

Property, Real Estate, and Lands Strategy

Willow Creek Daylight Final Feasibility Study

Partially funded by the Washington Recreation and Conservation Office, Salmon Funding Recovery Board with Puget Sound Acquisition and Restoration program (PSAR) Funding

November 30, 2015

Introduction

This document presents the *Property, Real Estate, and Lands Strategy* as required under Section IV (Design Deliverables) of the funding agreement between the State of Washington (by and through the Salmon Recovery Funding Board [SRFB] and the Recreation and Conservation Office [RCO]) and the City of Edmonds dated 12/4/2013. This document addresses rights of entry, acquisition, and easements required for the project. It provides a summary and professional judgment of discussions with representatives from Chevron Environmental Management Company (CMEC) regarding the availability of the Union Oil Company of California (Unocal¹) property to host part of the channel and with the Burlington Northern Railway Company (BNSF) regarding daylighting the channel under the existing bottomless culverts. It also includes a discussion with the Washington State Department of Transportation (WSDOT), Ferries Division (Ferries). Ferries has placed funds in escrow to acquire the Unocal property. This deliverable is part of the larger permitting and stakeholder consultation discussion required in Appendix D-2 of *Manual 18* for preliminary design deliverables for RCO-funded salmon recovery grants.

History and Current Ownership of Parcels for Proposed Daylighted Willow Creek Channel

Edmonds Marsh is a unique ecological feature in the central Puget Sound basin. Even before it was diked and partially filled, this marsh was likely a rare habitat, and the remnant that we enjoy today is even rarer. Since the early 1900's, approximately 90% of backshore tidal marshes in Puget Sound have been filled for agriculture or other development (People for Puget Sound 2009). Attachment A summarizes the history of Edmonds Marsh and its surroundings, focusing on Willow Creek, one of its tributaries and its sole outlet to Puget Sound.

Figure 1 shows the current parcel ownership in relation to the proposed daylighted channel alignment. The upstream end of the proposed daylighted channel is located on the property currently in escrow. Ferries has entered into a purchase and sale with Unocal to acquire the property. The transfer is contingent on the Department of Ecology (Ecology) being satisfied that Unocal has remediated the site per the requirements of an Agreed Order between Unocal and Ecology.

Leaving the Unocal property, the proposed channel would traverse under the BNSF railroad track and then onto the City-owned Marina Beach Park parcel. In 2011, BNSF constructed two bridges to allow the future daylighted channel to travel under the current track a planned future track. The bridges were

¹ Unocal is a wholly-owned, indirect subsidiary of Chevron.

paid for by Sound Transit as mitigation for track work needed for the commuter rail line north of Edmonds.

Property owners adjacent to the parcels that would host the proposed daylighted channel include the Port of Edmonds and the Pt. Edwards Condo Association. Edmonds Marsh, owned by the City of Edmonds, is the parcel upstream of the Unocal property (Figure 1). A list of contacts for all property owners and adjacent property owners is presented in Attachment B.

Unocal Property

Since this parcel is currently in escrow, the discussion of this property is divided into two sections: 1) Discussions/agreements with Unocal and 2) Discussions/agreements with Ferries.

<u>Unocal</u>

The City has engaged Unocal (via CEMC) on many different occasions regarding the Willow Creek Daylight project. The initial meeting was in March 2012 during the alternatives analysis of the early feasibility Study. From that meeting the City and Unocal entered into a Site Access Agreement. This Agreement allowed the City and its contractors access to the Unocal site for one year from the effective date to survey the proposed daylight channel alignment. The Agreement was modified by both parties in August 2012 to allow the City to install a data logger to measure the water levels in Willow Creek. The Agreement was modified again in August 2013 to allow the City's contractor to access the data logger and to remove it no later than July 31, 2014.

In April 2013, the City provided CEMC an opportunity to comment on the draft Early Feasibility Study. Comments were received from CEMC in early May 2013 and incorporated into the final report. The City also shared its water level data for Willow Creek with CEMC, per their request.

