



Agenda
City Council Workshop Meeting
Tuesday, February 28, 2023
Richland City Hall ~ Council Chambers
625 Swift Boulevard

City Council Workshop - 6:00 p.m.

Agenda Items:

1. Fire Station 76 Discussion
 - Joe Schiessl, Deputy City Manager
 - Laura Hester, Parks & Public Facilities Director
2. Snow and Ice Service Level Options
 - Pete Rogalsky, Public Works Director
3. Energy Northwest Advanced Reactor Considerations
 - Clint Whitney, Energy Services Director

Executive Session:

4. Executive Session Per RCW 42.30.110(1)(i): Discuss Current or Potential Litigation with Legal Counsel (30 minutes)
 - City Council

Adjournment

This meeting will be broadcast live on [CityView Channel 192](#) on the City's website and on the [City's YouTube Channel](#).

Richland City Hall is ADA accessible. Requests for sign interpreters, audio equipment, and/or other special services must be received 48 hours prior to the meeting by calling the City Clerk's Office at 509-942-7389.



COUNCIL WORKSHOP COVERSHEET

Council Date: 2/28/2023

Department: Parks & Public Facilities

Core Focus Area 2 - Manage & Maintain Infrastructure & Facilities

Subject:

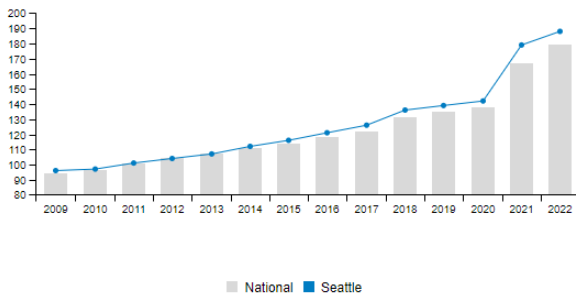
Fire Station 76 Discussion

Summary:

The City is contracted with DGR Construction to design and construct new Fire Station 76 located in Badger Mountain South. The project was cost estimated in the fall of 2020 in preparation for the 2021 Capital Improvement Plan prior to recent construction cost escalation. Staff will present a spectrum of options for discussion because today's construction market conditions will impact the City's project. One end of the spectrum will include a retention of full project scope including its fiscal impact and the other end of the spectrum will include a reduction of project scope without a fiscal impact. Staff will present recent fire station pricing from our neighboring jurisdictions as relevant, local construction market comparables.

Seattle Construction Cost Index

(JANUARY 2009 = 100)



Attachments:

I. Fire Station 76



Fire Station 76

Joe Schiessl, Deputy City Manager

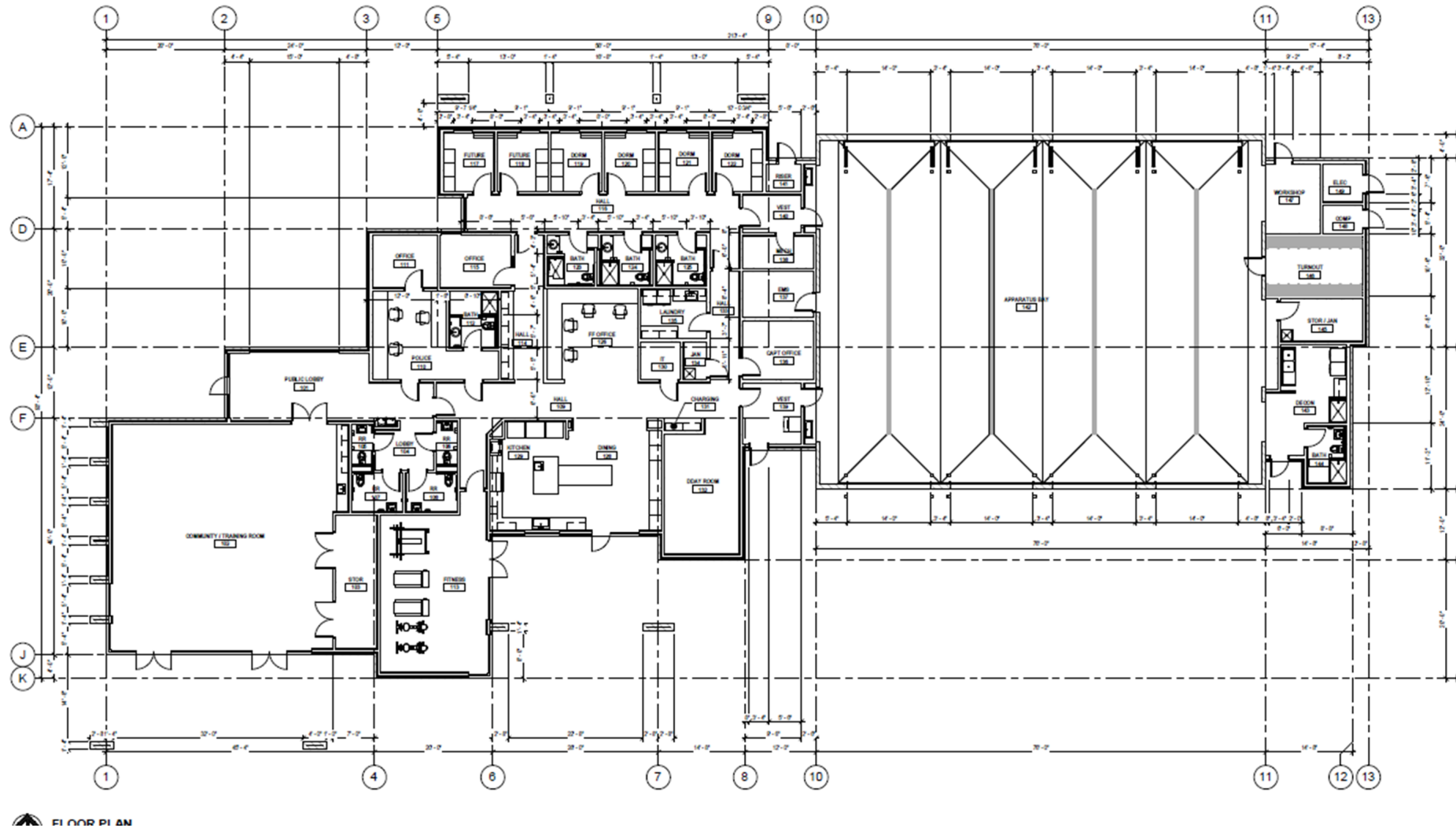
Laura Hester, Parks and Public Facilities Director

