

Amendment to Project Agreement

MJ
8/13/15

Project Sponsor: Tulalip Tribe
Project Title: Qwuloolt Estuary Restoration - Construction

Project Number: 09-1277R
Amendment Number: 12

Amendment Type:

Cost Change

Amendment Description:

The project agreement is increased in the amount of \$500,000 of 2015-17 PSAR (effective July 10, 2015) and \$88,500 of sponsor match approved by the SRFB on May 6, 2015 and by the SRFB Technical Review Panel on June 14, 2015, to afford completion of the estuary restoration project, and Special Conditions specifying project deliverables are added.

Project Funding:

The total cost of the project for the purpose of this Agreement changes as follows:

	Old Amount		New Amount	
	Amount	%	Amount	%
RCO - ALEA	\$456,780.05	23.96%	\$456,780.05	18.31%
RCO - PSAR	\$1,050,000.00	55.07%	\$1,550,000.00	62.12%
Project Sponsor	\$400,000.00	20.98%	\$488,500.00	19.58%
Total Project Cost	\$1,906,780.05	100%	\$2,495,280.05	100%
Admin Limit	\$0.00	0.00%	\$0.00	0.00%
A&E Limit	\$317,796.68	20.00%	\$575,833.86	30.00%

Agreement Terms

In all other respects the Agreement, to which this is an Amendment, and attachments thereto, shall remain in full force and effect. In witness whereof the parties hereto have executed this Amendment.

State Of Washington
Recreation and Conservation Office

Tulalip Tribe

BY: Kaleen Cottingham

Kaleen Cottingham
Kaleen Cottingham

AGENCY: _____

BY: Mel Aulden

Mel Aulden

TITLE: Director

TITLE: Chairman

Chairman

DATE: 7/30/15

DATE: 8/6/15

8/6/15

Pre-approved as to form:

BY: /S/

Assistant Attorney General

RECEIVED

AUG 12 2015

Amendment Agreement Description

Project Sponsor: Tulalip Tribe

Project Number: 09-1277 R

Project Title: Qwuloolt Estuary Restoration - Construction

Amendment Number: 12

Agreement Description

The Tulalip Tribes, with the US Army Corps of Engineers (Corps), will complete the Qwuloolt Estuary Restoration Project, a broad-based interagency and community effort to restore historic tidal processes and a functioning estuary intertidal marsh system to 400 acres of isolated floodplain within the lower Snohomish River estuary, in Marysville, WA. The project will also restore natural hydrologic connection and functions to two stream systems and provide unrestricted fish access to 16 miles of upstream spawning and rearing habitat. Restoration work includes channel excavation and ditch filling, treatment of invasive reed canary grass, restoration of more than 1 mile of historic and new creek channel with riparian plantings, construction of approximately 4,000 feet of the west setback levee, and breaching the Ebey Slough levee, as well as project permitting, design, and management tasks. These funds will supplement tribal funds to meet a 35% local cost-share obligation for working with the Corps under the Puget Sound and Adjacent Waters Program. Construction project cost is estimated to be \$11,800,000 with total project costs exceed \$19,000,000 including land acquisition.

