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Lake Oswego, Oregon 97035
503.624.9274

September 20, 2023

Security Properties, Inc.
701 Fifth Avenue, Suite 5700
Seattle, Washington 98104

Attention: Gus Baum

Subject: Oregon Department of Environmental Quality – File No. 26-16-0369 Update Request
2505 Northeast Pacific Street
Portland, Oregon
File No. 5309-036-08

INTRODUCTION

GeoEngineers, Inc. (GeoEngineers) is providing environmental consulting services to Security Properties, Inc. (Security Properties) for an update to Oregon Department of Environmental Quality's (DEQ's) No Further Action (NFA) determination for the Pepsi Blocks Project located at 2505 Northeast Pacific Street in Portland, Oregon. This letter report provides a summary of the DEQ NFA determination for the subject property (DEQ File Numbers 26-93-0094 and 26-16-0369) and compares the analytical results from the underground storage tank (UST) decommissioning with the most current (May 2018) DEQ risk-based cleanup (RBC) levels. The property is currently being redeveloped from the former office, warehousing and production facility (Pepsi Cola) to a mixed-use commercial and high-density residential development. Previous assessments did not consider residential or urban residential uses at the site. Since redevelopment started, the zoning of the property has been changed and has allowed for high density residential uses, which would be consistent with urban residential receptors. A summary of the DEQ NFA letters and current RBCs including urban residential receptors is presented below.

SUMMARY OF INVESTIGATION, UST DECOMMISSIONING AND DEQ NFA LETTERS

DEQ NFA Letter – File No. 26-93-0094, Dated June 5, 2003

One 12,000-gallon diesel fiberglass UST was reportedly installed at the subject property in 1982 according to Portland Fire Marshall records. In 1993, soil borings were advanced around the UST which indicated a release of diesel-range petroleum hydrocarbons (DRPH) (DEQ File No. 26-93-0094). A 2003 follow-up investigation was conducted to determine the extent of soil contamination around the diesel UST. Four soil borings were advanced and DRPH were either not detected or detected at concentrations up to 32.7 milligrams per kilogram (mg/kg), which is less than the most restrictive DEQ risk-based concentrations

(RBCs) of 1,000 mg/kg for soil ingestion, dermal contact and inhalation for residential receptors. Based on the limited contamination observed in the borings, DEQ issued an NFA determination for the site on June 5, 2003. A copy of the NFA Determination Letter is attached.

DEQ NFA Letter – File No. 26-16-0369, Dated March 20, 2017

In January 2016, the 12,000-gallon fiberglass diesel UST, noted above, was decommissioned by removal. Petroleum contaminated soil (PCS) was observed near the east end of the UST, near fuel pump 43 and the UST fill port. This release was reported to DEQ and file number 26-16-0369 was issued.

Following removal of the UST, limited soil excavation was performed and approximately 1.4 tons of soil were excavated from the areas noted above and taken to Hillsboro Landfill for disposal. DRPH-contaminated soil was left in place beneath the eastern side of the former UST at a depth of approximately 14 feet below ground surface (bgs) at a concentration of 318 mg/kg, beneath the former fill port at a depth of approximately 4 feet bgs at a concentration of 643 mg/kg, and at a depth of 3 feet bgs near fuel pump 43 at a concentration of 1,920 mg/kg. DEQ determined that conditions at the subject property were protective of public health and the environment and an NFA determination was granted on March 20, 2017 (DEQ NFA letter attached). However, urban residential uses were not considered and zoning at the time did not permit such uses, which has since changed. Therefore, GeoEngineers reviewed the historical data noted above and compared it to the current DEQ RBCs (May 2018).

The detected DRPH concentrations (ranging from 318 mg/kg to 1,920 mg/kg) in the confirmation samples collected in 2016 are less than the current RBCs for soil ingestion, dermal contact and inhalation for urban residential (2,200 mg/kg), occupational (14,000 mg/kg) construction worker (4,600 mg/kg) and excavation worker (greater than max [1,000,000 mg/kg]. Other potential exposure pathways during and following development include volatilization to outdoor air and vapor intrusion into buildings and for all receptors the RBC is greater than max or 1,000,000 mg/kg. The site is zoned and will be developed for mixed use commercial and high-density residential uses and therefore the urban residential, occupational, construction and excavation worker receptors are appropriate.

