



TO: Elizabeth A. Pauli, City Manager
FROM: Michael P. Slevin III, P.E., Director, Environmental Services
Eric C. Johnson, P.E., Interim Division Manager, Science and Engineering
COPY: City Council and City Clerk
SUBJECT: Request for Resolution: Grant and Loan Acceptance Water Quality Combined Financial Assistance Agreement WQC-2019-TacoES-00100 for the Madison District Green Infrastructure Project – April 2, 2019
DATE: March 15, 2019

SUMMARY:

A resolution authorizing the execution of a grant agreement and any associated term extensions with the Washington State Department of Ecology, in the amount of \$5,000,000; authorizing the execution of a Department of Ecology, State Revolving Fund Loan, in the amount of \$3,247,000; accepting and depositing \$8,247,000 into the ES Surface Water Fund 4301; and authorizing the expenditure of \$8,247,000, to improve water quality and reduce stormwater impacts in the Flett Creek Watershed by installing permeable pavement in the Madison District between South 38th and South 47th Streets from Union Avenue to Pine Street.

STRATEGIC POLICY PRIORITY:

- Assure outstanding stewardship of the natural and built environment.

The Madison District Green Infrastructure Project will improve water quality and promote stormwater infiltration. Permeable pavement will be utilized to revitalize this mixed-use district.

BACKGROUND:

This project will reduce stormwater flow and improve stormwater quality in the Flett Creek Watershed through installation of permeable pavement in the Madison District between South 38th and South 47th Streets from Union Avenue to Pine Street.

The Madison District Green Infrastructure Project offers a unique opportunity to retrofit existing streets into green infrastructure using permeable pavement. The proposed design has capacity to infiltrate approximately 15 existing blocks of road and sidewalk surface plus the surrounding residential area, which equates to water quality and flow control improvements for approximately 25 acres. In addition to reducing surface water runoff and its associated load of fine particulate matter, infiltrated water will improve base flow, which is significant to the health of the creeks and wetlands in the area.

ISSUE:

Stormwater conveyance in the Flett Creek Watershed is constricted due to capacity constraints within Flett Creek. The City has previously constructed infiltration improvements within this watershed; however, additional flow reduction is crucial to minimizing the risk of flooding in Flett Creek.

ALTERNATIVES:

Constructing this project utilizing a combination of state grant funding and a State Revolving Fund low interest loan represents an opportunity to improve water quality and reduce stormwater flow in this flood prone watershed. If the grant is not accepted, the City will fully fund this work with ratepayer funds or choose not to design this project. The likelihood of the City being offered grant funding a second time for this project at a later date is minimal and, if constructed fully with ratepayer funds, would reduce the amount of other necessary stormwater improvements the City could construct.



RECOMMENDATION:

A resolution authorizing the execution of a grant agreement and any associated term extensions with the Washington State Department of Ecology, in the amount of \$5,000,000; authorizing the execution of a Department of Ecology, State Revolving Fund Loan, in the amount of \$3,247,000; accepting and depositing \$8,247,000 into the ES Surface Water Fund 4301; and authorizing the expenditure of \$8,247,000 to improve water quality and reduce stormwater impacts in the Flett Creek Watershed by installing permeable pavement in the Madison District between South 38th and South 47th Streets from Union Avenue to Pine Street.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Surface Water Fund 4301	ENV-TBD	Various	\$8,247,000
TOTAL			\$8,247,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Department of Ecology Water Quality Combined Financial Assistance # WQC-2019-TacoES-00100 (Grant)	521900	6371302	\$5,000,000
Department of Ecology Water Quality Combined Financial Assistance # WQC-2019-TacoES-00100 (State Revolving Fund Loan)	521900	6371302	\$3,247,000
TOTAL			\$8,247,000

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: Additional revenue of \$8,247,000.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? The expenses will be covered under Surface Water’s existing budget. The additional revenue was budgeted.