

# PROJECT BRIEFING MEMO

Port of Tacoma Commission



Item No: 10B

Meeting Date: November 2, 2023

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**DATE:** October 25, 2023

**TO:** Port of Tacoma Commission

**FROM:** Eric Johnson, Executive Director  
Sponsor: Jason Jordan, Director, Environmental and Planning  
Kristin Evered, Project Manager I, Environmental

**SUBJECT:** Lower Wapato Creek Habitat Site Long Term Monitoring Update

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**A. BRIEFING PURPOSE**

To provide a status update for the Lower Wapato Creek Habitat Site and inform the Commission of the next phases of the project.

**Strategic Plan Initiative**

This project primarily supports the following Strategic Initiatives:

- EL-4: Create wetland opportunities and improve fish habitat independent of regulatory obligation.
- EV-4: Partner with regional organizations to facilitate career development and business growth in Pierce County.
- CC-1: Strengthen, build, and maintain relationships with a wide variety of public, community, and business stakeholders through direct engagement.
- CC-2: Strengthen, build and maintain strategic relationships with federal, state and local governments, and with the Puyallup Tribe of Indians.

**B. SYNOPSIS**

Construction of the Lower Wapato Creek Habitat Site completed in February 2023. This briefing summarizes the next ten years of performance monitoring and credit release for the site.

**C. BACKGROUND**

The Port of Tacoma completed the Lower Wapato Creek Habitat Project Q1 2023. It is currently in a two-year warranty period. The project re-establishes 18.52 acres of stream and wetland habitat and replaced two-fish barrier culverts with a fish passable full span bridge. This is an advance compensatory mitigation project constructed to mitigate unavoidable impacts from future Port projects including the Thorne Road Off-Dock Container Support Facility. The Lower Wapato Creek Habitat Project provides approximately 10 acres of wetland credits. The actual number of wetland credits generated from the project will be determined after the Year 1 monitoring effort and report. Based on subsequent monitoring events, the number of wetland credits generated for each habitat type may be updated accordingly to reflect on-site conditions.

As part of the permitting and credit release requirements for the site the Port is required to ensure the site meets its performance goals. Careful monitoring of site conditions and progress allows the Port to address any emerging problems early and thus ensure site goals are met.

**D. PROJECT DETAILS**

***Scope of Project:***

- Monitoring reports will be completed for years 1, 2, 3, 5, 7 and 10, beginning in 2024.
- A site assessment report will be completed for all monitoring years.
- Preparation of an Adaptive Management Plan, if needed.

***Schedule***

<b>Advertise for Bid (RFP)</b>	October 2, 2023
<b>Establish Contract</b>	November 29, 2023
<b>Formal Monitoring (Years 1, 2, 3, 5, 7 and 10)</b>	Q3 2024
<b>Tribal Partnership</b>	TBD
<b>Informal Monitoring (Annually)</b>	Q2 2024
<b>Stewardship (Ongoing)</b>	Q2 2025

**E. FINANCIAL SUMMARY**

**Estimated Cost of Design and Construction**

The total project cost of designing and constructing Lower Wapato Creek Habitat site including all stages is estimated at \$16,390,000. The total cost spent to date is \$14,682,125.

**Estimated Cost of Performance Monitoring**

The ten-year total cost of performance monitoring for Lower Wapato Creek Habitat site is estimated at \$550,000.

**Estimated Sales Tax**

The total estimated sales tax to be paid to local and state governments for the monitoring is \$55,000.

**Source of Funds**

The current Capital Investment Plan (CIP) allocates \$15,801,000 for this project (MID 101449.01). This amount does not include the \$591,026 that was previously spent on the 2014 project (MID 092861).

**Financial Impact**

A non-cash write-off of \$112,238 was recorded in 2020 as non-operating expense for the previously completed 2014 design work that cannot be used.

Project costs associated with the power poles, road, infrastructure improvements and bridge will be recorded as non-operating expense when incurred. \$5,030,000 was expensed as of December 2022.

Remaining project costs, except for monitoring and stewardship, will be capitalized as a land improvement. There will be no depreciation since this will be a land asset. Project costs related to monitoring and stewardship will be recorded as an operating expense when incurred.

The cost of the mitigation will be included in any financial analysis that utilizes this site to mitigate for development such as the potential Thorne Road Property Development.

The approximately 181,000 cubic yards of soil provided to the SR 167 completion project along with other improvements will result in an estimated \$4,376,564 credit towards the \$30 million commitment the Port has made towards the construction of SR 167. This is in addition to the value of the land on Parcel 14 that will be transferred to the State for the SR 167 completion project. The \$30 million was recognized as an expense in prior years' financials.

**F. ECONOMIC INVESTMENT/JOB CREATION**

The mitigation credits generated support the development of the Thorne Road Off Dock Container Support Facility. Excess credits can be applied to future development in and around the Port.

**G. PREVIOUS ACTIONS OR BRIEFINGS**

There are no previous actions or briefings for the long-term monitoring and stewardship of the Lower Wapato Creek Habitat project.

**H. ATTACHMENTS TO THIS REQUEST**

- Slide presentation.

**I. NEXT STEPS**

Performance monitoring activities will start with a site assessment in Q2 2024. Formal habitat monitoring will begin Q3 2024. Stewardship will begin in Q2 2025.