

## **CITY COUNCIL AGENDA MEMORANDUM**

### **SUBJECT**

Resolution authorizing execution of an amendment to the Professional Services Contract with Environmental Science Associates (ESA) by \$688,595 for a total amount not to exceed \$3,170,335, plus all applicable taxes, to prepare a Final Environmental Impact Statements (EIS) for PSE's proposed Energize Eastside Project.

### **FISCAL IMPACT**

The 2017-2018 Development Services Fund has sufficient budget authority to cover the increased expenditures for this contract. The City has a cost recovery agreement with PSE that includes reimbursement for consultant costs, staff resource costs, and other costs associated with EIS development to fully offset the expenditures associated with this contract.

### **STAFF CONTACTS**

Mike Brennan, Director, 452-4113

Carol Helland, Land Use Director, 452-2724

Heidi M. Bedwell, Environmental Planning Manager, 452-4862

*Development Services Department*

### **POLICY CONSIDERATION**

The City is obligated as the SEPA Lead Agency to oversee and ensure completion of the EIS so long as PSE continues to proceed toward permit submittal for the Energize Eastside project.

### **BACKGROUND**

The City entered into a Professional Services Contract with ESA for the purpose of developing an EIS to identify the potential environmental impacts PSE's proposed Energize Eastside electrical utility facility project. The original contract was approved in February 2015. Since that time there have been four amendments to the scope of the contract that revised the proposed work and budget associated with the preparation of the EIS.

This resolution amends the scope of work in preparing the Final EIS (FEIS) and revises the overall contract amount from \$2,481,760 to \$3,170,335. The amendment is necessary for the following reasons:

- Task 1 costs for EIS project management and coordination have run higher than expected due to the complexity of the project, including coordination with Partner Cities, and similar costs are expected through the end of the project. Over the past six months the project schedule had to be revised several times to accommodate timing of information from PSE. The projected schedule has also been extended to First Quarter of 2018.
- Task 2 costs for website updates rose slightly due to the need for additional updates to extend the scoping period and comment period during Phase 2, but the budget appears to be adequate.
- Task 3 Phase 1 Draft EIS (DEIS) is complete and costs have not changed.

- Task 4 Phase 2 DEIS is complete; costs came in slightly lower than expected in Amendment 4 as modified under Modification 4A; however, Modification 4A utilized most of the contingency budget.
- Task 5 costs for the FEIS have been increased due to complexity of comments received on the Phase 1 DEIS and Phase 2 DEIS. While the number of comment letters is in line with expectations, there are approximately 2,800 individual comments requiring response (for both Phases), with a larger than expected portion of them being unique comments or questions, and many requiring technical expertise from sub-consultants to verify claims made.
- Task 6 is complete and costs have not changed.
- A contingency is again added because there are a number of issues raised in Phase 2 DEIS comments for which an approach has not been resolved, thus it is possible that costs could rise depending on how those issues are addressed.
- Add sub-consultant peer review for updates to the Electromagnetic Field (EMF) and the corrosion reports.
- Pole heights, types and locations for some segments have continued to evolve, requiring additional work for the Bellevue South and Newcastle segments.

Refer to the amended scope of work for a full accounting of the changes included as part of this amendment.

**EFFECTIVE DATE**

If approved, this Resolution becomes effective immediately upon Council adoption.

**OPTIONS**

1. Adopt the Resolution authorizing execution of an amendment to the Professional Services Contract with Environmental Science Associates (ESA) by \$688,595 for a total amount not to exceed \$3,170,335, plus all applicable taxes, to prepare a Final Environmental Impact Statements (EIS) for PSE’s proposed Energize Eastside Project.
2. Do not adopt the Resolution and provide alternative direction to staff.

**RECOMMENDATION**

Option 1

**MOTION**

Move to adopt Resolution No. 9297 authorizing execution of an amendment to the Professional Services Contract with Environmental Science Associates (ESA) by \$688,595 for a total amount not to exceed \$3,170,335, plus all applicable taxes, to prepare a Final Environmental Impact Statements (EIS) for PSE’s proposed Energize Eastside Project.

**ATTACHMENTS**

Proposed Resolution No. 9297

**AVAILABLE IN COUNCIL DOCUMENT LIBRARY**

Amendment 5: Scope of Work- PSE Energize Eastside State Environmental Impact Statement