



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 8g

**ACTION ITEM**

**Date of Meeting** November 11, 2025

**DATE :** October 21, 2025

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Sarah Ogier, Director-Maritime Environment & Sustainability  
Sarah Cox, Director-Aviation Environment & Sustainability  
Joanna Florer, Sr. Manager-Environmental Programs  
Megan King, Sr. Environmental Programs Manager

**SUBJECT: 2026 – 2030 Environmental Remediation Liability Program for Cleanup and Investigation of Historical Contamination**

**Amount of this request:** \$30,000,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to (1) spend environmental remediation funds for 2026 in the amount of \$30,000,000 and (2) approve a five-year spending plan for \$259,000,000 for the environmental remediation liability program for 2026-2030.

**EXECUTIVE SUMMARY**

Projects within the Port’s Environmental Remediation Liability (ERL) program address potential threats to human health and the environment caused by contamination resulting from historical industrial operations on properties acquired by the Port and/or, prior Port or Port tenant operations. As a major industrial and commercial landowner, the Port has significant environmental cleanup obligations, the costs of which are accounted for in accordance with the Government Accounting Standards Board (GASB) Statement No. 49.

The \$30,000,000 requested annual spending authorization for 2026 will allow continuation of ongoing environmental investigations, testing, analysis, design, cleanup, and monitoring for the projects noted below. The \$259,000,000 five-year spending plan reflects the level of resources expected to be required over the next five years and will be used to allow the Port to procure contracts for work spanning multiple years. Executing contract obligations for longer durations minimizes the need to rework contracts and service directives each year and is appropriate as most of these efforts are multi-year in nature. The approval of the ERL five-year spending plan also provides greater visibility regarding the Port’s projected ERL spending over a longer time horizon and aligns with the objectives of the Century Agenda, Long Range Plan, and Maritime, Aviation, Economic Development Division and Storm Water Utility Business Plans.

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### **JUSTIFICATION**

Environmental investigation and remediation activities under the ERL Program are generally required under state or federal law. Port activities associated with ERL projects may include:

- (1) Perform investigative and remediation work in accordance with state and federal requirements and in a manner that considers current and potential future uses of the sites.
- (2) Maintain robust project controls and contract systems.
- (3) Facilitate public participation to identify and consider community input.
- (4) Research and identify innovative cleanup techniques.

### ***Diversity in Contracting***

Procurement for consultants to support this work is covered under separate Executive and/or Commission authorizations. Diversity in contracting will be included in any future procurements to determine the appropriate WMBE utilization goal for each new contract.

### **DETAILS**

The following remediation sites or projects listed below are included in the annual budget and the 5-year spending plan.

### **Maritime Sites/Projects**

**Lower Duwamish Waterway Superfund Site** – The Lower Duwamish Waterway (LDW) is a federal Superfund site under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and a state-listed cleanup site under the Washington’s Model Toxics Control Act (MTCA). Together the Port, the City of Seattle, King County, and Boeing completed a Remedial Investigation and Feasibility Study (RI/FS) under a 2000 order with the U.S. Environmental Protection Agency (EPA) and the Washington State Department of Ecology (Ecology). In November 2014, EPA issued the Record of Decision for the site. Under amendments to the order, the parties completed additional studies to evaluate the potential effectiveness of using carbon amendment in the cleanup; to identify and categorize human uses of the river including for fishing; and to complete pre-design baseline monitoring; and to design the cleanup of the upper and middle thirds of the LDW. The cleanup design of the middle third of the river is expected to be completed in 2027. The Port pays a 25% share of these costs under the current order. The Port reimburses the City of Seattle for the design activities, whereas the Port pays the EPA directly for its oversight and fish advisory program and is then reimbursed 25% each from the City of Seattle, the County, and Boeing.

The Port is also monitoring, tracking, and working on source evaluation and control aimed at reducing recontamination to the LDW, which is ongoing. Ecology is the lead agency for source control work, which may include site remediation work under MTCA. In addition to the MTCA sites described below, future sites where the Port may have liability include Terminals 103, 104,

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105, 106, and 107, and other sites where the Port may have had a historical connection to the property through ownership or operations.

**Terminal 117** – This site is located within what is now part of the restoration habitat site and public access site called Duwamish River People’s Park. As part of the LDW Superfund Site effort, the Terminal 117 was identified as an Early Action Area in 2003. The cleanup and associated stormwater controls were completed in 2014 and were followed by long-term monitoring and maintenance to verify the continued success of the cleanup. Year 10 post cleanup monitoring was conducted in 2025, and the final reporting requirements are expected to be completed in 2026.