CONCLUSIONS

Based on a review of the existing site data and specific sample data presented in the DEQ NFA letter, dated March 20, 2017, the site meets the RBCs for urban residential uses which were not previously evaluated. On behalf of Security Properties, GeoEngineers requests that the NFA letter be revised to include the most recent changes in use and that conditions at the site are protective of human health and the environment for the proposed uses.

LIMITATIONS

This letter has been prepared for the exclusive use of Security Properties, Inc. and their authorized agents. No other party may rely on the product of our services unless we agree in advance and in writing to such reliance. Within the limitations of scope, schedule and budget, our soil pre-characterization and profiling services have been executed in accordance with generally accepted environmental science practices in this area at the time this letter was prepared. No warranty or other conditions, express or implied, should be understood. It is always possible that contamination exists in areas that were not explored, sampled or analyzed.

We appreciate the opportunity to assist you with this project. If you have any questions, please contact us.

Sincerely,
GeoEngineers, Inc.

Cris J. Watkins
Senior Environmental Scientist

Kurt Harrington, PE
Principal Environmental Engineer

9/20/23

CJW:KH:atk

Attachments:
DEQ NFA Determination Letter, DEQ File No. 26-16-0369, Dated March 20, 2017
DEQ NFA Determination Letter, DEQ File No. 26-93-0094, Dated June 5, 2003

One copy submitted electronically.

Disclaimer: Any electronic form, facsimile or hard copy of the original document (email, text, table, and/orded, and any attachments are only a copy of the original document. The original document is stored by GeoEngineers, Inc. and will serve as the official document of record.

Oregon
Kate Brown, Governor

Department of Environmental Quality
Northwest Region
700 NE Multnomah Street Ste 600
Portland, OR 97232-4100
(503) 229-5263
FAX (503) 229-6945
TTY 711

March 20, 2017

Sam Letele
Pepsi-Cola Bottling Company
2505 NE Pacific Street
Portland, OR 97232-2332

RE: No Further Action Determination
Pepsi-Cola Bottling Company
DEQ File No. 26-16-0369

Dear Mr. Letele:

The Oregon Department of Environmental Quality (DEQ) has completed a review of available information including the Stantec Consulting Services, Inc. (Stantec) report entitled *UST System Removal Report* (March 7, 2016) concerning the decommissioning of underground storage tanks (USTs) discovered at the Pepsi-Cola Bottling Company (Pepsi) facility located at 2505 NE Pacific Street in Portland, Multnomah County, Oregon (site), also described as Tax Lot 12000 on Multnomah County Map 1N 1E 36BC (Figure 1 in Attachments).

DEQ has determined that remediation to address environmental contamination in the area of the former USTs is complete and no further action is required. This determination is based on the DEQ regulations and the facts as we now understand them including, but not limited to the following:

- The approximate 5.2-acre property is currently developed as a Pepsi distribution facility consisting of offices, warehouse space, parking areas and shipping and receiving docks. Pepsi has occupied the site in some capacity since 1924. A 12,000-gallon diesel UST was formerly located beneath Bays 20 and 21 in the shipping and receiving area in the northern portion of the site (Figure 2 in Attachments). Properties in the area of the site are utilized for commercial and residential purposes.
- In 1991 two 4,000-gallon gasoline and one 2,000-gallon gasoline USTs in the southern portion of the driveway between the site buildings were decommissioned and removed. No petroleum contamination was reported at the time of decommissioning. In May 1993 assessment in the area of the diesel UST revealed evidence of a release. Following further assessment, DEQ concluded there were no unacceptable risks and issued a No Further Action determination on June 5, 2003.
- In January 2016 Stantec contracted BB&A Environmental (BB&A) to decommission and remove the 12,000-gallon diesel UST at the site (Figure 3 in Attachments). A compliance soil sample collected beneath the east end of the tank at 10 feet below ground surface (bgs) contained diesel at a concentrations of 2,620 milligrams per kilogram (mg/kg). Further analysis of this sample did not reveal detectable levels of benzene, toluene, ethylbenzene or total xylenes and generally non-detect levels of polynuclear aromatic hydrocarbons.
- Soil samples collected near the UST fill port and beneath the product piping (Figure 4 in Attachments) also contained detectable concentrations of diesel (maximum detections of 4,040 mg/kg and 1,300 mg/kg, respectively). During sampling in the piping trench, fuel from a broken product line spilled near fuel pump 43 but it was quickly cleaned up.
- Limited removal of petroleum contaminated soil was performed near the east end of the former UST excavation, the vicinity of dispenser 43 and near the UST fill port. A confirmation soil sample collected beneath the fill port excavation (4 feet bgs) contained diesel at 643 mg/kg while a sample

