Proposal for Edmond's Marsh Near-Shore Estuary restoration plan using a Public/Private Partnership Business Plan

Background:

In 2021-2022 WRIA 8 Salmon Recovery Manager Jason Mulvihill Kuntz, Edmonds City Council Member and WRIA 8 delegate Diane Buckshnis, and Edmonds citizen Jack Faris were tasked by Puget Sound Partnership (PSP) Salmon Recovery Council to work on establishing a public/private partnership (PPP) with high wealth donor foundations and/or citizens to obtain a private funding strategy to fund all the delayed costs which was estimated at \$35M. An excellent example of a recent PPP is when Barry Diller and Diane von Furstenberg paid to rehabilitation a dilapidated pier called "Little Island" (www.wsj.com/articles/little-island-park-barry-diller-diane-von-furstenberg-11621508053). Mr. Diller's family foundation spent over \$260M to build Little Island where admission is free and committed another \$120M for the next 10 years for maintenance.

Proposal:

Create a Private Public Partnership to structure the transfer of UNOCAL property (sold in 2005 to WSDOT Ferries for \$8.1M) to the City of Edmonds at no cost to the City. Designing and restoring the near-shore estuary to optimize the native wildlife habitat found on the largest near-shore estuary along the Sound. This proposal will educate concerned environmentalists, youth, and philanthropic foundations who are unfamiliar with this unique saltwater/freshwater estuary. This proposal identifies a few methods to attain an optimal restoration plan that would create a channel from the Puget Sound to the Marsh estuary lagoon. This channel opens a pathway for salmon for spawning and recovery. Meadowdale Beach Park restoration is a perfect example and costs around \$16m with half being City bonds. My proposal relies on Private Donors to take the place of City issued bonds.

Costs, Concepts, and Logistics:

The purchase and restoration of the Unocal Property into a near-shore estuary is expensive and the Department of Ecology has provided six scenarios with estimated costs compared to the Model Toxics Control Act (MTCA) Benefits Ranking. It is complex as there remains about 22 hot spots on the "Unocal Property" and then there is a WSDot stormwater pipe that transverses the property. WSDOT has refused to include the removal of this 52+ year-old pipe. In all the scenarios, the WSDOT owned pipe is combined with the Chevron hot spots. The WSDOT storm pipe removal being the most expensive component.

In an optimal scenario, the lower section of that pipe would be removed and and infiltration side stormwater channel system would be created. This scenario will not happen so DOE has indicated that a restricted covenant would be placed on this pipe. Since the hot spots and the pipe are bundled together, it is obvious part of the decree would include the hot spots. Both components as part of the decree means future costs of any clean-up when the pipe fails may fall onto the purchaser or the City of Edmonds. The hot spots are obvious a bonus for Chevron as they will remain hot spots forever which should not be acceptable to anyone that is part of this MTCA process.

DOE chose option #6 due to the lowest cost factor and as mentioned it combines Chevron's hot spots with WSDOT's pipe. The public liked scenario #4 which had the best environmental benefit but the highest costs as it would clean up everything through excavation.

Based on all the variables and knowledge of dealing with contaminated properties through my WRIA 8 grant funding work, it is HIGHLY RECOMMENDED that DOE require a NEW scenario or Scenario #7 that would bifurcate

the WSDOT pipe from the hot spots. This scenario places clean-up responsibility solely with Chevron to clean-up those hot spots. The restricted covenant would not even contain this scientific problem as the clean-up costs will be bore onto who created the contamination.

The separation of these two ownership issues would be beneficial on so many factors with costs being the most significant. But from an environmental standpoint, the daylighting of the channel and lagoon could be designed to be completely separated from the WSDOT pipe which could remain in place for another 50 years. In this new scenario, the restrictive covenant would only be placed on the WSDOT pipe. With the marsh estuary restoration the channel would be diverted more south of the WSDOT pipe and/or the pipe could be lined.

