**MEMO**

TO: Island County SRTCC

FROM: Lisa Kaufman, Nearshore Program Manager, Northwest Straits Foundation

SUBJECT: Cost Increase – Seahorse Siesta Barge and Armor Removal (16-1306)

DATE: November 18, 2020

The Northwest Straits Foundation is requesting an emergency funding increase to support unanticipated circumstances for construction of the Seahorse Siesta Barge and Armor Removal Project.

It has been determined that engineering calculations to determine the volume of fill inside the barge were grossly underestimated. Original assumptions were that the majority of the barge segment of the site consisted only of the wooden barge structure plus a minor amount of fill. Coastal Geologic Services calculated approximately 400 tons of potentially creosote-treated material that would need to be removed from the barge and hauled offsite for upland disposal.

Once excavation began, it was determined that the entirety of the barge area was filled with sandy sediment and is likely to also contain creosote due to the deterioration of the wooden structure over time. The new estimate assumes over 2,500 tons of material are present within the barge. Due to the potential for creosote contamination, these materials cannot be used as beach nourishment. We have submitted samples to a lab to see if some of the sand can be placed on the beach, but this may not be feasible.

This is resulting in a total cost increase of $405,000 for the additional removal, barge operations, and disposal. This equates to a funding deficit of **$353,000**. We have contacted all other funders to see if supplemental funding is available:

* ESRP does not have funds on hand, but some returned funds may be available at a later date.
* USFWS is looking into the request, but their funding structure does not usually allow for additional funds
* WDNR Aquatic Restoration Program: All funding was reallocated to the general fund to support Covid-19 deficits.

We are proposing several options for consideration:

1. An agreement modification to cover the full remaining costs.

Cost Request to RCO: $353,000

1. NWSF has approximately $28,000 in unspent funds from our Sunlight Shores project that could be returned and transferred to this project. We are also willing to withdraw the Hidden Beach project at this time and transfer those funds to Seahorse Siesta ($128,800).

Cost Request to RCO: $196,000

1. If the funding increase is not approved, we may have to request a project agreement modification where we would have to cap the excavated area and secure the barge wall in place. The filled area would be planted with native vegetation and the structure would remain on site. We have not explored the cost to do this as it does not meet any of the goals for salmon recovery.

Given that construction has begun, the site is now unstable and unsafe for the community and the project needs to move forward to completion. The contractor is under a tight timeline due to winter tides and weather. Option 3 is not preferred, but without funding may be our only option.

Please let me know if additional details are needed.