



**City of Tukwila  
Transportation and  
Infrastructure Services  
Committee**

- ❖ Kate Kruller, Chair
- ❖ Mohamed Abdi
- ❖ Tosh Sharp

<p><b>Distribution:</b> K. Kruller C. Hougardy T. Sharp H. Ponnekanti S. Kim (email) G. Lerner (email)</p>	<p>City Attorney (email) Clerk File Copy</p> <p>Place pkt pdf on SharePoint Z Trans &amp; Infra Agendas</p> <p>email cover to: F. Ayala, A. Le, C. O'Flaherty, A. Youn, B. Saxton, S. Norris, L. Humphrey</p>
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# AGENDA

**MONDAY, MAY 2, 2022 – 5:30 PM**

**HYBRID MEETING – ONSITE AND VIRTUAL**

**DUWAMISH CONFERENCE ROOM, 6300 BUILDING, 2<sup>ND</sup> FLR**

**MS Teams: [Click here to join the meeting](#)**

**Virtual Meeting - Members of the public may listen by dialing 1-253-292-9750 and entering conference ID 799017451 # 6300 BUILDING, SUITE 100)**

Item	Recommended Action	Page
<b>1. PRESENTATIONS</b>		
<b>2. BUSINESS AGENDA</b>		
a) 2020 Central Business District Sanitary Sewer Rehab Completion and Acceptance (A. Altallal)	a) Forward to the 05/16/22 Regular Consent Agenda	Pg. 1
b) Lift Stations No. 4 and No. 12 Retrofits Completion and Acceptance (A. Altallal)	b) Forward to the 05/16/22 Regular Consent Agenda	Pg. 11
c) Seattle City Light Franchise Agreement (S. Kim)	c) Discussion only	Pg. 21
<b>3. MISCELLANEOUS</b>	<b>Future Agenda:</b>	

**Next Scheduled Meeting: May 16, 2022**





# INFORMATIONAL MEMORANDUM

TO: **Transportation and Infrastructure Services Committee**  
 FROM: **Hari Ponnekanti, Public Works Director/ City Engineer**  
 BY: **Adib Altallal, Utilities Engineer**  
 CC: **Mayor Ekberg**  
 DATE: **April 29, 2022**  
 SUBJECT: **Sewer Fund – 2020 Central Business District (CBD) Sanitary Sewer Rehabilitation Project No. 91140203, Contract No. 20-111 Project Completion and Acceptance**

## ISSUE

Accept contract 20-111 with Michels Corporation as complete and authorize release of retainage.

## BACKGROUND

The City of Tukwila has thousands of feet of aging sewer mains throughout, but especially in the Central Business District (CBD). The City has been conducting regular inspections and assessments of mains at the CBD for the last 15 years. A typical repair includes digging up the road to create a deep trench where the new sewer main will go. It is costly and typically inconvenient to the public.

In certain scenarios, an aging sewer main loses some of its structural integrity, but has not started cracking, sagging, or crumbling. In such cases, we are able to utilize a minimally-disruptive technology where a lining is inserted through a manhole and into the existing sewer main to strengthen it and increase its useful life. The aforementioned trenchless technology minimizes disruptions to the public and greatly reduces the damage to the road. The technology is utilized when possible, but it is not applicable in all scenarios.

## DISCUSSION

The Notice to Proceed for Contract No. 20-111 with Michels Corporation was issued on November 3, 2020. The project included the installation of approximately 5,950 linear feet of cured-in-place pipe within the right-of-way of Andover Park West and Strander Boulevard to rehabilitate the existing sewer main. Rehabilitation and lining of the CBD sewer mains within scope was physically completed on August 3, 2021. The final affidavits of Wages Paid was approved by the Department of Revenue on April 7, 2022.

## FINANCIAL IMPACT

The total 2020 CBD Sanitary Sewer Rehabilitation contract budget was \$709,907.00. Underruns credited \$82,980.82, resulting in a final contract amount of \$626,926.18. Retainage outstanding totals \$28,466.28. This contract was fully funded by the sewer enterprise fund.

	<b><u>Contract</u></b>
Original Contract Amount	\$709,907.00
Unit Price Underruns	<u>(82,980.82)</u>
<b>Total Contract Amount</b>	<b>\$626,926.18</b>

## RECOMMENDATION

Council is being asked to formally accept the 2020 CBD Sanitary Sewer Rehabilitation project with Michels Corporation in the amount of \$626,926.18 as complete and authorize the release of retainage subject to standard claim and lien release procedures, and to consider this item on the Consent Agenda at the May 16, 2022 Regular Council Meeting.