In May 2014, the City submitted a pre-proposal to the RCO/SRFB Board, for preliminary design of the daylighted Willow Creek channel. One of the comments from RCO/SRFB on the pre-proposal was to include a Landholder Acknowledgement Form for the Unocal property when the City submits a full proposal in August of this year. This form specifies the legal owner of the property, acknowledges that the property owner knows the daylighted channel is proposed on the property, and that the property owner is willing to talk to the City about the project. CEMC responded that Unocal is unable to complete the requested form as the property is under contract for sale.

The City met with representatives from CEMC in June 2014. The parties updated each other on the activities of their respective projects and agreed to share additional data about the property. CEMC also told the City that access by third parties (other than CEMC and Ecology) is no longer permitted since the property is an open environmental case with Ecology and in escrow for sale.

CEMC has planned additional site cleanup actions at the site for the summer of 2016. The main objectives of this interim action are to remediate soil in the Lower Yard that contains petroleum hydrocarbon concentrations above the soil remediation levels and cleanup levels in two areas: Detention Basin 2 (DB-2) and the WSDOT stormwater line. The project also includes additional data

collection. The remediation will includes a dual-phase extraction (DPE) system along parts of the WSDOT stormwater line that traverses the property (CMEC 2015). The DPE system is to be transferred to WSDOT once the requirements of the purchase and sale agreement between Unocal and Ferries are met (Ecology 2015).

WSDOT Ferries Division

The City of Edmonds has been engaged with Ferries on the Willow Creek daylighting project since it was first proposed during the Edmonds Crossing environmental impact statement (EIS) process (U.S. Department of Transportation, et al., 2004). Edmonds Crossing was a proposed multi-modal transportation hub that included a new ferry terminal just south of the Port of Edmonds southern breakwater. The preferred alternative in the final EIS shows a daylighted channel flowing through the proposed ferry terminal and out to Puget Sound via Marina Beach park (Figure 2). The Edmonds Crossing project is currently not included in the current long-range plan for Ferries (WSDOT 2009).

The City met with representatives from Ferries and Ecology in July 2014. All parties exchanged information about the Unocal site, the status of the cleanup, and plans for the creek daylighting. Ferries stressed that the City should stick as close as possible to the channel alignment in the Edmonds Crossing final EIS, even though it is not in their current long-range plan. All parties agreed that they will stay in contact with each other on the status of their respective projects.

Since the daylighted channel is proposed to pass through Marina Beach Park, the City of Edmonds, Parks Department initiated a master planning process for the parcel in late 2014. The main objective of the plan was to reconfigure the park to accommodate both the current level of recreational opportunities and the new daylighted tidal channel.

During this master planning process the City engaged Ferries on multiple occasions. First, in February 2015 as part of the stakeholder interview process for the master plan. During the stakeholder interview, the Ferries' representative explained that the record of decision for Edmonds Crossing EIS allows them to proceed with the project whenever it is funded. Ferries is also starting to update their long-range plan and it will likely include Edmonds Crossing since ridership is up.

After the second open house for the Marina Beach master plan was held in May 2015, Ferries requested a meeting with the City of Edmonds to further discuss the Edmonds Crossing project. A meeting was held in early June 2015. Ferries was concerned that the conceptual drawing of park alternatives did not include Edmonds Crossing. The preferred alternative for Edmonds Crossing shows a fly-over on the northeast edge of the park (Figure 2).

A third open house for the Marina Beach master plan was held in early July 2015. Per the request of Ferries, the graphics presented at this meeting included the possible Edmonds Crossing project along the northeast part of the park. The on-site parking beneath the schematic alignment of the proposed Edmonds Crossing project was reconfigured in the Master Plan to best minimize potential future conflicts between the two uses.

