

# Port of Tacoma Semi-Annual Project Progress Report

July-December 2021





# Port of Tacoma Leadership



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## Port of Tacoma Commission

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## Introduction

Created by Pierce County citizens in 1918, the Port of Tacoma is a powerful economic engine in Pierce County and throughout the State of Washington, creating significant private investment and family-wage jobs within the region. Port activities account for more than 29,000 jobs and contribute more than \$223 million each year in state and local taxes that support schools, roads, police, and fire protection.

The intent of this report is to provide Port Commission with high level information on the status of Port's projects.

## About the Report

The report will provide general information on the project description, status, significant developments, schedule, cost, and risks. The Port implements a number of different types of projects and not all information may be relevant to a specific report; as such, the reports may vary in detail and content.

The report includes the project name, project number, authorized amount, project phase, current estimate at completion, cost to date, and schedule completion date. The report also includes information on status related to scope, schedule, and budget.

- **Authorization:** Authorization of spending, agreements, administrative actions, real property actions, and other items as outlined by the Master Policy by the Commission or Executive Director or the Executive Director's delegate. Authorizations are frequently phased parallel to specific project stages. For example, the Executive Director may authorize preliminary work up to the delegated signature authority of \$300,000 for assessing the opportunity and conceptual design. Port Commission would typically authorize work, in a phased or staged approach, for design and then construction.
- **Project Cost:** Addresses the total estimated cost of the project and includes information on the overall project cost status, recent Commission authorizations, and any variances such as forecasted overruns or savings.
- **Current Estimate:** The current estimate represents the expected cost of the project at the time the quarterly report is prepared and submitted. It represents the total estimated cost anticipated for completion of the project.
- **Cost to Date:** The cost to date are actual costs that are recorded in the accounting system as project costs. Cost to date represents a specific date, typically the last day of the reporting quarter.



- **Significant Developments:** Covers items such as accomplishments, significant events or milestones, contract advertisements and awards, upcoming activities, environmental issues, and scope changes.
- **Schedule:** Includes information on the project schedule, including variances since the last report such as contract extensions and information on critical dates.
- **Risks:** Describes any significant risk of delay, any significant risk to cost, or any significant change orders.

These reports are intended to meet the reporting requirements of the Port's Master Policy, paragraph IV. C. (1).



**Port of Tacoma**  
**Semi-Annual Project Progress Report**  
**July-December 2021**



No.	MID No.	Project Title	Page	Phase	Overall Project Status	Schedule	Budget
1	101486.01, 101486.02, 101486.03	Parcel 40 Environmental Cleanup	4-5	CN/PL			
2	101339.04	Port Admin Bldg Roof Replacement	6-7	CN			
3	101241.01	Port of Tacoma Off-Dock Container Support Facility	8-9	D			
4	101531.01	Parcel 15 Portac	10-11	D			
5	101042.01	Parcel 91 Cleanup Investigation & Cost Recovery	12-13	PL			
6	092135, 092134, 101215.01	Mouth of the Hylebos	14-15	M			
7	092819, 092839	PQ Contamination - 1201 Taylor Way	16-17	PL			
8	096201	Arkema RI/FS/CAP AO DE-5668 - 2901 & 2920 Taylor Way	18-19	PL			
9	101227.01	CAP - former USG Rock Wool Plant	20-21	RI/FS			
10	101082.01	Taylor Way & Alexander Ave Fill Area (TWAFA)	22-23	PL			
11	101449.01	Lower Wapato Creek Habitat	24-25	CN			
12	101339.02	Port Admin Bldg Plumbing Repairs	26-27	CN			
13	101541.01	Port Bldg 532 Structural Repairs	28-29	D			
14	101540.01	2302 Ross Way Roof Recover	30-31	H			
15	101532.01	Building #326 Window Replacement, Partition Bracing, and Isolated Siding Painting	32-33	D			
16	094217, 101312.01	Alexander Avenue Former Tank Facilities AO DE-9835	34-35	RI/FS & DCAP			
17	098075, 101243.02	Parcel 103 Steam Plant Property Cleanup	36-37	RI/FS			
18	101287.01, 101287.02, 095208	Parcel 1B (EBC) Cleanup	38-39	D			
19	101493.01	Parcel 86 Bank Stabilization	40-41	CN			

**Key Project Status**

Completed	Final Report for this Project
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	Project within or ahead of target budget and schedule
	Either target schedule or budget is off
	Both target schedule and budget are off

**Negative Variance Status**

	New Variance
	Previously Reported

**Phases**

PL	Planning
RI/FS	Remedial Investigation/Feasibility Study
DCAP	Draft Cleanup Action Plan
PD	Preliminary Design
D	Design
CN	Construction
CO	Close Out
C	Completed
M	Monitoring
H	On Hold

**Remediation Glossary**

AO	Agreed Order
CAP	Cleanup Action Plan
DCAP	Draft Cleanup Action Plan
DMMP	Dredge Material Management Program
FS	Feasibility Study
MTCA	Model Toxics Control Act
MID Nos	Master Identification Numbers
PCB	Polychlorinated Biphenyls
RI/FS	Remedial Investigation/Feasibility Study

**Schedule Completion on the Project Reports refers to:**

Beneficial Occupancy or Last Asset In-Use date



# Semi-Annual Project Summary

July-December 2021

## Parcel 40 Environmental Cleanup

<b>Project MID Nos:</b>	<b>101486.01 (Investigation) 101486.02 (Vapor Mitigation) 101486.03 (Insurance Recovery)</b>
<b>Authorization:</b>	<b>\$1,274,000</b>
<b>Phase:</b>	<b>Construction and Planning</b>
<b>Current Estimate:</b>	<b>\$1,274,000</b>
<b>Cost to Date:</b>	<b>\$382,546</b>
<b>Start:</b>	<b>3/16/2020</b>
<b>Schedule Completion:</b>	<b>12/31/2030</b>
<b>Project Managers:</b>	<b>Elly Bulega and Sarah Weeks</b>



### Project Status

**Schedule:** On or Ahead  
**Budget:** On or Within

### Significant Developments/Scope Changes

Environmental cleanup is required at Parcel 40 (West Sitcum Terminal). An interim action, installation of a vapor intrusion (VI) mitigation system in Building 600, is currently underway.

Results of a 2020 vapor intrusion assessment at Building 600 indicate that petroleum hydrocarbons in soil and groundwater beneath the building are impacting indoor air quality. Contaminant concentrations in indoor air, although below OSHA standards, were above acceptable risk levels prescribed by State cleanup law Model Toxics Control Act (MTCA). Building 600 is currently occupied by SSA Marine and is used for marine terminal equipment maintenance.

In March 2021 Commission authorized the installation of a vapor intrusion (VI) mitigation system in West Sitcum Terminal Building 600. The installation of a vapor mitigation system beneath Building 600 will reverse or mitigate the upward migration of vapors and prevent vapors from entering the building. The VI mitigation system was installed in Q3 and Q4 2021, system startup is scheduled for Q1 2022. The tenant, SSA Marine, has been kept abreast of sampling results and project development. The VI mitigation system is an interim action, and a complete site investigation will be necessary to select the appropriate cleanup action.

Port staff are exploring funding the investigation with historical insurance policies. In May 2021 Commission authorized funding to procure an insurance archaeologist and an insurance coverage attorney. The insurance coverage attorney provided a coverage opinion in September 2021.



## Parcel 40 Environmental Cleanup

In consultation with Port legal counsel, Port staff decided to proceed and notice of tender was sent to the carriers in October 2021.

### Project Schedule

Installation of the VI mitigation system will be completed by March 2022. Responses from the insurance carriers are anticipated in Q1 2022. Completing the environmental investigation and implementing a cleanup could take up to 10 years.

### Authorization

The current authorization is \$1,274,000. Funding for the preliminary investigation of \$160,000 (101486.01) and the preliminary VI mitigation design of \$128,000 (101486.02) was authorized in 2020 via executive authorization. In 2021 Commission authorized an additional \$316,000 to fund remaining design and installation of the VI mitigation system and \$670,000 to pursue insurance recovery (101486.03) <sup>1</sup>.

