

July 22, 2011

Mr. Ed Jones, Project Manager
Washington State Department of Ecology
3190 160th Avenue Southeast
Bellevue, Washington 98008-5452

**RE: PROGRESS REPORT, APRIL THROUGH JUNE 2011, QUARTER 2
REMEDIAL INVESTIGATION
CAPITAL INDUSTRIES, INC., SEATTLE, WASHINGTON
AGREED ORDER NO. DE5348
FARALLON PN: 457-004**

Dear Mr. Jones:

Farallon Consulting, L.L.C. (Farallon) has prepared this progress report on behalf of Capital Industries, Inc. (Capital) to summarize the activities conducted during the second quarter of 2011 for the period from April through June 2011 as part of the Remedial Investigation (RI) at the Capital Site at 5801 3rd Avenue South in Seattle, Washington. This progress report has been prepared in accordance with Agreed Order No. DE5348 entered into by Capital and the Washington State Department of Ecology (Ecology) dated January 24, 2008 (Agreed Order).

ACTIVITIES DURING REPORTING PERIOD

Activities completed for the RI during second quarter 2011 are summarized below.

REMEDIAL INVESTIGATION

Activities conducted under the RI during this reporting period included preparation of the *Draft Remedial Investigation Report, Capital Industries, Inc., 5801 3rd Avenue South, Seattle, Washington* dated July 15, 2011 (Draft RI Report); the Vapor Intrusion (VI) Tier 3 Assessment Reports (VI Reports); and the draft *September 2011 Groundwater Monitoring Plan, Capital Industries, Inc., 5801 3rd Avenue South, Seattle, Washington* dated July 1, 2011 (draft Groundwater Monitoring Plan). The following activities were conducted during this reporting period:

- Review and evaluation of data from the results of the March 2011 groundwater monitoring and sampling event.
- Submittal of the draft *Post-Remedial Investigation Groundwater Monitoring Plan, Capital Industries, Inc., 5801 3rd Avenue South, Seattle, Washington* dated April 22, 2011. Farallon received comments on the plan; discussed revisions with Ecology, including the addition of a tidal study; and prepared a revised plan that incorporated the



results of comments and discussions. A revised plan was issued for submittal as the draft Groundwater Monitoring Plan on July 1, 2011.

- Preparation of the Draft RI Report. Farallon requested and received approval from Ecology for an extension of the submittal date to July 15, 2011.

VAPOR INTRUSION

The following vapor intrusion activities were performed by Capital during this reporting period:

- Building inspections in preparation for the Tier 3 vapor intrusion assessment sampling in the seven targeted buildings.
- Tier 3 vapor intrusion sampling in accordance with the Sampling and Analysis Plans (SAPs) for the seven targeted locations. No samples were collected at the Chinese Restaurant or the Pacific Food Systems Southern Building due to access issues.
- Preparation of VI Reports for four locations. Farallon requested and received approval from Ecology for an extension of the submittal dates to July 1, 2011. Reports were prepared for the Capital Industries Laser QC Office, the Capital Industries Shipping Office, the Mobile Crane Office and the Beckwith and Kuffel Building. Following evaluation of the sub-slab vapor samples from the Pacific Food Systems Northern Building, Farallon recommended additional indoor air sampling at this location, at the Pacific Food Systems Southern Building, and at the adjacent Chinese restaurant. Amended SAPs will be prepared to address the additional sampling at these locations.
- Conference calls with Ecology to discuss Tier 3 vapor intrusion sampling at the Gull Industries building. Access to the building has not been secured to date.
- Continued operation and maintenance of the sub-slab depressurization system (SSDS) installed at the Olympic Medical Building at 5900 1st Avenue South in Seattle.
- Replacement of the malfunctioning blower for the SSDS at the Olympic Medical Building. The system is now fully operational.

INTERIM MEASURES

No interim measures were implemented during this reporting period.

PUBLIC COMMUNICATIONS

The project website was updated with electronic copies of the First Quarter 2010 Progress Report. No other public communications activities were completed during this period.

ANTICIPATED WORK IN THE NEXT QUARTER

Work anticipated to be performed during the July through September 2011 progress reporting period is summarized below.



REMEDIAL INVESTIGATION

The following RI activities are anticipated to be performed during the next quarterly reporting period:

- Completion and submittal of the draft Groundwater Monitoring Plan; and
- Completion of the Draft RI Report for submittal to Ecology on July 15, 2011.

VAPOR INTRUSION

The following activities related to potential vapor intrusion are anticipated to be performed during the next reporting period:

- Submission of VI Reports for the four buildings where sampling has been completed;
- Preparation of revised SAPs for the Chinese Restaurant, the Pacific Food Systems Northern and Southern Buildings, and the Gull Industries Building (upon receipt of access);
- Sampling of indoor and outdoor ambient air and sub-slab soil vapor in accordance with the Tier 3 Vapor Intrusion SAP in the remaining four targeted buildings;
- Preparation of VI Reports for the remaining four targeted buildings for submittal to Ecology; and
- Continued operation and maintenance of the SSDS installed at the Olympic Medical Building.

INTERIM MEASURES

No interim measures are anticipated during the next reporting period.

PUBLIC COMMUNICATIONS

The project website will be updated with an electronic copy of this progress report. The next progress report will summarize activities completed from July through September 2011 and will be submitted on or before October 31, 2011.



CLOSING

Farallon trusts that this quarterly progress report provides sufficient information for Ecology. If you have questions regarding this project, please contact either of the undersigned at (425) 295-0800.

Sincerely,

Farallon Consulting, L.L.C.

Akos Fekete, L.G.
Project Manager

Peter Jewett, L.G., L.E.G.
Principal

cc: Ron Taylor, Capital Industries, Inc.
Donald Verfurth, Gordon and Rees, L.L.P.
Tong Li, Groundwater Solutions

E-mail with link to electronic copy on project website:

Janet Knox, Pacific Groundwater Group
Doug Hillman, Aspect Consulting
Bill Carroll, Arrow Environmental
Bill Beck, Phillips Service Corporation

AF/PJ:bw