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DEPARTMENT OF ECOLOGY  
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November 8, 2019

Laura Buelow  
U.S. Environmental Protection Agency  
Hanford Project Office  
825 Jadwin Ave, Ste 210  
Richland, WA 99352

Re: Annual Report for the Rayonier Mill Site Deferral Agreement

Dear Laura Buelow:

In accordance with Section III of the deferral agreement between the Washington State Department of Ecology (Ecology), the U.S. Environmental Protection Agency, and the Lower Elwha Klallam Tribe (LEKT), I am providing you the annual status report for the Rayonier Mill Site cleanup in Port Angeles, Washington. This report provides a summary of Ecology's activities since our last annual report dated January 23, 2018. Even though it is not a part of the deferral agreement, for context I have included information on the Natural Resource Damage Assessment project.

### **Rayonier Study Area (Interim Action Agreed Order)**

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In 2010, Ecology signed an agreed order with Rayonier Properties LLC (Rayonier). The agreement calls for Rayonier to study the extent of contamination and assess cleanup options for the upland and marine portions of the Study Area.

There are four tasks outlined in the agreed order:

- Evaluate contamination in the upland portion of the Study Area (Volume I).
- Evaluate contamination in the marine portion of the Study Area (Volume II).
- Evaluate cleanup options for the upland and marine portions of the Study Area (Volume III).
- Develop an interim action plan for the Study Area (Volume IV).

### ***Upland Portion of Study Area***

Ecology approved the public review draft of Volume I on January 3, 2013. The report was posted on the Ecology's Rayonier Mill webpage and copies placed in repositories. We notified those on our mailing list that the report was available for review.

### ***Marine Portion of Study Area***

Ecology approved the public review draft of Volume II on December 4, 2014. Like Volume I, the report was posted on the webpage, copies placed in repositories, and those on our mailing list were notified.

### ***Alternatives Evaluation for Study Area***

Rayonier submitted the agency review draft of Volume III on February 20, 2015. After working through the challenges of a newly revised Sediment Management Standards and guidance, developing North Olympic Regional Sediment Background values, and working towards consistency with cleanup elsewhere in Port Angeles Harbor, Ecology finalized the comments on Volume III on September 18, 2017. Rayonier submitted the public review draft of Volume III on March 30, 2018. Ecology and the LEKT reviewed this report and provided comments on October 31, 2018.

Ecology and Rayonier held several technical workshops from November to June 2019 because there were several substantial issues to resolve. Rayonier submitted a revised public review draft on July 1, 2019. Ecology approved the revised document on July 15, 2019.

Ecology is currently holding a public comment period on Volumes I, II, and III from August 29, 2019, to November 26, 2019. Rayonier will finalize the Volumes based on direction from Ecology after the comment period.

### ***Interim Action Plan for Study Area***

Rayonier will draft the Interim Action Plan for the Study Area (Volume IV). Similar to a Record of Decision, the interim action plan identifies the selected remedy for the Study Area. In summer 2020, we anticipate Rayonier will complete a draft of Volume IV and Ecology will finalize it soon thereafter. Rayonier and Ecology intend to negotiate a consent decree to implement the plan. Ecology anticipates taking public comment on the consent decree and interim action plan later in 2020.

## **Dock & Jetty Removal and Shoreline Contouring**

The dock and jetty are located on state aquatic lands. The Washington State Department of Natural Resources (DNR) holds a lease agreement with Rayonier for the use of the aquatic lands and the presence of these structures. Under that agreement, Rayonier is currently planning the removal of the dock and jetty and accomplish shoreline contouring.

Rayonier plans to seek permits for the project in 2020, and begin removal actions in 2021. It will take several years to complete removal of the structures due to the limited time available to work in the water.

Removal of the structures will alter the hydrodynamics in the area, making it necessary to remediate the contaminated sediments at the same time. Ecology and Rayonier will negotiate an interim action plan and an implementing order for sediment remediation and any upland remediation associated with contouring the shoreline. This plan will be completed before the interim action plan (Volume IV) for the whole Study Area. The sediment remediation completed during the dock/jetty/shoreline contouring project will contribute to Volume IV.

## **Rayonier Mill Off-Property Soil Dioxin Study**

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Ecology decided it was appropriate to postpone finalizing the off-property soil dioxin study report and the responsiveness summary while we initiated related work on the Western Port Angeles Harbor Site.