**Attachments:** 2021 CIP, Page 70  
 Notice of Completion  
 State Release Letters  
 Photos

# CITY OF TUKWILA CAPITAL PROJECT SUMMARY

2021 to 2026

**PROJECT:** CBD Sanitary Sewer Rehabilitation

Project No. 91140203

**DESCRIPTION:** The asbestos concrete pipe in the CBD (commercial business district) is approximately 45 years old and becoming soft. Slip lining the pipe will reinforce the strength with little impact to roadways and minimal excavation.

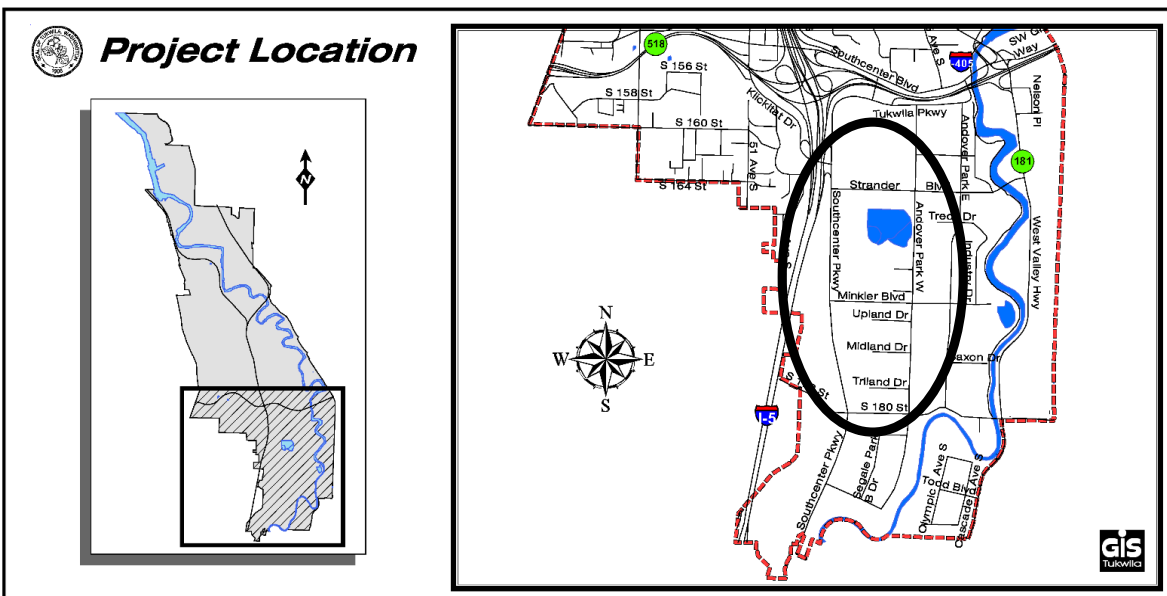
**JUSTIFICATION:** If the pipe collapses, the street will have to be excavated and the cost of the repairs will be significant. We have had four major pipe failures on Andover Park West and Andover Park East.

**STATUS:** In 2014 and 2015, over 10,500 feet of asbestos sanitary sewer pipe were relined. In 2020 through 2024, 15,000 feet of asbestos sewer is scheduled to be relined.

**MAINT. IMPACT:** Reduced maintenance and repair costs.

**COMMENT:** A Public Works Trust Fund loan was successfully obtained in 2012 for \$750k.

FINANCIAL (in \$000's)	Through Estimated		2021	2022	2023	2024	2025	2026	BEYOND	TOTAL
	2019	2020								
EXPENSES										
Design	436	45	45	50	50	50				676
Land (R/W)	1									1
Const. Mgmt.	429	120	150	120	50	50				919
Construction	2,418	1,100	1,500	1,000	450	450				6,918
<b>TOTAL EXPENSES</b>	<b>3,284</b>	<b>1,265</b>	<b>1,695</b>	<b>1,170</b>	<b>550</b>	<b>550</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,514</b>
FUND SOURCES										
Awarded Grant										0
PW Trust Fund	750									750
Mitigation Actual										0
Mitigation Expected										0
Utility Revenue	2,534	1,265	1,695	1,170	550	550	0	0	0	7,764
<b>TOTAL SOURCES</b>	<b>3,284</b>	<b>1,265</b>	<b>1,695</b>	<b>1,170</b>	<b>550</b>	<b>550</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,514</b>





