

RESPONSES OF PUGET SOUND PORTS TO CHANGES IN SUITABILITY GUIDELINES FOR OPEN WATER DISPOSAL

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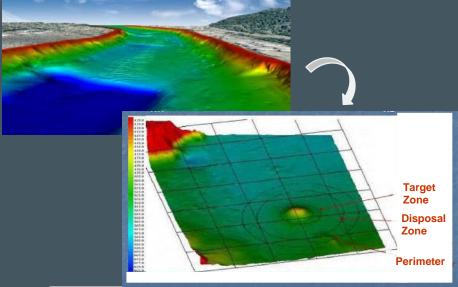
Port of Bellingham: Mike Stoner, Dan Stahl, John Hergesheimer, P.E.

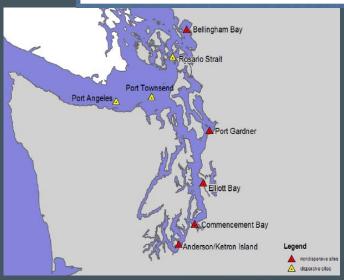
Port of Olympia: Rick Anderson Port of Tacoma: Jason Jordan

October 2011

DMMP Has Operated Safely for Over 20 Years

- Cost-Effective Disposal
- Regional Success Story
 - Multi-Agency Program
 - Extensive Siting Studies
- Project Review Process
 - Testing Protocols
 - Suitability Guidelines
- DMMP Site Monitoring
- Adaptive Management

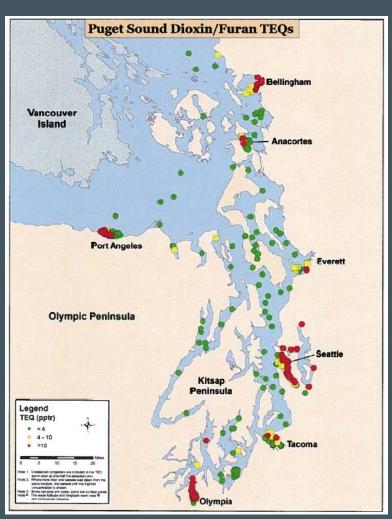






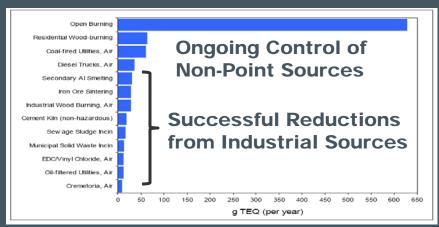
Recent Agency Concerns Regarding Dioxin/Furans in Urban Sediments

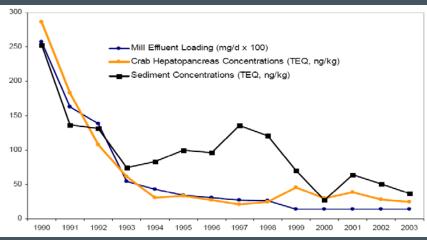
- Previous Guidelines
 - "Reason to Believe"
 - Limited Testing Since 1993
- Recent Puget Sound Data
 - Cleanup Studies
 - Ambient Monitoring
- 2006 Project Evaluation
 - Port of Olympia
 - USACE Federal Channel
- Expanded Interest



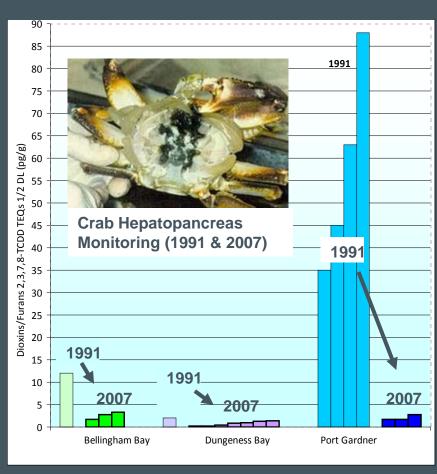


Declining Dioxin Source Inputs and Aquatic Food Chain Concentrations





Dioxin Inventory Data from EPA, 2005. Pulp Mill and Crab Monitoring Data from Environment Canada