## **Stakeholder/Public Involvement**

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To inform and consult with stakeholders, we host opportunities for communication on a regular basis. In May 2018, we held an update meeting with DNR. We hold quarterly update calls with DNR, and we call the LEKT at regular intervals.

Ecology is currently running a public comment period on Volumes I, II, and III. We planned a 60-day comment period from August 29, 2019, to October 28, 2019. Ecology recently extended the public comment period to November 26, 2019, after several requests for an extension. Ecology hosted an open house on September 25, 2019, in Port Angeles. Forty-five people attended. We will write a responsiveness summary after the public comment period ends.

## **Proposed Schedule Adjustments**

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Rayonier continues to provide all submittals on time as scheduled in the agreed order or based on granted extensions.

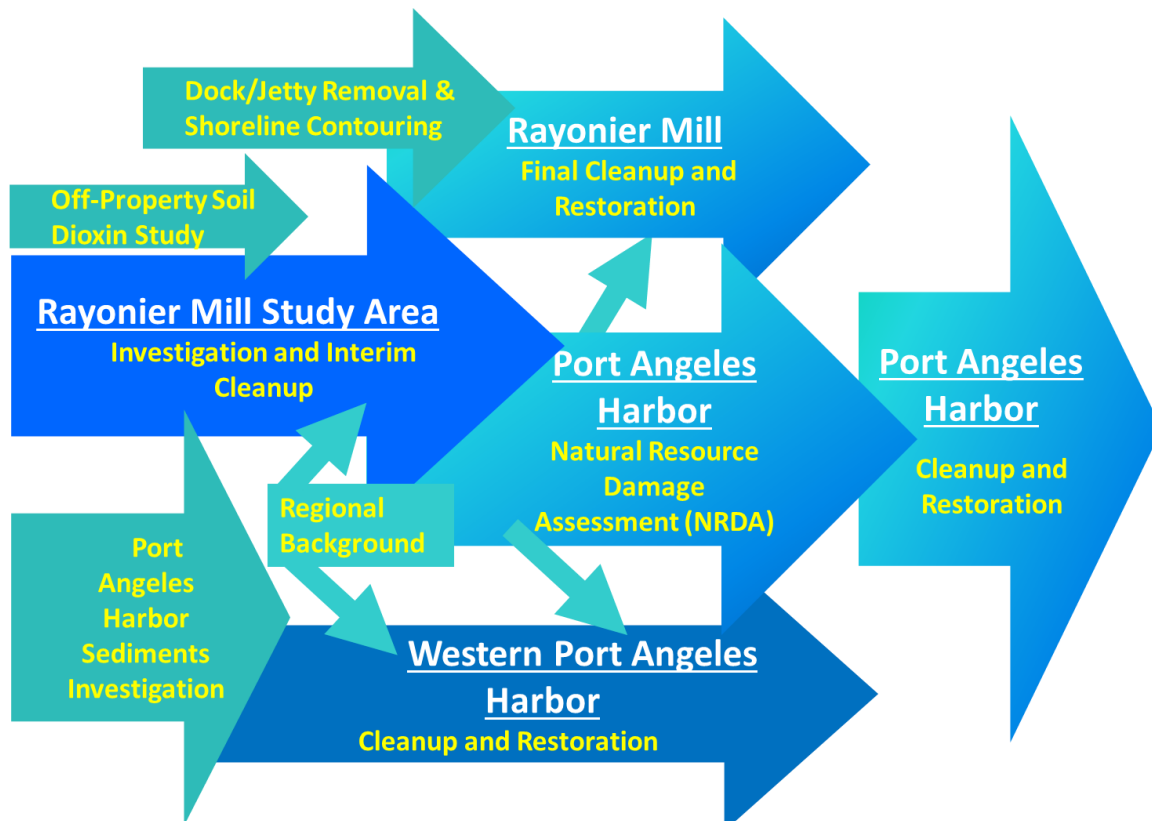
Rayonier and Ecology continue to work through various issues in developing cleanup alternatives and coordinating progress of restoration plans. This has shifted the overall schedule as shown in Enclosure A, Port Angeles Rayonier Mill Timeline – 2010 Agreed Order, to Plan for Interim Actions (updated August 2019).

With the shift in the timeline for the Alternatives Evaluation report, we believe it will take until summer 2020 to complete the tasks in the 2010 agreed order. As such, Ecology is proposing that the project milestones in the deferral agreement's schedule of events be revised as shown in Enclosure B.