# NOTICE OF COMPLETION OF PUBLIC WORKS CONTRACT

Department Use Only	
Assigned to:	Date Assigned:

Date 01/19/2022	Form Version Original	Revision Reason
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Awarding Agency Information		Prime Contractor Information	
Name TUKWILA, CITY OF	UBI 179000208	Name MICHELS CORP	UBI 601061071
Address 6300 S CENTER BLVD #200 TUKWILA,WA-98188		Address 6300 Southcenter Blvd Tukwila,WA-98002	
Email Address Adib.Altallal@TukwilaWA.gov		Email Address Adib.Altallal@TukwilaWA.gov	
Contact Name Adib Altallal	Phone 206-240-0633 x_____	Contact Name MICHELS CORP	Phone 206-240-0633 x_____

Project Information			
Project Name 2020 Central Business District Sanitary Sewer Rehabilitation - Phase 4		Contract # 91140203	Affidavit ID 1052470
Jobsite Address Various Locations in Tukwila WA			
Date Awarded 10/05/2020	Date Work Commenced 06/28/2021	Date Work Completed 07/23/2021	Date Work Accepted 08/06/2021
Federally Funded Transportation Project <i>If yes, attach Contract Bond Statement.</i> <input type="checkbox"/>			
Bond Waived?	Retainage Waived?	Subcontractors Used? <i>If yes, complete Addendum A.</i> <input checked="" type="checkbox"/>	
Detailed Description of Work Completed Installation of Cured In Place Pipe			

DOR Tax Information			
<i>*Right-click on the total field and select Update Field to auto-calculate.</i>			
Contract Amount	\$645,370.00	Liquidated Damages	\$ 0.00
Additions (+)	\$ 0.00	Amount Disbursed	\$598,459.90
Reductions (-)	\$75,437.11	Amount Retained	\$28,466.28
<b>Sub-Total*</b>	<b>\$569,932.89</b>	Other	\$ 0.00
Sales Tax Amount	\$56,993.29	Sales Tax Rate <i>If multiple rates, attach a list.</i>	10.00%
<b>TOTAL*</b>	<b>\$626,926.18</b>	<b>TOTAL*</b>	<b>\$626,926.18</b>
<i>These two totals must be equal.</i>			

Apprentice Utilization Information	
Was Apprentice Utilization Required? <i>If yes, complete this entire section.</i> <input type="checkbox"/>	Engineer's Estimate \$ 0.00
Utilization % 11.89%	Was a Good Faith Effort approved?

Comments

The Disbursing Officer must submit this completed notice immediately after acceptance of the work done under this contract. NO PAYMENT SHALL BE MADE FROM THE RETAINED FUNDS until receipt of all release certificates and affidavits. **Submitting Form:** Submit the completed form by email to all three agencies below.



**Addendum A: Please List all Subcontractors and Sub-tiers Below**

This addendum can be submitted in other formats.

Provide known affidavits at this time. No L&I release will be granted until all affidavits are listed.

<b>Subcontractor's Name:</b>	<b>UBI Number: (Required)</b>	<b>Affidavit ID*</b>
ADVANCED GOVERNMENT SERV INC	603585454	<b>1048203</b>
OLSON BROTHERS PRO-VAC LLC	602170975	<b>1051848</b>



STATE OF WASHINGTON  
DEPARTMENT OF REVENUE

CITY OF TUKWILA  
C/O ADIB ALTALLAL  
6300 SOUTHCENTER BLVD  
TUKWILA WA 98188-2545

April 7, 2022  
Letter ID: L0019236032  
UBI: 601-061-071  
Account ID: 601-061-071  
Account Type: Excise Tax  
Audit ID: A16803  
Audit Period: 10/01/20 - 11/30/21

We hereby certify that taxes, increases and penalties due or to become due from the contractor listed below under Chapter 180, Laws of 1935, as amended, with respect to the following public works contract:

MICHELS PIPELINE CONSTRUCTION INC

Public Agency: TUKWILA, CITY OF

Project Name: 2020 Central Business District Sanitary Sewer Rehabilitation - Phase 4

Contract Number: 91140203

Description of Work: Installation of Cured In Place Pipe

has been paid in full, or is in the Department's opinion readily collectible without recourse to the state's lien on the retained percentage.

