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AGREED ORDER

CHEVRON/PORT OF SEATTLE FACILITY AT TERMINAL 30

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AGREED ORDER - 1

STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

In the Matter of Remedial Action by:

PORT OF SEATTLE, WASHINGTON,

AGREED ORDER

I. <u>JURISDICTION</u>

This Agreed Order ("Order") is issued by the Washington Department of Ecology ("Ecology), pursuant to the authority of RCW 70.105D.050(1). The Port of Seattle ("Port"), has requested, pursuant to WAC 173-340-510(2)(b), the issuance of this Agreed Order. The Port agrees to undertake the actions required by the terms of this Order, and consents to and will not contest or challenge the jurisdiction of Ecology to issue this Order.

II. PARTIES

The parties to this Order are the Washington Department of Ecology ("Ecology") and the Port of Seattle ("Port").

ATTORNEY GENERAL OF WASHINGTON Ecology Division 4407 Woodview Drive S.E. QA-44 Divmois. WA 98504-8077

III. FINDINGS OF FACTS

Ecology makes the following Findings of Fact with respect to the facility which is the subject of this Agreed Order. The Port of Seattle does not admit the truth or accuracy of any finding of fact or conclusion or statement of law contained in this Agreed Order, and expressly reserves the right to contest such findings of fact and conclusions of law. The Port agrees not to contest, however, in any proceeding to enforce this Agreed Order, Ecology's jurisdiction or authority to issue this Agreed Order.

- 1. The Port of Seattle, a Port District created under ch. 53.04 RCW, presently owns property located at 1901 East Marginal Way South, Seattle, Washington, commonly known as "Terminal 30."
- 2. Approximately forty percent of the Terminal 30 property was acquired from Chevron, U.S.A. ("Chevron"). Prior to the Port's' acquisition, this area was known as Pier 32. This area shall henceforth be referred to as the "Site." A copy of the legal description of the Site is attached hereto and made a part hereof as Exhibit A. The Site has been identified by Ecology as a "Confirmed Hazardous Substance Site" and incorporated on the Hazardous Sites List as "Port of Seattle -- Terminal 30." The Site is not on the National Priorities List established by the U.S. Environmental Protection Agency under Section 105 of the Comprehensive

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Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. Section 9605.

- 3. The Site was purchased on January 2, 1985, from Chevron. While the Site was owned by Chevron, it was operated by Chevron as a bulk storage and transfer facility for petroleum products, including but not limited to leaded and unleaded gasoline, diesel oil and heating oil. Chevron had so used the Site since the early 1900s.
- 4. The bulk storage and transfer facility included many large above-ground petroleum storage tanks, and associated piping and equipment. Leaks, spills and other discharges and releases of petroleum from the tanks, piping and equipment resulted in the presence of free petroleum product ("free product") which floats on the water table, petroleum product that coats soil particles, and dissolved components of petroleum product in ground water. Chevron removed the tanks and much of the piping during 1984 and 1985, under terms of a deed for sale of the Site to the Port, but left the free product in the ground and groundwater. Chevron in 1984 began the installation of monitoring wells to determine the location and amounts of free product, and the Port completed the monitoring well system.
- 5. On June 6, 1985, the Port reached an agreement with Ecology (the "original agreement," copy attached as Exhibit B) that established "completion criteria" under which the Port

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would be permitted to cease daily operation of the recovery well systems installed at the Site between March 1984 and January 1988. Subject to the original agreement, the Port of Seattle had undertaken and continues to operate a program of recovery and recycling, via pumping and other measures, of the free product, and monitoring of the progress of the recovery. Ecology has agreed that the recovery system will be shut down to allow the groundwater conditions to stabilize in a state undisturbed by the pumping process when the product recovery rate is equal to or less than 1.0 gallons/day/well (30 day average). Individual wells may be shut down if recovery in that well meets the 1.0 gallon/day criteria. This stabilization is necessary for a proper characterization of the groundwater and soil conditions.

- 6. The Port of Seattle has at all times been in compliance with the terms of the original agreement. The Port has regularly reported to Ecology on the progress of the cleanup actions undertaken by it under the terms of the original agreement.
- 7. The volume of free product recovered during October 1990 from the soils above the groundwater underlying the site has declined to an average of slightly more than one gallon per day per recovery well.
- 8. Conditions that exist at and on properties adjacent to the north and east boundaries of the site may have or

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presently be resulting in releases of hazardous substances onto and into the soils and ground water of the Site.

