



## Transportation & Public Works Meeting Agenda

August 5, 2021; 5:30 – 6:30 PM  
“Virtual Meeting”

**Due to the current COVID-19 public health emergency, this meeting will be conducted virtually. The meeting will be live streamed on SeaTV Government Access Comcast Channel 21 and the City’s website <https://www.seatacwa.gov/seatvlive> and click play. The public may also listen to the meeting by calling 206.973.4555 and muting your phone.**

Councilmembers:

Peter Kwon, Chair  
Pam Fernald  
Takele Gobena

**Note: A quorum of the Council may be present**

Staff Coordinators: Will Appleton, Public Works Director; Florendo Cabudol, City Engineer;

Other Staff participating:

| TIME | TOPIC   | PROCESS | WHO   | TIME |
|------|---|---------|-------|------|
| 1    | Call to order   |         | Chair |      |
| 2    | <p><b>PUBLIC COMMENTS:</b> In an effort to adhere to the social distancing protocols, and in order to keep our residents, Council, and staff healthy, the Committee will not hear any in-person public comments. The committee is providing remote oral and written public comment opportunities. All comments shall be respectful in tone and content. Signing-up for remote comments or providing written comments must be done by <u>2:00PM</u> the day of the meeting. Any requests to speak or provide written public comments which are not submitted following the instructions provided or by the deadline will not be included as part of the record.</p> <ul style="list-style-type: none"> <li>Instructions for providing remote oral public comments are located at the following link: <a href="#">Council Committee and Citizen Advisory Committee Virtual Meetings.</a></li> </ul> |         | Chair | 5    |

|   |   |                            |                                   |    |
|---|---|----------------------------|-----------------------------------|----|
|   | <ul style="list-style-type: none"> <li>Submit email/text public comments to <a href="mailto:TPWPublicComment@seatacwa.gov">TPWPublicComment@seatacwa.gov</a>. The comment will be mentioned by name and subject and then placed in the committee handout packet posted to the website.</li> </ul> |                            |                                   |    |
| 3 | Prior Minutes Approval  | July 15 Minutes to approve | Chair                             | 5  |
| 4 | Approval of an Interlocal Agreement with Highline Water District for 34th Ave South Improvements (ST-015)   | Discussion/<br>Action      | Florendo Cabudol                  | 15 |
| 5 | Approval of a Schedule 74 Undergrounding Agreement with Puget Sound Energy for 34th Ave S Improvements (ST-015)   | Discussion/<br>Action      | Florendo Cabudol                  | 15 |
| 6 | Des Moines Memorial Drive & S 200 <sup>th</sup> Street Intersection Project (ST-065) Budget Amendment   | Discussion/<br>Action      | Florendo Cabudol/<br>Brenton Cook | 15 |
| 6 | <u>Future Meeting Topics:</u> Sound Transit Parking Tax; Tukwila Int'l Blvd Reconfiguration; Metro A-Line Business Access Transit (BAT) Lanes Pilot Project; Flight Safety Project Boundary Line Adjustment;  |                            |                                   | 5  |
| 7 | Adjourn   | Adjourn Meeting            | Chair                             |    |



# Transportation & Public Works Committee Meeting Minutes

**Approve Prior  
Meeting Minutes**

Thursday, July 15, 2021  
4:30 PM – 6:00 PM  
\*\* Virtual Meeting \*\*

|                   |          |         |                                       |
|-------------------|----------|---------|---------------------------------------|
| Members:          | Present: | Absent: | Commence: 4:31 PM<br>Adjourn: 4:58 PM |
| Peter Kwon, Chair | X        |         |                                       |
| Pam Fernald       | X        |         |                                       |
| Takele Gobena     | X        |         |                                       |

Other Councilmembers participating: CM Hill; CM Tombs

Staff Coordinators: Will Appleton, Public Works Director; Florendo Cabudol, City Engineer

Other Staff Participating: Mary Mirante, City Attorney; Ingrid Bulpin, Real Property Specialist; David Tomporowski, Senior Planner

|  |  |
|--|--|
| Public Comment   | Public comment was submitted by E. Gipson  |
| 1. Approve Prior Meeting's Minutes   | July 1 Minutes to approve  |
| 2. Vacation of a portion of unused and unopened Right of Way near S 197 <sup>th</sup> St & Des Moines Memorial Drive South | <p>Discussion/Action</p> <p>City Engineer Florendo Cabudol presented this Ordinance to vacate a portion of unopened and unused right of way in the vicinity of South 197<sup>th</sup> Street and Des Moines Memorial Drive South. The vacation is being sought by the petitioner, Bridge Acquisition, LLC, who represents the property owners abutting the subject right of way in its entirety. Staff is seeking Committee to approve placing the proposed Ordinance on the August 10 Regular Council Meeting for review and action, after a Public Hearing on this action at the same meeting.</p> <p>The procedures for vacating a public right of way are set forth by Revised Code of Washington Chapter 35,79. Following this statute, The City Council set the date of the required Public Hearing for August 10, 2021, to consider the merits of the application to vacate the right of way in question. All utilities serving the area were also given notice of the vacation request and the proposed Ordinance reserves existing utility easements in the vacated area until released by the grantee.</p> |

|            |   |
|------------|---|
|            | <p>RCW 35.79.030 provides that the City may require compensation to the City for the acquired property, not to exceed the full appraised value of the area vacated. However, since the subject right of way was platted, unopened, and unused prior to 1905, it falls under the "Non-User Statute" RCW 36.87.090. That statute states that when right of way meets these criteria, it reverts to the abutting properties of which it was platted at no cost (except for the City's fees to administer the vacation process).</p> <p>The petitioner could have sought legal action similar to a "quiet title" but chose to pursue the vacation to formalize the property owners' rights to the unopened right of way. Technically, under the Non-User Statute, the subject ROW was already vacated to the adjacent land owners after the 5-year period of non-use lapsed; this is just a way to formalize the vacation so that deeds/documents are processed and the King County Assessor's and City's records/maps reflect the action.</p> <p>Committee affirmed with staff that PW had coordinated this issue with legal and that the matter had been thoroughly reviewed.</p> <p>Committee commented that the presentation was clear and they were comfortable/in agreement with the approach.</p> <p>Committee asked several clarifying questions on the topic ensuring that the explanation for why the City is not being compensated for the subject property was well understood.</p> <p>Discussion also included discussion about a quiet title approach to acquiring the subject property.</p> <p>After discussion the Committee agreed (3-0) to forward this item for review and action following a Public Hearing at the August 10 Regular Council Meeting.</p> |
| 3. Adjourn | Adjourn Meeting   |

**Approve Prior  
Meeting Minutes**



# MEMORANDUM

To: Transportation and Public Works Committee  
Through: Florendo Cabudol, City Engineer  
From: Kamal Mahmoud, Engineering Manager and Pete Kang, Civil Engineer 1  
Date: August 5, 2021  
Subject: Highline Water District Interlocal Agreement for 34th Avenue S Project (ST-015)

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## **Purpose:**

To obtain Committee recommendation to forward an Interlocal Agreement (ILA) with Highline Water District for 34th Avenue South Project (ST-015) to the September 14 Regular Council Meeting for review and action. Staff also seeks the Committee's recommendation to approve the agreement.

## **Background:**

The project will provide a safer route for pedestrians, bicyclists, and vehicles traveling along 34th Avenue South, from South 160th Street to South 166th Street. Improvements include sidewalk, curb, gutter, planter strip, pedestrian lighting, pavement reconstruction, stormwater facilities and conversation of overhead power and telecommunication services to underground distribution.

During the design phase, the City reaches out to all utility providers operating in the right-of-way (ROW) and informs them of the opportunity to coordinate work within the ROW ahead of the project. Once the roadway work is complete, there is a 5-year moratorium put in place on the roadway that is intended to strongly discourage any work that would negatively impact the new pavement.

Highline Water District operates and maintains water distribution facilities within the City's ROW in the vicinity of the project and had coordinated with the City to install water distribution facilities within the Project limits, ahead of the project. After reviewing the Water District's scope of work, Public Works is recommending that the District's work be included in the City's project as a separate schedule within the City's Construction Contract. The District would be responsible for all costs associated with their schedule of work including all costs incurred by the city to administer this work. Both parties can achieve cost savings and benefits in the public's interest by combining the construction of the City and District projects.

Staff is recommending that Committee forward this item to the September 14 Regular Council Meeting with a recommendation for approval.

**Attachments:**

- Interlocal Agreement

**INTERLOCAL AGREEMENT BETWEEN THE CITY OF SEATAC AND HIGHLINE WATER  
DISTRICT FOR CONSTRUCTION OF WATER DISTRIBUTION FACILITIES AS PART OF  
34TH AVENUE S PROJECT  
SEATAC PUBLIC WORKS CIP ST-015**

THIS AGREEMENT ("Agreement") is entered into between the **City of SeaTac**, a Washington Municipal Corporation, located and doing business at 4800 South 188th Street, SeaTac, Washington 98188 ("CITY") and **Highline Water District**, a Washington Municipal Corporation, located and doing business at 23828 30<sup>th</sup> Avenue South, Kent, Washington 98032 ("DISTRICT"); (individually a "Party" and collectively the "Parties").

**RECITALS**

- A. Whereas, Chapter 39.34 RCW authorizes two or more political subdivisions or units of local government of the State of Washington to cooperate on a basis of mutual advantage to provide for services and facilities; and
- B. Whereas, the CITY is constructing roadway improvements along 34<sup>th</sup> Ave S between S 160<sup>th</sup> St and S 166<sup>th</sup> St within the City of SeaTac, Washington ("PROJECT").
- C. Whereas, the DISTRICT operates and maintains water distribution facilities within the CITY's right-of-way in the vicinity of the PROJECT.
- D. Whereas, the DISTRICT desires to install water distribution facilities ("DISTRICT WORK") within the Project limits.
- E. Whereas, the CITY is willing to include the installation of the DISTRICT WORK as part of the Project conditioned upon the District reimbursing the CITY for the cost to administer and install the DISTRICT WORK.
- F. Whereas, the Parties can achieve cost savings and benefits in the public's interest by combining construction of PROJECT and DISTRICT WORK.

NOW, THEREFORE, in consideration of the mutual covenants of the parties contained herein, the parties agree as follows:

**AGREEMENT**

**Section 1. General:** The CITY, as agent acting for and on behalf of the DISTRICT, agrees to perform the DISTRICT WORK, in accordance with and as described in the Scope of Work marked **Exhibit A** and Plans and Specifications marked **Exhibit B** attached hereto, which by this reference are made a part of this Agreement.

**Section 2. Construction Plans:** The DISTRICT WORK entails installation of approximately 2,500 linear feet of new ductile iron water main and appurtenances including valves, fittings, new service connections, and water hydrant assemblies removal and disposal of 2,500 lineal feet of

City of SeaTac/Highline Water District Interlocal Agreement, Page 1  
34th Avenue S, Public Works Project ST-015

existing water main and appurtenances. Work will also include asphalt pavement restoration, traffic control, erosion and sediment control, construction surveying, and connection to the existing water system. Plans, specifications and cost estimates for the DISTRICT WORK have been prepared by the DISTRICT generally in accordance with the 2021 State of Washington Standard Specifications for Road, Bridge and Municipal Construction, DISTRICT Standard Specifications as applicable, and adopted design standards ("Plans and Specifications"). The DISTRICT hereby approves the Scope of Work for the DISTRICT WORK as described in Exhibit A attached hereto and incorporated herein by this reference ("Scope of Work").

**Section 3. Bidding and Construction:** The CITY is hereby designated the DISTRICT's construction agent for the DISTRICT WORK. The CITY will incorporate the DISTRICT's Plans and Specifications into the Project as a separate bid schedule (Schedule B) to the PROJECT contract in such a manner as to allow, to the greatest extent possible, identification of cost allocations between the respective work for the Parties. The CITY shall thereafter advertise the resulting Project for competitive bid. Bid award shall be made to the lowest responsible responsive bidder for the total project, subject to applicable laws and regulations. Changes in the DISTRICT WORK and associated costs will be the responsibility of the DISTRICT, as are cost overruns and expenses associated with the DISTRICT WORK. Following the CITY's receipt of bids for the Project work, the CITY shall furnish the DISTRICT with the bid, bid prices, and the list of contractors and subcontractors for the DISTRICT WORK. DISTRICT shall review the bid documents and notify the CITY in writing within ten (10) business days of the receipt of the bid whether the DISTRICT approves or rejects the bid(s) for the DISTRICT WORK.

- a. **DISTRICT Rejection of Bid.** The DISTRICT has the right to reject the bid if the bid exceeds the engineer's estimate for the DISTRICT WORK by 50% as shown as Schedule B on **Exhibit C** ("Cost of Work" or "Engineer's Estimate"). The CITY shall not proceed with the DISTRICT WORK if the lowest bid for the DISTRICT WORK is 50% above the estimate and the CITY has received written notification from the DISTRICT within ten (10) business days of delivery of notice of the bid amount that the DISTRICT is rejecting the bid(s). The DISTRICT shall pay the CITY for the cost to rebid the PROJECT, not to exceed \$10,000.

