STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY
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STATE ENVIRONMENTAL POLICY ACT
MITIGATED DETERMINATION OF NON-SIGNIFICANCE (MDNS)

PROJECT NAME: Port Gamble Bay Cleanup Project

LOCATION OF PROPOSAL: Port Gamble Bay, is located in Kitsap County east of the former Pope and Talbot mill that is situated at the eastern terminus of NE View Drive in Port Gamble, WA. The Bay encompasses more than two square miles of subtidal and shallow intertidal habitat just south of the Strait of Juan de Fuca.

PROJECT APPLICANT:

Pope Resources LP/OPG Properties, LLC
19950 7th Avenue NE, Suite 200
Poulsbo, WA 98370

DESCRIPTION OF PROPOSAL: The Washington State Department of Ecology (Ecology) and Pope Resources LP/OPG Properties, LLC (PR/OPG) have worked collaboratively for more than 10 years to accomplish hazardous substance cleanup in Port Gamble Bay. Ecology is now requiring PR/OPG to undertake further environmental cleanup of Port Gamble Bay under a Consent Decree.

Port Gamble Bay is located east of the former mill that is situated at the eastern terminus of NE View Drive in Port Gamble, WA. The "Project" is defined as the cleanup activities in the Bay that are more specifically described in the Cleanup Action Plan.

Under Ecology's Toxics Cleanup Program Puget Sound Initiative, Port Gamble Bay is one of seven bays in Puget Sound identified for focused sediment cleanup and integrated habitat restoration. The sediment cleanup action focuses on controlling exposure to hazardous substances by removing or isolating contaminants to protect human health and the environment. The outcome of the sediment cleanup action will result in a net positive effect on human health and the environment because the Bay would be improved over current conditions.

Remediation of contaminated sediments in Port Gamble Bay would be consistent with current Washington State Model Toxics Control Act (Chapter 173-340 Washington Administrative Code [WAC]) and Sediment Management Standards (Chapter 173-204 WAC) regulatory requirements. The sediment cleanup action is focused on the following:

- Reducing toxicity to sediment-dwelling organisms due to wood waste breakdown products;
- Reducing potential human health risks associated with ingestion of carcinogenic polynuclear aromatic hydrocarbons toxicity equivalent quotient (TEQ); and
- Reducing dioxin/furan TEQ and cadmium concentrations that may be present at elevated levels in shellfish.

Activities performed for the sediment cleanup action include the following elements:

- Creosote-treated piling and overwater structure removal;
- Intertidal and subtidal dredging/excavation;
- Intertidal and subtidal capping and clean silt/sand placement; and
- Enhanced monitored natural recovery (EMNR).

LEAD AGENCY: The lead agency under the State Environmental Policy Act is the Washington State Department of Ecology's Toxics Cleanup Program.

SEPA DETERMINATION: The Toxics Cleanup Program, after reviewing the completed environmental checklist and other supporting documents, has determined that the Project will not have a probable significant adverse impact on the environment. An environmental impact statement is not required under Revised Code of Washington 43.21C.030 (2)(c), provided SEPA conditions listed below are used to mitigate potential adverse impacts. Ecology will not act before November 13, 2013.

DATE ISSUED: October 9, 2013

COMMENT PERIOD: This MDNS is issued under WAC 197-11-340(2); the lead agency will not act on this proposal for 30 days from the date of issue listed above. Agencies, Tribes, and members of the public are invited to comment on the MDNS. Written comments must be postmarked no later than November 12, 2013 and should be mailed to the agency contact below:

Russ McMillan, Site Manager
Washington State Department of Ecology
Toxics Cleanup Program
300 Desmond Drive
Lacey, WA 98504-7600

Comments may also be submitted to the Department of Ecology by:

a) E-mail to: rmcm461@ecy.wa.gov;
b) Fax to (360) 407-7154; or
c) Providing spoken public testimony during the public hearing scheduled for October 29, 2013, 6 pm – 8:30 pm at the Hood Canal Vista Pavilion in Port Gamble. See Fact Sheet for more information about this hearing.

Comments will not otherwise be accepted by telephone or personal conversation.

Signed and dated this 9th day of October, 2013 by Barry Rogowski, Section Manager, SEPA Responsible Official.

