

COMMISSION AGENDA

Item No: 9B

Meeting: 3/18/2021

DATE: March 3, 2021

TO: Port Commission

FROM: Eric Johnson, Executive Director
Sponsor: Commissioner Dick Marzano
Project Manager: Sean Eagan

SUBJECT: WSDOT/PORT OF TACOMA PHASE 1B STATE ROUTE 167 COMPLETION
PROJECT ILA

A. ACTION REQUESTED

Request authorization for the Executive Director to sign an interlocal agreement with the Washington State Department of Transportation regarding an in-kind contribution to Phase 1B of the State Route 167 Completion Project.

B. BACKGROUND

1. Puget Sound Gateway

In July 2015, the Washington State Legislature and Governor Inslee acted to fund the Puget Sound Gateway Program through the *Connecting Washington* statewide transportation package. The Puget Sound Gateway Program is comprised of two projects: the State Route 167 Completion Project and the State Route 509 Completion Project. These projects provide essential connections to the ports of Tacoma and Seattle and will help ensure people and goods move more reliably through the Puget Sound region.

The Washington State Department of Transportation (WSDOT) is the lead project sponsor and is responsible for the planning, design and construction of the Gateway Program, as well as for its overall financial management. The program has been guided from its beginning by a Joint SR 167/SR 509 Executive Committee, made up primarily of elected representatives of local jurisdictions served by the Puget Sound Gateway Program (Algona, Auburn, Burien, Des Moines, Edgewood, Federal Way, Fife, Kent, Milton, Pacific, Puyallup, SeaTac, Sumner and Tacoma) as well the Port of Tacoma, the Port of Seattle, Federal Highway Administration, Washington State Transportation Commission, WSDOT, the Puget Sound Regional Council, Sound Transit, King County Metro, Pierce Transit, and the Freight Mobility Strategic Investment Board. Commissioner Dick Marzano is the port's representative on this committee.

Funding for the total Gateway Program will come from the state gas tax, tolls, local contributions, and potential federal and state grants. Total funding for the project from the 2015 *Connecting Washington* transportation funding package is \$1.875 billion. This includes a local match of \$130 million. The program has been funded over a 13-year timeline. Based on the legislative funding plan, major construction for a first stage of SR 167 would likely occur between 2019 through 2025, and a second stage between 2024 and 2028.

The concept of the \$130 million local match was developed by then House Transportation Committee chair Judi Clibborn in consultation with the SR 167 Completion Coalition. Commissioner Marzano was the port's representative on the Coalition.

2. Memorandum of Understanding

The Legislature in 2017 passed legislation (Engrossed Senate Bill 5096 § 306(20)(b)) requiring a Memorandum of Understanding (MOU) be developed between the local agency partners and WSDOT. The Legislature directed that:

The secretary of transportation must develop a memorandum of understanding with local project stakeholders that identifies a schedule for stakeholders to provide local matching funds for the Puget Sound Gateway project. Criteria for eligibility of local match includes matching funds and equivalent in-kind contributions including, but not limited to, land donations. The memorandum of understanding must be finalized by July 1, 2018. The department must submit a copy of the memorandum of understanding to the transportation committees of the legislature and report regularly on the status.

On May 17, 2018, the Port of Tacoma Commission authorized John Wolfe to sign a MOU with WSDOT and other local government project stakeholders. The MOU summarizes the timing of their planned, future commitments to contribute to the Gateway Program.

The MOU lays out a local funding strategy, with a focus on projects in the Gateway Program that provide measurable benefits to local jurisdictions. In the Gateway Program, these are called "Local Nexus Projects," designed to:

- Create a positive business case for local partners by focusing on the parts of the program that are most relevant and important to local jurisdictions;
- Leverage the potential to access significant grant funding to support local funding assumptions;
- Participate, co-fund match, and submit grant applications with support from Subcommittee staff;
- Combine local contributions and project funds to ensure fully-funded applications; and
- Support the grant effort and avoid competition with the local projects in the year of application.

If grant funds are received for these Local Nexus Projects, these dollars will contribute substantially toward the Legislative requirement for local match.

Following approval of the MOU, interlocal agreements (ILAs) between WSDOT and local jurisdictions were to be drafted for subsequent approval. Anticipated contributions contained in the MOU only become binding commitments when embedded in ILAs, and the conditions therein are approved by the proposed funding entity. ILAs must be in place prior to issuance of the request for qualifications for any proposed construction contract.

Signatories to this MOU consider that the local contribution requirement set forth in ESB 5096 will be fulfilled once the \$130 million requirement is achieved, via an ILA from each signing party that contains the commitment for project funding.

The MOU is identified as Exhibit A of the ILA.

3. SR 167 Phase 1A/70th Avenue East Bridge Relocation Project

In December 2018, the Port of Tacoma Commission approved an ILA with WSDOT to provide a \$3 million cash contribution to Phase 1A of SR 167—the 70th Avenue East Bridge Relocation Project. This project was identified as an example of a Local Nexus Project referenced in the MOU. The current bridge, which spans Interstate 5 in Fife, is located in the footprint of the proposed State Route 167/Interstate 5 interchange. Relocation of the 70th Avenue East bridge is a necessary pre-condition for this project. The bridge will also be widened, improving access to Fife's industrial and warehouse sector which supports the port's marine terminal operations. WSDOT estimates that the project, which is currently under construction, will be completed in 2021.

4. Recognition of expense

Because anticipated contributions contained in the MOU only become binding commitments when embedded in ILAs, the full expense of the Port of Tacoma's \$30 million commitment was not recognized in the organization's profit and loss statement at the time the MOU was adopted.

The Port of Tacoma Commission in December 2019 adopted a resolution formally acknowledging the Port's remaining financial commitment of \$27 million to the Puget Sound Gateway Program and allowing the contribution to be recognized as a Special Item expense and a deferred liability on the balance sheet in 2019.

5. Local matches to date

To date, WSDOT has secured 88% of the \$130 million planned local match funding. This has been through a combination of direct contributions by local governments as well as grant funding from state and federal sources.

C. SCOPE

Phase 1B will entail the construction of a new diverging diamond interchange at Interstate 5, two lanes in each direction from I-5 to 54th Avenue, a ½ interchange at 54th Avenue, one lane in each direction from 54th Avenue to SR 509, new ramp connections to SR 509, new I-5 bridges for Hylebos Creek crossing, a shared-use path, riparian restoration and wetland mitigation along Hylebos Creek and Surprise Lake Tributary, and associated utility relocation and local street vacations. (See Exhibit B)

The ILA between the port and WSDOT would be effective upon the signature of both parties and would terminate upon the sooner of project completion, or December 31, 2026 unless mutually extended by the parties.

The port would contribute a little over 11.1 acres of Parcel 14 as described in Exhibit C for right-of-way for Stage 1B. The property was appraised this summer by a firm mutually agreed upon by both the port and WSDOT at a value of \$6,821,900.

The property will be transferred after the placement of fill material on the site by the port. This fill material is a combination of material already on the site (originally placed there from previous waterway dredge projects) as well as fill material to be removed from the Wapato Creek habitat

site as it is developed in 2021. It is anticipated that placement of fill material by the port will be completed by October 2021 and will be placed on the site in a configuration required for the project as indicated in Exhibit D. The value of the embankment fill material—the material placed per the specifications of WSDOT— will be based on a survey of the total cubic yards of material in place once the port's work is completed, multiplied by \$27 per cubic yard for the first 102,870 cubic yards (this is the amount WSDOT estimates it will need on Parcel 14) for a total of \$2,777,490. This rate is comparable to the rate WSDOT would pay other suppliers for both the material and placement. WSDOT will also purchase additional fill material that could be used elsewhere in the SR 167 Completion Project, though at a lower rate of \$20 per cubic yard. This discounted rate is again comparable to what they would pay other suppliers if the material was not placed per engineering specifications. WSDOT currently estimates this will total \$1,646,400.

Additionally, the port will provide WSDOT an anticipated 3,432 linear feet of silt fence. The fencing will be used for erosion control as the embankment material is put into place by the port and will need to remain on site as WSDOT proceeds with construction. The value of the fencing will be based on a survey of the total amount of fencing in place once the port's placement of the fill material is complete, multiplied by \$4 per linear foot.

Finally, the port will provide WSDOT an anticipated 278 feet of perimeter fencing left over on the northwest corner of the site and eliminates the need for the department to install limited access fencing at that location. The value of the fencing will be 278 lineal feet multiplied by \$15 per lineal foot for a total amount of \$4,170.

The total value of the land, embankment material, and fencing would be credited to the Port's total contribution to the Puget Sound Gateway under the MOU.

D. TIMEFRAME/PROJECT SCHEDULE

SR 167 Project Development	
NEPA re-evaluation	2017-2018
Interchange Justification Report	2017-2018
Traffic and revenue analysis for tolling	2017-2018
Legislative authorization for tolling	2019
SR 167 Stage 1A (70th Avenue East Bridge Relocation)	
Design	2017-2019
Right-of-way	2017-2019
Construction	2019-2021
SR 167 Stage 1B (I-5 to SR-509)	
Design	2017-2021
Right-of-way	2017-2021
Construction	2021-2025

SR 167 Stage 2 (I-5 to SR-167)	
Design	2020-2024
Right-of-way	2020-2024
Construction	2024-2028

E. FINANCIAL SUMMARY

Value of Port Contribution: The final value of the port's contribution will not be determined until all of the embankment material from Wapato Creek has been transferred to Parcel 14. The port and WSDOT, however, estimate the value of the port's contribution in this agreement to total approximately \$11,263,688.

Item	Quantity Estimate	Unit Price	Anticipated Total Cost
Parcel 14	n/a	n/a	\$6,821,900
Embankment fill material	102,870 cubic yards	\$27/cubic yard	\$2,777,490
Fill material	82,320 cubic yards	\$20/cubic yard	\$1,646,400
Silt fence	3,432 linear feet	\$4/linear foot	\$13,728
Perimeter fence	278 linear feet	\$15/linear foot	\$4,170
TOTAL			\$11,263,688

Source of Funds: None. The above table represents the value of the Port's contribution to the project and reduces the Port's \$27 million commitment to the project that was approved by the Port Commission in December 2019. The book value of the land and embankment material is \$0.3 million.

Financial Impacts: The Port of Tacoma Commission in December 2019 adopted a resolution formally acknowledging the port's remaining financial commitment of \$27 million to the Gateway Program and the contribution was recognized as a Special Item expense and a deferred liability on the balance sheet in 2019.

The estimated \$11,263,688 cost of this ILA will be applied to the Port's remaining \$27 million commitment to the Puget Sound Gateway Program.

F. ECONOMIC INVESTMENT / JOB CREATION

The Puget Sound Gateway Program, of which Phase 1B of the SR 167 Completion Project is a component, is key to enhancing the state's economic competitiveness, both nationally and globally, by connecting the state's largest ports to key distribution centers in King and Pierce counties and to eastern Washington. Completion of the program will provide a direct link to the Green and Puyallup river valleys, home to the second largest distribution center complex on the West Coast; 44 percent of regional truck trips by the ports of Seattle and Tacoma are destined for this area. Travel time between Puyallup and Tacoma would improve by 15 percent, saving

13,915 person-hours. The economic benefit of saved travel time over 30 years along SR 167 is \$940 million.

A completed SR 167 could fuel job growth to the tune of \$10.1 billion, according to WSDOT. That's the size of the new payroll expected to be generated by an expansion of the Port of Tacoma's international cargo and other operations — an expansion that is contingent on good transportation connections to move the freight to and from the docks.

The Gateway Program is estimated to support 2,437 construction jobs throughout the life of the project.

