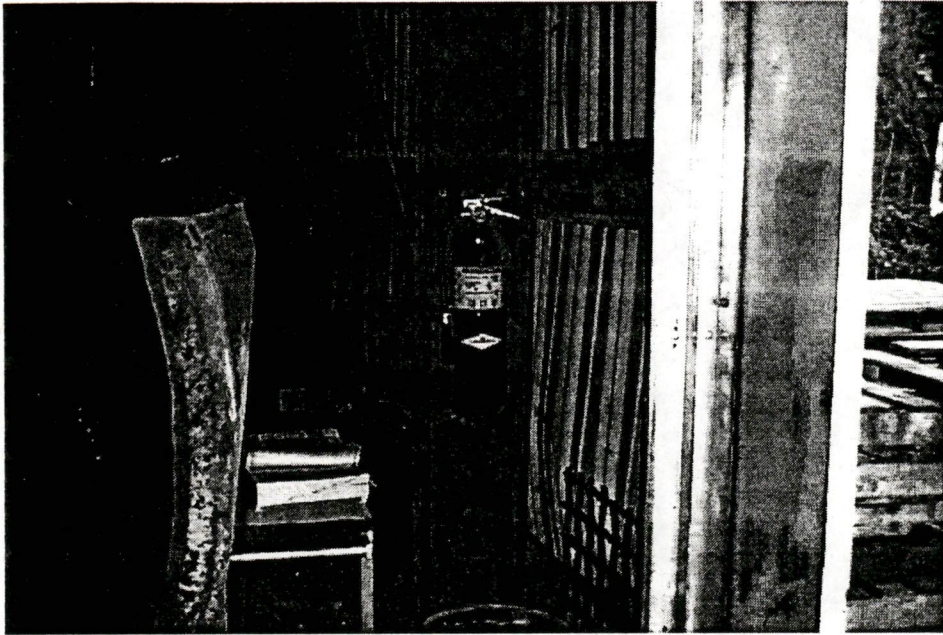
Overhanging Spouts

SECTION 5

PREPAREDNESS AND PREVENTION

The WDOE report noted that “there was no provision for communication in case of an emergency, nor were there fire alarm or fire extinguishers in the metal building housing the drum storage and filter crushing operations.” At the time of the EMR inspection, a fire extinguisher had been installed in the warehouse by the overhead door, and the employees working in that area are currently using cellular phones with a 2-way radio feature. Photo documentation is included on the following page. There is also a landline in the main office. The property is currently being monitored 24 hours a day. Following these provisions, Basin Oil had an inspection performed by the fire marshal. A copy of the report is included in Appendix B.

