

Hylebos Waterway: A New Approach to NRDA and Restoration

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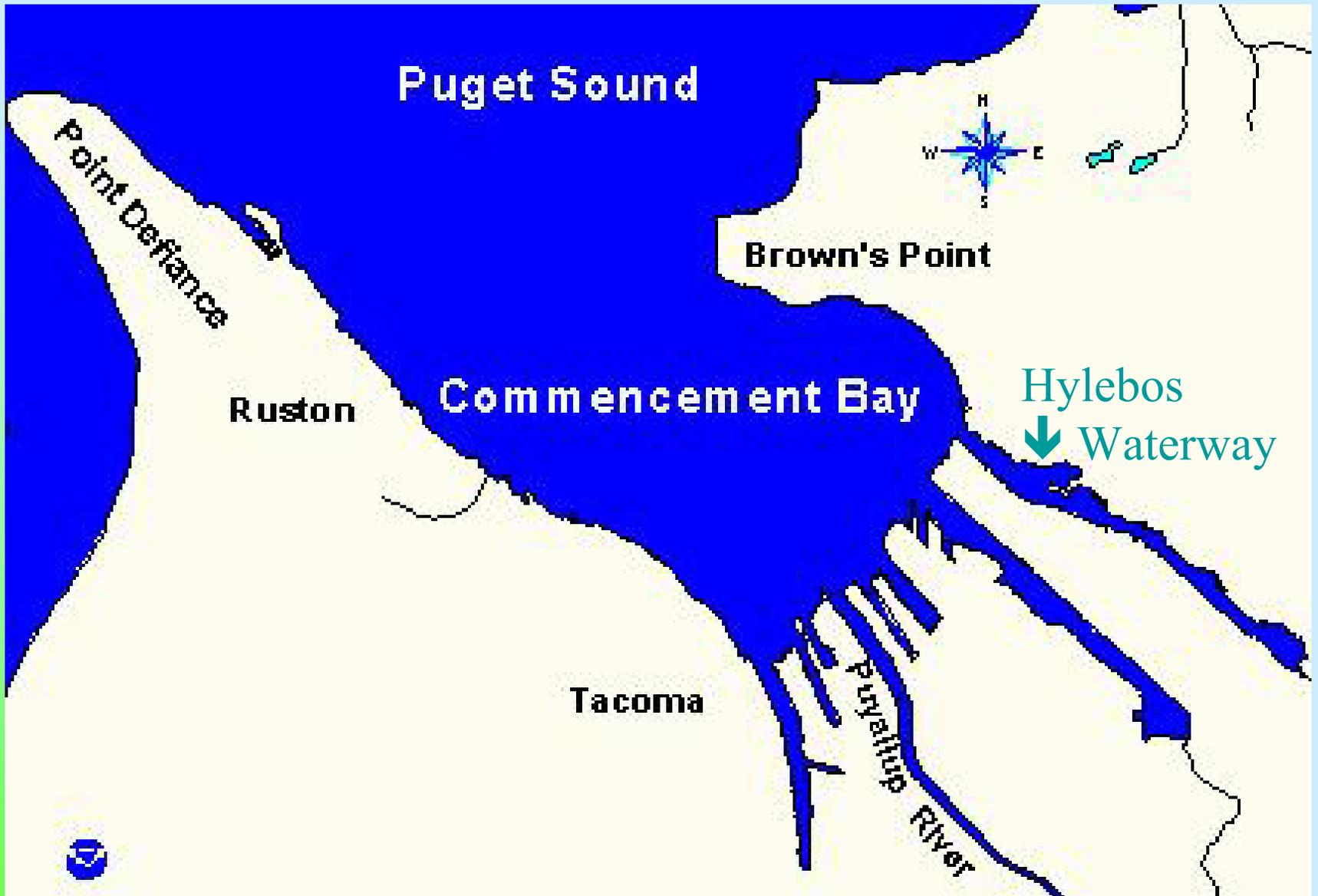
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RESTERA LLC

Overview

- Site description
- History
- Interactions with Trustees (PRP perspective)
- ATOFINA's restoration project
- ATOFINA's concept and benefits for all stakeholders

Commencement Bay

- Southeastern Puget Sound
- Tacoma area
- Near shore/tide flats area modified by dredging, filling the Puyallup River Delta beginning early 1900's
- 8 waterways formed or expanded for industrial and commercial use



Hylebos Waterway

- Initial channelization – 1920's
- Expanded to current size – 1960's
- >35 sites, each with one to five owners/operators

Commencement Bay Near Shore/ Tide Flats Superfund Site

- NPL – 1983
- One of the first 10 Superfund sites in the US
- One of the largest Superfund sites
- One of the most complex sites