G. ENVIRONMENTAL IMPACTS / REVIEW

According to an earlier WSDOT Record of Decision, the overall Puget Sound Gateway project will improve air quality by reducing congestion, improve truck mobility, and smooth traffic flow levels. CO emissions, for example, are projected to be reduced by an estimated 26 percent along the SR 167 corridor under the build alternative compared to the no-build alternative. Additionally, the proposed SR 167 project mitigation links multiple fragmented habitats together, providing over 1,000 acres of contiguous habitat and resulting in a cumulative 70 percent increase in ecological services in the area. Finally, the project's proposed mitigation enhancements will reduce predicted flooding along Hylebos Creek from 246 acres to 187 acres—a 50 percent reduction.

H. ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS

Alternative 1—Do nothing (i.e. do not sign the ILA and retain Parcel 14): Without Parcel 14, WSDOT would be unable to build Phase 1B of SR 167.

Alternative 2— Do not sign the ILA and instead sell the property to WSDOT: The Port of Tacoma is considered the most prominent proponent for a completed SR 167 and the largest single beneficiary of the overall project. If the port were to decline to sign the ILA and insist on selling the property, it would signal a lack of support for the SR 167 project. Other project supporters would be disinclined to financially contribute to the Puget Sound Gateway Program local match. Moreover, the local match has been identified as a funding component in various grant applications submitted by WSDOT (e.g. U.S. Department of Transportation's INFRA grant, Freight Mobility Strategic Investment Board, Puget Sound Regional Council's Surface Transportation Program grant); grant award institutions would be discouraged from investing in the project. This, in turn, would result in project scope reduction. The port would likely have less influence on these scoping decisions than it would if it were a financial contributor. Finally, port support is assumed in the MOU approved by the commission earlier this year. Failure to approve the ILA would harm the credibility and reputation of the port with fellow project funders, stakeholders, WSDOT, state and federal lawmakers.

Alternative 3— Donate the property but not the embankment material and silt fence: Under this scenario, the Port would have to spend additional funds to dispose of the sediment from the Wapato Creek habitat site. Moreover, it would face a larger outstanding balance in its financial commitment to the Puget Sound Gateway Project.

Alternative 4—The recommended alternative.

I. ATTACHMENTS

- Draft ILA with Exhibits A-E

J. NEXT STEPS

- March 2021 Eric Johnson and WSDOT sign the ILA
- Q2 2021 WSDOT goes to bid for Phase 1B of SR 167
Port begins work on Wapato Creek habitat site and transfers
embankment material to Parcel 14
- Q3 2021 Final embankment material placed at Parcel 14 and property transfer
occurs
- Q4 2025 Phase 1B of SR 167 completed

**GCB 3208
INTERLOCAL AGREEMENT BETWEEN
WSDOT / PORT OF TACOMA REGARDING PARCEL 14**

This INTERLOCAL AGREEMENT (Agreement) is entered into between the Washington State Department of Transportation (WSDOT) and the Port of Tacoma (PORT), each individually referred to as a "Party" and collectively referred to as the "Parties."

RECITALS

- A.** In 2015 the Legislature funded the construction of the Puget Sound Gateway Program (PROGRAM) through the Connecting Washington revenue package. The Legislature directed that \$130 million of the \$1.875 billion PROGRAM funding is to come through local funding sources.
- B.** The PORT has entered into a Local Funding and Phasing Memorandum of Understanding (MOU) with WSDOT (**Exhibit A**), commencing on July 1, 2018, acknowledging that the PORT is one of eighteen (18) Local Agency Partners committed to provide matching funds/contributions commensurate with the benefits accrued from the PROGRAM at a local level, estimated to total \$30 million.
- C.** The west segment of the State Route (SR) 167 Completion Project (PROJECT) is part of the PROGRAM, where WSDOT will construct a new highway from Interstate 5 to SR 509 near Alexander Avenue as shown on **Exhibit B**.
- D.** The PORT, in recognition of the PROJECT's benefits for freight mobility at the Port of Tacoma, will contribute a total of \$30 million in matching funds and in-kind equivalent contributions to the PROJECT's costs, consistent with Engrossed Senate Bill 5096 § 306(20)(b).

NOW, THEREFORE, pursuant to Chapter 39.34 RCW, the above recitals that are incorporated herein as if fully set forth below, and in consideration of the terms, conditions, covenants, and mutual benefits and performances contained herein, and the attached Exhibits A, B, C, D, and E incorporated and made a part hereof, the Parties agree as follows:

IT IS MUTUALLY AGREED AS FOLLOWS:

1. General

- 1.1 This Agreement quantifies certain contributions of the PORT to be applied towards the PROJECT component of the PROGRAM as well as a credit towards the PORT's PROJECT contribution as described in this Agreement, and defines the roles and responsibilities between the Parties with respect to such contributions.
- 1.2 As part of the west segment of the PROJECT from I-5 to SR 509 known as Stage 1b, WSDOT will construct a new diverging diamond interchange at I-5, consisting of two (2) lanes in each direction from I-5 to 54th Avenue, a half interchange at 54th Avenue, one (1) lane in each direction from 54th Avenue to SR 509, new ramp connections to SR 509, new I-5 bridges for Hylebos Creek crossing, a

shared-use path, riparian restoration and wetland mitigation along Hylebos Creek and Surprise Lake Tributary, and associated utility relocation and local street vacations, as generally shown in **Exhibit B** hereto.

- 1.3 This Agreement is effective upon the last date of execution of both Parties and will terminate on the earlier to occur of PROJECT completion, or December 31, 2026, unless mutually extended by the Parties.

2. Payment

- 2.1 The PORT agrees to contribute certain land known as a portion of PORT's Parcel 14, embankment material, and fencing (collectively the PROPERTY) to the PROJECT component of the PROGRAM. The land is shown and described in **Exhibit C** hereto. The embankment material and fencing are generally shown in **Exhibit D** hereto. The transfer of the PROPERTY shall be by Quitclaim Deed to WSDOT in substantially the form attached as **Exhibit E** hereto. The PROPERTY shall be used solely for public highway purposes and for no other purpose, and such restriction shall be included in the Quitclaim Deed. The PROPERTY will be transferred to WSDOT after the placement of embankment material by the PORT is completed. The embankment material will be placed by the PORT as generally shown in **Exhibit D** hereto and as specified by WSDOT. It is anticipated that placement of embankment material by the PORT will be completed by October 2021.

The value of the land, which is based on appraisal, is \$6,821,900. The value of the embankment material will be based on a survey of the total cubic yards of material in place once the PORT's placement of the material is completed, multiplied by \$27 per cubic yard for the first 102,870 cubic yards and \$20 per cubic yard for excess material. The current estimated quantity of excess material is 82,320 cubic yards. The value of the related silt fence will be based on the total length of silt fence in place that benefits the PROJECT, currently estimated at 3,432 lineal feet, multiplied by \$4 per lineal foot. The value of the perimeter fence located along the northwest corner of the property is 278 lineal feet multiplied by \$15 per lineal foot and eliminates the need for WSDOT to install limited access fencing in this location. The total aggregate value of the PROPERTY, including the land, embankment material, silt fence, and perimeter fence, contributed to the PROJECT by the PORT under this Agreement is a credit for the PORT and shall be subtracted from the PORT's \$30 million total contribution to the PROJECT under the MOU (**Exhibit A**). Any portion of the total contribution of \$30 million remaining to be paid after completion of the PROJECT will be applied to SR 167 Completion Project Stage 2, I-5 to SR 161.

3. Contract Administration

- 3.1 The Parties do not by this Agreement create any separate legal or administrative entity. The Secretary of Transportation or his designee, and PORT Executive Director or his designee, shall be responsible for working with each other to administer the terms of this Agreement. The Parties do not intend to jointly own any real or personal property as part of this undertaking. The Parties will cooperatively work together to further the intent and purpose of this Agreement.

4. Dispute Resolution

- 4.1 In the event that a dispute arises under this Agreement, it shall be resolved as follows: The Parties shall each appoint a member to a disputes board; these two members shall select a third board member not affiliated with either Party. The three-member board shall conduct a dispute resolution hearing that shall be informal and unrecorded. An attempt at such dispute resolution in compliance with the aforesaid process shall be a prerequisite to the filing of any litigation concerning the dispute. The Parties shall equally share in the cost of the third disputes board member; however, each Party shall be responsible for their own costs and fees.

5. Indemnification

- 5.1 To the extent permitted by law, WSDOT and the PORT shall protect, defend, indemnify, and save harmless the other Party, their respective officers, officials, employees, and agents, while acting within the scope of their employment as such, from any and all costs, claims, judgment, and/or awards of damages, arising out of, or in any way resulting from, the indemnifying Party's negligent or other wrongful acts or omissions, or the negligent or other wrongful acts or omissions of its employees, agents, contractors, consultants, licensees, or invitees, while acting within the scope of their employment, contract, license, or invitation, related to this Agreement. Neither WSDOT nor the PORT will be required to indemnify, defend, or save harmless the other Party if the claim, suit, or action for injuries, death, or damages is caused by the sole negligence or other wrongful act or omission of the other Party. Where such claims, suits, or actions result from concurrent negligence or other wrongful acts or omissions of WSDOT and the PORT or their employees, agents, contractors, consultants, licensees, or invitees, while acting within the scope of their employment, contract, license, or invitation, the indemnity provisions provided herein shall be valid and enforceable only to the extent of WSDOT's or the PORT's own negligence or other wrongful act or omission, or the negligence or other wrongful act or omission of its employees, agents, contractors, consultants, licensees, or invitees, while acting within the scope of their employment, contract, license, or invitation, related to this Agreement. WSDOT and the PORT agree that their respective obligations under this subsection extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents. For this purpose, WSDOT and the PORT, by mutual negotiation, hereby waive, with respect to the other Party only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW, and all other applicable Industrial Insurance / Worker's Compensation Acts or their equivalent in the applicable jurisdiction. Further, the indemnification obligations under this Agreement shall not be limited in any way by any limitations on the amount or type of damages, compensation, or benefits payable to or for any third party under Worker's Compensation Acts, Disability Benefit Acts, or other Employee Benefit Acts. In the event that WSDOT or the PORT incurs any judgment, award, and/or cost arising therefrom, including attorneys' fees, to enforce the provisions of this section, all such fees, expenses, and costs shall be recoverable by the prevailing Party. This indemnification shall survive the termination of this Agreement.

6. Venue

- 6.1 In the event that either Party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this Agreement, the Parties

hereto agree that any such action or proceedings shall be brought in Thurston County Superior Court.

7. Contacts and Notices

- 7.1 Contact between the Parties, including but not limited to invoicing, agreement administration, and notices will be directed to the below identified contacts as follows or his/her designee or such other addresses as either Party may, from time to time, designate in writing:

Port of Tacoma

Sean Eagan
Government Affairs Director
PO Box 1837
Tacoma, WA 98401
Phone (253) 428-8663
Email:
seagan@portoftacoma.com

WSDOT Project Manager shall be:

Steve Fuchs
PO Box 47440
Olympia, WA 98503
Phone (360) 701-9413
Email: fuchss@wsdot.wa.gov

8. Amendment

- 8.1 This Agreement may be amended or modified only by the mutual agreement of the Parties, in accordance with each Party's respective processes. Such amendments or modifications shall not be binding unless they are in writing and signed by persons authorized to bind each of the Parties.

9. Severability

- 9.1 Should any clause, phrase, sentence or paragraph of this Agreement or its application be declared invalid or void by a court of competent jurisdiction, the remaining provisions of this Agreement or its applications of those provisions not so declared shall remain in full force and effect.

10. No Third-Party Beneficiaries

- 10.1 This Agreement is executed for the sole and exclusive benefit of the signatory Parties. Nothing in this Agreement, whether expressed or implied, is intended to confer any right, remedy or other entitlement upon any person other than the Parties hereto, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third-party, nor shall any provision herein give any third-party any right of action against any party hereto.

