

Date of Meeting: August 1, 2017
Item No.: 5C_Supp



Terminal 5 Berth Modernization Project

ADDITIONAL FUNDING AND AGREEMENTS (5)

Terminal 5 Berth Modernization

Dock
Strengthening

Berth
Deepening

Power
Upgrades

Project Authorization

Terminal 5 Berth Modernization

Requesting:

- **Additional funds:**
 - \$5,200,000 for railroad quiet zone
 - \$450,000 for tribal pilot program and construction impacts
 - Increase total project authorization from \$20,200,000 to a new total of \$25,850,000
- **Execution of Agreements:**
 - Railroad Quiet Zone with City of Seattle (Seattle Department of Transportation)
 - Future closure of W Marginal Way SW with City of Seattle (Seattle Department of Transportation)
 - Air Quality Management Program with Puget Sound Clean Air Agency
 - Confirming commitments regarding construction with Muckleshoot Tribe
 - Confirming commitments regarding construction with Suquamish Tribe



Synopsis

Terminal 5 Berth Modernization

- **Design is now 100% complete**
- **Permit approvals are the final step before selecting a tenant and preparing to advertise for construction bids**
- **The following agreements are required prior to issuance of the Master Use/Shoreline Substantial Development Permit:**
 - Agreement with Seattle Department of Transportation to plan, design, and fund improvements that will permanently close surface W Marginal Way SW north of SW Spokane Street;
 - Agreement with Seattle Department of Transportation to establish a railroad quiet zone between train bridge and gate of terminal;
 - Agreement with Puget Sound Clean Air Agency (PSCAA) to implement an Air Quality Management Program.
- **US Army Corps of Engineers' Permit is subject to concurrence with tribal entities**



State and Local Permit Status

Terminal 5 Berth Modernization

Permit	Agency	Current Status	Expected delivery
Shoreline Substantial Development	Seattle DCI	Conditionally Approved 4/3/17	Appeal settled. Final SSDP within 30 days
Conditional Use	WA DOE	Conditionally Approved 4/10/17	Within 30 days, see above
Building Permit	Seattle DCI	Permit ready for approval	Within 45 days (approx. 2 weeks after SSDP issuance)
Hydraulic Project Approval (HPA)	WA State DFW	Issued 9/23/2015	
401 Water Quality Certification	WA State DOE	Issued 3/28/2016	



Federal Permit Status

Terminal 5 Berth Modernization

Permit	Agency	Current Status	Expected delivery
404/Section 10 Corps Permit	US Army Corps of Engineers (USACE)	Pending tribal concurrence	Within 30 days of tribal concurrence
DMM Suitability Determination	Corps/DNR/DNR/D OE/EPA	Issued 4/12/15	
CERCLA Coordination	EPA	Complete	
Tribal Concurrence	Muckleshoot/Suquamish	Agreement in principle 6/15/2017	Agreements require MM approval on 8/1/17
ESA Formal Opinion	USFW/NMFS	Issued 10/28/16 and 9/19/16	



Shoreline Substantial Development Permit Terminal 5 Berth Modernization

- **Appeal Status**
 - Appeal settled in mediation
- **Issuance of the Shoreline Substantial Development Permit requires satisfaction of pre-issuance conditions**
 - Noise
 - Air
 - Traffic
- **Today's actions by MM leads to completion of major pre-issuance conditions**