### Scope

#### Vapor Mitigation System (Interim Action):

1. Installation of the vapor extraction system (completed Q3 and Q4 2021):
  - Install and connect PVC pipes to vapor extraction sump points.
  - Install an exhaust blower that will provide the suction to the sumps
  - Install monitoring ports and vacuum gauges to the system.

2. Vapor extraction system startup (anticipated Q1 2022).

Insurance Cost Recovery: Fund the investigation via historical insurance coverage.

1. Obtain a coverage opinion from the insurance coverage attorney (completed Q3 2021).
2. Tender claims to carriers (completed Q4 2021).
3. If the Port decides to proceed based on available coverage, procure an environmental consultant to complete the RIFS and CAP.

### Project Cost

Project costs are estimated at \$1,274,000 and will cover the scope tasks presented above:

- Preliminary Investigation and Insurance Recovery = \$830,000
- VI Mitigation (Interim Action) = \$444,000

Complete investigation and cleanup costs are not currently estimable.

### Risks

If site cleanup is not completed the vapor mitigation system may have to be operated and maintained for decades.

If funding the investigation with historical insurance is not successful, the Port of Tacoma will bear the expense of the investigation until cost recovery can be pursued from the other PLPs.

### Grant

No grant funding is associated with this project.

<sup>1</sup> Both the insurance archaeologist and insurance coverage attorney work on a contingency fee of 10% that will only be paid if funds are

recovered. If funds are recovered payments will be made as insurance recovery is accrued, up to a cap of \$300,000 for each party.



# Semi-Annual Project Summary

July-December 2021

## Port Administration Building Roof Replacement

Project MID No:	101339.04
Authorization:	\$2,120,000
Phase:	Construction
Current Estimate:	\$2,120,000
Cost to Date:	\$347,742
Start:	7/17/2020
Schedule Completion:	6/13/2022
Project Manager:	Norman Gilbert



### Project Status

**Schedule:** On or Ahead  
**Budget:** On or Within

### Significant Developments/Scope Changes

The project advertised on July 14, 2021. Bids were opened on August 4, 2021. The Port received 5 bids. The lowest bidder was deemed non-responsive, and their bid was thrown out. The Port entered into a Contract with the second lowest bidder. Notice of award was issued on August 9, 2021.

The Contractor mobilized to site on September 20, 2021, and began removing the old roof. As of late December, 95% of the roof has been removed and replaced with weatherproof membrane. The new metal roof panels are arriving on site December 22, 2021, and will be installed over the following few months.

### Project Schedule

Advertise for Bid	July 14, 2021
Open Bids	August 4, 2021
Notice of Award	Early August 2021
Substantial Completion	Mid-June 2022
Final Completion	Mid-July 2022

### Authorization

7/17/2020 – executive authorization for \$150,000.

6/17/2021 – Commission approved \$1,970,000 for a revised total of \$2,120,000.

The current authorization is \$2,120,000.

### Scope

- Remove and replace the existing roofing with new metal roofing
- Install new gutters and downspouts
- Install fall protection and bird deterrent systems
- Project and construction management



## Port Administration Building Roof Replacement

### Project Cost

The estimated project cost is \$2,120,000.

The current authorization is \$2,120,000.

### Risks

There is a small potential to uncover damaged or rotted wood under the existing SPF coated metal roofing which would require repairs.

### Grant

No grant funding is associated with this project.



# Semi-Annual Project Summary

July-December 2021

## Port of Tacoma Off-Dock Container Support Facility

<b>Project MID No:</b>	<b>101241.01</b>
<b>Authorization:</b>	<b>\$1,385,000</b>
<b>Phase:</b>	<b>Design</b>
<b>Current Estimate:</b>	<b>\$42,185,000</b>
<b>Cost to Date:</b>	<b>\$574,376</b>
<b>Start:</b>	<b>1/5/2018</b>
<b>Schedule Completion:</b>	<b>1/31/2024</b>
<b>Project Manager:</b>	<b>Norman Gilbert</b>



### Project Status

**Schedule:** On or Ahead  
**Budget:** On or Within

### Significant Developments/Scope Changes

- Permit applications for the wetland fill approval were submitted in October 2021 and are currently under review.
- Project design is being advanced to “Permit Set” due in mid-January. This level of design will allow for all of the other development permits to be applied for.
- Engagement with potential operators was initiated by NWSA staff. These potential operators have provided some feedback to help direct the design efforts.

### Project Schedule

The Federal permits to fill the wetlands on the site will be the longest lead item at 14-16 months from application. All advancement of design and construction permitting is anticipated to be complete within this time.

### Authorization

7/15/2021 – Commission approved \$735,000 for a revised total of \$1,385,000.

The current authorization is \$1,385,000.

### Scope

The overall project includes the following:

- Design, permit and construct a facility capable of supporting off-dock cargo operations and logistics.

The current authorized scope of work is to complete 100% design level plans, specifications, estimate, schedule, and apply and obtain the necessary environmental and construction permits.

### Project Cost

- The estimated cost of the Design for this project is \$1,385,000.
- The estimated budget for this project is \$42,185,000 including the cost of wetland mitigation for the site development.



## Port of Tacoma Off-Dock Container Support Facility

- The current Capital Investment Plan (CIP) allocates \$3,820,000 for this project.
- The budget will be updated during the 2022 budget process.

### Risks

- Not receiving necessary permits on time delaying the project going out to bid.
- Constructing the underground portion of the project during the wet seasons causing the native backfill to be unsuitable. Requiring soil export and backfill import.
- Site operator significantly changes the layout or use of the site causing redesign and permit modifications.
- Cost increases in labor, equipment, and materials.

### Grant

The Port and NWSA are actively applying for grant funding for this project.

Name of Grant: 2021 MARAD Port Infrastructure Development Program (PIDP)

Value of Grant: \$15.73M

Port Match: \$~26.455M

Status: Notified December 20, 2021



# Semi-Annual Project Summary

July-December 2021

## Parcel 15 Portac

<b>Project MID No:</b>	<b>101531.01</b>
<b>Authorization:</b>	<b>\$741,000</b>
<b>Phase:</b>	<b>Design</b>
<b>Current Estimate:</b>	<b>\$4,665,500</b>
<b>Cost to Date:</b>	<b>\$266,983</b>
<b>Start:</b>	<b>2/3/2021</b>
<b>Schedule Completion:</b>	<b>11/30/2022</b>
<b>Project Manager:</b>	<b>Norman Gilbert</b>



### Project Status

**Schedule:** On or Ahead  
**Budget:** On or Within

### Significant Developments/Scope Changes

- In early 2021 Port Commission approved to enter into an AO with Ecology to implement the Phase 1 cleanup at Parcel 15.
- Port staff and our consultant began and completed the Remedial Design Work Plan which lays out the additional site investigation needed to complete the cleanup design.
- Site investigation and cap inspections were conducted in November and December.
- Work has begun on the Pre-Remedial Design Investigations Technical memo which is due to Ecology in January 2022.

### Project Schedule

Project design, permitting and Ecology coordination is scheduled to begin in late August 2021 and is anticipated to be completed in April

2022. Pending future Commission Authorization, bidding, construction and Ecology reporting is anticipated to occur between May 2022 and December 2022.

### Authorization

1/21/2021 – executive authorization for \$50,000.  
8/19/2021 – Commission approved \$691,000 for a revised total of \$741,000.

The current authorization is \$741,000.

### Scope

#### Scope of Project:

- Develop an engineering design report, including supporting plans – Compliance Monitoring and Contingency Response Plan (CMCRP), Contaminated Media Management Plan (CMMP), and an Operational Monitoring and Maintenance Plan (OMMP) for the existing cap.
- Design and permitting.
- Construction of the permeable reactive barrier and storm drain improvements.



## Parcel 15 Portac

- Development of a Completion Report.
- Contingent remedy components will be evaluated during design but will not be constructed under this project.

### Project Cost

The estimated project cost is \$4,665,500.