11. Audits/Records:

- 11.1 All records for the PROJECT in support of all costs incurred shall be maintained by WSDOT for a period of six (6) years after the termination of this Agreement. The PORT shall have full access to and right to examine said records, during normal business hours and as often as it deems necessary. Should the PORT require copies of any records, it agrees to pay the costs thereof. The Parties agree that the work performed herein is subject to audit by either or both Parties and/or their designated representatives, and/or the federal/state government.

12. Signature Authority

12.1 The PORT Executive Director was authorized to execute this Agreement by The Port of Tacoma Commission on the _____ day of _____, 2021, at a regularly scheduled meeting.

13. Recording

13.1 Each Party will retain a copy of this Agreement in that Party's Office. In addition, prior to its entry into force, this Agreement shall be filed with the county auditor or, alternatively, listed by subject on a public agency's web site or other electronically retrievable public source.

14. Applicable Law

14.1 This Agreement does not relieve either Party of any obligation under applicable law.

In Witness Whereof, the Parties hereto have executed this Agreement as of the date last written below.

Port of Tacoma

Washington State
Department of Transportation

By _____
Eric Johnson, Executive Director

By _____
John White, Gateway Program
Administrator

Date: _____

Date: _____

Approved as to Form

Approved as to Form

By _____
Port Attorney Heather Burgess

By _____
Assistant Attorney General

Date: _____

Date: _____



Transportation Building
 310 Maple Park Avenue S.E.
 P.O. Box 47300
 Olympia, WA 98504-7300
 360-705-7000
 TTY: 1-800-833-6388
www.wsdot.wa.gov

June 28, 2018

The Honorable Steve Hobbs
 Chair
 Senate Transportation Committee
 P.O. Box 40444
 Olympia, WA 98504-0444

The Honorable Judy Clibborn
 Chair
 House Transportation Committee
 P.O. Box 40600
 Olympia, WA 98504-0600

The Honorable Curtis King
 Ranking Member
 Senate Transportation Committee
 P.O. Box 40414
 Olympia, WA 98504-0414

The Honorable Mark Harmsworth
 Ranking Member
 House Transportation Committee
 P.O. Box 40600
 Olympia, WA 98504-0600

In the 2017 Legislative session, Engrossed Senate Bill 5096 Section 306(20)(b) directed WSDOT to develop a Memorandum of Understanding (MOU) to fund the \$130 million from local agency partners for the Puget Sound Gateway Program included in the 2015 Connecting Washington transportation revenue package. Engrossed Senate Bill 5096 stated that:

The secretary of transportation must develop a memorandum of understanding with local project stakeholders that identifies a schedule for stakeholders to provide local matching funds for the Puget Sound Gateway project. Criteria for eligibility of local match includes matching funds and equivalent in-kind contributions including, but not limited to, land donations. The memorandum of understanding must be finalized by July 1, 2018. The department must submit a copy of the memorandum of understanding to the transportation committees of the legislature and report regularly on the status.

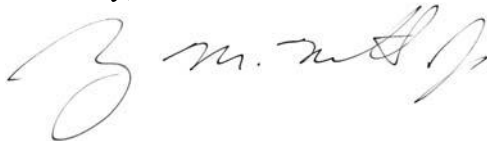
In October 2017, WSDOT began a stakeholder process to help establish the local contributions necessary to achieve the \$130 million in local funding. The resulting Funding and Phasing Subcommittee, made up of 18 affected jurisdictions, has met five times. From this group, a grant-focused strategy emerged as the most feasible way to fund the \$130 million. A key element of the grant-focused strategy was to identify smaller project elements within the Gateway Program that provide clear and measurable benefits to local jurisdictions, called "Local Nexus Projects." The Funding and Phasing Subcommittee met regularly to establish a process for determining benefits derived from the Local Nexus Projects, align on contributions, and develop the MOU.

All 18 jurisdictions have endorsed and signed the attached Local Funding MOU.

Additionally, WSDOT and our local agency partners have already submitted four grant applications this spring for the Local Nexus Projects. We submitted three applications with the Puget Sound Regional Council (PSRC) and one with the Freight Mobility Strategic Investment Board (FMSIB). We received the FMSIB grant and two PSRC grants, totaling \$13 million, which combined with local match funding, brings the local contribution amount to over \$26 million for this initial grant cycle.

If you have any questions or would like to meet for an update on the [Puget Sound Gateway Program](#), please feel free to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "R. Millar", written in a cursive style.

Roger Millar, PE, FASCE, FAICP
Secretary of Transportation

Puget Sound Gateway Program SR 167 and SR 509 Completion Projects

Local Funding and Phasing Memorandum of Understanding

1. Participating Parties

In addition to the Washington State Department of Transportation (WSDOT), the following Local Agency Partners constitute those parties currently participating in this Memorandum of Understanding pertaining to the local contribution requirement for the Puget Sound Gateway Program (Gateway Program):

- | | | |
|-------------------|-----------------------|--------------------|
| • Port of Seattle | • City of Burien | • City of Milton |
| • Port of Tacoma | • City of Des Moines | • City of Pacific |
| • King County | • City of Edgewood | • City of Puyallup |
| • Pierce County | • City of Federal Way | • City of SeaTac |
| • City of Algona | • City of Fife | • City of Sumner |
| • City of Auburn | • City of Kent | • City of Tacoma |

2. Background and Purpose of MOU

In July 2015, the Washington State Legislature and Governor Inslee acted to fund the Gateway Program through the Connecting Washington revenue package. The Gateway Program is comprised of two projects: the State Route 167 Completion Project and the State Route 509 Completion Project. These projects provide essential connections to the ports of Tacoma and Seattle and will help ensure that people and goods move more reliably through the Puget Sound region.

WSDOT is the lead project sponsor and is responsible for the planning, design and construction of the Gateway Program, as well as for its overall financial management. The program has been guided from its beginning by a Joint SR 167/SR 509 Executive Committee (Executive Committee), comprised of elected and appointed representatives of local jurisdictions served by the Gateway Program (Algona, Auburn, Burien, Des Moines, Edgewood, Federal Way, Fife, Kent, Milton, Pacific, Puyallup, SeaTac, Sumner, Tacoma, King County, Pierce County, Port of Seattle, and Port of Tacoma) as well as Federal Highway Administration, Washington State Transportation Commission, Washington State Department of Transportation, Puget Sound Regional Council, Sound Transit, Pierce Transit, and the Freight Mobility Strategic Investment Board.

Funding for the Gateway Program has been approved to come from the state gas tax, tolls, local contributions, and potential federal and state grants. Total funding for the Gateway Program, from the 2015 Connecting Washington transportation funding package, is \$1.875 billion, which includes local contributions of \$130 million. The program has been funded over a 16-year

timeline. Based on the legislative funding plan, major construction for a first stage would occur from 2019 through 2025, and a second stage from 2026 through 2030. Local contributions will be needed to construct both stage one and stage two projects.

In the 2017 Legislative session new language was enacted (Engrossed Senate Bill 5096 § 306(20)(b)) requiring development of a Memorandum of Understanding (MOU) between the Local Agency Partners and WSDOT. The legislature directed that:

The secretary of transportation must develop a memorandum of understanding with local project stakeholders that identifies a schedule for stakeholders to provide local matching funds for the Puget Sound Gateway project. Criteria for eligibility of local match includes matching funds and equivalent in-kind contributions including, but not limited to, land donations. The memorandum of understanding must be finalized by July 1, 2018. The department must submit a copy of the memorandum of understanding to the transportation committees of the legislature and report regularly on the status.

To this end, the Executive Committee of the Gateway Program convened a Funding and Phasing Subcommittee (Subcommittee) to develop a MOU that summarizes their planned future commitments and planned timing of those commitments to contribute to the SR 167 and SR 509 projects.

The Subcommittee goals include:

- Support efforts to build the Gateway projects on or ahead of schedule
- Create successful local partnerships
- Obtain sufficient local funding to build the Puget Sound Gateway projects
- Time grant-funding projects to support the project delivery schedule

The construct of local funding participation, when authorized by the legislative bodies of the relevant agencies through a series of forthcoming interlocal agreements, is based on the following projections:

	SR 167	SR 509	TOTAL
Port contributions	\$30 million	\$30 million	\$60 million
Federal INFRA grant	\$10 million	\$10 million	\$20 million
Local agency partner match	\$10 million	\$10 million	\$20 million
Other Grants (PSRC, FMSIB, TIB)	\$20 million	\$10 million	\$30 million
Total	\$70 million	\$60 million	\$130 million

3. Local Funding Strategy

A key element of the local funding strategy is to identify projects within the Gateway Program that provide clear and measurable benefits to local jurisdictions. In the Gateway Program, these are called “Local Nexus Projects,” are designed to:

- Create a positive business case for Local Agency Partners by focusing on the parts of the program that are most relevant and important to local jurisdictions
- Leverage the potential to access significant grant funding to support local funding assumptions

In support of the local funding strategy, Local Agency Partners shall:

- Participate, co-fund match, and submit grant applications with support from Subcommittee staff, as identified in Section 6 of this MOU
- Combine local monetary and in-kind contributions and project funds to ensure fully-funded applications, as identified in Section 6 of this MOU
- Support the grant effort and avoid competition with the local projects in the year of application

The following Local Nexus Projects have been identified within the north (SR 509) and south (SR 167) segments of the Gateway Program:

Gateway North (SR 509)	Gateway South (SR 167)
188 th South Ramps	Meridian West Ramps
SeaTac Access, with Ramps to 28 th /24 th Avenue South	54 th Avenue East Ramps
Veterans Drive Extension	Interurban Trail
Lake to Sound Trail	Valley Avenue West Ramps
	Port of Tacoma Access/SR 509 Spur
	70 th Avenue E Bridge Relocation

If Local Nexus, INFRA, and any other pending grant projects become fully funded, these projects will contribute substantially toward the Legislative requirement for local match. Funding commitments will be achieved via an interlocal agreement from each signing party up to the amounts presented in this MOU. Local Agency Partner signatories to this MOU understand that once the local contribution requirements set forth in ESB 5096 (\$130 million) is achieved, that Local Agency Partners will not be required to commit to additional funds beyond what is outlined in this MOU. If additional grant funding or additional funds from other sources are obtained that fulfill the \$130 million local contribution requirement, the Secretary of Transportation and the Executive Committee will review and determine to either reduce local agency partner match payments, or recommend expanding scope of the Gateway Program, and amend each signing party's interlocal agreement accordingly.

4. Local Participation Policy

The Joint Executive Committee has agreed to a funding and phasing policy that structures local agency partner match requirements to be commensurate with the benefits accrued from the project at a local level. This policy states that:

All local agency partners accrue some benefit from the Puget Sound Gateway Program. Partners receiving fewer benefits, however, are not expected to contribute as much as partners who receive more benefits. Direct benefits are those that are most quantifiable, but there are other components of value that include indirect, strategic and policy/social benefits. Both direct and indirect benefits will be assessed as part of the consideration of local contributions, because they are more easily quantifiable than strategic and policy/social benefits.

All Local Agency Partner signatories of this MOU expect to seek approval of interlocal agreements to contribute a match to be applied to Local Nexus Projects at a level that reflects their respective anticipated level of benefit, as identified in Section 6 of this MOU.