May 2018 Oregon DEQ Risk Based Concentrations for Soil Ingestion, Dermal Contact and Inhalation:
Generic Diesel/Heating Oil: Residential Receptors - 1,100 mg/kg and Urban Residential Receptors - 2,200 mg/kg

Confirmation samples collected from the fill port (643 mg/kg), east end of UST (318 mg/kg) and fuel pump 43 (1,920 mg/kg) are all less than the Urban Residential Receptor Scenario, which is applicable at the site.

collected near the east end of the former UST (14 feet bgs) detected diesel at 318 mg/kg. Sampling near fuel pump 43 (3 feet bgs) revealed diesel at a concentration of 1,920 mg/kg. Approximately 1.4 tons of contaminated soil was transported to Hillsboro Landfill in Hillsboro, Oregon, for disposal.

- Petroleum hydrocarbon contamination in site soil is attributed to releases from the former USTs, product lines and an unintended release from a broken pipe at the time of decommissioning.
- Groundwater is found at a depth exceeding 120 feet bgs in the area of the site and was not encountered at any time during the UST decommissioning and soil removal activities.
- Soil contamination near the east end of the former diesel UST is present at approximate depths ranging from 10 to approximately 15 feet bgs. A pocket of diesel-contaminated soil remains near the UST fill port at 4 feet bgs but analytical data indicate diesel concentrations decrease rapidly with depth. Likewise, a pocket of shallow contamination remains near fuel pump 43 but is not likely to extend more than a few feet in depth.
- Diesel and associated constituents were not detected at concentrations exceeding occupational worker, construction worker or excavation worker RBCs for applicable exposure pathways.

Based on the available information, conditions at the Pepsi facility are currently protective of public health and the environment. The site requires no further action under Oregon Administrative Rules (OAR) 340-122-0205 through 340-122-0360 unless new or previously undisclosed information becomes available, or there are changes in site development or land and water uses, or more contamination is discovered. DEQ has updated the Leaking Underground Storage Tank (LUST) database to reflect this decision.

If any contaminated soil or groundwater is encountered in the future, it must be handled and disposed of in accordance with local, state and federal regulations.

The Stantec report supporting the proposed No Further Action determination can be viewed at: http://www.deq.state.or.us/Webdocs/Forms/Output/FPController.ashx?SourceId=26-16-0369&SourceIdType=12. The Attachments referenced below are from the Stantec report dated March 7, 2016. DEQ recommends keeping a copy of all of the documentation associated with this remedial action with the permanent facility records. If you have any questions, please contact Jeff K. Schatz at 503-229-5024 or via email at schatz.jeff@deq.state.or.us.

