

Fiscal Year 2020-21 Capital Construction Request

Public Health and Environment *Superfund Site Cleanup, Colorado Smelter*

PROGRAM PLAN STATUS

2021-014

Approved Program Plan? No

Date Approved:

PRIORITY NUMBERS

Prioritized By	Priority	
DeptInst	1 of 1	
OSPB	2 of 14	Recommended for funding from cash sources.

PRIOR APPROPRIATION AND REQUEST INFORMATION

Fund Source	Prior Approp.	FY 2020-21	FY 2021-22	Future Requests	Total Cost
CF	\$0	\$3,507,544	\$0	\$0	\$3,507,544
FF	\$0	\$31,492,456	\$0	\$0	\$31,492,456
Total	\$0	\$35,000,000	\$0	\$0	\$35,000,000

ITEMIZED COST INFORMATION

Cost Item	Prior Approp.	FY 2020-21	FY 2021-22	Future Requests	Total Cost
Land Acquisition	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$35,000,000	\$0	\$0	\$35,000,000
Equipment	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0
Software Acquisition	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$35,000,000	\$0	\$0	\$35,000,000

PROJECT STATUS

This is a new, never-before requested project.

PROJECT DESCRIPTION / SCOPE OF WORK

The Department of Public Health and Environment is requesting cash funds spending authority to remediate heavy metal contamination at a Superfund site in Pueblo.

The project will remediate heavy metal contamination from the residential area around the Colorado Smelter Superfund site in coordination with the U.S. Environmental Protection Agency (EPA). The project mitigates lead from inside homes and businesses; removes grass and soil from homes, businesses, and parks; disposes of contaminated material at a regional landfill; and replaces contaminated material with clean grass and soil.

Cost assumption. The cost is based on a revision of the EPA's 2015-16 remedial investigation and feasibility study. The original estimated cost of the project was \$40 million; the new cost is \$35 million. The state's share is 10 percent; the remainder is paid from federal funds.

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Public Health and Environment

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PROJECT JUSTIFICATION

The Colorado Smelter site was designated a Superfund site under the federal Comprehensive Environmental Response, Compensation, and Liability Act in 2014. It consists of a 700,000 square foot slag pile and the remains of a silver smelter that operated from 1883 to 1908. Air emissions from smelting operations resulted in the deposition of heavy metals, primarily arsenic and lead, within a one-half mile radius of the site at neighborhood homes, businesses, parks, alleyways, and vacant lots. Heavy metal contamination poses a significant health risk.

PROGRAM INFORMATION

EPA's Superfund program is responsible for cleaning up contaminated land and responding to environmental emergencies, oil spills, and natural disasters. Created in 1980, it allows the EPA to clean up contaminated sites and forces the parties responsible for the contamination to either perform cleanups or reimburse the government for EPA-led cleanup work. Failure by the state to meet its obligations will result in project delays.

PROJECT SCHEDULE

	Start Date	Completion Date
Construction	FY 2020-21	FY 2023-24

SOURCE OF CASH FUNDS

The source of cash funds for this project is the Hazardous Substance Response Fund, which accrues revenue from fees assessed at landfills.

OPERATING BUDGET

This project has no projected impact on state operating costs.

STAFF QUESTIONS AND ISSUES

1. What is the average annual revenue to the Hazardous Substance Response Fund? (E.g. three-year rolling average, or similar.)

The average annual revenue to the fund is approximately \$3.1M.

2. It looks like the spending will occur over several years. Is this correct?

Yes, spending for the State share of the Colorado Smelter Superfund Site is expected to go through FY 2023-24.