

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION

ATLANTIC WOOD INDUSTRIES, INC., A/K/A ATLANTIC METROCAST, AND U.S. DEPARTMENT OF THE NAVY

History

The Atlantic Wood Industries, Inc. (AWI), a/k/a Atlantic Metrocast, property is a former wood treating facility (operating 1926-1992) located in Portsmouth, Virginia, that is contaminated with hazardous substances. Adjacent to the AWI property is the Southgate Annex (SGA) which the Navy acquired during World War II and currently owns and operates. SGA is also a source of contaminants from historic ship cleaning and other activities. For the purposes of resolving natural resource damages, these two facilities are being considered collectively as one site. The site also encompasses the Southern Branch of the Elizabeth River (SBER) riverbed adjacent to both these facilities and the AWI Property.

Contaminants of concern believed to have been released by these facilities include metals and polycyclic aromatic hydrocarbons (PAHs). Releases have caused contamination of surrounding natural resources. SBER sediments and aquatic organisms have been exposed to hazardous substances. Federal and State trust resources that have been injured by contaminants in the SBER watershed include, but are not limited to, benthic organisms, fish, migratory birds, reptiles, and/or their associated habitats, and the services provided by these natural resources.

Natural Resource Damage Assessment and Restoration (NRDAR)

NRDAR is the process used by federal, state, and tribal governments to seek compensation for natural resources injured or destroyed when areas are impacted with contaminants. In the NRDAR process, government and tribal entities are called "trustees" for natural resources. The trustees seek compensation from the entity responsible for the release that is sufficient to restore the injured resources and to compensate the public for the lost use and enjoyment of those natural resources.

The Trustees for this case are the U.S. Department of Commerce, acting through the National Oceanic and Atmospheric Administration (NOAA); the U.S. Department of the Interior (DOI), acting through the U.S. Fish and Wildlife Service (Service); and the Commonwealth of Virginia (the Commonwealth), acting through the Virginia Department of Environmental Quality (VDEQ).

Settlement

The Commonwealth of Virginia led discussions with the Navy and AWI to address the natural resource damages (NRD) and the Commonwealth's remedial matters at this site. As a result of that negotiation, the Commonwealth and Navy agreed to a \$1.5 million restoration project. This restoration proposal was incorporated into VDEQ's direct claim against the Navy, a joint and several claim for the AWI site. VDEQ's claim (which includes the NRD settlement) was incorporated in to a consent decree (CD) with the U.S. Environmental Protection Agency (EPA) to resolve remedial funding and allocation of liability. The CD also included reimbursement of the Trustees' past assessment costs for this case.

Restoration

Trustees evaluated a restoration project that included at least 6 acres of oyster restoration in the Eastern Branch of the Elizabeth River (\$1.5 million). Oyster restoration is both feasible and cost-efficient in the Elizabeth River due to current and ongoing reef construction projects. In addition, oyster restoration provides high ecological benefits, including improvement of water quality in an important tributary to the Chesapeake Bay, habitat for fish and other aquatic organisms, and an overall high level of ecological service. A combination of project qualities, including site availability, ecological benefits, cost effectiveness and availability of state oversight make oyster restoration a highly viable and valued restoration project in this case.

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION

The proposed restoration involves the development of oyster beds – a project that will be funded, overseen and maintained by the Commonwealth, with coordination among the federal trustees (attached to CD as Appendix E, “Natural Resource Damage Restoration Project”).

Links:

[Consent Decree](#) (PDF)

[NOAA Damage Assessment, Remediation, and Restoration Program \(DARRP\) – Atlantic Wood](#) (website)

[EPA Superfund Site: Atlantic Wood Industries, Inc., Portsmouth, VA](#) (website)

News Releases:

[“Virginia Announces Major Settlement for Atlantic Wood, Inc. Superfund Site in Portsmouth, Virginia”](#) (DEQ News Release, 3/7/19)

[“\\$1.5 Million proposed for Oyster Restoration in Portsmouth, Virginia”](#) (NOAA DARRP – News, 3/7/19)

[“Settlement announced for cleanup of Superfund site in Portsmouth”](#) (Augusta Free Press, 3/7/19)

[“Virginia, EPA to recoup nearly \\$64 million in cleanup costs for Portsmouth Superfund site”](#) (Daily Press, 3/10/19)