Additional studies will be undertaken under this Order as part of the RI/FS to determine the possibility and character of any such releases of hazardous substances from such properties to the Site.

9. Ecology has determined that the provisions of the Model Toxics Control Act, ch. 70.105D RCW, and regulations adopted thereunder at ch. 173-340 WAC, now require additional study and possibly cleanup work at the Site beyond that originally agreed to between Ecology and the Port. Ecology has based its determination upon the information available to the agency concerning site conditions, including reports from the Port.

IV. ECOLOGY DETERMINATIONS

- The Site is a "facility" as defined in RCW
 70.105D.020(3).
- 2. The Site has been incompletely identified on the Hazardous Sites List as "Port of Seattle -- Terminal 30," and the listing will be revised to read "Chevron/Port of Seattle."
- 3. The Port of Seattle is the present "owner and operator" of the Site, within the meaning of RCW 70.105D.020(6). Chevron was the "owner and operator" within the meaning of RCW 70.105D.020(6) from the early 1900s to 1985.

- 4. The free petroleum products in affected media at the Site are "hazardous substances" within the meaning of RCW 70.105D.020(5)(b) and WAC 173-340-200(19).
- 5. The presence of free patroleum products in affected media at the Site constitutes a "release" of a "hazardous substance" within the meaning of RCW 70.105D.020(10).
- 6. By a letter of February 1, 1991, the Port of Seattle voluntarily waived its rights to notice and comment and accepted Ecology's determination that the Port of Seattle is a "potentially liable person" under RCW 70.105D.040.
- 7. Pursuant to RCW 70.105D.030(1) and .050, Ecology may require potentially liable persons to investigate or conduct remedial actions with respect to the release or threatened release of hazardous substances.

Based on the foregoing facts and in the best interests of the public, Ecology has determined that the Port must undertake additional remedial investigation actions and a feasibility study of remedial alternatives for the Site, consistent with RCW 70.105D.030(1)(a) and WAC 173-340-350, as set forth below. Ecology has determined that the Port will not be deemed to be in violation of the original agreement when it shuts the recovery system down in accordance with the schedule in the Work Plan. The Port and Ecology agree that this Agreed Order supersedes the original agreement and the original agreement is no longer effective.

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V. WORK TO BE PERFORMED

Based on the foregoing Findings of Fact and
Determinations, it is hereby Ordered and Agreed that the Port
of Seattle will perform the remedial action set forth below.
The required remedial action is more fully described in the
Work Plan and schedule attached to this Order as Exhibit C.
Exhibit C is incorporated by this reference and is an integral
and enforceable part of this Agreed Order.

- 1. The Port has developed and submitted to Ecology for review and approval, and Ecology has approved, the Work Plan for a state remedial investigation and feasibility study ("State RI/FS") for the Site including a risk assessment, and the Work Plan comports with the requirements of WAC 173-340-350.
- 2. The Work Plan for the State RI/FS includes provisions for the collection, development and evaluation of such information as is required, consistent with WAC 173-340-350(5), to enable Ecology to determine and select an appropriate final remedy for the Site that comports with the requirements of WAC 173-340-360.
- 3. The Work Plan includes a sampling and analysis plan and a public participation plan which have been approved by Ecology. A safety and health plan has also been submitted to Ecology and the Department of Labor and Industries. The public participation plan incorporates notices and actions

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required to satisfy requirements of other laws, including the Shorelines Management Act and the State Environmental Policy Act, and the parties agree in good faith to consult with each other and take all appropriate steps to combine such public notice and comment periods and opportunities with respect to the work required under this Agreed Order.

- 4. The remedial investigation ("RI") to be conducted by the Port under the approved Work Plan includes the following elements:
 - a. General facility information, including information on past and present ownership and use of the Site.
 - b. Information on existing Site conditions, including a map depicting the physical setting, boundaries and improvements of the Site.
 - c. A description of field investigations to be conducted to determine the distribution of hazardous substances and the threats they may pose to human health and the environment.
 - d. Characterization of contamination of surface waters, ground water, and subsurface soils and strata at the Site.
 - e. Information on the potential impact of hazardous substances present at the Site on adjacent or on-Site human populations that might be exposed, and information on the potential impact of hazardous substances at the Site on natural resources and ecology surrounding the Site.
 - f. A description of sources of hazardous substances within the Site, and possible sources of contamination from adjacent properties.

