



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

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June 18, 2008

Mr. Leonard Yarberry, Director
Development Services Department
City of Port Townsend
250 Madison Street
Port Townsend, WA 98368

RE: Discussion of Cleanup Status and Clarification of SEPA Comment. Indian Point Mixed Use Proposal. Proposed Indian Point Development, 19 Block Water Street, Ecology Facility/Site No. 4776819, VCP No. SW0693.

Ref: May 29, 2008, letter from the Department of Ecology, Southwest Regional Office to Mr. Leonard Yarberry, Director, City of Port Townsend.

Dear Mr. Yarberry:

In the above-referenced letter, the Toxics Cleanup Program submitted the following comment:

The Indian Point Mixed Use Development Project is currently enrolled in Ecology's Voluntary Cleanup Program (VCP), identification number SW0693) and is listed on Ecology's list of Suspected and Confirmed Contaminated Sites. Petroleum hydrocarbons and lead contamination is present at the site. Ecology recommends that a mitigating measure be included that no development should be allowed to occur until Ecology has issued a "No Further Action" Opinion Letter for the site.

After further discussing this comment with Ms. Patricia Iolavera of your department, we realized that further clarification of the status of the site and the above comment would be helpful.

Voluntary Cleanup Program (VCP)

Persons who conduct independent remedial actions to investigate and clean up contamination at a hazardous waste site may request informal site-specific technical consultations under the VCP. Under the VCP, people may clean up sites independently, without supervision by the Department of Ecology (Ecology). They may request from Ecology consultations (including assistance in identifying applicable regulatory requirements) and written opinions on the sufficiency of their cleanups under the law. These consultations are generally transmitted in "Opinion Letters."

Cleanup History

The Indian Point Development Site was entered into the VCP in 2005. Releases from the former bulk petroleum hydrocarbons storage facility resulted in contamination of soil, groundwater, and

possibly marine sediments. An Interim Action, consisting of the removal of 2,630 cubic yards of contaminated soil, was conducted between August 28 and November 3, 2006. During soil excavation, a sheet pile wall (on the west side of the excavation) and a dewatering system were used to minimize potential sidewall/slope erosion and to control the water level within the excavation. The total depth of the excavation ranged from about 9 to 12 feet below ground surface. The maximum excavation depth was approximately 6 feet below the top of the tidally influenced groundwater level.

Following excavation work, "confirmation" samples were collected to verify whether all of the soil contamination had been removed (see attached figure). The only final confirmation samples that had concentrations above the Model Toxics Control Act (MTCA) Method A Cleanup Level were CONF-11 (8.5-9 foot depth) and CONF-9 (8-8.5 foot depth). Sample CONF-11 exceeded the Cleanup Level for total petroleum hydrocarbons (TPH) – gasoline range; TPH – diesel range; benzene, toluene, ethylbenzene, and total xylenes (BTEX); and total naphthalenes. Sample CONF-9 exceeded the Cleanup Level for TPH – gasoline range. The excavation was not extended further due to concerns with the stability of the bank and rip-rap barrier and the possibility of seawater flooding the excavation.

In an Opinion Letter dated October 17, 2007, Ecology concluded that the remedial action was not sufficient to meet the specific substantive requirements contained in the Model Toxics Control Act (MTCA) for addressing the releases at the Site. Specifically, Ecology identified where additional soil, sediment, and groundwater characterization was insufficient and determined that:

- Additional soil characterization is needed west of the former location of the sheet pile wall. Only one sample was obtained on this side of the wall (MW-4, 10.5-11 foot depth). These samples should be collected west of the former well and not within the disturbed zone from the wall emplacement. These samples should be collected at a similar linear distance as the other perimeter confirmation samples (approximately every 20 linear feet). This is necessary to determine the western extent of contamination. If residual contamination is present, it could migrate to the beach and marine environment.
- Additional soil samples are needed south of CONF-9 and CONF-11 to help define the extent of contamination remaining.
- Additional quarterly groundwater sampling needs to be performed from the monitoring wells. Existing groundwater data are incomplete because the following fuel additive and blending compounds were not previously analyzed: 1,2-dibromoethane (EDB), 1,2-dichloroethane (EDC), and methyl tertiary butyl ether (MTBE). These compounds need to be added to the constituent list for future sampling events.

- The sampling sequence for the groundwater monitoring wells needs to be better coordinated and low-flow sampling methods should be used.
- Ecology does not believe that soil and groundwater results from the temporary wells (IWELLS) are representative. The IWELLS were located on the beach, above the high tide level. These wells were installed and sampled on September 26, 2006, during Interim Action excavation work (and active dewatering). Therefore, additional soil and groundwater samples will need to be collected from locations near IWELLS 1- through 5.
- As required by MTCA, the cleanup action selected for a Site must use permanent solutions to the maximum extent practicable. Therefore, before Ecology can concur that it is appropriate to leave residual contaminated soil at the site, following adequate characterization of the site a disproportionate cost analysis would need to be submitted to Ecology for review and approval. If Ecology agrees that it is appropriate to leave contaminated soil at the site then an Environmental Covenant (EC) (formerly called a "Restrictive Covenant") would need to be filed on the property.

In response to the above Opinion Letter, the consultant (Landau Associates) prepared a work plan dated March 6, 2008, to perform additional site characterization. This proposed work included:

- Collection of soil samples from up to six borings along the top of the bank (west of the former sheet pile wall).
- Collection of soil samples from two to three borings south-southwest of confirmation sample locations CONF-9 and CONF-11.
- Samples of soil/sediment and groundwater will be collected near each of the former IWELL locations on the beach.

In an Opinion Letter dated April 8, 2008, Ecology concluded that the proposed work plan was likely to be sufficient provided that Ecology's additional comments were incorporated into the work plan.

