



ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item Meeting of March 18, 2017

DATE: March 10, 2017

SUBJECT: Approval of an additional amount beyond the original tri-party agreement with the Virginia Department of Transportation (VDOT) and Dominion Virginia Power (DVP) to cover unanticipated additional project costs for the relocation of utilities related to the Arlington Boulevard/10th Street/Courthouse Road Interchange project (UPC 13531) and appropriate funds to pay the final invoice.

C. M. RECOMMENDATIONS:

1. Approve an additional \$188,089.32 beyond the \$502,173.00 in the original agreement with VDOT and DVP for the relocation of utilities related to the Arlington Boulevard/10th Street/Courthouse Road Interchange project (UPC 13531).
2. Appropriate \$314,136.17 from utility undergrounding funds (313.350958.43523.UL.UU) to the Department of Environmental Services (313.43523.UL.UU) for the final payment to VDOT for UPC 13531.

ISSUES: There are no known issues.

SUMMARY: VDOT is requesting reimbursement for \$188,089.32 beyond what was estimated in the agreement to cover unanticipated additional project costs for the relocation of utilities related to the Arlington Boulevard/10th Street/Courthouse Road Interchange project.

BACKGROUND: In July of 2007, Arlington County entered into a tri-party agreement with VDOT and DVP to relocate utilities near the Courthouse Road and Arlington Boulevard (Route 50) Interchange. The relocation of these utilities, which included undergrounding of electric facilities at the request of the County, was required in advance of reconstruction of the Arlington Boulevard/10th Street/Courthouse Road Interchange. VDOT managed the project and advanced funds for which it now seeks reimbursement.

DISCUSSION: The original cost estimate for Arlington County's portion of the project was \$502,173.00. However, revisions to the undergrounding of utilities resulted in an additional cost of \$188,089.32 for Arlington County's share of the work. Reasons provided by VDOT for the

County Manager:

mga / cgm

County Attorney:

[Signature]

Staff: Kelly Cornell, DES Transportation Division

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increased project cost include an extended project timeline related to the complexity of the utility relocation and accumulated charges related to unanticipated field inspections. VDOT paid these additional amounts in full (at least six years ago). They are only now seeking reimbursement from Arlington County.

Inasmuch as VDOT was managing the project and shared equally in the costs with the County, we have no reason to doubt that the additional amounts were properly incurred and charged. The tri-party agreement provides no time limit by which any of the parties must seek reimbursement from the other. The agreement does acknowledge that additional appropriations would be required above the estimated amounts. The County has limited leverage when negotiating the terms of standard state-wide agreements. However, we will seek in the future to insert a reasonable time period by which claims for reimbursement must be made.

The total County commitment on the original agreement from July 2007 was \$502,173.00. VDOT staff recently completed a reconciliation of the project and determined that \$690,262.32 is Arlington County's revised share, an increase of \$188,089.32. To date, Arlington County has paid \$376,126.15 to VDOT for this project. The final invoice will be for \$314,136.17, for a total of \$690,262.32.

FISCAL IMPACT: Utility undergrounding funds of \$314,136.17 are available to make the final payment to VDOT (313...43523.UL.UU).



COMMONWEALTH of VIRGINIA

DAVID S. EKERN, P.E.
COMMISSIONER

DEPARTMENT OF TRANSPORTATION

14685 Avion Parkway
Chantilly, VA 20151
(703) 383-VDOT (8368)

July 25, 2007

Route: 28
State Project: 0050-000-V18, C501
Federal Project: STP-5401(682)
County/Town: Arlington
PPMS I.D.: 13531

UTILITIES – Tri-Party Agreement

Arlington County
Mr. Ron Hicks
1 Courthouse Plaza
2100 Clarendon Blvd.
Suite 900
Arlington, VA 22201

Dominion Virginia Power
Mr. Tesfaye Konde
171 Elden Street
Herndon, VA 20170

Dear Gentlemen:

Attached is a fully executed agreement covering the adjustment of Dominion Virginia Power facilities affected by the construction of this project.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Myers Jr.", written over a horizontal line.

John A. Myers Jr.
Right of Way & Utilities Project Administrator

Attachment: Tri-Party Agreement

cc: Mr. Gregory Wroniewicz
Carol Bondurant

AGREEMENT
among
THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA
and
DOMINION VIRGINIA POWER.
and
COMMONWEALTH OF VIRGINIA, DEPARTMENT OF TRANSPORTATION
for
RELOCATION AND ADJUSTMENT OF
ELECTRIC FACILITIES

THIS AGREEMENT, made and entered into as of the 12th day of June 2007 by and among DOMINION VIRGINIA POWER. (hereinafter called UTILITY) and THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA (hereafter called MUNICIPALITY) and the COMMONWEALTH OF VIRGINIA, DEPARTMENT OF TRANSPORTATION (hereinafter called STATE).

