

ITEM NO: 7b_Supp

DATE OF MEETING: August 20, 2013

Lora Lake Apartments Cleanup

August 20, 2013

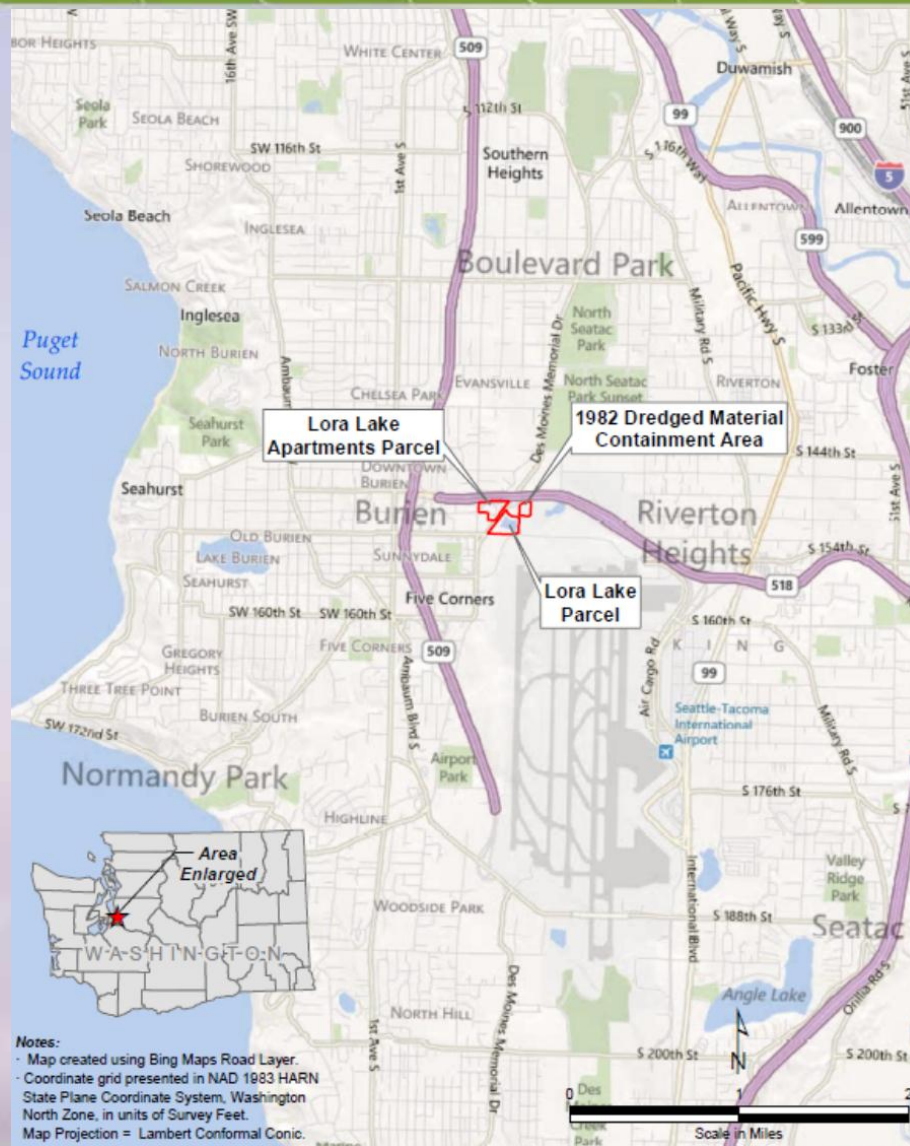


History

- Lora Lake Apartments were acquired as part of third runway property acquisition.
- Past site uses causing contamination include:
 - Burien Auto Wrecking from the mid 1950s to mid 1980s.
 - Novak Barrel Washing.

Site Cleanup Status

- Remedial Investigation and Feasibility Study completed January 2013
- Cleanup Action Planning (CAP) work with Ecology completed- with provisions for additional cleanup if needed for development
- Cleanup Action Plan going to public comment for final decision by Ecology
- Commission Action required before CAP goes to public comment- back on September 24th