**South Park Marina** – Ecology identified the South Park Marina as a potential source control site on the LDW in 2004. Due to its historical ownership of an upland portion of the marina, Ecology identified the Port as a Potentially Liable Person (PLP) for the cleanup of this site under MTCA, along with the City of Seattle and South Park Marina. In March 2019, the three parties signed an order and a preliminary cost-sharing agreement to perform a Remedial Investigation (RI) and share the costs equally. As of 2025, the field work and a final draft RI report are complete. Next steps include working with Ecology to develop a new order to perform a Feasibility Study (FS) and a Cleanup Action Plan (CAP), which is anticipated to begin in 2026 and take five years to complete.

**Terminal 108** – Ecology identified Terminal 108 as a potential source control site on the LDW in 2004 and referred the site to EPA. In early 2020, the Port, City of Seattle, and King County agreed to an order with EPA to prepare an Engineering Evaluation/Cost Analysis (EE/CA) along with a preliminary cost-sharing agreement. To date, soil and groundwater sampling and analysis have been completed and a draft findings report is being prepared. The final EE/CA report is anticipated to be submitted to EPA in late 2026. Remedial design is anticipated to begin in 2027 and take two years to complete. Construction contracting is expected to begin in 2030.

**Terminal 115/Plant 1** – Ecology identified Terminal 115, the site of the historic Boeing Plant 1, as a potential source control site on the LDW in 2004. Ecology identified the Port (current owner) and Boeing (historical owner) as PLPs under MTCA. In 2010, Boeing and the Port entered into an order with Ecology to perform an RI/FS as well as a preliminary cost sharing agreement. RI field work is complete, and a draft RI report is currently being prepared and will be submitted to Ecology in 2026. The FS and CAP is expected to begin in 2027 and to be completed within two years. Remedial Design is expected to begin in 2029, and construction contracting is expected to begin in 2030.

**Terminal 115 North** – In 2009, Ecology identified the Port as a PLP under MTCA for Terminal 115 North, located adjacent and to the south of Glacier Bay, one of the high priority sediment cleanup areas within the LDW Superfund Site. The Port entered into an order with Ecology in 2010. The Port completed the RI in 2024 and began working on the FS in 2025. The FS is anticipated to be

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submitted to Ecology in 2026. The CAP is expected to be completed in 2027. Remedial Design is expected to begin in 2028, and construction contracting is estimated to begin in 2030.

**Terminal 5 Ecology State Cleanup Sites** – As part of the past Terminal 5 Southwest Harbor redevelopment in the 1990s, the Port completed remediation at four sites under consent decrees with Ecology, including installation of an environmental cap and a methane collection system at the site of the former West Seattle Landfill. Current obligations related to those cleanups include on-going cap inspection and maintenance of the cap areas. During recent construction activities, soil warranting additional investigation and cleanup was identified outside of the previous Southwest Harbor redevelopment footprint. Targeted cleanup was performed in 2021. Additional investigation was completed in 2022 and determined no additional cleanup actions are currently warranted. Long-term monitoring of the site is ongoing.

**Terminal 5 Pacific Sound Resources Superfund Site** – This site was cleaned up under an agreement with EPA as part of the Terminal 5 Southwest Harbor redevelopment project. Ongoing obligations include continuing to perform required cap inspection and cap maintenance, product recovery activities, and monitoring EPA activities related to the groundwater and the offshore sediments. The Port completed significant upland cap maintenance activities consisting of major pavement repairs and reapplication of pavement seal coat in the summer of 2021. The remedy continues to be monitored and is functioning as designed. Long-term monitoring of the site and cap maintenance is ongoing.

**Terminal 5 SE** – Contaminated soil and sediment were discovered in 2025 as part of a shoreline stabilization project to address an eroding bank line. Temporary bank line stabilization measures have been implemented. Additional investigation activities are currently being planned to assess potential cleanup options.

**Harbor Island Superfund Site Soil and Groundwater Operable Unit** – Cleanup of this Superfund site was performed under a Consent Decree with EPA, which required 30 years of long-term groundwater monitoring following completion of the cleanup action in 2007. Terminal 18 is within this site and requires ongoing long-term monitoring and cap maintenance.

