

PROJECT ACTION MEMO

Port of Tacoma Commission



Item No: 6C
Meeting Date: 4/26/24

DATE: April 18, 2024
TO: Port of Tacoma Commission
FROM: Eric Johnson, Executive Director
Sponsor: Jason Jordan, Director, Environmental & Planning Services
Project Manager: David Myers, Project Manager II, Engineering
SUBJECT: EBC Remediation Project Authorization (UST Removal and Shoreline Cleanup)

A. ACTION REQUESTED

Request project authorization in the amount \$1,200,000 for a total authorized amount of \$3,993,000 for work associated with the Parcel 1B Earley Business Center, Master Identification number 101287.04.

Strategic Plan Initiative: EL-1 Implement Agreed Order Supplemental Investigation at EBC.

B. SYNOPSIS

The Port of Tacoma (Port) project team and the Washington State Department of Ecology (Ecology) previously negotiated an amendment to Agreed Order DE 9553. The amendment committed the Port to completing a supplemental remedial investigation, a feasibility study, and a draft cleanup action plan for Parcel 1B Earley Business Center (the Site). This project will initiate interim cleanup actions supporting this effort.

C. BACKGROUND

On January 17, 2013, the Port entered Agreed Order DE 9553 (the Order) with Ecology for completion of a remedial investigation (RI), feasibility study (FS), and draft cleanup action plan (DCAP). The work products were approved by the Ecology PM in 2017, and the Port began designing the cleanup action while waiting for Ecology to approve the Consent Decree to implement the remedy. After the retirement of Ecology's PM, delays in finding a replacement, and disagreements of the new Ecology PM on past technical decisions, the project was delayed for years.

In 2022 and 2023, through a series of technical meetings, Port and Ecology staff negotiated a resolution to move the project forward again. The Agreed Order was amended to address the site definition and define the scope of work to address RI data gaps. RI data gaps will be addressed by a supplemental RI.

The supplemental RI is to include assessment of the usability of historical project data, updated screening levels, and development of a conceptual site model to support project planning and decision-making for the Site. Once the supplemental RI data gaps are addressed the FS and DCAP will be redrafted for review and approval by Ecology.

Commission approved the Agreed Order Amendment in August 2023. The Port procured an environmental consultant, and that consultant is reviewing historical reports, evaluating the usability of existing data, and beginning development of a conceptual site model. Additional project authorization will be requested from the Commission, once the scope of the RI has been finalized with Ecology.

The Port and Ecology have also been discussing interim actions. An interim action is distinguished from a cleanup action in that an interim action only partially addresses the cleanup of a site. The Blair Waterway shoreline is a suitable candidate for an interim action due to the erosion and deterioration of the armoring that has progressed with each storm season. Completing the cleanup of the Underground Storage Tanks on the Earley Business Center is also a suitable candidate for interim action.

This request is for authorization to complete the design and permitting associated with two interim action plans: The Blair Waterway Shoreline cleanup and the removal of remaining Underground Storage Tanks at the site. A separate request for construction authorization will be made to the Commission before bidding for the construction activities related to this request.

D. **PROJECT DETAILS**

Scope of Project:

- Complete Interim Action Plans for the decommissioning of the Underground Storage Tanks and Blair Waterway Shoreline Cleanup.
- Complete documents necessary to permit, bid and construction the work.
- Complete construction activities associated with the removal of the Underground Storage Tanks and Blair Waterway Shoreline Cleanup.

Scope of Work for This Request:

- Prepare Interim Action Work Plans associated with the Underground Storage Tank decommissioning and the Blair Waterway Shoreline Cleanup
- Remedial Design Investigation including up to 34 additional boring and related analysis of the cores, cone penetrometer testing.
- Provide design, permitting and bidding documents including plans, specifications, cost estimates and schedules at appropriate intervals.
- Provide permitting and bid support.