Sincerely,

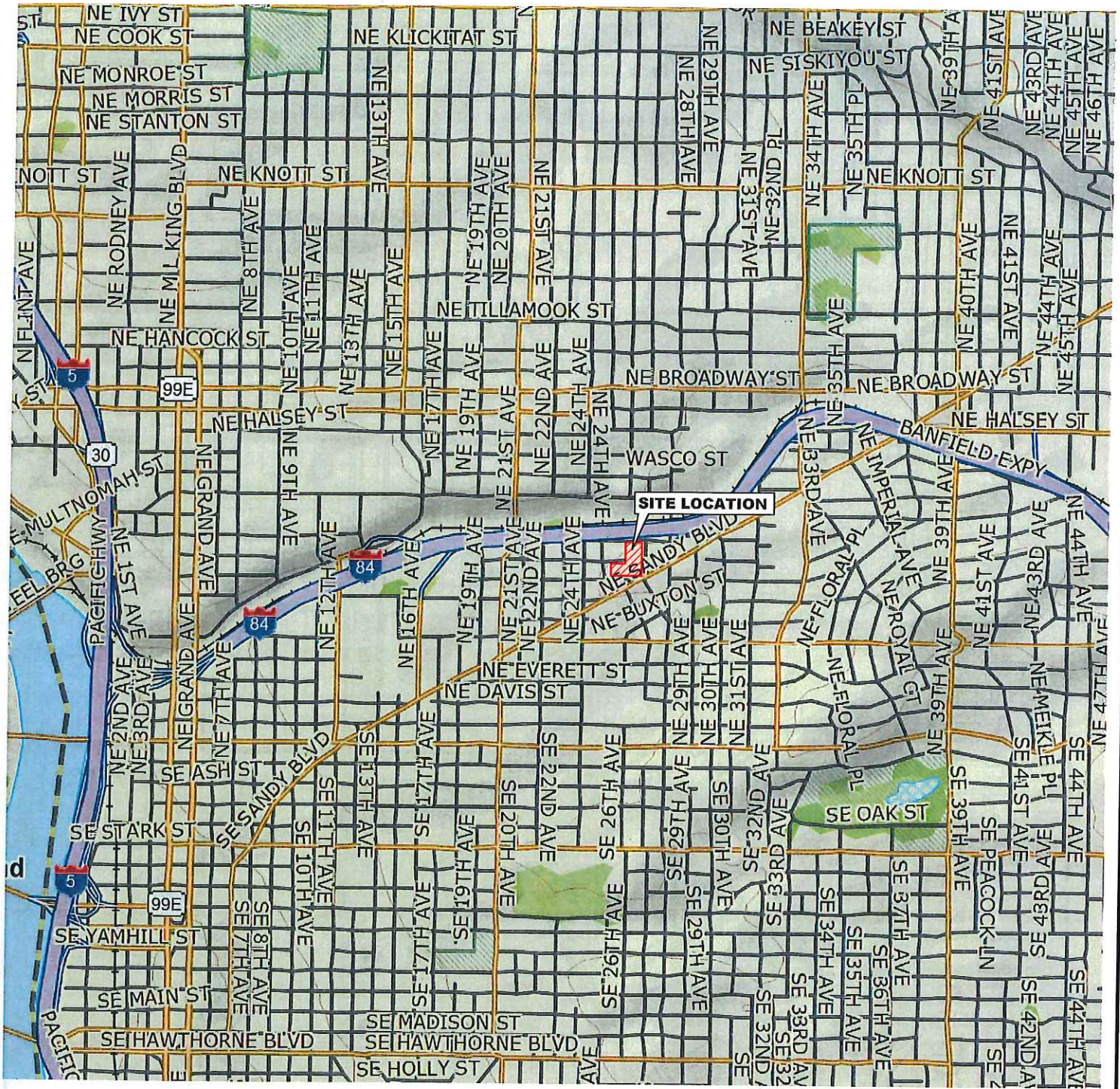
Kevin Parrett, Manager
Northwest Region Cleanup Program

Attachments:

Figure 1 – Site Location Map
Figure 2 – Site Vicinity Map
Figure 3 – Soil Analytical Results – UST Area
Figure 4 – Soil Analytical Results – Product Lines and Fill Port

cc: Marc Sauze, P.E., Business Sector Lead, Stantec Consulting Services, Inc. (via email to marc.sauze@stantec.com)

(jks:JKS)



North

OREGON

1/2 0 1

SCALE (MILES)

1000 0 1000 2000 3000 4000 5000

SCALE (FEET)

REFERENCE: USGS 7.5 MINUTE QUADRANGLE, PORTLAND, OREGON

Stantec

11130 NE 33RD PLACE, SUITE 200
BELLEVUE, WASHINGTON
PHONE: (425) 869-9448 FAX: (425) 869-1190

FOR: pepsi.