WHEREAS, the MUNICIPALITY and STATE are participating in the construction or reconstruction of a section of highway designated as RT 50 / COURTHOUSE, Project: 0050-000-V18-C-501, which will necessitate changes in the UTILITY'S Electric facilities; and

WHEREAS, the UTILITY, the MUNICIPALITY and the STATE wish to agree upon the terms and conditions under which the UTILITY will make the necessary changes in its Electric facilities and the MUNICIPALITY and STATE will reimburse the UTILITY the applicable cost incurred by such changes as hereinafter set forth.

NOW THEREFORE, for and in consideration of the premises and of the mutual covenants herein contained, the parties hereto agree to as follows:

SECTION III

(a) In the event the MUNICIPALITY should request at any time hereafter that the facilities as adjusted onto street rights of way at Project expense be again adjusted when they are located on street rights of way, the MUNICIPALITY will pay the UTILITY the applicable cost incurred by the UTILITY in connection with such alterations, rebuilding or relocation of its facilities.

(b) In the event the MUNICIPALITY should request at any time hereafter that the facilities which were not adjusted hereunder, but for which the UTILITY'S rights of way were encompassed by the street rights of way be adjusted, the MUNICIPALITY will pay the UTILITY the applicable costs incurred by the UTILITY in connection with such alterations, rebuilding or relocation of its facilities.

(c) In the event the MUNICIPALITY should request at any time hereafter that the facilities as adjusted onto street rights of ways at UTILITY'S expense, be again adjusted when they are located on street rights of way, the UTILITY will alter, rebuild or relocate its facilities in accordance with the terms of the franchise agreement.

SECTION IV

(a) The work will be done and all records kept in accordance with the Code of Federal Regulations Title 23, Chapter 1, Part 645, and any revisions or supplements thereto, in effect as of the date of this agreement. Actual and related indirect costs will be accumulated by

the UTILITY and kept in accordance with a work order accounting procedure as prescribed or accepted by the FEDERAL ENERGY REGULATORY COMMISSION AND/OR STATE CORPORATION COMMISSION.

(b) All costs, records and accounts are subject to audit by authorized representatives of the MUNICIPALITY and STATE. During the progress of construction and for a period of three years from the date final payment has been received by the UTILITY, the records pertaining to the adjustment and accounting thereof will be available for inspection by representatives of the MUNICIPALITY, STATE and Federal Highway Administration.

(c) The MUNICIPALITY shall reimburse the STATE all Project expenses incurred by the DEPARTMENT if, due to action or inaction solely by the MUNICIPALITY, federally funded Project expenditures incurred are not reimbursed by the Federal Highway Administration (FHWA), or reimbursements are required to be returned to the FHWA, or in the event the reimbursement provisions of Section 33.1-44 or Section 33.1-70.01 of the Code of Virginia, 1950, as amended or other applicable provisions of federal, state, or local law or regulations require such reimbursement.

(d) The County Board has appropriated a total sum of \$502,173.00 (estimates cost of \$418,477.50 plus 20% contingency) to meet the MUNICIPALITY's estimated obligation under this Agreement. If actual costs should exceed this amount, then written back up documentation for the overage will be supplied by the STATE to the MUNICIPALITY. It is understood that all funds in excess of those previously appropriated for this Agreement by the STATE or the MUNICIPALITY would require additional appropriation(s).

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed in triplicate in the name and on the behalf by its duly authorized officer or agent as of the day and year first above written.

DOMINION VIRGINIA POWER

In the presence of:

As to the

**THE COUNTY BOARD OF
ARLINGTON COUNTY, VIRGINIA**

In the presence of:


As to the

**Virginia Department of
Transportation**

In the presence of:

As to the Commonwealth

By: 
Title: Manages Delivery Projects

By: 
Title: County Manager

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF TRANSPORTATION

By: 
District Administrator

Urban County to Underground

VDOT Project #	0050-000-V18-C501	Location:	50 / Courthouse
PPMS #	13531	Date:	October 18, 2006

VDOT prorate:	15.4%	(B)	Utility Company:	VA Power
Utility prorate:	84.6%	(C)		

Total Theoretical 'Replacement-in-Kind' Cost:	\$209,793.00	(A)
Total Construction Cost Estimate (including non-betterment under grounding):	\$1,046,748.00	(D)

Part A Theoretical 'Replacement-in-Kind' Cost Breakdown

VDOT Share:	(B X A)	=	\$32,308.12
Utility Share:	(C X A)	=	\$177,484.88

Part B Additional Cost to Relocate Specified Facilities Underground

VDOT Share	\$836,955.00	(D - A) multiplied by	50.0%	=	\$418,477.50
Locality Share:	\$836,955.00	(D - A) multiplied by	50.0%	=	\$418,477.50

Estimated Cost to Each Entity

	VDOT	Locality	Utility
Part A Cost:	\$32,308.12	\$0.00	\$177,484.88
Part B Cost:	\$418,477.50	\$418,477.50	\$0.00
TOTALS	\$450,785.62 (E)	\$418,477.50 (F)	\$177,484.88

Total Relocation Cost Reimbursement to Utility	=	\$869,263.12 (E + F)
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