Amendment Special Conditions

Project Sponsor: Tulalip Tribe

Project Number: 09-1277 R

Project Title: Qwuloolt Estuary Restoration - Construction

Amendment Number: 12

Special Conditions

Amendment Special Conditions

- A. SRFB Review Panel Special Conditions. The \$500,000 2015-17 PSAR cost increase was reviewed by the SRFB Technical Review Panel as part of the Early Action PSAR process in 2015 and the cost increase was approved with the following conditions:
- 1) The 15% contingency value in the Stormwater Utility and 30% contingency value for the Utility/Sewer Line Modifications, provided in the Cost Increase Request Memo are ineligible funding items. Please revise the budget to address the overruns by providing better cost estimates and removing contingency line items. Review Panel received updated documents that satisfied this condition. Cleared by Review Panel July 16, 2015.
 - 2) As part of the final as-built documentation required under the project agreement, the sponsor will provide RCO with both as-built engineering plans prepared per the requirements of Manual 18, Appendix D-4, and a detailed analysis of the reasons for the project management and construction management problems that have caused lengthy delays and significant cost overruns on this project. The intent of this analysis is to provide "lessons learned" to RCO grant managers and other SRFB project sponsors so that these challenges may be avoided or reduced on future projects.
- B. Because of the delays in the WA State Legislature approving a capital budget, the \$500,000 2015-17 PSAR funding is eligible to reimburse costs incurred after July 10, 2015.
- C. Snohomish Watershed Forum Special Condition: If at the end of the project, the USACOE returns funding to the project sponsor, it will be split between SRFB and Tulalip Tribes with 85% of the refund returning to RCO to replenish the Snohomish watershed's 2015-17 PSAR funding allocation, and 15% of the refund returning to the Tulalip Tribes.
- D. Sponsor Matching Fund Commitments:
- 1) The \$490,649.52 of ALEA-required sponsor match associated with Project No. 06-1604 is not added to this project agreement because it is exceeded and satisfied by the \$500,000.00 PSAR program funding.
 - 2) The \$90,000.00 PSAR required sponsor match associated with Project No. 09-1277 is removed from this project agreement because it is exceeded and satisfied by the \$456,780.05 of ALEA program funding.
 - 3) The balance of \$366,780.05 in ALEA funds exceeds the \$27,000 match (15%) required for the additional increment of PSAR funds awarded through this Amendment No. 7.
 - 4) A balance of \$339,780.05 in ALEA funds remains available to match future RCO funding.
 - 5) On September 4, 2014, the SRFB subcommittee approved Amendment 10 to increase project funding by \$400,000 of 09-11 PSAR, and requires the sponsor to provide at least a 1:1 match of \$400,000 to afford an additional 42,000 CY of structural fill necessary to complete setback levee construction. Further, in order to reserve excess PSAR funding for return to the Puget Sound Partnership at the close of the project, the sponsor is required to first apply all other funding that is secured for this cost increase (e.g., NRCS, Tulalip Tribe, FPbD, NEP, etc.) towards payment of the materials contract, before requesting reimbursement of the PSAR funding.
- E. The 06-1604 agreement will be changed to "Closed Not Complete" and restoration work will be completed under this 09-1277 project agreement.
- F. In order to facilitate closing the 07-1624 Qwuloolt Design project agreement with submittal of 95% Draft Designs, the final design deliverables will be completed under this 09-1277 project agreement. As per SRFB Policy Manual 18b, Appendix E: Assessments and Designs - Standard Stages of Project Development Defined.
- Final Project Design
- The final design process should address and resolve all substantial issues that may have been raised in the permitting and stakeholder review process, so that all stakeholders agree on the final plans. As with the preliminary design work, preparation of the final design should be done under the supervision of a licensed professional engineer. Final Design tasks typically include the following:
1. Revision of preliminary design drawings
 2. Preparation of additional detailed drawings as needed to clarify the design of specific work items
 3. Preparation of technical specifications to fully describe each part of the work.
 4. Preparation of a final construction cost estimate
 5. Preparation of contract bidding documents and general contract conditions
 6. Permits and cultural resource review.

Amendment Special Conditions

Final Project Design would conclude with a comprehensive and detailed set of project drawings, technical specifications, and contract documents (if the project is to be advertised for contractor bidding). An "Engineer's Estimate" of construction cost should also be prepared by the designer, for comparison with estimates provided by general contractors (bids).

Amendment Eligible Scope Activities

Project Sponsor: Tulalip Tribe
Project Title: Qwuloolt Estuary Restoration - Construction
Program: Puget Sound Acq. & Restoration

Project Number: 09-1277
Project Type: Restoration
Amendment #: 12

Project Metrics

Sites Improved

Stream miles restored:	1.00	<i>Approximately 1 mile will be restored upon breach of Ebey Slough levee. This will be completed in subsequent phases of the project.</i>
Project acres to be restored:	354.00	<i>400 acres is the project area. 354 acres of new salt marsh habitat will be restored with this funding.</i>

Restoration Metrics

Worksite #1, Qwuloolt

Targeted salmonid ESU/DPS (A.23):	Chinook Salmon-Puget Sound ESU, Chum Salmon-Puget Sound/Strait of Georgia ESU, Coho Salmon-Puget Sound/Strait of Georgia ESU, Pink Salmon-Odd year ESU, Steelhead-Puget Sound DPS
Targeted species (non-ESU species):	Bull Trout, Searun Cutthroat
Project Identified In a Plan or Watershed Assessment (C.0.c):	Snohomish River Basin Salmon Conservation Plan, 2005
Type Of Monitoring (C.0.d.1):	None

Estuarine / Nearshore Project

Total Amount Of Estuarine / Nearshore Acres Treated (C.9.b):	400.0	<i>Project area is 400 acres. 354 acres of new salt marsh habitat will be restored with this funding.</i>
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Channel modification (C.9.c.1)