### Risks

- Additional investigations needed for design development differ from assumptions made during the Cleanup Action Plan (CAP)
- Permitting for outfall and stormwater pipe improvements takes longer than anticipated pushing construction out past schedule
- Construction costs are higher than anticipated

### Grant

Name of Grant: Department of Ecology Toxics Cleanup Remedial Action Grant

Value of Grant: \$2,000,000

Port Match: \$1,000,000 (50% Match)

Status: Awarded



# Semi-Annual Project Summary

July-December 2021

## Parcel 91 Cleanup Investigation and Cost Recovery

<b>Project MID Nos:</b>	101042.01, 101042.02
<b>Authorization:</b>	\$1,530,000
<b>Phase:</b>	Planning
<b>Current Estimate:</b>	\$1,530,000
<b>Cost to Date:</b>	\$1,180,221
<b>Start:</b>	2/1/2016
<b>Schedule Completion:</b>	12/31/2024
<b>Project Manager:</b>	Rob Healy



### Project Status

**Schedule:** On or Ahead  
**Budget:** On or Within

### Significant Developments/Scope Changes

In November 2021, the Port received an additional \$7.2M from Pfizer to complete a final settlement, whereby the Port releases Pfizer from future environmental claims.

In December 2021, Commission authorized execution of an Agreed Order with Ecology to complete a cleanup action plan for the former Sound Mattress Site. Commission also authorized reprogramming the remaining authorized funds to begin preliminary work needed to develop the cleanup action.

### Project Schedule

Consultant procurement will begin in January 2022. Once selected, the project team will develop a conceptual site model and prepare a remedial investigation work plan. Ecology's approval of the

work plan is anticipated by the end of 2022, if not sooner. Staff anticipates returning to Commission for additional authorization in Q4 2022, once future project costs are available.

### Authorization

12/16/2021 – Commission authorized execution of an Agreed Order with Ecology to complete a cleanup action plan, along with additional project authorization.

8/19/2021 – Commission authorized executive director to execute final Settlement Agreement with Wyeth for a lump-sum payment of \$7.2M for full release and indemnity against all claims.

The current authorization is \$1,530,000.

### Scope

The authorized scope of work including anticipated staff, consulting, and legal time to litigate the claim is largely complete. The preliminary work needed to complete a cleanup action plan for the Site has been authorized.

Future remediation actions are not currently estimable.



## Parcel 91 Cleanup Investigation and Cost Recovery

### Project Cost

The estimated cost is \$1,530,000 with \$1,180,221 spent through December 2021 for litigation preparation, mediation, final settlement execution, and Ecology engagement.

### Risks

Ecology is requiring additional investigation activities for the site. However, the details of those investigation activities have not been finalized. This could affect the project scope, schedule and budget, and has the potential to delay future property redevelopment.

### Grant and Settlements

Final settlements with former property owners, Sound Mattress and Pfizer, total \$12.1M. This less the PCB Building demolition claim and project costs to date, leaves approximately \$8.8M to complete the cleanup action plan and implement the remedy.

Grant funding will be pursued if needed and as opportunities arise.



# Semi-Annual Project Summary

July-December 2021

## Mouth of the Hylebos

<b>Project MID Nos:</b>	<b>092135, 092134, 101215.01</b>
<b>Authorization:</b>	<b>\$2,230,000</b>
<b>Phase:</b>	<b>Monitoring</b>
<b>Current Estimate:</b>	<b>\$1,500,000</b>
<b>Cost to Date:</b>	<b>\$1,461,576</b>
<b>Start:</b>	<b>6/30/2013</b>
<b>Schedule Completion:</b>	<b>12/31/2022</b>
<b>Project Manager:</b>	<b>Rob Healy</b>



### Project Status

**Schedule:** Delayed  
**Budget:** On or Within

### Significant Developments/Scope Changes

American Construction has been designing a habitat mitigation area, located adjacent to the Port's proposed Saltchuk restoration area on DNR land. The area is large enough to address American's 1.39-acre and Oxy and the Port's 0.21-acre deficit. The 60% design was submitted to EPA for review in June 2021. In November 2021, the USACE informed the Port that the proposed location of American Construction's mitigation area would potentially interfere with the Port's proposed Saltchuk restoration area and associated Blair deepening project. Port staff is working with American Construction, Oxy, and the EPA to determine next steps for mitigating the Hylebos remedial action habitat loss, while ensuring the Port's deepening project is not placed at risk. MID 092134 is used to track Port staff costs associated with the American Construction habitat area.

The EPA previously requested that the baseline statistical analysis be updated with four additional monitoring events. The fourth sampling event was completed in February 2020. The baseline monitoring report was updated and submitted to the EPA in December 2020. EPA accepted the report in July 2021.

All remaining obligations under the Mouth of Hylebos project authorization are complete. Compliance monitoring of the environmental cap under Piers 24 and 25 and future monitoring for the Slip 1 Confined Disposal Facility are managed under operating expense MID's via contract authorization.

The EPA has requested one more sediment sampling event of the Mouth of Hylebos Waterway, concurrent with the Head of the Hylebos in preparation for 2023 5-year review. This sampling event occurred the week of June 21, 2021 and is managed under an operating expense MID via a contract authorization. Depending on the pending results, this may be the last sampling event required by the EPA.



## Mouth of the Hylebos

### Project Schedule

- Cost Recovery – completed
- Baseline monitoring - completed
- American Construction's habitat area – EPA approval of Design for the proposed habitat location is on hold, pending further stakeholder discussions regarding USACE recent concerns.

Project complete December 31, 2022, delayed from original date of December 31, 2021.

### Authorization

No new authorizations in this reporting period.

The current authorization is \$2,230,000.

### Scope

Remaining scope item under this project include:

- Monitoring the design of American Construction's habitat area.

### Project Cost

The estimated project cost is currently \$1,500,000 which is expected to cover oversight of American Construction's habitat area design.

### Risks

The EPA may request additional work on any of the outstanding issues.

The schedule for American Construction's habitat area depends on outside stakeholders and may be delayed. Increasing construction costs may cause American Construction to look for other alternatives, such as purchasing credits from the Port.

Depending on pending sediment sampling results there is potential for recontamination issues to require future remedial actions in the Hylebos Waterway.

### Grant

No grant funding opportunities are forecasted for this project.

In the 2000s the Port received a \$5.7M MTCA grant through Ecology's Remedial Action Grant program for the Mouth of Hylebos cleanup implementation. For the duration of this project the Port has received reimbursements totaling \$1,012,536 (\$140,177 from Occidental, \$201,082 from Zidell, and \$671,277 from the Department of Defense).



# Semi-Annual Project Summary

July-December 2021

## PQ Contamination – 1201 Taylor Way

<b>Project MID Nos:</b>	<b>092819, 092839</b>
<b>Authorization:</b>	<b>\$887,000</b>
<b>Phase:</b>	<b>Planning</b>
<b>Current Estimate:</b>	<b>\$887,000</b>
<b>Cost to Date:</b>	<b>\$885,688</b>
<b>Start:</b>	<b>4/1/2007</b>
<b>Schedule Completion:</b>	<b>12/31/2023</b>
<b>Project Manager:</b>	<b>Scott Hooton</b>



### Project Status

**Schedule:** Delayed  
**Budget:** Forecast Overrun

### Significant Developments/Scope Changes

PQ entered into the Interim Cost Sharing Agreement on March 17, 2016, to complete a Remedial Investigation, Feasibility Study (RI/FS) and draft Cleanup Action Plan (CAP). The collaborative process with PQ has resulted in schedule delays and cost increases associated with multiple revisions to workplans and reports which were not anticipated when the Cost Sharing Agreement was authorized.

The RI/FS and CAP was submitted to Ecology in July 2020. Ecology issued an Opinion Letter in November 2020 requesting additional investigation. The Port issued a Response to Comment on May 14, providing additional information. Ecology's October 2021 requested additional investigation, and a revised Supplemental Sampling and Analytical Plan will be submitted in January 2022 for Ecology review and approval. Port staff will request funding for implementation during Q1 2022.

### Project Schedule

The revisions to RI/FS and CAP are expected to be submitted to Ecology in Q3 of 2022.

Remediation is expected to occur during 2022 or later. It will also be necessary to amend or renegotiate the terms of the Cost Sharing Agreement to offset remediation costs to be incurred by the Port.

The schedule completion date has been adjusted from December 31, 2022, to December 31, 2023.

### Authorization

On 3/17/2016, Commission authorized Port staff to enter into the agreement with PQ to complete the RI/FS and CAP. Additional authorization of \$50,000 was approved by the Commission on 11/19/20 to respond to Ecology comments.