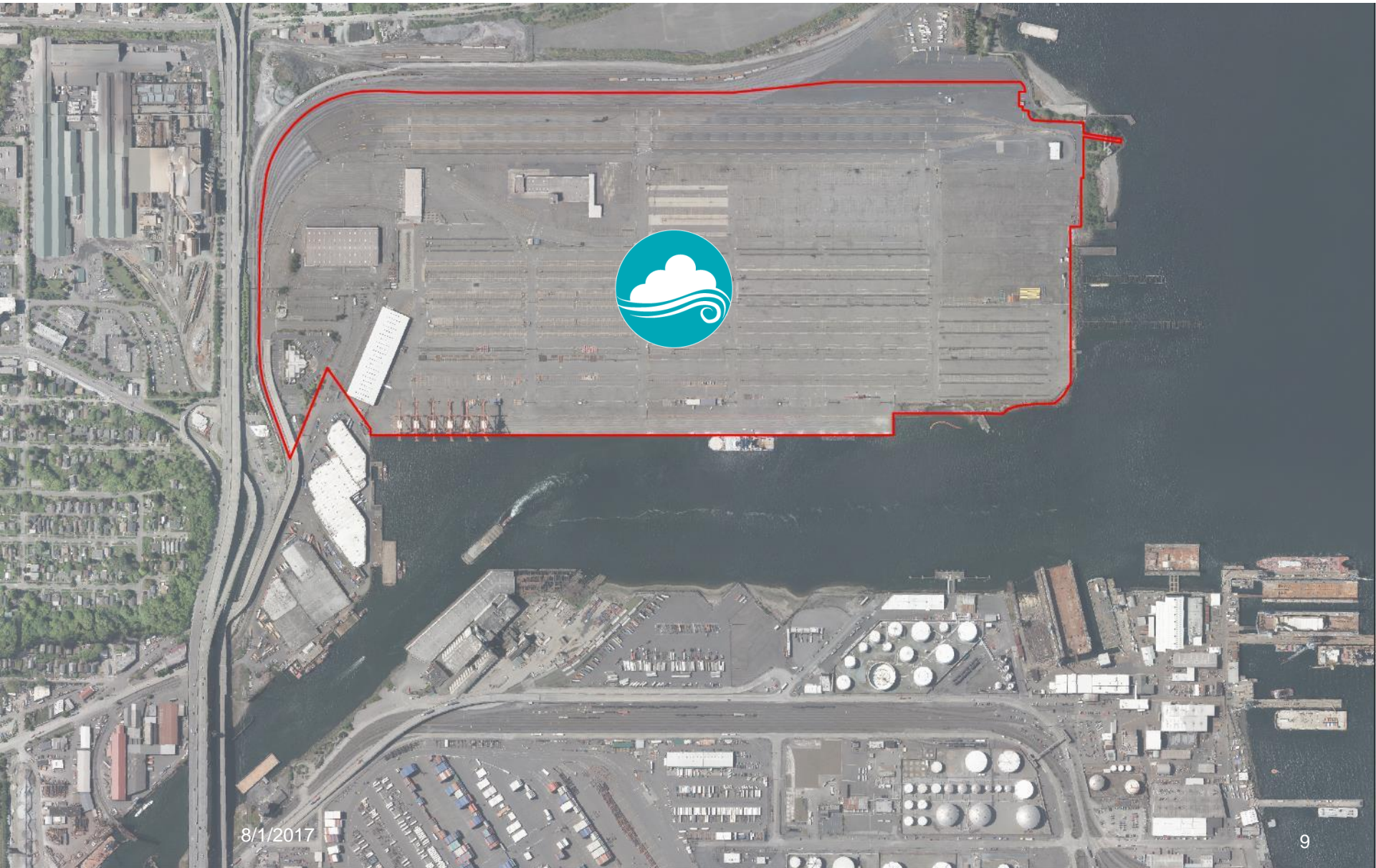
Tribal Agreements

Terminal 5 Berth Modernization

- **Tribal Mitigation Payments of \$1,000,000 to each tribe**
- **Provide \$75,000 for use in supplementing the Existing Agreement for 3 year pilot project to offset construction impacts to fishing**
- **Revise existing Agreement to include a ten-year extension rather than 5**



Air Quality Terminal 5 Berth Modernization



8/1/2017

Air Quality Condition

Terminal 5 Berth Modernization



- **Develop Air Quality Management agreement with PSCAA consistent with objectives of city land use decision**
 - Install Shore Power
 - Program to Maximize Shore power use
 - Measure PM 2.5 to confirm operations meet modelled assumptions in FEIS < 6 tons/yr
 - Track operational data related to Air Quality
 - Continue NWPCA strategy
 - Plan developed and implemented by terminal occupancy
- **MM action requested to approve agreement.**
 - No funding immediately associated with plan
 - Work with future tenant to develop plan