At a separate meeting with the Marina Beach Master Plan project team, Ferries reiterated that they are starting to revise their long-range plan and Edmonds Crossing will likely be included, maybe in a 6-to 12-year time-frame, although nothing has been decided. The update of the long-range plan will include significant public and agency participation over a 1-2 year span that will shape the final document. Based on these meeting, the City and Ferries are going to explore the idea of a joint development agreement so both the City and Ferries are able to implement their project in a manner that meets everyone's needs.

In addition, the City of Edmonds is has recently begun a Waterfront Analysis project with Ferries, Sound Transit, BNSF, and other agencies. The project's goal to developed alternatives to improve access and safety at the Main Street and Dayton Street at-grade railroad crossings railroad along the Edmonds waterfront. One focus area of this study is to explore options to the current Edmonds Crossing Project. The alternatives analysis is scheduled to be completed by the end of 2016. The Willow Creek daylight project team will be following this study closely.

BNSF Railway Company

To date City staff have met with representatives of BNSF on two separate occasions. First in February 2015 during the stakeholder's interviews for the Marina Beach Park Master planning process. BNSF reiterated they worked with Sound Transit on design and construction of the existing culverts for the daylight project. All track crossings (including the proposed daylighted creek under bridges) would need to be reviewed and approved by BNSF. Adequate site distance to tracks and signals will be required as well as barriers to deter unauthorized access to tracks.

The City also met with BNSF on May 27, 2015 to discuss possible cross-section options of the daylighted channel adjacent to their tracks. Issues discussed included fencing, channel liner anchoring, and BNSF review timelines. A process was set up for submittals to BNSF for future project deliverables. BNSF offered to begin a draft permit for running the creek under the existing bridges. This will be a help to future grant proposals for the project.

Current Property, Real Estate, and Lands Strategy

This discussion will begin at the downstream end of the proposed daylighted channel and work upstream. It begins in the City-owned Marina Beach parcel, proceeds to the BNSF right-of-way, and then onto the Unocal property.

As of the date of this document (November 2015), the City is completing the final Draft of Master Plan for Marina Beach Park. This plan will be presented to City Council in early 2016 for adoption. The City worked closely with Ferries to accommodate, as best as possible, the potential Edmonds Crossing Terminal that may be located along the northeast part of the park. The Plan includes the added amenity of a daylighted channel though the property. The City has had discussions with the adjacent property owner, the Port of Edmonds, regarding the Master Plan. The City has had fruitful discussions with BNSF regarding daylighting the Willow Creek under the existing track bridges. Communication and review protocols have been setup between the City and BNSF for project information and review of future project design documents. The City and BNSF will soon begin working on a draft permit from the railroad for the daylighted creek.

