

PORT OF ANACORTES

Special Meeting July 1, 2008

The Port Commission of the Port of Anacortes held a special meeting on July 1, 2008. The purpose of the special meeting was to consider action for construction authorization for the Dakota Creek Industries Interim Remedial Action contaminated dredged material handling facility, Project #PROP-03.

The meeting was held at the Port Main Office, 1st & Commercial Avenue, Anacortes, Washington.

In Attendance: Commission Vice-President Rubin, Commission Secretary Niver, Commissioner Mooney, and Commissioner Hopley. Commission President Short was excused

Also in attendance: Executive Director Hyde, Director of Finance & Administration Johnson, Director of Operations & Facilities Hachey, Director of Engineering Elsner; Project Manager Dossen, Project Manager Estvold, and Administrative Coordinator Lindsey.

At 4:00 P.M. Port Commission Vice-President Rubin called the special meeting to order and announced the reason for the special meeting.

ACTION ITEM

Construction Authorization for Dakota Creek Industries Interim Remedial Action Contaminated Dredged Material Handling Facility –

Executive Director Hyde introduced Director Elsner who reviewed the item for the Commission.

Director Elsner provided background information, explaining that as the Commission was aware, the Port had been working with the Department of Ecology (DOE) and Port tenant Dakota Creek Industries (DCI) on the redevelopment of the shipyard and environmental cleanup. The action item requested Commission authorization of \$210,400 to construct a sediment storage facility on Pier 2 for the dredged sediment from the ship basins at Pier 1. Completion of the sediment cleanup is necessary to fulfill the requirements of the agreed order with the DOE. DOE toxic cleanup funds will pay for 50% of the cost of the project.

Director Elsner explained that DCI will do the dredging at their cost and pay for the shipment of clean dredge materials to open water for disposal. The Port will pay to dispose of roughly 30,000 cubic yards of contaminated dredge materials and an appropriate upland facility. Bids for handling the contaminated dredge materials came in at \$4.2 million dollars, twice as high as expected, and were rejected by the Port. Director Elsner further explained that as an alternative method of managing the dredge materials, the Port, with Commission approval, would instead construct a containment facility with a staging area on Pier 2, approximately 325'X180' to hold the materials while they are tested. Additional sampling to separate materials may allow for alternate disposal, depending on the sediment characterization, and provide a substantial savings.

Commissioner Rubin thanked Director Elsner and called for any questions and discussion by the Commission.

Questions from the Commission included clarification of the characterization process, methods of sediment removal, sediment coverage, water treatment, dredging depth, volume handled per day, and performance indicators.

Hearing no other questions for Director Elsner, Commissioner Rubin called for a motion.

Commissioner Mooney moved to authorize a construction budget totaling \$210,400 to be spent from the Environmental Fund, for the Dakota Creek Industries Interim Remedial Action Contaminated Dredged Material Handling Facility, Project #PROP-03. Commissioner Niver seconded the motion. Following a last question regarding funding, Commissioner Rubin called for a vote on the motion which carried 4-0.

COMMUNICATIONS

Executive Director Hyde reviewed the Commission's upcoming meeting schedule, noting that another meeting could be called next week, depending on Commissioner availability. Also scheduled for the Commission is a July 14th Governance Seminar from 9 a.m.- 4 p.m., the July 16th Project Pier 1 groundbreaking ceremony at the Dakota Creek shipyard at 1 p.m., and the July 17th regular Commission meeting and study session at 7 p.m.

On another note, Executive Director Hyde stated that the Port would have an entry in the annual 4th of July parade and welcomed Commissioner participation.

With no further business to come before the Commission during the special meeting, Commissioner Mooney made the motion to adjourn, which was seconded by Commissioner Niver. Commissioner Rubin called for a vote on the motion which carried 4-0 and the meeting adjourned at 4:43 P.M.

Attest:

ABSENT

William L. Short, President

Keith Rubin, Vice-President

Ray Niver, Secretary

Pat D. Mooney, Commissioner

Steve Hopley, Commissioner