

ITEM NO: 6b_Supp.

DATE OF MEETING: July 14, 2015

Briefing

Lora Lake Apartments Cleanup

July 2015

Site History

- Lora Lake Apartments were acquired in 1998 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 in the 1940s
- Current cleanup effort began with 2008 pre-development sampling
 - Discovery of high levels of dioxin/furans in soil
- Entered into an Agreed Order with the Department of Ecology July 2009
- Remedial Investigation conducted 2010-2012

Major contaminants driving the cleanup are dioxin/furans

Current Site Cleanup Status

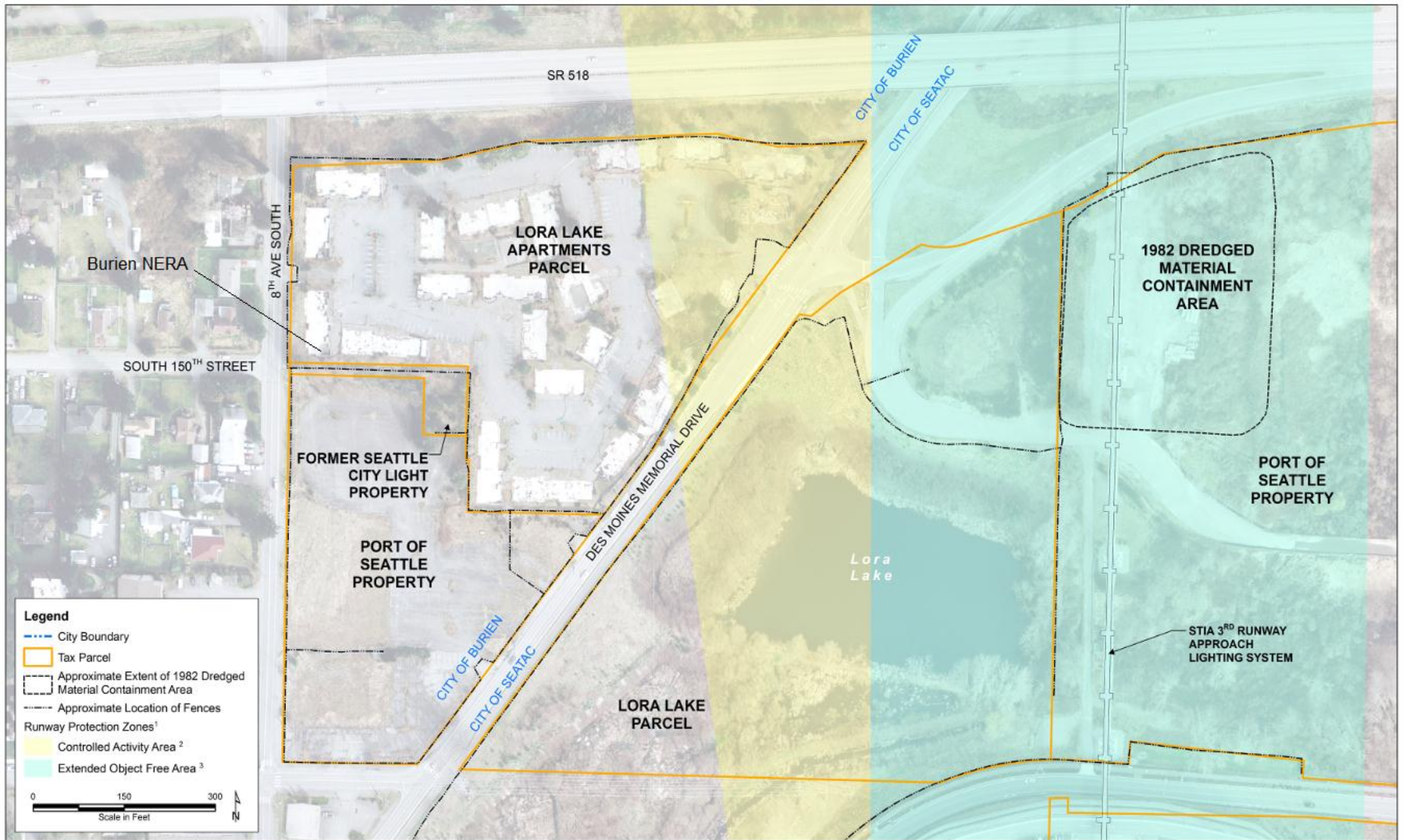
- Initial public comment process on Investigation Report, Draft Consent Decree and Cleanup Action Plan – Nov. 2013-Jan. 2014
- Commission authorized the CEO to execute this initial Consent Decree implementing the clean up in September 2013
- Remedial Investigation and Feasibility Study finalized January 2015
- A revised Consent Decree and Cleanup Action Plan went to a second public comment in May-June 2015

