



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

PO Box 47775 • Olympia, Washington 98504-7775 • (360) 407-6300

August 7, 2013

Jefferson County Board of Commissioners
PO Box 1220
Port Townsend, WA 98368

RE: Port Ludlow Associates / Olympic Water & Sewer cleanup site
Ecology Facility Site ID 62223345

Dear Commissioners Austin, Sullivan, and Johnson:

Thank you for writing (Jefferson County letter, dated July 3, 2013) to express your interest and concerns for the Olympic Water & Sewer Inc. (OWSI) site (Site). I hope this reply will help to answer your questions and provide background for the Department of Ecology's (Ecology) involvement with this Site.

The Site first came to the attention of Ecology's Toxics Cleanup Program (TCP) as the result of a report of environmental contamination discovered during the construction of a new water supply well by the OWSI Port Ludlow utility in April 2009. The new well was intended to supplement an existing Group A water supply well located nearby.

In the early stages of drilling, apparent contamination was encountered about 50 feet below ground surface. Upon discovery, the drilling contractor shut down operation, took soil and groundwater samples from the borehole confirming petroleum product contamination, and eventually abandoned the well attempt.

The contamination was reported by Jefferson County Public Health through Ecology's Environmental Reports Tracking System, processed accordingly, and referred back to Jefferson County Public Health (Marjorie Boyd) for an Initial Investigation. As a result of this work, the Site was included in a TCP list of "confirmed or suspected" contaminated sites, and received a site hazard assessment in 2011. The assessment ranked the Site for priority and placement on the state Hazardous Sites List.

During this time, Ecology's Water Resources Program was also involved with state water right and well construction issues, and Washington State Department of Health was informed and consulted because of the implications to a public drinking water supply – a principal and obvious concern given



the unknown extent of contamination and uncharacterized potential hydraulic connection between the two wells.

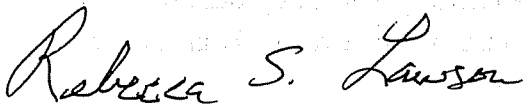
Early on, Jefferson County Public Health and TCP were in contact with Larry Smith, President of OWSI, to discuss potential options for the cleanup issues involved. In the course of these discussions, the utility was advised and encouraged to consider entering TCP's Voluntary Cleanup Program (VCP) – a common and non-formal means for cleaning up contaminated sites – as method to obtain Site cleanup and resolution of regulatory environmental issues.

As a result, on June 18, 2013, Olympic Property Group LLC, previous owner of the affected property, applied for entry into the VCP. The application was accepted and a TCP site manager assigned for oversight (Tom Middleton, 360-407-7263). The applicant has retained an environmental contractor, supplied TCP with a package of remedial investigation information previously obtained for the Site, and committed to provide a feasibility study outlining cleanup alternatives later this summer. Hopefully, this process will lead to an effective and timely cleanup, and resolution of the various regulatory issues at the Site.

With regard to the second site noted in your letter (Port Ludlow Golf Course – FSID 91762839), our records indicate the majority of (if not all) contaminated soil was reportedly removed as part of tank removal activities in 1998; however, potential impacts to shallow bedrock fractures beneath the site have yet to be investigated. For more information on this site, please contact our Leaking Underground Storage Tank manager for Jefferson County, Carol Johnston, at 360-407-6263.

I hope this addresses your immediate concerns as expressed in the letter. Please contact me, or site manager Tom Middleton, if you have questions about this letter or TCP's involvement with the OWSI Site.

Sincerely,



Rebecca S. Lawson, P.E., LHG
Section Manager
Toxics Cleanup Program
Southwest Regional Office

By certified mail: (7012 1010 0003 0195 4918)

cc: Scott Rose – Ecology
Cris Matthews – Ecology
Tom Middleton – Ecology
Carol Johnston – Ecology