Following rejection of a bid, the DISTRICT may elect not to proceed with the DISTRICT WORK or may select its own contractor to do the DISTRICT WORK. If the DISTRICT proceeds with the DISTRICT WORK following rejection of the initial bid, the DISTRICT will complete the portion of the DISTRICT WORK within Ninety (90) calendar days from the time the DISTRICT rejects the competitive bid.

- b. **DISTRICT Acceptance of the Bid.** If the DISTRICT accepts the bid and the Project contract is awarded, the CITY will administer and manage the contract. As construction agent, the CITY will perform all engineering, survey and field inspections and shall make all payments to the Contractor. The CITY will keep the DISTRICT advised as to the progress of the Project. After consultation with the DISTRICT, the CITY shall have final judgment and decision-making authority related to the work of the Contractor.



**Section 4. Authority to Construct:** Subject to the provisions in Section 3 herein, the DISTRICT hereby authorizes the CITY to proceed with construction in accordance with **Exhibits A, B and C** for the purpose intended by this Agreement, and as further described in Section 8.

**Section 5. Inspection by District:** The DISTRICT may furnish an inspector on the Project. Any costs for such inspection will be borne solely by the DISTRICT. All contact between the DISTRICT's inspector and the CITY's Contractor shall be through the CITY's representatives.

**Section 6. Acceptance:** The CITY shall conduct a field review of each constructed facility with representatives of the DISTRICT and shall further require all punchlist items to be corrected to the satisfaction of the DISTRICT and the CITY before final acceptance by the CITY. The DISTRICT agrees, upon satisfactory completion of the work involved as determined by the DISTRICT, to deliver a Letter of Acceptance of the DISTRICT WORK to the CITY. The DISTRICT's acceptance of the DISTRICT WORK shall not constitute acceptance of any unauthorized or defective work or materials, nor be a waiver of any manufacturer's, supplier's or contractors' warranties. Final acceptance of the Project shall be by the CITY after inspection by all agencies involved.

**Section 7. Payment:** The DISTRICT, in consideration of the faithful performance of the DISTRICT WORK to be done by the CITY, agrees to reimburse the CITY for the actual direct construction costs and sales tax of all work specified as Schedule B in **Exhibit C** plus Ten Percent (10%) of the final construction cost to cover Construction Management costs (e.g., project management, construction administration, inspection and testing). Payment shall be made by the DISTRICT to the CITY within thirty (30) calendar days of the DISTRICT's acceptance of the DISTRICT WORK as referenced in Section 6, upon the request of the CITY.

**Section 8. Extra Work:** If unforeseen causes require an increase in the DISTRICT's cost obligation of twenty-five percent (25%) or more from the cost included as Schedule B in **Exhibit C**, this Agreement shall be modified and amended by supplemental agreement covering the increased cost for the DISTRICT WORK. In the event it is determined that any "substantial change" from the description of the work contained in the Agreement is required, the CITY shall obtain written approval from the DISTRICT before undertaking such additional or changed work. "Substantial change" is defined as any changes requiring an increase in the DISTRICT's financial obligation (per **Exhibit C**) greater than twenty-five percent (25%). The CITY shall provide prior written notice to the DISTRICT for all changes to the DISTRICT's portion of the work regardless of the financial obligation.

**Section 9. Emergency Repairs:** Prior to CITY's acceptance of Contractor's work, if there is a need for emergency repair and the CITY's Contractor is unable to perform such repair in a timely manner, the DISTRICT shall have the right to enter upon the CITY's right-of-way and complete said emergency repair. Emergency repairs are defined as work performed by CITY or DISTRICT forces to stabilize, remove immediate hazards or dangers by cutting and capping water mains, and restoring immediate utility services to customers in the area. Upon completion of any emergency repairs by the CITY or the DISTRICT, the CITY and the DISTRICT shall cooperatively determine each Party's financial responsibility.

**Section 10. Ownership of Completed Lines:** The CITY agrees that the waterline and appurtenances become the property of the DISTRICT on the date the CITY receives full payment for the DISTRICT WORK or the CITY grants final acceptance of the DISTRICT work, whichever is later. The CITY shall forward and assign to the DISTRICT any guarantee or warranty furnished as a normal trade practice in connection with the purchase of any equipment, materials, or items used in the construction of the Project. The CITY shall submit redline drawings to the DISTRICT upon completion of the Project for DISTRICT review and approval. The CITY's Contractor shall warrant the workmanship and materials utilized in the Improvements to be free of defects for a period of one (1) year from the date of transfer; provided the DISTRICT shall retain any rights, claims or demands the DISTRICT may have against the CITY's contractor relating to the DISTRICT's work under applicable statutes of limitation.

**Section 11. Legal Relations/Indemnification:** The CITY and the DISTRICT agree to defend, save, keep, and hold harmless the other, its officers, agents, employees, and volunteers from and against any and all damages, costs or expenses in law or equity that may any time arise out of or related to damages to property or personal injury received by reason of, or in the course of, or which may be occasioned by any willful or negligent act or omission of either Party arising out of the activities which are the subject of this Agreement.

In the event the DISTRICT accepts the bid and proceeds with the PROJECT using the CITY'S contractor, the CITY shall require the contractor constructing the Project to have the DISTRICT, its elected and appointed officers, agents and employees named as an insured on all policies of insurance to be maintained by Contractor(s) under the terms of any Project contract(s), with the CITY's Contractor building the Project required to maintain Commercial General Liability Insurance, Commercial Automobile Insurance and Workers Compensation. The Contractor shall provide the CITY with either a certified copy of all policies with endorsements attached or a Certificate of Insurance with endorsements attached as are necessary to comply with the contract specifications. The CITY shall provide the DISTRICT with copies of all such policies and documents upon receipt of same by the CITY.

The CITY shall require the contractor building the Project to indemnify, defend, and save harmless the DISTRICT and its elected and appointed officers, agents, or employees from any claim, damage, action, liability of proceeding brought or filed against the DISTRICT or its officers, agents or employees alleging damage or injury arising out of the contractor's participation in the Project. The Contractor shall also be required to waive the Contractor's immunity under Washington's Industrial Insurance Act, RCW Title 51, as to the DISTRICT solely for the purposes of the indemnification.

**Section 12. Resolution of Disputes and Governing Law:** This Agreement shall be governed and construed in accordance with the laws of the State of Washington. If the Parties are unable to settle any dispute, difference or claim arising from the Parties' performance of this Agreement, the exclusive means of resolving that dispute, difference or claim, shall only be by filing suit exclusively under the venue, rules and jurisdiction of the King County Superior Court located at the Kent Regional Justice Center in Kent, King County, Washington, unless the Parties agree in writing to an alternative dispute resolution process. In any claim or lawsuit for damages arising from the Parties' performance of this Agreement, each Party shall pay all of its own legal

costs and attorney's fees incurred in defending or bringing such claim or lawsuit, in addition to any other recovery or award provided by law, provided, however, nothing in this paragraph shall be construed to limit the CITY's or DISTRICT's right to indemnification under Section 11 of this Agreement.

**Section 13. Written Notice:** Any notice under this Agreement will be in writing and shall be delivered by mail or hand delivery (copies may be emailed) to the parties as specified below:

**If to the DISTRICT:** Highline Water District  
23828 30th Avenue South  
Kent, WA 98032-3867  
Attn: Jeremy DeIMar, Assistant General Manager  
Email: jdelmar@highlinewater.org

**If to the CITY:** City of SeaTac  
4800 South 188<sup>th</sup> Street  
SeaTac, WA 98188  
Attn: Florendo Cabudol, City Engineer  
Email: fcabudol@seatacwa.gov

Either party may change the above addresses to which notices are sent by giving notice of such change to the other party in accordance with the provisions of this Section.

**Section 14. Assignment:** Any assignment of this Agreement by either Party without the prior written consent of the non-assigning Party shall be void.

**Section 15. Modification:** No waiver, alteration, or modification of any of the provisions for the Agreement shall be binding unless in writing and signed by a duly authorized representative of the CITY and the DISTRICT.

**Section 16. Entire Agreement:** The written provisions and terms of this Agreement together with any attached Exhibits, shall supersede all prior verbal statements of any officer or other representative of either Party, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner this Agreement. This document, including all Exhibits, is the entire Agreement between the Parties. Should any language in any of the Exhibits to the Agreement conflict with any language contained in this Agreement, the terms of this Agreement shall prevail.

**Section 17. Effective Date:** This Agreement shall be effective as to all Parties on the last date signed below ("Effective Date").

**IN WITNESS WHEREOF, this Agreement** is executed by the Parties by their authorized officers indicated below

EXECUTED, this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

CITY OF SEATAC

HIGHLINE WATER DISTRICT

\_\_\_\_\_  
Carl Cole  
City Manager

\_\_\_\_\_  
Matt Everett  
General Manager

Date Signed \_\_\_\_\_

Date Signed \_\_\_\_\_

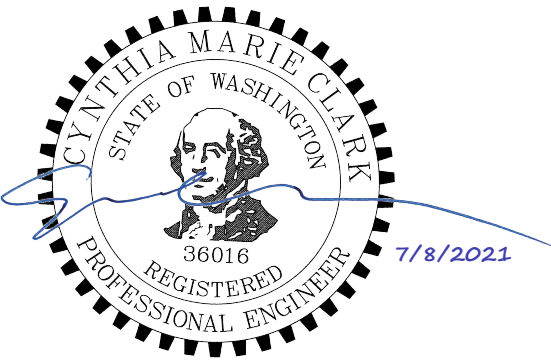
Approved as to form:

\_\_\_\_\_  
Mary E. Mirante Bartolo  
City Attorney

## Ad-Ready Estimate of Probable Cost

| <b>Project Name</b><br>34th Ave S<br><b>Location</b><br>SeaTac, WA<br><b>Owner</b><br>City of SeaTac<br><b>Estimated By:</b> Clara Dubow<br><b>Date:</b> 6/23/2021 |                |           |              |             |        | <b>Project No.</b><br>214-2078-008<br><b>Date</b><br>July 08, 2021<br><br><b>Checked By:</b> Cindy Clark, PE<br><b>Date:</b> 7/8/2021 |            |            |
|--|----------------|-----------|--------------|---|--------|---|------------|------------|
| ITEM NO.   | WSDOT STD ITEM | ITEM TYPE | SPEC SECTION | DESCRIPTION   | QTY    | UNIT  | UNIT PRICE | TOTAL COST |
| A-001  | 7728           | SP        | 1-04         | Minor Change  | 1      | CALC  | \$25,000   | \$25,000   |
| A-002  |                | SP        | 1-05         | Record Drawings (Min. Bid \$2000)   | 1      | LS  | \$2,000    | \$2,000    |
| A-003  | 7038           | SP        | 1-05         | Roadway Surveying   | 1      | LS  | \$25,000   | \$25,000   |
| A-004  | 7042           | GSP       | 1-05         | ADA Features Surveying  | 1      | LS  | \$20,000   | \$20,000   |
| A-005  |                | SP        | 1-07         | Resolution of Utility Conflicts   | 1      | FA  | \$35,000   | \$29,000   |
| A-006  | 7736           | SI        | 1-07         | SPCC Plan   | 1      | LS  | \$2,000    | \$2,000    |
| A-007  |                | SP        | 1-07         | Notifications to Property Owners  | 1      | LS  | \$4,000    | \$4,000    |
| A-008  |                |           | 1-07         | Training  | 400    | HR  | \$15       | \$6,000    |
| A-009  |                |           | 1-09         | COVID Health and Safety Plan  | 1      | LS  | \$2,000    | \$2,000    |
| A-010  | 1              | SI        | 1-09         | Mobilization  | 1      | LS  | \$346,451  | \$346,451  |
| A-011  | 6974           | GSP, SP   | 1-10         | Traffic Control Supervisor  | 1      | LS  | \$62,640   | \$62,640   |
| A-012  |                | SP        | 1-10         | Flaggers and Spotters   | 7,680  | HOUR  | \$50       | \$384,000  |
| A-013  |                | SP        | 1-10         | Temporary Traffic Control Devices   | 1      | LS  | \$20,000   | \$20,000   |
| A-014  |                | SP        | 1-10         | Off-Duty Police Officer with Vehicle  | 80     | HOUR  | \$75       | \$6,000    |
| A-015  | 6993           | SP        | 1-10         | Portable Changeable Message Sign  | 23,000 | HOUR  | \$2        | \$38,400   |
| A-016  |                | SI        | 1-10         | Other Temporary Traffic Control   | 1      | LS  | \$10,000   | \$10,000   |
| A-017  | 25             | SI        | 2-01         | Clearing and Grubbing   | 1      | LS  | \$27,000   | \$27,000   |
| A-018  | 7480           | SI        | 2-01         | Roadside Cleanup  | 1      | EST   | \$5,000    | \$5,000    |
| A-019  |                | SP        | 2-01         | Removing Tree 12 In. Caliper or Larger Incl. Haul   | 17     | EA  | \$1,500    | \$25,500   |
| A-020  | 50             | SI, SP    | 2-02         | Removal of Structures and Obstructions  | 1      | LS  | \$39,000   | \$39,000   |
| A-021  |                | SP        | 2-02         | Removal of Storm Structure  | 13     | EA  | \$500      | \$6,500    |
| A-022  |                | SP        | 2-02         | Removal of Storm Pipe/Culvert   | 1680   | LF  | \$20       | \$33,600   |
| A-023  |                | SP        | 2-02         | Removal of Curb and Gutter  | 194    | LF  | \$5        | \$970      |
| A-024  |                | SP        | 2-02         | Removal of Asphalt Pavement   | 5000   | SY  | \$5        | \$25,000   |
| A-025  |                | SP        | 2-02         | Removal of Cement Conc.   | 242    | SY  | \$5        | \$1,210    |
| A-026  | 310            | SI        | 2-03         | Roadway Excavation Incl. Haul   | 2844   | CY  | \$45       | \$127,982  |
| A-027  | 431            | SI        | 2-03         | Gravel Borrow Incl. Haul  | 3,805  | TON   | \$40       | \$152,208  |
| A-028  |                | SI        | 2-03         | Unsuitable Foundation Excavation Incl. Haul   | 215    | CY  | \$50       | \$10,773   |
| A-029  | 7008           | SI        | 2-09         | Shoring or Extra Excavation Class B   | 42,074 | SF  | \$7        | \$294,518  |
| A-030  |                | SP        | 2-09         | Locate Existing Utilities   | 1      | LS  | \$35,000   | \$35,000   |
| A-031  |                | SP        | 2-09         | Pothole   | 20     | EA  | \$1,800    | \$36,000   |
| A-032  | 7491           | SP        | 2-11         | Trimming and Cleanup  | 1      | LS  | \$8,000    | \$8,000    |
| A-033  | 5120           | SI        | 4-04         | Crushed Surfacing Top Course  | 4,410  | TON   | \$45       | \$198,450  |
| A-034  |                | SI        | 4-04         | Permeable Ballast   | 333    | TON   | \$30       | \$9,990    |
| A-035  | 5767           | SI, GSP   | 5-04         | HMA Cl. 1/2 In. PG 58H-22   | 1,370  | TON   | \$160.00   | \$219,200  |
| A-036  |                | SP        | 5-04         | Temporary HMA CL 1/2 In. PG 58H-22  | 593    | TON   | \$100      | \$59,259   |
| A-037  | 1945           | SP        | 6-06         | Pedestrian Handrail   | 151    | LF  | \$150      | \$22,605   |
| A-038  |                | SP        | 6-11         | Cast-In-Place Fill Wall   | 925    | SF  | \$150      | \$138,750  |
| A-039  |                | SP        | 6-11         | Cast-In-Place Cut Wall  | 754    | SF  | \$150      | \$113,100  |
| A-040  |                | SP        | 7-04         | TV Inspection and Report  | 1      | LS  | \$2,500    | \$2,500    |
| A-041  |                | SP        | 7-04         | SDR 35 Storm Sewer Pipe 6 In. Diam.   | 40     | LF  | \$40       | \$1,600    |
| A-042  | 3577           | SI, SP    | 7-04         | Polypropylene Storm Sewer Pipe 12 In. Diam.   | 2,770  | LF  | \$55       | \$152,350  |
| A-043  | 3774           | SI, SP    | 7-04         | Ductile Iron Sewer Pipe 12 In. Diam.  | 307    | LF  | \$65       | \$19,955   |
| A-044  | 3091           | SI        | 7-05         | Catch Basin Type 1  | 32     | EA  | \$1,800    | \$57,600   |
| A-045  | 3090           | SI        | 7-05         | Catch Basin Type 1L   | 2      | EA  | \$1,500    | \$3,000    |
| A-046  | 3090           | SI        | 7-05         | Catch Basin Type 2 48 In. Diam.   | 11     | EA  | \$2,500    | \$27,500   |
| A-047  | 9605           | SI        | 7-05         | Connection to Drainage Structure  | 4      | EA  | \$200      | \$800      |
| A-048  |                | SP        | 7-05         | Linear Storm Chamber  | 1      | LS  | \$40,000   | \$40,000   |
| A-049  |                | SP        | 7-05         | Adjust Valve Box  | 17     | EA  | \$400      | \$6,800    |
| A-050  | 3080           | SI        | 7-05         | Adjust Manhole  | 6      | EA  | \$500      | \$3,000    |
| A-051  |                | SP        | 7-05         | Tree Box Biofiltration Unit   | 3      | EA  | \$25,000   | \$75,000   |
| A-052  |                | SP        | 7-05         | Area Drain  | 2      | EA  | \$900      | \$1,800    |
| A-053  | 3810           | SI        | 7-05         | Removal and Replacement of Unsuitable Material Incl. Haul                                     | 457    | CY  | \$30       | \$13,710   |
| A-054  |                | SP        | 7-08         | CSBC for Trench Backfill Incl. Haul   | 422    | TON   | \$45       | \$18,975   |
| A-055  |                | SI, SP    | 8-01         | TESC/SWPPP  | 1      | LS  | \$5,000    | \$5,000    |
| A-056  | 6490           | SI, SP    | 8-01         | Erosion/Water Pollution Control   | 1      | LS  | \$180,000  | \$180,000  |
| A-057  | 6471           | SI, SP    | 8-01         | Inlet Protection  | 24     | EA  | \$25       | \$600      |
| A-058  | 6403           | SI, SP    | 8-01         | ESC Lead  | 1      | LS  | \$5,000    | \$10,000   |
| A-059  |                | SI        | 8-02         | Property Restoration  | 1      | FA  | \$25,000   | \$25,000   |
| A-060  | 6414           | SI, SP    | 8-02         | Seeding, Fertilizing, and Mulching Inc. Water   | 0      | AC  | \$5,000    | \$1,000    |
| A-061  |                | SI, SP    | 8-02         | PSIPE Malus Tschonoskii   | 45.0   | EA  | \$350      | \$15,750   |
| A-062  |                | SI, SP    | 8-02         | PSIPE Berberis Thunbergii 'Barberry'  | 235    | EA  | \$20       | \$4,700    |
| A-063  |                | SI, SP    | 8-02         | PSIPE Geranium Acrorrhizum 'Ingwersen's'  | 1,290  | EA  | \$17       | \$21,930   |
| A-064  |                | SI, SP    | 8-02         | PSIPE Nandina Domestica 'Harbor Dwarf'  | 358    | EA  | \$20       | \$7,160    |
| A-065  |                | SI, SP    | 8-02         | PSIPE Philadelphus Lewisii 'Mock Orange'  | 3      | EA  | \$25       | \$75       |
| A-066  | 6407           | SI, SP    | 8-02         | Topsoil Type A  | 230    | CY  | \$45       | \$10,350   |
| A-067  | 6580           | SI, SP    | 8-02         | Bark or Wood Chip Mulch   | 80     | CY  | \$45       | \$3,600    |
| A-068  |                | SP        | 8-02         | Root Barrier  | 900    | LF  | \$70       | \$63,000   |
| A-069  |                | 6071      | 8-03         | Irrigation System   | 1      | LS  | \$50,000   | \$50,000   |
| A-070  | 6700           | SI        | 8-04         | Cement Conc. Traffic Curb and Gutter  | 4,727  | LF  | \$30       | \$141,810  |
| A-071  | 6707           | SI        | 8-04         | Cement Conc. Pedestrian Curb  | 697    | LF  | \$30       | \$20,910   |
| A-072  | 6727           | SI        | 8-04         | Extruded Curb   | 9      | LF  | \$30       | \$270      |
| A-073  | 7059           | SI, SP    | 8-06         | Cement Conc. Driveway Entrance Type Commercial/Industrial                                     | 1,178  | SY  | \$110      | \$129,531  |
| A-074  | 7059           | SI, SP    | 8-06         | Cement Conc. Driveway Entrance Type Commercial/Industrial Driveway Approach Parallel Sidewalk | 78     | SY  | \$110      | \$8,604    |
| A-075  | 6884           | SI        | 8-09         | Raised Pavement Marker Type 2   | 15     | HUND  | \$230      | \$3,450    |
| A-076  | 7084           | SI, SP    | 8-12         | Chain Link Fence Type 4   | 496.0  | LF  | \$25       | \$12,400   |
| A-077  |                | SP        | 8-12         | Wood Board Fence  | 65     | LF  | \$35       | \$2,275    |
| A-078  |                | SP        | 8-12         | Adjust Gate to Driveway Grade   | 2      | EA  | \$750      | \$1,500    |
| A-079  | 7380           | SP        | 8-13         | Adjust Monument Case and Cover  | 2      | EA  | \$450      | \$900      |
| A-080  | 7055           | SI        | 8-14         | Cement Conc. Sidewalk   | 1,042  | SY  | \$60       | \$62,540   |
| A-081  |                | SP        | 8-14         | Cement Conc. Sidewalk with Wall Cap   | 242    | SY  | \$75       | \$18,117   |
| A-082  |                | SP        | 8-14         | Cement Conc. Sidewalk with Thickened Edge   | 350    | SY  | \$75       | \$26,275   |
| A-083  | 7058           | SI        | 8-14         | Cement Conc. Curb Ramp Type Parallel A  | 21     | EA  | \$2,500    | \$52,500   |
| A-084  | 7058           | SI        | 8-14         | Cement Conc. Curb Ramp Type Combination   | 1      | EA  | \$2,500    | \$2,500    |
| A-085  |                | SP        | 8-14         | Concrete Steps and Metal Handrail   | 3      | EA  | \$2,500    | \$7,500    |
| A-086  | 7562           | SI, SP    | 8-18         | Mailbox Support Type 1  | 2      | EA  | \$500      | \$1,000    |
| A-087  | 7562           | SI, SP    | 8-18         | Mailbox Support Type 2  | 6      | EA  | \$1,000    | \$6,000    |
| A-088  |                | SP        | 8-20         | Electrical System, Complete   | 1      | LS  | \$500,000  | \$500,000  |
| A-089  |                | SP        | 8-20         | Temporary Illumination System, Complete   | 1      | LS  | \$60,000   | \$60,000   |
| A-090  | 6890           | SI        | 8-21         | Permanent Signing   | 1      | LS  | \$8,000    | \$8,000    |
| A-091  | 6806           | SI        | 8-22         | Paint Line  | 6,480  | LF  | \$15       | \$97,200   |
| A-092  | 6857           | SI        | 8-22         | Plastic Crosswalk Line  | 1,260  | SF  | \$10       | \$12,600   |
| A-093  | 6859           | SI        | 8-22         | Plastic Stop Line   | 107    | LF  | \$15       | \$1,605    |

|   |                |           |              |                             | Project No.<br>214-2078-008 |                | Date<br>July 08, 2021       |                    |
|---|----------------|-----------|--------------|-----------------------------|-----------------------------|----------------|-----------------------------|--------------------|
| Project Name<br>34th Ave S                |                |           |              |                             |                             |                |                             |                    |
| Location<br>SeaTac, WA                    |                |           |              |                             |                             |                |                             |                    |
| Owner<br>City of SeaTac                   |                |           |              |                             |                             |                |                             |                    |
| Estimated By: Clara Dubow                 |                |           |              |                             |                             |                | Checked By: Cindy Clark, PE |                    |
| Date: 6/23/2021                           |                |           |              |                             |                             | Date: 7/8/2021 |                             |                    |
| ITEM NO.                                  | WSDOT STD ITEM | ITEM TYPE | SPEC SECTION | DESCRIPTION                 | QTY                         | UNIT           | UNIT PRICE                  | TOTAL COST         |
| A-094                                     | 6866           | SI        | 8-22         | Painted Bicycle Lane Symbol | 8                           | EA             | \$35                        | \$280              |
| A-095                                     | 7164           | SP        | 8-24         | Integrated Fill Block Wall  | 887                         | SF             | \$80                        | \$70,960           |
| A-096                                     |                | SP        | 8-26         | Project Documentation       | 1                           | LS             | \$1,500                     | \$1,500            |
| A-097                                     |                | SP        | 8-32         | Field Office Building       | 1                           | LS             | \$30,000                    | \$30,000           |
| A-098                                     |                | SP        | 8-33         | Curb Door                   | 1                           | EA             | \$1,500                     | \$2,000            |
| <b>Total Construction Cost Schedule A</b> |                |           |              |                             |                             |                |                             | <b>\$4,677,088</b> |

|                            |  |  |  |  |                             |                       |
|----------------------------|--|--|--|--|-----------------------------|-----------------------|
| Project Name<br>34th Ave S |  |  |  |  | Project No.<br>214-2078-008 | Date<br>July 08, 2021 |
| Location<br>SeaTac, WA     |  |  |  |  |                             |                       |
| Owner<br>City of SeaTac    |  |  |  |  |                             |                       |
| Estimated By: Clara Dubow  |  |  |  |  | Checked By: Cindy Clark, PE |                       |
| Date: 6/23/2021            |  |  |  |  | Date: 7/8/2021              |                       |

