

**CITY OF OLYMPIA HEARING EXAMINER**  
**STAFF REPORT**

**Project Name/File No.:** Water Street Sewer Lift Station Emergency Generator Replacement  
File No. 19-1127

**Applicant:** City of Olympia Public Works Department  
Represented by Jim Rioux, Project Manager

**Requested Action:** Approval of Shoreline Substantial Development and Shoreline Conditional Use permits for the replacement of an emergency generator at the Water Street Sewer Lift Station, associated site improvements, and installation of mural walls on the west and south sides of the site.

**Project Location:** 220 Water Street NW

**Water Body:** Budd Inlet, Puget Sound

**Zone District:** Urban Waterfront Housing (UW-H)

**Shoreline Master Program Designation:** Urban Intensity (Reach Budd 5A)

**Comprehensive Plan Designation:** Residential Mixed Use with High Density Neighborhood Overlay

**SEPA:** A Determination of Nonsignificance (DNS) was re-issued on June 5, 2020. A DNS had been issued in 2019 but was withdrawn in response to comments from the Department of Ecology.

**Public Notification:** Public notification for this hearing was posted on site on June 5, 2020; mailed to property owners within 300 feet of the subject property, parties of record, and recognized neighborhood associations on June 8, 2020; and published in the Olympia on June 12, 2020 in conformance with OMC 18.78.020 (Attachment 4, DNS/Public Hearing Notice).

**SPRC Recommendation:** Approval, subject to conditions.

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**I. BACKGROUND INFORMATION**

**A. Property Description and Context**

The site is located in downtown Olympia adjacent to the Percival Landing pedestrian pathway between State Avenue and the extension of Olympic Avenue. The property is City-owned and houses a sewer lift station. The property is situated within *the Urban Waterfront* zone district, the *Downtown Design District* and the *Urban Intensity* shoreline designation. The site is outside of a FEMA flood zone associated with Budd Inlet, but may be subject to flooding during sea level rise events. The site does not abut streets with view protection corridors. Surrounding uses include recreation, parking, and a residential/ commercial mixed use development that is nearing completion (see figure below).

*Figure 1: Land Uses, Shoreline Jurisdiction*



The site is located in an area of known contamination and has been designated by the Department of Ecology as Cleanup Site ID 3608. Until June 2019, the City was under a Voluntary Cleanup Program (VCP) Agreement with Ecology (see Attachments 8, 9, 10, and 16 for background information). Details regarding contamination and the City's remediation actions are outlined in a technical memorandum prepared earlier this year by the City's consultant in response to SEPA comments received from the Department of Ecology in 2019 (see Attachments 12 and 11).

## **B. Project Description**

According to information provided by the applicant, the emergency backup generator at the Water Street sewer lift station is near the end of its serviceable life. The proposed project will replace the existing generator with a new one. Backup power generation is a critical element of sewer lift station infrastructure. Lift stations pose risks for spills and associated public and environmental health impacts; as such the lift station must operate reliably in order for the system to work effectively.

The existing generator is housed in a small building and will be removed. The new generator will be too large to install in the building so will be located outside, as shown on the site plan (see Attachment 6). Due to its proximity to nearby recreational, commercial, and residential uses, a custom sound enclosure will be installed to reduce noise. The generator will be approximately 13 feet in height. All work associated with the project can be found in the architectural and preliminary engineering plans (Attachments 6 and 7). Other project elements include:

- Removal of the existing above-grade fuel tank;
- Removal of a portion of the existing pavement, levelling of the site, installation of an 8-foot by 20-foot concrete generator pad, and repaving;
- Replacement of louvered openings with solid material for sea level rise mitigation; and
- Electrical work.

Information regarding noise impacts and sound attenuation are addressed in Attachments 14 and 15.

Not included in the construction plans are details regarding the removal and replacement of security fencing and gates to allow for pedestrian passage on the eastern portion of the site. This was negotiated with the developer of the adjacent mixed use development, the Laurana, as an amenity. Details are still being worked out with the developer which will be reflected in an agreement the City.