Finalizing the RI/FS and CAP or resolving further Ecology comments will require additional Commission authorization.

Remediation of remnant contamination will also require additional Commission authorization.

The current authorization is \$887,000.



## PQ Contamination – 1201 Taylor Way

### Scope

Looking forward, the scope of this effort consists of:

- PQ and the Port will collaborate in the completion of the RI/FS and CAP
- PQ will pay 60% and the Port will pay 40% of future shared costs

### Project Cost

The current estimated cost of \$887,000 is not sufficient to complete the authorized scope of work. Commission was informed of this by memo accompanying the 11/19/2020 public meeting. Port staff will request additional authorization to complete the RI/FS and CAP during early 2022, after an implementing estimate is developed between the Port's consultant and PQ. The cost estimate will not include cleanup costs.

Project costs are partially offset with reimbursements from PQ under the Interim Cost Sharing Agreement; PQ remittances to date total \$531,616.

### Risks

Scope of work is subject to change depending on direction from Washington State Department of Ecology. Monies received from PQ are potentially subject to reallocation under the agreement.

### Grant

Grant funding will be pursued as opportunities arise.



# Semi-Annual Project Summary

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## Arkema RI/FS/CAP Agreed Order DE-5668 2901 & 2920 Taylor Way

Project MID No:	096201
Authorization:	\$5,763,794
Phase:	Planning
Current Estimate:	\$5,763,794
Cost to Date:	\$5,392,580
Start:	5/31/2007
Schedule Completion:	12/31/2023
Project Manager:	Scott Hooton



### Project Status

**Schedule:** Delayed  
**Budget:** On or Within

Delivered a draft Feasibility Study (FS) to Ecology in April 2021. The FS evaluated seven (7) different remedial alternatives with estimated future costs ranging from \$11M to \$196M. The estimated future cost of the recommended alternative (hot-spot soil removal, capping, institutional controls and monitoring) is \$26M. The restoration timeframes (a MTCA remedy selection criteria) for each remedial alternative was estimated using a sophisticated numerical groundwater and contaminant transport model. The estimated restoration timeframe for each alternative is inordinately long compared to most MTCA cleanups (thousands of years to meet groundwater criteria throughout the site).

Ecology's August 2021 response to the FS

requested the evaluation of an additional alternative that removes, treats or contains more soil mass to reduce sources of arsenic to surface water and groundwater. Port staff met with Ecology's Toxics Cleanup Program staff and management in October 2021 to discuss an approach that would accelerate the redevelopment of less contaminated portions of the property for NWSA operations while also installing a containment cell around the most highly contaminated areas of the property as an interim action. With this approach, the FS would be completed in parallel with the interim action and would be structured as a series of contingencies (e.g., additional soil removal within the containment area) based on groundwater monitoring results from wells adjacent to the Hylebos Waterway.

Port staff will seek additional Commission authorization for the engineering design of the interim actions in early 2022.



## Arkema RI/FS/CAP Agreed Order DE-5668 2901 & 2920 Taylor Way

### Project Schedule

The final FS and draft Cleanup Action Plan (DCAP) will be developed in parallel with the implementation of interim actions and will most likely be submitted to Ecology after 2022.

### Authorization

In November 2020, the Commission approved re-programming previously authorized funding to complete the draft FS. Further work to finalize the FS and DACP will require additional reprogramming of previously authorized funding.

No new authorizations in this reporting period. The current authorization is \$5,763,794.

### Scope

The remaining scope of this effort is anticipated to include:

- Revise and resubmit the FS Report once Ecology's concerns are addressed

### Project Cost

Estimated project cost is currently \$5,763,794 which is expected to be enough to complete the RI/FS/CAP.

### Risks

Selection of a cost-effective remedial approach that is compatible with an undefined future industrial land use.

### Grant

Name of Grant: MTCA grant funding – Ecology's Remedial Action Grant Program

Value of Grant: \$3,115,807

Port Match: \$3,115,807

Status: Reimbursements of \$2,263,339 have been received to date. Additional grant funding of \$2,000,000 was received earlier this year and will become available after the existing grant dollars are expended.



# Semi-Annual Project Summary

July-December 2021

## Cleanup Action Plan – former USG Rock Wool Plant

<b>Project MID Nos:</b>	<b>101227.01, 096242</b>
<b>Authorization:</b>	<b>\$488,000</b>
<b>Phase:</b>	<b>RI/FS</b>
<b>Current Estimate:</b>	<b>\$488,000</b>
<b>Cost to Date:</b>	<b>\$395,527</b>
<b>Start:</b>	<b>2/11/2016</b>
<b>Schedule Completion:</b>	<b>12/31/2022</b>
<b>Project Manager:</b>	<b>Scott Hooton</b>



### Project Status

**Schedule:** Delayed  
**Budget:** On or Within

### Significant Developments/Scope Changes

The 2301 Taylor Way property is subject to an Ecology order requiring the development of a Remedial Investigation, Feasibility Study (RI/FS) and Cleanup Action Plan (CAP). A former owner is leading the effort, as provided for in a purchase and sale agreement. The RI and FS has been approved, and Ecology is currently reviewing the draft CAP submitted by USG during August 2021.

A related issue (not associated with this authorization) is the USG-related contamination that has migrated onto adjacent Port-owned property (North Boundary of the Arkema Manufacturing Area). USG denies responsibility for contamination beyond the 2301 Taylor Way boundary. An allocation report prepared on behalf of Port counsel concluded that USG wastes located

on the adjacent Port-owned property trigger MTCA remediation requirements and support an indemnification claim under the purchase and sale agreement. Future Commission authorization will be required to perform such remediation and pursue cost recovery.

### Project Schedule

We will provide comments and addenda to USG's CAP during Q1 2022. Staff expects Ecology to approve USG's CAP by the end of 2022.

Project complete December 31, 2022; delayed from original date of December 31, 2021.

### Authorization

No new authorizations in this reporting period.  
The current authorization is \$488,000.

### Scope

The scope of work includes:

- Technical review of ongoing USG deliverables
- Legal Support



## Cleanup Action Plan – former USG Rock Wool Plant

- Allocation Report
- Staff Time & Consultant Support
- Consultations with Department of Ecology

### Project Cost

The estimated project cost is currently \$488,000 to cover the above scope.

### Risks

Compatibility of the selected cleanup action with current land use (subject to a long-term lease expiring in 2054).

Long-term operation and maintenance costs associated with USGs selected remedy and management of USG remnant contamination.

### Grant

Grant funding will be pursued as opportunities arise.



# Semi-Annual Project Summary

July-December 2021

## Taylor Way & Alexander Ave Fill Area (TWAAFA)

Project MID No:	101082.01
Authorization:	\$1,367,000
Phase:	Planning
Current Estimate:	\$1,367,000
Cost to Date:	\$711,438
Start:	4/10/2017
Schedule Completion:	12/31/2023
Project Manager:	Scott Hooton



### Project Status

**Schedule:** On or Ahead  
**Budget:** On or Within

### Significant Developments/Scope Changes

Support marketing efforts for a 30.48-acre multi-parcel property (Port Parcels 6, 65, 102, 114, 116, and 117) for redevelopment. This project also stemmed from Ecology requirements to investigate Parcels 95, 111, and 117 for hazardous substances in soil and groundwater under an agreed order (AO) with three other Potentially Liable Parties (PLPs) – General Metals of Tacoma, Occidental Chemical Corporation, and Stericycle Environmental Solutions. Although the Port has implemented most aspects of the Workplan at Port-owned properties, an implementation agreement was not reached with other TWAAFA PLPs. The negotiations reached an impasse when the parties were unable to reach agreement on the allocation of future costs. Under threat of an enforcement order, GMT, Occidental, and Stericycle subsequently agreed to enter the TWAAFA agreed order.

The Port rejected the TWAAFA agreed order because there is no compelling legal basis for the

Port to investigate and remediate an abandoned dangerous waste facility and illegal landfill to which the Port has no connection. Ecology responded with a proposed enforcement order on October 6, 2020, and subsequently issued an enforcement order to the Port on December 7. Port staff briefed Commission in Executive Session. Since then, staff have developed a workplan and began implementing an indoor air assessment at 1801 Taylor Way, replaced monitoring wells at 1514 Taylor Way, and assisted the PLPs in completing an *Aboveground Site Conditions Memorandum* and *Existing Groundwater Monitoring Network Evaluation and Recommendations Memorandum*. In the meantime, staff have continued discussions with the other PLPs regarding the possibility of implementing future work as a partnership, rather than going it alone. These conversations remain at an impasse.

