

SUMMARY and FISCAL NOTE*

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** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

1. **Legislation Title:** AN ORDINANCE relating to the State Route 99 Alaskan Way Viaduct and Seawall Replacement Program; authorizing the Mayor or the Mayor’s designees to execute an agreement with the State of Washington to set forth roles and responsibilities for the State of Washington’s project to decommission the Battery Street Tunnel once the bored tunnel is open to drivers.

2. **Summary and background of the Legislation:**

In 2009, the State of Washington (“State”), King County, and the City of Seattle (“City”) committed to an overall plan to replace the aging Alaskan Way Viaduct (“Viaduct”) with a new deep bored tunnel and a necessary series of improvements to City streets to create a complete transportation corridor. Also in 2009, the Seattle City Council adopted Ordinance 123133, which confirmed the State’s responsibility for demolishing the Viaduct and decommissioning the Battery Street Tunnel, and set forth the State and City responsibilities for the Alaskan Way Viaduct and Seawall Replacement Program (“Program”). Later that year the State Legislature endorsed the deep bored tunnel plan and authorized funding for the State’s responsibilities of the Program.

In 2011, the City Council adopted Ordinance 123542, which authorized three separate agreements between the City and the State regarding the SR 99 Bored Tunnel project, and which also recognized that demolishing of the existing Viaduct and decommissioning of the Battery Street Tunnel would be subject to a future agreement.

In 2017, the City Council adopted Ordinance 125501, which authorized an agreement between the City and the State for demolishing the Viaduct.

The Memorandum of Agreement No. GCB 1217 SR 99 Alaskan Way Viaduct Replacement Program, Battery Street Tunnel Decommissioning Project (“Agreement”) that is the subject of this legislation has been negotiated between the City and the State and sets forth the roles and responsibilities for the State’s project to decommission the Battery Street Tunnel (“Project”). A more detailed description of the Project is outlined in Exhibit A-1 of the Agreement.

On January 9, 2018, the Washington State Department of Transportation (“WSDOT”) issued its Request for Proposals for a Design-Build Contract that will encompass three projects: the demolition of the Viaduct; decommissioning of the Battery Street Tunnel

(the Project that is the subject of this legislation); and third scope of work to connect the surface streets north of the Battery Street Tunnel. Finalizing this Agreement is on WSDOT's critical path schedule for the Design-Build Contract procurement and passing this legislation is in support of continued progress on the Program including Waterfront improvements.

Pursuant to the Agreement, the State is solely responsible for managing the Project and is responsible for funding the Project, except as otherwise noted in Exhibit A-1 of the Agreement. The City is responsible for issuing permits pursuant to applicable laws and regulations because the Project will require the use of existing street right-of-way. The City is also responsible for funding and constructing certain elements of the Project, as set forth in Exhibit A-1, Project Description and Scope.

The Project Description and Scope includes the following major elements:

- Seattle City Light ("SCL") will pay for WSDOT to reconstruct its primary and secondary network system as the tunnel is filled. This will allow SCL to replace and abandon the existing aging system in the future without significant disruptions to service.
- SPU will pay for WSDOT to rebuild its deep sewer and associated side sewers between Western Ave and 4th Ave, eliminating aging non-standard structures, and WSDOT will pay for the new maintenance holes.
- Seattle Public Utilities ("SPU") will pay its crew costs to deactivate tunnel fire services at the watermains located outside the BST, and to detach the standpipes within the BST from the watermains and cap the inline tees. WSDOT will pay for all contractor support of SPU crew work and for the removal of abandoned materials.
- Streetlights on Battery Street will be upgraded (costs shared between SCL and WSDOT – WSDOT will pay to replace the system within the tunnel, and SCL will pay to replace the system above ground) and signal wiring will be replaced at WSDOT's cost.
- Other public utilities (including SPU's existing watermain) will be protected.
- WSDOT will limit duration of road closures and prioritize transit mobility. One lane will be maintained on Battery Street from Third Avenue to Denny Way during tunnel decommissioning, except during afternoon peak, where an additional lane will be maintained for transit. Battery Street may be reduced to a single lane from Third Avenue to Denny Way for up to 42 calendar days.
- The tunnel will be filled with material that is excavatable and consistent with City Standards.
- The south portal will be graded with a consistent slope for future park development.

2. CAPITAL IMPROVEMENT PROGRAM

- a. Does this legislation create, fund, or amend a CIP Project? Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

- a. Does this legislation amend the Adopted Budget? Yes No
- b. Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
Yes.

Future street repair, reconstruction and utility work will be more expensive on Battery Street due to cost for removal of the reinforced concrete lid that is left in place.

There also financial impacts to SCL and SPU related to the Battery Street Tunnel Decommissioning Project. SCL and SPU's estimated cost responsibility is included in each department's adopted budget.

The approved budget is based on preliminary City cost estimates, which are based on conceptual design provided by SCL and SPU for WSDOT's Design-Build RFP.

In order to determine the City's final and actual costs responsibility, WSDOT and the City have agreed, as set forth in Section 4.3 of the Agreement, to jointly hire and direct an independent consultant to develop a cost estimate for all work related to Project, which estimate is scheduled to be completed by February 28, 2018. The cost estimator will also establish what percentages of the Project will be the responsibility of the City (and each individual department). WSDOT will receive bids for the project as a lump sum. SPU and SCL will then enter into Task Orders with WSDOT to pay their determined fixed percentage of the total Project lump sum costs, based on the mutually agreed upon percentages. Costs will be finalized after receipt of WSDOT's Design-Build bids on May 2, 2018.

- c. Is there financial cost or other impacts of *not* implementing the legislation?

Agreement GCB 1271 requires City/State agreement before WSDOT provides funding for the Waterfront improvements. Therefore, if Battery Street Tunnel is not decommissioned, the City will not be able to complete its portion of the Program. Additionally, because the Battery Street Tunnel is a failing structure, there would be substantial cost and risk to the City associated with not decommissioning it, such as cost for ongoing major maintenance, and ultimate liability for decommissioning.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?

Yes. There are financial impacts to SCL and SPU as described above.

b. Is a public hearing required for this legislation?

No.

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No.

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

e. Does this legislation affect a piece of property?

No, not directly, but the block bounded by Bell/1st/Battery/Western will no longer be needed as right of way after decommissioning the Battery Street Tunnel and is currently planned to be developed as a Park.

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

There are no known impacts to vulnerable or historically disadvantaged communities.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

NA

List attachments/exhibits below: