

May 27, 2009

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

**RE: PROGRESS REPORT, JANUARY THROUGH MARCH 2009, QUARTER 1
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 from January through March 2009 – Quarter 1 (Q1) at the Capital Site located at 5801 3rd Avenue South in Seattle, Washington. The 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.

ACTIVITIES DURING REPORTING PERIOD

Activities completed from January through March 2009 – Q1 are summarized below.

REMEDIAL INVESTIGATION

The following Remedial Investigation (RI) activities were conducted during this reporting period:

- Capital submitted the Tier 1 Reconnaissance Sampling Results Technical Memorandum (Tier 1 Tech Memo) to Ecology on February 4, 2009. The Tier 1 Tech Memo provided a summary of the results of the Tier 1 Sampling effort and proposed future work based on the results of the Tier 1 Sampling;
- Capital received a letter providing Ecology's comments to Capital on the Tier 1 Tech Memo on February 20, 2009. Ecology comments included a request to meet with Capital to discuss the results of the Tier 1 Sampling; and
- Capital attended a meeting with Ecology on March 11, 2009 to discuss Ecology's comments on the Tier 1 Tech Memo.

INTERIM MEASURES

No interim measures were implemented during this reporting period.

VAPOR INTRUSION

The following vapor intrusion (VI) activities were completed during this reporting period:

- Construction of a sub-slab depressurization system (SSDS) was completed at the Olympic Medical Building by Advanced Radon Technologies (ART) on January 23, 2009;
- Capital initiated operation of the SSDS installed at the Olympic Medical Building on January 23, 2009;
- ART, with Capital oversight, conducted negative pressure field extension monitoring at the Olympic Medical Building.

GROUNDWATER MONITORING

Groundwater level measurements were collected on March 23, 2009 and the results are presented in Table 1. Water level measurements were coordinated with Philip Service Corporation and Art Brass Plating at the request of Ecology. Groundwater samples were not collected during Q1.

PUBLIC COMMUNICATIONS

The project website was updated with an electronic copy of the previous progress report and the draft Tier 1 Tech Memo. No other public communications were completed during this period.

ANTICIPATED WORK IN THE UPCOMING QUARTER

Work anticipated to be performed during the next progress reporting period (April through June 2009) is summarized below.

REMEDIAL INVESTIGATION

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

- Provide Ecology with a revised version of the Tier 1 Tech Memo based on Ecology comments and the meeting with Ecology conducted on March 11, 2009;
- Provide reasonable notice to public and private property residents, occupants, owners, and/or other persons in custody of property where access is required to conduct Tier 2 sampling; and
- Conduct Tier 2 sampling, which will include advancement and sampling of reconnaissance borings B19 through B28.

INTERIM MEASURES

No interim measures are anticipated during the next reporting period.

VAPOR INTRUSION MITIGATION - OLYMPIC MEDICAL BUILDING AT 5900 1ST AVENUE SOUTH

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

- Identify buildings possibly threatened by VI as indicated from the results of Tier 1 Sampling;
- Conduct ambient air sampling at the Olympic Medical Building to confirm the SSDS is work sufficiently;

- Submit a draft Vapor Intrusion Inspection, Monitoring, and Maintenance Work Plan to Ecology for approval of the SSDS operation and maintenance at the Olympic Medical Building and in buildings mitigated for VI in the future; and
- Submit a draft Post-Installation Vapor Intrusion Mitigation Report to Ecology for approval of the SSDS final design and operation.

GROUNDWATER MONITORING

Groundwater level measurements will be collected from Capital monitoring wells MW-1 through MW-8 in May 2009. Collection of water levels will be coordinated with Blaser Die Casting and Art Brass Plating at the request of Ecology. Groundwater samples are not anticipated to be collected during the upcoming quarter.

PUBLIC COMMUNICATIONS

The project website will be updated with an electronic copy of this progress report and the final Tier 1 Technical Memorandum. No other public communications will be completed during this period.

CLOSING

The next progress report will summarize activities completed from April through June 2009 and will be submitted on or before August 24, 2009.

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

Sincerely,

Farallon Consulting, L.L.C.



Daniel Caputo
Project Manager



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

Attachment: Table 1, *Groundwater Elevation Data Summary*

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

Email with link to electronic copy on project website:

Janet Knox, Pacific Groundwater Group
Doug Hillman, Aspect Consulting
Bill Carroll, Arrow Environmental
Bill Beck, PSC

DC/PJ:bw



Table 1
Groundwater Elevation Data Summary
Capital Industries
Seattle, Washington
Farallon PN: 457-004

Well Identification	Date Measured	Top of Casing Elevation (feet msl) ¹	Depth to Water (feet) ²	Groundwater Elevation (feet msl)
MW-1	2/9/2006	16.34	6.60	9.74
	5/15/2007		7.66	8.68
	8/1/2008		8.60	7.74
	12/15/2008		8.43	7.91
	3/23/2009		7.94	8.40
MW-2	2/9/2006	16.48	7.25	9.23
	5/15/2007		8.29	8.19
	8/1/2008		9.14	7.34
	12/15/2008		8.93	7.55
	3/23/2009		8.50	7.98
MW-3	2/9/2006	15.74	6.84	8.90
	5/15/2007		7.85	7.89
	8/1/2008		8.61	7.13
	12/15/2008		8.43	7.31
	3/23/2009		8.02	7.72
MW-4	2/9/2006	15.62	6.39	9.23
	5/15/2007		7.35	8.27
	8/1/2008		8.17	7.45
	12/15/2008		8.03	7.59
	3/23/2009		7.60	8.02
MW-5	2/9/2006	15.90	6.30	9.60
	5/15/2007		7.41	8.49
	8/1/2008		8.31	7.59
	12/15/2008		8.10	7.80
	3/23/2009		7.65	8.25
MW-6	2/9/2006	17.43	7.72	9.71
	5/15/2007		8.58	8.85
	8/1/2008		9.51	7.92
	12/15/2008		9.44	7.99
	3/23/2009		8.96	8.47
MW-7	2/9/2006	16.93	7.32	9.61
	5/15/2007		8.19	8.74
	8/1/2008		9.10	7.83
	12/15/2008		9.03	7.90
	3/23/2009		8.55	8.38
MW-8	2/9/2006	16.68	6.71	9.97
	5/15/2007		7.60	9.08
	8/1/2008		8.57	8.11
	12/15/2008		8.51	8.17
	3/23/2009		8.01	8.67

NOTES:

¹Top of casing elevation in feet above mean sea level (msl) surveyed to vertical datum.

²Depth to water below top of well casing.