| ITEM NO. | WSDOT STD ITEM | ITEM TYPE | SPEC SECTION | DESCRIPTION | QTY | UNIT | UNIT PRICE | TOTAL COST |
|----------|----------------|-----------|--------------|-------------|-----|------|------------|------------|
|----------|----------------|-----------|--------------|-------------|-----|------|------------|------------|

| SCHEDULE B - WATER MAIN                   |  |    |     |   |       |     |          |                    |
|---|--|----|-----|---|-------|-----|----------|--------------------|
| B-101                                     |  | SI | 1-1 | Mobilization (Not to Exceed 10%)                                  | 1     | LS  | \$86,730 | \$86,730           |
| B-102                                     |  | SP | 1-1 | Temporary Erosion and Sediment Control                            | 1     | LS  | \$5,000  | \$5,000            |
| B-103                                     |  | SP | 1-1 | Temporary Traffic Control   | 1     | LS  | \$65,000 | \$65,000           |
| B-104                                     |  | SP | 1-1 | Trench Safety Systems   | 5,000 | LF  | \$2      | \$10,000           |
| B-105                                     |  | SP | 1-1 | Construction Surveying  | 1     | LS  | \$5,000  | \$5,000            |
| B-106                                     |  | SP | 1-1 | Removal and Lawful Disposal of Asbestos Cement Pipe               | 700   | LF  | \$80     | \$56,000           |
| B-107                                     |  | SP | 1-1 | Removal and Lawful Disposal Water Pipe                            | 1,755 | LF  | \$20     | \$35,100           |
| B-108                                     |  | SP | 1-1 | Ductile Iron Water Main, Class 52, 6-In. Diam.                    | 90    | LF  | \$80     | \$7,200            |
| B-109                                     |  | SP | 1-1 | Ductile Iron Water Main, Class 52, 8-In. Diam.                    | 565   | LF  | \$90     | \$50,850           |
| B-110                                     |  | SP | 1-1 | Ductile Iron Water Main, Class 52, 12-In. Diam.                   | 1,840 | LF  | \$110    | \$202,400          |
| B-111                                     |  | SP | 1-1 | Additional Ductile Iron Water Main Fittings and Restrained Joints | 5,000 | LBS | \$8      | \$40,000           |
| B-112                                     |  | SP | 1-1 | Gate Valve and Valve Box 12 In.                                   | 14    | EA  | \$3,750  | \$52,500           |
| B-113                                     |  | SP | 1-1 | Fire Hydrant Assembly   | 4     | EA  | \$7,000  | \$28,000           |
| B-114                                     |  | SP | 1-1 | Remove Existing Fire Hydrant and Valve Box                        | 4     | EA  | \$1,250  | \$5,000            |
| B-115                                     |  | SP | 1-1 | Short Side Service Connection 1 In. Diam.                         | 24    | EA  | \$2,250  | \$54,000           |
| B-116                                     |  | SP | 1-1 | Long Side Service Connection 1 In. Diam.                          | 13    | EA  | \$3,500  | \$45,500           |
| B-117                                     |  | SP | 1-1 | Short Side Service Connection 1.5 In. Diam.                       | 1     | EA  | \$3,000  | \$3,000            |
| B-118                                     |  | SP | 1-1 | Cut in and/or Connect to Existing Water System                    | 7     | EA  | \$6,500  | \$45,500           |
| B-119                                     |  | SP | 1-1 | Crushed Surfacing Base Course (CSBC)                              | 2650  | Ton | \$35     | \$92,750           |
| B-120                                     |  | SP | 1-1 | HMA Cl. 1/2-In. PG 58H-22 For Trench Patch                        | 70    | Ton | \$150    | \$10,500           |
| B-121                                     |  | SP | 1-1 | HMA Cl. 1/2-In. PG 58H-22 For Overlay                             | 400   | SY  | \$60     | \$24,000           |
| B-122                                     |  | SP | 1-1 | Final Sawcut  | 1     | LS  | \$5,000  | \$5,000            |
| B-123                                     |  | SP | 1-1 | Roadside Cleanup/Surface Restoration                              | 1     | LS  | \$10,000 | \$10,000           |
| B-124                                     |  | SP | 1-1 | Minor Changes   | 1     | FA  | \$15,000 | \$15,000           |
| <b>Subtotal Construction Cost</b>         |  |    |     |   |       |     |          | <b>\$954,030</b>   |
| <b>Sales Tax (10.1%)</b>                  |  |    |     |   |       |     |          | <b>\$96,357</b>    |
| <b>Total Construction Cost Schedule B</b> |  |    |     |   |       |     |          | <b>\$1,050,387</b> |

| SCHEDULE C - UTILITIES (PSE, CENTURY LINK AND COMCAST) |  |    |      |   |       |     |          |                    |
|--|--|----|------|---|-------|-----|----------|--------------------|
| C-201  |  | SP | 2-09 | Shoring or Extra Excavation Class B                                       | 900   | SF  | \$2      | \$1,800            |
| C-202  |  | SP | 2-09 | Pothole   | 20    | EA  | \$1,000  | \$20,000           |
| C-203  |  | SP | 5-04 | Cold Mix  | 70    | TON | \$110    | \$7,700            |
| C-204  |  | SP | 8-31 | Joint Utility Trench  | 2,476 | LF  | \$100    | \$247,600          |
| C-205  |  | SP | 8-31 | Lateral Trench  | 2,046 | LF  | \$50     | \$102,300          |
| C-206  |  | SP | 8-31 | Install Vault - PSE Type 3030   | 8     | EA  | \$2,000  | \$16,000           |
| C-207  |  | SP | 8-31 | Install Vault - PSE Type 3642 Mini-Pad                                    | 6     | EA  | \$2,000  | \$12,000           |
| C-208  |  | SP | 8-31 | Install Vault - PSE Type 575  | 6     | EA  | \$2,500  | \$15,000           |
| C-209  |  | SP | 8-31 | Install Vault - PSE Type 5106   | 1     | EA  | \$25,000 | \$25,000           |
| C-210  |  | SP | 8-31 | Install Vault - PSE Type PMH9   | 1     | EA  | \$25,000 | \$25,000           |
| C-211  |  | SP | 8-31 | Install Vault - Comcast Type SGLB 2436                                    | 11    | EA  | \$1,000  | \$11,000           |
| C-212  |  | SP | 8-31 | Install Vault - Lumen Type 264-TA   | 8     | EA  | \$2,500  | \$20,000           |
| C-213  |  | SP | 8-31 | Install Pedestal - Lumen Type Bigshot 36 In. by 24 In.                    | 2     | EA  | \$2,500  | \$5,000            |
| C-214  |  | SP | 8-31 | Install Pedestal - Lumen Type 12 In.                                      | 11    | EA  | \$1,000  | \$11,000           |
| C-215  |  | SP | 8-31 | Install Vault - Lumen Type 467-TA   | 2     | EA  | \$2,500  | \$5,000            |
| C-216  |  | SP | 8-31 | Install Handhole - Lumen Type SGLB 3048                                   | 2     | EA  | \$1,250  | \$2,500            |
| C-217  |  | SP | 8-31 | Install Conduit Pipe 3 In. Diam. - PSE                                    | 2,412 | LF  | \$8      | \$19,296           |
| C-218  |  | SP | 8-31 | Furnish and Install Conduit Pipe 3 In. Diam. - PSE (Private Property)     | 900   | LF  | \$8      | \$7,200            |
| C-219  |  | SP | 8-31 | Install Conduit Pipe 4 In. Diam. - PSE                                    | 1,801 | LF  | \$10     | \$18,010           |
| C-220  |  | SP | 8-31 | Install Conduit Pipe 6 In. Diam. - PSE                                    | 2,133 | LF  | \$25     | \$53,325           |
| C-221  |  | SP | 8-31 | Install Conduit Pipe 2 In. Diam. - Comcast                                | 1,565 | LF  | \$5      | \$7,825            |
| C-222  |  | SP | 8-31 | Furnish and Install Conduit Pipe 2 In. Diam. - Comcast (Private Property) | 1,000 | LF  | \$5      | \$5,000            |
| C-223  |  | SP | 8-31 | Install Conduit Pipe 4 In. Diam. - Comcast                                | 5,093 | LF  | \$10     | \$50,930           |
| C-224  |  | SP | 8-31 | Install Conduit Pipe 2 In. Diam. - Lumen                                  | 2,963 | LF  | \$5      | \$14,815           |
| C-225  |  | SP | 8-31 | Furnish and Install Conduit Pipe 2 In. Diam. - Lumen (Private Property)   | 400   | LF  | \$5      | \$2,000            |
| C-226  |  | SP | 8-31 | Install Conduit Pipe 4 In. Diam. - Lumen                                  | 4,823 | LF  | \$10     | \$48,230           |
| C-227  |  | SP | 8-31 | Convert Existing Services   | 22    | EA  | \$8,000  | \$176,000          |
| C-228  |  | SP | 8-31 | Locate and Protect Septic Drainfield                                      | 11    | EA  | \$500    | \$5,500            |
| C-229  |  | SP | 8-31 | Concrete Encasement   | 20    | CY  | \$200    | \$4,000            |
| <b>Subtotal Construction Cost</b>                      |  |    |      |   |       |     |          | <b>\$939,031</b>   |
| <b>Sales Tax (10.1%)</b>                               |  |    |      |   |       |     |          | <b>\$94,842</b>    |
| <b>Total Construction Cost Schedule C</b>              |  |    |      |   |       |     |          | <b>\$1,033,873</b> |

|   |  |                    |
|---|--|--------------------|
| <b>Total Construction Cost Schedules A+B+ C</b>         |  | <b>\$6,761,348</b> |
| <b>Construction Management @12% of Schd A through C</b> |  | <b>\$811,362</b>   |
| <b>Total Agency Cost @ 2% of Schd A through C</b>       |  | <b>\$115,607</b>   |
| <b>State Cost</b>                                       |  | <b>\$5,000</b>     |
| <b>Total CN Cost Estimate Cost</b>                      |  | <b>\$7,693,317</b> |
| <b>PE Cost</b>  |  | <b>\$711,340</b>   |
| <b>Total R/W Cost</b>                                   |  | <b>\$107,740</b>   |
| <b>Total Project Cost Estimate Cost</b>                 |  | <b>\$8,512,397</b> |



# MEMORANDUM

To: Transportation and Public Works Committee  
Through: William Appleton, Public Works Director  
From: Kamal Mahmoud, Engineering Manager  
Date: August 5, 2021  
Subject: Puget Sound Energy Schedule 74 Agreement for 34th Avenue South Project (ST-015)

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## **Purpose:**

To obtain Committee recommendation to forward a Schedule 74 Agreement with Puget Sound Energy for 34th Avenue South Project (ST-015) to the September 14 Regular Council Meeting for review and action. Staff also seeks the Committee's recommendation to approve the agreement.

## **Background:**

The 34th Avenue South Project (ST-015) will provide a safer route for pedestrians, bicyclists, and vehicles traveling along 34th Avenue South, from South 160th Street to South 166th Street. Improvements include sidewalk, curb, gutter, planter strip, pedestrian lighting, pavement reconstruction, stormwater facilities and conversation of overhead power and telecommunication services to underground distribution.

Puget Sound Energy (PSE) currently owns and operates the utility poles and electric distribution lines within the project area. PSE has worked with the City's design team to incorporate into the project replacement of PSE's existing overhead electrical distribution system with an underground system, removal of existing utility poles, and service connections to adjacent properties. With the removal of the utility poles, both Comcast and Lumen (formerly CenturyLink) will also be required to underground their infrastructure. The proposed agreement memorializes the cost sharing, roles and responsibilities, and expectations related to this underground conversion work. The formula for payment of each utility's respective costs is pre-established through a franchise agreement or state tariff as further described below:

- **Puget Sound Energy** - The sharing of costs related to undergrounding PSE facilities is set forth in their franchise agreement with the City. PSE will pay 60% of the civil infrastructure and underground electrical system costs and 100% of their project management costs. PSE is also responsible for ensuring that their utility poles are removed from the right-of-way.

## **Actions:**

Seek Committee recommendation to proceed with a single budget amendment ordinance to amend the construction budget, award construction contract, add construction management services to the budget and approve a final design contract amendment.



## SCHEDULE 74 UNDERGROUND CONVERSION

### Project Construction Agreement

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Project Name: 34<sup>th</sup> Avenue South Schedule 74 Conversion

Project Number: 101115071

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THIS Agreement, dated as of this \_\_\_\_ day of \_\_\_\_\_, 2021 \_\_, is made by and between The City of SeaTac, a Municipal Corporation (the "Government Entity"), and PUGET SOUND ENERGY, Inc., a Washington Corporation (the "Company").

