

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No. 4b
Date of Meeting June 3, 2014

DATE: May 23, 2014
TO: Tay Yoshitani, Chief Executive Officer
FROM: Kathy Bahnick, Manager, Seaport Environmental & Planning
Brick Spangler, Environmental Program Manager

SUBJECT: Professional Service Agreement for Long-Term Environmental Commitments

Amount of This Request:	NA	Source of Funds:	Environmental Remediation Liability
Maximum Contract Value:	\$1.6 million		

ACTION REQUESTED

Request Commission authorization for the Chief Executive Officer to execute a project-specific contract for consultant support for long-term environmental commitment services supporting remediation activities at Harbor Island (includes Terminals 10 and 18) and Terminal 5 (Southwest Harbor Project). The contract amount is estimated at \$1.6 million and the contract duration will be for up to 5 years.

SYNOPSIS

Seaport Environmental and Planning (SEAP) provides and manages remediation liability and environmental regulation support services for the Seaport, Real Estate, and Capital Development divisions. In particular, SEAP provides these services for a number of ongoing federal and state remediation projects at upland, Port-owned property.

Existing environmental services agreements that support remediation activities at Harbor Island (includes Terminals 10 and 18) and Terminal 5 are due to expire in the spring of 2015. In order to continue to provide these services, a new contract with environmental technical and consultant services providers is needed.

This request is only for contracting authority; funding will be authorized by the Commission under the Environmental Remediation Liability annual authorization.

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BACKGROUND

The Port has entered in to various environment cleanup agreements over the years. The sites listed below include long-term monitoring and maintenance obligations to confirm the protectiveness associated with the cleanup of these properties. Below is a list of sites and their corresponding obligations that will be supported by the requested contract.

Terminal 5 Ecology State Cleanup Sites – In the past, as part of the Terminal 5 Southwest Harbor redevelopment, the Port completed remediation at four sites under three Consent Decrees with Ecology. Current obligations include on-going cap inspection and maintenance of the cap in the four areas and operation and maintenance of a methane vapor extraction system associated with the consolidated landfill area as well as reporting and coordination with any operations or construction that will impact the cap or extraction system.

Terminal 5 Pacific Sound Resources (PSR) EPA Superfund Site – This site was cleaned up under an Order with EPA as part of the Terminal 5 Southwest Harbor redevelopment project. Ongoing obligations include required cap inspection and cap maintenance, product recovery activities, coordination regarding the long-term obligations, and reporting and monitoring EPA activities related to the groundwater and the off shore sediments.

Harbor Island Superfund Site Soil and Groundwater Operable Unit – Terminal 18 is located within this Superfund site. Cleanup of this site was performed under a Consent Decree with EPA. Long-term cap maintenance, inspections, groundwater monitoring, coordination regarding long-term obligations, and reporting are ongoing.

Terminal 10 Lockheed – Lockheed previously performed the upland and sediment cleanup required at the site. The Port's continuing obligation is to maintain the upland cap and the habitat restoration area, manage any contaminated soil and groundwater encountered or removed during redevelopment or maintenance activities, and to protect Lockheed's groundwater monitoring wells. Under the Terminal 10 Uplands capital project, storm water drainage and upland cap improvements were completed in early 2012. Long-term stormwater solids sampling was initiated after the capital project as a condition of EPA approval.

FINANCIAL IMPLICATIONS

There is no funding request associated with this authorization. Funding will be authorized by the Commission under the Environmental Remediation Liability annual authorization. Environmental Remediation Liability projects have multiple funding sources: (1) Seaport non-operating projects and Real Estate operating and non-operating projects are funded by the Port's Tax Levy; (2) Seaport operating projects are funded by the General Fund.

STRATEGIES AND OBJECTIVES

A key Century Agenda strategy is to be the greenest and most energy efficient port in North America. Effectively addressing historical contamination is a key part of that strategy. Environmental remediation projects define and minimize to acceptable levels threats to the

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environment caused by the historical effects of industrial activity on properties acquired by the Port, by prior Port operations and by prior tenant operations.

TRIPLE BOTTOM LINE

Economic Development

Cleanup of contaminated sites help bring sites back to a more productive use and supports possible re-development.

Environmental Responsibility

State and federal laws require elimination of unacceptable levels of environmental risk caused by the presence of contaminants in soil, groundwater, and sediment. Project planning and design efforts will consider and incorporate opportunities for materials reuse, recycling, and reduction. Implementation of cleanup remedies will include significant environmental controls and performance monitoring to ensure public health and safety.

Community Benefits

Elimination of unacceptable levels of environmental risk caused by the presence of contaminants in upland soil, marine sediments, and groundwater is the hallmark of responsible environmental stewardship, from the perspectives of both the surrounding residential and business communities and the customers that we serve. The project manager will coordinate with OSR to determine small business opportunities.

Small Business Opportunities

The project manager will coordinate with the Office of Social Responsibility (OSR) for a review of contract scope of work to identify small business opportunities associated with these services. Small business goals will be established and stated in the request for qualifications (RFQ).

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1) – Conduct the activities described above using Port resources, without outside consultant assistance. There are insufficient staff resources and expertise to conduct these environmental management tasks without consultant and laboratory support. Relying on in-house staff would likely result in the work not being conducted according to the schedule required by the regulatory agency, with a risk of enforcement action. This is not the recommended alternative.

Alternative 2) – Prepare a separate procurement each time when remediation and environmental regulation support services are needed. This option would not be the most efficient use of Port resources, as it would result in multiple low-dollar contracts for similar services. There is also the potential that the procurement process would require so much time that the work would not be conducted according to the schedule required by the regulatory agency, with a risk of enforcement action. This is not the recommended alternative.

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Alternative 3) –Procure a Category III contract for long-term commitment consultant services. The process required to procure a Category III contract ensures a competitive process, encourages small business participation, and provides staff with the tools needed to respond in a timely manner to request for service. **This is the recommended alternative.**

ATTACHMENTS TO THIS REQUEST

None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None