Yards of Channel Modified/Created (C.9.c.2):	750	<i>constructed about 6500 ft of channel (stream and tidal)</i>
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Acres of Estuary Treated (C.9.c.3):	400.0	<i>Project area is 400 acres. 354 acres of new salt marsh habitat will be restored with this funding.</i>
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Dike Or berm modification / removal (C.9.d.1)

Miles Of Dikes Removed (C.9.d.2):	0.33	
Acres of Habitat Made Available To Salmonids through dike or berm modification/removal (C.9.d.3):	354.0	

Project area is 400 acres. 354 acres of new salt marsh habitat will be restored with this funding.

Estuarine/nearshore planting

Acres of estuarine / nearshore planted:	20.0	
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Fill placement (C.9.h.1)

Acres of Estuary Treated with fill placement (C.9.h.2):	8.0	
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5 acres ditch filling, 3 acres berms



March 24, 2015

Elizabeth Butler
Recreation and Conservation Office
P.O. Box 40917
Olympia, Washington 98504-091

**Re: Approval of Cost Increase for the Qwuloolt Estuary Restoration Project
#09-1277 of up to \$500,000.**

Dear Ms. Butler:

The Puget Sound Partnership approves the Snohomish Basin Lead Entity's request for a cost increase of up to \$500,000 for the Qwuloolt Estuary Restoration project #09-1277. In addition, the Partnership supports the use of the early action approval process and the intended use of the Snohomish Basin Lead Entity's pending PSAR Regular fund allocation for the 2015-17 biennium to cover this cost increase.

Your timely attention to this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael L. Blanton", with a stylized flourish at the end.

Michael L. Blanton
PSAR Program Manager

Cc: Denise Di Santo Lead Entity Coordinator
Morgan Ruff, Snohomish Program Coordinator
Jeanette Dorner, Salmon and Ecosystem Recovery Director, PSP
Heather Cole, Ecosystem Recovery Coordinator, PSP



THE TULALIP TRIBES

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6406 Marine Dr. TULALIP, WA 98271
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The Tulalip Tribes are the successors in interest to the Snohomish, Snoqualmie, and Skykomish tribes and other tribes and bands signatory to the Treaty of Point Elliot

To: Recreation and Conservation Office, Salmon Recovery Funding Board
From: Tulalip Tribes, Kurt Nelson, Environmental Divisions Manager
March 30, 2015

Request: Tulalip Tribes is requesting \$500,000 from the Snohomish Basin Salmon Recovery Forum’s local allocation of PSAR funds for stormwater and infrastructure elements, USACE levee breach construction costs, and other anticipated construction costs. This request is the Snohomish Basin’s 2015-2017 PSAR allocation. Tulalip Tribes will provide 15% match to include \$75,000 cash and \$13,500 from EPA 319 Federal Funding.

2015 Cost Increase Rationale:

The request for the additional funding is to cover the costs of:

- **Stormwater Infrastructure Modifications:** Initially all stormwater infrastructure modifications were funded using other grant sources. However, with additional material needs, changes to material specifications, and timing of when these needs were realized; reduced construction efficiencies due to delays delivering materials and working in deteriorated conditions (wet season), those funds were shifted to levee construction to ensure construction continued. The stormwater and utility elements are necessary to achieve the restoration function at Qwuloot to treat affected water coming into the site and to ensure utilities are not impacted by the restoration project.
- 2015 construction costs described below, are necessary to complete the levee and levee breach. The Tulalip Tribes applied for National Coastal Wetlands Grant Funds as soon as it was apparent that additional resources were necessary for stormwater infrastructure construction. USFWS did not select the application for funding. At this point there are no other identified opportunities other than the local PSAR allocation.

This funding shortfall leaves the following project elements unfunded:

Activity	Description	Total
<i>Stormwater elements</i>	<ul style="list-style-type: none"> • Stormwater retrofits for existing facilities – engineering support, construction, and construction management • Improved treatment of existing outfalls on the perimeter of the project. • Prevention of stormwater flooding 	\$142,100
<i>Utility/Sewer line adjustment</i>	<ul style="list-style-type: none"> • 200 feet of sewer line that is within the project area – engineering support, construction, and construction management 	\$101,000
<i>USACE Levee Breach and</i>	Additional Corps Project Costs - <ul style="list-style-type: none"> • Corps and Contractor Request for Equitable 	\$345,400

Additional information: Qwuloolt Estuary Restoration Project Background and SRFB/PSAR funding summary

The Qwuloolt Estuary Restoration Project represents a broad-based interagency and community effort to restore historic tidal processes and a functioning estuary intertidal marsh system to 400 acres of isolated floodplain within the lower Snohomish River Estuary. The project will also restore natural hydrologic connection and functions to two stream systems and provide unrestricted fish access to 16 miles of upstream spawning and rearing habitat. Restoration will involve breaching the levee along Ebey Slough, installing a setback levee to protect adjacent properties located in the floodplain, filling existing ditches, excavating stream and tidal channels, constructing berms (site relief), and planting native shrub and tree species in shoreline riparian areas and constructed berms.

