

Ordinance No. 123680

Council Bill No. 117245

AN ORDINANCE relating to the management of the South Fork Tolt River Municipal Watershed; authorizing ecological forest thinning projects in accordance with the South Fork Tolt River Watershed Management Plan in Sections 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35, Township 26 North, Range 9 East, W.M., and Sections 1, 2, 3, 4, and 5, Township 25 North, Range 9 East, W.M.; declaring the logs resulting from said projects to be surplus to the City's needs; authorizing the sale of such logs pursuant to applicable City contracting and surplus property sale procedures; and directing use of the proceeds therefrom to fund Plan implementation.

Related Legislation File: Clerk File 311678

Date Introduced and Referred: <u>Aug. 1, 2011</u>	To: (committee): <u>Seattle Public Utilities and Neighborhoods</u>
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: <u>8.15.11</u>	Date Presented to Mayor: <u>8.16.11</u>
Date Signed by Mayor: <u>Aug. 22, 2011</u>	Date Returned to City Clerk: <u>Aug. 22, 2011</u>
Published by Title Only <input checked="" type="checkbox"/>	Date Vetoes by Mayor:
Published in Full Text	
Date Veto Published:	Date Passed Over Veto:
Date Veto Sustained:	Date Returned Without Signature:

The City of Seattle – Legislative Department

Council Bill/Ordinance sponsored by: [Signature]

Committee Action:

Date	Recommendation	Vote
<u>8/9/11</u>	<u>APPROVE</u>	<u>For: Mag, BU, RC oppose: 0</u>

This file is complete and ready for presentation to Full Council.

Full Council Action:

Date	Decision	Vote
<u>8.15.11</u>	<u>Passed</u>	<u>9-0</u>

LAW DEPARTMENT

ORDINANCE 123680

AN ORDINANCE relating to the management of the South Fork Tolt River Municipal Watershed; authorizing ecological forest thinning projects in accordance with the South Fork Tolt River Watershed Management Plan in Sections 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35, Township 26 North, Range 9 East, W.M., and Sections 1, 2, 3, 4, and 5, Township 25 North, Range 9 East, W.M.; declaring the logs resulting from said projects to be surplus to the City's needs; authorizing the sale of such logs pursuant to applicable City contracting and surplus property sale procedures; and directing use of the proceeds therefrom to fund Plan implementation.

WHEREAS, the South Fork Tolt River Watershed has been an essential source of water supply for the City of Seattle supply system for nearly 40 years since completion of the Tolt Dam and Reservoir; and

WHEREAS, in 2011 Seattle Public Utilities approved the South Fork Tolt Watershed Management Plan (Plan) which reaffirms the importance of stewardship of the Tolt Watershed water supply and provides policy direction in seven resource areas, including watershed protection, forest resources, aquatic resources, fish and wildlife, invasive plant species, cultural resources, and transportation; and

WHEREAS, the City-owned portion of the South Fork Tolt Watershed supports dense second-growth forest, the condition of which would be greatly improved with active restoration management, with the exception of 400 acres that are old-growth forest and will be protected from further management activity; and

WHEREAS, the City's forest management objectives, as described in the Plan, are to promote the development of old-growth forest conditions, improve habitat for wildlife and fish, increase resilience to disturbance, improve future timber value and maintain water quality; and

WHEREAS, the ecological thinning will result in marketable timber that can be sold as surplus property under applicable City contracting procedures, to offset costs of restoration activities; and

WHEREAS, to commence implementation of the Plan, Seattle Public Utilities staff will conduct ecological thinning on 300 acres, producing up to 5 million board feet of merchantable logs over the next five years; NOW, THEREFORE,



1
2 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

3 Section 1. The Director of Seattle Public Utilities is hereby authorized to contract,
4 pursuant to applicable City contracting and surplus property sale rules, for the services of
5 ecological thinning of approximately 300 acres of second-growth forest stands located within
6 portions of Sections 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35, Township
7 26, North, Range 9, East, W.M., and Sections 1, 2, 3, 4, and 5, Township 25 North, Range 9
8 East, W.M., over the next five years (2011-2015) under the principles and procedures described
9 in the South Fork Tolt Watershed Management Plan (Plan), and to contract for the sale and
10 removal of merchantable logs downed as a result of such ecological thinning. The Director of
11 Seattle Public Utilities shall, no later than March 31 of each year, submit to the Mayor and City
12 Council a report for the previous calendar year describing the timber volumes sold and the
13 proceeds derived from sales authorized by this section, an estimate on what tree cutting is
14 anticipated in the next year, and an analysis of the cumulative effects of these projects. A public
15 hearing having been held, the logs resulting from the planned ecological thinning projects
16 authorized by this ordinance are hereby declared to be surplus to the City's needs. The Director
17 of Seattle Public Utilities is further authorized to conduct all related monitoring, surveys, and
18 other such activities as may be required by the City's commitments in the Plan.