The developer will also be installing mural walls on the west and south sides of the lift station to replace the mural that was removed when the Les Schwab building was demolished. These improvements are covered within the scope of the shoreline permits for the backup generator; however, the developer will be responsible for obtaining permits, construction of the walls, and retaining an artist to paint the murals.

## **C. City Review Process**

Application Submittal: The application was submitted and deemed complete on March 20, 2019.

Staff Review: The City's project review team evaluated the project and determined that with conditions, it complies with applicable codes. On May 8, 2019 the project was taken to the Site Plan Review Committee, which recommended approval with conditions.

SEPA Threshold Determination/Hearing Notice: A notice of a Determination of Nonsignificance and public hearing was issued on May 10, 2019; the public hearing was scheduled for June 3. During the SEPA comment period, the City received a letter from the Department of Ecology commenting upon soil and groundwater contamination and cleanup measures, stating their preference that Cleanup Site # 3068 be cleaned up, but if not, than other measures be taken to protect human health and the environment. One of these measures included a recommendation to remove or remediate hazardous substances located beneath the project site.

After consulting with the City's project manager, the environmental review officer withdrew the DNS on May 16, 2019 in order for issues identified in Ecology's letter to be addressed. Not knowing how much time would be involved, the public hearing was cancelled.

Re-issued SEPA Threshold Determination/Hearing Notice: Since last May, the City's project manager has been working with the Department of Ecology and have agreed upon a path forward so that the emergency generator can be replaced. Additional measures have been identified and are noted in the environmental checklist. The DNS and public hearing notice was reissued on June 5, 2020.

Public Comments: As of the publication date of this staff report, the City has not received any SEPA comments.

## **II. POLICY AND REGULATORY FRAMEWORK**

The proposal has been reviewed for compliance with City plans and regulations. This report addresses the project's compliance with the following plans and regulations:

- Comprehensive Plan Goals and Policies;
- Shoreline Master Program Goals and Policies;
- Title 16, Buildings and Construction; and
- Title 18, Unified Development Code.

### **A. Comprehensive Plan – Utilities Chapter**

Applicable goals and policies include:

GU8 – The and its growth area are served by a City-owned wastewater and transmission system that is designed to minimize leakage, overflows, infiltration and inflows so as to provide sufficient capacity of projected demand.

PU8.8 – Evaluate the structural integrity of aging wastewater facilities and repair and maintain as needed.

Staff Findings – The emergency generator is near the end of its serviceable life and is due for replacement to ensure a source of backup power.

## **B. Shoreline Master Program**

Applicable shoreline policies include:

PN12.3.A – All shoreline use and development should be carried out in a manner that avoids and minimizes adverse impacts so that the resulting ecological condition does not become worse than the current condition. This means assuring no net loss of ecological functions and processes and protecting critical areas that are located within the shoreline jurisdiction.

PN12.15 – Protect and maintain existing visual and physical public access to that the public may continue to enjoy the physical, visual, and aesthetic qualities of the shoreline.

PN12.19A – Preserve views and vistas to and from the water, by public and private entities, to ensure that the public may continue to enjoy the physical and aesthetic qualities of the shoreline, including views of the water and views of shoreline areas from the water and the iconic views of the State Capitol and Olympic Mountains.

PN12.29A – Utility facilities should be designed, located, and maintained to minimize harm to shoreline ecological functions, preserve the natural landscape, and minimize conflicts with present and planned land and shoreline uses while meeting the needs of future populations in areas planned to accommodate growth.

Staff Findings – The proposed project complies with applicable goals and policies of the Shoreline Master Program. The emergency generator will be located within an existing utility facility with minimal impacts to shoreline ecological functions. Views and vistas will not be impacted by the proposed project, nor will public access be affected.

## **C. Tree, Soil, and Native Vegetation Protection and Replacement, OMC 16.60**

The project is subject to standards in OMC 18.60 regarding tree protection during construction.