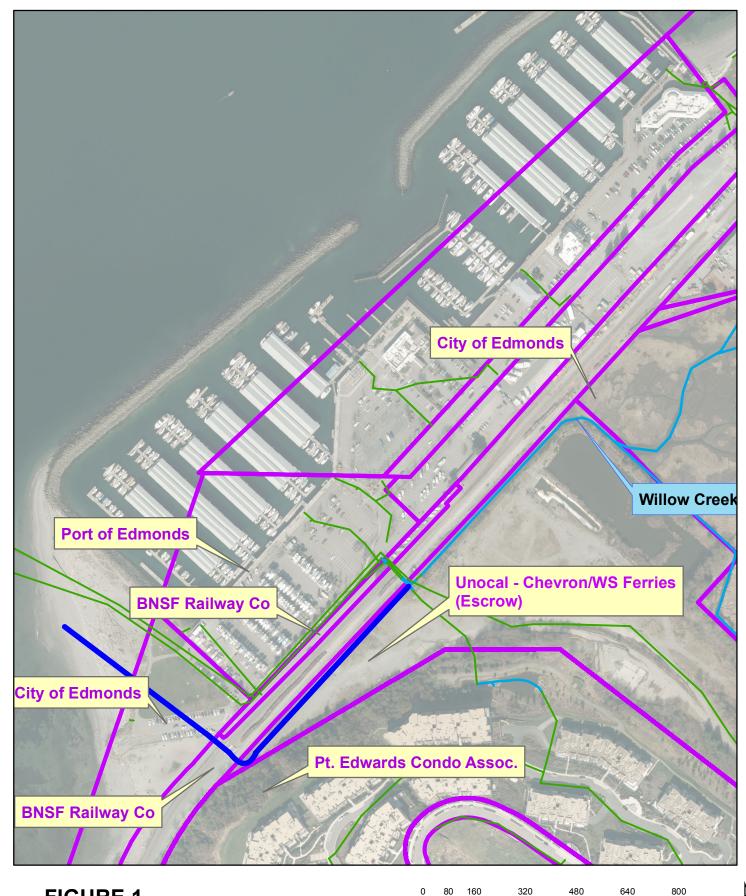
The progress on obtaining agreements for the daylighted channel on the Unocal property has been less straight-forward. The ownership is complex. The property is currently in escrow. Unocal is the seller and Ferries is the buyer. Ferries originally entered into the purchase and sales agreement to build the Edmonds Crossing project. The fate of that project is currently very unclear.

In addition, the Unocal property is undergoing a cleanup activity based on an Agreed Order between Unocal and the Department Ecology. The site must be "cleaned up" per the criteria in the Agreed Order before it can transfer to Ferries. The timeline for the completion of the cleanup will be determined by the success of the interim action scheduled for summer 2016.

The City is vigilantly working with Ferries, Ecology, and Unocal to push the agenda of a daylighted channel though the Unocal property. No agency is against the daylighted channel and the City will continue to push for the approval of the project with all property owners.

References

- CEMC, 2015. Public Review Draft Interim Action Work Plan, Former Unocal Bulk Fuel Terminal. Chevron Environmental Management Company. July 6.
- Ecology, 2015. E-mail from David South Senior Engineer, Department of Ecology to Jerry Shuster, City of Edmonds and to Kojo Fordjour and Patrick Svoboda, Washington State Department of Transportation, Ferries Division. April 27.
- People for Puget Sound, 2009. *Biological Condition of the Edmonds Waterfront and Preliminary Feasibility Considerations for Nearshore Ecosystem Restoration*. Prepared for The Maria Norbury Foundation. January 31.
- U.S. Department of Transportation, et al., 2004. *SR 104 Edmonds Crossing, Final Environmental Impact Statement and Final Section 4(f) Evaluation*. U.S. Department of Transportation, Federal Highway Administration, Federal Transit Administration, Washington State Department of Transportation, and City of Edmonds. November. FHWA-WA-EIS-98-1-F.
- WSDOT, 2009. *Edmonds Ferry Terminal Draft Minimum Build Concept Analysis.* Washington State Department of Transportation, Ferries. January.

