

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 6d

Date of Meeting June 5, 2012

DATE: May 24, 2012

TO: Tay Yoshitani, Chief Executive Officer

FROM: Stephanie Jones Stebbins, Director, Environmental and Planning Services
Paul Meyer, Manager, Environmental Permitting and Compliance
George Blomberg, Senior Environmental Program Manager

SUBJECT: Shoreline Rehabilitation Project in Duwamish Waterway, at Eighth Avenue South, South Park public shoreline access site and South Riverside Drive

Amount of This Request: No funds requested **Source of Funds:** State unding

Total Project Cost: \$250,000 **Est. Construction Jobs Generated:** None

ACTION REQUESTED:

Request authorization for the Chief Executive Officer to: (1) utilize 0.16 acres (6,900 square feet) of Port-owned commercial waterway district property for shoreline rehabilitation project in the Duwamish Waterway in conjunction with 0.17 acres (7,450 square feet) of City of Seattle right-of-way on South Riverside Drive; (2) obtain permit approvals for shoreline rehabilitation project; and (3) approve the expenditure of funds from Washington State Department of Transportation for use by Port crews to construct a shoreline rehabilitation project for an estimated construction cost of \$250,000 which will be reimbursed 100 percent with state funds. This project is being accomplished through an existing contract with the Washington State Department of Transportation, which expires on December 31, 2012.

SYNOPSIS:

This habitat project was designed to substitute degraded shoreline and upland area with durable environmental resources in an areas of the Duwamish Waterway where marsh and riparian resoruces are rare and has been designed to avoid potential disruption of adjacent privately-owned property. The proposed shoreline rehabilitation project is consistent with the habitat restoration projects described in the Lower Duwamish River Habitat Restoration Plan, adopted by the Commission on July 7, 2009, and will contribute to the Port's Century Agenda goal of restoring up to 40 acres of fish and wildlife habitat in the Green River/Duwamuish watershed. However, the proposed project may impede future use of the street-end for the transfer of cargo between the right-of-way and the adjacent waterway. No past use of the street end at this location to transfer cargo is known.

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The proposed shoreline rehabilitation project includes re-grading Port-owned Duwamish Waterway shoreline and adjacent City-owned South Riverside right-of-way to restore aquatic and shoreline habitat and improve public access to shoreline, at the combined site. The proposed project includes: (1) removal of existing inter-tidal debris; (2) excavation of existing eroding, rubble-filled bank line; (3) installation of low-impact shoreline stabilization; and, (4) planting of native marsh and riparian vegetation.

Pending permit approvals from city, state, and federal entities, the shoreline rehabilitation project would be completed in December 2012. Port costs for shoreline restoration work would be reimbursed through a \$250,000 agreement with the Washington State Department of Transportation (WSDOT). The WSDOT funds derive from an environmental commitment made by WSDOT relating to an I-5/I-405 transportation project serving SEA-TAC Airport. WSDOT has reviewed the present shoreline rehabilitation project and indicates the proposed work is consistent with WSDOT's commitments and the WSDOT/Port agreement.

ADDITIONAL BACKGROUND:

The proposed project includes approximately 180 linear feet of Port-owned shoreline and upland on the west margin of the Duwamish Waterway and the adjacent water-ward portion of South Riverside Drive, which is City of Seattle right-of-way. The aquatic area and shoreline at the site include a derelict wooden barge, debris, and industrial rubble. Existing upland area includes unimproved Port shoreline property and City right-of-way formerly used for vehicle parking and uncovered construction materials storage. The existing derelict wooden barge and associated inter-tidal debris field would be removed, re-exposing the existing inter-tidal area. Habitat rehabilitation would also include excavating and re-grading the existing eroding bank-line, relocating the top-of-bank approximately 10 to 15 feet land-ward. The re-shaped bank-line would be stabilized using a combination of vegetated gabions and anchored large woody debris. Re-graded inter-tidal and shoreline area would be planted with native marsh and riparian vegetation. Materials excavated during shoreline restoration would be re-used for landscaping purposes in shoreland area at the site. Shoreline habitat restoration would complement the Port's existing Eighth Avenue South/South Park public shoreline access site, completed in 2007-2008.

No Port business interests are included in the proposed project. No structures, aside from shoreline stabilization measures, are included. The habitat restoration project includes vacant Port shoreline (approximately 6,900 square feet) and vacant, unimproved City right-of-way abutting the waterway (approximately 7,450 square feet). Port and City property included in the proposal have no alternative development potential, excepting potential for street-use rental by the City of Seattle.

The proposed project is revenue neutral. WSDOT funding includes reimbursement for all design, permitting, and construction costs, up to \$250,000. An additional \$30,000 in construction funds have been committed by the City of Seattle, Parks and Recreation. The City funds are intended for a pedestrian pathway, seating, and information signs. Seattle Parks Foundation, an independent nonprofit organization, is providing \$15,000, as in-kind public use and open space design expertise.

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The proposed design is intended to avoid and minimize potential maintenance requirements. The Port maintains the existing 17,000 square feet of South Park public shoreline access site, including 200 linear feet of shoreline and upland structures, adjacent and upstream of the proposed restoration area. Maintenance of additional shoreline restoration areas would be accomplished using existing Port resources and participating community organizations.

