Portland Harbor Natural Resource Damage Assessment Phase 2: Allocation Summary Memo for Northwest Pipe

1.0 INTRODUCTION

Northwest Pipe, both an owner and operator of sites in Portland Harbor, has engaged in activities resulting in releases of substances of concern. As part of the Portland Harbor natural resource damage assessment (NRDA) Phase 2 process, and for settlement purposes only, the Trustee Council developed a party-specific allocation of natural resource damages liability for three sites with which Northwest Pipe is associated: 61, 62 and 607.[1] That liability is determined in units of discounted service acre-years (DSAYs). Based on the information gathered throughout the Phase 2 process, methods described in the Trustee Council's allocation methodology report, and data and assumptions described below, Northwest Pipe's liability is calculated to be 2.34 DSAYs.

This memorandum summarizes the information the Trustee Council utilized to develop the allocation, and is organized as follows:

- Section 2 provides background information.
- Section 3 describes general operations at Northwest Pipe's sites.
- Section 4 outlines Northwest Pipe's activities at their sites.
- Section 5 is a list of references.

[1] The allocation presented in this memorandum is limited to an allocation of natural resource damages liability by the Trustee Council and does not inform or have any application relative to other environmental liabilities associated with the Portland Harbor Superfund Site, including but not limited to remedial liability. The use of "allocation" or "liability" in this memorandum refers only to the Trustee Council's settlement-oriented allocation of natural resource damages liability.

2.0 OVERVIEW OF NORTHWEST PIPE SITES

Exhibit 2-1 is a map of the Northwest Pipe sites included in their party-specific allocation, and Exhibit 2-2 outlines background information for each of these sites. The relevant tax lot parcels are described in Appendix A of the Consent Decree associated with the settlement of natural resource damages for these parcels.