Site moving from an investigation phase to a cleanup phase

Site Location



Site Area Map

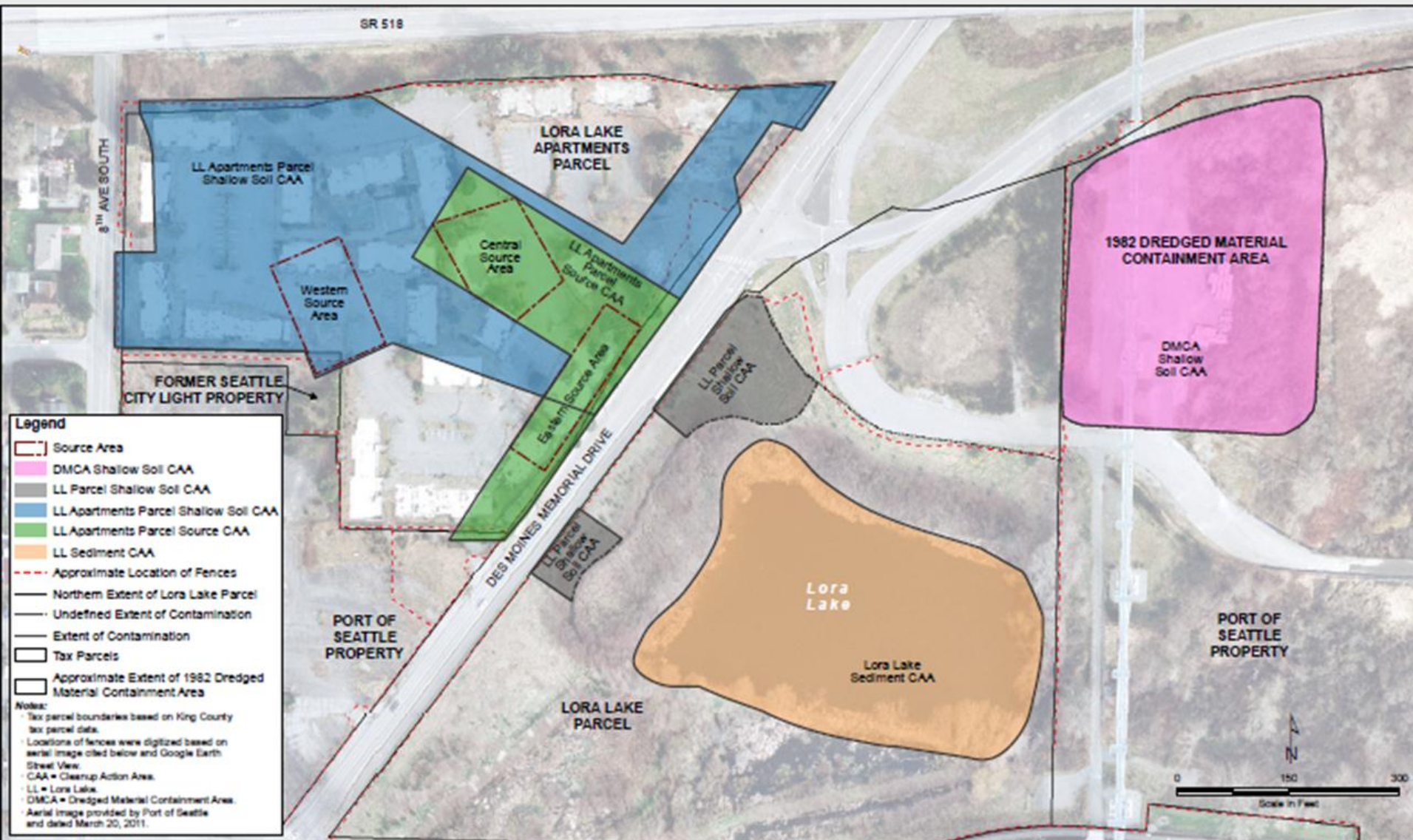


Cleanup Actions

- **Apartments – Removal of 19,000 cubic yards of dioxin contaminated soil and disposal at a permitted landfill**
 - Removal and relocation of Burien stormwater line
 - Capping of 3.8 acres of remaining soil.
 - Port option for additional cleanup to prepare site for development.
 - Deed Restrictions (no residential use, maintenance of cap)
- **Lake Parcel – Capping of contaminated sediments, and restoration of Lora Lake back to a wetland**
 - Removal of 3500 cubic yard of soil (reason for Consent Decree Revision)
 - Deed Restrictions
- **Dredge Disposal Area –Expansion of current graveled laydown area to cap contaminated dredge spoils**
 - Can be used as a consolidation area for export of low level soil from Apartment and Lake Parcel

Cleanup retains flexibility for future development

Cleanup Actions



Milestones and future schedule

- Execute the revised Consent Decree – July 2015
- Design Apartment and Lake Cleanup – 2015-2016
- Complete Cleanup – Spring/Summer/Fall of 2017
- Actual cleanup schedule dependent on City of Burien stormwater improvements
 - Current Burien stormwater line on the Apartments Parcel needs to be relocated

Cleanup to occur as soon as 2017, if Burien stormwater improvements are complete

Financial Implications

- Total Estimate of Cleanup Cost = \$19.5 Million, an increase of \$1.3 million
- The cleanup costs of the Lora Lake Apartments parcel and the Lora Lake parcel will be accounted for differently:
 - The Lora Lake parcel cleanup estimated cost = \$6.3 million
 - Recognized as a 2013 operating cost, paid for through the landing fees
 - The Lora Lake Apartments parcel estimated cost = \$13.2 million
 - Recognized as non-operating expense in 2012-2013
- MTCA Grant Funds from Ecology (50% matching)
 - \$1.5MM for the RI/FS
 - \$5.0MM for current costs, design and cleanup
 - Anticipate receiving up to an additional 5MM in the 2015-2017 biennium

Recognized costs both operating & non-operating – Eligible for 50% matching grants