

Portland Harbor Natural Resource Damage Assessment

Phase 2: Allocation Summary Memo for the City of Portland

1.0 INTRODUCTION

The City of Portland, 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 34 sites with which the City of Portland is associated: 61, 62, 72, 112, 126, 127, 176, 190, 213, 222, 278, 279A, 279B, 279C, 306A, 306B, 306C, 306D, 306E, 311C, 316D, 316H, 334A, 336D, 348B, 414, 465A, 528, 607, 611, 619, 622, 623H, and 652.¹ 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, the City of Portland's liability is calculated to be 61.03 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 the City of Portland's sites.
- ❖ Section 4 outlines the City of Portland'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 CITY OF PORTLAND SITES

Exhibit 2-1 is a map of the City of Portland 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 CITY OF PORTLAND SITES

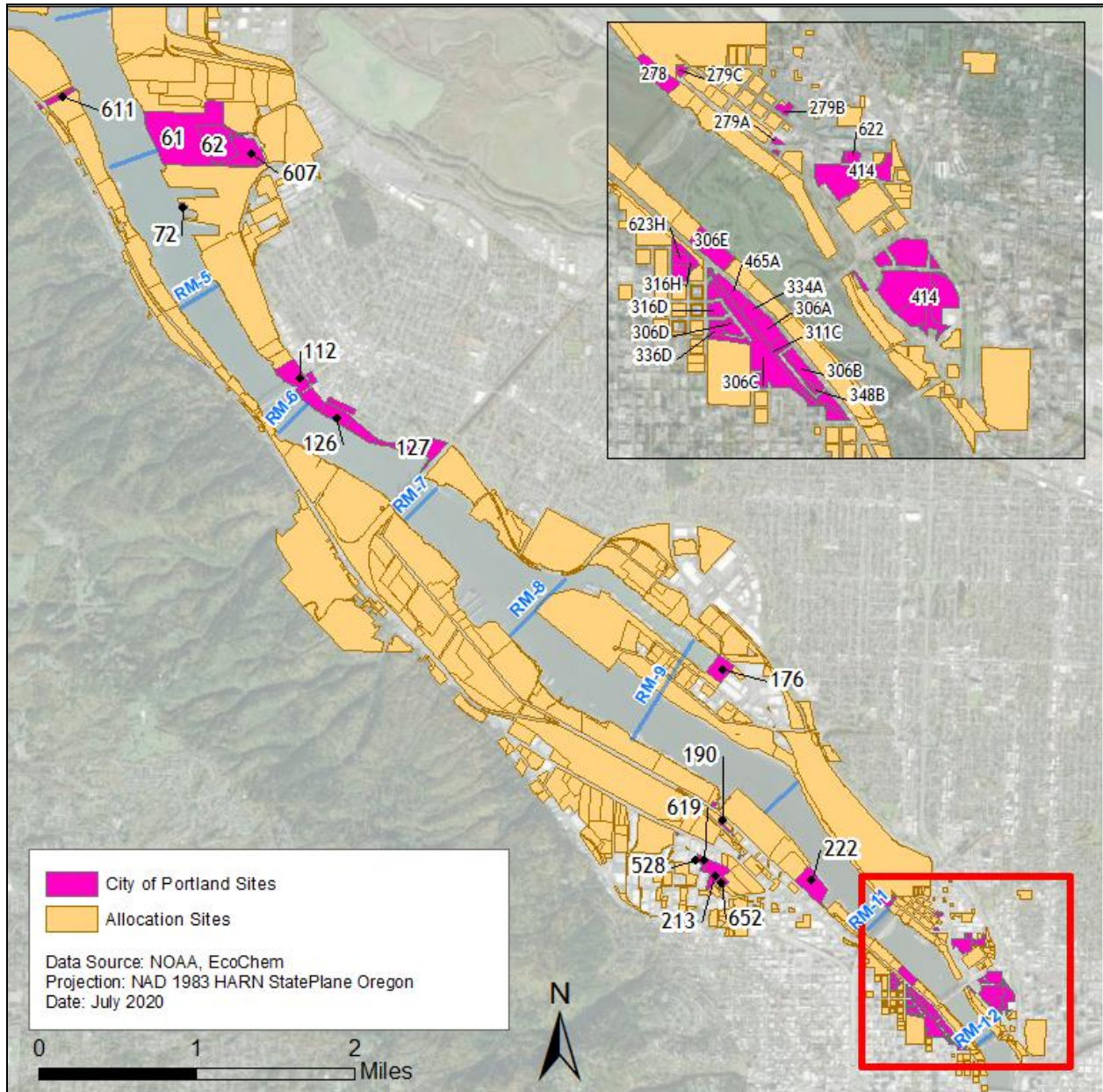


EXHIBIT 2-2 CITY OF PORTLAND SITE BACKGROUND INFORMATION

SITE ID	ADDRESS¹	CURRENT OWNER(S)	CITY OF PORTLAND DATES OF OWNERSHIP	CITY OF PORTLAND DATES OF OPERATION	SITE ACREAGE
61, 62, 607	12005 N. Burgard Street	Schnitzer Steel Industries, Inc. Burgard Equities, LLC. Northwest Pipe Co.	1917-1949	1917-1949	133
72	11040 N Lombard St	City of Portland	1917-Present	1965-1985	0.85
112	8706 N Bradford St	City of Portland	1915-Present	1915-Present	1.84
112	6543 N Burlington	City of Portland	1979-Present	1993-Present	8.06
126	8424 N. Crawford Street	Steel Hammer Properties, LLC	1979-1997	1979-1997	14.8
127	N Edgewater St	Metro	1979-1996	1979-1996	24.3
176	N Basin Ave 97217	City of Portland	1996-Present	1996-Present	14
190	3660 NW Front Ave	City of Portland	1959-Present	1959-Present	0.55
213, 528, 619, 652	2615-2619 NW Industrial St, 2530 NW 25 TH PI	City of Portland	1896-1946, 1993-Present	1897-1946, 1993-Present	11.78
222	2400 NW Front Ave	City of Portland	2004-Present	2004-Present	22
278	1402 N. River St	Sakrete	1928-1990	1928-1990	3.05
279A	2110 N Lewis Ave	City of Portland	2000-Present	2000-Present	0.92
279B	2308 N. Clark Ave	City of Portland	2002-Present	2002-Present	0.66
279C	1405 N. River St	City of Portland	1938-Present	1938-Present	0.38

SITE ID	ADDRESS¹	CURRENT OWNER(S)	CITY OF PORTLAND DATES OF OWNERSHIP	CITY OF PORTLAND DATES OF OPERATION	SITE ACREAGE