Schedule:

Design Contract Award	May 6, 2024
Advertise for Bid	April 30, 2025
Open Bids	May 29, 2025

Notice of Award	June 16, 2025
Substantial Completion	February 13, 2026
Final Completion	April 30, 2026

E. FINANCIAL SUMMARY

Estimated Cost of Project

Project costs to date are \$2,088,125. The current Capital Investment Plan (CIP) allocates \$6,038,000 for the project, inclusive of costs for remedy implementation. The estimate is based on a now outdated remedial design and construction estimate from the 2018 DCAP of \$5,030,000. The remedial design and construction estimate will be updated with the revised DCAP. The current project estimate includes Task 1 of the Agreed Order (AO) amendment but not Task 2 through 5. An estimate for Tasks 2 through 5 will be developed after the Supplemental RI Work Plan has been completed, the CIP will be updated accordingly.

Estimated Cost for This Request

The total estimated cost of the Design for this project is \$1,200,000. If the cost of this estimate is anticipated to exceed the authorized amount and prior to bidding the construction portion of the project, additional Commission authorization will be requested.

Cost Details

Cost through drafting of the Supplemental Remedial Investigation Work Plan:

Parcel 1B (EBC)	MID	This Request	Total Previous Requests	Total Estimated Project Costs	Cost to Date	Remaining Cost
Investigation	95208	\$0	\$1,538,000	\$1,538,000	\$1,533,898	\$0
Investigation – AO Amendment	101287.03	\$0	\$430,000	\$430,000	\$147,753	\$286,349
Cost Recovery	101287.02	\$0	\$230,000	\$230,000	\$126,078	\$103,922
Remediation Design	101287.01	\$0	\$595,000	\$595,000	\$280,396	\$0
Interim Action Plans and Construction Documents	101287.04	\$1,200,000	\$0	\$10,000,000	\$0	\$11,200,000
TOTALS	--	\$1,200,000	\$2,793,000	\$12,793,000	\$2,088,125	\$11,590,271

This project has received three MTCA Ecology Remedial Action Grants appropriated by the State Legislature. Grant reimbursements to date come to \$500,843.87, \$1.5M remains in grant funding for eligible past costs and future costs.

Design work that began after the original AO commitments were approved by Ecology was shelved and is now largely irrelevant. Roughly 50% of the authorized design budget (\$280,357)

has been spent to date and is a sunk cost. Remaining design funds may be applied to potential interim action design.

Total net costs to the Port = \$1,125,455 (cost to date – grant reimbursements)

Source of Funds

The current Capital Investment Plan (CIP) allocates \$6,038,000 for this project.

Financial Impact

Project costs will be expensed as incurred. Grant income will be recorded as non-operating revenue at the time reimbursement is requested.

F. ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS

Alternative 1) Do nothing at this time and wait to complete work until a new Remedial Action Plan is completed.

Alternative 2) Complete the Interim Action Plans and respective decommissioning and shoreline clean up thus saving time and money in advance of the completed RA.

Alternative 2 is the recommended course.

G. ENVIRONMENTAL IMPACTS/REVIEW

Permitting: Included in this scope of work.

Remediation: Removal of contamination associated with UST’s and along the Shoreline is an improvement to the environment.

Stormwater: No Impact.

Air Quality: No Impact.

H. PREVIOUS ACTIONS OR BRIEFINGS

Work completed since 2013 is included in the table below:

Date	Action	Amount
January 17, 2013	Commission Authorization to enter the Agreed Order DE 9553	\$ 0
Pre-2014	Previous environmental work up to commission authorization on May 5, 2014 (excluding Piers 24/25)	\$ 779,700
May 5, 2014	Commission Project Authorization	\$ 658,300
November 29, 2018	Commission Authorization to sign the Consent Decree for cleanup implementation and funding to begin engineering design	\$ 825,000
September 17, 2020	Commission Authorization to resolve dispute with Ecology	\$ 100,000
September 17, 2020	Commission Authorization to enter a grant agreement with Ecology for \$1,548,000	\$ 0
August 15, 2023	Commission Authorization for supplemental Remedial Investigation work	\$ 430,000
TOTAL		\$ 2,793,000

I. **NEXT STEPS**

Complete investigation work, design and Interim Action Plans and return to Commission for construction authorization in April 2025.