This certificate is issued pursuant to the provision of Chapter 60.28 Revised Code of Washington for the sole purpose of informing the state, county, or municipal officer charged with the duty of disbursing or authorizing the payment of public funds to said contractor that the Department of Revenue hereby releases the state's lien on the retained percentage provided by this Chapter for excise taxes due from said contractor.

This certificate does not release said contractor from liability for additional tax that may be later determined to be due with respect to the above-mentioned contract or other activities.

Dated April 7, 2022 at Olympia, Washington,

State of Washington  
Department of Revenue

  
\_\_\_\_\_  
Certifying Officer



**Employment Security Department**  
WASHINGTON STATE

January 20, 2022

ESD# 000657299005  
UBI# 601061071000

MICHELS CORP  
6300 Southcenter Blvd  
Tukwila, WA-98002

TUKWILA, CITY OF

Employment Security Department hereby certifies those contributions, penalties and interest due from the above named contractor under the Employment Security Act have been paid in full or provided for with respect to the following public works contract:

Description 2020 Central Business District Sanitary Sewer  
Rehabilitation - Phase 4  
Contract number 91140203

The Employment Security Department hereby certifies that it has no claim pursuant to RCW 50.24.130 against the public body named above for tax attributable to service performed for said public body by the above named contractor on the above described contract. The Employment Security Department releases its lien on the retained percentage which is provided by RCW 60.28.040 for contributions, penalties and interest due from said contractor.

This certificate does not release said contractor from liability for additional contributions, penalties and interest which may be later determined to be due with respect to the above mentioned contract.

If we may be of further assistance, please call (360) 890-3499 or email [publicworks@esd.wa.gov](mailto:publicworks@esd.wa.gov)

EMPLOYMENT SECURITY DEPARTMENT



State of Washington  
DEPARTMENT OF LABOR AND INDUSTRIES  
PO Box 44274  
Olympia WA 98504-4274

TUKWILA, CITY OF  
6300 S CENTER BLVD #200  
TUKWILA WA 98188



Jul 22, 2021 at 23:44:05  
10TET5621555852 ±5.00m  
400 Andover Park W  
Tukwila WA 98188  
United States



Jul 23, 2021 at 04:33:2  
10TET5621455845 ±30.00r  
400 Andover Park V  
Tukwila WA 9818  
United State





## INFORMATIONAL MEMORANDUM

TO: **Transportation and Infrastructure Services Committee**  
 FROM: **Hari Ponnekanti, Public Works Director/ City Engineer**  
 BY: **Adib Altallal, Utilities Engineer**  
 CC: **Mayor Ekberg**  
 DATE: **April 29, 2022**  
 SUBJECT: **Sewer Fund – Lift Stations No. 4 and No. 12 Retrofits**  
**Project No. 92140201, Contract No. 21-089**  
**Project Completion and Acceptance**

### **ISSUE**

Accept contract 21-089 with Gary Harper Construction as complete and authorize release of retainage.

### **BACKGROUND**

During the cleaning and routine inspections of the sewer lift stations by City crews, they discovered corrosion of the wet well at Sewer Lift Station No. 12. During construction, the damaged concrete was repaired, and the entire wet well was recoated.

The control panel at Sewer Lift Station No. 4 was in poor condition and was located deep below grade. The control panel was replaced and moved into an enclosure above grade. Electrical and accessibility upgrades to the two sewer lift stations created a safer environment for the maintenance crew.

### **DISCUSSION**

The Notice to Proceed for Contract No. 21-089 with Gary Harper Construction, Inc. was issued on November 18, 2021. Retrofitting of the electrical and mechanical components was physically completed on December 6, 2021. The final affidavits of Wages Paid was approved by the Employment Security Department on March 28, 2022.

### **FINANCIAL IMPACT**

The total Lift Stations No. 4 and No. 12 Retrofits contract budget was \$342,411.00. Two change orders were issued for a total of \$10,021.37 and underruns credited \$41,838.00. Retainage outstanding totals \$14,105.10. This contract was fully funded by the Sewer Enterprise Fund.

	<b><u>Contract</u></b>
Original Contract Amount	\$342,411.00
Change Orders 1 - 2	10,021.37
Unit Price Underruns	<u>(41,838.00)</u>
<b>Total Contract Amount</b>	<b><u>\$310,594.37</u></b>

### **RECOMMENDATION**

Council is being asked to formally accept the Lift Stations No. 4 and No. 12 Retrofits with Gary Harper Construction, Inc. in the amount of \$310,594.37 as complete and authorize the release of retainage subject to standard claim and lien release procedures, and to consider this item on the Consent Agenda at the May 16, 2022 Regular Council Meeting.