Staff Findings – The City's Urban Forester reviewed materials submitted by the applicant and recommended that tree protection measures be included in the final plans. As such, the project will comply with OMC 16.60.

## **D. Sea Level Rise Flood Damage Prevention, OMC 16.80**

The subject property is located in an area that is susceptible to flooding as a result of sea level rise. Because the site sits below an elevation of 16 feet (NAVD88), the slab upon which the generator sits will be elevated to avoid inundation.

Staff Findings – As conditioned, the project will comply with OMC 16.80. The elevation of the slab will be addressed at the time of permit application.

## **E. Commercial Districts, OMC 18.06**

Permitted Uses - OMC 18.06.080, Table 6.01 – Utility facilities are permitted in the Urban Waterfront district.

Development Standards - Table 6.02, 18.06.100, Figure 6-2, Height Limits – There are no minimum setbacks required in the Urban Waterfront district. The maximum building height is 35 feet per Figure 6-2 (note that the maximum building height within the shoreline reach is 35 feet). 100 percent building and impervious coverage is allowed.

Staff Findings – The proposed project complies with applicable development standards. The new emergency generator and mural walls are well below the maximum building height.

#### **F. Cultural Resources, OMC 18.12.120**

The site has been identified by the Department of Archaeology and Historic Preservation as having a high potential for cultural resources. While no studies were done as part of this project, historical records indicate that the general area was once tidally influenced shoreline with a high probability that it was used by native peoples.

It should be noted that the City did not receive comments from agencies or tribes in response to the previous DNS, nor have any comments been received to date in response to the reissued DNS.

Staff Findings – The City’s Historic Preservation Officer reviewed the proposal and recommended that an Inadvertent Discovery Plan be required as a condition of approval. As such, the project will comply with OMC 18.12.120.

#### **G. Shoreline Master Program Regulations, OMC 18.20**

The project has been reviewed for compliance with provisions applicable to both Shoreline Substantial Development permits in OMC 18.20.210 and Shoreline Conditional Use permits in OMC 18.20.230. These sections reflect criteria spelled out in WAC 173-27-150 and 160, which require a proposal to be: 1) consistent with the local Shoreline Master Program, 2) not interfere with the normal public use of the shoreline, 3) be compatible with existing and planned uses in the area and with uses planned for under the Comprehensive Plan and Shoreline Master Program, 4) that no significant adverse impacts to the shoreline will occur, and 5) that the public interest suffers no substantial detrimental effect. The following analysis outlines how the proposed project is consistent with these criteria.

Shoreline Uses, OMC 18.20.620, Table 6.1 – The proposed project exceeds thresholds in WAC 173-27-040 and therefore requires a Shoreline Substantial Development Permit. As a utility-related project, a Shoreline Conditional Use Permit is also required because it is located within 100 feet of the ordinary high water mark. Per OMC 18.72.100, the Hearing Examiner makes decisions regarding shoreline permits needed for this project. The Department of Ecology has final authority regarding the Shoreline Conditional Use Permit.

No Net Loss and Mitigation, OMC 18.20.410 – All shoreline uses and development shall be located, designed, constructed, and maintained in a manner that maintains shoreline ecological functions and processes. Because the subject property has been used as a parking lot for many years, no further impacts to shoreline ecological functions are anticipated. In fact, runoff generated from the site will be treated before entering a dedicated system for improved water quality.

Critical Areas, OMC 18.20.420 – All use and development within the shoreline shall comply with OMC 18.32. See page 9 for discussion of critical areas.

Public Access, OMC 18.20.450 – The proposed project does not trigger public access; however, the site is located at Percival Landing, immediately adjacent to the pedestrian path which provides continuous public access between 4<sup>th</sup> Avenue and the Port Plaza.

View Protection, OMC 18.20.500 – The proposed project does not trigger view protection measures; however, the site is located along Budd Inlet with views of the Olympics and the Capitol Dome.