February 28, 2023



Original Design Fire Station 76

- Training/Community Room
- 4 Bays
- Brick pillars
- High-end doors



Floor Plan: Training/Community Room: 4 Bays



Value Engineered Fire Station 76

- 3 or 4 bays
- High-end doors/lower-end doors
- Phase 2: optional Training/Community Room



Phase 2: Training/Community Room



Approved Budget: \$7,000,000.00

Options:	Additional Funds	
Concept 1A: 4 bays, High-end doors, training/community room:	\$8,727,169.69	\$1,727,169.69
Concept 1B: 4 bays, Lower-end doors, training/community room:	\$8,613,302.20	\$1,613,302.20
Concept 1C: <u>3 bays</u> , High-end doors, training/community room:	\$8,409,215.31	\$1,409,215.31



Options: Training/Community Room Added on in Phase 2

Additional Funds

Concept 2A: 4 bays, High-end doors:	\$7,855,696.23	\$855,696.23
Concept 2B: 4 bays, Lower-end doors:	\$7,741,828.74	\$741,828.74
Concept 2C: <u>3 bays</u> , High-end doors:	\$7,537,741.85	\$537,741.85
Concept 2D: <u>3 bays</u> , Lower-end doors:	\$7,452,339.94	\$452,339.94
Concept 2E: <u>3 bays</u> , lower-end doors w/o contingency:	\$7,000,000	\$(95,483.43)



COUNCIL WORKSHOP COVERSHEET

Council Date: 2/28/2023

Department: Public Works

Core Focus Area I - Promote Financial Stability & Operational Effectiveness

Subject:

Snow and Ice Management Service Level Options

Summary:

The City's current resources available to manage snow and ice events are limited and subject to the same resource allocation decisions that all City programs are. With no third-party resources available to manage these events, the City must allocate local revenues to this and other programs based on a high level view of the City's needs. Snow and ice events challenge residents and often result in feedback to the City requesting or demanding a higher level of service than is currently available. This past November, the City experienced a routine snow and ice event paired with an unusual temperature pattern that resulted in resident feedback requesting and demanding a higher level of service. Public Works staff will facilitate a discussion with Council based on a presentation of the current resources and approach to these events and some possible alternative enhancements to them. Staff will also offer its recommendation.

Attachments:



COUNCIL WORKSHOP COVERSHEET

Council Date: 2/28/2023

Department: Energy Services

Core Focus Area I - Promote Financial Stability & Operational Effectiveness

Subject:

Energy Northwest Advanced Reactor Considerations

Summary:

The City of Richland is one of 28 member utilities with Energy Northwest (ENW) operating as a joint operating agency in Washington state and corporate offices in Richland. ENW was chartered in 1957 and currently operates the 1200MW Columbia Generating Station as a carbon-free, baseload generating resource. ENW also operates wind, solar, and hydroelectric projects across the state.