PEPSI-COLA COMPANY
2505 NE PACIFIC STREET
PORTLAND, OREGON

SITE LOCATION MAP

FIGURE: 1

JOB NUMBER:	DRAWN BY:	CHECKED BY:	APPROVED BY:	DATE:
185750327	MDR	BG	PF	FEB 2016

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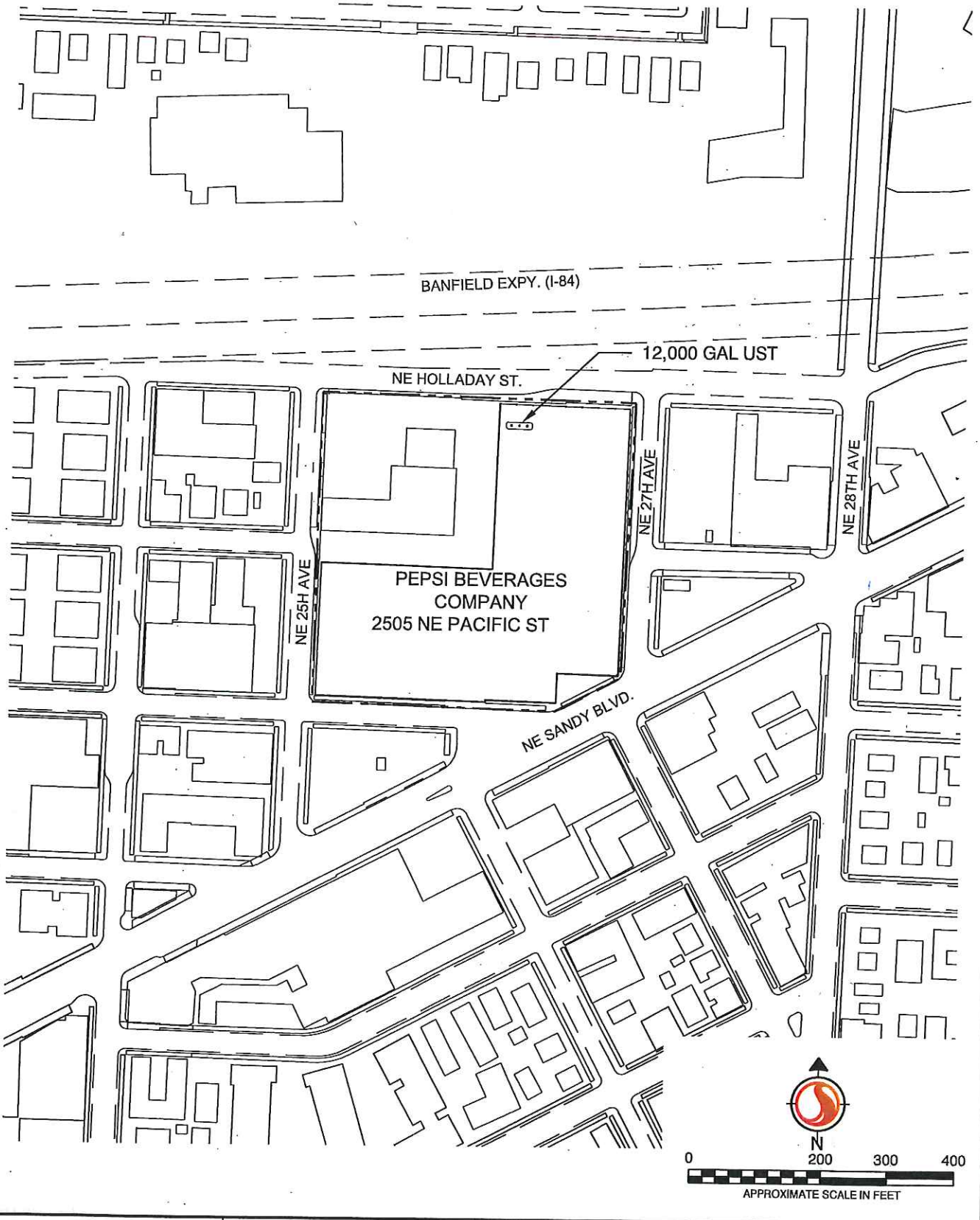

Stantec
11130 NE 33RD PLACE, SUITE 200
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FOR: pepsi.
PEPSI-COLA COMPANY
2505 NE PACIFIC STREET
PORTLAND, OREGON

SITE VICINITY MAP

FIGURE: **2**

JOB NUMBER:	DRAWN BY:	CHECKED BY:	APPROVED BY:	DATE:
185750327	BLG	--	GM	FEB 2016

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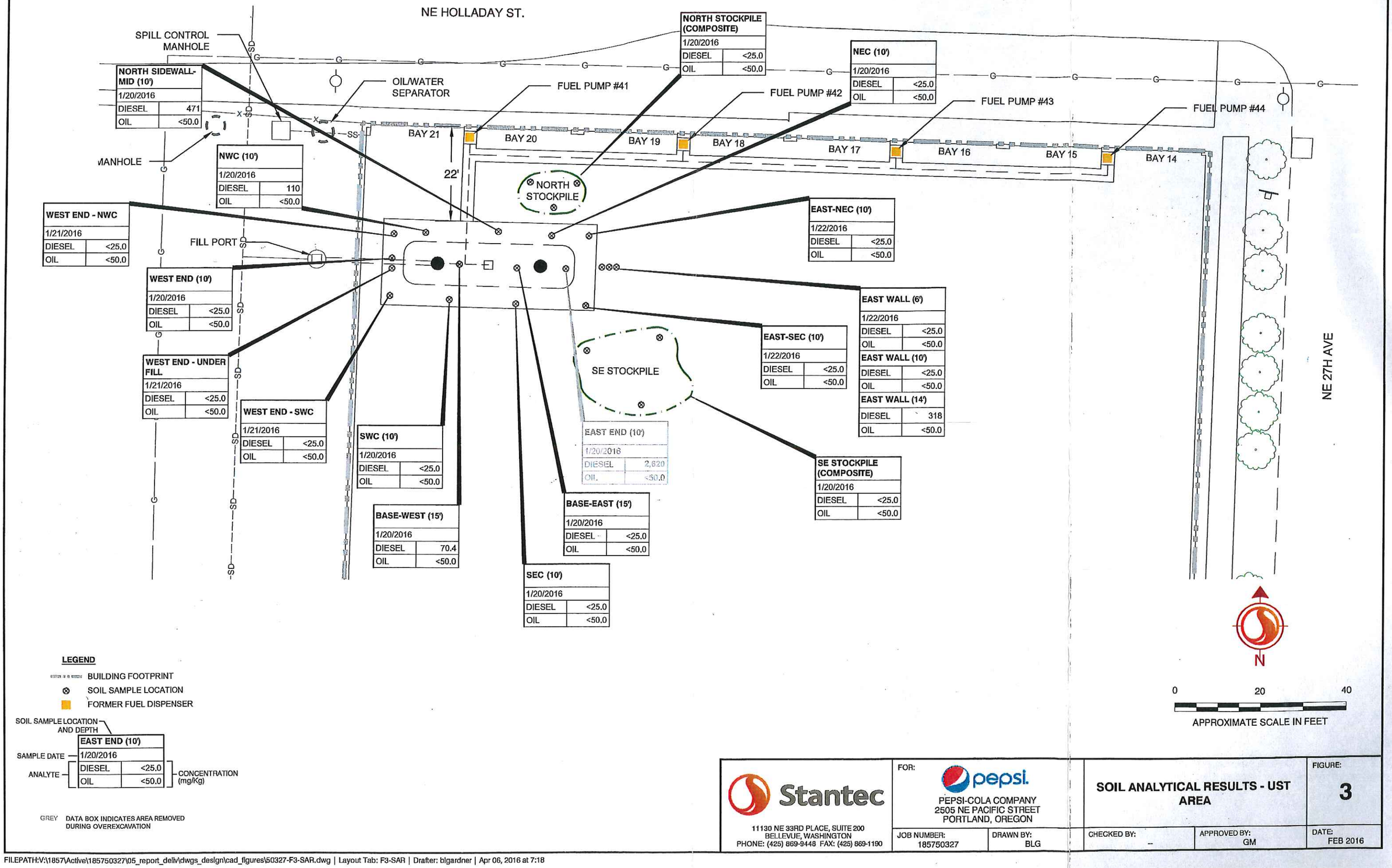