Noise

Terminal 5 Berth Modernization



8/1/2017

Noise Conditions

Terminal 5 Berth Modernization



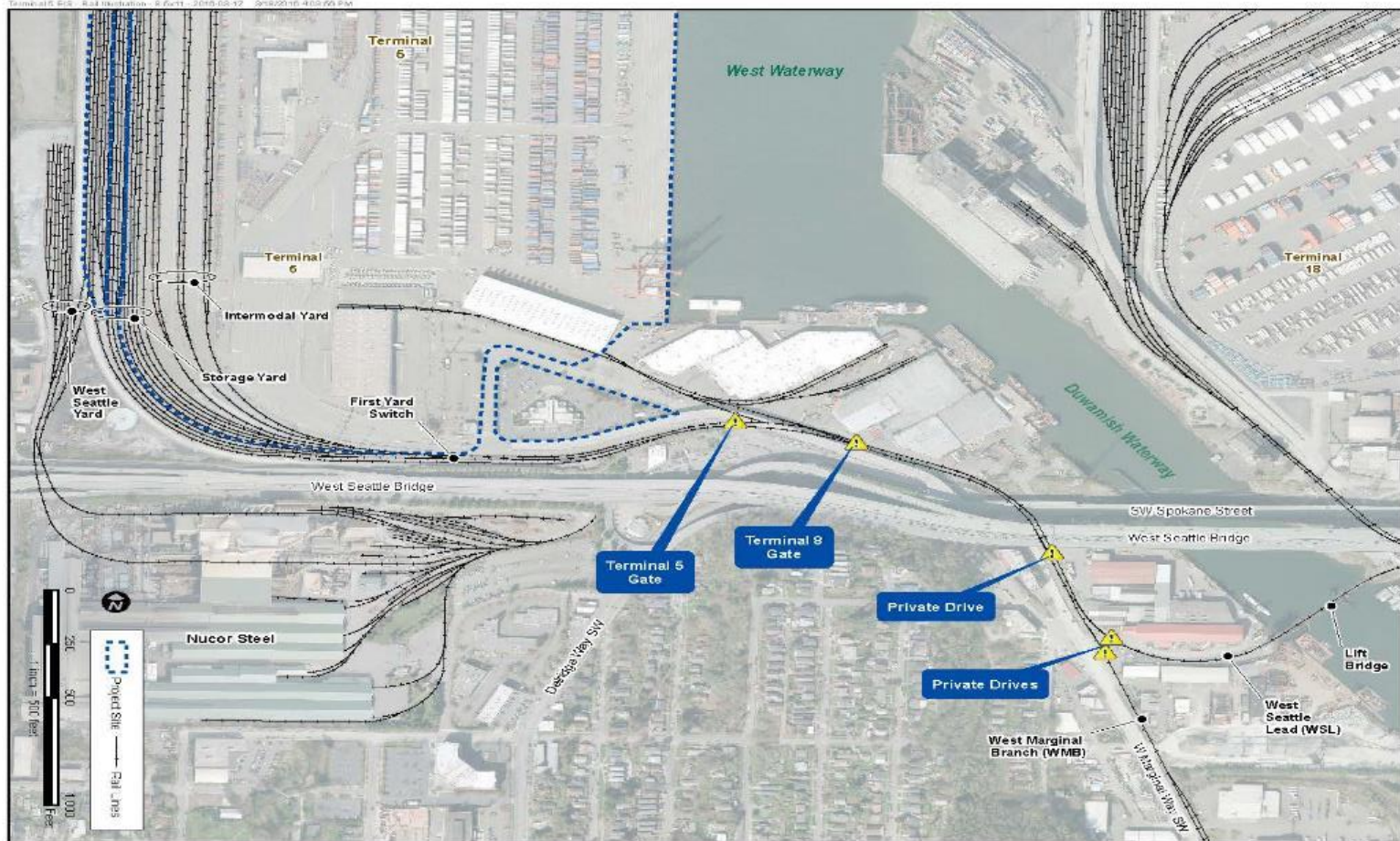
- **Design and Implement Operations Noise Management Plan**
- **All mobile cargo handling equipment uses broadband safety alarms**
- **Hotline for low frequency vessel noise complaints**
 - **Measurements to agreed upon limits**
 - **Adaptive responses, including shore power hookups**
- **Railroad Quiet zone**



Establish Quiet Zone Terminal 5 Berth Modernization



Figure x.x.x.x Near-Terminal Crossings



Railroad Quiet Zone Agreement Terminal 5 Berth Modernization



- **MOU required as pre-issuance condition**
 - Provide funding for design, infrastructure, and construction
 - estimated up to \$5.2M
 - BNSF will complete engineering design and construction prior to occupancy
 - NWSA will provide funding for maintenance to retain quiet zone designation
 - Completed by terminal occupancy
- **MM action requested to execute agreement and authorize funding to begin design of quiet zone**