### Project Schedule

Scope of work is expected to be completed by the end of 2023.

### Authorization

4/10/2017 – Executive Authorization for \$100,000.



## Taylor Way & Alexander Ave Fill Area (TWAAFA)

3/13/2018 – Executive Authorization for \$150,000.

7/18/2019 – Commission Authorization for \$212,000 for a revised total of \$462,000.

1/19/2020 – Commission Authorization for \$75,000 for a revised total of \$537,000.

3/18/2021 – Commission Authorization for \$830,000 for a revised total of \$1,367,000.

The current authorization is \$1,367,000.

### Scope

The scope of work for this project includes:

- Facilitate execution of a long-term lease agreement at Port Parcel 95 at 1514 Taylor Way by entering an Agreed Order with Ecology for implementation of an Interim Action Plan by Avenue55 during property redevelopment in 2017. Commission authorized entry into the Agreed Order on June 15, 2017. The property has since been redeveloped.
- Negotiate and execute a Joint Defense, Common Interest Agreement and Cost Sharing Agreement for Pre-Agreed Order Actions between the Port, General Metals of Tacoma (GMT), Occidental Chemical Company (Occidental) and Stericycle Environmental Solutions (Stericycle). This agreement was concluded on May 22, 2017, and cancelled in 2021 after the parties could not reach agreement on an implementation agreement.
- Negotiate an Agreed Order between Ecology, the Port, GMT, Occidental, and Stericycle to prepare a remedial investigation/feasibility study (RI/FS) and draft Cleanup Action Plan (DCAP). As part of that effort, the PLP Group requested a waiver of past costs incurred by

Ecology (\$362,132.24). Ecology declined the request.

- Complete a Pre-Agreed Order Data Gaps Work Plan (Work Plan). The Work Plan has been approved by Ecology and incorporated into the Agreed Order signed by the other PLPs and the Enforcement Order issued to the Port.
- Implementation of Work Plan portions relevant to Parcel 117 during 2019 and 2020. The work confirmed that there are no hazardous substances present at actionable concentrations in the soil.
- Develop and implement an investigation of remnant petroleum vapors from the adjacent Clean Earth Dangerous Waste facility into structures located at 1801 Taylor Way. Replace monitoring wells at 1514 Taylor Way. Begin regular sampling of monitoring wells on Port-owned property.
- Ongoing coordination with other TWAAFA PLPs.

### Project Cost

Estimated cost is currently \$1,367,000, which includes contingency to implement work required under the Enforcement Order on Port-owned property alone.

### Risks

The Port has been named in an enforcement order and is potentially subject to future penalties. The resolution of potential remediation requirements may complicate and delay property redevelopment.

### Grant

Grant funding will be pursued as opportunities arise.

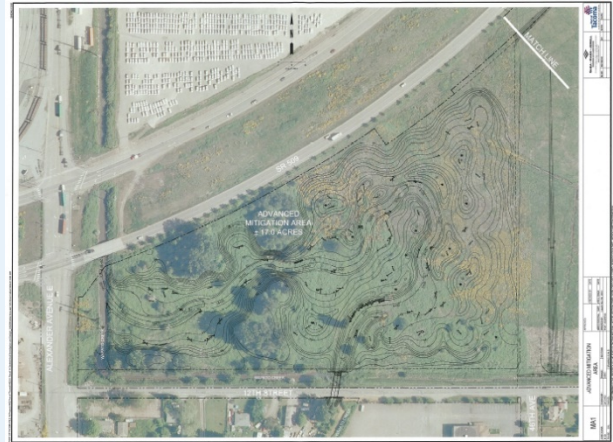


# Semi-Annual Project Summary

July-December 2021

## Lower Wapato Creek Habitat

<b>Project MID No:</b>	<b>101449.01</b>
<b>Authorization:</b>	<b>\$14,095,000</b>
<b>Phase:</b>	<b>Construction</b>
<b>Current Estimate:</b>	<b>\$16,810,000*</b>
<b>Cost to Date:</b>	<b>\$8,874,445</b>
<b>Start:</b>	<b>12/19/2019</b>
<b>Schedule Completion:</b>	<b>12/31/2024</b>
<b>Project Manager:</b>	<b>David Myers</b>



\* excludes \$591,026 spent in 2014

### Project Status

**Schedule:** On or Ahead  
**Budget:** On or Within

### Significant Developments/Scope Changes

The Phase 1 project is currently under construction.

### Project Schedule

<b>Activity</b>	<b>Completion Date</b>
Awarded design contract	Nov 2019
Validated design & Submitted Permit Applications	May 2020
Steel Power Pole Purchase Order	Jan 2021
Permit approval and Bidding	May/June 2021
Construction Ph I – Grading	Feb 2022
Construction Ph II – Landscaping	Mar 2023
Maintenance & Establishment	Dec 2024
Monitoring and Stewardship	Dec 2033

Project Authorization for Phase 1 construction occurred in January 2021. Project Authorization for Phase 2 construction is planned for February 2022.

### Authorization

9/26/2019 – Commission approved \$525,000 for a total authorization of \$1,125,000 (includes \$591,026 previously spent design funds).

7/16/2020 – Commission approved \$800,000 for a total authorization of \$1,925,000.

1/21/2021 – Commission approved \$12,170,000 for a total authorization of \$14,095,000.

The current authorization is \$14,095,000.

### Scope

The scope of work for this phase includes:

- Validation of previous design documents and related reports – **Complete**
- Review of additional collected data and incorporation of Tribal comments – **Complete**



## Lower Wapato Creek Habitat

- Additional monitoring and modeling of groundwater and salinity – **Complete**
- Design and permit steel monopoles – **Complete**
- Design and permit bridge and site – **Complete**
- Finalize design and permitting – **Complete**
- Construction and maintenance – **Almost Complete**
- Monitoring and stewardship

### Project Cost

The total previously spent on design and permitting is \$591,026 and is being tracked with the new project costs. The adjacent table provides the updated project estimate as of June 2021. The construction totals include a 15% contingency and escalation factors of 3% to 5% for construction in 2022 through 2024. This estimated cost has increased from the estimate previously reported.

Bids were received on June 23, 2021. The low responsible bid was \$6.73 M which was significantly lower than the engineer's estimate of \$8.3 M.

Spent to Date	\$1,638,862
2019 Initial Request	\$525,000
2020 Second Request	\$800,000
Construction Phase I *	\$10,650,000
Construction Phase II *	\$2,100,000
Maintenance *	\$1,100,000
<b>Estimated Project Total</b>	<b>\$16,813,862</b>

Monitoring and Stewardship in years 2023-2033 will be tracked under separate project numbers and have an estimated budget of \$250,000.

### Risks

Material availability and costs increases due to increasing fuel costs and material availability.

### Grant

No grant funding is associated with this project.

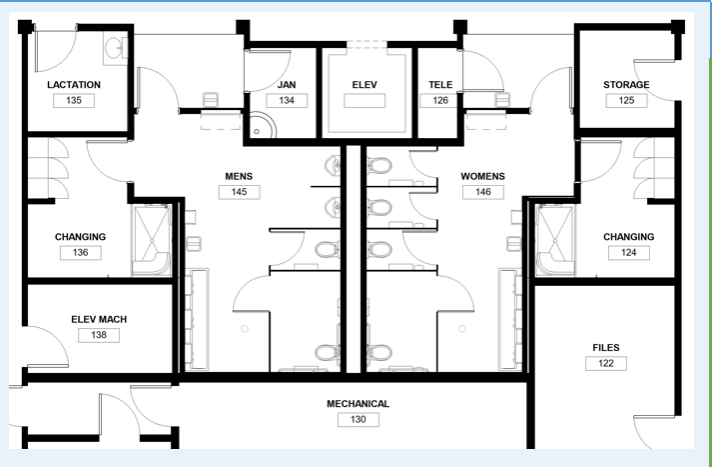


# Semi-Annual Project Summary

July-December 2021

## Port Administration Building Plumbing Repairs

<b>Project MID No:</b>	<b>101339.02</b>
<b>Authorization:</b>	<b>\$880,000</b>
<b>Phase:</b>	<b>Construction</b>
<b>Current Estimate:</b>	<b>\$880,000</b>
<b>Cost to Date:</b>	<b>\$139,882</b>
<b>Start:</b>	<b>6/17/2021</b>
<b>Schedule Completion:</b>	<b>3/31/2022</b>
<b>Project Manager:</b>	<b>David Myers</b>



### Project Status

**Schedule:** Delayed  
**Budget:** Forecast Overrun

### Significant Developments/Scope Changes

The Port Administration Building was constructed in 1981. Upgrades and repairs to the building were completed in 2003. This work did not complete upgrades or repairs to the restrooms. Only the sinks and faucets were replaced.