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- 5. The feasibility study ("FS") to be conducted by the Port under the approved Work Plan includes the following elements:
 - a. An evaluation of an appropriate range of remedial alternatives that are protective of human health and the environment, including actions that address pathways of exposure to hazardous substances emanating from the Site and which will, as deemed necessary, eliminate, reduce or monitor potential risks posed by such hazardous substances.
 - b. Identification of and provisions for meeting cleanup standards including applicable, relevant and appropriate provisions of state, federal and local law.
 - c. Description of short- and long-term effectiveness of the proposed remedial action alternatives.
 - d. Review of the degree to which each proposed alternative will involve permanent reduction in the toxicity, mobility and volume of such hazardous substance, and the degree to which recycling, re-use and waste minimization are employed in each alternative.
 - e. The technical practicability, and technical feasibility, including the cost of each such alternative (both present and future direct and indirect capital, operation and maintenance costs) and the additional degree to which risks posed by the Site would be reduced by additional expenditures.
- 6. The Port agrees to provide to Ecology quarterly written progress reports detailing actions taken during the previous quarter, data collected or received during the previous quarter, and dates for completion of the uncompleted elements of work required under the Work Plan.

7. The Port agrees to undertake the State RI/FS consistent with the Work Plan and this Order. The State RI/FS to be performed by the Port under this Order shall also be consistent with the requirements of WAC 173-340-350.

8. The Port agrees to deliver to Ecology the following documents, according to the following schedule:

Deliverable

Date

Draft RI/FS to Ecology for review and comment

570 days after effective date of Agreed Order

Final RI/FS to Ecology for review and comment

60 days after receipt of Ecology comments on the Draft RI/FS

This schedule will be extended if the rate of product recovery on the site does not fall below 1.0 gallons/day/well as expected. However, the schedule will not be extended by more than six (6) months, unless both parties agree that more time will result in greater environmental protection.

9. In the event that Ecology disapproves any submission made by the Port under the schedule set forth above, Ecology agrees that the detailed basis for its disapproval, and its requirements for modification of the submission, shall be submitted to the Port in writing.

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- A. <u>Definitions</u>. Unless otherwise specified, the definitions set forth in ch. 70.105D RCW and ch. 173-340 WAC shall control the meanings of the terms used in this Order.
- B. <u>Public Notices</u>. RCW 70.105D.030(2)(a) requires that, at a minimum, this Order shall be subject to concurrent public notice. Ecology shall be responsible for providing such public notice and reserves the right to modify or withdraw any provisions of this Order should public comment disclose facts or considerations which indicate to Ecology that the order is inadequate or improper in any respect. See public participation plan in Section V.
- C. Remedial Action Costs. The Port agrees to pay to Ecology costs incurred by Ecology pursuant to this Agreed These costs shall include work performed by Ecology or Order. its contractors for investigations, remedial actions, and Order preparation, negotiations, oversight and administration. Ecology costs shall include costs of direct activities; e.g., employee salary, laboratory costs, contractor fees, and employee benefit packages; and agency indirect costs of direct The Port agrees to pay the required amount within activities. 90 days of receiving from Ecology an itemized statement of costs that includes a summary of costs incurred, a description of work performed, an identification of involved staff, and the amount of time spent by involved staff members on the

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project. Failure to pay Ecology's costs within 90 days of receipt of the itemized statement of costs may result in interest charges. In the event of a dispute over the amount of such claimed costs, the dispute shall be resolved in accordance with paragraph H below. In the event that the dispute is finally resolved in favor of Ecology and that such resolution occurs more than 90 days after submission of the original itemized statement and documentation, Ecology may seek recovery of interest charges.

Payment shall be in the form of a certified or cashier's check payable to the State of Washington -- State Toxics Control Account, and shall be delivered to:

Washington Department of Ecology Post Office Box 5128 Olympia, Washington 98504-5128

The Port may seek such reimbursement of its costs from other PLPs as is available under law.