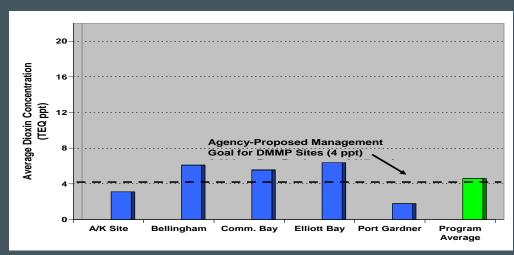


Crab Hepatopancreas Data From EPA, 1991; SAIC 2008 & Malcolm Pirnie, 2007



No Evidence of Impact at Disposal Sites

- Millions of Cubic Yards Safely Managed (1989-2009)
 - Puget Sound Sites > 15 Million cyd
 - Grays Harbor / Willapa Bay > 24 Million cyd
- Monitoring Sites Remain Similar to Surroundings



From SAIC, 2008 and Seattle DMMO, 2009.



USACE / Port of Olympia 2006 Maintenance & Widening Project

- Channel Sediments
 - 458,734 cyd
 - Dioxin/Furans
- Review by DMMP
 - Risk Concerns
 - Disposal Site Background
- Project Decision
 - DMMU Avg <3.8 ng/kg
 - 238,234 cyd Failing





Olympia Decision in Context

Typical Sediments Typical Urban Soils **EPA & National Academy of** Concentrations (ppt dry wt) **Ecology Urban Seattle Soils** Sciences, 2006 (1 to 20 ppt) Study, 2011 (mean 19 ppt, 90%-tile 46 ppt) **Budd Inlet Average Surface Concentration** EPA & National Academy of Department of Ecology Sciences, 2006 (up to 21ppt) (19 ppt) **Natural Background Washington Cleanup Level** Sediment Dioxin/Furan **In Puget Sound** for Residential Soils **Deep-Water Sediments** MTCA Method B Bold Data Set, 2008 (11 ppt) (up to 11.8 ppt) **Current DMMP Suitability 2006 Project Criteria** Guideline (4.0 ppt average) (3.8 ppt average) Ø

ppt = parts per trillion (ng/kg)



Recent Updates to Dioxin/Furan Suitability Guidelines

1990-2006

- Testing Requirements / "Reason to Believe"
- Few Impacted Projects

2006

- Project-Specific Decision Olympia
- Stated Application Only to Project

2007

- Interim Guidelines Non-Dispersive Sites
- Disposal-Site Background Comparison

2009

- Draft Proposal Uniform 4/10 Criteria
- Feedback from Stakeholders & Regulated Community

2010

- Updated Guidelines (4 avg. /10 max.)
- Bioaccumulation & Case-By-Case Decision Options

Future

• Proposed Additional Changes...



Current Guidelines are Stringent and Expand Testing Requirements

- D/F Testing at Most Urban Sites
 - Expanded "Reason to Believe"
- Background-Based Site Management Goal
 - 4 ng/kg dry weight
 - Goal for All Disposal Sites
- Dispersive Site Guidelines
 - All DMMU < Goal (4 ng/kg)
- Non-Dispersive Site Guidelines
 - DMMU Average < 4 ng/kg
 - Max DMMU = 10 ng/kg



Comments from the Public Ports on the 2010 Draft Guidelines

"...the Proposal's approach to dioxin represents a quantum leap...data from recent maintenance dredging projects shows that about 70% of the DMMUs from these projects would fail the new dioxin criteria..."

"The economic impact of DMMU failures is magnified by the extremely large cost differential between open water disposal and all other options."

Washington Public Ports Association

June 2010



Dec 2010 Guidelines Were Issued with Three Additional Provisions

- Bioaccumulation Testing
 - Stringent Reference-Based Evaluation
 - No Projects Have Yet Utilized to Date
- DMMP Case-by-Case Determinations
 - Sequential Disposal, or...
 - Coordination of Separate Projects
 - Must Evaluate Other Bioaccumulatives
- Provision for Small Businesses



Additional Changes are Anticipated by the DMMP

"Note that these guidelines remain "interim" as dioxin policies will continue to be refined in concert with the development of guidelines for other bioaccumulatives, especially dioxin-like PCBs."