CB NS/TF Superfund Site

- Site-wide RI/FS lead by EPA
- RI completed 1985, FS 1989
- Site divided into operable units
- Pre-remedial design for the Hylebos Waterway conducted by the HCC, 1993-1999

Hylebos Cleanup Committee (HCC)

- ASARCO, ATOFINA,
- General Metals, Kaiser Aluminum
- Occidental Chemical, Port of Tacoma

Natural Resource Trustees

- Puyallup Tribe of Indians
- Muckleshoot Indian Tribe
- Washington State Depts. of Ecology, Natural Resources, and Fish and Wildlife
- U.S. Fish and Wildlife
- NOAA

PRP/Trustee Cooperative Effort Part 1

- Group of PRP's and the Trustees conduct natural resource damage assessment, 1990-1993
- In 1996, the PRP group decided not to fund a second study

PRP/Trustee Cooperative Effort Part 2

- **1997/98: Trustees and HCC meet several times to explore paths to settlement**
- **Effort ends without a solution, but...**
- **PRP's and Trustees agree that the settlement would be restoration based**
- **Trustees indicated willingness to focus on sediment contamination and using HEA to estimate compensation**

ATOFINA

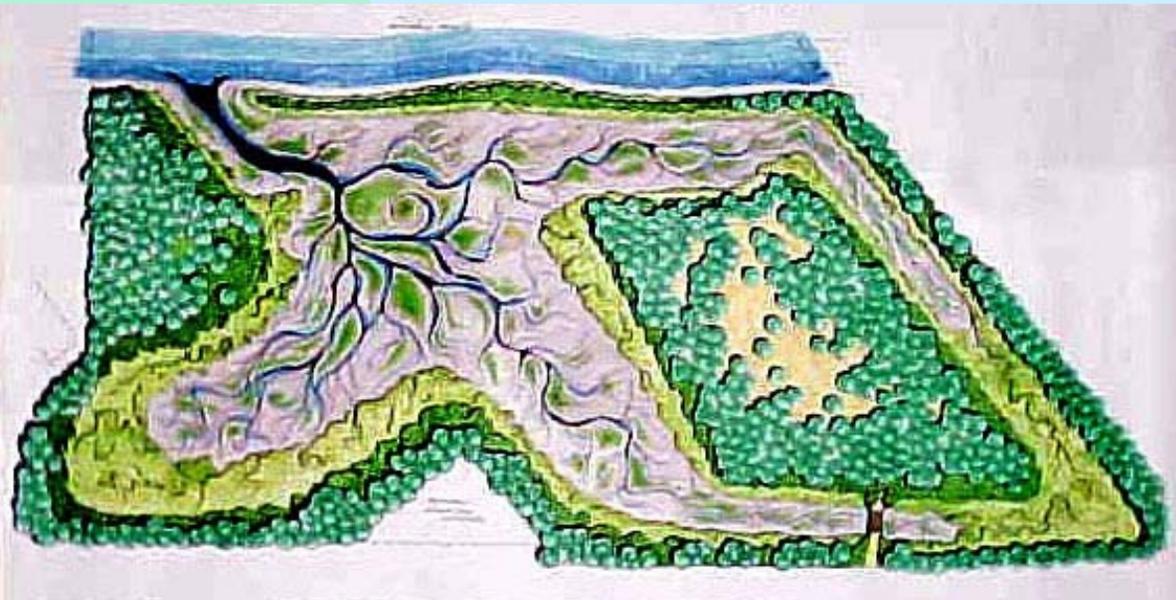
- Explored options for its property
- Considered several potential restoration projects



Potential Benefits of a Large Restoration Project

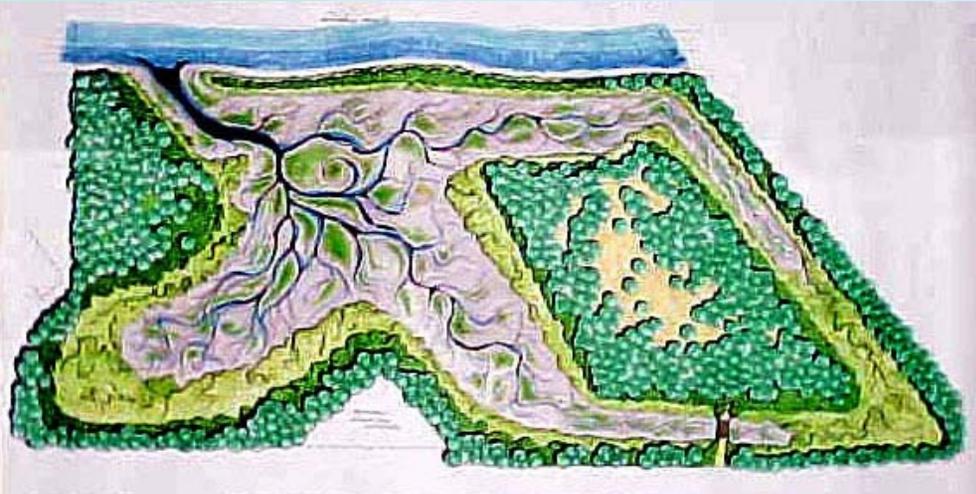
- Interaction of the components could lead to higher ecological value
- Allows focused use of technical resources
- More likely to be implemented faster
- Generates significant economies of scale