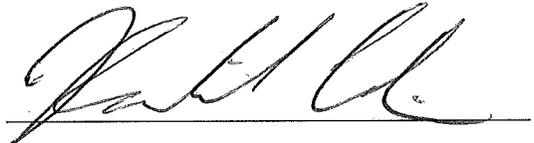
19
20 Section 2. Proceeds from the sale of logs authorized by Section 1 of this ordinance shall
21 be recorded as Water Fund revenue and be tracked to ensure they fully offset the costs of
22 implementing the Plan, including the projects, programs and activities described in the Plan.
23 Excess funds, if any, shall be used to fund other Water Fund expenses.



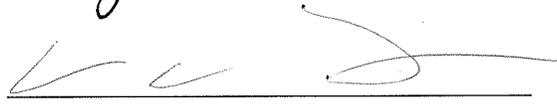
1 Section 3. Any act consistent with the authority of this ordinance taken after its passage
2 and prior to its effective date is hereby ratified and confirmed.
3

4 Section 4. This ordinance shall take effect and be in force 30 days after its approval by
5 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
6 shall take effect as provided by Seattle Municipal Code Section 1.04.020.
7

8 Passed by the City Council the 15th day of August, 2011, and
9 signed by me in open session in authentication of its passage this
10 15th day of August, 2011.

11 
12 _____
13 President _____ of the City Council

14
15 Approved by me this 22nd day of August, 2011.

16 
17 _____
18 Michael McGinn, Mayor

19
20 Filed by me this 22nd day of August, 2011.

21 
22 _____
23 City Clerk

24 (Seal)



FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle Public Utilities	Amy LaBarge 733-9777	Karen Grove 4-5805

Legislation Title:

AN ORDINANCE relating to the management of the South Fork Tolt River Municipal Watershed; authorizing ecological forest thinning projects in accordance with the South Fork Tolt Watershed Management Plan in Sections 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35, Township 26 North, Range 9 East, W.M., and Sections 1, 2, 3, 4, and 5, Township 25 North, Range 9 East, W.M.; declaring the logs resulting from said project to be surplus to the City's needs; authorizing the sale of such logs pursuant to applicable City contracting and surplus property sale procedures; and directing use of the proceeds therefrom to fund Plan implementation.

Summary of the Legislation:

This ordinance would recognize the completion of the South Fork Tolt Watershed Management Plan, authorize SPU to implement ecological forest thinning projects and to sell logs that are surplus to the City's needs, in accordance with applicable contracting and surplus property sale procedures, and authorize use of the proceeds to fund Plan implementation.

Background:

The 2011 South Fork Tolt Watershed Management Plan provides ecosystem and landscape management policy guidance for the City-owned portion (~8400 acres) of the Tolt Watershed. The Plan recommends action in seven resource areas, including watershed security and protection, forest resources, aquatic resources, fish and wildlife, invasive plant species, cultural resources, and transportation infrastructure. To implement the forest resources management recommendations, including thinning, SPU requires authorization to sell timber as surplus property under City contracting and surplus property procedures. According to the Plan, SPU would thin approximately 60 acres annually, generating up to 1 million board feet of surplus timber each year. In its adoption of the 2009-2011 SPU water rates ordinance, the City Council directed that SPU conduct ecological forest thinning activities at net-zero cost, by subsidizing the cost of conducting the projects with revenue from the surplus timber generated. This ordinance would authorize the sale of harvested timber and direct that any net proceeds be deposited in the Water Fund.

Please check one of the following:

- This legislation does not have any financial implications.**
(Stop here and delete the remainder of this document prior to saving and printing.)
- This legislation has financial implications.**



Appropriations:

Fund Name and Number	Department	Budget Control Level*	2011 Appropriation	2012 Anticipated Appropriation
TOTAL				

*See budget book to obtain the appropriate Budget Control Level for your department.

