

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**  
**STAFF BRIEFING**

**Item No.** 7b  
**Date of Meeting** August 20, 2013

**DATE:** August 12, 2013  
**TO:** Tay Yoshitani, Chief Executive Officer  
**FROM:** Elizabeth Leavitt, Director, Aviation Planning and Environmental  
Bob Duffner, Environmental Compliance Programs Manager, Aviation  
**SUBJECT:** Lora Lake Environmental Remediation Briefing

**SYNOPSIS**

In 1998, the Port of Seattle purchased the Lora Lake Apartments property in the City of Burien to meet Federal Aviation Administration (FAA) requirements for a flight safety zone for the Seattle-Tacoma International Airport Third Runway. Prior to the construction of the Lora Lake Apartments complex in 1986, the developer of that project performed cleanup of contamination from the prior 45 or so years of industrial use. With the Washington Department of Ecology's acceptance of the work performed, apartment buildings were constructed on the site. However, as the Port prepared to establish the required safety zone, it discovered that not all the contamination had been removed. Further investigation showed that significant levels of dioxin and other contaminants remained. In the former industrial work areas of the property, contamination had spread to surface soils and had affected ground water elsewhere in the property.

On September 24, 2013, the Commission will be asked to authorize execution of a Consent Decree with the Department of Ecology for environmental remediation of the site. When cleanup is completed, the portion of the property not required for use as a safety zone will be redeveloped in cooperation with the City of Burien for a use that is compatible with Airport operations. This memo provides background on the Lora Lake environmental remediation efforts in anticipation of the September request to enter into the Consent Decree.

**BACKGROUND**

The Lora Lake Apartments property was the site of a barrel cleaning facility in the 1940s and 1950s, and an auto wrecking yard in the 1950s through the 1980s. Both of these types of industrial uses are known to have had high potential for releasing contaminants to the environment. The Novak Barrel Washing Company ceased to exist sometime in the late 1940s or early 1950s. Burien Auto Wrecking went out of business when the property was purchased by the Mueller Development Company in the mid-1980s for the construction of the apartment complex.

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During the construction of the apartment complex in 1986-87, the developer conducted environmental investigations and remediation that were approved by the Department of Ecology under standards in place at that time.

By 1999 all residents had vacated the property in anticipation of the construction of the Third Runway and redevelopment for airport and airport-compatible light industrial/commercial use. Due to delays in Third Runway construction, and prior to demolition, the Port sold the property to the King County Housing Authority for a limited period, for residential use. King County sold the property back to the Port in July 2007, at which time the Port demolished a sufficient number of structures to comply with FAA regulations for Airport runway operation. At that time, the Port conducted environmental sampling to obtain information about site conditions for future property redevelopment. Sample data indicated significant contamination remained at the site. Further investigations confirmed those findings.

During the remedial investigation of the apartment site, the Department of Ecology ordered the Port to collect samples of sediment in Lora Lake. Those sediments contained dioxin contamination that could have migrated from the apartment parcel. It was also discovered that sediment had been dredged from the Lake in 1982 and placed on Airport property in what is now call the dredge material containment area (DMCA).

The Lora Lake Apartment Parcel is located within the City of Burien's Northeast Redevelopment Area (NERA). The city identified the NERA as an area affected by present and future aviation activities. The city and Port have partnered to prepare a redevelopment strategy for the NERA. The redevelopment strategy identified the Lora Lake Apartment Parcel as appropriate for large-scale commercial or industrial uses such as auto dealerships or air cargo logistics.

Cleanup of the apartment parcel will consist of the removal of approximately 19,000 cubic yards of dioxin contaminated soil with a concentration greater than 100 parts per trillion (pptr). This soil will be transported to a landfill permitted to accept this type of material. Soil remaining on the site with a concentration less than 100 pptr, but above the cleanup level of 11 pptr will be covered with a barrier to prevent direct contact with people or animals. The Cleanup Action Plan will give the Port the option to relocate and consolidate the soil between 11 pptr and 100 pptr (approximately 30,000 cubic yards) to a nearby, secure portion of the Airport where it will be covered to prevent direct contact with people or animals. This option leaves the apartment parcel in an improved condition for redevelopment, and is an option the Port can elect to implement should the redevelopment plans indicate it is prudent.

At Lora Lake itself, contaminated sediments will be capped by filling the lake with approximately 38,500 cubic yards of clean fill, and restoring it to a wetland similar to the

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surrounding area. The fill will be engineered to immobilize the dioxin contained in the lake sediments.

On September 24, 2013, staff will request authorization for the CEO to execute a Consent Decree to implement the remediation of the Lora Lake Apartments cleanup site. A public comment period will be held in October or November 2013 on the Remedial Investigation/Feasibility (RI/FS) Report, the Consent Decree and the Cleanup Action Plan. After the Consent Decree has been finalized the Port will begin extensive pre-design sampling in early 2014 with design of the apartment parcel and lake parcel cleanup completed in mid-2015. The apartment parcel cleanup will be completed during the summer of 2016, with the lake parcel remediation occurring in the summer of 2017.

Total cost for the entire cleanup is estimated at \$18.2 million. The cleanup costs of the Lora Lake Apartments parcel and the Lora Lake parcel will be accounted for differently. The \$4.9 million cleanup at the lake parcel will be accounted for as an operating cost (recognized in 2013) as the property is part of the object-free area within the runway protection zone, and therefore no development is permitted. The Lora Lake Apartments parcel is not necessary for airfield operations (although a corner is in the controlled action area of the runway protection zone). The Port's intent is to clean up the property in anticipation of sale. The \$13.3 million clean-up costs are being accounted for as non-operating costs (\$11.5 million recognized as non-operating expense in 2012, \$1.8 million recognized as non-operating expense in 2013).

## **ATTACHMENTS TO THIS BRIEFING**

- Computer slide presentation.

## **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- December 4, 2012 – The Commission authorized (1) execution of an amendment to the 2009 Agreed Order for additional environmental investigation and remediation planning for the Lora Lake Apartments site; (2) design and preparation of construction documents for environmental remediation at the site; and (3) amendment of the professional services agreement for environmental remediation at the site to \$4.4 million, which was more than 50 percent over the original contract amount.
- December 6, 2011 – the Port Commission authorized 2012 expenditure of \$56.5 million from Port environmental reserve funds for environmental remediation of various Port properties for which remediation funds had been reserved. The Lora Lake Apartments property was included in that authorization.
- June 9, 2009 – The Commission authorized execution of an Agreed Order with the Washington Department of Ecology, issued under the Model Toxics Control

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Act, for environmental investigation of and evaluation of remediation methods for the Lora Lake Apartments property.

- May 5, 2009 – The Commission authorized procurement of environmental consulting services to support the Port's implementation of the Lora Lake Apartments property remediation.