EXHIBIT 2-1 MAP OF NORTHWEST PIPE SITES

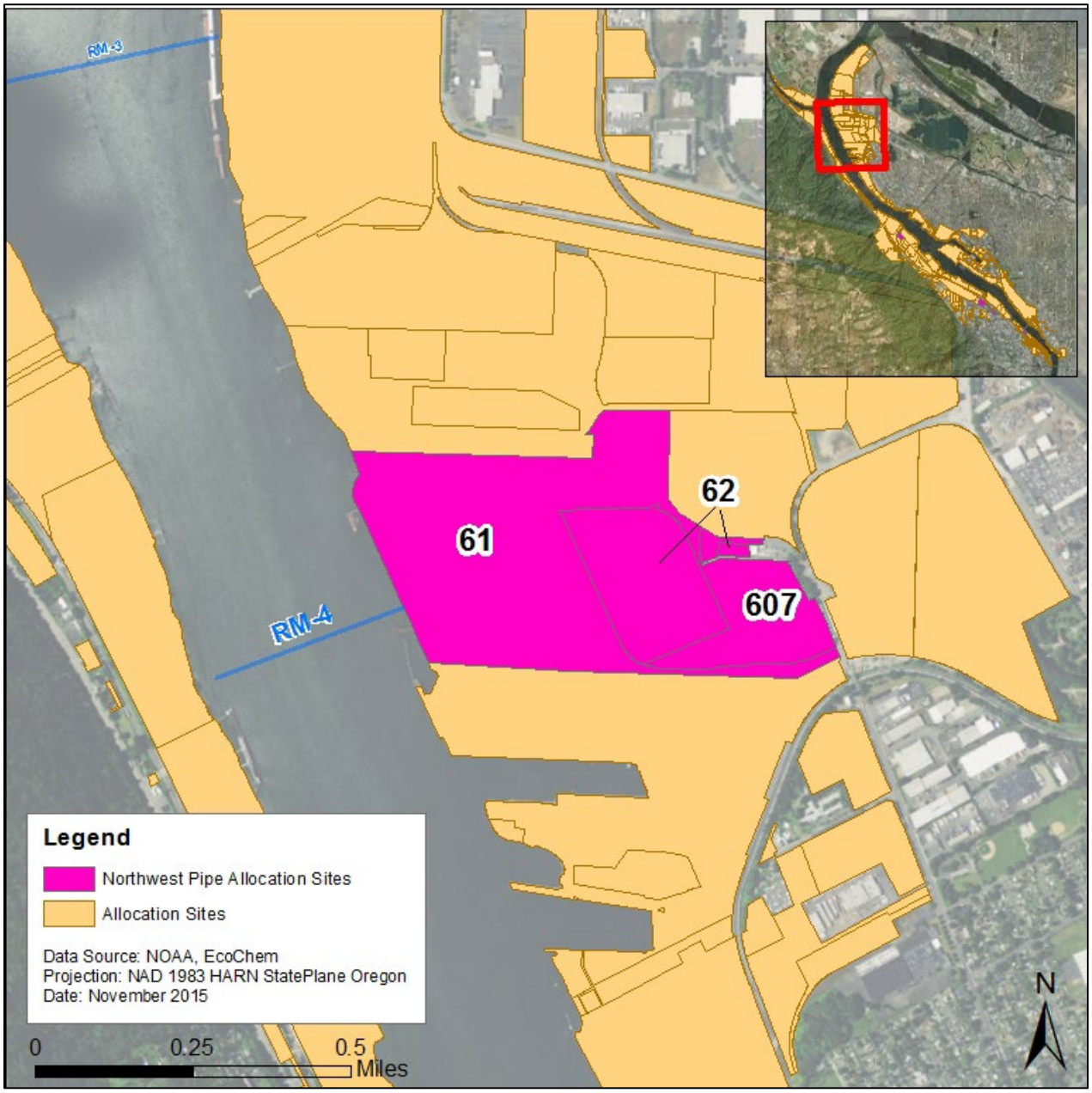

EXHIBIT 2-2 NORTHWEST PIPE SITE BACKGROUND INFORMATION

SITE ID	ADDRESS[1]	CURRENT OWNER	NORTHWEST PIPE DATES OF OWNERSHIP	NORTHWEST PIPE DATES OF OPERATION	SITE ACREAGE
61	12005 N Burgard Rd	Schnitzer Steel Industries	None	1982-present	89
62	12005 N Burgard Rd	Northwest Pipe Co.	1997-present	1982-present	28
607	12005 N Burgard Rd	Burgard Equities LLC/Felton Properties	None	1997-present	19

Note.

1. All addresses located in Portland, Oregon.

3.0 NORTHWEST PIPE OWNERSHIP AND OPERATIONS

The following section briefly describes Northwest Pipe's ownership of and operations at the sites listed in Exhibit 2-2.

Site 61 (Schnitzer Steel Industries)
Schnitzer Steel Industries purchased the property in 1972 for use as a metals scrap yard. Since 1982, Northwest Pipe has leased 15.5 of the 89 total acres to store finished steel pipe and coal tar cylinders. Schnitzer Steel Industries is the current owner of the property and continues to conduct metal scrap yard operations.

Site 62 (Northwest Pipe Co.)
Northwest Pipe began operations on the property in 1982. Northwest Pipe manufactures steel pipe here, ranging in size from 18 to 144 inches in diameter. The manufacturing process uses various welding, lining and coating processes. Finished pipe is stored at the property before delivery. The pipe is used for a variety of municipal, industrial and utility applications, primarily potable water transmission. In 1997, Northwest Pipe purchased the property. The present configuration of the property includes an administrative office, the main production buildings, pipe lining and coating operations, a flammable materials storage building and a general storage area for supplies. The property is covered by buildings and asphalt pavement. Northwest Pipe is the current owner and continues to manufacture steel pipes.

Site 607 (Schnitzer Investment Corp #2)
Schnitzer purchased the property in 1972 to support metals scrap yard operations. In 1997, Northwest Pipe began leasing the site to store steel pipes. Burgard Equities LLC/Felton is the current owner of the property and continues to lease portions of the property to Northwest Pipe for storage of steel pipes and to Western Machine Works and Boydstun Metal Works for steel fabrication.

4.0 NORTHWEST PIPE ACTIVITIES

Exhibit 4-1 identifies, for each of Northwest Pipe's properties in Appendix A of the Consent Decree, the activities that had the potential to result in the release of one or more of the substances of concern included in the Trustee Council's evaluation of natural resource damages. These types of activities are further described in the Trustee Council's allocation methodology report.

EXHIBIT 4-1 NORTHWEST PIPE-RELATED ACTIVITIES[1]

Northwest Pipe Activities - Site 62
steel fabrication
uncovered coal/coal tar storage
sandblasting for other than boats or vessels
PCB transformer use
PCB-contaminated oil spill
landfill of dredged sediments- Willamette prior to 1980
underground storage tank gasoline
above-ground storage tank (AST) diesel
AST gasoline
AST hydraulic oil
AST other petroleum/unknown petroleum
AST waste oil

Note.
1. Northwest Pipe did not conduct relevant activities at Sites 61 and 607.

5.0 REFERENCES

Lower Willamette Group. 2009. Portland Harbor Draft Remedial Investigation Report. Prepared by Integral Consulting, Inc., Windward Environmental LLC, Kennedy/Jenks Consultants, and Anchor QEA, LLC.

Oregon Department of Environmental Quality. 2013. Environmental Cleanup Site Information Database. https://www.deq.state.or.us/lq/ECSI/ecsiquery.asp?listtype=lis&listtitle=Environmental+Cleanup+Site%20Information+Database

Portland Harbor Natural Resource Trustee Council. 2022. Portland Harbor Natural Resource Damage Assessment: Allocation Methodology Report. Prepared by Industrial Economics, Incorporated.

The Trustee Council also reviewed 12 additional documents submitted by Phase 2 parties that are settlement confidential and therefore not identified.