306A, 334A, 465A	1207 NW Naito Pkwy	City of Portland	1987-Present	1987-Present	4.8
306B, 348B	901 NW Naito Pkwy	City of Portland	1987-Present	1987-Present	19.8
306C, 311C	800 NW 6TH Ave	City of Portland	1987-Present	1987-Present	13.54
306D, 316D, 336D	1020 – 1300 NW 9TH Ave	City of Portland	1987-Present	1987-Present	7.1
306E	1362 NW Front Ave	City of Portland	2000-Present	2000-Present	4.0
316H, 623H	NW 11TH Ave & Overton St	City of Portland	2004-Present	2004-Present	2.07
414	1 N Center Ct St	City of Portland	1924-Present	1924-Present	38
611	NW Marina Way	Bonneville Power Administration	n/a	1951-1988	1.5
622	614 N Tillamook St	City of Portland	1996-Present	1996-Present	0.99

Note.

1. All addresses are located in Portland, Oregon.

3.0 CITY OF PORTLAND OWNERSHIP AND OPERATIONS

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

Site 61, 62, and 607 (Burgard Sites)

The City acquired this Property, originally comprised of two tax lots, between 1917 and 1925 (historical tax lot boundaries have changed over time). The City acquired the areas described as lot 38 (Sites 61 and 607) in 1917 and lot 6 (Sites 61, 62 and 607) in 1925. In 1941, the Oregon Shipbuilding Corporation entered into a Government-Owner Facilities Contract with the United States to construct shipbuilding facilities for World War II in the area of Terminal 4. The Oregon Shipbuilding Corporation leased the Property from multiple entities, including portions of the City of Portland's tax lots, in 1941. In 1949 and 1950, the City conveyed its portions of the Property to the federal government and the State of Oregon. Currently, Sites 61, 62 and 607 are owned by Schnitzer Steel Industries, Inc., Northwest Pipe Co., and Burgard Equities, LLC respectively. Current operations include metals recycling and fabrication, pipe manufacturing, and pipe storage.

Site 72 (Wheeler Bay Fire Boat Facility)

The City obtained this Property in 1917. It was formerly part of Terminal 4 and was retained by the City when the Dock Commission merged with the Port of Portland in 1971. The Fire Bureau kept Fire Boat 3 at Pier 2 at Wheeler Bay from 1965 until 1985. Although still owned by the City, the Property is currently vacant and unused.