Potential project risks include the following:

1. Utilities: Sub-grade sanitary sewer and water lines are located in public right-of-way and Port shoreline property. The present shoreline restoration design avoids disruption of these utilities and ensures future stable bank line conditions.
2. Contaminated soil: Shoreline excavation includes area filled by others during past decades. Existing soil test information does not indicate contamination. The proposed project budget includes approximately fifteen percent contingency for testing and handling of unanticipated materials.
3. Stability of adjacent privately-owned property: The proposed project is limited to publicly-owned shoreline and upland area. The project has been designed to avoid potential disruption of adjacent privately-owned property.
4. Marine industrial use conflicts: The proposed restoration project would foreclose future use of approximately 7,450 square feet in South Riverside Drive right-of-way as outdoor storage area. The site has been used in past years for vehicle and equipment parking/storage. However, the City of Seattle has determined that vehicle parking and equipment storage are inconsistent with present water-abutting street use and management objectives for this site. The water-ward portion of South Riverside Drive is listed in the City's 2008 Park Levy Shoreline Street-end Fund. The proposed project is consistent with the City's long-term plans for use of this right-of-way area. Finally, the proposed project may impede future use of the street-end for transfer of cargo between the right-of-way and the adjacent waterway. No past use of the street end at this location for cargo transfer is known.

PROJECT JUSTIFICATION:

The proposed project will substitute degraded shoreline and upland area—an area with little potential maritime business opportunity--with durable environmental resources in an area of the Duwamish Waterway where marsh and riparian resource values are rare.

PROJECT SCHEDULE:

Construction of the proposed shoreline rehabilitation project is intended for the fourth quarter of 2012. Schedule milestones are:

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	<u>Start</u>	<u>Finish</u>
Pre -Design		Complete
Design	June 2012	August 2012
Permits	March 2012	October 2012
Construction	October 2012	December 2012

FINANCIAL IMPLICATIONS:

Budget/Authorization Summary

Original Budget	\$0
Previous Authorizations	\$0
Current request for authorization	\$250,000
Total Authorizations, including this request	\$0
Remaining budget to be authorized	\$0
Total Estimated Project Cost	\$250,000

Project Cost Breakdown

Construction	\$222,500
Construction Management	\$12,000
Design	\$0
Project Management	\$9,500
Permitting	\$6,000
State & Local Taxes (estimated)	\$0
Total	\$250,000

Source of Funds

The cost of the project will initially be funded by the Seaport's general fund, but will be reimbursed through a project agreement with WSDOT.

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Financial Analysis Summary:

CIP Category	NA
Project Type	NA
Risk adjusted Discount rate	NA
Key risk factors	<p>See list of potential project risks included under “Additional Background”.</p> <p>Additional Key Risks:</p> <ul style="list-style-type: none">• Project costs could exceed the \$250,000 amount agreed to be reimbursed by WSDOT.• Project timeframe could extend beyond the December 31, 2012, date stipulated in the agreement with WSDOT making the Port responsible for the costs incurred after that date.• WSDOT could determine that not all Port expenditures qualify for reimbursement.• Future cost of maintaining the site could be higher than the minimal amount currently anticipated.
Project cost for analysis	\$250,000
Business Unit (BU)	Seaport
Effect on business performance	<p>Per discussions with Accounting & Financial Reporting, the cost of the project will be recorded as a Non-Operating Expense and the reimbursement from WSDOT will be recorded as offsetting Non-Operating Revenue.</p> <p>The future costs associated with maintaining the site will be recorded as operating expense. The amount of these costs are described as being minimal.</p>
IRR/NPV	NA

ECONOMIC IMPACTS AND BUSINESS PLAN OBJECTIVES:

Proceeding with the proposed project creates environmental and community benefits, with no burden to Port budget.

STRATEGIC OBJECTIVES:

- The proposed project is consistent with the Port’s mission statement, strategies, and objectives, including the following: (1) The project is cost neutral and provides important community and environmental value; (2) The project has the potential to aid the Port’s business objectives by demonstrating the feasibility of habitat restoration at compact

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Duwamish Waterway sites, providing an example for compensatory actions that may be required for future Port development actions; (3) The project provides an opportunity for cooperative work with the adjacent community and citizen groups; (4) The project represents an environmental stewardship initiative; and, (5) The restoration work has been planned and designed by the Port, building the capability of Port staff for implementation of similar future projects.

- The project supports the Century Agenda goal to restore, create, and enhance 40 additional acres of habitat in the Green River/Duwamish watershed and Elliott Bay over the next 25 years.

ENVIRONMENTAL SUSTAINABILITY AND COMMUNITY BENEFITS:

- The proposed project replaces degraded aquatic area and shoreline conditions with stable, environmentally beneficial features.
- Derelict and industrial waste materials will be removed from the environment.
- Excavated soils will be re-used on site as landscape materials.
- No new structures or facilities requiring life-cycle or total cost of ownership commitments are proposed. Maintenance of vegetative shoreline stabilization is expected to be minimal.
- The proposed project will include community participation in design of shoreland features and the potential for community stewardship.

ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:

- No action: This alternative would leave site conditions unchanged and would not take advantage of funds available from WSDOT for shoreline restoration.
- Shoreline rehabilitation: (1) uses outside funds for reimbursement of Port-managed construction costs; (2) adds to internal design and implementation capabilities; (3) demonstrates restoration techniques for use in Duwamish Waterway; (4) builds on previous work with citizens and community groups; (5) provides partnership with City of Seattle; and (6) demonstrates environmental stewardship. The Port will be fully reimbursed for the cost. **This is the recommended alternative.**

OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

- Shoreline rehabilitation site plans.
- Summary: DRAFT SEPA Checklist
- Washington State Department of Transportation agreement

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:

July 7, 2009 – Commission adopted the Lower Duwamish River Habitat Restoration Plan.