Appropriations Notes:

No additional appropriations are required to cover expenses associated with the Tolt timber thinning activities. Sufficient appropriations for these activities are available in the Water Fund's "Other Operating" BCL.

The cost of the ecological thinning contract includes tree felling, cable yarding and log transportation, and will be fully offset by revenues from the sale of surplus timber. In addition, sale of timber resulting from the thinning will cover SPU's contract administration (\$20,000) and project monitoring (\$6,000) costs, along with the costs of timber appraisal (\$7,000) and replanting (\$10,000). If the revenue from the sale of surplus timber does not offset the thinning costs, then the contract will not be awarded and the project will not proceed.

Anticipated Revenue/Reimbursement: Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2011 Revenue	2012 Revenue
Water Fund - 43000	SPU	Timber sales	At least \$43,000	At least \$43,000
TOTAL			At least \$43,000	At least \$43,000

Revenue/Reimbursement Notes: Although the price of timber and the bidding climate for logging are volatile and may change, SPU anticipates that the timber sales will produce net revenue above and beyond the costs of the ecological thinning contract in the amount of at least \$43,000 annually, which will cover other related costs described above.

Additional minor road improvements estimated at \$16,000 will be paid for out of an existing road improvement capital activity C1310/C109002 approved under the Tolt Plan. This work will occur in the next few years regardless of whether SPU proceeds with ecological thinning in the Tolt Watershed.

What is the financial cost of not implementing the legislation?

Not implementing the legislation would have two potential financial impacts: (1) net revenues from sale of surplus timber resulting from the ecological thinning would be foregone or delayed; and (2) the long-term improvement in forest health and increase in tree growth rates expected from thinning would be foregone or delayed, reducing potential revenues from any future considered commercial timber harvest.



Does this legislation affect any departments besides the originating department?

No.

What are the possible alternatives to the legislation that could achieve the same or similar objectives?

Similar, but smaller scale thinning activities could be undertaken using smaller contracts that generate less than \$50,000 value in surplus timber property. This strategy would not require legislative action but would essentially produce the same outcome. However, the impact of this option would be reduced economies of scale resulting in higher labor costs in planning and contract administration and lower net revenues from sale of surplus timber in the aggregate.

Is the legislation subject to public hearing requirements?

Yes, a public hearing is required to authorize sale of surplus property over \$50,000 in value and is proposed to be held in conjunction with City Council committee consideration of this ordinance.

Other Issues:

The long term implication of this work is that SPU will both improve the ecosystem service values of the city-owned forested landscape in the South Fork Tolt River Municipal Watershed, and best protect the value of the forest there as a potential commercial asset, should the City later choose to realize revenues from the commercial asset value.

List attachments to the fiscal note below:

1. Executive Summary of the South Fork Tolt Watershed Management Plan
2. Chapter 4: Forest Resources from the South Fork Tolt Watershed Management Plan



FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle Public Utilities	Amy LaBarge 733-9777	Karen Grove 4-5805

Legislation Title:

AN ORDINANCE relating to the management of the South Fork Tolt River Municipal Watershed; authorizing ecological forest thinning projects in accordance with the South Fork Tolt Watershed Management Plan in Sections 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35, Township 26 North, Range 9 East, W.M., and Sections 1, 2, 3, 4, and 5, Township 25 North, Range 9 East, W.M.; declaring the logs resulting from said project to be surplus to the City's needs; authorizing the sale of such logs pursuant to applicable City contracting and surplus property sale procedures; and directing use of the proceeds therefrom to fund Plan implementation.

Summary of the Legislation:

This ordinance would recognize the completion of the South Fork Tolt Watershed Management Plan, authorize SPU to implement ecological forest thinning projects and to sell logs that are surplus to the City's needs, in accordance with applicable contracting and surplus property sale procedures, and authorize use of the proceeds to fund Plan implementation.

Background:

The 2011 South Fork Tolt Watershed Management Plan provides ecosystem and landscape management policy guidance for the City-owned portion (~8400 acres) of the Tolt Watershed. The Plan recommends action in seven resource areas, including watershed security and protection, forest resources, aquatic resources, fish and wildlife, invasive plant species, cultural resources, and transportation infrastructure. The Executive Summary of the South Fork Tolt Watershed Management Plan and the Forest Resources Chapter 4 of the South Fork Tolt Watershed Management Plan are available in Clerk File 311678.