Stantec
11130 NE 33RD PLACE, SUITE 200
BELLEVUE, WASHINGTON
PHONE: (425) 869-9448 FAX: (425) 869-1190

FOR: pepsi
PEPSI-COLA COMPANY
2505 NE PACIFIC STREET
PORTLAND, OREGON

JOB NUMBER: 185750327 | DRAWN BY: BLG | CHECKED BY: – | APPROVED BY: GM | DATE: FEB 2016

SOIL ANALYTICAL RESULTS - UST AREA

FIGURE: 3

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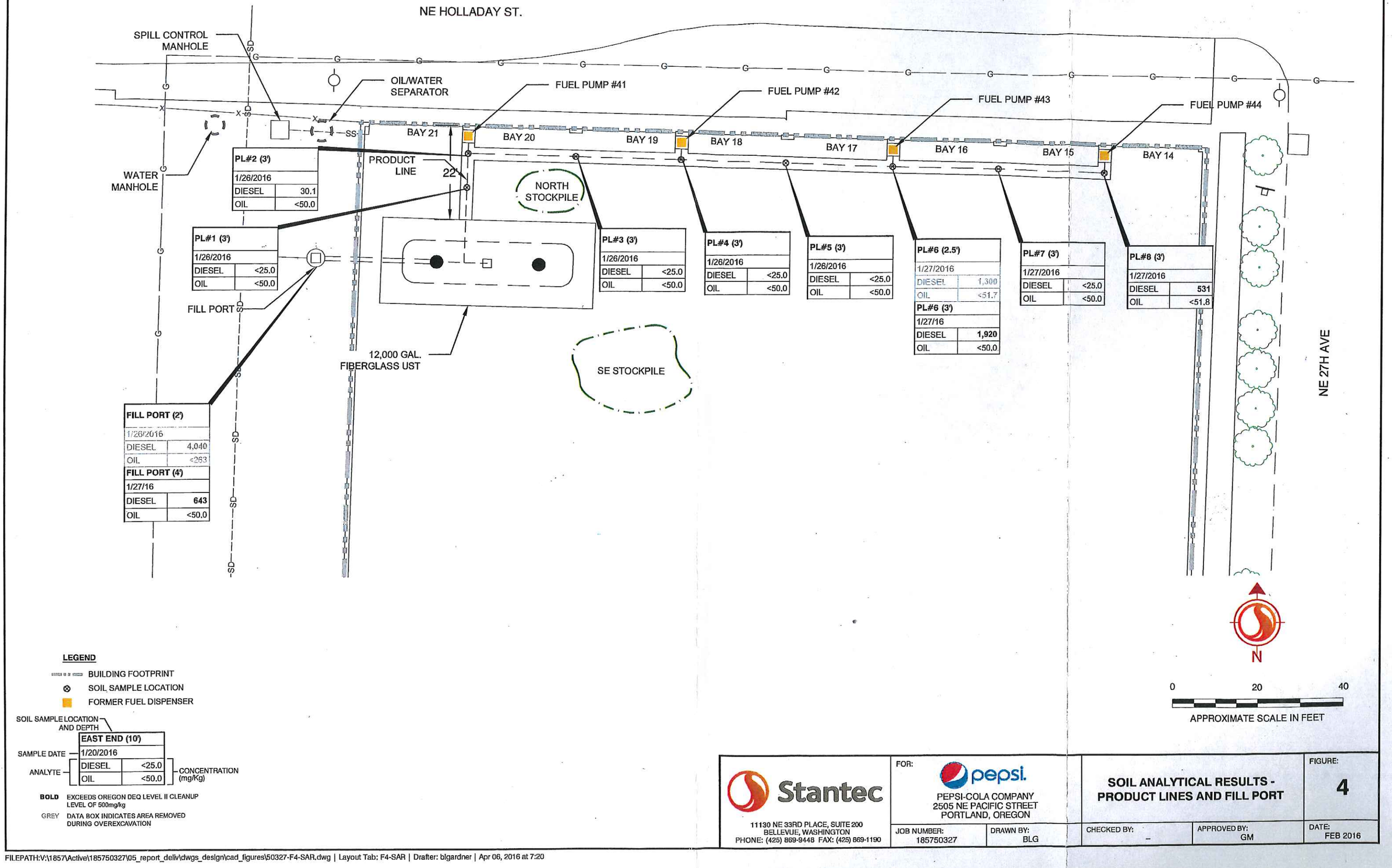

