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## City Council

### Approval of a Resolution Authorizing a Facility Relocation Agreement with Puget Sound Energy for the Fones Road Improvement Project

**Agenda Date:** 2/13/2023  
**Agenda Item Number:** 4.B  
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**Type:** resolution **Version:** 1 **Status:** Passed

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**Title**

Approval of a Resolution Authorizing a Facility Relocation Agreement with Puget Sound Energy for the Fones Road Improvement Project

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to approve a Resolution authorizing the Facility Relocation Agreement with Puget Sound Energy for the Fones Road Improvement Project in the amount of \$1,231,968.00.

**Report**

**Issue:**

Whether to approve a Resolution authorizing the Facility Relocation Agreement with Puget Sound Energy for the Fones Road Improvement Project in the amount of \$1,231,968.00.

**Staff Contact:**

Jim Rioux, Project Manager, Public Works Engineering, 360.753.8484

**Presenter(s):**

None - Consent Calendar Item.

**Background and Analysis:**

Puget Sound Energy Facilities

Puget Sound Energy (PSE) owns and operates natural gas facilities along the Fones Road corridor. Part of that infrastructure includes a district regulator. The purpose of the district regulator is to receive high pressure gas and reduce the pressure so that it can be distributed to PSE's gas customers.

Most of the gas facilities, which consist of high-pressure transmission pipes and intermediate

pressure distribution pipes, are located in City right-of-way. The regulator, however, is located on private property owned by Crown Beverage.

In its current location the regulator is in conflict with the City's planned improvements. In order to complete planned safety elements for the Karen Fraser Woodland Trail crossing, the City needs to relocate the driveway for Crown Beverage. The design team assessed several different locations. The only option that allowed trucks to safely enter and leave the Crown Beverage property placed the driveway at the current location of the gas regulator, therefore it needs to be relocated.

### The Project

Fones Road is a critical corridor directly serving commercial, industrial, and residential properties in east Olympia. The condition of the street is poor. Sidewalks are scarce and neither contiguous nor accessible to people with disabilities. There are no bicycle facilities, and the only marked crosswalk on the half-mile corridor between Pacific and 18<sup>th</sup> Avenues is at the Karen Fraser Woodland Trail. The trail crossing also needs safety improvements.

Public Works has progressed the design of Fones Road to the 90% level of completion. Acquisition of the right-of-way needed to build and later maintain the project is underway. The project design includes, among many features, paths on both sides of the street with dedicated space for pedestrians and bicyclists that will be separated from the travel lanes. These will be the first separated bicycle lanes in our region. The planned access control, roundabout, decreased operating speed, and raised trail crossing will make Fones Road safer and more accessible for everyone who uses it, whether walking, bicycling, or driving.

Approximately 5,000 people live within a half-mile, or a ten-minute walk, of Fones Road. Those who live on the east side of it are in a Census Tract that has been designated as a "Historically Disadvantaged Community" by the US Department of Transportation. 2020 Census data also indicates that this is a more racially diverse part of the community than other parts. Investing in this community reflects the City's commitment to improving equity. Those who drive will benefit from the increased safety and improved vehicle flow on the corridor, and those who do not will find it much easier to get around.

Additionally, Fones Road is an important employment center, particularly for people working in the retail and industrial sectors. In 2021, the City and Crown Beverage Packaging, located at the north end of Fones Road, earned the Economic Development Award from the Washington Economic Development Association for business retention. Improving truck access and circulation to this employer and others along the corridor is a key strategy for business retention.

When the project is done, those who live or work along Fones Road will be able to comfortably walk or bike to, among other places:

- Transit stops on Pacific or 18<sup>th</sup>
- Shopping or employment destinations at the north end of the corridor
- The regional trails network
- Homes, including a large mobile home park, along the south end of the corridor

### **Climate Analysis:**

This overall project will affect the City of Olympia's Climate Mitigation Strategies as described below.

Strategy T1: Set land use policies that support increased urban density and efficient transportation networks and reduce urban sprawl.