Multiple resource assessment and watershed planning efforts within the region have identified the Qwuloolt Project as a priority for intertidal marsh restoration and salmon recovery, starting as far back as the 1974 agreement, "Recommendations for Comprehensive Land Use Planning and Flood Control for the Snohomish Basin". The 2005 Snohomish River Basin Salmon Conservation Plan (Plan) stated that the quality and quantity of rearing habitat in the nearshore, estuary, and mainstem of the river is the primary factor limiting Chinook salmon in the Snohomish Watershed. The Qwuloolt Project will have a direct benefit on this federally threatened species, as well as steelhead and bull trout, and other salmonids by restoring access to limited fresh to salt water critical transitional estuary habitat. Specifically, the Qwuloolt project will contribute to restoration of 400 acres of the 1,237 acre target for estuarine habitat restoration as outlined in the Plan.

Overall Project Objectives are to:

- Restore natural tidal and riverine processes to 400 acres of historic estuary
- Restore fish access to 400 acres of critical rearing habitat
- Restore natural hydrologic connection to two small stream systems
- Restore unrestricted fish access to 16 miles of upstream spawning and rearing habitat

Project Phases and Components

Because of the large-scale and complex nature of this project, construction has been divided into phases and components to be completed over multiple years:

Phase 1- Interior Site Components:

This phase involves filling existing ditches, excavating stream and tidal channels, constructing berms (site relief), and planting native shrub and tree species in shoreline riparian areas and constructed berms.

This phase is currently ongoing and will occur concurrently to the other project components

Phase 2- Levee Construction Component:

This component of the project will be under the management of the U.S. Army Corps Of Engineers (USACOE), under their Puget Sound and Adjacent Waters Program. Puget Sound Acquisition and Restoration (PSAR) funds from this grant will be used as part of the local cost share for work performed by the USACOE. Specifically, the PSAR funds will be used for levee construction and project management in 2013 along the western edge of the project site. Levee construction is currently underway and is scheduled to be completed in 2013 and 2015. A majority of the levee will be constructed in 2013. Levee settlement is anticipated, which will require additional filling, final grading and rock work in 2014.

Phase 3- Levee Lowering and Breaching Component:



THE TULALIP TRIBES

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The Tulalip Tribes are the successors in interest to the Snohomish, Snoqualmie, and Skykomish tribes and bands signatory to the Treaty of Point Elliot

To: Recreation and Conservation Office, Salmon Recovery Funding Board
 From: Tulalip Tribes, Kurt Nelson, Environmental Divisions Manager
 May 8, 2015

Request: Tulalip Tribes is requesting \$500,000 from the Snohomish Basin Salmon Recovery Forum’s local allocation of 2015-17 PSAR funds for Qwuloolt estuary restoration work. The following is budget narrative which provides additional details to the request.

2015 Final Construction Elements:

We are requesting funds for the final construction elements for the Qwuloolt Estuary Restoration project so that full restoration of the project site can be achieved. This includes completing necessary elements to ensure that the levee breach can achieve maximum inundation without compromising existing infrastructure and provide sufficient funding to manage the final construction phase of the project.

Stormwater Utility Infrastructure Modifications: Three stormwater utility outfalls currently discharge below the 12 foot elevation and are within an area that will be subject to infrequent tidal flooding. All three sites will have their outfalls and discharge treatments shifted upslope out of the flood prone area. The outfalls consist of catchbasins, HDPE pipes, and treatment swales. The modifications will improve stormwater treatment and ensure they are not impacted by the restoration project. The total cost can be found in Table 1. This cost include completing designs (currently at 95%), surveying, removing and replacing 100 feet of fence and 300 feet of paved trail, engineering support, and a 15% contingency.