DMMP Guidelines, December 2010



Case Studies Illustrate Response of Puget Sound Ports to Changing Guidelines

- Port of Olympia
 - Cleanup Dredging with Upland Disposal
 - Ongoing Evaluation of Federal Channel
- Port of Bellingham
 - Gate 3 Marina Project Integrated Cleanup Action
 - Sediment Solidification & Reuse for Landfill Capping
 - Whatcom Waterway Project
 - Amended to Include Confined Aquatic Disposal
- Port of Tacoma
 - Husky Terminal Project
 - Reuse as Upland Fill at Port Property



- Project Purpose
 - Partial Remediation of Berth/Under-Pier Sediments
 - MTCA Interim Action
 - Pilot Study to inform cleanup
- Economic Impacts of Cleanup
 - Supports Continued
 Marine Terminal Uses







- Project Elements
 - 10,000 cyd Dredging
 - Transload to Rail
 - Upland Disposal
 - Sand Cover Placement
 - Extensive Monitoring
 - Completed Feb 2009
- Construction Costs
 - Total \$1.9 Million
 - \$115/cyd (T&D)





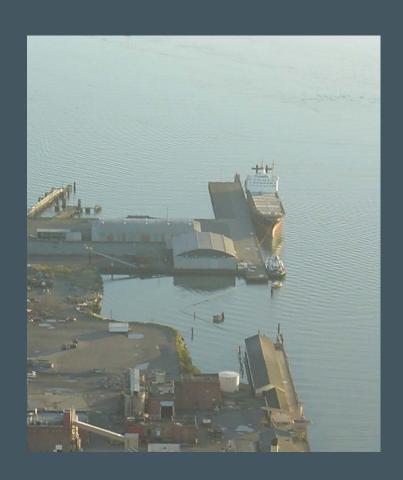
- Project Complexities
 - Time & Costs to Complete MTCA Process
 - Additional Project Approvals
 - Additional Rail & Landfill Coordination
 - Requirements for Sand Cover Placement & Monitoring After Dredging
 - Remaining Sediments Not Fully Removed
 - Dependence on Local Toxics Account Grant Funding



- Ongoing Evaluation in Channel Areas
 - Corps Evaluations Under WRDA
 - Environmental RIFS Studies Under MTCA
- Approximately 250,000 cyd Impacted Sediment in Channel
 - Sediment exceeds current DMMP dioxin/furan criteria for open-water disposal
- Schedule and Funding for Additional Actions Uncertain

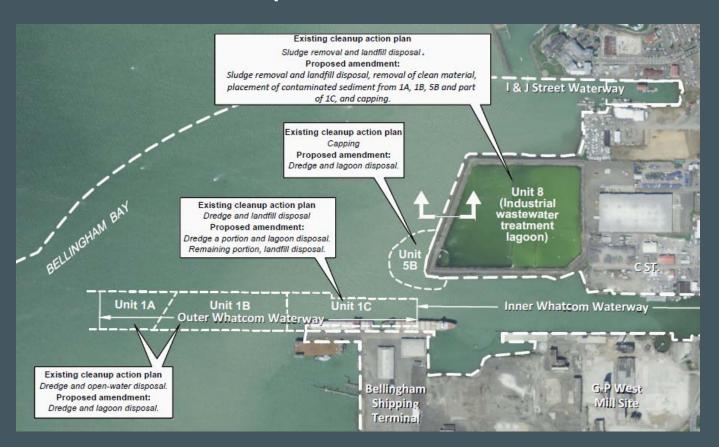


- Project Purpose
 - Manage Sediments from Outer Waterway Channel
 - Previously Suitable for DMMP
 - Not Suitable Due to Dioxin/Furans
- Economic Impact
 - Supports Continued Use of Bellingham Shipping Terminal



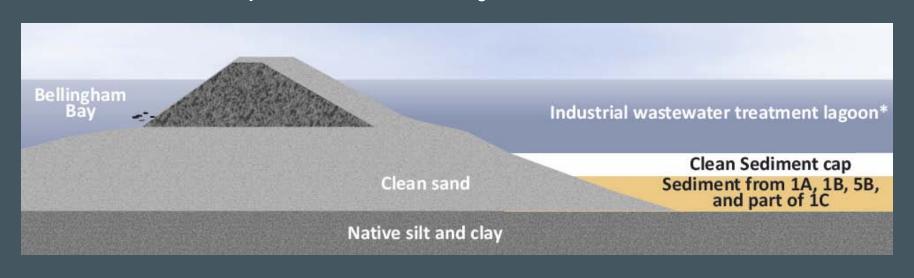


Updates to Cleanup Plan (CD Amendment)





