



Oregon

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May 19, 2014

Gene Juarez
Pacific SE Tacoma Street, LLC
PO Box 6267
Bellevue, WA 98008

Re: No Further Action Determination
North Parcel, Pacific Hoe Saw and Knife site
ECSI# 3884

Mr. Juarez:

The purpose of this letter is to communicate DEQ's review of final closure documents related to the aforementioned property, identified as property# R330505 (Multnomah County) and state id# 1S1E24C 100 in City of Portland records. Based on this review, DEQ concludes that investigation and remedial activities have been successfully completed on the North Parcel portion of the former Pacific Hoe site, located at 2700 SE Tacoma Street in Portland, Oregon.

This determination is based on the regulations and facts as we now understand them, including but not limited to the following:

1. Pacific Hoe formerly operated on two parcels of land in southeast Portland separated by the SE Tacoma Street Overpass. On the North Parcel, industrial saw and knife production started in approximately 1954. Manufacturing continues under current property owner Simmonds International. The South Parcel remains under investigation by DEQ and is not subject to DEQ's NFA determination.
2. Between 2004 and 2013 multiple phases of investigation were completed on-site, with work addressing soil, groundwater, and stormwater. In the North Parcel, the most notable environmental problem identified was a flood control berm constructed of manufacturing waste ("swarf") and containing elevated PCBs and metals. Contamination was present in the riverbank adjacent to Johnson Creek.
3. Under a work plan approved by DEQ, the berm was removed in 2008 and replaced with clean soil. Loose swarf material having eroded from the berm (upper bankline) was also removed from the middle and lower bankline.
4. Soil and groundwater sampling in the upland portion of the site did not identify contamination exceeding occupational risk-based screening values, and a complete groundwater-to-surface water pathway does not appear to be present. Nevertheless, detected groundwater contaminants were below screening level values for surface water protection. Sampling of site stormwater under an existing 1200Z permit did not identify concerns.
5. Low-level PCB and metals contamination is present in the lower bankline ("Bench Area") at North Parcel, adjacent to and seasonally inundated by Johnson Creek. DEQ has determined that the contamination does not require further action as: a) metals are only modestly elevated above background; b) PCBs in surface soil are below toxicity screening values for both humans and

ecological receptors; c) the Bench Area is limited in area; and d) surface soil concentrations are all below Johnson Creek baseline for Segment 1 (0.052 mg/kg) as identified in DEQ's 2005 study of the creek. PCB concentrations are somewhat higher in the subsurface, with a maximum of 0.638 mg/kg total PCBs detected 12 to 16 inches below ground surface. The Bench Area is heavily vegetated and appears to be depositional in nature with respect to Johnson Creek.

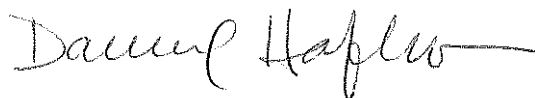
6. To confirm that the Bench Area is stable, steel posts have been installed in the area and will be monitored through 2015 to confirm that the erosion is not occurring during seasonal inundation or from periodic flooding. If erosion is observed, DEQ will be notified and the need for contingency measures evaluated.
7. Prior to issuance of this conditional No Further Action (NFA) letter, public notice of the proposed action was published, and a 30-day period provided for comment. No comment was received.

DEQ concludes that based on the information presented to date, the North Parcel portion of the former Pacific Hoe site is currently protective of public health and the environment as long as the engineering and institutional controls are maintained as described above. The site requires no further action under the Oregon Environmental Cleanup Law, ORS 465.200 et seq., unless new or previously undisclosed information becomes available. We will update the Environmental Cleanup Site Information System (ECSI) database to reflect this decision.

The site will remain on DEQ's Confirmed Release List and Inventory of Hazardous Substance Sites given the presence of residual contamination in the Bench Area.

If you have any questions, please contact Dan Hafley at 229-5417. Thank you for your participation in the Voluntary Cleanup Program.

Sincerely,



Daniel Hafley
Northwest Region Cleanup Section

Electronic copies to:

Roger Brown, Hahn and Associates, Inc.
Brian Thomas, Wyse Investment Services Co.

Paper copy to:

Gene Juarez (letter addressee)
DEQ NWR Cleanup file #3884