A TOFINA's Restoration Project



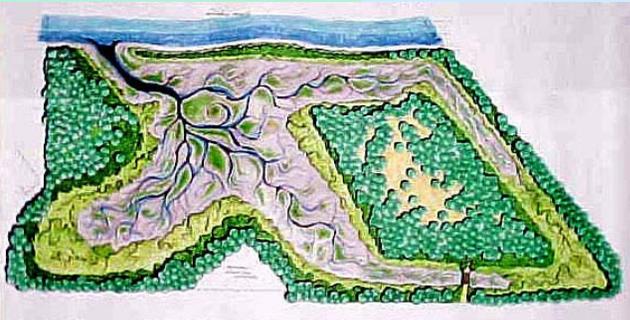
- Over 30 acres
- Dendritic marsh
- Fringing marsh
- Riparian
- Upland
- Low intertidal sand/silt
- Shallow subtidal sand/silt

ATOFINA's Plan



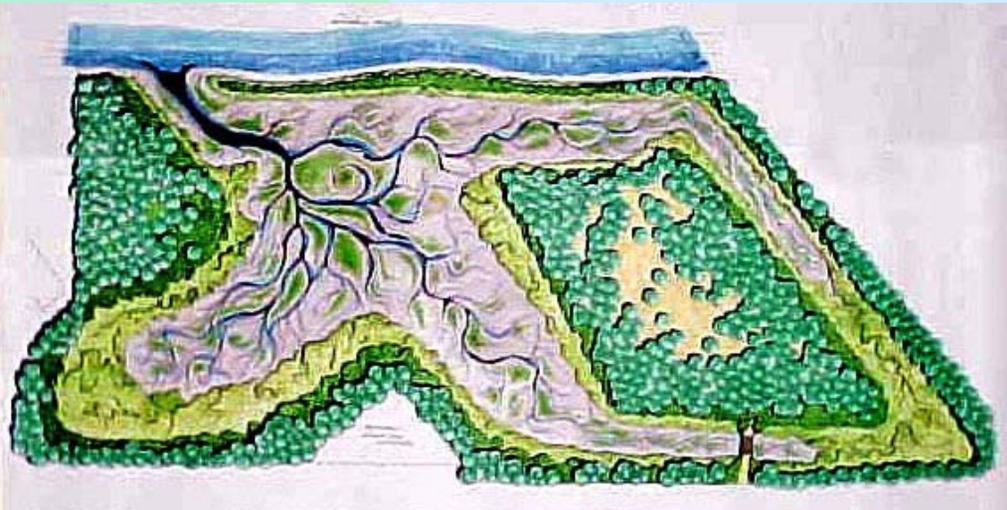
- Maximize dSAY value in collaboration with Trustees
- Prudently manage all costs
- Sell excess dSAY's to other PRP's
- Construct the restoration project (continued)

ATOFINA's Plan(cont'd)



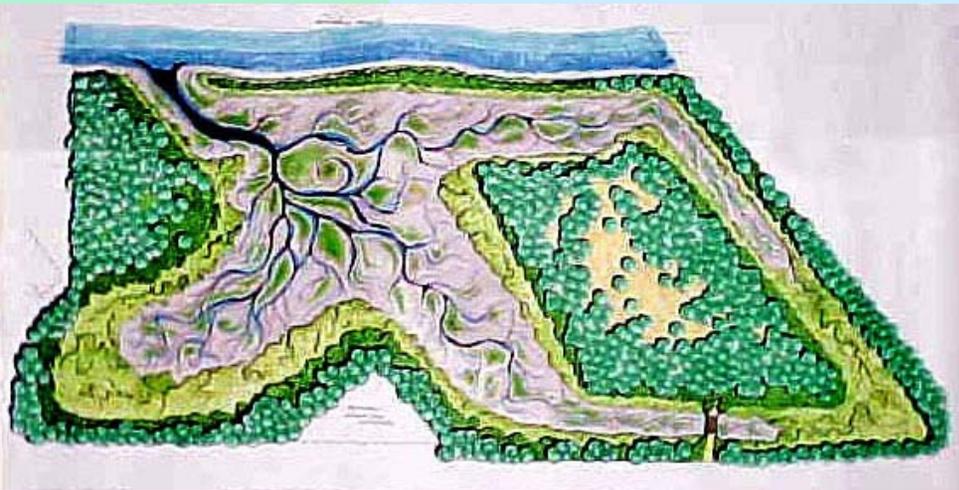
- Maintain ownership/oversight for 5 years to assure compliance with adaptive management plan
- Transfer ownership/oversight to qualified conservator with endowment to cover future costs
- Many elements of ATOFINA's concept have been incorporated in a patent application