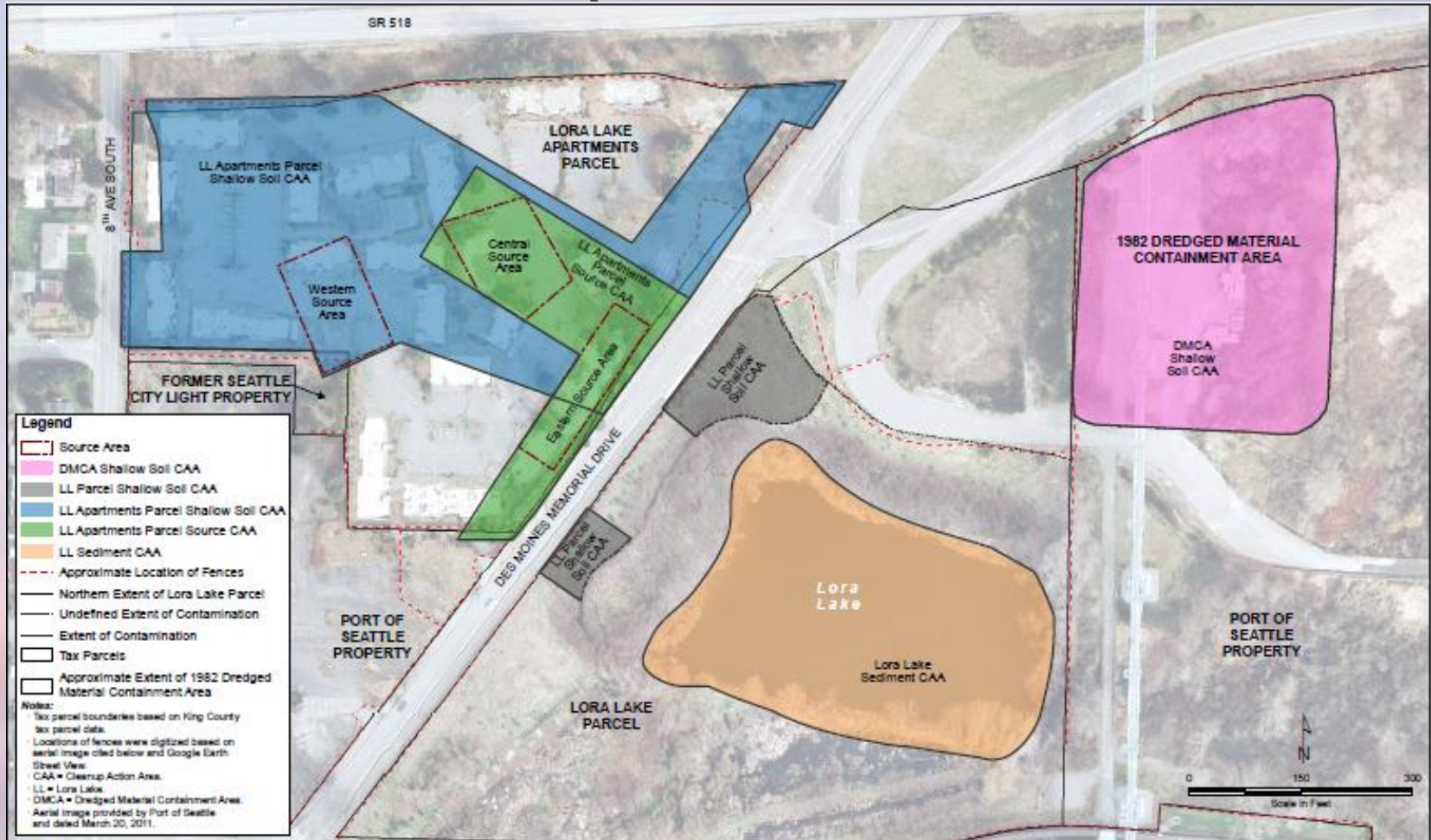
Notes:

- Map created using Bing Maps Road Layer.
- Coordinate grid presented in NAD 1983 HARN State Plane Coordinate System, Washington North Zone, in units of Survey Feet.
- Map Projection = Lambert Conformal Conic.

Cleanup Actions

- Apartments – Removal of 19,000 cubic yards of dioxin contaminated soil and capping of 3.8 acres of remaining soil. Port option for additional cleanup to prepare site for development.
- Lake Parcel – Capping of contaminated sediments, and restoration of Lora Lake to a wetland.

Clean up Action Areas



Lora Lake Apartments Cleanup

Upcoming Milestones

- Request Commission Authorization for the CEO to Sign the Consent Decree - September 24, 2013
- Public Comment Period – October or November 2013
 - Draft RI/FS Report
 - Draft Cleanup Action Plan
 - Consent Decree or Agreed Order
- Design Apartment and Lake Cleanup – 2014-2015
- Complete Cleanup at Apartments – Summer of 2016
- Complete Cleanup at Lake – Summer 2017

Lora Lake Apartments Cleanup

Financial Implications

- Total Estimate of Cleanup cost = \$18.2 Million
- The cleanup costs of the Lora Lake Apartments parcel and the Lora Lake parcel will be accounted for differently:
 - The Lake cleanup will be accounted for as an operating cost as the property is part of the object free area within the runway protection zone (RPZ), thus no development is permitted
 - Estimated cost = \$4.9 million (2013 operating cost)
 - The Lora Lake Apartments parcel is not necessary for airfield operations. The Port's intent is to clean up the property in anticipation of sale. The clean-up costs are being accounted for as non-operating costs.
 - Estimated cost = \$13.3 million (\$11.5 million recognized as non-operating expense in 2012, \$1.8 million recognized as non-operating expense in 2013)