

March 6, 2017

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Resolution authorizing execution of a Schedule 74 Underground Conversion Project Construction Agreement with Puget Sound Energy for the 124th Avenue NE – NE Spring Blvd to NE 18th Street (aka Ichigo Way) Project (PW-R-166).

FISCAL IMPACT

The utility conversion agreement with Puget Sound Energy (PSE), for the 124th Avenue NE project (CIP Plan No. PW-R-166) obligates the City to pay for 40 percent of costs to relocate PSE's electrical facilities underground and 100 percent of the required civil trenching work for the project for a total of approximately \$294,215. PSE is responsible for the remaining costs of the project estimated at \$221,000.

	Schedule 74 with PSE		
	PSE (60%)	City (40%)	Total Costs
Cost Share	\$221,000	\$147,200	\$368,200
Civil Work (Trenching)	-	\$147,015	\$147,015
Total Costs	\$221,000	\$294,215	\$515,215

The City's share of costs will be jointly funded by the City at 41% or approximately \$120,628 and Sound Transit at 59% or approximately \$173,587, per the 2015 Memorandum of Understanding (MOU) between the two agencies.

Sufficient funding exist within the 2017-2023 CIP plan (CIP Plan No. PW-R-166) for the City's total share of the undergrounding cost, including Sound Transit's share per the MOU.

STAFF CONTACTS

Dave Berg, Director, 452-6468

Ron Kessack, Assistant Director, 452-4631

Mike Mattar, Engineering Manager, 452-4318

Marina Arakelyan, Sr. Project Manager, 452-4632

Transportation Department

POLICY CONSIDERATION

Comprehensive Plan:

UT-59 – When implementing street projects, determine whether the relocation of distribution facilities underground is required. If so, determine the manner of payment: tariff schedule, capital improvement program, or the formation of a local improvement district.

UT-60 – Work with Puget Sound Energy, telecom providers, state regulatory agencies, and other responsible parties to develop funding tools that enable full mitigation of the neighborhood impacts of deploying electrical and telecommunications infrastructure.

Amended and Restated MOU with Sound Transit:

The City and Sound Transit entered into an Amended and Restated Umbrella Memorandum of Understanding (MOU) in May 2015 that defines project coordination on 124th Avenue NE from Spring Boulevard to NE 18th Street (aka Ichigo Way);

BACKGROUND

On September 6, 2016 Council was briefed about undergrounding the overhead powerlines along 124th Avenue.

This project will widen and raise the existing 124th Avenue NE, from NE Spring Boulevard to NE Ichigo Way, to accommodate the undercrossing of the Sound Transit East Link light rail line in this vicinity. The project will require the relocation and undergrounding of franchise utilities within the project limits. Although it is the City's practice not to underground franchise utilities on CIP projects, staff has determined that it is in the best interest of the City to participate in the cost of undergrounding the power lines within the project limits. Any future utility undergrounding through the newly constructed bridge may compromise the structural integrity of the reinforced concrete approach slabs at the bridge ends. Since the new roadway is elevated, this project will construct a very tall soldier pile wall along the east side of 124th Avenue NE to protect an existing City owned wetland. Not undergrounding the powerlines would require extremely tall power poles to be located behind the new wall which would present a constructability risk to the City during construction. The City owned wetland property along 124th Avenue NE will not be used in any future private development and, as a property owner, the City is required to participate in the cost of any future power undergrounding, which is likely to be more costly to the City. In addition, properties on both sides of the City owned property have existing underground utilities. Undergrounding the power lines within the City owned property frontage will provide the consistency and continuity of underground utilities along 124th Avenue NE. For these reasons, it is in the City's best interest to participate in the undergrounding of the electrical power lines on this project.

The City and PSE will follow the cost sharing splits stipulated in Schedule 74 Underground Conversion Project Construction Agreement between the two agencies. The City will also be developing cost sharing agreements with PSE, and other franchise utilities, to construct a Joint Utility Trench (JUT) within the project limits. The JUT cost sharing is not subject to Schedule 74 of the Franchise Agreement.

EFFECTIVE DATE

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

OPTIONS

1. Approve Resolution authorizing execution of a Schedule 74 Underground Conversion Project Construction Agreement with Puget Sound Energy for the 124th Avenue NE – NE Spring Blvd to NE 18th Street (aka Ichigo Way) Project (PW-R-166).
2. Do not approve and provide alternative direction to staff.

RECOMMENDATION

Option 1

MOTION

Move to approve Resolution No. 9226 authorizing execution of a Schedule 74 Underground Conversion Project Construction Agreement with Puget Sound Energy for the 124th Avenue NE – NE Spring Blvd to NE 18th Street (aka Ichigo Way) Project (PW-R-166).

ATTACHMENTS

CIP Project Description (PW-R-166)

Vicinity Map

Proposed Resolution No. 9226

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

- Schedule 74 Underground Conversion Project Construction Agreement (per WUTC Schedule 74) with Puget Sound Energy for 124th Avenue NE project – Phase 1
- Schedule 74 Underground Conversion Project Construction Agreement (per WUTC Schedule 74) with Puget Sound Energy for 124th Avenue NE project – Phase 2
- Amended and Restated MOU