On November 1, 2022, City Council approved Resolution No. 2022-135 authorizing the city's participation in a new nuclear power generating project study with Energy Northwest (ENW). The purpose of the work was to explore the costs, risks and benefits of a new nuclear power generating project. Greg Cullen, Energy Northwest VP for Energy Services and Development, will present results of the work from an economic model analysis for an advanced reactor project as well as a discussion about potential next steps to be considered.

Attachments:

- I. 02-28-23 City of Richland New Nuclear Overview

New Nuclear Development

Greg Cullen
Vice President,
Energy Services & Development

Key Actions Completed

- Development and Refining of a Cost Model capable of calculating estimated LCOE and annual cost of power
- Development & Submission of a Part 1 application for the DOE Loan Program
 - EN invited to Part 2
- Development of details for formation of an LLC for the purpose of developing a project
- Letter for Expressions of Interest

Key Actions Upcoming

- Key Contracts (X-energy, Engineering, Environmental, etc)
- Continued refining the Cost Model
- DOE Part 2 application process and development of a schedule for submittal of a Part 2 application
 - Requires support from consultants and other SMEs
- Near-term funding efforts:
 - Outreach by EN Finance and New Nuclear teams, plus the hiring of consultants
 - Funding to support licensing and environmental on the site
 - Significant engagement potential financing firms and others
- Development of term sheets and eventually contracts with utilities for use in financing

Cost Model

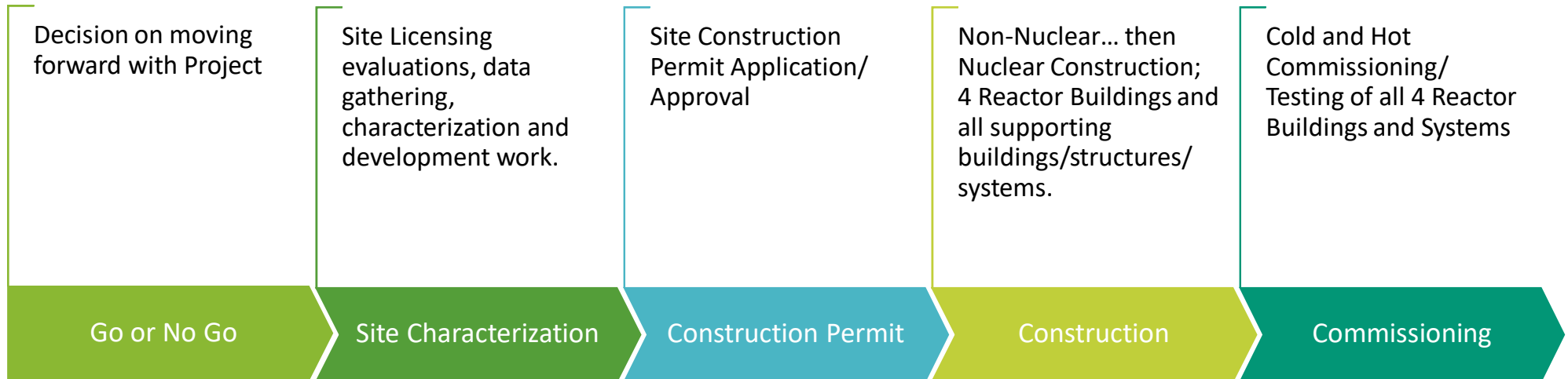
Key Assumptions:

- X-Energy 2020 numbers, no inflation, 4 modules
- 40-year lifespan
- 30-year financing
- Non-DOE interest rate 6.2%
- DOE interest rate 3.2%
- 10% Cost Overrun
- Preliminary estimates

Levelized Cost of Energy

	total project costs (financing +OCC)	OCC	LCOE (\$/MWh)
Off-taker base scenario +10% on OCC 2020\$, no inflation, 80% DOE loan	~\$1.8B	~\$1.68B	
PTC			\$55
ITC			\$58
N/A			\$64

Critical Path



Estimated Funding Needs Over the Next 2 Years

	2023	2024
Staffing	\$5.5M	\$8.5M
Site Characterization	\$12M	\$2.2M
DOE LPO Process	\$5M	
BPA Transmission Interconnect & Services Studies	\$170k	\$460k
Licensing & Environmental	\$10M	\$20M
Total	\$32.7M	\$31.1M

Discussion