SITE 112 (Cathedral Park)

Cathedral Park is located on the east side of the Willamette River. Local residents wanted to create a park on the land beneath the St. Johns Bridge in the early 1970s, and the City of Portland supported the development as a way to address the lack of public access to the waterfront for recreational use. The land was vacant and largely unused except for river access. The City acquired the land for development of the park in 1974, and the park was completed and opened to the public in 1980. The City is the current owner of the Property, which is still being used as a public park.

SITE 112 (Water Pollution Control Laboratory)

The City purchased the Property from Brand-S Corporation in 1979 and opened the City's Water Pollution Control Laboratory (WPCL) on this Property in February 1997. Half of the facility consists of staff offices; the other half is laboratory space. Laboratory activities primarily include analysis of wastewater from treatment plants and permitted industrial waste. During the City's ownership through the Portland Development Commission (PDC), from 1979 to 1993 the land was vacant and the City did not conduct activities on the Property. The Property was used for a short time in the late 1980s by Lampros Steel to store new steel. Since 1993, the City has owned and operated the WPCL through its Bureau of Environmental Services (BES).

SITE 126 (Crawford Street Corporation Site)

The City owned this Property from 1979 until 1997. Historical operations included lumber, chain, and steel manufacturing; various mills; machine shops; auto repair; and metal forging, cleaning, machining, shaping, cutting, and painting. The Property is currently owned by Steel Hammer Properties, LLC. Lampros Steel is currently leasing the property and uses it for steel distribution.

SITE 127 (Willamette Cove)

Willamette Cove was formed in 1908 when BNSF constructed an embankment for the railroad bridge. From the 1930s to the 1960s, the Property was used by various industries, including a wood barrel manufacturer and lumber mill on the east end of the site, Port of Portland dry docks in the central and eastern portions and a plywood mill at the west end. The City, represented by the PDC, acquired the Property as part of an urban renewal project in 1979 and transferred it to The Trust for Public Lands to be used for open space and recreational purposes in 1996. No City operations or facilities were located on the Property during PDC's ownership. The Trust for Public Lands transferred the Property to Metro Greenspace in 1996. Metro is the current owner of all tax lots comprising Site 127, which is currently undeveloped.

SITE 176 (Swan Island Boat Ramp)

The Port owned the Property from 1984 until 1996 and used it as a boat ramp and public parking lot. The City, represented by the Bureau of Environmental Services, purchased the property in 1996 with the intent to construct a combined sewage treatment facility that was eventually located elsewhere. From 2009 to 2011, the Property was used for temporary staging during sewer construction. The City continues to maintain the parking lot and boat ramp for public use while other portions of the Property remain undeveloped.

Site 190 (Station 6)

The Property was vacant until the City, represented by the Fire Bureau, began using the Property for a fire station in 1959 through an agreement with the Portland Commission of Public Docks. The Station is used to support both land and water-based emergency response efforts. The Fire Bureau constructed a fire station with a gangway and dock for fireboat access in 1960. Two fireboats are currently docked in an area accessed using a pier extending from the property to the boat moorage area. A boathouse is also located in the fireboat moorage area. The City is the current owner of the Property.

SITE 213, 528, 619, and 652 (Guilds Lake Industrial Center)

The Property was part of an approximately 22-acre Property that the City owned and operated as a municipal landfill from the 1910s through 1946. Municipal wastes and incinerator ash were placed in the landfill during operation of an incinerator on the Property to the southeast of the property. The West Coast Freight Terminal building occupied the site from approximately 1950 until 1978. The terminal building extended northwest of the incinerator building and housed terminal docking and repair facilities for several companies. The City repurchased the Property from Marathon U.S. Realties in 1993. The Property is now occupied by two warehouses and parking areas that were constructed in late 1979 and early 1980. The City currently owns the Property and leases certain facilities on site to third parties for warehousing activities.

SITE 222 (Terminal 1 North)

The City's Commission of Public Docks purchased the Property in 1945 from Eastern and Western Lumber Company and subsequently operated the Property as a lumber terminal. In 1971, the Port of Portland acquired the Property as a result of a merger with the Dock Commission. The City leased the Property from the Port of Portland beginning in 2002 and acquired the Property in 2004 to support the West Side combined sewer overflow (CSO) project. The City constructed a tunnel shaft on the Property to support construction of the tunnel and for long-term operation and maintenance access. The City has also used the Property as storage for other activities supporting the construction of the tunnel shaft.