**Harbor Island Superfund Site East Waterway Sediments Operable Unit** – In 2006, the Port signed an order with EPA to conduct a Supplemental RI/FS and also signed a cost sharing agreement with the City of Seattle and King County. EPA approved the final RI in January 2014 and the final FS in June 2019. In May 2024, EPA issued an interim Record of Decision that identifies the selected cleanup approach. In October 2025, the Port, City of Seattle, and King County signed a new cost-sharing agreement and order with EPA to perform the Remedial Design work beginning in 2026, which is anticipated to take five years to complete.

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**Terminal 25 South** – This site is adjacent to and partially within the East Waterway Sediments Operable Unit. Contamination at the site was identified in 2021 as part of initial investigation work associated with the potential redevelopment as a habitat restoration site. In 2022, the Port signed an order with EPA to conduct an EE/CA, which is expected to be completed by the end of 2025. The cleanup will be coordinated with the creation of a habitat site. Design and permitting authorization were approved under a separate Commission action but funding is approved through the annual ERL authorization. Cleanup and habitat construction is expected to begin in 2029 and to be completed by 2031.

**Terminal 30** – Terminal 30 is a former Chevron bulk petroleum product storage site being remediated under a MTCA order. Since the 1990s, the Port has removed significant amounts of free petroleum product from the site’s groundwater and conducted an extensive groundwater-monitoring program. The Port signed a final consent decree in early 2017 to perform the cleanup remedy through installation of an air sparging system, which was completed in 2019. The Port is currently operating the air sparging system, removing contamination, and performing long-term monitoring of the site groundwater. The cleanup is at a point where the Port and Ecology are considering a reduced long-term monitoring scope that may include discontinuation of air sparge operations, reducing frequency from monthly to quarterly, and completing hydraulic recovery events. No changes in the budget are being made until Ecology formally approves the reduced scope.

**Terminal 10/Lockheed** – Lockheed Martin previously performed the upland and sediment cleanup required at this Superfund site. As the current property owner, the Port has a continuing obligation to maintain the upland cap and the habitat restoration area, manage any contaminated soil and groundwater encountered or removed during redevelopment or maintenance activities, and protect Lockheed’s groundwater monitoring wells. Long-term monitoring of the site is ongoing.

**Terminal 91** – Investigation and cleanup of this site is being administered by Ecology under a State Dangerous Waste Permit and a MTCA orders. Upland and in-water (i.e., sediments) areas are being addressed under separate orders with Ecology.

**Upland Area:** The upland cleanup work was completed in mid-2015 and long-term groundwater monitoring and maintenance has been ongoing.

**In-water Area:** In 2016, Ecology required the Port to begin a preliminary investigation into the site sediments. The site sediments are particularly complicated due to the existence of discarded military munitions from the Navy’s use of the site during the World War II era. In 2020, the Port and Ecology negotiated an order to conduct an RI of the sediments that was completed in 2024. In 2023, an order amendment was signed to perform an FS and prepare a CAP. The FS began in

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2025 and is expected to be completed in 2027. The CAP will be prepared after the FS and negotiations with Ecology for the remedial design are expected to begin in 2029.

**Natural Resource Damages (NRD) Habitat Restoration** – The Port’s Superfund liability for LDW and Harbor Island sediments sites includes injury to natural resources from contamination. The Port is negotiating with the Elliott Bay Trustee Council for settlement of this liability.

### **Aviation Sites/Projects**

**Lora Lake Apartments** – In 2009, the Port and Ecology executed a MTCA order that required the Port to conduct an RI/FS for the cleanup of the Lora Lake Apartments Property. A subsequent Consent Decree was executed in 2015 for remediation of the site, which completed in 2019. Post-remediation monitoring work was completed in 2024. Ecology has not yet initiated a 5-year periodic review process. Until the review is complete, long-term monitoring will be conducted in accordance with recommendations proposed in the 2024 Annual Monitoring Report, providing three additional years of limited monitoring. Environmental covenants for the parcels where contaminated soil remains beneath engineered covers require maintaining the integrity of the covers and restricted extraction of groundwater. The soil cover constructed at the Lora Lake Apartments parcel was designed as a temporary cover. The future redeveloped surface of the property will provide the final cover. Redevelopment of the property is in preliminary planning phases by Aviation Properties and is tentatively expected to occur no sooner than 2026.