A building-wide condition assessment performed in August of 2019 noted that the restrooms did not meet ADA requirements, are not code compliant, and are in need of general upgrades and repairs. Waste line and toilet carrier failures have occurred, and supply lines are at risk of leaks.

These repairs are needed so that the current Administration Building can continue to serve the Port while the plan and implementation for a new Port Administration Building can be completed.

### Project Schedule

Activity	Timeframe
Advertise Bids	August 18 2021
Bid Opening	Sept. 14 2021
Contract Award	Sept. 20 2021
Contract Final Completion	March 31 2022

Project complete March 31, 2022; delayed from original date of January 1, 2022.

### Authorization

5/6/2020 – executive authorization for \$125,000.

6/17/2021 – Commission approved \$755,000 for a revised total of \$880,000.

The current authorization is \$880,000.

### Scope

The scope of work for this project includes:

- Demolish existing restrooms.
- Reorientate plumbing to accommodate a common wet wall to meet ADA and code compliance requirements.



## Port Administration Building Plumbing Repairs

- Renovate restroom entryways to meet ADA requirements.
- Upgrade and renovate finishes.
- Provide and install portable restroom units behind the building to accommodate work.

### Project Cost

Total Project Cost	Cost to Date	Remaining Cost
\$880,000	\$139,882	\$740,118

### Risks

Building drawings did not accurately depict the actual construction from both the 1981 or 2000 projects leading to extensive revisions to the plans and cost increases. \$60,000

Original construction techniques placed electrical conduits within the concrete slab and other mechanical piping directly beneath the slab. During demolition several energized conduits were cut as was the hydraulic line to the elevator. Wiring needed to be replaced and a new hydraulic line and rupture valve installed on the elevator. \$75,000

Delays in the project due to the items noted above and availability of materials has created an approximate 3-month delay in the work. Modular restrooms will need to be maintained until at least one floor of restrooms are functional. \$30,000

During demolition, extensive rot was found in the second floor wall and floor system caused by leaking of the toilets within the wall cavity. Truss, wall and floor repairs will be required. \$20,000

Additional staff and consultant time is required to accommodate revisions. \$25,000

### Grant

No grant funding is associated with this project.



# Semi-Annual Project Summary

July-December 2021

## Port Building 532 Structural Repairs

<b>Project MID No:</b>	<b>101541.01</b>
<b>Authorization:</b>	<b>\$1,250,000</b>
<b>Phase:</b>	<b>Design</b>
<b>Current Estimate:</b>	<b>\$1,250,000</b>
<b>Cost to Date:</b>	<b>\$39,325</b>
<b>Start:</b>	<b>6/17/2021</b>
<b>Schedule Completion:</b>	<b>1/31/2022</b>
<b>Project Manager:</b>	<b>David Myers</b>



### Project Status

**Schedule:** Delayed  
**Budget:** On or Within

### Significant Developments/Scope Changes

Building 532 was constructed in the 1930s in support of WWII ship building efforts. A fire in 1994 forced the replacement of a large area of the flat roofed portion of the building. In 2016 one of the remaining 7 wood trusses failed and was replaced with a steel beam. Of the 6 remaining wood trusses 1 has failed and 3 are exhibiting signs of failure including top and bottom cord longitudinal cracking.

Six girder trusses in barrel vault portion of the building also exhibiting signs of failure include top, bottom, and diagonal member cracking. Failure of a girder truss could result in the sudden catastrophic failure of the building roof structure(s). The building is approximately 85 years old and is at the end of its useful life.

This project will address known structural deficiencies. The intent of these repairs is to provide a safe working environment for Safeboats while a new structure can be built. These repairs are not meant to address a long-term extension of the existing building's use.

### Project Schedule

Activity	Timeframe
Advertise Bids	January 2022
Bid Opening	February 2022
Notice of Award	February 2022
Substantial Completion	June 2022
Contract Completion	July 2022

### Authorization

6/3/2021 – executive authorization for \$150,000.  
6/17/2021 – Commission approved \$1,100,000 for a revised total of \$1,250,000.  
The current authorization is \$1,250,000.



## Port Building 532 Structural Repairs

### Scope

Scope of Work includes the following:

- Replacement of six trusses with wood glu-lam beams
- Steel support structure including beams and columns to support six girder trusses.
- Concrete foundations for steel supports.
- Install steel straps at cracking columns.
- Other repairs as necessary to maintain a safe working environment.

### Project Cost

Total Project Cost	Cost to Date	Remaining Cost
\$1,250,000	\$39,325	\$1,210,675

### Risks

Additional structural failures could occur between now and when a new building can be completed.

### Grant

No grant funding is associated with this project.



# Semi-Annual Project Summary

July-December 2021

## 2302 Ross Way Roof Recover

Project MID No:	101540.01
Authorization:	\$475,000
Phase:	On Hold
Current Estimate:	\$475,000
Cost to Date:	\$27,155
Start:	5/5/2021
Schedule Completion:	TBD
Project Manager:	Brett Ozolin



### Project Status

**Schedule:** Delayed  
**Budget:** On or Within

### Significant Developments/Scope Changes

The Port advertised the contract package for bid on 8/25/21. A contractor submitted a question regarding the contract schedule and concerns with long lead times for adhesives to secure the recover overlay. COVID-19 and 2021 winter storms in Texas severely impacted the production of the adhesives used in this type of work.

The Port's consulting architect verified the unforeseen long lead times with suppliers. Accepting the unanticipated 3-month procurement delay would have resulted in completing the re-cover in the peak of the rainy season. The recover was pursued to extend facility life a minimum of 5 years in anticipation of property redevelopment. Given the extreme increase in container storage demand, the long-term plan to eventually redevelop the property and the long lead times for recover materials, the Port Real Estate department decided to pull the bid to re-evaluate the best financial use of the property.

If the property will be redeveloped on an expedited schedule, roofing improvements will not be pursued. If market conditions are unfavorable for redevelopment, the contract package will be re-bid in the spring with better weather and material procurement conditions. This evaluation is ongoing.

### Project Schedule

Advertise for Bid	TBD
Open Bids	TBD
Notice of Award	TBD
Substantial Completion	TBD
Final Completion	TBD

### Authorization

5/10/2021 – executive authorization for \$61,000.

7/15/2021 – Commission approved \$414,000 for a revised total of \$475,000.

The current authorization is \$475,000.



## 2302 Ross Way Roof Recover

### Scope

#### **Background:**

The 2302 Ross Way property includes 50,350 square feet of warehouse space. The asphalt roofing and coating are aged, deteriorated and beyond their service life. Areas of the roof along the center of the building are leaking and portions of the roof are ponding. This property is currently leased, and as per the lease, the roof is the Port's responsibility to maintain. The Port Real Estate department proposes to make improvements to the roof to extend warehouse service life by a minimum of five years so the property can be maintained.

#### **Scope of Project:**

- Architectural design and bid document preparation, construction support.
- Port staff time for bid document preparation and construction support.
- EPDM re-cover installation (cleaning, prep, re-cover, flashing and gutter work).

### Project Cost

The estimated cost of the project is \$475,000.

### Risks

By deferring the work, the Port risks tenant satisfaction with the property lease and a potential for water damage. While roof maintenance is the Port's responsibility, the tenant primarily uses the property for the yard area and container on chassis storage and not the warehouse.