One of the warehouses on the Property is used for fabricating concrete tunnel sections. The City is the current owner of the Property and continues to provide tunnel maintenance.

SITE 278 (Municipal Paving Plant)

In 1928, the City built a municipal paving plant at the foot of SE Essex Street, which it operated intermittently until 1966. The building was sold shortly after its closure, and in 1969 the City leased approximately two-thirds of the Property where concrete materials were delivered via rail and barge, stored onsite and distributed via truck. In 1990, the City sold the Property to Sakrete of Pacific Northwest, Inc., which almost immediately assigned its rights under the sale agreement to 4M Investments. Sakrete is the current owner of the Property.

SITE 279A (Former Tucker Property)

The Property has been developed since at least 1889 and has been used by the electrical supply and service industry, with onsite activities including operation of electrical substations, transformer storage, and transformer repair. The City purchased the Property in 2000 from Thomas Tucker through the exercise of its eminent domain authority for the Lower Albina Overcrossing Project. Upon acquiring the Property, the City demolished the onsite building, conducted a remedial action under the oversight of the Oregon Department of Environmental Quality (DEQ) and the U.S. Environmental Protection Agency (EPA), and constructed an overpass ramp to alleviate traffic congestion in the area. The City is the current owner of the Property and continues to use the Property for right-of-way access (an overpass ramp), with remnant portions used for surface parking.

SITE 279B (Valvoline Portland Packaging Plant)

The City purchased the Property in 2002 from Valvoline Company, a division of Ashland, Inc. The Property was originally purchased for an on-ramp to North Interstate Avenue but the ramp was located elsewhere. The City's Bureau of Maintenance currently uses the Property for storage of de-icing solution and for vehicle parking. The City also leases a portion of the Property to Widmer Brothers for parking. The City is the current owner of the property.

SITE 279C (Materials Testing Laboratory)

The City acquired this Property in 1938 from Montgomery Estate Company and used it for offices and materials testing from 1938 to present. The Property is currently served by the City's municipal water and sanitary sewer systems. Approximately one half of the building is used for offices and the other half is used for materials testing. The Materials Testing Laboratory, an operation of the City's Bureau of Environmental Service's Engineering division, provides physical testing of soils, aggregates, cement, concrete, and other construction materials for purposes of design, material evaluation, material acceptance, and quality assurance for the City's public works construction. The City is the current owner of the property and continues to operate the laboratory.

SITE 306A, 334A, 465A (One Waterfront Place)

The Property is located in the former Union Station rail yards and is known as Parcel A North. Union Station and its associated rail yards were built when the former Couch Lake was filled in the 1890s. According to historical information, use of the area for railroad purposes began in the 1880s and continued until the mid-1980s. The City of Portland represented by PDC acquired One Waterfront Place Property from the Portland Terminal Railroad Company in 1987 as part of its acquisition of Union Station and associated railroad properties. All of the tracks were removed from the Property before PDC's purchase of the Property. Following acquisition of the Union Station assemblage in 1987, the portion of

the overall Property north of the Broadway Bridge and east of the mainline tracks was divided into smaller parcels. The remainder of this portion of the Property is still owned by PDC.

SITE 306B, 348B (The Yards at Union Station)

The Yards at Union Station is a multi-phase housing project south of the Broadway Bridge (and also known as Lots 3, 4 and 5 of Parcel B South) constructed on former rail yards. The City of Portland, represented by PDC, acquired The Yards at Union Station properties from the Portland Terminal Railroad Company in 1987 as part of its acquisition of Union Station and associated railroad properties. When PDC acquired the Property, the rail yards were used for active rail movement, storage of rail cars on any of the numerous yard tracks on site, and storage of rail materials including ties and ballasts. In 1988, PDC hired a salvage contractor who removed all of the unused track, ties and other equipment except for the 7 operating tracks serving the station and located nearest the depot. Currently, these discontinued yards remain vacant except for occasional temporary permitted uses, such as special event parking. The City is the current owner of the property.

SITE 306C, 311C (Union Station Block Y Parking Area)

The Property was residentially developed by 1889. Commercial development appeared on the Property in the early 1900s. By the mid-1920s the Property had been converted to its present use as a parking lot for the Union Station Terminal. The City of Portland, represented by PDC, acquired the Property from Portland Terminal Railroad Company (PTRR) in 1987. Block Y was historically and continues presently to operate as a surface parking lot. In 2003, the entire block was reconfigured to extend NW 6th Avenue through the Property, eventually connecting to NW 9th and Johnson. The City is the current owner of the property.