Development Standards, OMC 18.20.620, Tables 6.2 and 6.3 – The minimum setback in Reach Budd 5A is 30 feet and the maximum height is 35 feet. The project complies with both standards.

Utilities, OMC 18.20.710 – Utility facilities are required to be designed to avoid impacts to shoreline ecological functions, preserve the natural landscape, and minimize conflicts with existing and planned uses. The proposal involves work within an existing utility facility that will not impact the shoreline or the natural landscape. Replacing the emergency generator will ensure that the lift station operates well in order to prevent sewer overflows.

Odors from the lift station may impact residents and tenants of the adjacent mixed use project. This was raised as an issue during the City's review of that project and addressed in the conditions of approval. Condition 11.a notes that odors may be unacceptable and that the City would not be responsible should they occur. Should the developer want to install an odor abatement system, the City will work out such details. The Laurana is not yet complete, so it remains to be seen whether odors will be an issue residents and tenants.

Staff Findings – As conditioned, the proposed project complies with the Shoreline Master Program, as well as criteria found in WAC 173-27-150 and 160 regarding Shoreline Substantial Development and Shoreline Conditional Use permits.

#### **H. Critical Areas, OMC 18.32**

Important Habitats and Species, OMC 18.32.300-325 – The subject property is located within 1,000 feet of Budd Inlet which has the potential for important habitat and species, defined as species that are federally listed as endangered or threatened, and state priority species identified on the Washington Department of Fish and Wildlife (WDFW) Priority Habitat and Species (PHS) List and their habitats of primary association. Threatened and endangered species that may occur in Budd Inlet include Puget Sound Steelhead, Bull Trout, and Puget Sound Chinook.

Staff Findings – Pursuant to OMC 18.32.325, the City can waive the requirement for a habitat management plan (HMP) after consultation with WDFW. The lead planner contacted Theresa Nation by phone, who confirmed that an HMP was not necessary given the developed condition of the site. Based on this input, the City waived the requirement for an HMP.

## **I. OMC 18.36, Landscaping**

Planting beds are located on the north and west sides of the lift station. Landscaping may be impacted by construction, and if so, will be replaced. A landscape plan was not included in the preliminary construction plans.

Staff Findings – As conditioned, the project will comply with OMC 18.36; a landscape plan will be required at the time of permit submittal. Because the planting beds abut property that is managed by the Parks Department, they will be involved in reviewing the landscape plan.

## **J. Design Review, OMC 18.100**

The subject property is located in the Downtown Design District. Under OMC 18.100.060.A, design review would be required, but staff is of the opinion that the project, in particular the emergency generator and the mural walls are exempt under OMC 18.100.060.B. The lift station is an existing facility, and the generator replacement is essential to its operation. It will not affect the use of surrounding properties and will be in a sound enclosure to reduce noise.

The mural walls will replace one that was removed when the Les Schwab building was demolished and will be similar in height and character according to the Laurana developer. Because the murals will be on City property, the applicant will submit the mural design to the City for review.

Staff Findings – As conditioned, the project will comply with OMC 18.100

## **K. PUBLIC COMMENT**

As of the date the staff report was issued, no public comments had been received. Any comments that come in prior to the public hearing will be submitted into the record at that time.

## **III. CONCLUSION AND RECOMMENDATION**

Pursuant to OMC 18.72.100, the Site Plan Review Committee finds that the project, as conditioned, meets all applicable provisions of the Comprehensive Plan, the Shoreline Master Program, and the Municipal Code. Therefore, the Site Plan Review Committee recommends approval the Shoreline Substantial Development Permit and Shoreline Conditional Use Permit subject to the following conditions:

1. Development shall be substantially as shown on the architectural plans (A100 and A201) and preliminary construction plans (D1, D2, and C1), date-stamped March 20, 2019.
2. A landscape plan, prepared in accordance with OMC 18.36, shall be submitted for review and approval in conjunction with the building permit application for the generator installation. The Public Works and Parks departments will participate in the review and approval of the landscape plan.
3. Construction pursuant to the shoreline substantial development and conditional use permits shall not begin prior to 21 days from the date of filing as defined in RCW 90.58.140(6) and WAC 173-27-

130, or until review proceedings initiated within 21 days from the date of such filing have terminated.