In the event that the compensation, benefits, or other costs associated with Ecology's project coordinator's oversight of the performance of the Port under this agreed order is being paid by the Port under an interagency agreement or other agreement with Ecology, Ecology agrees that it will not include, in any request for reimbursement of costs under this order, a request for any such compensation, benefits or other costs, that will be paid by the Port under the interagency agreement or other agreement.

ATTORNEY GENERAL OF WASHINGTON Ecology Division 4407 Woodview Drive S.E CA-44 Olympiz WA 98504-8077

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D. <u>Project Coordinators and Communications</u>. The project coordinator for Ecology is:

Name: Glynis Carrosino

Address: 3190 - 160th Avenue S.E.

Bellevue, WA 98008-5452

Telephone number: (206) 649-7263

The project coordinator for the Port is:

Name: David Aggerholm Address: Port of Seattle 2201 Alaskan Way Seattle, WA 98111

Telephone number: (206) 728-3000

The project coordinator(s) shall be responsible for overseeing the implementation of this Order. To the maximum extent possible, communications between Ecology and the Port, and all documents, including reports, approvals, and other correspondence concerning the activities performed pursuant to the terms and conditions of this Order, shall be directed through the project coordinator(s). Should Ecology or the Port change project coordinator(s), written notification shall be provided to Ecology or the Port at least ten (10) calendar days prior to the change.

E. <u>Performance</u>. All work performed pursuant to this Order shall be under the direction and supervision, as necessary, of a professional engineer or hydrogeologist, or similar expert, with appropriate training, experience and expertise in hazardous waste Site investigation and cleanup.

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The Port shall notify Ecology as to the identity of such engineer(s) or hydrogeologist(s), and of any contractors and subcontractors to be used in carrying out the terms of this Order, in advance of their involvement at the Site.

Access. Ecology or any Ecology authorized representatives shall have the authority, subject to WAC 173-340-800, to enter and freely move about the site at all reasonable times for the purposes of, inter alia: records, operation logs, and contracts related to the work being performed pursuant to this Order; reviewing the progress of the Port in carrying out the terms of this Order; conducting such tests or collecting such samples as Ecology or Ecology's project coordinator may deem necessary; using a camera, sound recording, or other similar equipment to record work done pursuant to this Order; and verifying the data submitted by the Port to Ecology. The Port agrees, by signing this Order, to waive the requirements of WAC 173-340-800(1) regarding notice prior to access by Ecology, and acknowledges the authority of Ecology to have access to the Site at all reasonable times for purposes of overseeing the work to be performed under this Order and verify the investigations and other remedial actions being performed by the Port. parties recognize, however, that the Site is part of an active operating marine terminal on which heavy loads of shipping containers are being moved and stored. Operations at the

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terminal are being carried out by lessees of the Port and not by the Port itself. Access to various areas of the Site may be inhibited for brief periods due to the storage of container stacks or other aspects of the lessee's operations. agrees, consistent with WAC 173-340-800(4), to take reasonable precautions to avoid disrupting the ongoing operations at the Site and to abide by all state and federal health and safety requirements which Ecology determines to be applicable. Ecology also agrees that, except in the event of an emergency, it will check in with the Port either by phone or in person at the Port's offices at Pier 66 and, if the Port requests, accept an escort to accompany the Ecology personnel or Ecology authorized representative on Site. Ecology shall allow the Port to take split or replicate samples of any Ecology samples taken during an inspection unless so doing would interfere with Ecology's sampling. The Port shall give Ecology seven (7) days' notice before any Port sampling activity and shall allow Ecology to collect split or replicate samples.

G. Retention of Records. The Port shall preserve in a readily retrievable fashion, during the pendency of this Agreed Order and for a period of ten (10) years from the date of completion of the work performed pursuant to this Order, all records, reports, documents, and underlying data in its possession relevant to this Order. Should any portion of the work performed hereunder be undertaken through contractors or

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agents of the Port, then the Port agrees to include in their contract with such contractors or agents a record retention requirement meeting the terms of this paragraph.