SITE 306D, 316D, 336D (Station Place)

PDC acquired most of the Station Place Property from PTRR in 1987 as part of its acquisition of Union Station and associated railroad properties. In 1989, portions of what became Station Place Lots 2 and 5 were acquired from Union Pacific Railroad Company and Glacier Park Company. Station Place consists of the former railroad parcels northwest of Union Station (and is also known as Union Station North B and the Horse barn Site). The Portland Mounted Police Department occupied the Station Place Property from 1990 to 2001. The corral and modular building were removed and demolition of the horse barn was completed as part of an infrastructure improvement construction plan. Currently the site is owned by the City and has mixed use as a parking lot, commercial and residential buildings as well as vacant land.

SITE 306E (Centennial Mills)

Historically, the Property was used for a flour mill from 1910 to 2000. The City, represented by PDC, acquired the Centennial Mills property on July 19, 2000 in furtherance of PDC's statutory mandate of acquiring blighted properties for rehabilitation and inclusion into the River District Urban Renewal Area. In 2002, a portion of the Property was redeveloped for a horse paddock that is used by the City's Mounted Patrol Unit that continues to operate today. The rest of the property is currently vacant. The City is the current owner of the property.

SITE 414 (Rose Garden Arena and Memorial Coliseum)

The City, acting through its Exposition-Recreation Commission, began acquiring land for a coliseum complex in 1954. The Memorial Coliseum was opened in 1960 and is currently operating today. The Memorial Coliseum is used for hosting spectator sports and entertainment events and is currently

owned by the City. Before acquisition for the Rose Garden Arena, the area was primarily residential. Operations on the property included a truck facility from 1950 to 1964 and a gas station from 1963 to 1983. The City purchased the former gas station property in 1984. In 1995, the Rose Garden Sports Arena was opened. The Rose Garden, which continues to operate to this day, is a multi-purpose spectator facility that hosts sports, concerts, conventions and trade shows. The City is the current owner of the property.

SITE 611 (Linnton Oil Fire Training Ground)

The City operated the Linnton Oil Fire Training Ground (LOFTG) from 1952 to 1988, located on the west side of the Willamette River at river mile 3.5. LOFTG was used by public and private firefighting crews to learn methods of extinguishing petroleum fires. Liquid fuels for the training fires were donated by the cooperating industries. After operations ended, the City investigated and remediated the Property under DEQ oversight. Remediation activities included soil removal, capping, groundwater monitoring and institutional controls. The site is currently owned by Bonneville Power Administration and is vacant except for an existing power line.

SITE 622 (Former Westinghouse Property)

Historical operations at the Property prior to City ownership included an electrical transformer repair facility, which the Westinghouse Electric Manufacturing Company owned and operated between 1943 and 1978. From 1985 to 1996, the building was leased to Pac West Glass, which manufactured stone, clay, and glass. Owners of the property during that time include William Gilmore, Tillamook Industrial Investors, and Thomas Tucker. The City acquired the Property in 1996 for expansion of the adjacent Water Bureau Interstate Facility. Following acquisition of the Property, the City investigated the nature and extent of legacy contamination at the site, made parking lot improvements, constructed storm water treatment facilities, removed underground storage tanks, demolished existing buildings and storm water conveyance systems, removed contaminated soil, and capped the Property with new asphalt. The Property is currently owned by the City and is being used for parking and storage for the Water Bureau Interstate Facility.

SITE 623H, 316H (River District Property)

The Property is part of the former Hoyt Street Rail Yard that was operated by Burlington Northern Santa Fe Railway Company (BNSF) and its predecessors from about 1911 through 1998. Hoyt Street Properties, L.L.C. (HSP) acquired the Hoyt Street Rail Yard in 1994 and leased the site to BNSF through the end of 1998. In October 1997, BNSF ceased all rail operations at the Property with the exception of some rail car storage in the western portion of the site. Since 1998, HSP has been developing the former rail yard for residential, commercial and other related uses. The City as PDC acquired the Property (Tracts C and D) from HSP in 2004, transferring it to the City's Bureau of Parks and Recreation in 2005. The City currently owns the Property, operating it as a neighborhood park.

City-Owned Outfalls

Outfalls are owned by either public or private entities. For City-owned outfalls, the City, as an owner, has benefitted by having that infrastructure in place (e.g., drainage to limit flooding), and may have gained additional economic benefits through its rate payers from the discharge of contaminants from site-specific activities into its outfall system.