**Attachments:** 2021 CIP, page 68  
 Notice of Completion  
 State Release Letters  
 Photos

## CITY OF TUKWILA CAPITAL PROJECT SUMMARY

2021 to 2026

**PROJECT:** Annual Sewer Repair Program

Project No. 9xx40201

**DESCRIPTION:** Reduce sewer line infiltration and inflow (I & I) through groundwater intrusion or storm events as a result of damaged deteriorating systems or illicit connections. Includes small repairs and capital maintenance.

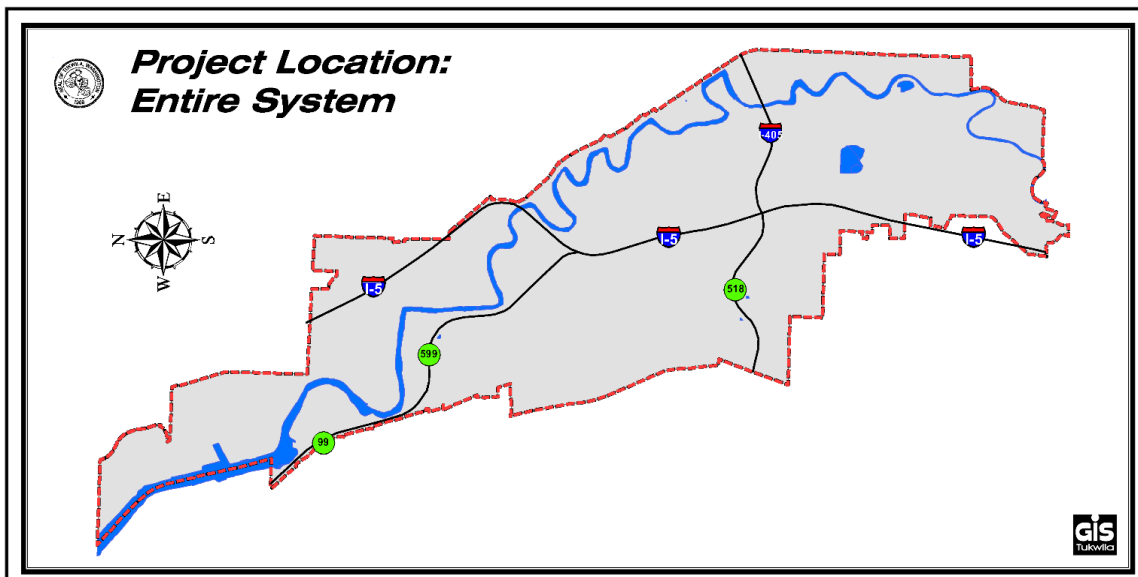
**JUSTIFICATION:** Decreases treatment, discharge, and pumping costs.

**STATUS:** Annual program is determined after pipeline TV inspection reports are completed.

**MAINT. IMPACT:** Less maintenance costs through rehabilitation of aging system.

**COMMENT:** Ongoing project, only one year actuals shown in first column.

FINANCIAL (in \$000's)	Through Estimated									TOTAL
	2019	2020	2021	2022	2023	2024	2025	2026	BEYOND	
<b>EXPENSES</b>										
Design	0	15	75	75	70	70	70	70	500	945
Land (R/W)										0
Const. Mgmt.		10	112	120	105	105	115	115	200	882
Construction	0	75	750	800	700	700	700	700	1,000	5,425
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>100</b>	<b>937</b>	<b>995</b>	<b>875</b>	<b>875</b>	<b>885</b>	<b>885</b>	<b>1,700</b>	<b>7,252</b>
<b>FUND SOURCES</b>										
Awarded Grant										0
Proposed Grant										0
Mitigation Actual										0
Mitigation Expected										0
Utility Revenue	0	100	937	995	875	875	885	885	1,700	7,252
<b>TOTAL SOURCES</b>	<b>0</b>	<b>100</b>	<b>937</b>	<b>995</b>	<b>875</b>	<b>875</b>	<b>885</b>	<b>885</b>	<b>1,700</b>	<b>7,252</b>





# NOTICE OF COMPLETION OF PUBLIC WORKS CONTRACT

Department Use Only	
Assigned to:	Date Assigned:

Date 01/20/2022	Form Version Revised# 1	Revision Reason Incorrect sales tax reported
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Awarding Agency Information		Prime Contractor Information	
Name TUKWILA, CITY OF	UBI 179000208	Name GARY HARPER CONSTRUCTION INC	UBI 601606620
Address 6300 S CENTER BLVD #200 TUKWILA,WA-98188		Address 14831 223RD ST SE SNOHOMISH,WA-98296	
Email Address Adib.Altallal@Tukwilawa.gov		Email Address kathy@garyharperconst.com	
Contact Name Adib Altallal	Phone 206-240-0633	Contact Name GARY HARPER CONSTRUCTION INC	Phone 360-863-1955

Project Information			
Project Name Tukwila Lift Stations #4 and #12 Retrofits	Contract # 91440201	Affidavit ID 1079345	
Jobsite Address LS#4 - 18351 Cascade Ave S, Tukwila, WA 98188 LS#12 - 255 Andover Park W, Tukwila, WA 98188			
Date Awarded 05/10/2021	Date Work Commenced 08/16/2021	Date Work Completed 11/27/2021	Date Work Accepted 12/06/2021
Federally Funded Transportation Project <i>If yes, attach Contract Bond Statement.</i> <input type="checkbox"/>			
Bond Waived?	Retainage Waived?	Subcontractors Used? <i>If yes, complete Addendum A.</i> <input checked="" type="checkbox"/>	
Detailed Description of Work Completed LS#4 - Electrical Upgrades includes demolition and replacement of the existing pump starter panel, manual transfer switch, flow meter, conduits, conductors, meter base, PSE conductors from the existing transformer, bypass pumping, and other work necessary to complete the work as specified and shown in the contract documents. LS#12 - Wet Well Rehabilitation includes cleaning, prepping and complete coating and lining of the entirety of all four interior walls of the existing wet well. Work also includes concrete repair within the wet well for a spalling area, bypass pumping and other misc. work is necessary to complete the work as specified and show in the contract documents.			

DOR Tax Information			
<i>*Right-click on the total field and select Update Field to auto-calculate.</i>			
Contract Amount	\$311,000.00	Liquidated Damages	\$ 0.00
Additions (+)	\$26,102.06	Amount Disbursed	\$296,489.27
Reductions (-)	\$55,000.00	Amount Retained	\$14,105.10
<b>Sub-Total*</b>	<b>\$282,102.06</b>	Other	\$ 0.00
Sales Tax Amount	\$28,492.31	Sales Tax Rate <i>If multiple rates, attach a list.</i> 10.10%	
<b>TOTAL*</b>	<b>\$310,594.37</b>	<b>TOTAL*</b>	<b>\$310,594.37</b>
<i>These two totals must be equal.</i>			

Apprentice Utilization Information	
Was Apprentice Utilization Required? <i>If yes, complete this entire section.</i> <input type="checkbox"/>	Engineer's Estimate \$ 0.00
Utilization % 0.00%	Was a Good Faith Effort approved?

Comments

The Disbursing Officer must submit this completed notice immediately after acceptance of the work done under this contract. NO PAYMENT SHALL BE MADE FROM THE RETAINED FUNDS until receipt of all release certificates and affidavits.

**Submitting Form:** Submit the completed form by email to all three agencies below.



**Department of Revenue  
Public Works Section**

(360) 704-5650  
PWC@dor.wa.gov



Washington State Department of  
**Labor & Industries**

**Contract Release**  
(360) 949-8183, option # 4  
ContractRelease@LNI.WA.GOV



**Employment Security Department  
Registration, Inquiry, Standards &  
Coordination Unit**

(360) 890-3499  
publicworks@esd.wa.gov

**Item A: Please List all Subcontractors and Suppliers Below**

This addendum can be submitted in other formats.

Provide known affidavits at this time. **No L&I release will be granted until all affidavits are listed.**

<b>Subcontractor's Name:</b>	<b>UBI Number: (Required)</b>	<b>Affidavit ID*</b>
CORLISS RESOURCES INC	602237779	<b>1080650</b>
EVERGREEN CONCRETE CUTTING INC	601605667	<b>1079842</b>
MD MARINE ELECTRIC LTD	602006007	<b>1081601</b>
OLSON BROTHERS PRO-VAC LLC	602170975	<b>1086399</b>
WCCL SYSTEMS LLC	603278120	<b>1080400</b>





**Employment Security Department**  
WASHINGTON STATE

March 28, 2022

ESD# 000945064109  
UBI# 179000208000

TUKWILA LIFT STATIONS #4 & #12 RETROFITS  
6200 SOUTHCENTER BLVD  
TUKWILA, WA 98188

Tukwila, City Of

Employment Security Department hereby certifies those contributions, penalties and interest due from the above named contractor under the Employment Security Act have been paid in full or provided for with respect to the following public works contract:

Description Tukwila Lift Stations #4 and #12 Retrofits  
Contract number 91440201

The Employment Security Department hereby certifies that it has no claim pursuant to RCW 50.24.130 against the public body named above for tax attributable to service performed for said public body by the above named contractor on the above described contract. The Employment Security Department releases its lien on the retained percentage which is provided by RCW 60.28.040 for contributions, penalties and interest due from said contractor.