Traffic Mitigation Terminal 5 Berth Modernization



Gate Queue
Management



TWIC Security Gate



Local Access



Quiet Zone



Signalization

8/1/2017

Traffic Mitigation

Terminal 5 Berth Modernization



Quiet Zone	Detail requirements in a MOU between Port and City. Key component of traffic, noise.	Implementation goal is by Certificate of Occupancy (CO)
Gate Queue Management Plan	Require plan to be approved by City, Port, NWSA, and tenant.	Implement prior to CO
Closure of W Marginal Way SW at intersection	Detail requirements in a MOU between Port and City.	Implement when Lifts at I/M Yard exceed trigger
Local Business Access – T5 Access Bride Re-stripe	If unfeasible, need alternative	Feasibility study current. Implement by CO.
Neighborhood Truck Parking	Measure baseline and post-opening	Baseline by issuance of SSDP
Pedestrian access to T5/T7	Improvements included in QZ.	Implement prior to CO
Local Access Refresh	Refresh existing signs and striping	Implement prior to CO
Driver Information	Draylink	Implement prior to CO
Driver Information Sign on W Marginal	Review and approval by SDOT	Implement prior to CO
Spokane St Corridor Signals	Review and approval by SDOT	Implement prior to CO
Pre-Check Gate Improvements	Move 150 ft in and provide two for two pre-check gates	Implement prior to CO
Annual Monitoring	Throughput, rail lifts and queue plan data.	Ongoing after CO
Rail Delay Notification - Local Businesses	Notify businesses of daytime unit train rail blockage	Ongoing after CO

SSDP Pre-issuance Condition

Terminal 5 Berth Modernization

- **Requesting MM approval**
 - Agreement with SDOT- Future closure of W Marginal Way
 - Funding for construction will be part of construction authorization
- **Other conditions compliance prior to issuance of SSDP**
 - Gate Queue Management plan
 - Neighborhood truck parking survey
 - Re-stripe Bridge for local access



Future Closure of W Marginal Way SW Terminal 5 Berth Modernization



- Establish agreement with SDOT to plan, design and fund improvements to close W Marginal Way SW leg
- Threshold to close when number of lifts from Intermodal Yard exceeds 245,000 lifts per year
- MM action requested to approve agreement
 - No funding immediately associated with plan
 - Will commit to future action
 - May start project with quiet zone, since less expensive

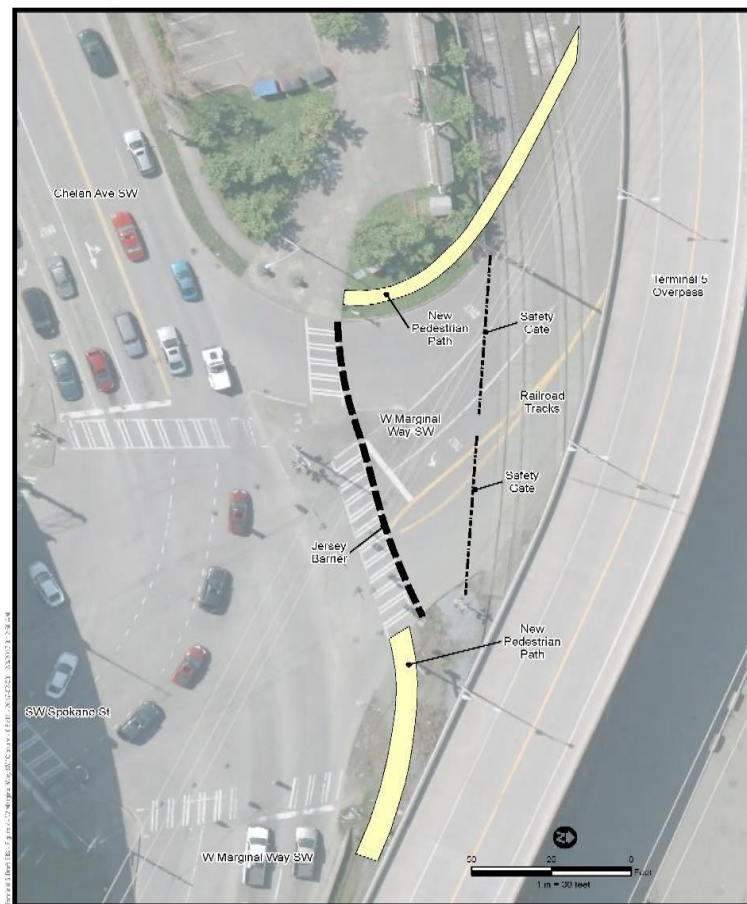


Figure x.x Terminal 5 - Proposed Closure of W Marginal Way SW

Gate Queue Management Plan

Terminal 5 Berth Modernization



- Gate Queue Management Plan approval by SDOT required as pre-issuance condition
- Goal is to avoid backing up past intersection of SW Spokane St and access bridge
- Plan almost complete with further review needed by NWSA and SDOT



