

July 13, 2016

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Mr. Denis H. Langhans
2908 Country Club Rd NW
Olympia, WA 98502

Re: Port Commission Public Comment & Letter Submitted to Port Commission - July 11, 2016

Dear Mr. Langhans,

This letter is in response to your public comment to the Port Commission and the accompanying letter you submitted on July 11, 2016:

The Port Commission must annually consider, prepare, adopt and file a budget per Revised Code of Washington Chapter (RCW) 53.35. The Port Commission fulfilled this requirement during the 2016 Budget process. In addition to the statutorily required budget, Port staff prepares a “Plan of Finance” which looks ahead five years from the operating budget and capital investment plan (CIP). The “Plan of Finance” is not statutorily required and is used for planning purposes only, subject to material change from one year to the next.

The capital investment project in question relates to the Budd Inlet Environmental Clean-up Project (ENV1401). In 2014, when the remediation process was initiated with the Washington State Department of Ecology, staff anticipated a \$20.2 million investment by the Port in 2016. This was pushed out to the year 2017 due to questions related to the extent and responsibility of contamination.

In 2016, it became clear that a number of questions would need to be answered before the Port could accurately estimate what our contribution to the clean-up effort might be and the timing of these efforts. The item was removed from the budget. Staff did not comment about the rationale for removing this item from five year plan. In hindsight, an explanation could have eliminated confusion about this modification.

We are working with the Washington State Department of Ecology on a Remedial Investigation, evaluating the extent of contamination as prescribed by their clean-up process. The following link provides further information:

http://www.ecy.wa.gov/programs/tcp/cu_support/cu_process_steps_defns.htm). Upon completion of the Remedial Investigation, will begin work on a Feasibility Study that will provide clean-up alternatives.

Concurrent to this work, identification of sources of both legacy and current contamination must be identified. Additionally, control measures for any current sources of contamination must be put in place to ensure efficacy of clean-up efforts. Based on the data we have collected to date, it appears that a major contributor of dioxin into the Puget Sound are the City of Olympia's stormwater outfalls located on East Bay Drive, Moxlie Creek and West Bay Drive. Significant work will need to be done to address source control before remediation work can commence. This step could take 2-4 years.

The Washington State Department of Ecology has not yet identified Potentially Liable Parties for legacy contamination of Budd Inlet. Once identified, these entities will be responsible to match remedial action funds provided by Ecology to do clean-up work.

The Port of Olympia role in these steps has not been identified. Budgetary programming at this point is premature. Only if the Port of Olympia is identified as a source of contaminants will we be responsible to fund a portion of the clean-up.

The Port of Olympia is committed to doing business in a manner that thoughtfully stewards Thurston County's environmental resources. We support and are active partners in efforts to remove legacy toxics found on Port of Olympia properties and are committed to play an appropriate role in ensuring these sites are thoroughly remediated in a manner consistent with Washington State regulations. As we have explained, we are working closely with the Department of Ecology, in compliance with their prescribed process, to help ensure legacy toxics found in Budd Inlet are addressed appropriately. Please let me know if you have additional questions or would like to meet with me or my staff.

Sincerely,



E.B. Galligan
Executive Director
Port of Olympia

CC: Commissioner Bill McGregor
Commissioner Joe Downing
Commissioner EJ Zita
Rachael Jamison