

COMMISSION AGENDA

Item No: 5B

Meeting: 8/16/18

DATE: July 31, 2018

TO: Port Commission

FROM: John Wolfe, Chief Executive Officer
Sponsor: Dakota Chamberlain, Chief Facilities Development Officer
Project Manager: Jason Jordan, Director, Environmental and Planning Services

SUBJECT: General Business: ILA with Pierce County for General Investigation of Puyallup River – Inactive

A. ACTION REQUESTED

Pierce County staff informed Port staff on April 10, 2018 that the US Army Corps of Engineers (ACOE) will be terminating the Puyallup River Basin General Investigation Study. Pierce County staff will provide an update as to why the ACOE made that decision. No action is requested at this time.

B. BACKGROUND

On May 7, 2009, Commissioners were briefed by Harold Smelt of Pierce County concerning the formation of the Puyallup River Executive Task Force (Task Force). The Task Force was charged to address levy deficiencies identified by the United States Federal Emergency Management Agency (FEMA) in a 2005 directive to undertake repairs. Commissioner Petrich represented the Port on the Task Force.

On September 17, 2009, Commissioners were briefed by Port staff on the Task Force's recommendations to:

- Request the Task Force call upon the ACOE to conduct the General Investigation; and,
- Endorse the Task Force decision to expand the study area to include the entire Puyallup River flood basin.

Shortly thereafter, the Task Force agreed to ask the Corps to conduct the General Investigation and to expand the study area to the entire river system. A General Investigation of the Puyallup River would have analyzed long-term flooding solutions and is typically required in order to secure significant federal funding from the Corps for levy improvements.

Previously, the cost of the study was projected to be \$6,000,000 and expected to last up to six years. Since the Corps managed the project, the federal government will share 50% of

the cost with the local entity/entities, leaving an estimated \$3,000,000 cost to be secured among Task Force membership, or \$500,000 per year for up to six years. Members include Pierce County, the cities of Tacoma, Orting, Sumner, Puyallup and Fife, the Washington Departments of Natural Resources and Transportation, the Puyallup Tribe of Indians and the Port of Tacoma.

The Washington Department of Transportation has committed to pay \$50,000 per year for the duration of the six-year study, and Pierce County has committed to pay \$207,791 per year.

The remaining \$292,209 was left to be divided among the remaining participants under a proposed allocation methodology. That proposed methodology was based on a combination of overall risk (measured by property value in the flood plain), ability to pay (based on general fund budget) and overall population measured for each jurisdiction.

Because the Port is in a situation where the current allocation methods are thought to not adequately predict its "fair share," task force members had suggested that an annual lump sum contribution similar to that of the Department of Transportation would be most appropriate. As a result, the Port agreed to pay up to a \$50,000 annual contribution over the study period.

On June 16, 2016, Commissioners were briefed by Port staff on a recommendation to amend the ILA between Pierce County and the Port of Tacoma, to terminate on December 31, 2017 instead of its original termination date of December 31, 2016 as a result of project complexity, changing regulations, and ACOE project management staff turnover. This amendment was a time-only amendment and did not add any additional costs to the original authorization.

To date, the local entities have paid \$2,058,642.89 towards this effort.

C. INTERLOCAL COST SHARING AGREEMENT

On January 7, 2010, the Commission authorized the Chief Executive Officer (CEO) to enter into an Interlocal Agreement (ILA) with Pierce County and pay up to \$50,000 per year for the next six years, with a total contribution capped at \$300,000 over a six-year period, terminating on December 31, 2016. To date, the Port has paid \$187,141.33 towards the project.

D. SOURCE OF FUNDS

The Port has allocated \$50,000 per year (including Port staff time) through 2016 under General Infrastructure, Master Identification No. 098191, Puyallup River Task Force.

E. PREVIOUS ACTIONS OR BRIEFINGS

<u>Date</u>	<u>Action</u>	<u>Amount</u>
January 7, 2010	Executive Authorization	\$300,000
February 7, 2013	Update Briefing	N/A
June 16, 2016	Commission Approval – Time-Only Extension	N/A
TOTAL		\$300,000

F. ATTACHMENTS TO THIS REQUEST

- Interlocal Agreement (ILA) between Pierce County and Port of Tacoma

G. NEXT STEPS

None recommended pending Commissioner direction.