Item No.: 7C
Date of Meeting: November 2, 2011

THE NORTHWEST SEAPORT ALLIANCE
Gateway to Solutions

Terminal 10 Aquatic Lands Outfall Easement Renewal

Presenter: Erin DeBroux
Title: Real Estate Manager

Action Requested

Request Managing Members of The Northwest Seaport Alliance ("NWSA") authorization to approve payment of a renewal fee in the total amount of $103,686 required to enter into an Easement Renewal Agreement for the Terminal 10 Aquatic Lands Outfall Easement for the first of two potential ten (10) year renewal terms for use of state-owned aquatic land at Terminal 10 for the purpose of maintaining and operating a stormwater outfall structure in order for Terminal 10 to be leased for specific uses including, but not limited to, its current use of drayage support parking.

Jointly request the Commissioners of the Port of Seattle authorization for the Executive Director or their delegate to enter into an Easement Renewal Agreement for the Terminal 10 Aquatic Lands Outfall Easement for the first of two potential ten (10) year renewal terms for use of state-owned aquatic land at Terminal 10 for the purpose of maintaining and operating a stormwater outfall structure.

Background

- Operated as shipbuilding facility from 1930s to 1988
- Lockheed entered into a 2003 Consent Decree with EPA and 2004 Use Authorization Agreement with State
- POS coordinated with EPA and Lockeed to receive approval and obtain waiver from Lockheed to install a stormwater outfall structure and make other stormwater system improvements
- In reliance on this waiver, State granted POS an aquatic lands easement
    - Initial 10-year term: December 1, 2011 – November 30, 2021
    - Two potential options to renew, 10 years each

Terminal 10 Location



THE NORTHWEST SEAPORT ALLIANCE

Easement Renewal Terms

- Parties: State of Washington, acting through the Department of Natural Resources (Landlord), a municipal corporation (Grantee).
- Term: Easement is renewed for one 10-year term: December 1, 2021 to November 30, 2031.
- Easement Property: Approx. 0.09 acres of state-owned aquatic lands.
- Use: Construction and operation of a stormwater outfall and an approximate 2,968 square foot area of paved fill supported by a bulkhead.
- Fees: Use fee of $98,686, plus an administrative fee of $5,000 in accordance with RCW 79.110.240(1).
- Renewal: Effective upon and if approved by the State, Easement may be renewed for one additional term of 10 years. Renewal contingent upon Grantee's demonstrated progress to reduce discharges on state-owned aquatic lands and associated biological communities.
- Termination: Grantee is responsible for removing all improvements on state-owned aquatic lands.

Financial Implications

The total fee to renew the Easement is $103,686.

Fee Type	Amount
Easement Use Fee	$98,686
Administrative Fee	$5,000

NWSA operating funds will be used to pay the easement fee. The cost will be amortized over 10 years resulting in an annual non-cash expense of approximately $10,400 per year.

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