## Project Administration

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As we identified in our 2016 annual report, while the deferral agreement pertains to the Rayonier Mill Site, Ecology has identified several other potential sources of contamination to Port Angeles Harbor. Our work will lead to a Rayonier Mill Site definition and the definition of other “site(s)” within Port Angeles Harbor. Ecology is committed to cleaning up all of the sites in the harbor. We also have an interest in settling natural resource damage liability for the entire harbor. Our goal is to dovetail cleanup and restoration, if possible. We continue to use the Rayonier Mill/Port Angeles Harbor conceptual timeline, shown below, to illustrate our strategy to integrate the various complex elements to complete cleanup and restoration of Port Angeles Harbor.



*Rayonier Mill/Port Angeles Harbor Cleanup & Restoration*

## Natural Resource Damage Assessment (NRDA)

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The Port Angeles Harbor NRDA Trustee Council (Trustee Council), established in 2012 by Memorandum of Agreement (MOA), includes representatives of Ecology, US Fish and Wildlife, National Oceanic and Atmospheric Administration (NOAA), LEKT, Jamestown S’Klallam Tribe, and Port Gamble S’Klallam Tribe. Ecology serves as the lead administrative trustee. A preassessment screening for the Port Angeles Harbor was completed in August 2013.

The Trustee Council negotiated a funding and participation agreement with Rayonier. Rayonier signed the agreement and three addenda, which include partial reimbursement of past interim costs, funding for four phases of work, and a timeline for completing the entire assessment. The Trustees and Rayonier continue negotiating a consent decree and appendix focused on an Ennis Creek restoration project.

## **Next Steps for the Rayonier Mill Site**

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### **Activities under the existing agreed order for the Study Area:**

- Ecology holds a public comment period on Volumes I, II, and III, August 29, 2019 to November 26, 2019.
- Rayonier finalizes Volumes I, II, and III.
- Rayonier drafts the Interim Action Plan for the Study Area (Volume IV).

### **Activities related to the Dock & Jetty Removal and Shoreline Contouring:**

- Rayonier designs the dock/jetty removal and shoreline contouring project.
- Ecology and Rayonier negotiate an interim action plan and implementing order for the sediment remediation and upland cleanup associated with shoreline contouring.

If you are interested, we can arrange a presentation of the information in Volume I, II, and III, either in person at Ecology or via WebEx. If you have any questions or concerns, please contact me at [rebecca.lawson@ecy.wa.gov](mailto:rebecca.lawson@ecy.wa.gov) or (360) 407-6241.

Sincerely,



Rebecca S. Lawson, P.E., LHG  
Section Manager  
Toxics Cleanup Program  
Southwest Region Office

Enclosure A: Port Angeles Rayonier Mill Timeline – 2010 Agreed Order to Plan for Interim Actions (updated January 2019)

Enclosure B: Revised Schedule of Events (updated August 2019)

cc: Dave Einan, USEPA  
Lucy Edmondson, USEPA  
Matt Beirne, Lower Elwha Klallam Tribe  
Ecology Site File

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## **Enclosure A**

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Port Angeles Rayonier Mill Timeline – 2010 Agreed Order to Plan for Interim Actions (updated January 2019)

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**Port Angeles Rayonier Mill Timeline - 2010 Agreed Order to Plan for Interim Actions**

