

PROJECT ACTION MEMO

Port of Tacoma Commission



Item No: 5C
Meeting Date: 7/15/25

DATE: July 7, 2025
TO: Port of Tacoma Commission
FROM: Eric Johnson, Executive Director
Sponsor: Jason Jordan, Sr. Director Environmental & Planning Services
Project Managers: Mark Rettmann, Environmental & Norman Gilbert, Engineering
SUBJECT: Ecology Agreed Order Approval for Middle Blair Shoal Removal (Project ID #101631.01)

A. ACTION REQUESTED

Request authorization for the Executive Director or his designee to enter into an Agreed Order with the Department of Ecology for work to remediate the accidental release of dredged material associated with Middle Blair shoal removal.

B. SYNOPSIS

Sediments had accumulated at locations on the east side of the Blair Waterway opposite Washington United Terminals (WUT), referred to as the “Knuckle” or “Middle Blair”, impacting unrestricted transit of container vessels along that section of the waterway and were therefore dredged. Dredging occurred from February 23, 2025, through March 15, 2025, by the Port’s contractor, American Construction Company. During dredging operations on March 1, 2025, an estimated 700-800 cubic yards of dredged material were spilled back into the Blair Waterway from a barge owned by Island Tug & Barge Company and operated by American Construction Company, the Port’s contractor. An Agreed Order is required by the Department of Ecology to remove the spilled material.

C. BACKGROUND

Sediments had accumulated at critical locations from the “Knuckle” northwest to an area approximately aligned with Lincoln Avenue, posing a navigation hazard to vessels transiting that reach of the Blair Waterway. That critical impairment to operations caused safety hazards, risk of vessel damage, and economic losses for the Port and the NWSA tenants; therefore, maintenance dredging to restore waterway and terminal operations to full capacity was conducted. The sediments posing navigational hazards were sampled, analyzed, and were not suitable for in-water disposal at the Commencement Bay Open Water Disposal Site. As a result, most of the dredged materials were taken upland to the Port of Tacoma Arkema site through a temporary transload and dewatering facility set up at the West Hylebos Terminal and a sand cap was placed in the dredging footprint.

During the work to remove sediment accumulations a containment wall on the sediment transport barge failed, and an estimated 700-800 cubic yards of dredged material were accidentally spilled back into the Blair Waterway. The dredged material that fell back into the approved dredging footprint was re-dredged during the previous dredging event prior to placement of the sand cap. An estimated 460 cubic yards fell outside of the permitted dredging limits. The spilled material could not be removed until permits were modified, and agency approvals were received from Ecology and the Corps of Engineers. Access agreements will be obtained as necessary to complete the work.

D. AGREED ORDER SUMMARY

Ecology's proposed Agreed Order would legally obligate the Port to the following:

- Complete dredging operations to remove the remaining spilled material that has created "high spots" or "shoals" including removal of up to 800 cubic yards of remaining spilled dredge material.
- Full removal shall be based on the bathymetric map highlighting the spilled material that was submitted on March 21, 2025.
- Removal must be completed within the in-water work window of July 15, 2025, through February 15, 2026.
- Obtain all necessary permits and implement standard dredging requirements including a dredge, transload, and disposal plan, meetings, water quality monitoring, pre- and post-dredge surveys, reporting, and other notifications and permit compliance requirements.

SCHEDULE:

Initial Dredging (completed)	Q1 2025
Agreed Order execution	Q3 2025
Agreed Order Dredging & Disposal	Q3 2025 to February 15, 2026

FINANCIAL SUMMARY

Costs

There is no fee to enter into the Agreed Order. Costs for removal of spilled dredged material will be borne by the Port's contractor, American Construction Company. Costs for transloading the material from barge to truck, and transportation of the material from the transload site to the disposal site will be paid by the Port under the previously approved Project Authorization as those activities are within the original scope of the project. In addition, staff time associated with coordinating the spill, agreed order, and removal activities will also be covered under the previously approved Project Authorization.

COST DETAILS

Item	This Request	Total Previous Requests	Total Request	Total Project Cost	Cost to Date	Remaining Cost
CONSTRUCTION	\$0	\$4,000,000	\$4,000,000	\$4,000,000	\$1,958,330	\$2,041,670
TOTAL	\$0	\$4,000,000	\$4,000,000	\$4,000,000	\$1,958,330	\$2,041,670

Source of Funds

The current Capital Investment Plan (CIP) allocates \$4,000,000 for this project.

Financial Impact

No additional cost to the Port.

E. ALTERNATIVES CONSIDERED AND THEIR IMPLICATION

Alternative 1: Do nothing.

If the Port opts not to sign, it is certain Ecology will issue an Administrative Order forcing the Port to clean up the sediments spilled by the contractor under conditions similar to the Agreed Order, but with damage to the relationship between the Port and Ecology. Fines may also be levied due to the delay.

Alternative 2: Enter into the Agreed Order and conduct the cleanup dredging.

This will maintain the existing relationship between the Port and Ecology and avoid delays and potential additional costs.

Alternative 2 is the recommended course.

F. ENVIRONMENTAL IMPACTS/REVIEW

Permitting: The US Army Corps of Engineers is modifying the existing permit, a revision to the City of Tacoma Exemption is in process, and the WDFW Hydraulic Project Approval saved a note to the permit file and will not require modification per the WDFW Area Habitat Biologist. The Ecology Agreed Order will complete the required State permitting.

Remediation: The sediments are not suitable for open water disposal and will be transloaded from a barge into trucks for upland disposal at Arkema or the LRI landfill.

Stormwater: The stormwater permit currently in effect will continue to cover the proposed work.

Air Quality: No significant impact on Air Quality.

G. PREVIOUS ACTIONS OR BRIEFINGS

Date	Action	Amount
October 15, 2024	Commission Authorization – Port of Tacoma	\$4,000,000
TOTAL		\$4,000,000

H. NEXT STEPS

Authorize the Executive Director to execute the Agreed Order, finalize permitting, coordinate dredging with the contractor and all regulatory agencies requiring notifications, conduct the work, and notify regulatory agencies of completion.