PORT OF SEATTLE MEMORANDUM

COMMISSION AGENDA Item No. 6b

Date of Meeting November 23, 2010

DATE: November 12, 2010

TO: Tay Yoshitani, Chief Executive Officer

FROM: Christine Wolf, Seaport Transportation Program Planner

Mike Campagnaro, Manager, Container Leasing

SUBJECT: Proposed Utility Easement with Seattle City Light at Terminal 46.

ACTION REQUESTED:

Request authorization for the Chief Executive Officer to execute a proposed Easement Utility Agreement, substantially as described in this memorandum, with Seattle City Light (SCL) for an area covering approximately 400 square feet, for the installation of switching equipment supporting the electrical infrastructure at Terminal 46 (T-46).

SYNOPSIS:

Approval of this request allows the execution of a proposed perpetual easement with SCL to install and maintain electrical switchgear and related underground power infrastructure on T-46. The proposed new infrastructure will improve the reliability of the power supply to T-46's north substation and provide for existing and future terminal needs, such as shore power. In the future, the equipment is expected to potentially support AWV construction power needs and service to other SCL customers. The proposed easement location is to the north of T-46's King Street staff parking lot entrance. Locating the switch at this site is necessary to make room for construction of the Alaskan Way Viaduct Replacement Project, and to provide a safe, permanent location that minimizes the risk for power disruptions to T-46's north substation.

BACKGROUND:

In preparation for construction of the replacement of the Alaskan Way Viaduct, the Washington State Department of Transportation (WSDOT), in coordination with SCL, is relocating electrical power lines and related infrastructure in the vicinity of the Holgate to King Project and the South Tunnel Portal. SCL is taking the opportunity to upgrade and improve the reliability of its power infrastructure in the vicinity of T-46 as part of this effort.

Currently, T-46's power comes from an overhead feeder line along Alaskan Way. The existing overhead line is being replaced by an underground line. Moving the feeder cables underground requires new switchgear. It is proposed to be located on Port of Seattle property, immediately to the north of the King County Regulator station, at the eastern edge of T-46's staff parking lot (See Exhibit A). This location minimizes the risk of construction disruptions, vehicle collisions, conflicts with pedestrians/bicycles, and potential relocation as a result of SR99 central waterfront reconstruction. The new switchgear will also allow power to be fed to the terminal from either of two different directions, further improving the

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reliability of the terminal's power supply. The switchgear will provide for existing, as well as future T-46 needs such as shore power. It is sized to allow for potential Design/Build construction power and service to other customers, although the additional capacity will not be used until the proposed easement has been finalized.

Staff has worked with both WSDOT and SCL to minimize the risk of construction-related power disruptions to the terminal, and to avoid any impact of this easement on the operation of the terminal. The proposed location of the switch is outside the operational area of the terminal and is expected to eliminate one of 221 parking spaces. The proposed easement will provide a permanent location for new conduit, vault, and switchgear for the terminal's north substation, out of the way of the Holgate to King Street/South Portal and central waterfront construction. This is a significant improvement over earlier construction plans, which had provided for a temporary relocation of power infrastructure before moving it to its permanent location.

Under normal circumstances, staff would have fully negotiated the easement with SCL before asking for Commission approval. However, the current proposal was developed in the last four weeks to accommodate the construction needs of the Design/Build contractors for the bored tunnel, and future needs for the central waterfront portion of the Alaskan Way Viaduct Project. Placing and energizing this equipment by April 2011 is necessary for the Alaskan Way Viaduct Replacement Project to stay on the critical path. Since it also provides significant benefit to the Port and its tenant, staff is requesting that the Commission approve the easement substantially as described below, so that construction can begin while final details are being negotiated. Staff would come back to Commission for approval of any changes if the negotiations result in an easement agreement that is substantially different from what is described in this document. The Easement Agreement will include the following provisions:

The permanent easement would be approximately 20 ft X 20 ft, (See Exhibit B) and be subject to the following conditions:

- Non-exclusive easement for power distribution facilities consisting of underground vaults and conduits, a pad-mounted switch cabinet, and fencing.
- Access to the easement for operation and maintenance would be from the east (i.e. Alaskan Way right of way), and not from Port property, without additional approval of the Port.
- Above-ground facilities would be restricted to the easterly 15 feet of the easement area.
- The westerly 5 feet of the easement area will be restricted to access for construction and/or crew access for maintenance and replacement of electrical distribution facilities. This area will be repayed for parking use by the Port and its tenant.
- Above-ground facilities and fencing will be located so as to impact no more than one (1) existing parking stall.
- The Port will receive compensation based on the fair market value of the permanent easement rights.
- This proposed easement would result in a reduction in the leased area for T-46 tenant Total Terminals International LLC (TTI). The Port and TTI are in agreement that the easement area will be removed from their leasehold and a corresponding reduction made in their

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rent. This will require an amendment to the TTI lease which will be brought before the Commission at a later date.

OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

- Exhibit A Site plan showing proposed location of the switching gear.
- Exhibit B Proposed Easement and Conceptual Plan.
- PowerPoint Proposed Utility Easement with Seattle City Light at Terminal 46

Exhibit A—Proposed Location

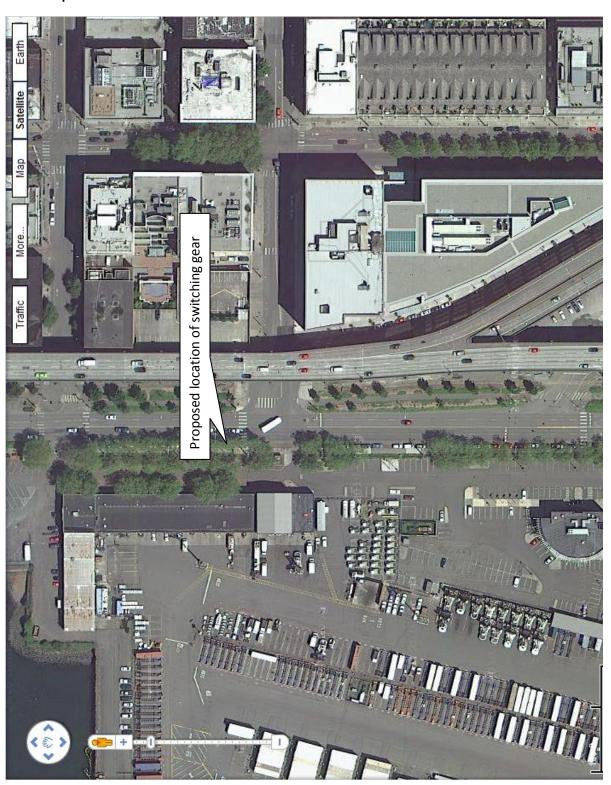


Exhibit B—Proposed Easement and Conceptual Plan

