

COMMISSION
AGENDA MEMORANDUM

Item No. 8j

ACTION ITEM

Date of Meeting October 14, 2025

DATE: September 26, 2025

TO: Stephen P. Metruck, Executive Director

FROM: Sarah Ogier, Director-Maritime Environment & Sustainability
Brick Spangler, Sr. Program Manager, Maritime Environment & Sustainability
Tim Leonard, Capital Project Manager, Waterfront Project Management

SUBJECT: East Waterway Cleanup Design

Amount of this request: \$0
Source of Funds: ERL Non Ops
Total estimated design cost: \$30,000,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to complete the remedial design; including the procurement of a consultant designer and preparation of construction documents; for the East Waterway Cleanup project. The total request for this action is in the amount of \$0 as funding for the estimated \$30,000,000 cost of the required remedial design was included in the previously authorized 2025-2029 Environmental Remediation Liability (ERL) Program.

EXECUTIVE SUMMARY

Sediment in the East Waterway contains contaminants that include polychlorinated biphenyls (PCBs), arsenic, dioxins/furans and carcinogenic polycyclic aromatic hydrocarbons (cPAHs) that pose risk to human health and the environment and need to be addressed. The East Waterway Group (EWG), comprising the Port of Seattle, the City of Seattle, and King County, completed the investigation and feasibility study phases of the cleanup of the East Waterway Superfund Site; the remedial design is the next phase in the Superfund process. The Port led the previous work under a legal agreement with the Environmental Protection Agency (EPA) and was supported by the City of Seattle and King County through a Memorandum of Agreement (MOA).

The EWG is now sharing responsibility to develop the remedial design for the cleanup of contaminated sediments within the East Waterway operable unit of the Harbor Island Superfund Site, as required by an Administrative Settlement Agreement and Order on Consent (ASAO) with the EPA. Under a new MOA with its EWG, the Port will continue to lead contracting on behalf of the EWG and procure an environmental consulting firm to perform the work, with costs reimbursed by the City and County on a preliminary (subject to reallocation) basis of 1/3 each.

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Including a project specific consultant design contract anticipated to be in the range of \$15 – \$22 million, the total remedial design effort's cost is preliminarily estimated to be approximately \$30 million. Funding for this work was included in the 2025-2029 Environmental Remediation Liability (ERL) Program. Port Commission approved signing the EPA ASAOC and EWG MOA on September 9, 2025.

BACKGROUND

The Harbor Island Superfund Site is one of the first Superfund sites in the country, listed on EPA's National Priorities List in 1983. Harbor Island is a human-built, industrial island in Elliott Bay. Built in the early 1900s, the 420-acre island supports businesses that conduct commercial and industrial activities, including a former lead battery recycler, ocean and rail transport operations and petroleum fuel farm storage and operation. Prior operations at the site resulted in contaminated groundwater, sediment and soil with lead and other contaminants. The EPA divided the Harbor Island site into six smaller areas, known as "Operable Units" (OUs) to better address site cleanup. Cleanups have been completed at five of the OUs, and the remaining OU for cleanup is the East Waterway. The East Waterway cleanup area stretches one mile along the east side of Harbor Island and covers 157 acres. It is downstream and north of the Lower Duwamish Waterway Superfund Site.

The East Waterway requires cleanup due to unacceptable risks to human health and to the environment. Sediments at the bottom of the waterway contain contaminants that include polychlorinated biphenyls (PCBs), arsenic, dioxins/furans and carcinogenic polycyclic aromatic hydrocarbons (cPAHs) that pose risk to human health. There are 29 contaminants, including PCBs and mercury, which pose risks for benthic invertebrates that are the base of the food chain. PCBs also pose risk to fish within the waterway. The EPA released its Interim Record of Decision (IROD) for cleanup of the East Waterway in 2024. The next step to implement the Interim ROD is Remedial Design (RD).

The EPA ASAOC, requiring the EWG to develop the remedial design for the cleanup; and a new cost-sharing MOA between the EWG partners, was approved by prior Commission action on September 9, 2025. Under the MOA, the three EWG parties will share responsibility to implement the required work. The Port will procure an environmental consulting firm to perform the work, with costs reimbursed by the City and County on a preliminary basis of 1/3 each. The Port will hold the contract with the consultant(s) and all invoices will be handled by the Port with appropriate portions reimbursed by the City and County.

Total cleanup cost estimates were developed for each cleanup alternative as part of the East Waterway Feasibility Study completed in 2019. In 2023, the EWG updated the cleanup cost based on the EPA's preferred alternative as selected in the ROD and updated market pricing for a total of \$419,000,000. Including construction cost escalation and the latest construction market costs, the current total project cost has been preliminarily estimated at \$600,000,000. Of that total, \$30,000,000 is estimated for the requirements of the current EPA ASAOC (remedial design, baseline monitoring, project management and EPA oversight effort).

