January 7, 2015

Ms. Libby Goldstein Washington State Department of Ecology 3190 160th Avenue Southeast Bellevue, Washington 98008

SUBJECT: FOURTH QUARTER 2014 STATUS REPORT

Alaska Street Texaco (SKS Shell) 3901 Southwest Alaska Street

Seattle, Washington

Project Number: 0914-003

Dear Ms. Goldstein:

SoundEarth Strategies, Inc. is pleased to present the Washington State Department of Ecology with a 4th quarter status report for cleanup at the Alaska Street Texaco site, also known as SKS Shell (SKS Site). The Site is being cleaned up under Prospective Purchaser Consent Decree #13-2-27556-2, lodged on July 29, 2013. The removal of petroleum contaminated soil and groundwater at the Site is to be integrated with the development of a five-story mixed-use building including excavation for two-levels of underground parking. The remedial activities at the Site will occur in conjunction with remedial activities on adjacent properties – Huling Brothers Property and Kennedy Property – which are being managed under the Voluntary Cleanup Program.

In the 4th quarter of 2014, the demolition of the SKS Shell building occurred, as well as removal of three vehicle hoists that were discovered beneath convenience store floor in the former location of a 1930s-vintage repair garage. Also conducted was the installation of a west bounding well in the Alaska Street sidewalk (well MW107), and preparation and finalization of a Construction Management Plan for the SKS Site and the adjacent Huling Brothers and Kennedy properties. The Construction Management Plan will control the identification, segregation, and disposal of various classes of clean, impacted and contaminated soil and groundwater during redevelopment.

The dewatering system will be constructed in January 2015 and is expected to begin operation by early February 2015. The development excavation and cleanup of petroleum contaminated soil at the SKS Site is expected to occur in the 1st quarter of 2015. Excavation of "hot spot" remediation areas at the adjoining Huling Brothers and Kennedy properties began recently and general excavation will continue over the next few months.

The following summarizes the work conducted to date and the current schedule for cleanup work at the Site:

<u>Cleanup Plan Task</u>	Date
UST Fuel Removal and Station Shutdown	Conducted: July 2013
UST Grading Plan Approval	Conducted: October 2013
Installation of Shoring for UST removal	Conducted: November 2013
UST System Cleaning and Removal	Conducted: December 2013
Submit UST Removal Report	Conducted: January 2014
Permitting for Wells	Conducted: May 2014
Master Use Permit	Conducted: June 2014
Install Dewatering Wells (8 wells)	Conducted: July 2014
Install West Bounding Well MW107 (post demolition)	Conducted: October 2014
SKS Shell Demolition and Hoist removal	Conducted: October - November 2014
Construct Dewatering System in Right-of-Way wells	Planned: January 2015
Operate Dewatering System	Planned: January - April 2015
Contaminated Soil Excavation and Confirmation Sampling	Planned: January - March 2015
Backfill Excavation and Install Membrane Barrier	Planned: March 2015
Chemical Oxidant Injection (ChemOx)	Planned: April 2015
Submit UST Closure Report with Confirmation Data	Planned: April 2015
First Quarter Post Cleanup Groundwater Monitoring	Planned: April 2015
Submit Cleanup Action Report	Planned: June 2015
Groundwater Monitoring and Contingent ChemOx Injection	Planned: June 2015 - June 2016
Groundwater monitoring (as necessary)	Planned: 2016 to 2021

CLOSING

As stated previously, excavation of "hot spot" remediation areas at the adjoining Huling Brothers and Kennedy properties has begun. Installation of shoring and mass excavation is expected to begin next week. Please let me know if you would like to meet on site to observe any specific remedial activities.

A copy of the Construction Management Plan is attached. If you have any questions about the schedule, the cleanup activities, or the Construction Management Plan, please contact me at 206-306-1900.

Respectfully,

SoundEarth Strategies, Inc.

Rob Roberts Senior Scientist

Attachment: Construction Management Plan

cc: Mr. Brad Reisinger, Lennar Multifamily

Mr. Kelley Kohout, Lennar Multifamily Mr. Ken Lederman, Foster Pepper PLLC

Mr. Phil Carmody, GID

Mr. Jason Sweatt, GID Mr. Bill Joyce, Joyce

Mr. Dave Cook, GeoEngineers

Mr. Drew Imke, Washington State Department of Ecology