Utility/Sewer Line Modifications: The City of Marysville requested that a portion of their ductile iron sanitary sewer force main east of the Sunnyside Pump Station be protected from possible accelerated corrosion caused by the estuary restoration project. Protections include replacement of the ductile iron force main with HDPE pipe and provide cathodic protection at the pipe end points. The unit cost and total cost can be found in Table 1. These costs include completing designs (currently at 35%), surveying, construction support, and a 30% contingency.

Table 1: 2015-17 PSAR funding would be used to afford the following construction elements:

Activity	Description	Total
<i>Stormwater elements</i>	<ul style="list-style-type: none"> • Three stormwater outfall relocation and improvements, includes replacing 5 catchbasins, installing 225 feet of HDPE, removing 140 feet of pipe, excavating 300 feet of treatment swale, remove and replace 100 feet of fence and 300 feet of paved trail. Cost per outfall averages \$47,367. 	\$142,100

<i>Utility/Sewer line adjustment</i>	<ul style="list-style-type: none"> Replace 200 feet of a ductile iron sanitary sewer force main with HDPE pipe of the same diameter and include cathodic protection. Unit Cost \$505/linear foot 	\$101,000
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2015 Levee & Breach Construction Management and Oversight: Due to the extension of the levee construction over a three year time period, instead of two years as originally proposed, the amount needed for construction oversight and management has increased. The USACE currently has insufficient construction management funds to complete the actual construction and is requesting funds from the local sponsor to cover those cost through the end of the year. These funds will be used to cover contracting and project support branch costs (e.g. contract modifications, payments, coordination), and include the project manager, contracting staff, and technical services staff (e.g. environmental, soils); engineering section costs cover construction coordination, inspections, surveys, and compliance monitoring, and include the project engineer, quality assurance staff, and hydraulic engineer; and real estate branch costs incurred to close out the agreement, which includes a real estate assessment . The value of the real estate where the project takes place was part of the local nonfederal sponsor contribution to the project so they are required to perform an assessment (appraisal of the 23 parcels under Tribal ownership) to determine land value.

Activity	Description	Total
<i>USACE Final Levee Construction and Breach Oversight and Management</i>	<ul style="list-style-type: none"> Construction oversight and management costs for 2015 levee construction and final breach <ul style="list-style-type: none"> Contract Supervision and Administration \$175,400 Engineering during construction \$120,000 Real Estate Closeout \$ 50,000 	\$345,400

Potential consequences of not receiving this funding

If funds are not secured for Qwuloolt by July, it is likely the breach (currently scheduled for Oct 2015) would be delayed with an additional substantial increase in construction costs due to this delay.

Final Construction

USACE Final Construction Phase includes lowering 1400 ft of old levee, constructing a new outlet channel, and sloping, rocking and installing a stormwater outfall in the setback levee constructed last year, and placing additional materials on the levee that subsided during the levee resting period, and building of the stability berms along the levee toe (2.3 million). These projects elements are currently funded.

Tribal Final Interior Site Component Construction (0.6 million) includes:

- Completing berm construction (415 ft at \$37.6/ft)
- Completing the west side stormwater pond (excavating 14,520 cy at \$6.5/cy and planting)
- Relocating and upgrading stormwater outfalls on the eastside (see above)
- Replacing 200 ft of force main sewer line (see above)
- Complete site preparation (e.g. remove culverts, mow debris removal)
- Planting berms and maintenance planting of perimeter
- Tidegate filling with CDF and sealing (three tidegates at 6 ft. x 54 ft.) at \$13,667/culvert

Timeline:

Both the USACE and the Tribal Construction Components are scheduled to be completed by September of 2015. The Tribal Construction Components will begin as soon as funding is secured. If funding is secured by July 1, 2015 it is expected that the stormwater elements will be completed by 9/30/2015. These elements will need to be completed prior to the final breach, scheduled for late fall 2015.

Additional information: Qwuloolt Estuary Restoration Project Background

The Qwuloolt Estuary Restoration Project represents a broad-based interagency and community effort to restore historic tidal processes and a functioning estuary intertidal marsh system. The project area encompasses 400 acres of floodplain within the lower Snohomish River Estuary, and will restore or reestablish 354 acres of tidal wetland, construct and reconstruct approximately 3 miles of stream and tidal channels, establish approximately 13 acres of riparian buffer, fill 1.5 miles of ditch, and 1.3 miles of berms, which provide site relief for wave attenuation and riparian and wetland plant community diversification. The project will also restore natural hydrologic connection and functions to two stream systems and provide unrestricted fish access to 16 miles of upstream spawning and rearing habitat.