Figure x.x Terminal 5 Entry Queue



Neighborhood Truck Parking Terminal 5 Berth Modernization



- **Survey truck parking in SODO before and after T5 opening**
 - Methodology designed and approved by pre-issuance of SSDP
 - Baseline by issuance of building permit
- **Continued work with City of Seattle to complete communications related to truck parking**
 - Develop brochure and web-based information with allowed/not allowed locations
 - Distribute information



Restripe Bridge for Local Access Terminal 5 Berth Modernization



- Investigating if bridge can be re-channelized from 2-lane to 3 lane cross section
- First study complete – lane cannot be simply added in current configuration.
- New study underway if third lane can be added by establishing load ratings.



Figure x.x Terminal 5 Overpass Restriping for Third Lane

Next Steps

Terminal 5 Berth Modernization

Task	Dates
City Issues MUP Analysis and Decision	Issued 04/03/17
State Issues CUP	Issued 04/13/17
Comply with SSDP pre-issuance conditions	10/01/17
Appeal settled with mediation	07/19/17
MM approval of tribal, SDOT and PSCAA agreements	08/01/17
Tribe Concurrence to USACE	08/15/17
City can issue SSDP	10/01/17
City can issue Building permit (14 days after SSDP)	10/15/17
USACE Issues Permit (may wait until SSDP issued)	10/15/17
Managing Member Construction Authorization*	11/07/17

*Construction pending commitment of interest from prospective tenant



Financial Summary

Terminal 5 Berth Modernization

Item	Budget Estimate	Cost to Date	Remaining Cost
DESIGN AND PERMITS	\$14,100,000	\$13,111,000	\$989,000
SEATTLE CITY LIGHT (PUBLIC EXPENSE)	\$6,100,000	\$60,000	\$6,040,000
RAILROAD QUIET ZONE (PUBLIC EXPENSE)	\$5,200,000	\$0	\$5,200,000
TRIBAL AGREEMENTS	\$2,450,000	\$0	\$2,450,000
FUTURE PERMIT CONDITIONS AND SCOPE CHANGES	\$37,150,000	\$0	\$37,150,000
CONSTRUCTION*	\$235,000,000	\$0	\$235,000,000
PROJECT TOTAL	\$300,000,000	\$13,171,000	\$286,829,000

*Construction pending commitment of interest from prospective tenant



Source of Funds

Terminal 5 Berth Modernization

- **The 2017-2021 Capital Improvement Plan Budget allocates \$7,578,000 for this project**
- **\$5,650,000 is an incremental request in addition to the \$7,578,000 included in the Capital Improvement Plan**
- **Both homeports' staff have identified funding mechanisms for the additional investment**



Conclusion

Terminal 5 Berth Modernization

- **DUAL VOTE: NWSA / PORT OF SEATTLE / PORT OF TACOMA:**
 1. Project authorization and funding in the amount \$5,200,000 (\$2,600,000 from each Port) for planning, design, and construction of railroad quiet zone for a total authorized amount of \$25,400,000.
 2. Project authorization and funding in the amount of \$450,000 (\$225,000 from each Port) for construction impacts and pilot program as part of the agreements with tribal entities.
 3. Revised total project authorization of \$25,850,000.



Conclusion

Terminal 5 Berth Modernization

- **NWSA ONLY VOTE:**

1. Execution of Agreement with City of Seattle to establish a railroad quiet zone near Terminal 5;
2. Execution of an Agreement with City of Seattle for W Marginal Way SW street closure;
3. Execution of an Agreement with Puget Sound Clean Air Agency to establish an Air Quality Management Program at Terminal 5 consistent with objectives established in City of Seattle shoreline land use permit;
4. Execution of Agreement with Muckleshoot Tribe confirming commitments regarding construction activities related to Terminal 5.
5. Execution of Agreement with Suquamish Tribe confirming commitments regarding construction activities related to Terminal 5.