Conclusion and Summary

Additional assessment needs to be performed at the Site to characterize the extent of residual soil and groundwater contamination and to determine if contamination is present along the beach and in the marine environment. Ecology has approved the work plan to perform this work, provided that Ecology's comments are incorporated. **It is important that this work be performed.**

Ecology believes that additional assessment and cleanup work could be performed in conjunction with preliminary development work (such as during the proposed repair of the bulkhead and the beach construction work). When the extent of the contamination has been defined it will be possible to determine what additional cleanup actions are necessary. Definition of the extent of contamination is important in order to determine if there are pathways for

Mr. Leonard Yarberry, Director

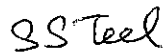
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exposure to humans, plants, animals, and the marine environment. **However, if development and construction is allowed to progress too far ahead of the assessment and cleanup work, it may limit additional cleanup alternatives.**

If you have any questions about any of the information presented in this letter, please contact me at (360) 407-6247 or via e-mail at stee461@ecy.wa.gov.

Sincerely,



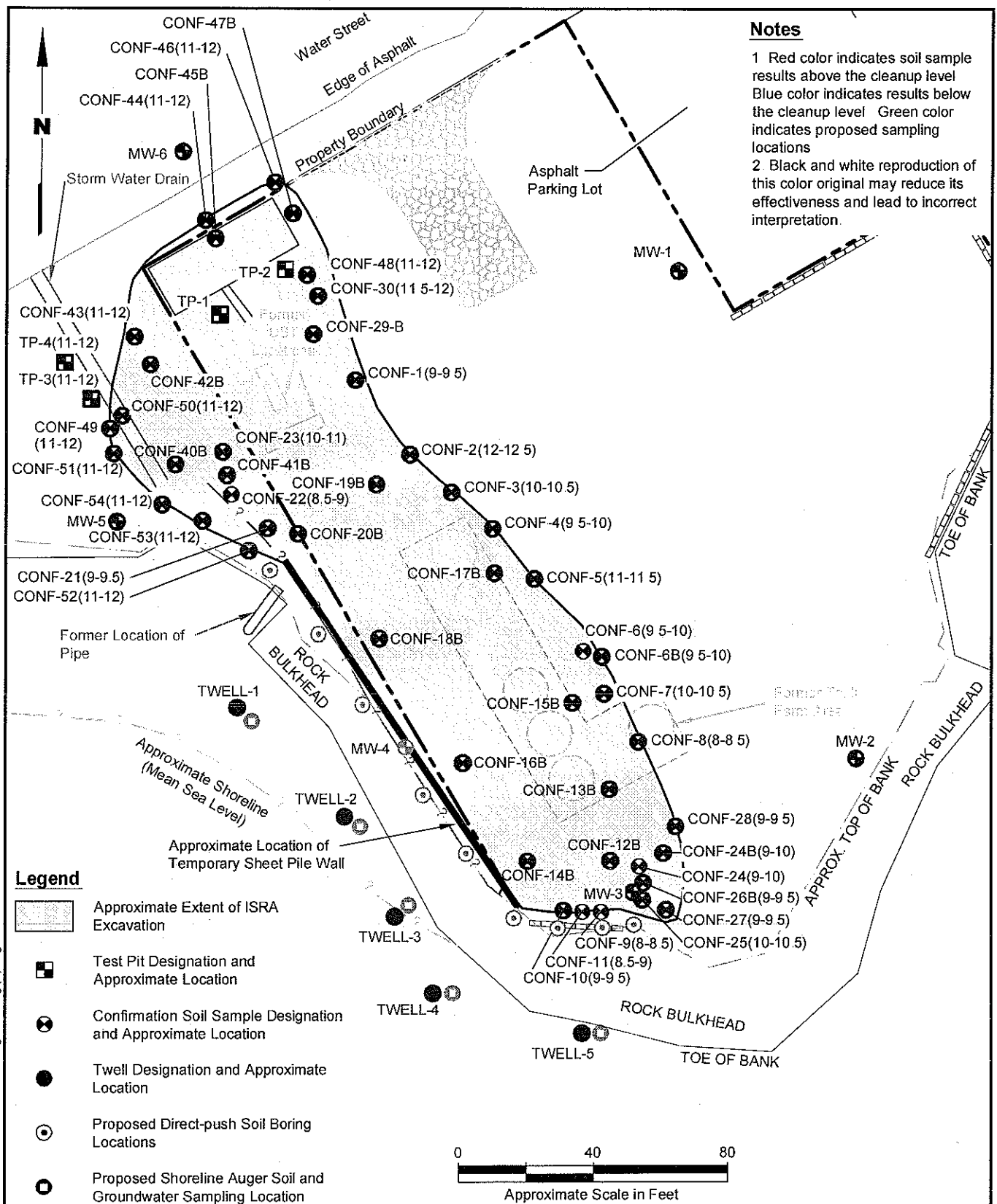
Steve Teel, LHG
Hydrogeologist
Toxics Cleanup Program
Southwest Regional Office

SI/ksc:SW0693 SEPA

Enclosure

Cc: Ms. Patricia Iolavera, Assistant Director, Development Svcs City of Port Townsend
Mr. William Wolcott, Heron's Nest Properties, LLC
Mr. William F. Joyce, Salter Joyce Ziker, PLLC
Mr. Tim Syverson, LG, Landau Associates
Mike McNickle, Jefferson County Health and Human Services, Castle Hill Center
Scott Rose – Ecology
Ivy Anderson – Office of the Attorney General

Work Plan | V:\8889001017D\Work Plan\Figure 2.dwg (A) "Figure 2" 3/6/2008



Adapted from: Terraserver, Jefferson County Tax Assessor, and historical documents provided by W. Wolcott
Base Map from: Wood Surveying 2005