#### RECITALS

A. The Company is a public service company engaged in the sale and distribution of electric energy, and pursuant to its franchise or other rights from the Government Entity, currently locates its electric distribution facilities within the jurisdictional boundaries of the Government Entity.

B. The Government Entity has determined that it is necessary to replace the existing overhead electric distribution system within the area specified in the Project Plan (as defined below) (the "Conversion Area") with a comparable underground electric distribution system, all as more specifically described in the Project Plan (the "Conversion Project").

C. The Government Entity and the Company have previously entered into a Project Design Agreement dated as of June 19<sup>th</sup> 2019 (the "Design Agreement"), pursuant to which the parties completed certain engineering design, cost assessment, operating rights planning and other preliminary work relating to the Conversion Project and, in connection with that effort, developed the Project Plan.

D. The Government Entity and the Company wish to execute this written contract in accordance with Schedule 74 of the Company's Electric Tariff G ("Schedule 74") to govern the completion of the Conversion Project, which both parties intend shall qualify as an underground conversion under the terms of Schedule 74.

#### AGREEMENT

The Government Entity and the Company therefore agree as follows:

1. Definitions.

(a) Unless specifically defined otherwise herein, all terms defined in Schedule 74 shall have the same meanings when used in this Agreement, including, without limitation, the following:

- i) Cost of Conversion;
- ii) Public Thoroughfare;
- iii) Temporary Service;
- iv) Trenching and Restoration;
- v) Underground Distribution System; and
- vi) Underground Service Lines.

(b) "Company-Initiated Upgrade" shall mean any feature of the Underground Distribution System which is required by the Company and is not reasonably required to make the Underground Distribution System comparable to the overhead distribution system being replaced. For purposes of the foregoing, a "comparable" system shall include, unless the Parties otherwise agree, the number of empty ducts (not to exceed two (2), typically having a diameter of 6" or less)

of such diameter and number as may be specified and agreed upon in the Project Plan necessary to replicate the load-carrying capacity (system amperage class) of the overhead system being replaced.

- (c) "Estimated Reimbursable Private Conversion Costs" shall mean the Company's good faith estimate of the Reimbursable Private Conversion Costs, as specified in the Project Plan and as changed and adjusted from time to time in accordance with Section 6, below.
- (d) "Estimated Reimbursable Temporary Service Costs" shall mean the Company's good faith estimate of the Reimbursable Temporary Service Costs, as specified in the Project Plan and as changed and adjusted from time to time in accordance with Section 6, below.
- (e) "Estimated Reimbursable Upgrade Costs" shall mean the Company's good faith estimate of the Reimbursable Upgrade Costs, as specified in the Project Plan and as changed and adjusted from time to time in accordance with Section 6, below.
- (f) "Estimated Shared Company Costs" shall mean the Company's good faith estimate of the Shared Company Costs, as specified in the Project Plan and as changed and adjusted from time to time in accordance with Section 6, below.
- (g) "Estimated Shared Government Costs" shall mean the Government Entity's good faith estimate of the Shared Government Costs, as specified in the Project Plan and as changed and adjusted from time to time in accordance with Section 6, below.
- (h) "Government-Requested Upgrade" shall mean any feature of the Underground Distribution System which is requested by the Government Entity and is not reasonably required to make the Underground Distribution System comparable to the overhead distribution system being replaced. For purposes of the foregoing, any empty ducts installed at the request of the Government Entity shall be a Government-Requested Upgrade.
- (i) "Party" shall mean either the Company, the Government Entity, or both.
- (j) "Private Property Conversion" shall mean that portion, if any, of the Conversion Project for which the existing overhead electric distribution system is located, as of the date determined in accordance with Schedule 74, (i) outside of the Public Thoroughfare, or (ii) pursuant to rights not derived from a franchise previously granted by the Government Entity or pursuant to rights not otherwise previously granted by the Government Entity.
- (k) "Project Plan" shall mean the project plan developed by the Parties under the Design Agreement and attached hereto as Exhibit A, as the same may be changed and amended from time to time in accordance with Section 6, below. The Project Plan includes, among other things, (i) a detailed description of the Work that is required to be performed by each Party and any third party, (ii) the applicable requirements and specifications for the Work, (iii) a description of the Operating Rights that are required to be obtained by each Party for the Conversion Project (and the requirements and specifications with respect thereto), (iv) an itemization and summary of the Estimated Shared Company Costs, Estimated Shared Government Costs, Estimated Reimbursable Private Conversion Costs (if any), Estimated Reimbursable Temporary Service Costs (if any) and Estimated Reimbursable Upgrade Costs (if any), and (v) the Work Schedule.
- (l) "Operating Rights" shall mean sufficient space and legal rights for the construction, operation, repair, and maintenance of the Underground Distribution System.
- (m) "Reimbursable Private Conversion Costs" shall mean (i) all Costs of Conversion, if any, incurred by the Company which are attributable to a Private Property Conversion, less (ii) the distribution pole replacement costs (if any) that would be avoided by the Company on account of such Private Property Conversion, as determined consistent with the applicable Company distribution facilities

replacement program, plus (iii) just compensation as provided by law for the Company's interests in real property on which such existing overhead distribution system was located prior to conversion; provided that the portion of the Reimbursable Private Conversion Costs attributable to the Costs of Conversion under subparagraph (i) of this paragraph shall not exceed the Estimated Reimbursable Private Conversion Costs without the prior written authorization of the Government Entity.

- (n) "Reimbursable Temporary Service Costs" shall mean all costs incurred by the Company which are attributable to (i) any facilities installed as part of the Conversion Project to provide Temporary Service, as provided for in Schedule 74, and (ii) the removal of any facilities installed to provide Temporary Service (less salvage value of removed equipment); provided that the Reimbursable Temporary Service Costs shall not exceed the Estimated Reimbursable Temporary Service Costs without the prior written authorization of the Government Entity.
- (o) "Reimbursable Upgrade Costs" shall mean all Costs of Conversion incurred by the Company which are attributable to any Government-Requested Upgrade; provided that the Reimbursable Upgrade Costs shall not exceed the Estimated Reimbursable Upgrade Costs without the prior written authorization of the Government Entity.
- (p) "Shared Company Costs" shall mean all Costs of Conversion (other than Reimbursable Upgrade Costs, Reimbursable Private Conversion Costs and Reimbursable Temporary Service Costs) incurred by the Company in connection with the Conversion Project; provided, however, that the Shared Company Costs shall not exceed the Estimated Shared Company Costs without the prior written authorization of the Government Entity. For the avoidance of doubt, the "Shared Company Costs" shall, as and to the extent specified in the Design Agreement, include the actual, reasonable costs to the Company for the "Design Work" performed by the Company under the Design Agreement.
- (q) "Shared Government Costs" shall mean all Costs of Conversion incurred by the Government Entity in connection with (i) any duct and vault installation Work which the Parties have specified in the Project Plan is to be performed by the Government Entity as part of the Government Work, and (ii) the acquisition of any Operating Rights which the Parties have, by mutual agreement, specified in the Project Plan are to be obtained by the Government Entity for the Conversion Project, but only to the extent attributable to that portion of such Operating Rights which is necessary to accommodate the facilities of the Company; provided, however, that the Shared Government Costs shall not exceed the Estimated Shared Government Costs without the prior written authorization of the Company.
- (r) "Total Shared Costs" shall mean the sum of the Shared Company Costs and the Shared Government Costs. For the avoidance of doubt, the Total Shared Costs shall not include, without limitation, (i) costs to the Government Entity for Trenching and Restoration, or (ii) costs associated with any joint use of trenches by other utilities as permitted under Section 3(b).
- (s) "Work" shall mean all work to be performed in connection with the Conversion Project, as more specifically described in the Project Plan, including, without limitation, the Company Work (as defined in Section 2(a), below) and the Government Work (as defined in Section 3(a), below).
- (t) "Work Schedule" shall mean the schedule specified in the Project Plan which sets forth the milestones for completing the Work, as the same may be changed and amended from time to time in accordance with Section 6, below.

## 2. Obligations of the Company.

- (a) Subject to the terms and conditions of this Agreement, the Company shall do the following as specified in, and in accordance with the design and construction specifications and other requirements set forth in, the Project Plan (the "Company Work"):

- i) furnish and install an Underground Distribution System within the Conversion Area (excluding any duct and vault installation or other Work which the Parties have specified in the Project Plan is to be performed by the Government Entity);
  - ii) provide a Company inspector on-site at the times specified in the Work Schedule to inspect the performance of any duct and vault installation Work which the Parties have specified in the Project Plan is to be performed by the Government Entity; and
  - iii) upon connection of those persons or entities to be served by the Underground Distribution System and removal of facilities of any other utilities that are connected to the poles of the overhead system, remove the existing overhead system (including associated wires and Company-owned poles) of 15,000 volts or less within the Conversion Area except for Temporary Services.
- (b) Upon request of the Government Entity, the Company shall provide periodic reports of the progress of the Company Work identifying (i) the Company Work completed to date, (ii) the Company Work yet to be completed, and (iii) an estimate regarding whether the Conversion Project is on target with respect to the Estimated Shared Company Costs, the Estimated Reimbursable Private Conversion Costs (if any), the Estimated Reimbursable Temporary Service Costs (if any), the Estimated Reimbursable Upgrade Costs (if any) and the Work Schedule.
- (c) Except as otherwise provided in the Company's Electric Tariff G, the Company shall own, operate and maintain all electrical facilities installed pursuant to this Agreement including, but not limited to, the Underground Distribution System and Underground Service Lines.
- (d) Subject to the terms and conditions of this Agreement, the Company shall perform all Company Work in accordance with the Project Plan, the Work Schedule and this Agreement.

3. Obligations of the Government Entity.

- (a) Subject to the terms and conditions of this Agreement, the Government Entity shall do the following as specified in, and in accordance with the design and construction specifications and other requirements set forth in, the Project Plan (the "Government Work"):
  - i) provide the Trenching and Restoration;
  - ii) perform the surveying for alignment and grades for ducts and vaults; and
  - iii) perform any duct and vault installation and other Work which the Parties have specified in the Project Plan is to be performed by the Government Entity.
- (b) Other utilities may be permitted by the Government Entity to use the trenches provided by the Government Entity for the installation of their facilities so long as such facilities or the installation thereof do not interfere (as determined pursuant to the Company's electrical standards) with the Underground Distribution System or the installation or maintenance thereof. Any such use of the trenches by other utilities shall be done subject to and in accordance with the joint trench design specifications and installation drawings set forth or otherwise identified in the Project Plan, and the Government Entity shall be responsible for the coordination of the design and installation of the facilities of the other utilities to ensure compliance with such specifications and drawings.
- (c) Upon request of the Company, the Government Entity shall provide periodic reports of the progress of the Government Work identifying (i) the Government Work completed to date, (ii) the Government Work yet to be completed, and (iii) an estimate regarding whether the Conversion Project is on target with respect to the Estimated Shared Government Costs and the Work Schedule.
- (d) The Government Entity shall be responsible for coordinating all work to be performed in connection with the street improvement program within the Conversion Area.

- (e) Subject to the terms and conditions of this Agreement, the Government Entity shall perform all Government Work in accordance with the Project Plan, the Work Schedule and this Agreement.

4. Work Schedule.

- (a) The Government Entity and the Company have agreed upon the Work Schedule as set forth in the Project Plan. Changes to the Work Schedule shall be made only in accordance with Section 6, below.
- (b) Promptly following the execution of this Agreement, and upon completion by the Government Entity of any necessary preliminary work, the Government Entity shall hold a pre-construction meeting involving all participants in the Conversion Project to review project design, coordination requirements, work sequencing and related pre-mobilization requirements. Following the pre-construction meeting, the Government Entity shall give the Company written notice to proceed with the Work at least ten (10) business days prior to the commencement date specified in the Work Schedule.
- (c) Subject to the terms and conditions of this Agreement, each Party shall perform the Work assigned to it under this Agreement in accordance with the Work Schedule. So long as the Company performs the Company Work in accordance with the Work Schedule, the Company shall not be liable to the Government Entity (or its agents, servants, employees, contractors, subcontractors, or representatives) for any claims, actions, damages, or liability asserted or arising out of delays in the Work Schedule.

5. Location of Facilities.

All facilities of the Company installed within the Conversion Area pursuant to this Agreement shall be located, and all related Operating Rights shall be obtained, in the manner set forth in the applicable provisions of Schedule 74, as specified by the Parties in the Project Plan.

