



January 2, 2007

Louise Bardy
Department of Ecology
Northwest Regional Office
3190 160th Avenue SE
Bellevue, WA 98008-5452

**RE: Weekly Progress Report for Week Ending December 29, 2006
BNSF Skykomish Levee Zone Interim Action for Cleanup**

Dear Louise:

This weekly progress report is submitted on behalf of BNSF Railway Company (BNSF) per Agreed Order No. DE 3279 for the week ending December 29, 2006 and provides:

- A list of activities that have taken place during the week
- Detailed descriptions of any deviations from the Order and project plans
- Descriptions of all deviations from the schedule and any planned deviations in the upcoming week, and plans for recovering lost time and maintaining compliance with the schedule.

Activities

- Soil Handling:
 - Trains were received and loaded with excavated materials for off-site disposal five out of seven days
- Restoration:
 - Snow hampered work and some activities that had been scheduled for the week, e.g. concrete pouring
 - Surveying and resetting the property corners that were removed due to site grading activities.
 - Heaters and dehumidifiers were operated in the houses 24-hours a day.
 - Electrical power is still not connected. Potelco and PSE have been unable to provide a firm schedule for the work.

- Verizon will be scheduled to establish phone service when the electrical power restoration has been scheduled.
- The interior school yard fence was removed following storm damage; the outer fence is still in place and intact.
- The former water treatment system has been removed from the vicinity of the Shawver property.
- Document Preparation and Reporting:
 - Weekly progress report submitted to Ecology on December 27.
- Dewatering and Water Treatment:
 - No water was discharged or treated by the water treatment plan on the railyard.
- Meetings and Conference Calls
 - No meetings or conference calls were conducted during the week.

Activities scheduled for the week of January 2 include the following items:

- Washington L&I will inspect the electrical systems (postponed from previous week); there may be one additional inspection that has to occur after power has been re-established.
- Continue loading and transporting materials off-site for disposal as trains are available.
- Schedule electrical and telephone hook-ups as soon as possible.
- Drainfield pressure test on January 5 (postponed from previous week due to snow) using generators to power the pumps so that they can be checked; this inspection will enable us to cover the drainfields and proceed with everything short of occupancy. An additional inspection will be required once the power is on to certify the drainfields ready for use.
- Levee retaining wall design will be prepared by early January. If the Town, RETEC and the designers determine there are too many design hurdles remaining (e.g., appearance of stairs), then wall construction can not begin soon and we will schedule additional fill to be placed so that the levee width is increased for the winter.
- Curb and gutter construction scheduled for January 3 (weather permitting).

- Complete Mitchell west slab and basement slab, Moore garage slab, and Mackner garage slab (weather permitting).
- Conduct walk through inspection of the Mitchell house with the Mitchells on January 5.
- Continue operating heaters and dehumidifiers in the temporarily relocated houses
- Continue discharge monitoring required by Exhibit J to the Agreed Order.
- Continue preparation of contingency plan to transport material off site for disposal by March 30, 2007 as necessary based on predicted shipment rate.
- Weekly construction meeting between RETEC and Wilder – January 3.
- Meeting with Ecology – January 4.

Deviations

There are no deviations from the Order and project plans to report.

Schedule

BNSF requested an extension of the December 9¹ deadline to have “Temporarily relocated homes ready for occupancy” and the December 23 deadline to “Complete moving residents back into houses”. Unfortunately, due to adverse weather and related power outages and road closures, it was not possible to meet the specified deadlines. Potelco have not been able guarantee to have power connections made by the end of the year. Therefore, on December 18, BNSF requested extension of the deadline to have houses ready for occupancy to January 6, and the deadline for having residents moved back in to January 12. Our ability to meet this schedule has been dependent on Potelco and Verizon, and the Labor & Industries inspection of the power connections. We have still been unable to schedule the power reconnections with Potelco and it is unlikely that we will be able to meet this revised schedule. We will continue our attempts to have the utilities reconnected as soon as possible; however, it may be necessary to further extend the deadlines.

¹ On December 8, 2006, BNSF requested extension of the December 9 deadline to December 18, 2006, but did not receive a response from Ecology.

Ms. Bardy
January 2, 2007
Page 4

Sincerely,

The RETEC Group, Inc.



Stephen Howard
Senior Hydrogeologist

cc: Susan Lee – Ecology
Angie Thomson, Penny Mabie, Hillary Johnson – Enviroissues
Bruce Sheppard – BNSF
Chris Yates, Clint Stanovsky – Town of Skykomish
Craig Trueblood – PG&E
Daryl Petrarca – AdaPT
David Carson – Bell & Ingram, P.S.
Desiree Gould – Skykomish School Superintendent
Gary West – Skykomish Resident
John Robinson – US Forest Service
Michael Moore – Skykomish Environmental Coalition
Ron Timm – Ecology
Tom Bean – King County
Mike Byers, Halah Voges, Dan Berlin, Joyce Sheldon, Denell Warren, File BN050-19390 – RETEC