Dispute Resolution. In the event that disputes arise between the Port and Ecology during the implementation of this Order with respect to any matter within the scope of this Order, the parties agree in good faith to attempt to achieve informal resolution of such disputes. Either party may initiate the informal dispute resolution process. event that informal discussions between the parties do not result in agreement, either party may invoke a formal dispute resolution process by making a written request to the other Ecology agrees to maintain a Site File which shall contain such materials as each party identifies as appropriate for consideration by Ecology in resolution of the dispute. The Port shall have a period of ten (10) calendar days from the invocation of formal dispute resolution to submit materials for inclusion in the Site File to be considered by Ecology. Ecology agrees to make a prompt determination with respect to any dispute under this formal process, and to document its determination in writing, stating the reasons for its determination. Ecology's Program Manager for the Toxics Cleanup Program shall make this final determination. is not relieved of any requirement of this order during the pendency of the dispute and remains responsible for timely

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compliance with the terms of the Order unless otherwise agreed in writing by Ecology.

Order is not a settlement under ch. 70.105D RCW. Ecology's signature on this Order in no way constitutes a covenant not to sue or a compromise of any Ecology rights or authority with respect to the Site. Ecology will not, however, bring an action against the Port to recover remedial action costs paid to and received by Ecology under this Agreed Order. In addition, Ecology will not take additional enforcement actions against the Port to require those remedial actions required by this Agreed Order, provided that the Port complies with this agreed Order. Ecology reserves the right, however, to require additional remedial actions at the Site should it deem such actions necessary.

In the event that Ecology determines that conditions at the Site are creating or have the potential to create a danger to the health or welfare of the people on the Site or in the surrounding area or to the condition of the environment, Ecology may order the Port to stop further implementation of this Order for such period of time as is needed to abate the danger. Any halting of activities required of the Port under this Order in response to an order of Ecology shall not constitute a violation of the requirements of this Order.

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J. Transfer of Property. No voluntary or involuntary 1 conveyance or relinquishment of title, easement, leasehold or other interest in any portion of the Site shall be consummated by the Port without provision for continued implementation of all requirements of this Order and implementation of any remedial actions found to be necessary under this Agreed Prior to transfer of any legal or equitable interest Order. that the Port may have in the Site, or any portion thereof, the Port shall serve a copy of this Agreed Order upon any prospective purchaser, lessee, transferea, assignee or other successor in such interest. At least thirty (30) days prior to closure of any such transfer, the Port shall notify Ecology of such contemplated transfer. Compliance with Other Applicable Laws. All actions

- carried out by the Port pursuant to this Order shall be done in accordance with all applicable federal, state and local requirements.
- Modification. Ecology and the Port may modify this Order by mutual written agreement.

VII. <u>SATISFACTION OF THIS ORDER</u>

The provisions of this Order shall be deemed satisfied upon the Port's receipt of written notice from Ecology that the Port has completed the remedial activity required by this Order, as amended by any modifications, and that all other provisions of this Agreed Order have been complied with.

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Ecology agrees to promptly review all submissions made by the Port under this Order.—The Port may make a written request that Ecology provide written notice of satisfaction, and Ecology agrees promptly to address any such request from the Port. Ecology further agrees that its written notice of satisfaction will not be unreasonably withheld.

VIII ENFORCEMENT

- 1. Pursuant to RCW 70.105D.050, this Order may be enforced as follows:
- A. The Attorney General may bring an action to enforce this Order in a court of competent jurisdiction.
- B. The Attorney General may seek, by filing an action, if necessary, to recover amounts spent by Ecology for investigative and remedial actions and orders related to the Site.
- C. In the event the Port refuses, without sufficient cause, to comply with any term of this Order, the Port will be liable for:
 - (1) up to three times the amount of any costs incurred by the state of Washington as a result of its refusal to comply; and
 - (2) civil penalties of up to \$25,000 per day for each day it refuses to comply.

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1 This Order is not appealable to the Washington Pollution Control Hearings Board. This Agreed Order may be 2 3 reviewed only as provided under RCW 70.105D.060. 5 Effective date of this Order: Each person signing this Order affirms that he or she has the 9 power to bind the party he or she represents to the terms of 10 this Order. 11 12 PORT OF SEATTING 13 STATE OF WASHINGTON DEPARTMENT OF ECOLOGY 14 15 By 16 Michael Gallagher Toxics Cleanup Program 17 Northwest Regional Office Department of Ecology M. R. DINSMORE 18 100/portsea2.ago CHIEF OPERATING OFFICER 19 20 21 22 23 24 25 AGREED ORDER - 20