SECTION 5



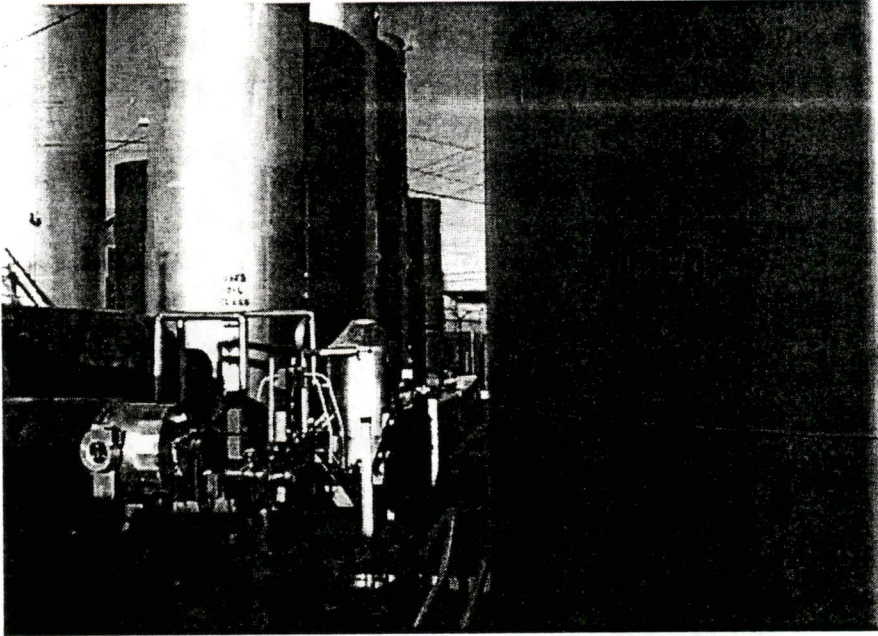
Fire Extinguisher

SECTION 6

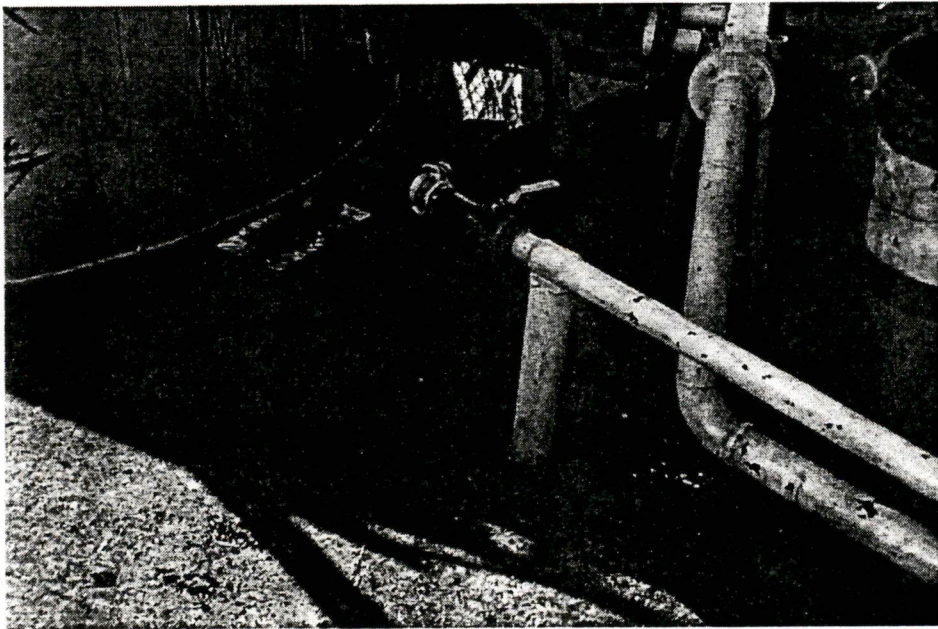
INTEGRITY ASSESSMENTS

An integrity assessment will be performed by Mr. Don Clabaugh, PE, on all of tank and containment systems. The assessment will be performed in accordance with WAC 173-303 and Chapter 2 of the WDOE document entitled "*Guidance for Assessing and Certifying Tank Systems that Store and Treat Dangerous Waste*". The integrity assessment has been scheduled to start on Wednesday, December 20, 2000, and finish on March 6.

SECTION 6



Main Tank Area



Suspect Tanks

SECTION 7

GENERAL INSPECTION

As noted in the WDOE report, “many of the compliance violations and concerns noted...may have been prevented or detected if the facility had planned and conducted comprehensive general facility inspections as required in WAC 173-303-320.” Since the date of the WDOE inspection, facility inspections have been performed on a daily basis. The inspection record sheets are kept on file in the main office. A copy of the inspection procedures given to employees is attached on the following page. Inspection records to date are attached as Appendix C.

TANK INSPECTION PROCEDURE

1. Inspection checklist must be completely filled out prior to your shift

2. Facility: Basin Oil

3. Inspector: Your Full Name

4. Tank #: All Tanks

5. Contents: Used Oil / Water

6. Your initials must be put in each box, Acceptable or Unacceptable

7. Unacceptable: You must note tank identification number

8. Corrective Action: Must be spelled out and reported to Terry or Shelley immediately

9. Inspection Signature: Your full signature

10. Date: Today's date

Your job responsibilities are to maintain the safety and appearance of Basin Oil's facility. The Tank Inspection Checklist must be filled out prior to your work shift each day you work. If you do not do or if you forget, you will be in violation of Basin Oil's policies and procedures. This could mean grounds for your dismissal. All questions should be directed to Terry or Shelley immediately.

September 17, 2000

Employee: Tracy McIntyre

1. You are to maintain the Tank Inspection Book weekly, Friday is the required day to inspect book.
2. The completed records must be reviewed and accounted for each shift worked.
3. If any missing inspection documents, you must report in writing to Shelley and employee missing the document.
4. The weekly documents must be retained in the binder provided and organized by date.
5. On each inspection document, you must write reviewed by Tracy McIntyre and note the date and write "ok".
6. If any document missing, you must fill out form provided and staple one to employee time card, put copy in employee file and turn one copy into Shelley.
7. If any "Unacceptable" tank numbers are noted, you must immediately notify Terry or Shelley.

SECTION 8

TRACKING SYSTEM

Currently, when a shipment of drums is received, the bill of lading is kept on file along with a record sheet describing the number of drums, the date received, and other descriptive information. A unique letter is marked on each drum in the shipment for reference, and the identifying letter is recorded on the record sheet. An example of the record sheet and bill of lading follows this page.

To enhance the current tracking system and enable anyone to identify the date a drum was received, the unique identifying letter and date that accumulation began will be recorded in a notebook kept in the common area of the office. The notebook will accompany the facility inspector, and the inspector will be responsible for assuring that there are no drums that have been present for more than 60 days old. The inspection form is attached in Section 2.