### Grant

No grant funding is associated with this project.

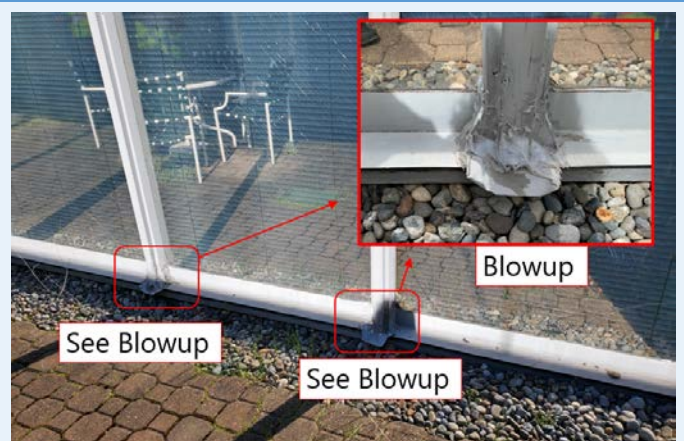


# Semi-Annual Project Summary

July-December 2021

## Building #326 Window Replacement, Partition Bracing, and Isolated Siding Painting

<b>Project MID No:</b>	<b>101532.01</b>
<b>Authorization:</b>	<b>\$440,000</b>
<b>Phase:</b>	<b>Design</b>
<b>Current Estimate:</b>	<b>\$440,000</b>
<b>Cost to Date:</b>	<b>\$44,000</b>
<b>Start:</b>	<b>3/31/2022</b>
<b>Schedule Completion:</b>	<b>6/30/2022</b>
<b>Project Manager:</b>	<b>Brett Ozolin</b>



### Project Status

**Schedule:** Delayed  
**Budget:** On or Within

### Significant Developments/Scope Changes

The commission presentation included a construction start date of December 2021, with Substantial completion in February 2022. The work includes replacing exterior windows and painting, which is more complicated to complete in winter months given rain and colder temperatures. Additionally, at the time of the originally anticipated bid, the construction market was and continues to be highly competitive. Materials and labor are in high demand, especially glass. The window replacement is needed and necessary, but not an emergency. Considering the current state of the windows, seasonal weather constraints and a competitive construction market, the Port Real Estate and Engineering departments collectively agreed to postpone the bid advertisement until Spring for a more favorable bid environment.

The revised project schedule is shown below.

### Project Schedule

Advertise for Bid	February 2022
Open Bids	March 2022
Notice of Award	March 2022
Substantial Completion	May 2022
Final Completion	June 2022

### Authorization

3/22/2021 – executive authorization for \$92,257.

10/21/2021 – Commission approved \$347,743 for a revised total of \$440,000.

The current authorization is \$440,000.

### Scope

The scope of project includes:

- Architectural Consultant Time for Scoping, Final Design and Construction Support for contract Drawings and Specifications



## Building #326 Window Replacement, Partition Bracing, and Isolated Siding Painting

- Environmental Consultant Time for ACM Inspections, Final Design and Construction Support to provide and review contract Abatement Drawings and Specifications
- Port staff time for Scoping, ACM Inspections, Final Design and Construction
- Construction Permitting and Inspections

### Construction:

- Replacement of approximately 640 SF of existing courtyard glazing and sliding glass doors with new energy code compliant storefront glazing (+/- 80 lineal feet at 8'-0" high):
  - Includes demolition and disposal of existing courtyard glazing, wood stops and related carpentry to be replaced
  - Includes new sheet metal flashing, miscellaneous carpentry, joint sealants, patch and repair of existing drywall
  - Existing sliding glass doors to be replaced with new operable glazing
- Approximately 224 square feet of drywall abatement at 7 locations where intersecting with existing courtyard glazing
- Installation of new seismic bracing along approximately 1,100 lineal feet of existing interior partition walls (+/- 270 locations)
- Approximately 880 square feet of corrosion repair and new exterior paint along lower 24" of existing exterior metal wall panels
- Select repair and replacement of up to 50 broken/stained ceiling tiles

### Project Cost

The current estimated project cost is \$440,000.

The current project authorization is \$440,000.

### Risks

There is a risk the construction market does not stabilize and continues to be impacted by inflation. However, this risk is mitigated by executing the work in favorable weather conditions, offsetting construction risks, and providing time for material and labor suppliers to stabilize

### Grant

No grant funding is associated with this project.



# Semi-Annual Project Summary

July-December 2021

## Alexander Avenue Former Tank Facilities Agreed Order DE-9835

Project MID Nos:	094217, 101312.01
Authorization:	\$2,348,000
Phase:	RI/FS & DCAP
Current Estimate:	\$2,348,000
Cost to Date:	\$2,194,979
Start:	12/3/2007
Schedule Completion:	12/31/2022
Project Manager:	Sarah Weeks



### Project Status

**Schedule:** Delayed  
**Budget:** On or Within

### Significant Developments/Scope Changes

Ecology approved the Public-Review Draft Feasibility Study (FS) on March 22, 2021. The Agency-Review Draft Cleanup Action Plan (DCAP) was submitted to Ecology on July 1, 2021.

In the previous semi-annual project summary Port staff anticipated receiving Ecology approval of the DCAP in Q3 2021 followed by negotiation of a Consent Decree for remedy implementation. However, negotiations with Ecology have taken longer than anticipated. Commission authorized an additional \$100,000 in November 2021 to respond to Ecology comments on the DCAP and to negotiate a consent decree for remedy implementation. DCAP approval and drafting of a consent decree are now anticipated in 2022.

The Agreed Order (AO) includes the Port and Mariana Properties, a subsidiary of Occidental Chemical Corporation. The Port and Mariana

agreed to a cost sharing arrangement for completions of the Order commitments, the two parties' split consultant and Ecology oversight costs – the Port pays 60% and Mariana pays 40%. A new arrangement will be negotiated for implementation of the remedy.

### Project Schedule

Ecology's approval of the DCAP is anticipated in Q1 2022. Upon approval of the DCAP, the next step is to negotiate a Consent Decree with Ecology for implementation of the remedy.

Project complete December 31, 2022; delayed from original date of December 31, 2021.

### Authorization

11/18/2021 – Commission approved \$100,000 increase for a revised total of \$2,348,000.

11/18/2021 – Commission approved to enter into grant agreements with the Washington State Department of Ecology for \$2,421,000 for this project.

The current authorization is \$2,348,000.



## Alexander Avenue Former Tank Facilities Agreed Order DE-9835

### Scope

The project scope includes the AO commitments (completion of the RI/FS and assisting Ecology in preparing a DCAP), reimbursing Ecology for their oversight costs, and laying the groundwork for cost recovery efforts. AO commitments will be completed upon Ecology approval of the DCAP, and preliminary cost recovery research has been completed.

### Project Cost

The estimated project cost is currently \$2,348,000 which will cover the scope tasks presented above. To date Mariana has reimbursed the Port \$533,177, grant reimbursements of \$150,000 have been received from Ecology, a grant payment request will be submitted by the end of 2021 for approximately \$670,000 in past costs, bringing the total net costs to the Port to date to \$841,802.

### Risks

There is potential for additional schedule delay due to Port's limited ability to influence Ecology review times.

### Grant

This project has received three MTCA Ecology Remedial Action Grants appropriated by the State Legislature; \$150K in the 2018-2019 biennium, \$1.27M in the 2019-2021 biennium, and \$1.15M in the 2021-2023 biennium.

By the end of 2021 roughly \$820K in reimbursement request will have been submitted to Ecology, an additional \$1.75M will remain available to offset future project costs.



# Semi-Annual Project Summary

July-December 2021

## Parcel 103 Steam Plant Property Cleanup

<b>Project MID Nos:</b>	<b>098075, 101243.01, 101243.02</b>
<b>Authorization:</b>	<b>\$955,000</b>
<b>Phase:</b>	<b>RI/FS</b>
<b>Current Estimate:</b>	<b>\$955,000</b>
<b>Cost to Date:</b>	<b>\$801,637</b>
<b>Start:</b>	<b>2/12/2016</b>
<b>Schedule Completion:</b>	<b>12/31/2025</b>
<b>Project Manager:</b>	<b>Sarah Weeks</b>



### Project Status

**Schedule:** On or Ahead  
**Budget:** On or Within

### Significant Developments/Scope Changes

In October 2020, the Commission authorized a settlement and cost sharing agreement (the Agreement) with Tacoma Power. Tacoma Power paid the Port \$661,263 for reimbursement of past costs and will fund 84% of future project costs through implementation of the cleanup.