SIGNED: Barry Rogowski

Barry Rogowski, Section Manager
Ecology SEPA Responsible Official

DATE: October 9, 2013

SEPA CONDITIONS

Conditions imposed pursuant to SEPA assume implementation of measures identified in the environmental checklist. The following conditions shall apply based on the specific analysis of the sediment cleanup action and will be included as commitments in design and specifications for the construction activities identified for this Project:

General Conditions:

- All permit conditions issued by regulatory agencies shall be complied with for the sediment cleanup action, including development of maintenance and monitoring plans and specific measures to protect existing natural and other resources including shellfish beds and cultural and historic resources, as required.
- Additional avoidance and minimization measures and/or mitigation requirements identified prior to and during construction shall also be met.
- A pre-application meeting for the Joint Aquatic Resource Permit Application (JARPA) shall be scheduled by PR/OPG with attendance from Ecology, regulatory agencies, and the tribes.
- A monitoring plan shall be developed to accompany the sediment cleanup action, consisting of: 1) monitoring during construction, 2) monitoring immediately following construction, and 3) long-term monitoring of chemical and biological conditions.
- During the design and permitting process, best management practices (BMPs) shall be further evaluated by the regulatory agencies and tribes. Selected BMPs determined during the design and permitting process shall be implemented during construction to protect fish and wildlife.
- In coordination with Ecology, a communication outreach plan shall be developed prior to construction that is responsive to the needs of the community. The outreach plan will include strategies and opportunities to be implemented for the Project for identifying community events, whether on land or in water, that could be affected during construction as well as avoidance and minimization measures to mitigate these potential effects. This plan will also identify a process for informing interested or affected communities and businesses about the cleanup action and to provide an avenue for communication about the action, such as by phone, texting, internet and at the location of the cleanup. To support this effort, an on-site coordinator shall be present on a routine basis during construction activities to support communication and outreach needs for north Port Gamble Bay including the Town of Port Gamble and the Port Gamble S'Klallam community.

Conditions by Environmental Element:

Earth

- Erosion could occur from the Project during and after grading and fill activities. BMPs, including preparation of a Temporary Erosion and Sedimentation Control (TESC) Plan in

- Imported fill material necessary to complete the Project shall be clean and obtained from an approved source. Material shall be characterized and tested in accordance with Ecology protocols to determine whether it is suitable for its intended use.

Plants

- No native trees or shrubs shall be removed or altered as part of this Project. Existing native vegetation on or adjacent to the cleanup areas shall be protected prior to and for the duration of construction, as needed.
- Impacts to marine vegetation shall be minimized to the extent possible, however some impacts to marine vegetation may occur as a result of dredging and capping activities. The post-Project conditions in dredge or material placement areas are anticipated to provide suitable substrates for natural marine vegetation colonization.
- PR/OPG shall advise the selected contractor(s) of where the eelgrass beds are located and that they are protected under both state and federal laws. If required by the Washington Department of Fish and Wildlife (WDFW), an eelgrass survey will be prepared prior to construction activities. If eelgrass impacts cannot be avoided to accommodate the sediment cleanup action, discussions with WDFW will occur to determine appropriate mitigation measures and requirements.

Animals

- In-water construction shall be timed to occur within approved work windows to prevent impacts to salmonids and shall not occur when juvenile and adult Chinook salmon, steelhead, or bull trout are abundant in nearshore areas. Due to fisheries protective restrictions, no in-water construction work can be performed in Port Gamble Bay during the period from January 14 through July 15 of any year unless otherwise allowed by applicable regulatory agencies. Additional in-water work restrictions may apply and shall be adhered to.
- Forage fish spawning could occur year-round in Port Gamble Bay. Migrating juvenile salmonids use the Bay during portions of the year. Discussions with WDFW indicate that in-water work can occur between July 16 and January 14. Work windows and BMPs to be implemented to protect forage fish and juvenile salmonids will be further developed in coordination with WDFW and the tribes. PR/OPG and Ecology shall work with the tribes to determine if further reductions to in-water work windows would be required to accommodate fishing and other harvesting activities (e.g., shellfish), as well as tribal events. The overall schedule for the Project shall be adjusted to accommodate any reductions in work windows required by the regulatory agencies and tribes.

Energy and Natural Resources

- Construction practices that encourage efficient energy use, such as limiting idling equipment, encouraging carpooling of construction workers, and locating staging areas near work sites shall be implemented.

coordination with Ecology and other applicable agency requirements, shall be implemented before, during and after construction activities so that any potential erosion from stockpiling and grading/filling activities would be avoided or minimized to the maximum extent practicable. Beneficial use fill areas shall be stabilized upon completion of grading (with seeding and/or other appropriate measures) to prevent potential future erosion.