GENERATOR:

NORTH PACIFIC FUELS

SHIPPER:

COASTAL TRANSPORTATION

SHIPMENT:

COASTAL SEA VOYAGE LOS

DUE DATE:

12/7

DATE RECEIVED:

12/13 & 12/14

PROCESSED BY:

Peter/VAO

HOW MANY:

160 Drms

DRUM COLOR:

Various

BLK, Red

Processed 12/15 & 12/18

TEST RESULTS:

FLASH _____

FLASH _____

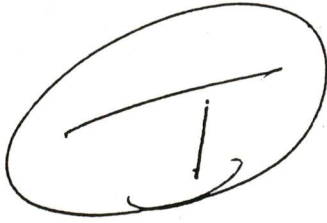


COASTAL TRANSPORTATION, INC.
 SEATTLE, WASHINGTON 98119
 (206) 282-9979 1-800-544-2580
 Fax: (206) 283-9121 Dutch Harbor: (907) 581-1244

STRAIGHT BILL OF LADING
 — ORIGINAL —
NOT NEGOTIABLE

B/L NO M/R: 6140	DATE 11/28/00	VESSEL COASTAL SEA	VOYAGE 605	PORT OF LOADING/LOADING FACILITY Dutch Harbor
CONSIGNEE Basin Oil		PORT OF DISCHARGE / PLACE OF DELIVERY C.T.F. Seattle		RATE GROSS
SHIPPER North Pacific Fuel		BILL TO North Pacific Fuel		

NOTIFY ON ARRIVAL
 1-800-439-2948
 PARTICULARS FURNISHED BY MERCHANT

QUANTITY	FIR	DESCRIPTION	GROSS WEIGHT IN POUNDS	MEASURE	
160		Used Oil Drums (40 PLTS)	70,400	62 40x48x5. EA	
		 EPA ID. # WAD98847750X	1213 48 1214 48 1214 48 1211		
o CARGO LOADED IN RAIN/SNOW [...]		o CARGO DAMAGED (DAMAGE MUST BE NOTED IN FULL) [...]		o CORE TEMPERATURE RANGE: HIGH AND LOW TEMPERATURE.	
HIGH TEMP: _____		LOW TEMP: _____		PALLETS USED FOR THIS CARGO CTI PALLETS: _____ PALLETS: = 40 TOTAL PALLETS: = 40	
Carrier will not be responsible for unclaimed dry cargo after seven days of arrival at Seattle Terminal. Frozen cargo must be claimed upon arrival. Carrier not responsible for refrigerated storage at terminal.					

RECEIVED BY: _____ DATE: _____

CHARGES MUST BE PREPAID EXCEPT BY SPECIAL ARRANGEMENTS.
 NO MARINE INSURANCE IS PROVIDED BY CARRIER. SEE CARRIERS TARIFF ITEM NO. 110, "MARINE INSURANCE".

"Port of Discharge" is the agreed port where the goods shall be discharged from the ship, as noted on the reverse side hereof.

Unless otherwise stated herein, the description of the Goods and the particulars of the Packages mentioned herein, are those furnished to the Carrier in writing by the Merchant, and the Carrier shall not be responsible for the correctness of the marks, the number, quantity, weight, gauge, measurement, contents, nature, quality or value of the Goods.

THE RECEIPT, CUSTODY AND CARRIAGE AND DELIVERY OF THE GOODS ARE SUBJECT TO ALL THE TERMS AND CONDITIONS APPEARING ON THE FACE AND BACK OF THIS BILL OF LADING AND IN CARRIER'S APPLICABLE TARIFF. Goods are received for shipment by Carrier in apparent good order and condition (unless otherwise noted herein) for carriage to the Port of Discharge, or so near thereto as the vessel may safely get and always lie afloat, whome they are to be delivered to Consignee as stated herein. All freights and applicable charges to be paid by Merchant before delivery of Goods, whether they are written, printed, stamped or otherwise incorporated, none of which shall be deemed to have been waived by Carrier unless by express waiver in writing duly authorized by Carrier. Carrier's liability is limited to \$500 USD per package or customary freight unit unless additional freight is paid by the Goods' actual value declared in space provided below. See Clause 20 on reverse side. NOTE: Merchant's attention is called to Clauses 4 and 11 on the Carrier's options relating to routes, substitution, completion of cargo, and delay; Clause 7 on optional stowage permitting stowage of goods on deck at Carrier's option; Clause 13 on Carrier's lien for unpaid freight or other charges and Carrier's right to recover interest, costs and attorney's fees incurred collecting amounts due Carrier.

IN WITNESS WHEREOF, the Master or Agent of the ship has signed this Bill of Lading

COASTAL TRANSPORTATION, INC. By [Signature] FOR THE MASTER

Declared Value: \$ _____ per _____
 (See Clause 20)

In no event shall the Carrier's Liability exceed said declared value
 (See Clause 20)

* [Signature] FOR THE SHIPPER

NON-RCRA REGULATED WASTE

THIS WASTE NOT
REGULATED
U.S. ENVIR
PROTECTION
40CFR(RCR
BE SUBJECT
OF TRANSP
REGULATION
OR STATE C
REGULATION

GENERATOR INFORMATION:

BASIN OIL COMPANY INC
8661 DALLAS AVENUE SOUTH
SEATTLE WA 98108
PROFILE # G04704
PETROLEUM SLUDGE
THIS PRODUCT IS NOT REGULATED UNDER
WAC 173-303, 40 CFR PART 261 OR CFR PART 761

NON-RCRA REGULATED WASTE

SECTION 8



Marked Drums