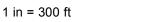


0



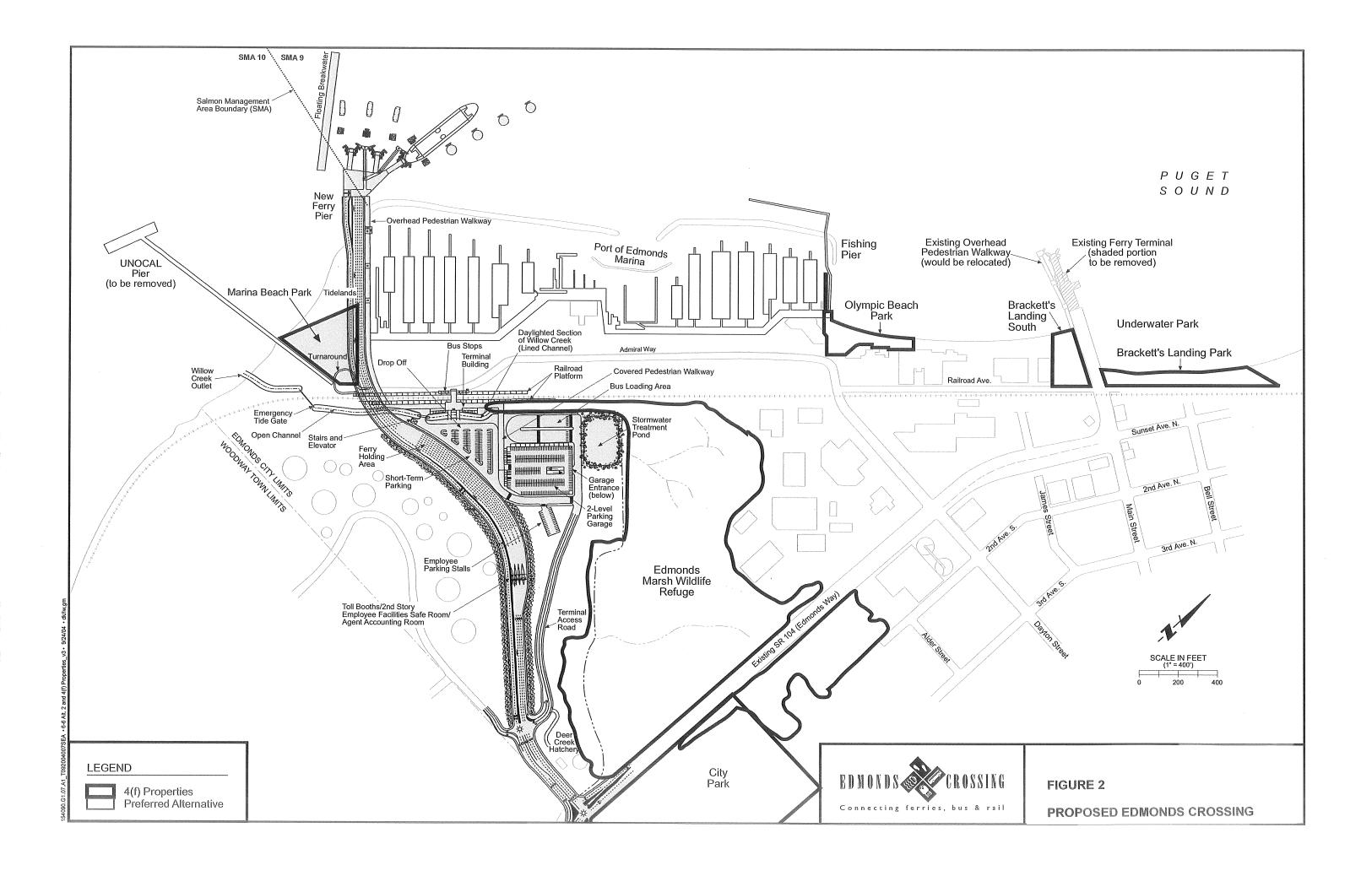
-Storm Pipes -Parcel Boundaries

160 320 480 640 800 Feet



Approximate location of future daylighted Willow Creekl

No warranty of any sort, including accuracy, fitness, or merchantability accompany this product.



ATTACHMENT A

A BRIEF HISTORY OF EDMONDS MARSH

A BRIEF HISTORY OF EDMONDS MARSH

Historically, Edmonds Marsh connected to Puget Sound via braided tidal channels (Figure A-1). Two small freshwater creeks discharge into the Marsh, Willow Creek from the south and Shellabarger Creek from the east (Figure A-2). The outlet from the Marsh to the Sound is known as Willow Creek.