Port staff and Tacoma Power restarted the cleanup investigation in July 2021 after co-selecting an environmental consultant. In August 2021 Commission authorized \$200K in additional project budget to support the environmental investigation. The funds are being used to complete pre-Remedial Investigation (RI) investigation tasks, including creating an environmental database

management system, drafting a screening level technical memorandum, completing data gaps analysis, and drafting a RI work plan.

The project is not eligible for Ecology's Voluntary Cleanup Program (VCP), and Ecology is not open to an Agreed Order at this time. The Port and Tacoma Power will move forward with the investigation independently, but cleanup implementation will not begin without an Agreed Order with Ecology.

### Project Schedule

Pre-RI tasks will be completed in Q1 2022. Port staff will return to Commission in Q2 2022 to request additional project authorization to proceed with the RIFS and draft cleanup action plan (DCAP).

### Authorization

8/19/2021 – Commission approved \$200,000 for a revised total of \$955,000.

The current authorization is \$955,000.



## Parcel 103 Steam Plant Property Cleanup

### Scope

Current authorization: Complete Pre-RI tasks:

1. environmental database management system,
2. screening level technical memorandum,
3. data gaps analysis, and
4. RI work plan. In the future, authorization will be requested to complete the RIFS/DCAP and implement the remedy.

### Project Cost

Currently, \$153,363 remains in the project budget. These funds are adequate to complete the scope described above. Reimbursement requests to Tacoma Power are up to date, payments through 2021 total \$72,510.

### Risks

Next steps could take longer than anticipated as the two parties learn each other's organizational process.

### Grant


Grant funding will be pursued as opportunities arise.



# Semi-Annual Project Summary

July-December 2021

## Parcel 1B (Earley Business Center) Cleanup

<b>Project MID Nos:</b>	101287.01, 101287.02, 095208	
<b>Authorization:</b>	\$2,363,000	
<b>Phase:</b>	Design	
<b>Current Estimate:</b>	\$6,996,000	
<b>Cost to Date:</b>	\$1,886,996	
<b>Start:</b>	11/29/2018	
<b>Schedule Completion:</b>	12/31/2025	
<b>Project Managers:</b>	Sarah Weeks and Stanley Ryter	

### Project Status

**Schedule:** Delayed  
**Budget:** Forecast Overrun

### Significant Developments/Scope Changes

Washington State Department of Ecology (Ecology) has changed their expectations for the provisions of Agreed Order (AO) DE 9553: implementation of a site investigation and remedy selection at the Earley Business Center.

On April 29, 2020, Ecology sent a letter to the Port stating that the requirements under the AO have not been fully satisfied and attached a secondary set of draft comments on the remedial investigation and feasibility study (RIFS). More than three years prior (April 20, 2017), the Port had received notification that the requirements of the AO had been met, and Ecology had approved a draft consent decree (CD) for cleanup implementation. The Port sent a response on May 5, 2020, requesting managerial review of the Ecology project manager's decision to ask the Port to

reopen the AO and address a new set of Ecology comments.

The Port met with Ecology in October 2020 to discuss both parties' concerns and potential resolution pathways. Ecology requested supplemental information RI, which the Port provided in December 2020. Ecology is currently reviewing the supplemental material and is working on a response to the Port's May 5, 2020, letter. Ecology has not provided a timeline as to when the Port can expect a response.

Port staff anticipates that Ecology's response will include a formal request to revise the RI, feasibility study, or draft cleanup action plan. The Agreed Order (AO) will need to be amended to include new requirements. A vote by Commission is required to approve any changes to the AO.

Port staff will continue to negotiate with Ecology to implement the cleanup action under a CD due to the importance of a CD (vs an AO) to cost recovery and dispute resolution with Ecology. A CD provides



## Parcel 1B (Earley Business Center) Cleanup

contribution protection which protects the Port from counterclaims, it also calls for a third-party mediator to resolve disputes with Ecology (vs AO disputes which are resolved by Ecology).

### Project Schedule

We anticipate a response from Ecology in 2022 and will return to Commission for a briefing when a response is received. Cleanup design is delayed until the current dispute with Ecology is resolved. Due to Ecology's delayed response to the Port, the assumed construction completion is delayed one year. Project complete December 31, 2025; delayed from original date of December 31, 2024.

### Authorization

9/17/2020 – Commission approved \$100,000 to reengage the Port project team to negotiate a path forward with Ecology. The current total Investigation (095208) authorization comes to \$1,538,000.

The authorization for Remediation Design (101287.01) and Cost Recovery (101287.02) are \$595,000, and \$230,000, respectively, bringing the total project authorization to \$2,363,000.

### Scope

Reach an agreement with Ecology on a path forward.

The scope of work for remedial design includes:

- Prepare bid documents.
- Obtain appropriate permits.
- Prepare Engineering Design Report for Ecology.

The scope of work for cost recovery includes:

- Generate claim summaries for each of the three defendants.
- Prepare for non-binding mediation to attempt settlement of claims.

### Project Cost

Project costs to date are \$1,886,996. To date, grant reimbursements come to \$550,594, bringing the total net costs to the Port to \$1,336,402.

Total project costs, \$6,996,000, are inclusive of remediation construction, which is currently estimated at \$4,633,000, this is a high-level estimate and will be updated during design.

### Risks

If a mutual understanding cannot be reached and the Port were to refuse Ecology's requests, Ecology could issue an Enforcement Order.

### Grant

This project has received three MTCA Ecology Remedial Action Grants appropriated by the State Legislature; \$300K in the 2012-2013 biennium, \$150K in the 2018-2019 biennium, and \$1.55M in the 2019-2021 biennium.

Reimbursements for the 2013 and 2019 awards have been received in full (\$450K), a reimbursement request for past costs under the 2019-2021 grant agreement was submitted in Q4 2021 for \$100,594, bringing total grant reimbursements to \$550,594. \$1.45M remains in grant funding for eligible past costs and future costs.



# Semi-Annual Project Summary

July-December 2021

## Parcel 86 Bank Stabilization

<b>Project MID No:</b>	<b>101493.01</b>
<b>Authorization:</b>	<b>\$650,000</b>
<b>Phase:</b>	<b>Construction</b>
<b>Current Estimate:</b>	<b>\$650,000</b>
<b>Cost to Date:</b>	<b>\$197,105</b>
<b>Start:</b>	<b>6/12/2020</b>
<b>Schedule Completion:</b>	<b>1/16/2022</b>
<b>Project Manager:</b>	<b>Hughes Wike</b>



### Project Status

**Schedule:** Delayed  
**Budget:** On or Within

### Significant Developments/Scope Changes

Construction contract has been executed and Notice to Proceed was issued on 11/22/2021. Contractor has mobilized and sheet pile materials have been delivered to the project site. Bulkhead installation is planned to begin on 1/03/2022 and project is on-track to achieve Substantial Completion by 1/16/2022.

### Project Schedule

Bid Opening	September 2021
Contract Execution	October 2021
Substantial Completion	February 2022

Project complete January 16, 2022; delayed from original date of November 15, 2021.

### Authorization

6/17/2020 – Executive authorization of \$106,875 for preliminary design.

12/02/2020 – Executive authorization of \$180,368 for full design.

6/17/2021 – Commission authorization of \$222,757 for construction.

10/21/2021 – Commission authorization of \$140,000 for construction cost increase based on bid results.

The current authorization is \$650,000.

### Scope

The scope of work includes the following:

- Fabrication and installation of new sheet pile bulkhead on upper bank of the Hylebos Creek above the mean higher high water (MHHW) mark
- Backfilling behind new bulkhead
- Clearing and re-planting of vegetation in select areas

### Project Cost

The total project cost including all stages is currently estimated at \$650,000.



## Parcel 86 Bank Stabilization

### Risks

Availability of pile driver. Unforeseen conditions during bulkhead installation.

### Grant

No grant funding is associated with this project.