4. Per WAC 173-27-090(2), construction activities shall commence within two years of the effective date of the shoreline conditional use permit. The local government may authorize a single one-year extension based on reasonable factors, if a request for extension has been filed before the expiration date and notice of the proposed extension is given to parties of record and the Department of Ecology.
5. If contamination of soil or groundwater is encountered during site work and construction, the applicant shall notify the Department of Ecology's Environmental Report Tracking System Coordinator for the Southwest Regional Office at 360-407-6300.
6. Pursuant to OMC 18.40.080.C.7, construction activity detectable beyond the site boundaries shall be restricted to the hours between 7:00 a.m. and 6:00 p.m.
7. Any work requiring a permit shall be submitted to Community Planning and Development for review and approval prior to permit issuance.
8. The Developer shall submit final designs for portions of the project that are their responsibility for review and approval. These items include but are not limited to the mural walls, artwork, security fencing, and gates.
9. The Developer shall secure a Temporary License to Construction (TLC) prior to commencement of any work on the City of Olympia parcel.
10. The project shall comply with the City of Olympia Construction Codes as adopted through the Olympia Municipal Code, OMC 16.04, as follows:
  - a. A demolition permit shall be obtained for the removal of existing structures or portions of buildings and remodels. The applicant shall submit an application to the Olympic Regional Clean Air Agency (ORCAA) prior to application and issuance of a demolition permit;
  - b. Building and electrical permits shall be obtained by the applicant for the generator and associated improvements.
  - c. A building permit shall be obtained by the Developer for the walls and gates prior to installation.
  - d. The project is subject to the provisions of the Sea Level Rise Ordinance as adopted through the Olympia Municipal Code, Chapter 16.80;
  - e. A soils report is required to address soils conditions and all foundation and building design criteria per the International Building Code;
  - f. The existing west wall shall be evaluated by a Washington State licensed structural engineer to determine if it is adequate to support additional loads as a result of increasing its height; and
  - g. The proposed south wall shall be designed by a Washington State licensed structural engineer.

11. The project shall comply with OMC 16.60, Tree, Soil and Native Vegetation Protection and Replacement and the Urban Forestry Manual. The following information shall be shown on the final plans: tree protection fence locations, tree protection fence detail, tree protection measures, and the timeline for tree protection installation and inspections.
12. The project forester is required to review the final plans, customize tree protection measures, and conduct site inspections before, during, and after construction.
13. A signed Inadvertent Discovery Plan (IDP) which outlines how the project proponent and site crew will respond in the event that archaeological resources are uncovered during the course of project work shall be submitted by the applicant at the time of engineering plan submittal. An approved IDP template will be provided to the applicant by the City of Olympia. The signed IDP will be reviewed at the preconstruction meeting and shall be maintained at the project site and available for inspection for the duration of excavation and construction.

**Submitted by:** Cari Hornbein, Senior Planner, on behalf of the Site Plan Review Committee  
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**Attachments:**

2. General Land Use Application
3. JARPA
4. Determination of Nonsignificance and Public Hearing Notice
5. Environmental Checklist
6. Architectural Site Plan and Wall Elevations
7. Preliminary Engineering Plans
8. Remedial Investigation and Feasibility Study, April 2013
9. Department of Ecology Letter, March 11, 2014
10. Department of Ecology Letter, March 30, 2017
11. Department of Ecology Letter, May 9, 2019
12. Landau Response to Ecology Comments, January 9, 2020
13. Media Management Plan, April 1, 2020
14. Technical Memorandum on Acoustics, December 6, 2017
15. Sound Enclosure Specification, April 2018
16. Technical Memorandum on Groundwater, April 2, 2018