In 1891, final construction of the Great Northern Railway tracks on a man-made berm limited the direct saltwater connection between the Marsh and Puget Sound. The berm was built to an elevation well above high tide (Watershed Dynamics, Inc. 1991). Most likely, at least one culvert was installed to allow the tidal flow to pass under the tracks. Union Oil of California (Unocal) acquired the property in 1920. Sometime after Unocal's acquisition, the area was known as Union Oil Marsh. Prior to 1947, the main channel from the Marsh to the Sound bisected the Marsh in what is now the Unocal Lower Yard prior to traveling under the railroad tracks. When Unocal imported the fill material for the Lower Yard, the channel or channels were relocated into a newly excavated single new channel along the northern and northwestern portion of the Unocal property (EMCON Northwest, Inc., 1994).

The open channel downstream of the railroad crossing was routed into a pipe when the Port of Edmonds built its south marina in 1961-1962 (Port of Edmonds. 2009). At that time, a tide gate was installed in the pipe that allowed water out of the Marsh but did not allow saltwater back into the Marsh. The loss of this tidal exchange resulted in major change to in the Marsh ecosystem from a saltwater estuary to a freshwater Marsh (Watershed Dynamics Inc. 1991).

In 1981, Unocal quit claimed approximately 24 acres to the City of Edmonds in 1981. This area then became known as Edmonds Marsh. In 1984, the City of Edmonds received a Coastal Zone Management grant through Ecology to study public access improvement to the Edmonds waterfront area. A habitat evaluation of the marsh under this grant recommended the reestablishment of tidal influence within the marsh to restore its historical saltmarsh plant community and to increase habitat diversity (The Watershed Company 1987). As a result of this study, the City of Edmonds began propping opening tide gate from approximately March 1 through September 30. The tide gate is close annually on October 1.

REFERENCES

EMCON Northwest, Inc., 1994. Background History Report, Unocal Edmonds Bulk Terminal, Edmonds, Washington. February 15.

Port of Edmonds. 2009. A Brief History of the Port of Edmonds, How it began...What it is today. February.

- The Watershed Company. 1987. Union Oil Marsh Habitat Evaluation and Enhancement *Recommendations*. Prepared for the City of Edmonds. Funded by the Washington State Department of Ecology Costal Zone Management Grant #G0087044. June 30.
- Watershed Dynamics, Inc. 1991. Feasibility Study Willow Creek/Union Oil Marsh Enhancement Plan. Prepared for the City of Edmonds Parks and Recreation Division. June 30.

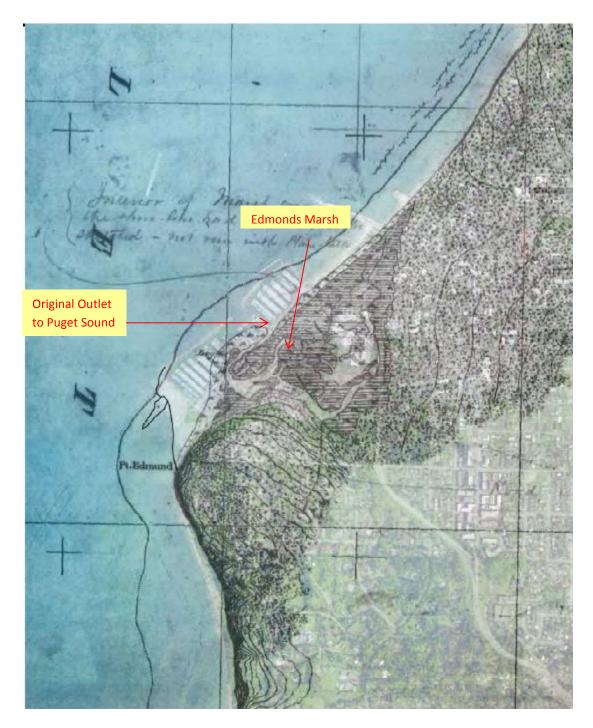


Figure A-1 – 1872 Topographic Survey with Existing Shoreline

T-1389b;United States Coast & Geodetic Survey Topographic Sheet, Admiralty Inlet, Possession Sound to Point Edmund, Washington Territory; 1872; Scale: 1:10,000; Surveyor: Jas. S. Lawson.