Benefits to the Stakeholders



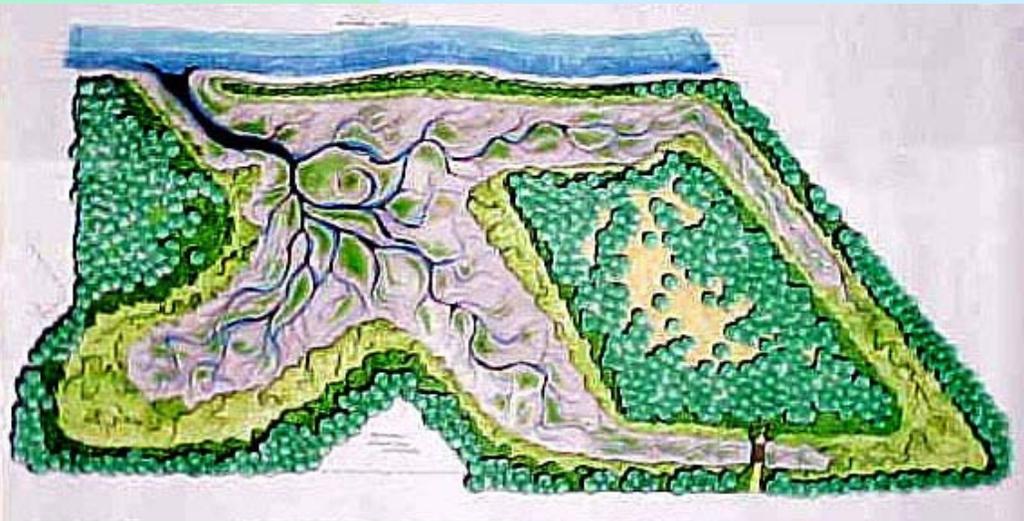
- The public
- ATOFINA
- The Trustees
- Buyers of the dSAY's

Benefits to the Public



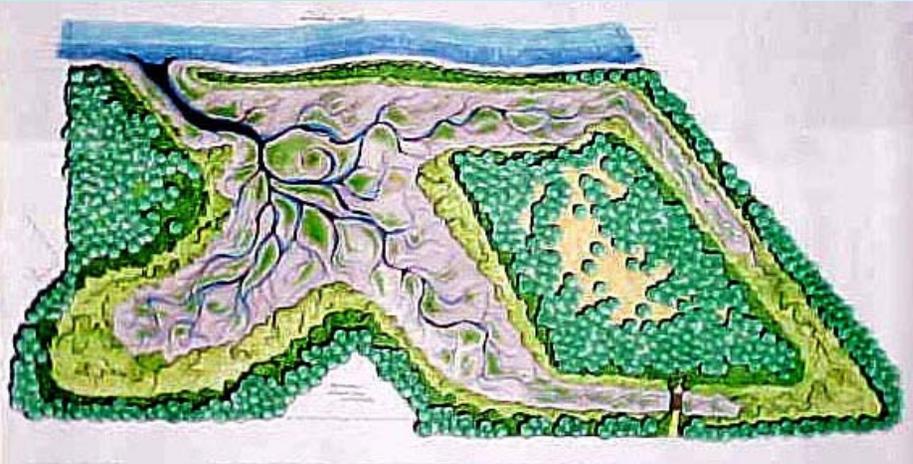
- Effective restoration of our natural resources in a “relatively timely” manner

Benefits to ATOFINA



- Cost-effective settlement of its natural resource liability
- Represents a potential business opportunity
- Positive impact on the community

Benefits to Trustees



- Significant restoration of our natural resources
- Efficient utilization of technical and legal resources
- Now have a model to achieve NRD restoration settlements at other complex sites

PRP's Options Going Forward

- Design and build a restoration project
- Pay the Trustees a predetermined \$ amount per dSAY
- Buy dSAY's from ATOFINA
- Litigate

Benefits to the Buyers of ATOFINA's Excess DSAY'S



- Avoid risks and uncertainties that are manifest in building their own project
- Minimize transaction costs
- Achieve cost-effective settlement of their NRD liability
- Have positive impact on their community