5. Benefit Assessment Methodology

The proposed financial participation by each partner is based on a general, qualitative assessment of the net benefits expected to be received by full completion of the Gateway Program. The assessment includes the following metrics, based on available project data and transportation modeling outputs:

- **Direct transportation linkages.** The location of direct access points for new limited access highways or other transportation infrastructure that benefits the community.
- **Effects on local sales taxes.** The impacts of the projects to sales tax receipts, both in terms of one-time construction sales taxes for the project, and ongoing sales taxes from impacts to commercial uses.
- **Travel time savings.** Overall travel time savings for local car and truck traffic associated with the projects.
- **Traffic diversion from local streets.** The diversion of, or increase in, traffic on local arterials due to the project, with associated positive impacts to traffic safety and local road maintenance.
- **Effects on local employment.** The potential effects of improved accessibility are reviewed, particularly in the context of access to new or potential employment uses.
- **Effects on developable residential lands.** The potential impacts of changes in traffic flow and accessibility on residential land development, with a focus on areas within the jurisdiction that are available for redevelopment.
- **Effects on developable employment lands.** The potential impacts of changes in traffic flow and accessibility on the development or redevelopment of commercial and industrial lands.
- **Achievement of local policy goals.** The alignment of the WSDOT Gateway Program with local plans and policies.
- **Environmental and social benefits.** Environmental and social benefits specifically linked to these projects, including upgrades to pedestrian and cycling infrastructure, and wetlands and riparian restoration.

The approach and findings of the benefits assessments have been provided to the Local Agency Partners.

6. Local Jurisdiction Anticipated Contributions to the Program

Based on results from the benefit assessment described in Section 5, contributions for each of the Local Agency Partners were determined by project stage in the tables below. Following execution of this MOU, interlocal agreements will be drafted for subsequent approval. Anticipated contributions only become binding commitments when embedded in interlocal agreements, and the conditions therein are approved by the proposed funding entity. Interlocal agreements between WSDOT and the respective Local Agency Partner must be in place for a project prior to issuance of the Request for Proposals (RFP) for any proposed construction contract. The interlocal agreements will become binding commitments, within the statutory authority of the Local Agency Partner, and will define the schedule of local match payments expected over the duration of each construction project stage.

WSDOT will exercise due diligence to develop and construct each project on schedule within the Gateway Program to the best of its abilities. Local Agency Partners will participate in project development reviews and project meetings in support of the Gateway Program.

If grant pursuits identified in the Stage 1 and Stage 2 tables below are not achieved sufficient to meet the \$130 million local contribution, additional grants will be pursued from the funding programs listed or from other funding programs that may become available over the life of the Gateway Program. If Local Nexus Projects go to construction without planned grants, the Local Agency Partner match funds will still be provided by agreement with WSDOT. If it is determined that a Local Nexus Project cannot be fully funded, WSDOT will review options with the Executive Committee. If an official decision is determined by the Executive Committee and the Secretary of Transportation that the Local Nexus Project is not to be included in a construction project, the Local Agency Partner match may be withdrawn.

Stage 1 Grant Pursuits for Local Nexus Projects

Project	Estimated Construction Cost	Funding Program	Grant Target Amount	Target Due Mo/Year	Anticipated Construction Expenditure	Local Agency Partner Match	Partner Nexus
70 th Avenue E/Interurban Trail	\$32,245,600	FMSIB	\$5,000,000	Mar 2018	2019-2021	\$800,000 \$500,000 \$3,000,000	Fife Tacoma Port of Tacoma
		TIB	\$5,000,000	Aug 2018	2019-2021		
		State Capital & Transportation	\$1,400,000	Mar 2018	2019-2021		Fife
Veterans Drive/ SR516 Interchange	\$33,800,000	PSRC	\$4,500,000	Apr 2018	2021-2025	\$1,000,000	Kent
		TIB	\$5,000,000	Aug 2020	2021-2025	\$1,000,000	Kent
SeaTac Access	\$176,883,500	PSRC	\$4,500,000	Apr 2018	2021-2025	\$2,000,000 \$500,000	SeaTac (ROW in lieu) Des Moines

Port of Tacoma Access/509 Spur	\$323,042,000	PSRC	\$4,500,000	Apr 2018	2021-2025	\$1,500,000 \$3,000,000 \$800,000	Tacoma Port of Tacoma Fife
		FMSIB	\$5,000,000	Mar 2020	2021-2025		
All Gateway Program		INFRA	\$20,000,000*	Nov 2017	2019-2021		
SR 167 Stage 1		Port of Tacoma		Jan 2021	2021-2025	\$9,000,000	Port of Tacoma
SR 509 Stage 1		Port of Seattle		Jan 2021	2021-2025	\$15,000,000	Port of Seattle (expected in 2023-2025)
Total Stage 1			\$54,900,000			\$38,100,000	\$93,000,000

Stage 2 Future Grant Pursuits for Local Nexus Projects

Project	Estimated Construction Cost	Funding Program	Grant Target Amount	Target Due Mo/Year	Anticipated Construction Expenditure	Local Agency Partner Match	Partner Nexus
Meridian Avenue Interchange		TBD	\$3,000,000	2022	2026-2030	\$2,000,000	Puyallup
Valley Avenue Interchange		TBD	\$3,000,000	2022	2026-2030	\$2,000,000	Pierce County
188 th Street Interchange improvements		TBD	TBD	2023	2026-2030	TBD	SeaTac
SR 167 Stage 2		TBD	\$4,000,000	2022	2026-2030	\$500,000 \$500,000	Edgewood (ROW in lieu) Sumner
		Port of Tacoma		Jan 2026	2026-2030	\$15,000,000	Port of Tacoma
SR 509 Stage 2		TBD	\$4,000,000	2024	2026-2030		
		Port of Seattle		Jan 2026	2026-2030	\$15,000,000	Port of Seattle
Total Stage 2			\$14,000,000			\$35,000,000	\$49,000,000
Total Stages 1 & 2			\$68,900,000			\$73,100,000	\$142,000,000

* – If no INFRA, apply for FHWA BUILD grant for Port of Tacoma Access (SR 509 Spur)

TBD – grant funding program pursuit to be determined in future

7. Terms and Termination

7.1. Amendments

This MOU shall be periodically reviewed and evaluated regarding the need for modifications or amendments by mutual determination of WSDOT and Local Agency Partners. Amendments to the MOU shall be required if program funding assumptions need to be adjusted that affect the ability to construct the identified Local Nexus Projects or the ability to achieve the \$130 million local contribution. Such amendments shall only be binding if they are in writing and signed by authorized personnel from all of the Local Agency Partners. Except as set forth in an amendment, the MOU will be unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict

between an amendment and the MOU or any earlier amendment, the terms of the most recent amendment will prevail.

If there is a conflict between subsequent interlocal agreements and the MOU or any earlier amendments, the terms of the interlocal agreements will prevail.

Changes that do not affect the ability to construct the identified Local Nexus Project or achieve the \$130 million local contribution shall be addressed through the interlocal agreement between WSDOT and the relevant Local Agency Partner.

7.2. Dispute Resolution

Should any signatory to this MOU object at any time to any actions proposed or the manner in which the terms of this MOU are implemented, the Executive Committee shall hear the dispute first and if the disputant(s) is/are not satisfied with the Committee's proposed decision, the Committee will send to the Secretary of Transportation its proposed solution and all documentation relevant to the dispute. The Secretary of Transportation shall provide the Executive Committee with his/her advice on how to resolve the dispute within thirty (30) calendar days of receiving adequate documentation. Prior to reaching a final decision on the dispute, the Executive Committee shall prepare a written response that considers any timely advice or comments regarding the dispute from the Secretary of Transportation, signatories and other interested parties, and provide them with a copy of this written response. WSDOT will then proceed according to this final decision.

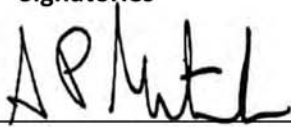
7.3 Conditions for Termination of Participation

Subject to legislative appropriation and all applicable laws, each signatory shall ensure that the Gateway Program is carried out in accordance with the terms of the MOU and subsequent interlocal agreements. A signatory may terminate its participation in this MOU if its terms cannot be met and by providing written notice to the Secretary of Transportation and the Executive Committee a minimum of 180 calendar days before a project issues an RFP that relies on that local agency partner funding. Prior to providing written notice terminating participation, however, the signatories shall consult with WSDOT to determine whether an amendment to the MOU might be feasible. If a signatory terminates its participation, WSDOT will then consult with the Executive Committee to determine if project scope elements need to be removed if contributions are not realized in accordance with this understanding.

8. Period of Agreement.

This MOU will commence on July 1, 2018 and will dissolve when the \$130 million of local contribution have been secured, or when the Local Nexus Projects have been constructed and are complete.

9. Signatories



Stephen P. Metruck
Executive Director
Port of Seattle

6/21/18

Date



John Wolfe
Chief Executive Officer
Port of Tacoma

5/30/18

Date



Dow Constantine
County Executive
King County

6/22/18

Date



Bruce Dammeier
County Executive
Pierce County

5/30/18

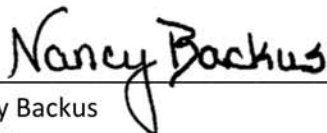
Date



David E. Hill
Mayor
City of Algona

6/25/18

Date



Nancy Backus
Mayor
City of Auburn

6/11/18

Date



Brian Wilson
City Manager
City of Burien

6/17/18

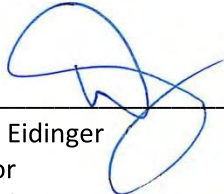
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Michael Matthias
City Manager
City of Des Moines