6. Changes.

- (a) Either Party may, at any time, by written notice thereof to the other Party, request changes in the Work within the general scope of this Agreement (a "Request for Change"), including, but not limited to: (i) changes in, substitutions for, additions to or deletions of any Work; (ii) changes in the specifications, drawings and other requirements in the Project Plan, (iii) changes in the Work Schedule, and (iv) changes in the location, alignment, dimensions or design of items included in the Work. No Request for Change shall be effective and binding upon the Parties unless signed by an authorized representative of each Party.
- (b) If any change included in an approved Request for Change would cause a change in the cost of, or the time required for, the performance of any part of the Work, an equitable adjustment shall be made in the Estimated Shared Company Costs, the Estimated Shared Government Costs, the Estimated Reimbursable Private Conversion Costs (if any), the Estimated Reimbursable Temporary Service Costs (if any), the Estimated Reimbursable Upgrade Costs (if any) and/or the Work Schedule to reflect such change. The Parties shall negotiate in good faith with the objective of agreeing in writing on a mutually acceptable equitable adjustment. If the Parties are unable to agree upon the terms of the equitable adjustment, either Party may submit the matter for resolution pursuant to the dispute resolution provisions in Section 10, below.
- (c) The Work Schedule, the Estimated Shared Company Costs, the Estimated Shared Government Costs, the Estimated Reimbursable Private Conversion Costs, the Estimated Reimbursable Temporary Service Costs and/or the Estimated Reimbursable Upgrade Costs shall be further equitably adjusted from time to time to reflect any change in the costs or time required to perform the Work to the extent such change is caused by: (i) any Force Majeure Event under Section 11, below, (ii) the discovery of any condition within the Conversion Area which affects the scope, cost,

schedule or other aspect of the Work and was not known by or disclosed to the affected Party prior to the date of this Agreement, or (iii) any change or inaccuracy in any assumptions regarding the scope, cost, schedule or other aspect of the Work which are expressly identified by the Parties in the Project Plan. Upon the request of either Party, the Parties will negotiate in good faith with the objective of agreeing in writing on a mutually acceptable equitable adjustment. If, at any time thereafter, the Parties are unable to agree upon the terms of the equitable adjustment, either Party may submit the matter for resolution pursuant to the dispute resolution provisions in Section 10, below.

- (d) Notwithstanding any dispute or delay in reaching agreement or arriving at a mutually acceptable equitable adjustment, each Party shall, if requested by the other Party, proceed with the Work in accordance with any approved Request for Change. Any request to proceed hereunder must be accompanied by a written statement setting forth the requesting Party's reasons for rejecting the proposed equitable adjustment of the other Party.

## 7. Compensation and Payment.

- (a) Subject to and in accordance with the terms and conditions of this Agreement (including, without limitation, the payment procedures set forth in this Section 7), payment in connection with the Conversion Project and this Agreement shall be as follows:
  - i) The Total Shared Costs shall be allocated to the Parties in the following percentages: (A) sixty percent (60%) to the Company, and (B) forty percent (40%) to the Government Entity.
  - ii) The Government Entity shall pay one hundred percent (100%) of all Reimbursable Private Conversion Costs, if any.
  - iii) The Government Entity shall pay one hundred percent (100%) of all Reimbursable Upgrade Costs, if any.
  - iv) The Government Entity shall pay one hundred percent (100%) of all Reimbursable Temporary Service Costs, if any.
  - v) The Government Entity shall pay one hundred percent (100%) of the costs it incurs to perform that portion of the Government Work specified in Section 3(a)(i) and (ii) (i.e., Trenching and Restoration and surveying).
  - vi) The Company shall pay one hundred percent (100%) of the costs it incurs to design, provide and construct any Company-Initiated Upgrade.
  - vii) The Company shall pay one hundred percent (100%) of the costs it incurs to obtain Operating Rights outside the Public Thoroughfare.
- (b) Based on the allocation of responsibilities set forth in Section 7(a), above, the Parties shall determine the net amount payable by the Government Entity or the Company, as applicable, to the other Party under this Agreement (the "Net Amount"). The Net Amount shall be determined by using the amount of the Total Shared Costs allocated to the Government Entity under Section 7(a)(i), and adjusting such amount as follows:
  - i) Subtracting (as a credit to the Government Entity) the amount of the Shared Government Costs.
  - ii) Adding (as a credit to the Company) the amount of all Reimbursable Private Conversion Costs, Reimbursable Upgrade Costs and Reimbursable Temporary Service Costs.
  - iii) Subtracting (as a credit to the Government Entity) any payments previously made to the Company by the Government Entity under the Design Agreement which, under the terms of the Design Agreement, are to be credited to the Government Entity under this Agreement.

The Net Amount, as so calculated, (A) will be an amount payable to the Company if it is a positive number, and (B) shall be an amount payable to the Government Entity if it is a negative number.

- (c) Within sixty (60) business days of completion of the Conversion Project, the Government Entity shall provide the Company with an itemization of the Shared Government Costs (the "Government Itemization"), together with such documentation and information as the Company may reasonably request to verify the Government Itemization. The Government Itemization shall, at a minimum, break down the Shared Government Costs by the following categories, as applicable: (i) property and related costs incurred and/or paid by the Government Entity, including any costs of obtaining Operating Rights, and (ii) construction costs incurred and/or paid by the Government Entity, including and listing separately inspection, labor, materials and equipment, overhead and all costs charged by any agent, contractor or subcontractor of the Government Entity.
- (d) Within thirty (30) business days after the Company's receipt of the Government Itemization and requested documentation and information, the Company shall provide the Government Entity a written statement (the "Company Statement") showing (i) an itemization of the Shared Company Costs, (ii) the Parties' relative share of the Total Shared Costs based on the Company's itemization of the Shared Company Costs and the Government Entity's itemization of the Shared Government Costs set forth in the Government Itemization, (iii) any Reimbursable Private Conversion Costs, (iv) any Reimbursable Upgrade Costs, (v) any Reimbursable Temporary Service Costs, (vi) any credits to the Government Entity for payments previously made to the Company by the Government Entity under the Design Agreement which, under the terms of the Design Agreement, are to be credited to the Government Entity under this Agreement, and (vii) the Net Amount, as determined in accordance with Section 7(b), above, together with such documentation and information as the Government Entity may reasonably request to verify the Company Statement. The itemization of the Shared Company Costs included in the Company Statement shall, at a minimum, break down the Shared Company Costs by the following categories, as applicable: (i) design and engineering costs, and (ii) construction costs, including and listing separately inspection, labor, materials and equipment, overhead and all costs charged by any agent, contractor or subcontractor of the Company.
- (e) Within thirty (30) business days after the Government Entity's receipt of the Company Statement and requested documentation and information, the Net Amount shall be paid by the owing Party to the other Party, as specified in the Company Statement.

#### 8. Indemnification.

- (a) The Government Entity releases and shall defend, indemnify and hold the Company harmless from all claims, losses, harm, liabilities, damages, costs and expenses (including, but not limited to, reasonable attorneys' fees) caused by or arising out of any negligent act or omission or willful misconduct of the Government Entity in its performance under this Agreement. During the performance of such activities the Government Entity's employees or contractors shall at all times remain employees or contractors, respectively, of the Government Entity.
- (b) The Company releases and shall defend, indemnify and hold the Government Entity harmless from all claims, losses, harm, liabilities, damages, costs and expenses (including, but not limited to, reasonable attorneys' fees) caused by or arising out of any negligent act or omission or willful misconduct of the Company in its performance under this Agreement. During the performance of such activities the Company's employees or contractors shall at all times remain employees or contractors, respectively, of the Company.
- (c) Solely for purposes of enforcing the indemnification obligations of a Party under this Section 8, each Party expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, and agrees that the obligation to indemnify, defend and hold harmless provided for in this Section 8 extends to any such claim brought against the indemnified Party by or on behalf of any employee of the indemnifying Party. The foregoing waiver shall not in any way preclude the indemnifying Party from raising such immunity as a defense against any claim brought against the indemnifying Party by any of its employees.

9. Conversion of Service to Customers within Conversion Area.

- (a) Upon commencement of the Work, the Government Entity shall notify all persons and entities within the Conversion Area that service lines to such customers must be converted from overhead to underground service within the applicable statutory period following written notice from the Government Entity that service from underground facilities are available in accordance with RCW 35.96.050. Upon the request of any customer, other than a single family residential customer, within the Conversion Area, the Company shall remove the overhead system and connect such persons' and entities' Underground Service Lines to the Underground Distribution System.
- (b) The Parties acknowledge that single family residences within the Conversion Area must (i) provide a service trench and conduit, in accordance with the Company's specifications, from the underground meter base to the point of service provided during the conversion, and (ii) pay for the secondary service conductors as defined in Schedule 85 of the Company's Electric Tariff G. The Government Entity shall exercise its authority to order disconnection and removal of overhead facilities with respect to owners failing to convert service lines from overhead to underground within the timelines provided in RCW 35.96.050.

10. Dispute Resolution.

- (a) Any dispute, disagreement or claim arising out of or concerning this Agreement must first be presented to and considered by the Parties. A Party who wishes dispute resolution shall notify the other Party in writing as to the nature of the dispute. Each Party shall appoint a representative who shall be responsible for representing the Party's interests. The representatives shall exercise good faith efforts to resolve the dispute. Any dispute that is not resolved within ten (10) business days of the date the disagreement was first raised by written notice shall be referred by the Parties' representatives in writing to the senior management of the Parties for resolution. In the event the senior management are unable to resolve the dispute within twenty (20) business days (or such other period as the Parties may agree upon), each Party may pursue resolution of the dispute through other legal means consistent with the terms of this Agreement. All negotiations pursuant to these procedures for the resolution of disputes shall be confidential and shall be treated as compromise and settlement negotiations for purposes of the state and federal rules of evidence.
- (b) Any claim or dispute arising hereunder which relates to any Request for Change or any equitable adjustment under Section 6, above, or the compensation payable by or to either Party under Section 7, above, and which is not resolved by senior management within the time permitted under Section 10(a), above, shall be resolved by arbitration in Seattle, Washington, under the Construction Industry Arbitration Rules of the American Arbitration Association then in effect. The decision(s) of the arbitrator(s) shall be final, conclusive and binding upon the Parties. All other disputes shall be resolved by litigation in any court or governmental agency, as applicable, having jurisdiction over the Parties and the dispute.
- (c) In connection with any arbitration under this Section 10, costs of the arbitrator(s), hearing rooms and other common costs shall be divided equally among the Parties. Each Party shall bear the cost and expense of preparing and presenting its own case (including, but not limited to, its own attorneys' fees); provided, that, in any arbitration, the arbitrator(s) may require, as part of his or her decision, reimbursement of all or a portion of the prevailing Party's costs and expenses (including, but not limited to, reasonable attorneys' fees) by the other Party.
- (d) Unless otherwise agreed by the Parties in writing, the Parties shall continue to perform their respective obligations under this Agreement during the pendency of any dispute.



#### 11. Uncontrollable Forces.

In the event that either Party is prevented or delayed in the performance of any of its obligations under this Agreement by reason beyond its reasonable control (a "Force Majeure Event"), then that Party's performance shall be excused during the Force Majeure Event. Force Majeure Events shall include, without limitation, war; civil disturbance; flood, earthquake or other Act of God; storm, earthquake or other condition which necessitates the mobilization of the personnel of a Party or its contractors to restore utility service to customers; laws, regulations, rules or orders of any governmental agency; sabotage; strikes or similar labor disputes involving personnel of a Party, its contractors or a third party; or any failure or delay in the performance by the other Party, or a third party who is not an employee, agent or contractor of the Party claiming a Force Majeure Event, in connection with the Work or this Agreement. Upon removal or termination of the Force Majeure Event, the Party claiming a Force Majeure Event shall promptly perform the affected obligations in an orderly and expedited manner under this Agreement or procure a substitute for such obligation. The Parties shall use all commercially reasonable efforts to eliminate or minimize any delay caused by a Force Majeure Event.

#### 12. Insurance.

- (a) PSE shall, and shall require each of its contractors to, secure and maintain in force throughout the duration of the Conversion Project (or, if sooner, until termination of this Agreement) comprehensive general liability insurances, with a minimum coverage of \$2,000,000 per occurrence and \$2,000,000 aggregate for personal injury; and \$2,000,000 per occurrence/aggregate for property damages, and professional liability insurance in the amount of \$2,000,000.
- (b) The Government Entity shall ensure that each of its contractors performing any Government Work secures and maintains in force throughout the duration of the Conversion Project (or, if sooner, until termination of this Agreement) insurance policies having the same coverage, amounts and limits as specified Section 12(a), above.
- (c) In lieu of the insurance requirements set forth in Section 12(a), above, the Company may self-insure against such risks in such amounts as are consistent with good utility practice. Upon the Government Entity's request, the Company shall provide the Government Entity with reasonable written evidence that the Company is maintaining such self-insurance.

#### 13. Other.

- (a) Agreement Subject To Tariff. This Agreement is subject to the General Rules and Provisions set forth in Tariff Schedule 80 of the Company's electrical Tariff G and to Schedule 74 of such Tariff as approved by the Washington Utilities and Transportation Commission and in effect as of the date of this Agreement.
- (b) Termination. The Government Entity reserves the right to terminate the Conversion Project and this Agreement upon written notice to the Company. In the event that the Government Entity terminates the Conversion Project and this Agreement, the Government Entity shall reimburse the Company for all costs reasonably incurred by the Company in connection with the Work performed prior to the effective date of termination. In such event, the costs reimbursable to the Company (i) shall not be reduced by any Shared Government Costs or other costs incurred by the Government Entity, and (ii) shall be paid within thirty (30) days after the receipt of the Company's invoice therefor. Sections 1, 5, 7, 8, 9, 10, 11 and 13 shall survive any termination of the Conversion Project and/or this Agreement.
- (c) Facilities Greater Than 15,000 Volts. Nothing in this Agreement shall in any way affect the rights or obligations of the Company under any previous agreements pertaining to the existing or future facilities of greater than 15,000 Volts within the Conversion Area.

