

**THE NORTHWEST SEAPORT ALLIANCE**  
**MEMORANDUM**

**MANAGING MEMBERS**  
**ACTION ITEM**

<b>Item No.</b>	<u>5B</u>
<b>Date of Meeting</b>	<u>July 2, 2019</u>

**DATE:** June 19, 2019

**TO:** Managing Members

**FROM:** John Wolfe, CEO

**Sponsor:** Lou Paulsen, Director, Strategic Operations Projects and Risk Management

**Project Manager:** Trevor Thornsley, Interim Director, Engineering

**SUBJECT:** North Intermodal (NIM) Yard Stormwater Pipe Extension

**A. ACTION REQUESTED**

As referenced in NWSA Resolution No. 2018-01, Exhibit A, Delegation of Authority Master Policy, Paragraph 8.c.iii., states project costs exceeding \$300,000 require approval from Managing Members.

Requesting Managing Members of The Northwest Seaport Alliance (NWSA) authorization for the Chief Executive Officer of their delegate project authorization in the amount \$584,000 for a total authorized amount of \$794,000, for work associated with the North Intermodal (NIM) Yard Stormwater Pipe Extension, Master Identification No. 201055.02.

**B. SYNOPSIS**

A new 24-inch storm drain line 790-feet long is the last segment of work to further limit the permit holder's (Port of Tacoma) risk of non-compliance with the Industrial Stormwater General Permit (ISGP) for the NIM Yard, a NWSA licensed property. The storm drain line extends from the recently installed stormwater treatment system to a location immediately upstream of the existing outfall at Pier 4, all within the Husky lease area.

**C. BACKGROUND**

The General Central Peninsula is comprised of the East Sitcum Terminal, the Husky Terminal and the NIM Yard, which is situated between the two terminals. Each of these facilities has a separate ISGP and are considered separate stormwater sources requiring quarterly monitoring to comply with established benchmarks. To attain representative samples at each source, samples are required to be taken where the discharge leaves the facility of each collection system after treatment, avoiding comingling of stormwater from the other permitted sources.

As part of the 2014 Level 3 Corrective Action, the Port recently installed an inline stormwater treatment system for the NIM Yard in the Husky Terminal to separately treat stormwater for the permitted source. Treated stormwater flows downstream into the Husky stormwater collection system and discharges under the reconfigured Pier 4 dock. Husky is also upgrading its stormwater collection system to provide treatment, independent of the NIM treatment system.

This project will eliminate the comingling of NIM and the Husky stormwater by extending the NIM stormwater pipeline directly to an existing outfall. Completion of this project will result in the following benefits:

- Eliminate potential recontamination downstream of treated stormwater once it leaves the NIM area.
- Reduce potential liability for the NWSA in the event the customers' end of pipe treatment system fails to meet established permit benchmarks.
- Reduce risk of non-compliance with the ISGP for both permitted facilities.

#### **D. PROJECT DESCRIPTION AND DETAILS**

Construct 790-feet of new storm drain pipe from the existing NIM treatment system and connect to a location immediately upstream of the existing outfall at Pier 4.

##### ***Project Objectives***

Reduce potential liability and risk of recontamination downstream of treated stormwater while maintaining compliance with the ISGP monitoring requirements.

##### ***Scope of Work***

The scope of work includes:

- Sawcutting, removal and replacement of asphalt in the area of work
- Excavation, backfill and compaction for pipe installation
- Installation of three new stormwater manholes with concrete collars
- Dewatering trench to assist with pipe installation
- Use of temporary fencing to isolate the construction area from terminal traffic
- Potential for contractor to work after normal business hours and weekends to limit impacts to terminal operations.

***Schedule***

Advertise for Bid	July 9, 2019
Open Bids	July 24, 2019
Notice of Award	August 6, 2019
Substantial Completion	October 25, 2019
Final Completion	November 25, 2019

**E. FINANCIAL IMPLICATIONS**

***Project Cost Details***

	<b>This Request</b>	<b>Total Previous Request</b>	<b>Total Project Cost</b>	<b>Cost To Date</b>	<b>Remaining Costs</b>
Design	\$ -	\$ 210,000	\$ 210,000	\$ -	\$ 210,000
Construction	\$ 584,000	\$ -	\$ 584,000	\$ -	\$ 584,000
<b>Total</b>	<b>\$ 584,000</b>	<b>\$ 210,000</b>	<b>\$ 794,000</b>	<b>\$ -</b>	<b>\$ 794,000</b>

***Source of Funds***

The current Capital Investment Plan (CIP) Budget allocates \$794,000 for this project.

***Financial Impact***

Project costs will be capitalized and depreciated over an estimated 50-year life resulting in annual depreciation expense of \$16,000. Depreciation expense for 2019 will be approximately \$2,700 based on a completion date of November 2019.

This investment is required to reduce the risk of stormwater issues and to help maintain ongoing revenue. The financial analysis that supported the Fifth Amendment to the Husky lease recently approved by the Managing Members on May 7, 2019 included \$700,000 of capital spending for this project. The NIM has earned \$4.1 million in operating income before depreciation through May, 2019 and is budgeted to earn \$9.4 million in income before depreciation in 2019.

**F. ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS**

**No Action Alternative:** Allows for the potential recontamination of treated stormwater and NWSA liability in the event customers' end of pipe sample results fail to achieve established benchmarks.

**Recommended Action:** Install the new storm drain line to effectively separate NIM treated stormwater runoff from the customer's collection system, thereby ensuring NWSA and the Port attainable stormwater sampling results that comply with the IGSP benchmarks.

**G. ENVIRONMENTAL IMPACTS/REVIEW**

Permitting: Scope of work for this action is covered by a City of Tacoma Shoreline Substantial Development Permit Exemption; LU18-0179 Reconfiguration and Improvements, General Central Peninsula, dated July 24, 2018. A determination of non-significance (DNS) was issued on June 15, 2018.

Remediation: No impacts

Stormwater: This is a stormwater infrastructure improvement project. No other impacts.

Air Quality: No Impacts

**H. ATTACHMENTS TO THIS REQUEST**

- Computer slide presentation.

**I. PREVIOUS ACTIONS OR BRIEFINGS**

<u>Date</u>	<u>Action</u>	<u>Amount</u>
April 25, 2019	Executive Authorization	\$210,000
<b>TOTAL</b>		<b>\$210,000</b>