-Storm Pipes -Edmonds_Parcels_2015_03 1 in = 400 ft



Feet

No warranty of any sort, including accuracy, fitness, or merchantability accompany this product.

ATTACHMENT B

CONTACTS FOR ALL PROPERTY OWNERS AND ADJACENT PROPERTY OWNERS

City of Edmonds - Willow Creek Daylight / Marina Beach Master Plan Project Team			
Agency/Company	Name	Phone Number	e-mail Address
City of Edmonds	Jerry Shuster, Project Manager, Willow Creek Daylight	(425) 771-0220	Jerry.shuster@edmondswa.gov
	Phil Williams, Public Works & Utilities Director	(425) 771-0235	Phil.williams@edmondswa.gov
	Carrie Hite, Parks, Recreation & Cultural Services Director	(425) 771-0253	Carrie.hite@edmondswa.gov
	Kernen Lien, Senior Planner, Critical Areas	(425) 771-0220	Kernen.Lien@edmondswa.gov
EarthCorps	Keely O'Connell, Project Manager Willow Creek Daylight	(206) 322-9296	keeley@earthcorps.org
Shannon & Wilson	Dave Cline, Consultant Project Manager, Willow Creek Daylight	(206) 695-6885	DRC@shanwil.com
Walker/Macy	Chris Jones, Marina Beach Master Plan, Consultant Project Manager	(206) 582-3874	cjones@WalkerMacy.com

Chevron Project Team (Unocal property cleanup)			
Agency/Company	Name	Phone Number	e-mail Address
Chevron Environmental	Kim Jolitz, Project Manager	(925) 790-3946	kjolitz@chevron.com
Management Company			
Arcadis U.S., Inc.	Scot Zorn, Consultant Project Manager	(206) 726-4709	scott.zorn@arcadis-us.com
Lund Consulting	Kjris Lund, Communications Consultant	(206) 442-4254	klund@lundconsulting.com

Department of Ecology (Unocal property cleanup)			
Agency/Company	Name	Phone Number	e-mail Address
Department of Ecology	David South, Senior Project Manager	(425) 649-7200	dsou461@ecy.wa.gov
	Nancy Lui, Admin. Assistant	(425) 649-7117	nlui461@ecy.wa.gov

WSDOT- Ferries Division (Unocal property cleanup and Marina Beach Master Plan)			
Agency/Company	Name	Phone Number	e-mail Address
WSDOT Ferries	Nicole McIntosh, Terminal Engineering Director	(206) 515-3701	mcintosh@wsdot.wa.gov
	Mehrad Moini, Terminal Engineering Deputy Director	(206) 515-3400	moini@ wsdot.wa.gov
	Kojo Fordjour, Environmental Permitting Manager	(206) 515-3650	fordjok@wsdot.wa.gov

BNSF Railway Company (Willow Creek Daylight)			
Agency/Company	Name	Phone Number	e-mail Address
BNSF Railway	Walter Smith, General Director Engineering & Construction	(206) 625-6135	Walter.Smith@BNSF.com
	Rick Wagner, Manager Public Projects	(206) 625-6135	Richard.Wagner@BNSF.com

Port of Edmonds (Willow Creek Daylight & Marina Beach Master Plan)			
Agency/Company	Name	Phone Number	e-mail Address
Port of Edmonds	Bob McChesney, Executive Director	(425) 774-0549	bmcchesney@portofedmonds.org
	Marla Kempf, Deputy Director	(425) 673-2012	MKempf@portofedmonds.org

Point Edwards Homeowner Association (Unocal property cleanup)			
Agency/Company	Name	Phone Number	e-mail Address
Point Edwards Owner Association	Kathy Marsh	425-673-0616	kathym@pointedwardshoa.com