- (d) Compliance With Law. The Parties shall, in performing the Work under this Agreement, comply with all applicable federal, state, and local laws, ordinances, and regulations.
- (e) No Discrimination. The Company, with regard to the Work performed by the Company under this Agreement, shall comply with all applicable laws relating to discrimination on the basis race, color, national origin, religion, creed, age, sex, or the presence of any physical or sensory handicap in the selection and retention of employees or procurement of materials or supplies.
- (f) Independent Contractor. The Company and the Government Entity agree that the Company is an independent contractor with respect to the Work and this Agreement. The Company is acting to preserve and protect its facilities and is not acting for the Government Entity in performing the Work. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the Parties. Neither the Company nor any employee of the Company shall be entitled to any benefits accorded employees of the Government Entity by virtue of the Work or this Agreement. The Government Entity shall not be responsible for withholding or otherwise deducting federal income tax or social security or contributing to the State Industrial Insurance Program, or otherwise assuming the duties of an employer with respect to the Company, or any employee of the Company.
- (g) Nonwaiver of Rights or Remedies. No failure or delay of either Party to insist upon or enforce strict performance by the other Party of any provision of this Agreement or to exercise any other right under this Agreement, and no course of dealing or performance with respect thereto, shall, except to the extent provided in this Agreement, be construed as a waiver or, or choice of, or relinquishment of any right under any provision of this Agreement or any right at law or equity not otherwise provided for herein. The express waiver by either Party of any right or remedy under this Agreement or at law or equity in a particular instance or circumstance shall not constitute a waiver thereof in any other instance or circumstance.
- (h) No Third Party Beneficiaries. There are no third-party beneficiaries of this Agreement. Nothing contained in this Agreement is intended to confer any right or interest on anyone other than the Parties, their respective successors, assigns and legal representatives.
- (i) Governmental Authority. This Agreement is subject to the rules, regulations, orders and other requirements, now or hereafter in effect, of all governmental regulatory authorities and courts having jurisdiction over this Agreement, the Parties or either of them. All laws, ordinances, rules, regulations, orders and other requirements, now or hereafter in effect, of governmental regulatory authorities and courts that are required to be incorporated into agreements of this character are by this reference incorporated in this Agreement.
- (j) No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture or partnership between the Parties or to impose any partnership obligations or liability upon either Party. Further, neither Party shall have any right, power or authority to enter into any agreement or undertaking for or on behalf of, to act as or be an agent or representative of, or to otherwise bind the other Party.
- (k) Severability. In the event that any provision of this Agreement or the application of any such provision shall be held invalid as to either Party or any circumstance by any court having jurisdiction, such provision shall remain in force and effect to the maximum extent provided by law, and all other provisions of this Agreement and their application shall not be affected thereby but shall remain in force and effect unless a court or arbitrator holds they are not severable from the invalid provisions.

- (l) Notice. Any notice under this Agreement shall be in writing and shall be faxed (with a copy followed by mail or hand delivery), delivered in person, or mailed, properly addressed and stamped with the required postage, to the intended recipient as follows:

If to the Government Entity:

City of SeaTac  
 4008 South 188<sup>th</sup> Street  
 SeaTac, Washington 98188  
 Attn: Florendo Cabudol Jr. P.E.  
 Phone Number: 206-973-4740  
 Email: [facbudol@ci.seatac.wa.us](mailto:facbudol@ci.seatac.wa.us)

If to the Company:

Puget Sound Energy, Inc.  
 6905 South 228<sup>th</sup> Street  
 Kent Washington 98032  
 Attn: Jason Airey  
 Phone Number: 206-348-9637  
 Email: [Jason.airey@pse.com](mailto:Jason.airey@pse.com)

Any Party may change its address specified in this Section 13(l) by giving the other Party notice of such change in accordance with this Section 13(l).

- (m) Applicable Law. This Agreement shall in all respects be interpreted, construed and enforced in accordance with the laws of the State of Washington (without reference to rules governing conflict of laws), except to the extent such laws may be preempted by the laws of the United States of America.
- (n) Entire Agreement. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof and all other agreements and understandings of the Parties, whether written or oral, with respect to the subject matter of this Agreement are hereby superseded in their entireties; provided, however, that except as expressly set forth in this Agreement, nothing herein is intended to or shall alter, amend or supersede the Design Agreement and the same shall remain in full force and effect in accordance with its terms.
- (o) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the respective successors, assigns, purchasers, and transferees of the Parties, including but not limited to, any entity to which the rights or obligations of a Party are assigned, delegated, or transferred in any corporate reorganization, change of organization, or purchase or transfer of assets by or to another corporation, partnership, association, or other business organization or division thereof.

Government Entity:

Company:

City of SeaTac

PUGET SOUND ENERGY, INC.

BY \_\_\_\_\_

BY \_\_\_\_\_

ITS \_\_\_\_\_

ITS \_\_\_\_\_

Date Signed \_\_\_\_\_

Date Signed \_\_\_\_\_

Approved as to form: \_\_\_\_\_.



## FACILITY CONVERSION/MODIFICATION BILLING DETAIL

### **Scope of Work**

**To:** City of Seatac  
 4800 South 188th Street  
  
 Seatac, WA 98004

This Conversion Project will replace PSE's existing overhead electrical distribution system with an Underground Distribution System within 34th Avenue South (the "Conversion Area") is detailed in the PSE design 101115071. The Conversion Project is approximately 6,161 feet in length, including laterals and road crossings.

**Attn:** Pete Kang

**Project Description:** Schedule 73 overhead to underground conversion.

**Location:** 34th Avenue South Schedule 74 Conversion

**PSE Project Manager:** Hong Nguyen 425-449-6609

| Activity:<br>PSE Order #:                   | PSE Design Cost |              | PSE Construction Cost Estimate |               | Customer Installed Duct and Vault |               | Change Orders         |        |
|---|-----------------|--------------|--------------------------------|---------------|-----------------------------------|---------------|-----------------------|--------|
|   | 101115071       |              | 101115071                      |               | 101115071                         |               | 101115071             |        |
|   | Customer Cost   | 40%          | Customer Cost                  | 40%           | PSE Cost Share                    | 60%           |                       |        |
| <b>PSE Materials</b>                        |                 |              |                                | \$204,873.00  |                                   | \$138,724.00  |                       |        |
| <b>PSE Construction Labor</b>               |                 |              |                                | \$ 254,042.00 |                                   |               | Customer Obligation   | \$0.00 |
| <b>PSE Project Management</b>               |                 | \$22,425.00  |                                | \$12,417.00   |                                   |               | PSE Obligation        | \$0.00 |
| <b>PSE Inspection</b>                       |                 |              |                                | \$ 69,138.00  |                                   |               |                       |        |
| <b>PSE Overheads</b>                        |                 | \$11,216.00  |                                | \$346,299.64  |                                   |               |                       |        |
| <b>Federal Income Tax</b>                   |                 | \$2,846.33   |                                | \$75,028.69   |                                   |               |                       |        |
| <b>Total Actual Costs:</b>                  |                 | \$ 36,487.33 |                                | \$ 961,798.33 |                                   | \$ 138,724.00 |                       |        |
| <b>TOTAL PROJECT VALUE:</b>                 |                 |              |                                |               |                                   |               | <b>\$1,137,009.66</b> |        |
| <b>City of Seatac Obligation Incl/CO's:</b> |                 |              |                                |               |                                   |               | <b>\$399,314.27</b>   |        |
| <b>City of Seatac Credit for D+V:</b>       |                 |              |                                |               |                                   |               | <b>-\$83,234.40</b>   |        |
| <b>PSE Billable Amount to Customer</b>      |                 |              |                                |               |                                   |               | <b>\$316,079.87</b>   |        |

Date: 4/5/2018

**Exhibit “A” Project Plan**  
**Schedule 74 Underground Conversion**  
**City of SeaTac – 34th Avenue S Schedule 74 Conversion**  
PSE Project Number: 101115071  
July 29, 2021

Pursuant to Puget Sound Energy (“PSE”) Rate Schedule 74 and as described in this Project Plan, PSE will convert its existing overhead electrical distribution system of 15,000 volts or less to an equivalent Underground Distribution System. This Project Plan describes the scope of construction work (the “Construction Work”) to be performed by PSE and the City of SeaTac (the “City”) for the conversion of certain PSE electrical distribution system facilities as described herein (the “Conversion Project”). Construction of this Conversion Project is contingent upon and shall commence only after both written acceptance of this Project Plan and written execution of a Schedule 74 Construction Agreement by the City and PSE.

This Project Plan includes and consists of:

- Description of the Construction Work to be performed
- Construction Drawings, Standards, Specifications and Requirements for the Construction Work (attached)
- Operating Rights to be obtained for the Conversion Project (attached)
- Construction Work Schedule
- Construction Costs Estimate Summary (attached)

Revisions to this Project Plan must be mutually approved by the City and PSE.

### **Construction Work**

This Conversion Project will replace PSE’s existing overhead electrical distribution system with an Underground Distribution System within the following area (the “Conversion Area”): The Conversion Project is approximately 6,161 feet in length, including laterals and road crossings.

The Conversion Project includes modification or replacement of all existing services lines within the Conversion Area to connect to the Underground Distribution System and removal of PSE’s existing overhead electric distribution facilities (including PSE distribution poles and pole mounted street lights) from the Conversion Area.

There are no Company Initiated Upgrades, Government Entity Requested Upgrades or Temporary Service elements included in the Conversion Project Scope of Work.

In conjunction with this Conversion Project, PSE will remove its existing street lighting system from the Conversion Area. Provision of a replacement street lighting system within the Conversion Area is not included in this Project Plan. Replacement street lighting service can be provided by separate arrangement in accordance with applicable PSE Tariff Schedules.

## **Responsibilities of Parties**

### **City Responsibilities**

- a) At least fifteen (15) business days prior to the scheduled commencement of Construction Work, hold a pre-construction meeting involving all participants in the Conversion Project to review project design, coordination requirements, work sequencing and related premobilization requirements.
- b) At least fifteen (15) business days prior to the scheduled commencement of Construction Work, give PSE written notice to proceed with the Construction Work to allow for delivery of PSE materials to the job site and scheduling of PSE's on-site Inspector.
- c) Provide written notice to customers within the Conversion Area in advance of Conversion Project Construction Work start. The notice will include contact information for both the City and PSE, the expected Conversion Project schedule, anticipation of service interruptions and work required to be performed by customers.
- d) Coordinate other utility conversion, removal and relocation from PSE's poles.
- e) Provide all surveying for equipment placement, locations, and establish all grade elevations for the Underground Distribution System within the Conversion Area.
- f) Provide all necessary excavation, bedding, backfill, off-site disposal, site restoration and coordination for installation of the Underground Distribution System. This includes trenching, backfill, and restoration for cut-over and transfer of existing underground system and service lines from the existing overhead distribution system to the new Underground Distribution System.
- g) Coordinate private property trenching, excavation and restoration activity with private property owners affected by this Conversion Project.
- h) Provide flagging and traffic control as required for all work performed by the City.
- i) Install and proof all ducts and vaults for the Underground Distribution System (excluding work in ducts or vaults containing energized cables or equipment – see PSE Responsibilities) in accordance with PSE standards and specifications using ducts and vaults provided by PSE. "Proofing" as used herein is defined as verification using a mandrel that the duct and vault system is free and clear of damage, installed to the proper grade and at the proper location and contains a pulling line.
- j) City's contractor to provide secure staging and storage area(s) for duct and vault materials provided by PSE. The City shall be responsible for the security and condition of these materials until they are installed and accepted by PSE or returned to PSE's custody. All PSE materials required for the installation of duct and vault will be delivered in one effort to the

City's designated staging area in one effort. Material delivery will not be broken up into multiple efforts or phases.

- k) Provide labor and equipment for the off-loading of PSE duct and vault materials delivered to the job site.
- l) Promptly following notice from PSE that the Underground Distribution System has been energized, provide notice to customers within the Conversion Area informing them of schedule and duration of conversion outages. PSE will coordinate schedule and duration with The City's contractor.
- m) Facilitate weekly (or as otherwise agreed by the City and PSE) construction coordination meetings to include all relevant parties participating in the conversion including PSE and its contractor(s), the City and its contractor(s), and other utilities.
- n) Modify, reroute or replace service lines to City owned facilities to connect to the Underground Distribution System.
- o) Following notification from PSE that Construction Work is complete, provide to PSE any Shared Government Costs as provided for in the Construction Agreement.