4.0 CITY OF PORTLAND ACTIVITIES

Exhibit 4-1 identifies, for each of the City of Portland’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 CITY OF PORTLAND-RELATED ACTIVITIES

City of Portland Activities - Site 61
creosote treated railroad ties
landfill of dredged sediments-Willamette prior to 1980
ship berthing
ship/boat maintenance and/or construction
City of Portland Activities - Site 62
ship/boat maintenance and/or construction
City of Portland Activities - Site 72
creosote treated wood pilings
landfill of construction and demolition debris
City of Portland Activities - Site 112
aboveground storage tank (AST) heating oil
creosote treated railroad ties
creosote treated wood pilings
landfill of construction and demolition debris
landfill of dredged sediments-Willamette prior to 1980
ship berthing
City of Portland Activities - Site 126
creosote treated railroad ties
creosote treated wood pilings
underground storage tank (UST) other petroleum/unknown petroleum
City of Portland Activities - Site 127
creosote treated wood pilings
landfill of dredged sediments-Willamette prior to 1980
UST other petroleum/unknown petroleum
City of Portland Activities - Site 176
creosote treated wood pilings
landfill of dredged sediments-Willamette prior to 1980

City of Portland Activities - Site 190
boat moorage
creosote treated wood pilings
fueling operations
landfill of dredged sediments-Willamette prior to 1980
UST diesel
UST gasoline
City of Portland Activities - Site 213
landfill of dredged sediments-Willamette prior to 1980
municipal landfill operation
waste transfer station
City of Portland Activities - Site 222
creosote treated wood pilings
landfill of dredged sediments-Willamette prior to 1980
City of Portland Activities - Site 278
asphalt batch plant/asphalt production
AST other petroleum/unknown petroleum
creosote treated wood pilings
UST bunker c
UST gasoline
City of Portland Activities - Site 279A
extensive vehicle operations or washing facilities
landfill of construction and demolition debris
City of Portland Activities - Site 279B
none
City of Portland Activities - Site 279C
UST diesel
UST heating oil
UST other petroleum/unknown petroleum
City of Portland Activities - Site 306A
landfill of dredged sediments-Willamette prior to 1980
City of Portland Activities - Site 306B
creosote treated railroad ties
landfill of dredged sediments-Willamette prior to 1980

City of Portland Activities - Site 306C
creosote treated railroad ties
landfill of dredged sediments-Willamette prior to 1980
City of Portland Activities - Site 306D
creosote treated railroad ties
landfill of dredged sediments-Willamette prior to 1980
City of Portland Activities - Site 306E
creosote treated wood pilings
landfill of dredged sediments-Willamette prior to 1980
unprotected storage of petroleum contaminated soil
UST heating oil
City of Portland Activities - Site 311C
creosote treated railroad ties
landfill of dredged sediments-Willamette prior to 1980
City of Portland Activities - Site 316D
creosote treated railroad ties
landfill of dredged sediments-Willamette prior to 1980
City of Portland Activities - Site 316H
landfill of dredged sediments-Willamette prior to 1980
City of Portland Activities - Site 334A
landfill of dredged sediments-Willamette prior to 1980
City of Portland Activities - Site 336D
creosote treated railroad ties
landfill of dredged sediments-Willamette prior to 1980
City of Portland Activities - Site 348B
creosote treated railroad ties
landfill of dredged sediments-Willamette prior to 1980
City of Portland Activities - Site 414
mechanical/electric motor repair and maintenance
UST waste oil
City of Portland Activities - Site 465A
landfill of dredged sediments-Willamette prior to 1980

City of Portland Activities - Site 528
landfill of dredged sediments-Willamette prior to 1980
municipal landfill operation
City of Portland Activities - Site 607
none
City of Portland Activities - Site 611
AST other petroleum/unknown petroleum
petroleum leaks/spills
unprotected storage of petroleum contaminated soil
UST diesel
UST other petroleum/unknown petroleum
City of Portland Activities - Site 619
landfill of dredged sediments-Willamette prior to 1980
municipal landfill operation
City of Portland Activities - Site 622
none
City of Portland Activities - Site 623H
landfill of dredged sediments-Willamette prior to 1980
City of Portland Activities - Site 652
none
City of Portland Activities – Non-Site-Specific
City-owned outfalls
Land zoned as residential/commercial and parks/open space (non-site-specific stormwater)

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 190 additional documents submitted by Phase 2 parties that are settlement confidential and therefore not identified.