This project will make it easier for people living and working on Fones Road to access transit and walk or bike to destinations along the corridor, including the shopping center at the north end of it. The project will also make it easier for people to walk or bike to or from the regional trails network. The frontage improvements may stimulate new infill development, which would increase density.

Strategy T2: Increase efficiency of the transportation system.

Adding a roundabout at the south driveway of Home Depot will increase the efficiency of how the intersection operates, plus it will slow traffic while maintaining its flow. Adding pedestrian and bicycle facilities between 18th Avenue and the trail crossing will make it easier for people to walk, bike, and get to transit on 18th Avenue and Pacific Avenue.

Strategy T4: Increase the use of public transit.

All of Fones Road is within a ten-minute walk of the transit lines on Pacific Avenue or 18th Avenue. Having a safe, off-street place to walk will make it easier for people to get to and from those bus stops.

Strategy T5: Increase use of active forms of travel (such as bicycling, walking).

The new separated shared-use paths between the Woodland Trail crossing and 18th Avenue, plus the new configuration of the trail crossing, will make it safer and more inviting to walk or bike. So, too, will the decreased operating speed on Fones Road.

Strategy W1: Increase the efficiency of municipal water and wastewater infrastructure.

The water utility will rebuild the water main under the street, which will ensure its continued operation into the future. Improving stormwater facilities along this street contributes to the wastewater infrastructure.

The specific action recommended will not have an impact on the City's Climate Mitigation Strategies. The recommendation will maintain the current status quo with regard to natural gas use. In the future the City could engage with Puget Sound Energy to investigate opportunities to reduce the use of natural gas.

### **Equity Analysis:**

There is a higher percentage of BIPOC community members living adjacent to Fones Road, and they will benefit from having a safer, more complete street. Additionally, there is a large mobile home park along this street, which is likely a reservoir of low-cost housing for people with low or limited incomes.

Making Fones Road a more attractive place could result in rent increases. It may also be a more attractive place to redevelop, which could lead to economic displacement, either of residents or businesses. National trends indicate that mobile home parks are especially vulnerable to these trends.

The big box stores and industrial uses on this corridor employ many people, and we are unable to gather reliable data about their demographics. However, retail employees are generally in a low-paid

sector and making it easier for them to get to work without having to drive could help lift the cost burden of vehicle ownership for some.

This project will help rebalance several historic inequities. It will add walking paths and the first separated bike lanes in our region in a Census Tract that has been identified as Transportation Disadvantaged by the US Dept of Transportation. Adding a roundabout, crosswalks, and lowering the operating speed will make the street safer for everyone who uses it, and it will maintain the vehicle flow that keeps our regional economy flowing.

The specific action recommended does not appear to have any impact related to equity.

**Neighborhood/Community Interests (if known):**

The Fones Road Project was included in the Transportation Master Plan, which was reviewed by the public, and adopted by the Council in February 2021. The project is in the current Capital Facilities Plan (CFP), as well as prior year CFPs. Each year, the CFP is presented to the public for review prior to City Council approval.

Completion of this project will transform this corridor into a safer, multimodal street. The street will better serve people of all abilities and increase access to transit on 18<sup>th</sup> and Pacific Avenues.

The gas service through this portion of PSE's infrastructure is critical to many residents and businesses along Fones as well as a significant portion of SE Olympia, including the two industrial customers on Fones Rd., Crown Beverage and Georgia Pacific.

**Options:**

1. Approve a Resolution authorizing the Facility Relocation Agreement with Puget Sound Energy for the Fones Road Improvement Project in the amount of \$1,231,968.00. The project will proceed as planned.
2. Approve the Resolution, with modifications to the agreement desired by Council. Depending upon the modifications, this could significantly delay construction and increase project costs.
3. Do not approve the Resolution. Staff would be required to modify the project design to leave the regulator in its current location. This would significantly impact the safety improvements that could be installed at the Karen-Fraser Woodland Trail crossing.

**Financial Impact:**

Costs associated with this agreement have been included in the current budget estimate for this project. Budget estimates include a 10% total project contingency. The total project budget is approximately \$16 million.

**Attachments:**

Resolution  
Relocation Agreement