To implement the Plan's forest resources management recommendations, including thinning, SPU requires authorization to sell timber as surplus property under City contracting and surplus property procedures. According to the Plan, SPU would thin approximately 60 acres annually, generating up to 1 million board feet of surplus timber each year. In its adoption of the 2009-2011 SPU water rates ordinance, the City Council directed that SPU conduct ecological forest thinning activities at net-zero cost, by subsidizing the cost of conducting the projects with revenue from the surplus timber generated. This ordinance would authorize the sale of harvested timber and direct that any net proceeds be deposited in the Water Fund.

Please check one of the following:

This legislation does not have any financial implications.
(Stop here and delete the remainder of this document prior to saving and printing.)

This legislation has financial implications.



Appropriations:

Fund Name and Number	Department	Budget Control Level*	2011 Appropriation	2012 Anticipated Appropriation
TOTAL				

*See budget book to obtain the appropriate Budget Control Level for your department.

Appropriations Notes:

No additional appropriations are required to cover expenses associated with the Tolt timber thinning activities. Sufficient appropriations for these activities are available in the Water Fund's "Other Operating" BCL.

The cost of the ecological thinning contract includes tree felling, cable yarding and log transportation, and will be fully offset by revenues from the sale of surplus timber. In addition, sale of timber resulting from the thinning will cover SPU's contract administration (\$20,000) and project monitoring (\$6,000) costs, along with the costs of timber appraisal (\$7,000) and replanting (\$10,000). If the revenue from the sale of surplus timber does not offset the thinning costs, then the contract will not be awarded and the project will not proceed.

Anticipated Revenue/Reimbursement: Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2011 Revenue	2012 Revenue
Water Fund - 43000	SPU	Timber sales	At least \$43,000	At least \$43,000
TOTAL			At least \$43,000	At least \$43,000

Revenue/Reimbursement Notes: Although the price of timber and the bidding climate for logging are volatile and may change, SPU anticipates that the timber sales will produce net revenue above and beyond the costs of the ecological thinning contract in the amount of at least \$43,000 annually, which will cover other related costs described above.

Additional minor road improvements estimated at \$16,000 will be paid for out of an existing road improvement capital activity C1310/C109002 approved under the Tolt Plan. This work will occur in the next few years regardless of whether SPU proceeds with ecological thinning in the Tolt Watershed.

What is the financial cost of not implementing the legislation?

Not implementing the legislation would have two potential financial impacts: (1) net revenues from sale of surplus timber resulting from the ecological thinning would be foregone or delayed; and (2) the long-term improvement in forest health and increase in tree growth rates expected from thinning would be foregone or delayed, reducing potential revenues from any future considered commercial timber harvest.



Does this legislation affect any departments besides the originating department?

No.

What are the possible alternatives to the legislation that could achieve the same or similar objectives?

Similar, but smaller scale thinning activities could be undertaken using smaller contracts that generate less than \$50,000 value in surplus timber property. This strategy would not require legislative action but would essentially produce the same outcome. However, the impact of this option would be reduced economies of scale resulting in higher labor costs in planning and contract administration and lower net revenues from sale of surplus timber in the aggregate.

Is the legislation subject to public hearing requirements?

Yes, a public hearing is required to authorize sale of surplus property over \$50,000 in value and is proposed to be held in conjunction with City Council committee consideration of this ordinance.

Other Issues:

The long term implication of this work is that SPU will both improve the ecosystem service values of the city-owned forested landscape in the South Fork Tolt River Municipal Watershed, and best protect the value of the forest there as a potential commercial asset, should the City later choose to realize revenues from the commercial asset value.

List attachments to the fiscal note below:





City of Seattle
Office of the Mayor

June 21, 2011

Honorable Richard Conlin
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Conlin:

I am pleased to transmit the attached proposed Council Bill that would authorize ecological forest thinning in the Tolt River Municipal Watershed, as directed by the South Fork Tolt River Municipal Watershed Management Plan. This legislation would allow SPU to sell logs as surplus property under applicable City contracting and surplus property sale procedures and to deposit any net proceeds to the Water Fund.