Air

- Construction equipment used on the Project shall be maintained in good working order to minimize airborne emissions. BMPs (e.g., application of water as necessary) for dust control shall be employed during construction.

Water

- PR/OPG and/or their selected contractor(s) shall be responsible for the preparation of a Spill Prevention, Control, and Countermeasures (SPCC) plan to be used for the duration of the Project to safeguard against an unintentional release of fuel, lubricants, or hydraulic fluid from construction equipment.
- Construction of the Project shall comply with Ecology's water quality requirements, which will specify water quality standards that must be met during construction.
- Surface water runoff shall be managed using BMPs as appropriate, consistent with Ecology's 2012 Stormwater Management Manual for Western Washington. Conditions of the National Pollutant Discharge Elimination System (NPDES) construction stormwater general permit to be issued for the Project shall be adhered to during construction.
- Decant water from upland settling basins may be discharged back into Port Gamble Bay according to final design documents to be approved by Ecology to meet Washington State Surface Water Quality Standards (Chapter 173-201A WAC).
- Shoreline excavation and fill proposed as part of the cleanup action shall occur in the dry during low tide cycles to the extent practicable to minimize working in the water.
- The removal of all creosote-treated piles shall be consistent with conditions issued as part of other local, state and/or federal permit requirements. This action shall be sequenced with removal of existing overwater structures adjacent to the former mill and removal of the former Log Transfer Dock and pilings from staging and rafting areas throughout the Bay. BMPs identified in the statewide *Hydraulic Project Approval (HPA) - Creosote Piling and Structural Removal* (WDFW 2011) and the accompanying DNR *Puget Sound Initiative – Derelict Creosote Piling Removal, BMPs for Pile Removal and Disposal* (DNR 2011) shall be implemented. Pile removal shall occur using vibratory extraction or a direct pull method to the extent practicable. If conditions do not allow for use of one of these two methods, PR/OPG or the selected contractor will consult with Ecology prior to employing other pile removal methods. Piles shall be disposed of at an approved off-site upland disposal facility.

Environmental Health

- Hazards shall be limited to those encountered during or as a result of construction. Workers shall be properly trained for work at the Site; proper construction methods, personal protective equipment and safety equipment shall be employed.
- Environmental health hazards that could result from a spill of fuel and/or oil from operating equipment shall be addressed within the SPCC Plan and TESC Plan prepared for the Site.
- All creosote-treated wood that is removed from the Site shall be disposed of in accordance with Washington State's Dangerous Waste Regulations (WAC 173-303), including regulations pertaining to excluded categories of waste (WAC 173-303-071).
- Appropriate material generated by the Project shall be collected and screened to remove debris, and the screened material reused or disposed of in upland areas within or near the Bay as allowed following characterization and approval by Ecology. If no other on-site allowed reuse or disposal alternatives are available, the material shall be disposed at an approved off-site upland disposal facility. Dredged material that is not used for on-site reuse alternatives, and is determined to be suitable for in-water disposal, shall be disposed at a DMMP managed in-water disposal site.
- Temporary closures to shellfish harvesting beds or areas in Port Gamble Bay may be necessary during or following the cleanup action to protect human health and safety due to the presence of heavy construction equipment, in-water activity, and sediment disturbance associated with the cleanup action.

Noise

- The Project shall follow local noise control regulations during all construction activities.
- All equipment shall comply with pertinent U.S. Environmental Protection Agency equipment noise standards.

Historic and Cultural Preservation

- A cultural resources survey shall be prepared by PR/OPG in consultation with Washington State Department of Archaeology and Historic Preservation, the U.S. Army Corps of Engineers, tribes, and other parties prior to implementing the cleanup action.
- A cultural resources monitoring and management plan shall be prepared that is informed by and based on the outcome of the cultural resources survey and consultation.
- An Inadvertent Discovery Plan shall be prepared and maintained onsite and implemented if needed during all project work.
- Access shall be provided to an on-site archaeologist at appropriate times and opportunities shall be available for tribal monitors to access the Bay during construction activities. Monitors will be informed of Bay activities in an effort to maintain a safe working environment and awareness of project actions.

Transportation

- In coordination with Ecology, a transportation management plan (TMP) shall be prepared prior to construction. The TMP will contain strategies to be implemented for the Project for managing traffic during construction including, but not limited to, traffic control and notifications to property owners.