- Project Elements
 - Excavate Confined Aquatic Facility in Former Lagoon
 - Reuse Clean Sand Generated by Excavation
 - Place & Cap Dredged Sediments
 - Redevelopment of Facility for Recreational Marina





- Construction Costs
 - Complex Multi-Component Project
 - Est. "Core" Costs for Confined Aquatic Disposal
 - 2010 Estimated Costs at \$30/cyd
 - Additional Project Costs Associated with CAD Construction
- Project Schedule
 - 2 Years Required to Modify Consent Decree
 - Construction as Two Projects
 - CAD Disposal is Part of Second Project
 - First Project Begins 2012



- Project Complexities
 - Time & Costs to Amend MTCA Consent Decree
 - Complex Integrated Project
 - Full Integration with Multi-Phase Cleanup Action
 - CAD Site Excavation & Material Reuse
 - Handling Contaminated Sediments Over Disposal Site Berm
 - Future Marina Reuse of Disposal Site
 - Availability of Port-Owned Land
 - Dependence on Local Toxics Account Grant Funding



- Project Purpose
 - Maintain Existing Marina
 - SupportReplacement ofFailing Float System
- Economic Impact
 - Marina Viability
 - Construction Jobs
 - Recreational Users
 - Commercial Users





- Project Elements
 - Dredging 30,000 cyd
 - Offload at Port Site
 - Solidification with Portland Cement
 - Transport to Landfill Cleanup Site
 - Stockpiling for FutureUse as Landfill CapMaterial







- Construction Costs
 - Bid Late Summer 2011
 - Total Project \$7 million
 - Transport, Offload, Solidify & Place = \$3 million
 - \$100/cyd
- Project Schedule
 - Work In Progress
 - Completion February 2012



- Project Complexities
 - Time & Costs to Complete MTCA Process
 - Coordination with Other Project Timeline
 - Additional Project Approvals
 - Contract Solidification Requirements
 - Staging Area & Water Management
 - Dependence on Local Toxics Account Grant Funding
 - Future Project Phases



Port of Tacoma – Husky Terminals Project

- Project Purpose
 - Maintain Depths at T3/T4 of Blair Waterway
 - Remove Shoaling for Safe Operations
- Economic Impact
 - Continued Use by Husky Terminals
 - Pacific-RimContainer Trade





Port of Tacoma – Husky Terminals Project

- Project Elements
 - Very Low D/FConcentrations
 - Previous Blair Cleanup
 - Portion of SedimentsApproved for DMMP
 - Upland Reuse of 16,000 cyd as Fill for Port Site
 - Offload & Dewatering
 - Truck Transport & Placement for Reuse at Port Property





Port of Tacoma – Husky Terminals Project

- Construction Costs
 - Bidding Fall 2011
 - Final Costs Pending
- Project Complexities
 - Additional Project Approvals
 - Sediment Dewatering & Staging Requirements
 - Availability of Port Reuse Option for Sediments



Summary – Recent Port MaterialManagement Options and Costs

Project	Option	Approximate T&D Cost (\$/cyd)
Typical Open-Water Disposal Project	Transport and Disposal at DMMP Site	\$10
Port of Olympia Berth/Under-Pier Cleanup	Transload, Handling, and Upland Disposal	\$115
Port of Bellingham Gate 3 Project	Transload, Solidification, and Upland Beneficial Reuse	\$100
Port of Bellingham Whatcom Waterway	Confined Aquatic Disposal	\$30
Port of Tacoma Husky Terminal	Transload, Handling, and Upland Reuse as Fill	Pending



Potential Impacts to Dredging Projects

- Project Deferrals or Cancellations
 - Re-scoping of Surviving Projects
 - Requirements for Additional Funding
- Longer Design, Permitting and Bidding Timeline
 - Additional Reviews, Project Requirements
- More Complex Construction
 - Additional Project Elements & Higher Costs
 - Increased Complexity & Risk
 - Production Rates Linked to Disposal Option
- More "Contaminated" Sites
 - Increased Monitoring Efforts



Implications for The Future

- Reduced DMMP Site Use
- Increased Reliance on Alternative Disposal
 - Uncertainty of Landfill Pricing & Capacity
- Predicted Increase in Landfill Pricing