The South Fork Tolt River Watershed provides nearly 40% of the City's water. Forests in this watershed protect the water supply and provide habitat and other ecosystem functions. However, these dense, second-growth forests can be improved greatly with active restoration. The City's forest management objectives are to promote the development of old-growth forest conditions, improve habitat for wildlife and fish, increase resilience to disturbance, improve future timber value and maintain water quality. To meet these objectives, the City will conduct ecological thinning, resulting in marketable timber that can be sold to offset costs of restoration.

The stewardship and restoration of this environmental resource will support the City's environmental sustainability efforts by improving habitat and protecting water supply source. Thank you for your consideration of this legislation. Should you have questions, please contact Amy LaBarge at 733-9777.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council



STATE OF WASHINGTON – KING COUNTY

--SS.

275840
CITY OF SEATTLE, CLERKS OFFICE

No. TITLE ONLY

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:123678-123684

was published on

09/01/11

The amount of the fee charged for the foregoing publication is the sum of \$ 136.50, which amount has been paid in full.



Vale Walden

Subscribed and sworn to before me on
09/01/11 *[Signature]*

Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

The full text of the following legislation, passed by the City Council on August 15, 2011, and published below by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>. Contact: Office of the City Clerk at (206) 684-8344.

ORDINANCE NO. 123678

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

ORDINANCE NO. 123679

AN ORDINANCE relating to low-income elderly and handicapped housing; authorizing the amendment of the Housing Cooperation Agreement between the City and the Seattle Housing Authority approved by Ordinance 110433 and amended as approved by Ordinance 119424 and Ordinance 120528; approving the sale by the Seattle Housing Authority of property at N. 35th Street and Woodland Park Ave. N., which was acquired with the proceeds of the City's bonds issued pursuant to Ordinance 110124; and authorizing the Mayor or Director of Housing to accept and administer related notes and contracts.

ORDINANCE NO. 123680

AN ORDINANCE relating to the management of the South Fork Tolt River Municipal Watershed; authorizing ecological forest thinning projects in accordance with the South Fork Tolt River Watershed Management Plan in Sections 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35, Township 26 North, Range 9 East, W.M., and Sections 1, 2, 3, 4, and 5, Township 25 North, Range 9 East, W.M.; declaring the logs resulting from said projects to be surplus to the City's needs; authorizing the sale of such logs pursuant to applicable City contracting and surplus property sale procedures; and directing use of the proceeds therefrom to fund Plan implementation.

ORDINANCE NO. 123681

AN ORDINANCE relating to a pedestrian skybridge over and across Southwest Florida Street, east of 16th Avenue Southwest, amending Ordinance 120088, as amended by Ordinance 121855, updating the insurance and bond requirements, and amending the annual fee and other terms and conditions of the permit; renewing the term of the permit to the Port of Seattle; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

ORDINANCE NO. 123682

AN ORDINANCE vacating the south 187 feet of the alley adjacent to Lots 17-24 between Block 51 and Block 52, Boston Company's Plat of West Seattle; accepting a Deed for Alley Purposes and placing the real property conveyed by such deed under the jurisdiction of the Seattle Department of Transportation; laying off, opening, widening, extending, and establishing that portion of Block 51 and Block 52, Boston Company's Plat of West Seattle; and accepting a Property Use and Development Agreement as reflected in Clerk File 307032.

ORDINANCE NO. 123683

AN ORDINANCE vacating a submerged portion of South Forest Street between East Marginal Way South and the East Duwamish Waterway in the Duwamish Industrial Area of Seattle on the petition of the Port of Seattle; accepting a storm water drainage facilities easement to install, replace and improve storm water facilities; accepting a bulkhead panel and retaining wall maintenance easement at Slip 27 and Terminal 25 for access and maintenance; and accepting a perpetual non-exclusive public access easement for public access to shoreline area in the Duwamish Waterway in South Park (Clerk File 307732).

ORDINANCE NO. 123684

AN ORDINANCE authorizing the Director of the Department of Planning and Development to enter into a contract with the Puget Sound Regional Council for the purpose of preparing an urban design plan for the area near the planned Northgate light rail station and authorizing the receipt of funds; and authorizing the Director to give on behalf of the City, the mutual indemnification set forth in that contract.

Publication ordered by the City Clerk
Date of publication in the Seattle Daily
Journal of Commerce, September 1, 2011.
9/1(275840)