6/26/18

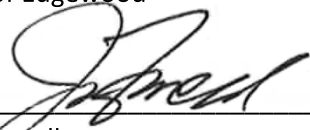
Date



Daryl Eidinger
Mayor
City of Edgewood

6/13/18

Date



Jim Ferrell
Mayor
City of Federal Way

6/20/18

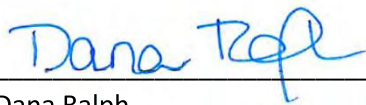
Date



Hyun Kim
City Manager
City of Fife

6/20/18

Date



Dana Ralph
Mayor
City of Kent

6/26/18

Date



Shanna Styron-Sherrell
Mayor
City of Milton

6/21/18

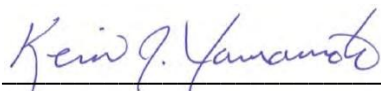
Date



Leanne Guier
Mayor
City of Pacific

6/21/18

Date



Kevin Yamamoto
City Manager
City of Puyallup

6/12/18

Date

Appas Form:
Malythyn and Butolo, Seatac

Joseph Scorcio
City Manager
City of SeaTac

6/28/18

Date

William L. Pugh

William L. Pugh
Mayor
City of Sumner

6/8/18

Date

Elizabeth A. Pauli

Elizabeth A. Pauli
City Manager
City of Tacoma

6/27/18

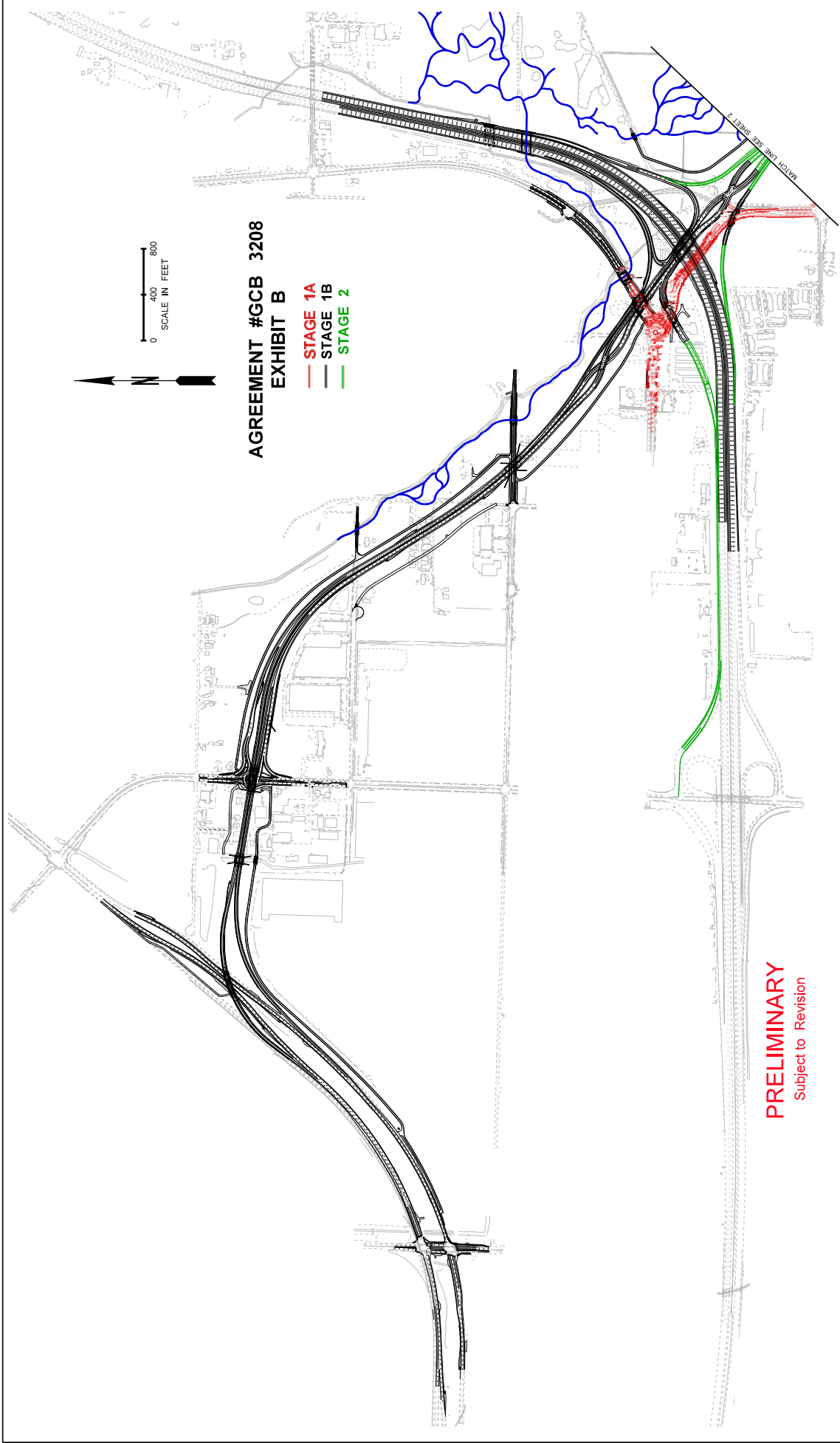
Date

Roger Millar

Roger Millar
Secretary of Transportation
Washington State Department of Transportation

6/27/18

Date



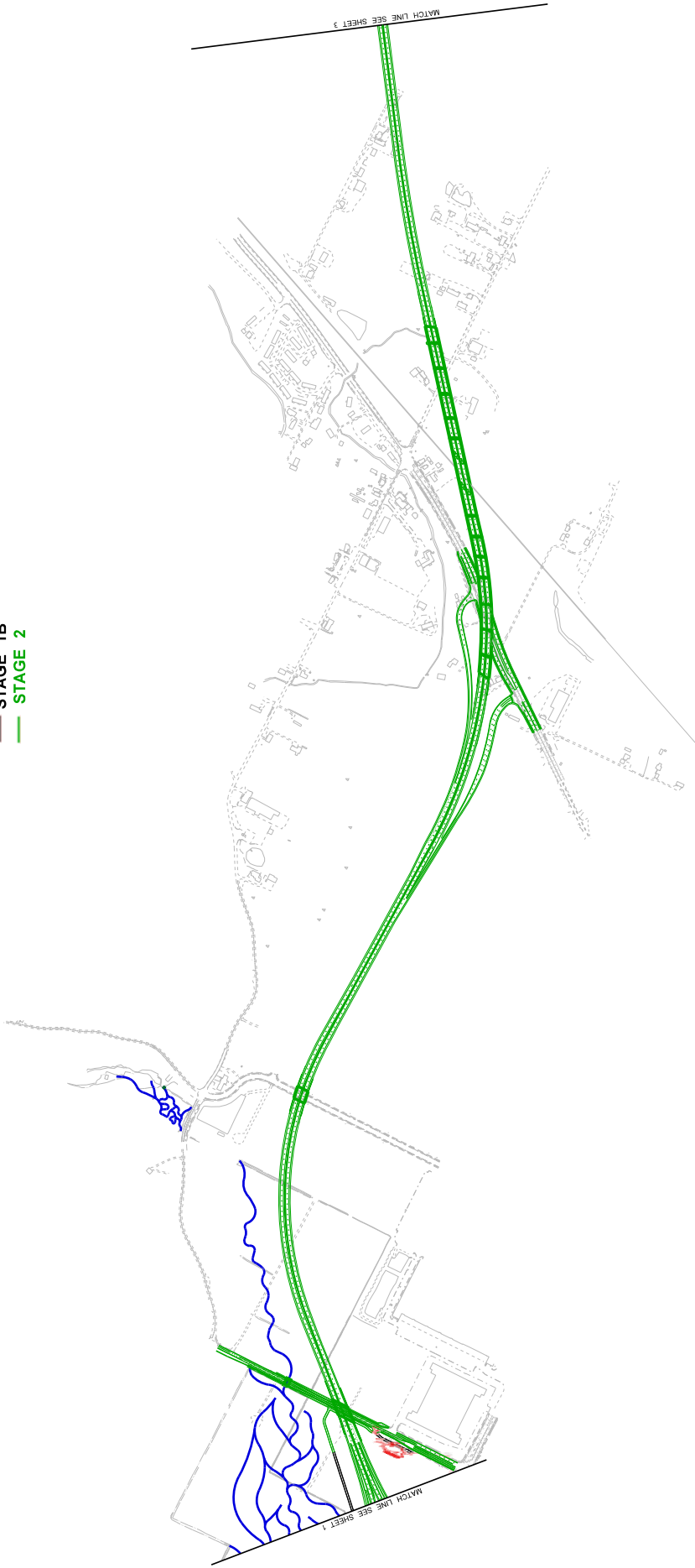
PRELIMINARY
Subject to Revision

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TIME 9:25:13 AM	DATE 11/02/21	10	WASH	CONTRACT NO.	LOCATION NO.	DATE	BY	DATE	DATE	PROPOSED CHANNELIZATION	SHEET 1 OF 3	
DESIGNED BY B. SCHLECHTEN	ENTERED BY B. SCHLECHTEN											
CHECKED BY B. KRAMER	PROJ. ENGR. S. FUCHS											
REGIONAL ADM.		REVISION										

AGREEMENT #GCB 3208
EXHIBIT B

PRELIMINARY
Subject to Revision

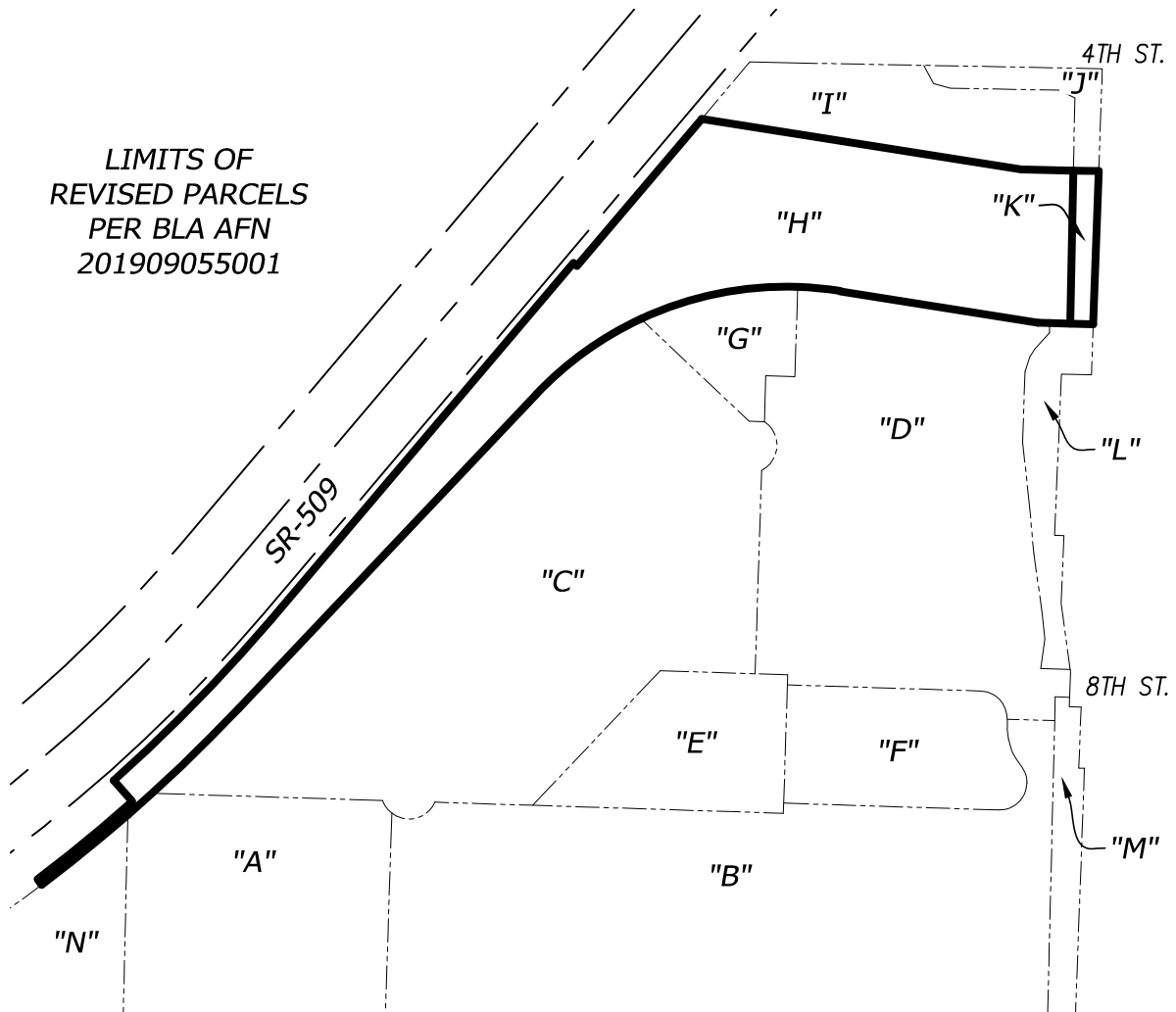
- STAGE 1A
- STAGE 1B
- STAGE 2



FILE NAME c:\users\lambert\pwork\dot\documents\hqlps Gateway\167-Phase1\Design\CAD\exhibits\agreements\GCB 3208 (ILA with POT)\XL5466_GCB3208_ILA_ExhibitB_02.dgn		REGION STATE		FED.AID PROJ.NO.		PLANNING NO.	
TIME 5:29:14 AM	DATE 11/14/2021	REGION NO. 10	STATE WASH	CONTRACT NO.	LOCATION NO.	SHEET 2	SHEETS 3
PLOTTED BY lambert	DESIGNED BY B. SCHLECHTEN	JOB NUMBER					
ENTERED BY B. SCHLECHTEN	CHECKED BY B. KRAMER						
PROJ. ENGR. S. FUCHS	REGIONAL ADM.	DATE	BY				
REVISION							
WASHINGTON STATE Department of Transportation		P.E. STAMP BOX		P.E. STAMP BOX		SR 167 I-5 TO SR 509 CORRIDOR CONSTRUCTION	
		P.E. STAMP BOX		P.E. STAMP BOX		PROPOSED CHANNELIZATION	