**SeaTac Airport PFAS** - Starting in 2018, the Port initiated voluntary evaluation and investigation of soil and groundwater conditions at SEA associated with historical use of aqueous film-forming foam, known to contain per- and polyfluoroalkyl substances (PFAS). Results of voluntary investigations were submitted to the Ecology in 2023. Ecology identified the site for potential cleanup under MTCA in 2025; the Port accepted PLP status on February 18, 2025. After this date, actions associated with investigating PFAS at SEA are considered ERL associated costs. The Port and Ecology are negotiating a cleanup order, anticipated to be effective in 2026. Current ERL estimates for this site include costs associated with order negotiations and ongoing groundwater monitoring programs. Future costs are expected to increase but cannot yet be estimated in the absence of a formal order scope, determination of the nature and extent of contamination, and identification of required cleanup actions.

### ***Schedule***

Schedules are outlined in the various legal agreements for individual sites.

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**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** – Do not approve funding authorization and spending plan and do not complete the associated work.

Pros:

- (1) Could save money in the short-term, until the regulator decided to enforce the already signed agreements

Cons:

- (1) Could result in the regulators, including Department of Ecology or the U.S. Environmental Protection Agency, taking enforcement action that could lead to state or federal agency implementing the work at the expense of the Port. In this case, the Port would be liable for three times the costs incurred by the regulator.
- (2) The Port would lose the opportunity to employ the flexibility contained in the controlling regulations, to define and direct the work, and to manage costs.
- (3) Would not comply with Port’s obligations to remediate the sites.
- (4) Would not honor our cost sharing agreements for multiple sites.
- (5) Would delay work previously agreed to under existing regulatory orders or under voluntary programs.
- (6) Would erode trust between the Port, regulators, and the public, and may affect other projects and other agencies.

This is not the recommended alternative.

**Alternative 2** – Approve funding authorization and spending plan and complete the associated work.

Pros:

- (1) Meets our commitments under existing orders and cost sharing agreements.
- (2) Provides the opportunity to employ what flexibility is contained in the controlling regulations with respect to current and future uses of Port property under the agreements.
- (3) Provides contracted and Port work force that can increase or decrease service level of effort as needed.
- (4) Provides trained workforce with specific technical expertise.
- (5) Provides consistent reporting and documentation.
- (6) Allows for technical development of Port staff.
- (7) Keeps in-house historical knowledge of Port-owned sites.

Cons:

- (1) Requires staff time
- (2) Port fronts some of the upfront costs for legacy contamination on our properties until future cost recovery occurs.

***This is the recommended alternative.***

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**FINANCIAL IMPLICATIONS**

The following table summarizes 2026 through 2030 forecasted budget for environmental remediation projects, which is based scope described under the “Details” section of this memorandum.

***Five-Year Budget***

| <b>\$000s</b>    | <b>2026</b> | <b>2027</b> | <b>2028</b> | <b>2029</b> | <b>2030</b> | <b>2026-2030 (Total)</b> |
|------------------|-------------|-------------|-------------|-------------|-------------|--------------------------|
| Project Spending | 30,000      | 19,000      | 52,000      | 73,000      | 84,000      | 259,000                  |

***Annual Budget Status and Source of Funds***

Environmental cleanup projects have multiple funding sources: (1) Maritime and Economic Development non-operating projects are funded by the Port’s Tax Levy via the Environmental Liability Fund; (2) Airport projects are funded by the Airport Development Fund. Additionally, there are supplementary outside sources of funding, including the following:

- Contributions from other potentially responsible parties (payment from cost-sharing or contribution agreements);
- Settlements with other parties;
- Insurance recoveries;
- Department of Ecology grants.

**ADDITIONAL BACKGROUND**

The Port has identified a number of contaminated sites that must be investigated and remediated in compliance with federal and state environmental laws and regulations. In some cases, the Port has been designated by the federal government as a “Potentially Responsible Person” (PRP), and/or by the state government as a “Potentially Liable Party” (PLP) for the investigation and cleanup of properties owned by the Port or where the Port may have contributed to site contamination.

Although the Port may not ultimately bear all or even most of the liability for the contamination, under federal and state law, the Port is presumptively liable as the property owner, and it is often practically and financially beneficial for the Port to take initial responsibility to manage and pay for the cleanup, and seek proportional recovery of its costs from other liable parties.

In many cases, the Port has successfully recovered and/or will seek recovery from other responsible parties for Port-incurred investigation and cleanup costs. The Port’s insurers have funded some of these cost recovery efforts and, as such, some of the costs recovered are subject to reimbursement. The Port also has been successful in receiving MTCA grant funds to pay part of the cleanup costs. The Port’s goals are to cost-effectively complete this environmentally responsible work and to maximize work accomplished by or paid for by other liable parties responsible for the conditions encountered (or others, such as insurance companies, who represent them).