#### **Puget Sound Energy Responsibilities**

- a) Provide all duct and vault materials, cables, electrical equipment and components necessary for installation of the Underground Distribution System including certifications of materials origins (COMOs) as may be required for products that must meet applicable provisions of the Buy America Act as administered by the Federal Highways Administration (FHWA) and/or the Federal Transit Administration (FTA).
- b) Following notice from the City, deliver or cause to be delivered all duct and vault materials to the designated staging/storage area(s). Acknowledge delivered quantities and condition of duct and vault materials by signing shipping manifests.
- c) Following notice from the City, provide inspection services needed for overseeing the proper installation of ducts and vaults by the City.
- d) Accept delivery of the completed duct and vault system once the new system has been proofed (as described above) by the City. PSE will provide a mandrel to the City to be used in proofing of the duct and vault system.
- e) Provide PSE electrical workers to complete duct installation and proofing when such work is performed at or in any energized vault containing energized cables or equipment.
- f) Install (except for ducts and vaults installed by the City) and energize the Underground Distribution System. Provide written notice to the City when the Underground Distribution System is energized.
- g) Perform cut-over and transfer of existing Underground Distribution System and existing underground service lines from the overhead distribution system to the new Underground Distribution System where applicable (see City Responsibility item "f" concerning trenching responsibility). PSE will notify the City for excavation and the affected customers at least

two (2) business days prior to installation, transfer, and connection of underground service lines. Affected service lines are listed in the Service Lines section of this Project Plan.

- h) Install and connect replacement underground service lines to single family residences and connect modified and replacement non-residential underground service lines provided by customers within the Conversion Area pursuant to PSE Tariff Schedule 85. Affected service lines are listed in the Service Lines section of this Project Plan.
- i) Remove the existing overhead electric distribution system including, conductors, equipment, down guys, anchors and poles after all service lines to customers within the Conversion Area are connected to the Underground Distribution System and all other utilities have been removed from PSE's poles. Holes left following removal of poles will be filled crushed rock and compacted in accordance with applicable City standards or specifications.
- j) Provide flagging and traffic control as required for all work performed by PSE (except as may otherwise be reasonably provided by the City during installation of ducts and vaults in conjunction with City performed trenching, excavation, back-fill and restoration).
- k) Attend weekly (or as otherwise agreed by the City and PSE) construction coordination meetings facilitated by the City and its contractor during periods of Conversion Project construction.

The Underground Distribution System will be located within existing Public Thoroughfare. No additional operating rights have been identified as being needed for this Conversion Project.

### **Construction Work Schedule**

The Construction Work will be performed in accordance with the following Work Schedule, unless this schedule is revised by mutual agreement of the City and PSE or circumstances beyond the reasonable control of the City and/or PSE preclude such performance.

**Installation of ducts and vaults:** Schedule to be provided during Preconstruction Meeting with the city and the city's contractor.

**Installation and energization of the Underground Distribution System:** Will begin upon completion of the duct and vault by the city's contractor. PSE will require 240 hours or 30 working days to complete wire pull and energize the new underground system.

**Removal of overhead facilities:** Once all service conversions are complete PSE will remove all PSE overhead facilities from poles within the conversion area. Overhead wreck out will require 9 working days. Once all utilities have been removed from PSE poles, PSE will mobilize a crew to remove PSE owned poles. This work will require approximately 6 working to complete.

PSE's total schedule to complete this project will be 360 hours or 45 working days.

**Work Schedule Restrictions:** No anticipated work restrictions.



## **Construction Cost Estimate**

The estimated costs to perform the Construction Work and the allocation of costs between the parties are presented in the attached Construction Costs Estimate Summary. These estimated costs are valid for ninety (90) days from the date shown on the attached Construction Costs Estimate Summary. If this Project Plan and a Schedule 74 Construction Agreement are not fully executed within ninety (90) days from this date, the estimated costs shall be subject to revision.

The scope of work provided for in the previously executed Design Agreement has been completed with written acceptance of this Project Plan by the City and PSE. The Construction Cost Estimate reflects and provides for Construction Work costs commencing with PSE attendance at the required pre-construction meeting and receipt of the City's written notice to proceed with Construction Work. Work performed and/or costs incurred by PSE in response to City request following acceptance of the Project Plan and prior to the pre-construction meeting are not included in the Construction Cost Estimate, and shall be subject to addition to the Construction Cost Estimate by revision as described below.

Estimated Inspection and Service Provider Outside Services costs are based on 2021 contract rates. Costs for Construction Work performed by PSE in 2022 shall be subject to revision to reflect PSE Service Provider contract rates which become effective after this date.

Changes in Construction Work scope, performance and/or schedule can result in actual Construction Costs that differ from estimated costs shown in the Construction Cost Estimate Summary. In the event performance of the Construction Work cannot or does not proceed substantially as provided in this Project Plan, such changes shall promptly be brought to the attention of PSE and the City when anticipated or known and shall be documented in a revision to the Construction Cost Estimate (a "Cost Estimate Revision") mutually agreed and executed by the City and PSE.

## **Project Assumptions**

The project design, construction plans and cost estimates are based on and reflect the following assumptions. Construction conditions that are not consistent with these assumptions may result in a request for change or an equitable adjustment to project compensation under Section 6 of the Construction Agreement and addressed by a Cost Estimate Revision.

### **Cost Assumptions**

1. The Construction Work will be performed in accordance with the Construction Drawings and Construction Work Schedule.
2. PSE's Project Manager will accept or reject (with written justification) the duct and vault installation work performed by the City within five (5) business days notice of completion from the City. In the event PSE rejects any of the ducts or vaults (with reasonable written justification), the City will perform the necessary remedial work. The City will then re-notify PSE and PSE shall have five (5) business days to accept or reject the remedial work.

3. All PSE cables can be pulled through the ducts and vaults system, including existing ducts and vaults if applicable, to be used for the Conversion Project utilizing normal cable pulling equipment and methods.
4. A City Street Use permit is the only permit necessary for PSE to perform its work for this Conversion Project and will be issued within two (2) weeks of PSE submitting a complete permit application (including any supporting documentation reasonably required by the City). There will be no charge for the permit or inspection fees.
5. The estimated daily productivity rate for PSE duct and vault installation is based on the City's contractor opening a minimum of 60 feet of trench per working day. The daily productivity rate is used to estimate the number of days a PSE Inspector will be required during installation of ducts & vaults. The Inspector will be scheduled in full day increments and in one continuous effort. Changes to a continuous schedule require a minimum of five days advance notice and must be mutually agreed between the City and PSE.
6. Attendance by the PSE Project Manager at scheduled weekly construction coordination meetings is included and reflected in the Construction Cost Estimate during periods when the PSE ducts and vaults are actively being installed and when the PSE line crew is performing installation, energization, cut-over and removal work. Attendance at additional meetings that may be requested/required during other periods will be addressed by a Cost Estimate Revision.
7. Traffic control provided by PSE assumes the use of two flaggers, basic signage and simple channelization. Additional traffic control measures are not included and if requested/required will be addressed by a Cost Estimate Revision.
8. Work to be performed by PSE does not include installation and/or removal of Temporary Service facilities at the request of others during construction.
9. Cut-over and transfer work will be completed during regular working hours except as described in Schedule Assumption #3 below. Changes in the performance of this work will be addressed by a Cost Estimate Revision.
10. New guy anchors shall be installed prior to installation of new ducts in the same area.
11. When Fluidized Thermal Backfill (FTB) is used, associated cost will be allocated 100% to PSE when required for a Company Initiated Upgrade and otherwise 100% to the City.
12. Installation of protective bollards may be necessary at some locations and may not be included in the project design. In the event unplanned bollards are required, associated costs will be a Shared Cost and addressed by a Cost Estimate Revision.

### **Schedule**

1. There will be a total of two (2) PSE crew mobilizations as follows: i) one mobilization of an underground line crew for installation of underground conductors and equipment; and ii) one mobilization of an overhead line crew for removal of the existing overhead facilities. Once mobilized PSE crews will have continuous productive work until all PSE Construction Work is complete.
2. All PSE Construction Work will be performed during regular working hours from 7:00 am to 6:00pm excluding holidays. In the event that lane closures are necessary for performance of

work, PSE shall be limited to working between the hours of 7:00am to 6:00pm. PSE and the City will mutually agree to weekly work schedules for the Construction Work. PSE shall be allowed to perform PSE work as scheduled without changes or interruptions caused by other construction activities.

3. PSE customers within the Conversion Area will experience interruption of electric service during performance of the Construction Work when cutting over and transferring system and customer loads from the overhead distribution system to the Underground Distribution System. Cut-over and transfer work will be performed during the regular working hours specified in Schedule Assumption #2 above except as otherwise provided below. PSE will notify customers at least two (2) business days in advance of scheduled service interruptions.

## **Additional Considerations**

### **Service Lines**

Service lines within the Conversion Area must be modified or replaced to provide underground service from the Underground Distribution System as described in Construction Drawings. Performance of the work and associated costs shall be governed by PSE Tariff Schedule 85.

### **New Service**

Connection of new or increased load for City facilities (such as new traffic signals) under terms of PSE Tariff Schedule 85 will be addressed on a separate work order and work sketch. Additional costs may apply and will be quoted separately.

### **PSE Design & Construction Standards**

This Conversion Project has been designed and will be constructed in accordance with PSE design and construction standards in effect as of the date of this Project Plan. PSE standards applicable to Construction Work to be performed by the City have been provided to the City in PSE's "Electric Distribution Trench/Duct/Vault Construction Standards, 2015". All relevant PSE standard described above are attached to this Project Plan by this reference.

### **Temporary Support (Holding) of PSE Poles**

Whenever any pole(s) are required to be temporarily supported (held) due to excavation in proximity to such poles, the City will coordinate with PSE to provide such support. The need to temporarily support such poles shall be determined by PSE, and if required, such support shall be provided by PSE. As used herein, "temporary support" means supporting one or more poles for a continuous working period of ten hours or less.

### **Adjusting Energized Vaults to Final Grade**

If PSE is required to adjust (newly installed) and energized vault lids to final grade PSE will submit a change order to the City for labor and materials required for final adjustment. This

change order will be 100% City Cost. Any “existing” energized vault’s that require final grade adjustments will be performed by PSE at 100% PSE cost.

*Acceptance of Project Plan*

The City and PSE mutually agree to and accept this Project Plan as of the date indicated below:

For the City:

For PSE:

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



# MEMORANDUM

To: Transportation and Public Works Committee  
Through: William Appleton, Public Works Director  
From: Kamal Mahmoud, Engineering Manager and Brenton Cook, Civil Engineer I  
Date: 08/05/2021  
Subject: Budget Amendment  
Des Moines Memorial Drive & South 200<sup>th</sup> Street Intersection Improvements Project  
(ST-065)

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## **Purpose:**

To obtain a Committee recommendation to approve additional project funding of \$400,000, needed to close out the Des Moines Memorial Drive & South 200<sup>th</sup> Street Intersection Improvements Project (CIP No. ST-065).

## **Background:**

Upon substantial completion on September 22, 2020, the remaining project construction budget was \$1,012,082.52. In anticipation of additional construction-related costs to be incurred prior to physical completion of the project as well as close-out costs, staff carried forward \$100,000 of the remaining budget into 2021. While the balance of the project funds (\$912,082.52) remains in the 307 Fund, they are no longer assigned to the project.

As staff have worked to complete close-out of the project, it has become clear that insufficient funds were carried forward. Based on the project costs listed below, which total \$491,295.00, it is estimated that an additional \$400,000 will be necessary to complete project close-out.

1. The City deferred **\$44,025** in construction-related payments until the Contractor provided required documentation. These deferred payments were eventually released in March of 2021 after contract documentation was submitted to the City.
2. Construction-related delay costs were negotiated with the Contractor. Following negotiations, the contractor agreed to pay for approximately two-thirds of the costs, while the City absorbed the balance totaling **\$33,546**.
3. Per the Schedule 74 Underground Conversion agreement with Puget Sound Energy (PSE), the City provided final construction cost calculations to PSE in November 2020. PSE provided the City with its own cost calculations in July of 2021. Total billing from PSE currently stands at **\$360,848**. This billing total is currently being reviewed by staff and has not been finalized.

4. Right-of-way costs that included personal property and business relocation claims were finalized in July 2021; totaling **\$18,876**.
5. Lastly, miscellaneous costs totaling approximately **\$34,000** were incurred from consultant fees associated with project close-out, a credit to City of Des Moines, and PSE invoices for undergrounding utilities on private property.

Upon completion of all negotiations, the City will be obligated to pay the additional costs described above; adequate funding is available in the 307 Fund. Once these final project costs have been paid and all revenue is accounted for, staff estimates that the project will have been constructed for \$5,149,864 such that the project will be \$40,170 under budget.

**Budget Significance:**

The 307 Fund has adequate funding to accommodate the subject request.

**Recommendation:**

Staff is requesting that the Committee forward this item to Council for consideration with a recommendation to approve.