EXHIBIT

LIMITS OF
REVISED PARCELS
PER BLA AFN
201909055001



NORTH

SCALE 1"=400'

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SHEET TITLE
**ILLUSTRATIVE EXHIBIT
PORT OF TACOMA
W.S.D.O.T. SR 167-SPUR
INTERLOCAL AGREEMENT**

PREPARED BY
**SITTS & HILL
ENGINEERS, INC.**
CIVIL ■ STRUCTURAL ■ SURVEYING
4815 CENTER STREET TACOMA, WA. 98409
PHONE: (253) 474-9449

SHEET
1 OF 1
PROJECT NO.
15201

EXHIBIT

REVISED PARCEL H DESCRIPTION BOUNDARY LINE ADJUSTMENT AFN 201909055001

THAT PORTION OF SECTION 1, TOWNSHIP 20 NORTH, RANGE 3 EAST OF THE WILLAMETTE MERIDIAN, IN PIERCE COUNTY, WASHINGTON, MORE SPECIFICALLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 20 NORTH, RANGE 3 EAST OF THE WILLAMETTE MERIDIAN;

THENCE NORTH 88°33'56" WEST, ALONG THE SOUTH LINE OF SAID SUBDIVISION, 692.48 FEET;

THENCE NORTH 01°22'39" EAST 43.66 FEET TO A POINT ON THE NORTH MARGIN OF 12TH STREET EAST AS CONVEYED TO THE CITY OF FIFE BY DEED RECORDED UNDER AUDITOR'S FILE NO.201612120755 AND THE SOUTHEAST CORNER OF LEASE AREA RECORDED UNDER AUDITOR'S FILE NO. 201608230381;

THENCE ALONG SAID NORTH MARGIN, NORTH 88°33'56" WEST, 884.19 FEET;

THENCE CONTINUING ALONG SAID NORTH MARGIN, NORTH 86°56'46" WEST, 560.29 FEET;

THENCE CONTINUING ALONG SAID NORTH MARGIN, NORTH 88°34'00" WEST, 428.89 FEET;

THENCE CONTINUING ALONG SAID NORTH MARGIN, NORTH 81°46'01" WEST, 91.41 FEET;

THENCE NORTH 01°18'35" EAST 969.53 FEET TO THE NORTHWEST CORNER OF LEASE AREA AS DESCRIBED IN INSTRUMENT FILED UNDER PIERCE COUNTY AUDITOR'S FEE NUMBER 201608230381, SAID POINT BEING A POINT ON A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, AND FROM WHICH POINT THE RADIAL CENTER BEARS NORTH 41°05'01" WEST 3,425.02 FEET, AND THE POINT OF BEGINNING;

THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 03°56'56" AN ARC LENGTH OF 236.05 FEET TO THE SOUTHEASTERLY MARGIN OF STATE ROUTE 509; AS SHOWN ON WASHINGTON STATE DEPARTMENT OF TRANSPORTATION RIGHT OF WAY AND LIMITED ACCESS PLAN ENTITLED "SR 705 TO MARINE VIEW DRIVE, APPROVED JUNE 5, 1992;

THENCE ALONG SAID SOUTHEASTERLY MARGIN THE FOLLOWING COURSES:

NORTH 37°08'06" WEST 15.00 FEET TO A POINT ON A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, AND FROM WHICH POINT THE RADIAL CENTER BEARS NORTH 37°08'06" WEST 3,410.02 FEET;

THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 04°23'15" AN ARC LENGTH OF 261.13 FEET;

THENCE NORTH 41°31'21" WEST, 60.00 FEET TO A POINT ON A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, AND FROM WHICH POINT THE RADIAL CENTER BEARS NORTH 41°31'21" WEST 3,350.02 FEET;

THENCE NORTHEASTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 08°11'18" AN ARC LENGTH OF 478.76 FEET;

THENCE NORTH 40°17'22" EAST, 994.10 FEET;

REVISED PARCEL H DESCRIPTION

1 OF 2

THENCE SOUTH 49°42'38" EAST, 10.00 FEET;

THENCE NORTH 40°17'22" EAST, 409.70 FEET TO THE SOUTH LINE OF THE POND LEASE AREA AS DESCRIBED IN INSTRUMENT FILED UNDER PIERCE COUNTY AUDITOR'S FEE NUMBER 201608230381;

THENCE, ALONG SAID SOUTH LINE, SOUTH 80°58'48" EAST, 687.94 FEET;

THENCE, CONTINUING ALONG SAID SOUTH LINE, SOUTH 88°52'22" EAST, 110.71 FEET TO THE SOUTHEAST CORNER OF SAID POND LEASE AREA;

THENCE SOUTH 01°07'38" WEST, 325.29 FEET;

THENCE NORTH 88°29'41" WEST, 44.40 FEET TO THE NORTHEAST CORNER OF THE LEASE AREA AS DESCRIBED IN INSTRUMENT FILED UNDER PIERCE COUNTY AUDITOR'S FEE NUMBER 201608230381;

THENCE ALONG THE NORTHERLY AND WESTERLY LIMITS OF SAID LEASE AREA THE FOLLOWING COURSES:

NORTH 88°29'41" WEST, 24.39 FEET;

NORTH 80°58'53" WEST, 426.14 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 732.50 FEET;

THENCE WESTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 48°30'55", AN ARC LENGTH OF 620.26 FEET;

SOUTH 43°26'17" WEST 917.96 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 3425.02 FEET;

THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 09°25'37", AN ARC LENGTH OF 327.48 FEET TO THE NORTHWEST CORNER OF SAID LEASE AREA AND THE POINT OF BEGINNING.

DESIRAE SCHILLING, P.L.S.
WASHINGTON REGISTRATION NO. 49289
SITTS & HILL ENGINEERS
4815 CENTER STREET
TACOMA, WA 98409



REVISED PARCEL H DESCRIPTION

2 OF 2

EXHIBIT

REVISED PARCEL K DESCRIPTION BOUNDARY LINE ADJUSTMENT AFN 201909055001

THAT PORTION OF SECTION 1, TOWNSHIP 20 NORTH, RANGE 3 EAST OF THE WILLAMETTE MERIDIAN, IN PIERCE COUNTY, WASHINGTON, MORE SPECIFICALLY DESCRIBED AS FOLLOWS:

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THENCE NORTH 01°18'35" EAST 969.53 FEET TO A POINT ON A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, AND FROM WHICH POINT THE RADIAL CENTER BEARS NORTH 41°05'01" WEST 3,425.02 FEET;

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THENCE NORTH 41°31'21" WEST, 60.00 FEET TO A POINT ON A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, AND FROM WHICH POINT THE RADIAL CENTER BEARS NORTH 41°31'21" WEST 3,350.02 FEET;

THENCE NORTHEASTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 08°11'18" AN ARC LENGTH OF 478.76 FEET;

THENCE NORTH 40°17'22" EAST, 994.10 FEET;

THENCE SOUTH 49°42'38" EAST, 10.00 FEET;

REVISED PARCEL K DESCRIPTION

1 OF 2

THENCE NORTH 40°17'22" EAST, 409.70 FEET TO THE SOUTH LINE OF THE POND LEASE AREA AS DESCRIBED IN INSTRUMENT FILED UNDER PIERCE COUNTY AUDITOR'S FEE NUMBER 201608230381;

THENCE SOUTH 80°58'48" EAST, ALONG SAID SOUTH LINE, 687.94 FEET;

THENCE CONTINUING ALONG SAID SOUTH LINE, SOUTH 88°52'22" EAST 110.71 TO THE SOUTHEAST CORNER OF SAID POND LEASE AREA AND THE POINT OF BEGINNING;

THENCE SOUTH 88°52'22" EAST 53.86 FEET TO THE WEST LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 1;

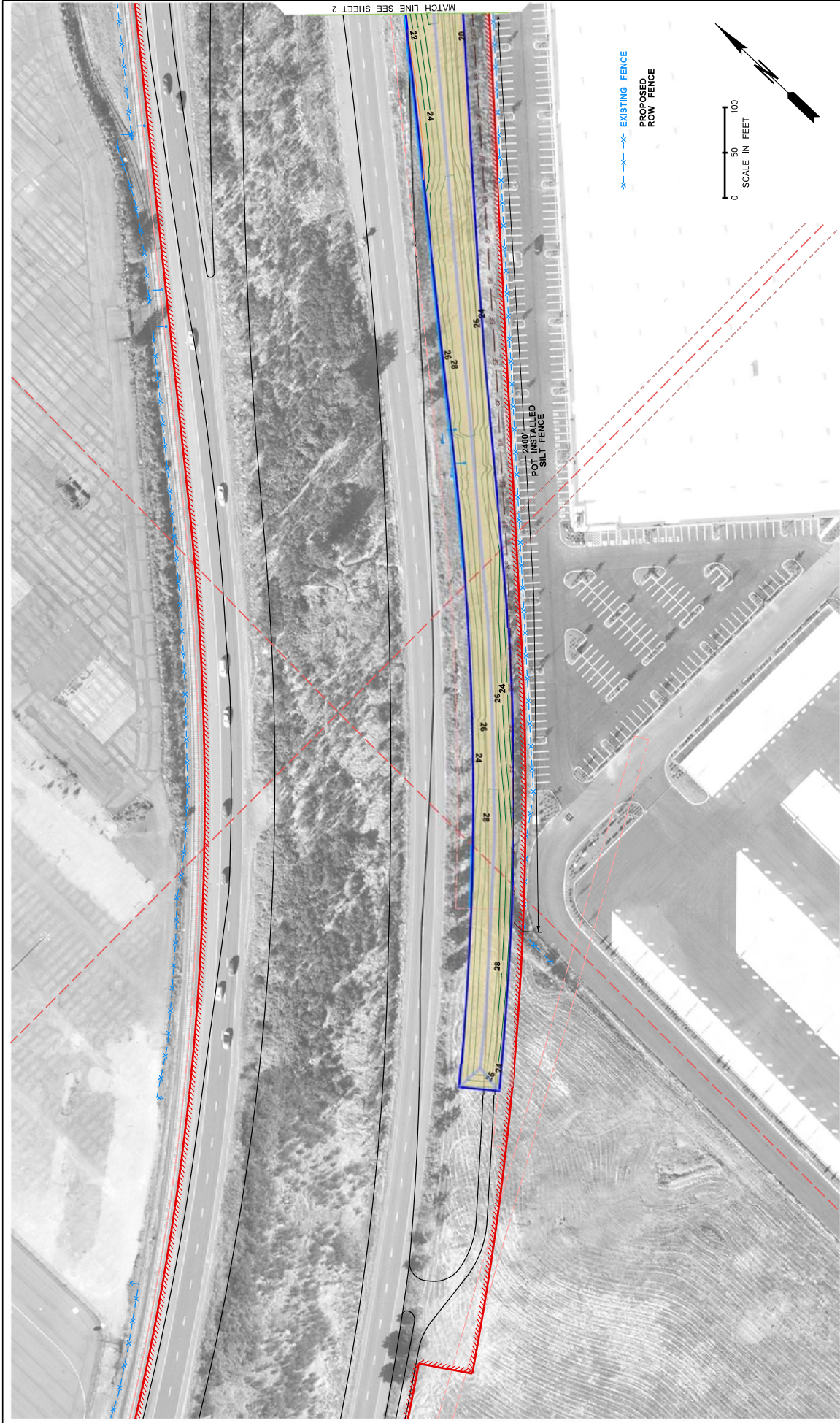
THENCE SOUTH 02°01'48" WEST, ALONG SAID WEST LINE, 325.65 FEET;

THENCE NORTH 88°29'41" WEST 48.73 FEET;

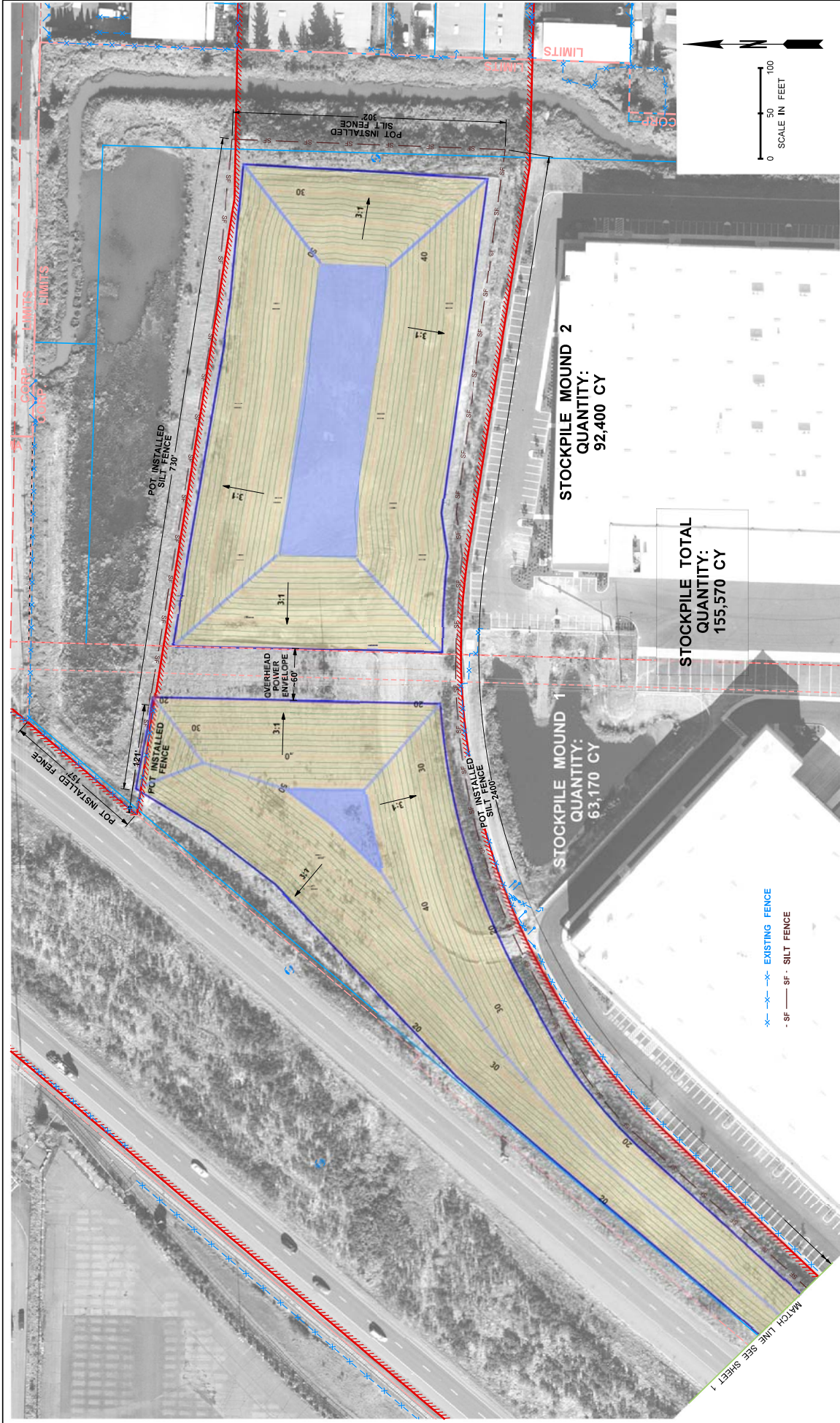
THENCE NORTH 01°07'38" EAST 325.29 FEET TO THE POINT OF BEGINNING.

DESIRAE SCHILLING, P.L.S.
WASHINGTON REGISTRATION NO. 49289
SITTS & HILL ENGINEERS
4815 CENTER STREET
TACOMA, WA 98409





FILE NAME: c:\users\jagapen\lwp_wsd\dd\170275\Stockpile_Area_P14.dgn		REGION: 10		STATE: WASH		FED.AID PROJ.NO.		WASHINGTON STATE Department of Transportation		SR 167 I-5 TO SR 509 NEW EXPRESSWAY		PLAN REF NO.	
TIME: 12:58:08 PM	DATE: 12/15/2020	DESIGNED BY: A. ZAPPE	DESIGNED BY: A. ZAPPE	ENTERED BY: A. ZAPPE	ENTERED BY: A. ZAPPE	CONTRACT NO.: XL5466	LOCATION NO.:	P.E. STAMP BOX		P.E. STAMP BOX		SHEET 1 OF 2 SHEETS	
CHECKED BY: G. MAKHLIOUF	PROJ. ENGR. C. SODERQUIST	REGIONAL ADM. J. WHITE	REVISION	DATE	BY	EXHIBIT D GCB 3208							



FILE NAME c:\users\japan\pwworking\projects\170275\stockpile_area_P14.dgn		REGION STATE		FED.AID PROJ.NO.		P.E. STAMP BOX		Washington State Department of Transportation		SR 167 I-5 TO SR 509 NEW EXPRESSWAY		PLAN REF NO
TIME 1:02:48 PM	DATE 12/15/2020	REGION NO. 10	STATE WASH	CONTRACT NO. XL5466		DATE		P.E. STAMP BOX		EXHIBIT D GCB 3208		SHEET 1 OF 1 SHEETS
DESIGNED BY A. ZAPPE	ENTERED BY A. ZAPPE	JOB NUMBER		LOCATION NO.		DATE		P.E. STAMP BOX				
CHECKED BY G. MAKHLIOUF	PROJ. ENGR. C. SODERQUIST			CONTRACT NO. XL5466		DATE		P.E. STAMP BOX				
REGIONAL ADM. J. WHITE		REVISION		BY		DATE		P.E. STAMP BOX				

After recording return document to:

State of Washington
 Department of Transportation
 Real Estate Services Office
 P O Box 47338
 Olympia WA 98504-7338

Document Title: Quitclaim Deed

Reference Number of Related Document:

Grantor(s):

Grantee(s): State of Washington, Department of Transportation

Legal Description:

Additional Legal Description is on Page of Document.

Assessor's Tax Parcel Number:

QUITCLAIM DEED

State Route .

The Grantor(s), **Port of Tacoma, A Municipal Corporation**, for and in consideration of per the _____ agreement (**enter name and number of agreement**) dated _____ (**enter date**) convey(s) and quitclaim(s) to the **State of Washington, acting by and through its Department of Transportation**, Grantee, the following described real property, and any after acquired interest therein, situated in Pierce County, in the State of Washington, under the imminent threat of the Grantee's exercise of its rights of Eminent Domain:

For legal description and additional conditions
 See Exhibit A attached hereto and made a part hereof.

It is understood and agreed that delivery of this deed is hereby tendered and that the terms and obligations hereof shall not become binding upon the State of Washington unless and until accepted and approved hereon in writing for the State of Washington, by and through its Department of Transportation, by its authorized agent.

FA No.
 Project No.
 Parcel No.

QUITCLAIM DEED

QUITCLAIM DEED

Dated: _____, _____

Name

Name

Accepted and Approved

STATE OF WASHINGTON
Department of Transportation

By: _____

Title

Authorized Signatory

Date: _____

Acknowledgment

QUITCLAIM DEED

EXHIBIT A

Grantor's Initials

Item No.:9B
Meeting Date: March 18, 2021

WSDOT/Port of Tacoma Phase 1B State Route 167 Completion Project ILA



Action requested

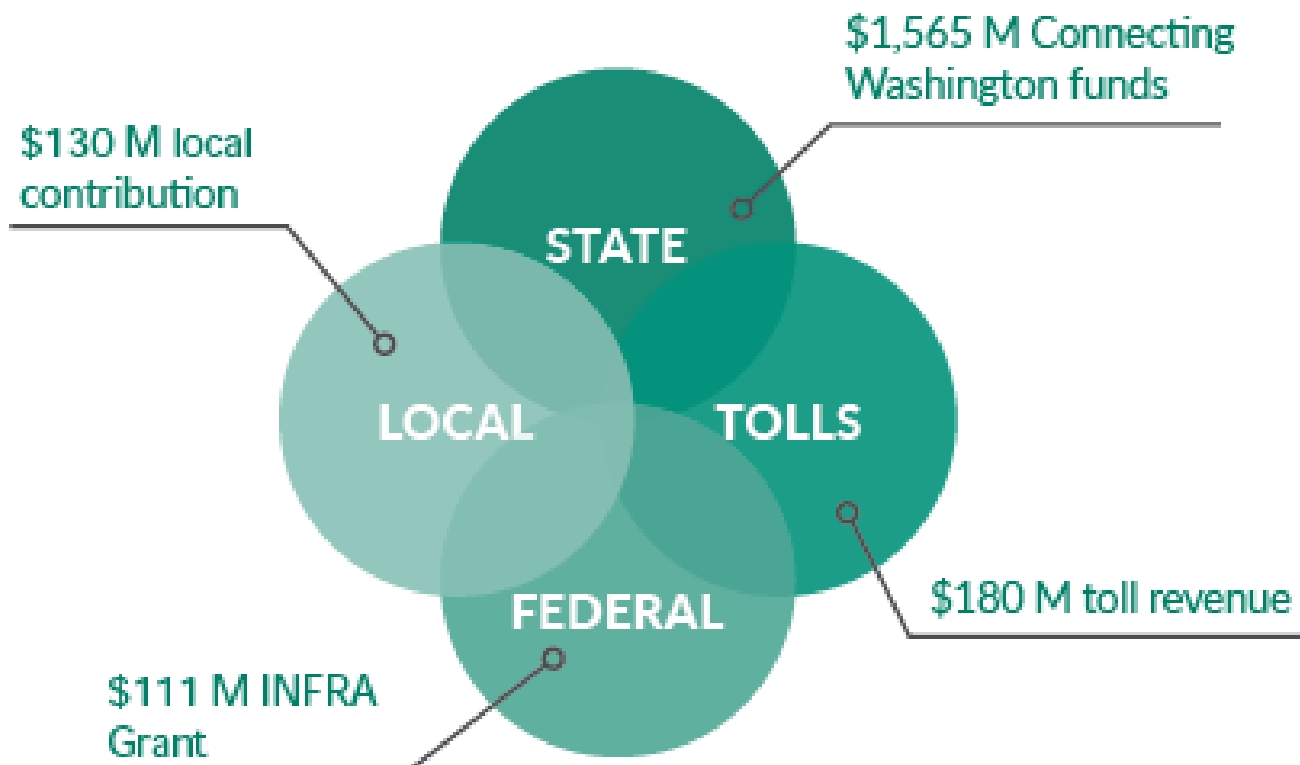


Request authorization for the Executive Director to sign an interlocal agreement with the Washington State Department of Transportation regarding an in-kind contribution to Phase 1B of the State Route 167 Completion Project.