last update: 12/27/2017



Deliverable	Agreed Order Schedule (Days = Calendar Days)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
		Signed Agreed Order - March 2010										
Upland data summary Volume I	Supplemental Upland Data Collection Work Plan - Agency review draft	Within 45 days of effective date of Order										
	Ecology review											
	Supplemental Upland Data Collection Work Plan - Draft final	Within 60 days of receiving Ecology's comments on the Agency Review Draft Work Plan—Supplemental Upland Data Collection										
	Supplemental Upland Data Collection - Work plan implementation	As detailed in the Final Work Plan—Supplemental Upland Data Collection										
	Draft Supplemental Upland Data Collection Technical Memo, Report table of contents	Within 60 days of receiving validated data from the lab										
	Ecology review											
	Upland Data Summary Report - Agency review draft, Data submitted to Environmental Info. Management System	Within 105 days of receiving Ecology's comments of the Draft Supplemental Upland Data Collection Technical Memo										
	Ecology review											
	Upland Data Summary Report - Public review draft	Within 75 days of receiving Ecology's comments on the Agency Review Draft—Upland Data Summary Report										
	Draft available for public review											
Upland Data Summary Report - Final draft	Within 75 days of receiving Ecology revisions for the Public Review Draft of Upland Data Summary Report											
Marine data summary Volume II	Marine Data Summary Report - Table of Contents	Within 30 days of effective date of Order										
	Port Angeles Harbor Sediment Characterization Study											
	Marine Data Summary Report - Agency review draft, data submitted to Ecology's Info. Management System	Within 90 days of receiving Ecology's Port Angeles Harbor Sediment Characterization Study										
	Ecology review, interim submittal											
	Marine Data Summary Report - Public review draft	Within 75 days of receiving Ecology's comments on the Agency Review Draft—Marine Data Summary Report										
	Draft available for public review											
Marine Data Summary Report - Final draft	Within 75 days of receiving Ecology revisions for the Public Review Draft of Marine Data Summary Report											
Interim Action Alternatives Evaluation Volume III	Draft Preliminary Cleanup Standards	Within 45 days of submittal of the Draft Supplemental Upland Data Collection Technical Memo and Agency Review Draft—Marine Data Summary Report										
	Preliminary Development of Interim Action Alternatives Section - Agency review draft	Within 120 days of submittal of both the Public Review Draft—Upland and Marine Data Summary Reports										
	Ecology review											
	Interim Action Alternatives Evaluation Report - Agency review draft	Within 105 days of receiving Ecology's comments on the Draft Preliminary Cleanup Standards and Development of Alternatives Sections										
	Ecology review, guidance and policy development											
	Interim Action Alternatives Evaluation Report - Public review draft	Within 75 days of receiving Ecology's comments on the Agency Review Draft—Interim Action Alternatives Report										
	Public comment period											
Interim Action Alternatives Evaluation Report - Final draft	Within 75 days of receiving Ecology revisions for the Public Review Draft of Interim Action Alternatives Evaluation Report											
Interim Action Plan (Volume IV) - Agency review draft	Within 60 days of Ecology approval of Volumes I, II, and III											

**Definitions**

**Upland Data Summary**  
A report describing the amounts and types of contamination in the former mill site, nearby coastal bluffs, and the path of ennis creek.

**Marine Data Summary**  
A report describing the amounts and types of contamination in the marine waters and sediments off the shore of the Rayonier Mill property.

**Interim Action Alternatives Evaluation**  
A report that lists a set of cleanup options and weighs them.

**Interim Action Plan**  
A list of cleanup activities planned for the site.

Public comment period

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# **Enclosure B**

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Revised Schedule of Events (updated August 2019)

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Enclosure B

Revised Schedule of Events<sup>1</sup>

<b>Task</b>	<b>Proposed Completion Date</b>
New Agreed Order for Interim Action Study Area	Signed March 2010
Supplemental Upland Data Collection Work Plan	Completed August 2010
Collection of additional soil and groundwater data for the Uplands Interim Action Area	Completed Fall 2010 and Winter 2011
Public Comment Period for Rayonier Mill Off-Property Soil Dioxin Study Report	Completed August 2011 (45-day comment period)
Completion of the Public Review Draft Interim Action Report Volume I – Upland Data Summary Report for the Study	Completed May 2012 (approved January 2013)
Public comment Period for Port Angeles Harbor Sediment Investigation	Completed February to May 2012 (90-day comment period)
Completion of the Public Review Draft Interim Action Report Volume II - Marine Data Summary Report for the Study	Completed November 2014 (approved December 2014)
Completion of the Public Review Draft Interim Action Report Volume III -Alternatives Evaluation Report for the Study	Submitted February 2015 and February 2018. Anticipate completing in 2019.
Public comment period for Volumes I, II, and III	Fall 2019
Completion of the Final Interim Action Report Volumes I, II, and III	Early 2020
Rayonier submits Draft Interim Action Report Volume IV – Interim Action Plan for the Study Area	Spring 2020
Ecology completes Final Interim Action Plan for the Study Area	Later in 2020
Implementation of Interim Action	Per Schedule in Next Agreed Order/Consent Decree
Consent Decree for Off Property	2020-2021
Consent Decree for Central Harbor	2020-2021
Implementation of Final Cleanup Action Plan	Per Schedule in Decree/Final Cleanup Action Plan

Blue – Task related to Interim Action Study Area.

White – Task is a related Ecology-lead project.

Pink – Task related to the entire Rayonier Site.

<sup>1</sup> This document represents Ecology's best current estimate of the schedule, but is subject to change.