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Funding for the required remedial design effort was included in the 2025-2029 Environmental Remediation Liability (ERL) Program; therefore, design funding is not requested at this time.

JUSTIFICATION

The EPA ASAOC is a binding agreement that requires the EWG to complete the remedial design for the East Waterway to meet EPA’s cleanup objectives in its Interim Record of Decision. The EWG MOA enables the parties to share the costs of the required work and, among other requirements, obligates the Port to fulfill EPA’s financial assurance requirements for the work.

DETAILS

The Statement of Work detailed in the ASAOC requires that the Port, City, and County to perform the work to complete the Remedial Design.

Schedule

The preliminary East Waterway Cleanup project schedule milestones are as follows:

<i>Activity</i>	<i>Estimated Schedule</i>
Commission Design Authorization	October 2025
Consultant designer contract execution	Q1 2026
Remedial Design (may require up to 5 years)	2026 - 2031
Construction (may require up to 10 years)	2031 - 2041

ALTERNATIVES AND IMPLICATIONS CONSIDERED**Alternative 1 – Do Not Perform Remedial Design in accordance with the signed ASAOC**

Cost Implications: Not performing the remedial design required by the signed ASAOC may result in the issuance of an enforcement order by EPA, or EPA may elect to perform this work itself. This would result in EPA recovering the cost of the work from the Port, increasing the Port’s estimated costs by 1.5 to 3 times.

Pros:

- (1) May delay the Port’s spending by a year or more while EPA prepares the enforcement order.

Cons:

- (1) Increased legal and staff time and efforts and costs to respond to an enforcement order and provide ancillary support to the EPA to carry out the enforcement order (gain access to the site, etc.)
- (2) The ultimate costs of the work will be much higher if EPA elects to perform the work itself.
- (3) Not performing this work could tarnish the Port’s reputation with EPA and the community as having a commitment to public health and being a steward of community resources and the environment.

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This is not the recommended alternative.

Alternative 2 – Perform the remedial design in accordance with the signed ASAOC

Cost Implications: \$30,000,000 shared with EWG.

Pros:

- (1) Avoids potential enforcement order and furthers the Port's collaborative working relationship with EPA.
- (2) Takes the next step leading to East Waterway cleanup and long-term protection of human health and the environment.
- (3) Demonstrates the Port's value of being responsible stewards of community resources and the environment.

Cons:

- (1) None, but completion of the ASAOC required remedial design will cost a preliminarily estimated \$30,000,000 amount, with the City and County each reimbursing the Port for one third.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

There is no funding request as part of this remedial design authorization. Funding for the associated scope of work and costs is included in the annual Environmental Remedial Liability (ERL) authorization. Project costs will be shared by the Port, City, County, subject to reallocation later. As the contracting party, the Port will pay all costs upfront, and the City and County will reimburse the Port for their respective shares. The Port will pursue additional opportunities to recover additional costs.

ATTACHMENTS TO THIS REQUEST

- (1) PowerPoint presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

September 9, 2025 – The Commission authorized the Executive Director to (1) sign and execute an EPA Administrative Settlement Agreement and Order on Consent (ASAOC) requiring the Port of Seattle, City of Seattle, and King County to perform remedial design for the East Waterway Operable Unit of the Harbor Island Superfund Site; and (2) to sign a Memorandum of Agreement between the Port of Seattle, City of Seattle, and King County to share the costs and obligations to perform the scope of work required by the ASAOC.

November 1, 2024 - The Commission authorized the Chief Executive Officer to (1) spend environmental remediation funds for 2025 in the amount of \$19,700,000 and (2) approve a five-year spending plan for \$211,000,000 for the environmental remediation liability program for

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2025-2029, of which an estimated not-to-exceed amount of \$50,000,000 will be obligated during 2025 to be spent in future years.

July 25, 2006 – The Commission authorized the Chief Executive Officer to Execute the Administrative Settlement Agreement and Order on Consent for a Supplemental Remedial Investigation/Feasibility Study for the East Waterway Operable Unit of the Harbor Island Superfund Site issued by the United States Environmental Protection Agency.

March 14, 2006 – The Commission authorized the Chief Executive Officer to Execute a Memorandum of Agreement (MOA) between the Port and the City of Seattle and King County for the East Waterway Operable Unit of the Harbor Island Superfund Site Supplemental Remedial Investigation/Feasibility Study.

September 23, 2003 – The Commission issued project-wide authorization for the design, permitting, and construction required for the Port's full compliance with Administrative Order on Consent for Removal Action issued by the United States Environmental Protection Agency in the matter of Harbor Island Superfund Site East Waterway Operable Unit, Phase 1 Remedial Design and Removal Action, and Phase 2 Remedial Design Activities for an estimated cost of \$19,400,000.