This certificate does not release said contractor from liability for additional contributions, penalties and interest which may be later determined to be due with respect to the above mentioned contract.

If we may be of further assistance, please call (360) 890-3499 or email [publicworks@esd.wa.gov](mailto:publicworks@esd.wa.gov)

EMPLOYMENT SECURITY DEPARTMENT





STATE OF WASHINGTON  
DEPARTMENT OF REVENUE

GARY HARPER CONSTRUCTION, INC.  
14831 223RD ST SE  
SNOHOMISH WA 98296-3989

March 14, 2022  
Letter ID: L0019174764  
UBI: 601-606-620  
Account ID: 601-606-620  
Account Type: Excise Tax  
Audit ID: A22765  
Audit Period: 05/01/21 - 01/31/22

We hereby certify that taxes, increases and penalties due or to become due from the contractor listed below under Chapter 180, Laws of 1935, as amended, with respect to the following public works contract:

GARY HARPER CONSTRUCTION, INC.

Public Agency: TUKWILA, CITY OF

Project Name: Tukwila Lift Stations #4 and #12 Retrofits

Contract Number: 91440201

Description of Work: Electrical Upgrades

has been paid in full, or is in the Department's opinion readily collectible without recourse to the state's lien on the retained percentage.

This certificate is issued pursuant to the provision of Chapter 60.28 Revised Code of Washington for the sole purpose of informing the state, county, or municipal officer charged with the duty of disbursing or authorizing the payment of public funds to said contractor that the Department of Revenue hereby releases the state's lien on the retained percentage provided by this Chapter for excise taxes due from said contractor.

This certificate does not release said contractor from liability for additional tax that may be later determined to be due with respect to the above-mentioned contract or other activities.

Dated March 14, 2022 at Olympia, Washington,

State of Washington  
Department of Revenue

\_\_\_\_\_  
Certifying Officer



Ser: 23/02/21 at 08:16:08  
10135561 ±10.00m  
18393 Cascade Ave S  
Tukwila WA 98188  
United States

Sep 30, 2021 at 07:52:32  
10TET5659853931 ±5.00m  
18393 Cascade Ave S  
Tukwila WA 98188  
United States







## **INFORMATIONAL MEMORANDUM**

**TO: Transportation and Infrastructure Services Committee**  
**FROM: Hari Ponnekanti, Public Works Director/ City Engineer**  
**BY: Seong Kim, Utilities Manager/Assistant City Engineer**  
**CC: Mayor Allan Ekberg**  
**DATE: April 29, 2022**  
**SUBJECT: Seattle City Light Franchise Agreement**

### **ISSUE**

Provide the Council with a general overview and status of the Seattle City Light (SCL) Franchise Agreement.

### **BACKGROUND**

Utility franchises consist of agreements (Franchise Agreements) between the City and utility providers, which allow utilities to use City streets and rights-of-way for the purposes of construction, operation, and maintenance of utility corridors. The franchises also ensure that the use of public rights-of-way are protected and managed, that customer service on behalf of the utility provider is maintained, and that any allowable financial compensation relating to the utility provider's use of the public rights-of-way is received, among other considerations. It is important to note that SCL provides approximately the north portion of the City's power, and that Puget Sound Energy provides the City's southern portion.

Tukwila has operated under a franchise agreement with SCL since 1958 and is continuing to operate by mutual agreement under the existing franchise agreement, which expired in February 2018. SCL continues to pay the City 6% of the total revenue received from Tukwila customers per the terms of the agreement. Last year, the City received approximately \$2 million in revenue from SCL.