Background (continued)



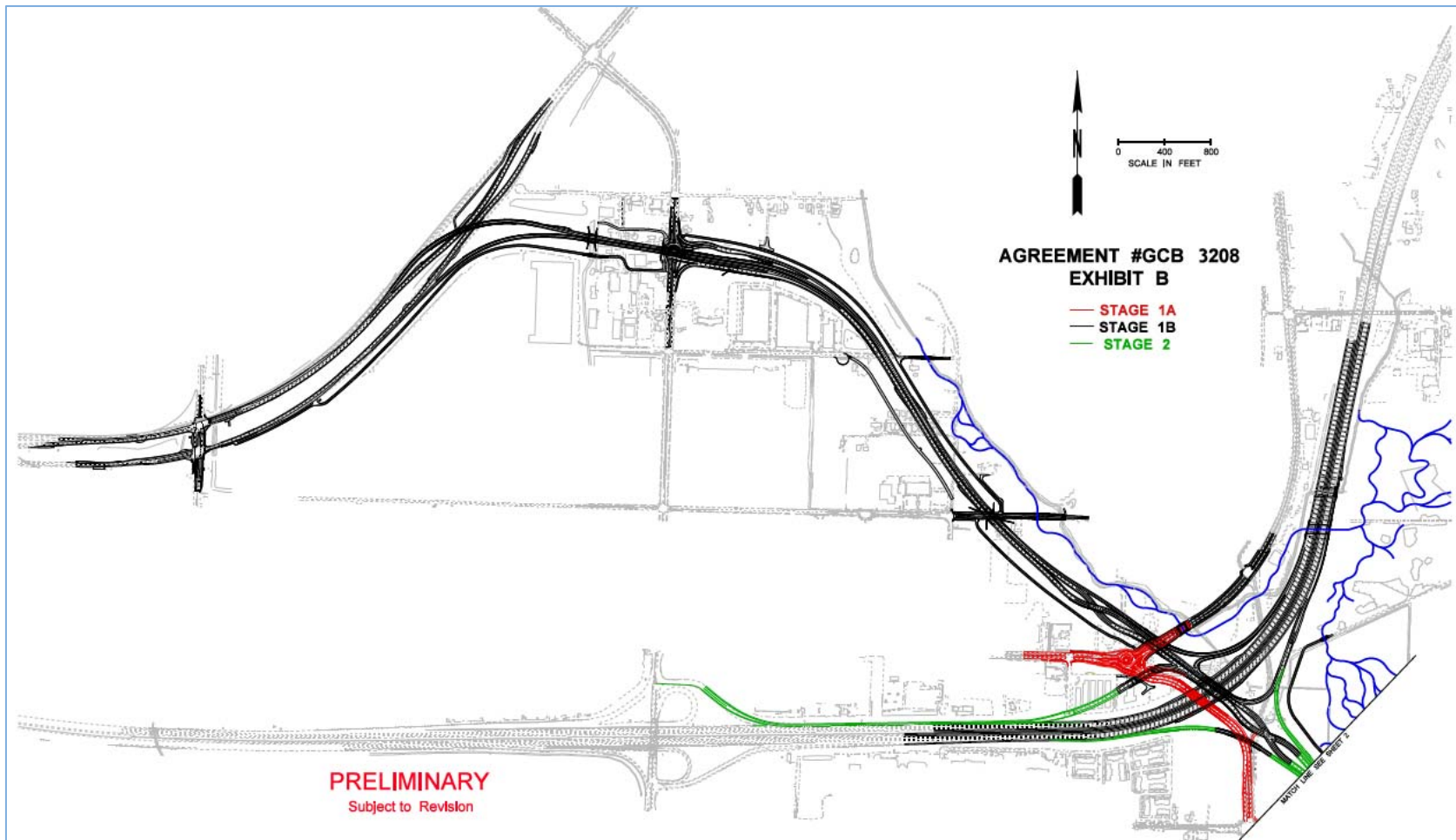
Gateway Funding



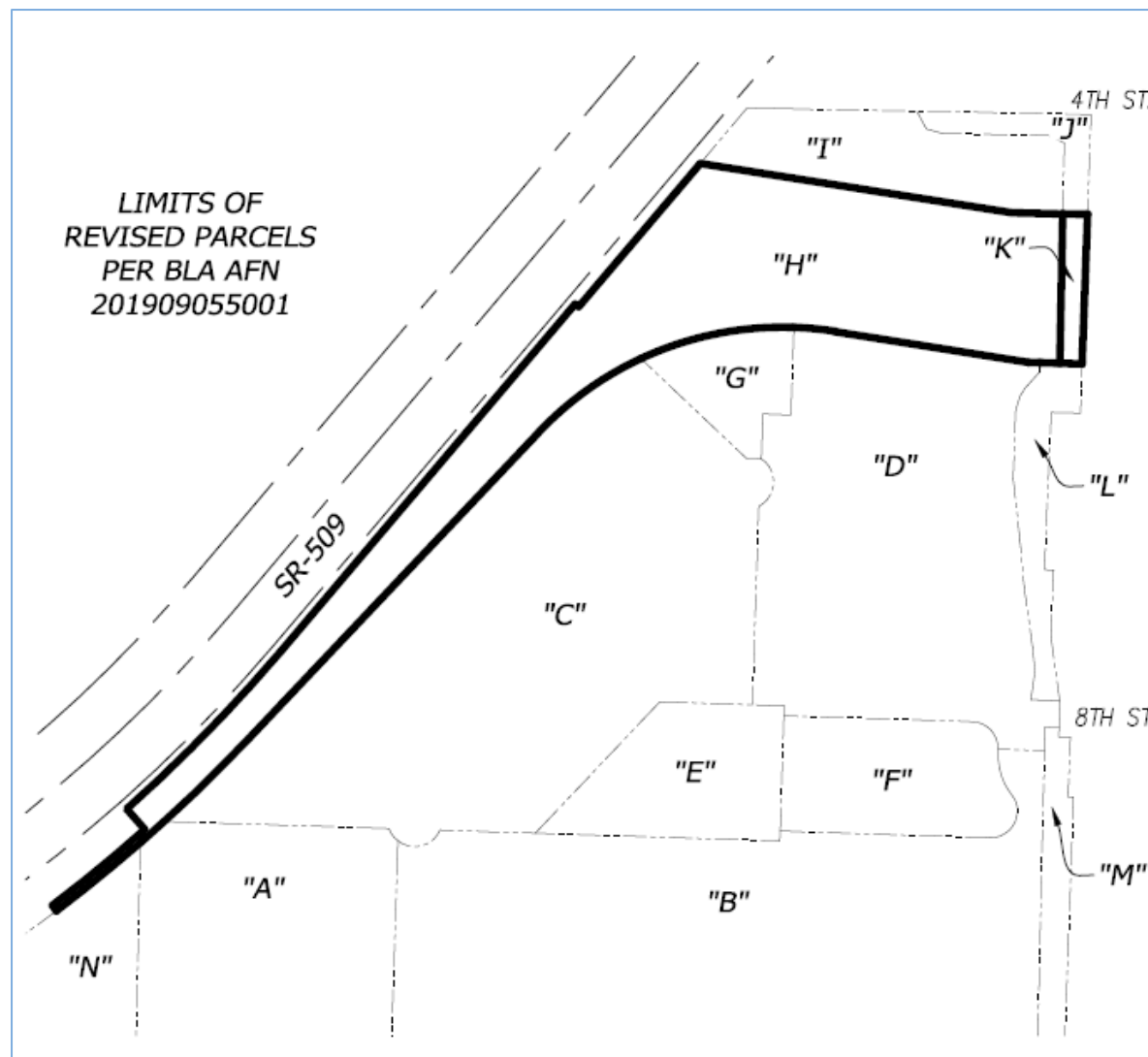
Background (continued)



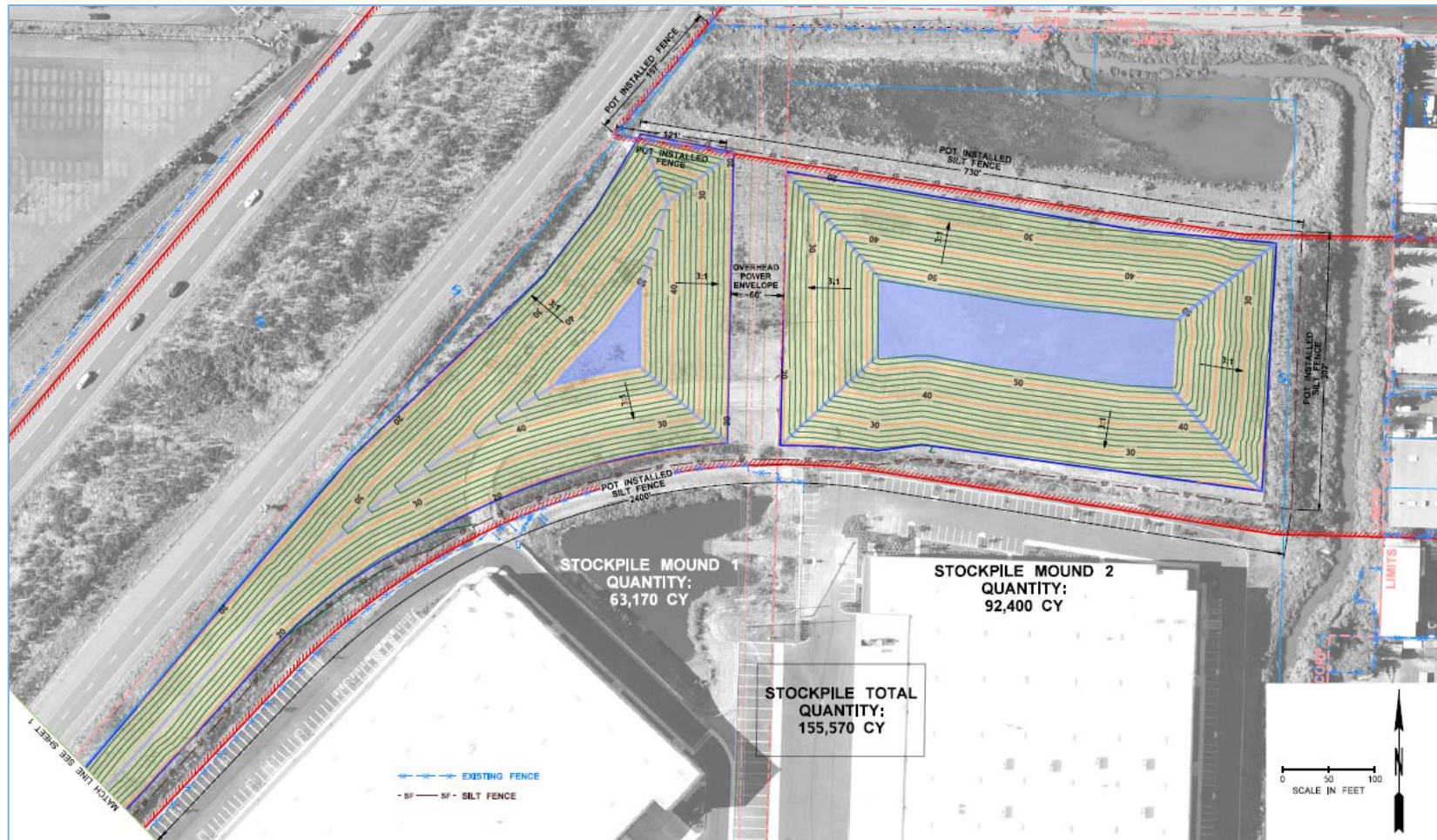
Scope



Scope (continued)



Scope (continued)



Financial summary



Item	Quantity Estimate	Unit Price	Anticipated Total Cost
Parcel 14	n/a	n/a	\$6,821,900
Embankment fill material	102,870 cubic yards	\$27/cubic yard	\$2,777,490
Fill material	82,320 cubic yards	\$20/cubic yard	\$1,646,400
Silt fence	3,432 linear feet	\$4/linear foot	\$13,728
Perimeter fence	278 linear feet	\$15/linear foot	\$4,170
TOTAL			\$11,263,688

Action requested



Request authorization for the Executive Director to sign an interlocal agreement with the Washington State Department of Transportation regarding an in-kind contribution to Phase 1B of the State Route 167 Completion Project.