LEGEND

- BUILDING FOOTPRINT
- SOIL SAMPLE LOCATION
- FORMER FUEL DISPENSER

SOIL SAMPLE LOCATION AND DEPTH

EAST END (10')		
SAMPLE DATE	1/20/2016	
ANALYTE	DIESEL	<25.0
	OIL	<50.0

CONCENTRATION (mg/Kg)

BOLD EXCEEDS OREGON DEQ LEVEL II CLEANUP LEVEL OF 500mg/kg

GREY DATA BOX INDICATES AREA REMOVED DURING OVEREXCAVATION

Stantec
11130 NE 33RD PLACE, SUITE 200
BELLEVUE, WASHINGTON
PHONE: (425) 869-9448 FAX: (425) 869-1190

FOR: pepsi.
PEPSI-COLA COMPANY
2505 NE PACIFIC STREET
PORTLAND, OREGON

SOIL ANALYTICAL RESULTS - PRODUCT LINES AND FILL PORT

FIGURE: 4

JOB NUMBER:	DRAWN BY:	CHECKED BY:	APPROVED BY:	DATE:
185750327	BLG	_	GM	FEB 2016

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Oregon
Theodore R. Kulongoski, Governor

Department of Environmental Quality
Northwest Region Portland Office
2020 SW 4th Avenue, Suite 400
Portland, OR 97201-4987
(503) 229-5263
FAX (503) 229-6945
TTY (503) 229-5471

5 June 2003

MR TED STIVAHTIS
PEPSI COLA BOTTLING CO
2505 NE PACIFIC AVE
PORTLAND OR 97232

Re: Pepsi Cola Bottling
File No. 26-93-0094
Facility No: 3438

Dear Mr. Stivahtis:

The Department of Environmental Quality (DEQ) has completed review of the information submitted to date, regarding the underground storage tank (UST) decommissioning and cleanup conducted at 2505 NE Pacific Avenue in Portland, Oregon. The DEQ has determined that the cleanup appears to have met the requirements of Oregon Administrative Rules (OAR) 340-122-205 through 340-122-360 and that no further action is required at this time. Please note that this letter of no further action applies only to the active 12,000-gallon diesel fuel UST.

This determination is a result of our evaluation and judgment based on the regulations and facts as we now understand them, including:

1. The UST was installed in 1982. In 1993, subsurface investigation was performed by Dames and Moore. Soil analytical results indicate that up to 5,800 parts per million (ppm) of diesel-range petroleum hydrocarbon contamination were detected {boring B-1 at 10 feet below ground surface (bgs)}. This concentration exceeds the Level II cleanup standard of 500 ppm established for this site. Samples were not analyzed for contaminants of concern (COCs). Vertical contaminated soil delineation was determined at approximately 20 feet bgs. No soil removal activities occurred.

2. In January 2003, four additional borings were installed to determine the extent of contamination and to collect additional source area information. Soil analytical results indicate that up to 32.7 ppm of diesel were detected from boring B-6 (at 14 and 19 feet bgs), which was installed adjacent to boring B-1. Results from the other three borings did not detect petroleum contamination. Based on the investigations, it appears that either the contamination has been effectively naturally remediated or the remaining pocket of contamination is minimal. As a result, there appears to be no threat to human health or the environment.

A limited amount of soil contamination remains on this property, which the DEQ approves leaving in-place since the contamination does not threaten human health, safety, welfare and the environment. The DEQ's approval to leave contamination is based on the site conditions described in the report as they exist today. Should conditions change at the site, you are responsible for further evaluation of the remaining contamination and any cleanup necessary at

that time. You are also responsible for notifying potential purchasers of the property about this remaining contamination.

The DEQ's determination will not be applicable if new or undisclosed facts show that the cleanup does not comply with the referenced rules. The DEQ's determination also does not apply to any conditions at the site other than the gasoline release specifically addressed in the reports.

Please note that pursuant to OAR 340-122-360(2), a copy of your report must be retained until ten (10) years after the first transfer of the property. We recommend that a copy of this information be kept with the permanent facility records.

Your efforts to comply with the regulations to ensure that your facility has been adequately cleaned up have been appreciated. If you have any questions, please contact me at (503) 229-5617.

Respectfully,

Robert A. Hood, Jr.
UST Cleanup Specialist

cc: David Weatherby
URS Corporation
111 SW Columbia, Suite 900
Portland, OR 97201-5814

(rah:RAH)