### **DISCUSSION**

SCL provided Tukwila with their desired template for the new Franchise Agreement in 2021. The SCL template is apparently what many area cities have based their current agreements on, and SCL understandably would prefer to keep identical or substantially similar agreements for all of their franchise cities. However, after staff review, the SCL template language strongly favored the utility provider over Tukwila. Staff has revised the current draft to better align with the City's priorities and provide a more balanced agreement between the two agencies. Public Works staff is working as a team with the Department of Community Development, Finance and Legal staff on the terms and conditions of the new agreement. We will begin negotiation with SCL on the draft agreement in the near future.

### **FINANCIAL IMPACT**

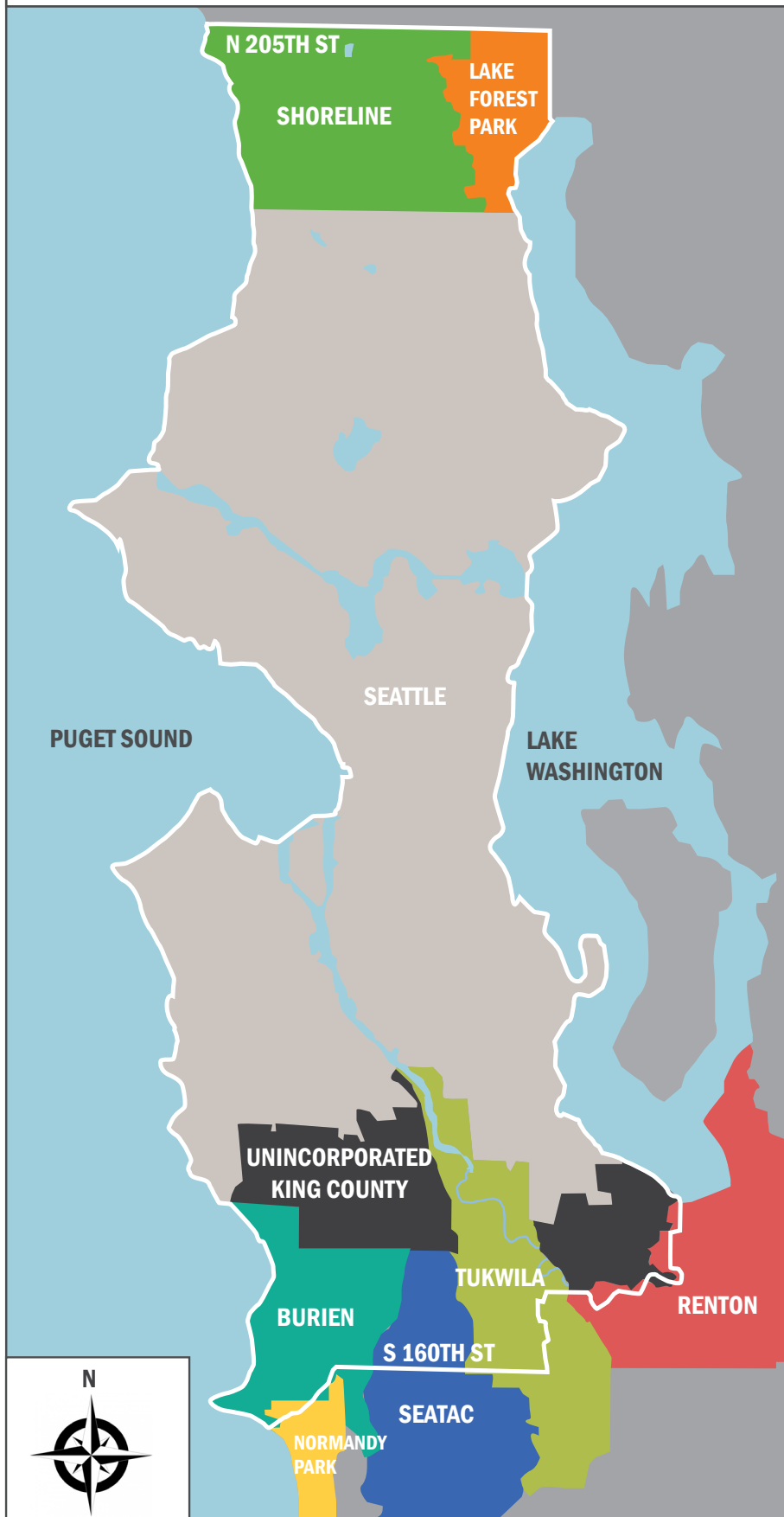
No financial impact.

### **RECOMMENDATION**

Discussion only.

**Attachment:** SCL Franchise Area

# Seattle City Light Service Area



For display purposes only. No warranties of any sort (including accuracy, fitness or merchantability) accompany this product.