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To manage such environmental expenditures, the Port also encourages, coordinates with, and oversees the investigation and cleanup of sites by other potentially responsible parties, to assure that legal requirements are met and that Port liabilities are minimized. Regardless of whether the Port conducts the investigation and remediation directly or oversees the proper performance of that work by other responsible parties, the Port provides a valuable public benefit by acting as a catalyst in expediting appropriate environmental management of these sites.

Accounting rules require that the Port “book” or establish a liability on its balance sheet for environmental remediation when the Port's obligation meets specified definitions of certainty, and the liability amount can be reasonably estimated. When an environmental remediation liability is booked, an expense is also recorded in the current period for the future expenditures. The Port develops its environmental remediation liability forecasts in compliance with Government Accounting Standards Board (GASB) Statement No. 49 “Accounting and Financial Reporting for Pollution Remediation Obligations.”

Environmental liability expenditures are authorized in one of two ways:

- (1) If the environmental costs are incurred during, or incidental to, a construction project, the Commission authorization occurs as part of an authorization for the overall construction project and is not included in this annual ERL authorization. Examples of this include asbestos removal, off-site soil disposal during construction, or upland dredge material disposal.
- (2) If the environmental cost is not associated with a capital construction project or maintenance (including asbestos and lead), but is a stand-alone pollution remediation project, the expenditure is authorized through annual ERL Commission approval

Since 1993, the Commission has approved annual ERL expenditures. In addition, Commission authorization is obtained prior to entering legal commitments for investigation or cleanup actions, such as an Agreed Order, Administrative Order on Consent (AOC), or Administrative Settlement Agreement and Order on Consent (ASAOC) (collectively referred to as “orders”). Under the Orders, the Port is required to pay agency oversight costs. Further, to the extent required by the General Delegation of Authority, Central Procurement Office contract actions in support of approved environmental projects may require additional Commission authorization.

Since 1993, the Port has booked liabilities to recognize these obligations. While Port environmental cleanup projects typically span several years, more complex projects are often active for over 15 years or more.

#### **ATTACHMENTS TO THIS REQUEST**

- (1) Map of ERL Sites Aviation
- (2) Map of ERL Sites North Maritime
- (3) Map of ERL Sites South Maritime

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**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

November 1, 2024 - The Commission approved (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 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.

November 21, 2023 – The Commission approved (1) spend environmental remediation funds for 2024 in the amount of \$11,400,000 and (2) approve a five-year spending plan for \$148,000,000 for the environmental remediation liability program for 2024-2028, of which an estimated not-to-exceed amount of \$20,000,000 will be obligated during 2024 to be spent in future years.

November 29, 2022 – The Commission approved (1) spend environmental remediation funds for 2023 in the amount of \$11,000,000 and (2) approve a five-year spending plan for \$103,000,000 for the environmental remediation liability program for 2023-2027, of which an estimated not-to-exceed amount of \$30,000,000 will be obligated during 2023 to be spent in future years.

November 9, 2021 – The Commission approved the 2022 (1) spend environmental remediation funds for 2022 in the amount of \$16,000,000 and (2) approve a five-year spending plan for \$114,000,000 for the environmental remediation liability program for 2022-2026, of which an amount estimated not to exceed \$30,000,000 will be obligated during 2022 to be spent in future years.

November 10, 2020 – The Commission approved the 2021 (1) spend environmental remediation funds for 2021 in the amount of \$33,100,000 and (2) approve a five-year spending plan for \$106,220,000 for the environmental remediation liability program for 2021-2025, of which an amount estimated not to exceed \$30,000,000 will be obligated during 2021 to be spent in future years.

November 19, 2019 - The Commission approved the 2020 (1) spend environmental remediation funds for 2020 in the amount of \$28,730,000 and (2) approve a five-year spending plan for \$123,312,000 for the environmental remediation liability program for 2020-2024, of which an amount estimated not to exceed \$30,000,000 will be obligated during 2020 to be spent in future years.

November 13, 2018 – the Commission approved the 2019 (1) spend environmental remediation liabilities funds for 2018 in the amount of \$17,025,000; (2) approving a five-year spending plan of \$116,026,000 for the Environmental Remediation Liability (ERL) Program for 2019 to 2023 of which an amount estimated not to exceed \$30,000,000 will be obligated during 2019 to be spent in future years.