The City of Edmonds has the right of first refusal in the 2024-2025 State Transportation Budget. Additionally, the City entered in a memorandum of understanding with WSDOT-Ferries in 2023 to purchase the property. The City of Edmonds does not have the money to purchase the property. Nor has the City developed a full restoration plan since restoration and design for the beach area to the railroad was denied by WRIA 8 in 2020. State grant funding agencies will have issues with the contaminated property if the hot spots remain, so again Chevron should be held financial responsible for cleaning up these areas.

The cost to purchase the property should look at the environmental intent of State and Federal agencies goals which area "net ecological gain" and this near-shore estuary restoration should be a Top priority. Since the property was purchased by "taxpayers' gas taxes", WSDOT and the Governor Ferguson should truly show their environmental intent and transfer the property at no costs to the City.

Because of the MOU's language of payment being based "on fair value" of the property which currently is zoned commercial real estate, the City of Edmonds should also downzone to open space. While this seems like a lot of "throwing money away" due WSDOT because of the fabricated cost created from a fair market valuation, the environmental moral compass should be restore and allow the City of Edmonds to manage the restoration process and maintain the optimal urban near-shore estuary.

All costs and scope of an "optimal" restoration scenarios are simple: 1) Chevron "cleans the hot spots" and is noted to be part of this historic partnership and WSDOT removes the aged WSDOT stormwater pipe. WSDOT's acknowledgement the aged stormwater pipe needs to be replaced and designs a modernized stormwater infiltration side channel. WSDOT transfers title to the City of Edmonds at a cost factor of zero as citizens have already paid for this purchase through gas tax. Private donor(s) become a part of a historic partnership that supports both State and Federal goals of salmon recovery. 2) Chevron cleans hot spots and WSDOT's pipe remains with a restrictive covenant. WSDOT transfers title to City at zero costs. The daylighted channel and lagoon are designed north creating a near-shore estuary avoiding the WSDOT pipe. As seal-level rise is expected, the pipe can either be lined or some new technology used so that when the channel expands or when the pipe fails, it will not impact on the newly restored near-shore estuary. Both scenarios include a "environmental capital raising committee to seek private funding and partnership support.

Goal: Optimal restoration of the Edmonds near-shore Marsh Estuary.

To achieve this goal the following needs to be addressed. 1) create a new scenario #7 to address Chevron's responsibilities for clean-up; 2) create a private/public partnership to work towards gaining funds and managing the project; 3) resolve the property ownership with WSDOT at no cost to the City; 4) create a restoration team to include local scientists like Joe Scordino and State agencies; 4) create a private sector funding team that could include citizens like Diane Buckshnis and Jack Faris who many State and Federal legislators and agencies heads met during the WRIA 8's Ballard Locks pilot project; 5) create Governor's team to keep apprised of what could

be a monumental example of private sector funding local environmental needs; 6) ensure donors know the City of Edmonds has an already established restricted funding depository (fund #017) for marsh restoration.

Objectives:

This PPP would have a potential consortium of members or representatives from the Governor's Office, DOE, WSDOT, Chevron, WRIA-8, Tulalip Tribes, the City and Port of Edmonds, the town of Woodway and any other stakeholder or key players.

The key to all of this is willingness of all parties to think outside the box and tap into that private donor base since many citizens of Edmonds are all in for seeing this project happen. Time will be needed to pull the teams together for the varying tasks as scientist will need to model for the threats of excess stormwater and sea-level rise occurring faster than anticipated. The creation of this historic partnership may spur other private donors to assist other Cities in restoration projects as the environmental impacts from density and growth are not being considered and Federal and State funding remains focused on growth and density.

Future generations need this to happen as well as our Orca Whales and salmon.

As noted, DOE has provided their clean-up plan and accompanying documents that are required per MTCA process (<u>https://apps.ecology.wa.gov/cleanupsearch/site/5180</u>) and an open house was held in September and comments are due by November 26,2024. Please provide comments to support the need for a new scenario #7 and hold Chevron accountable for its' financial responsibility.

Prepared by Diane Buckshnis

Edmonds City Council and WRIA 8 Salmon Recovery Council - 13 years: Grant Funding Committee – 14 years Puget Sound Partnership Salmon Recovery Council - 8 years