



Water Supply Pipeline Project Update

Utility Board | February 10,
2026



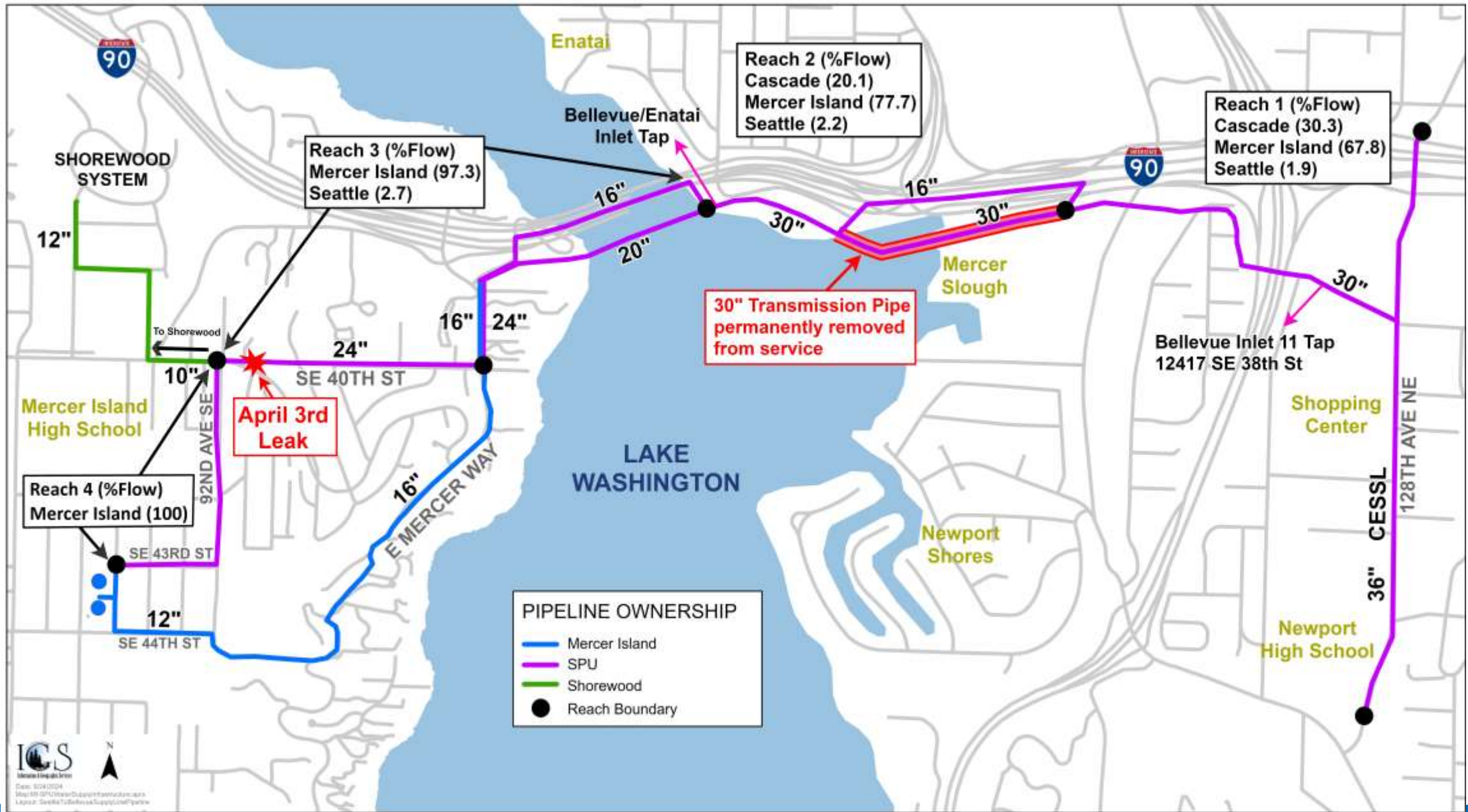
Agenda

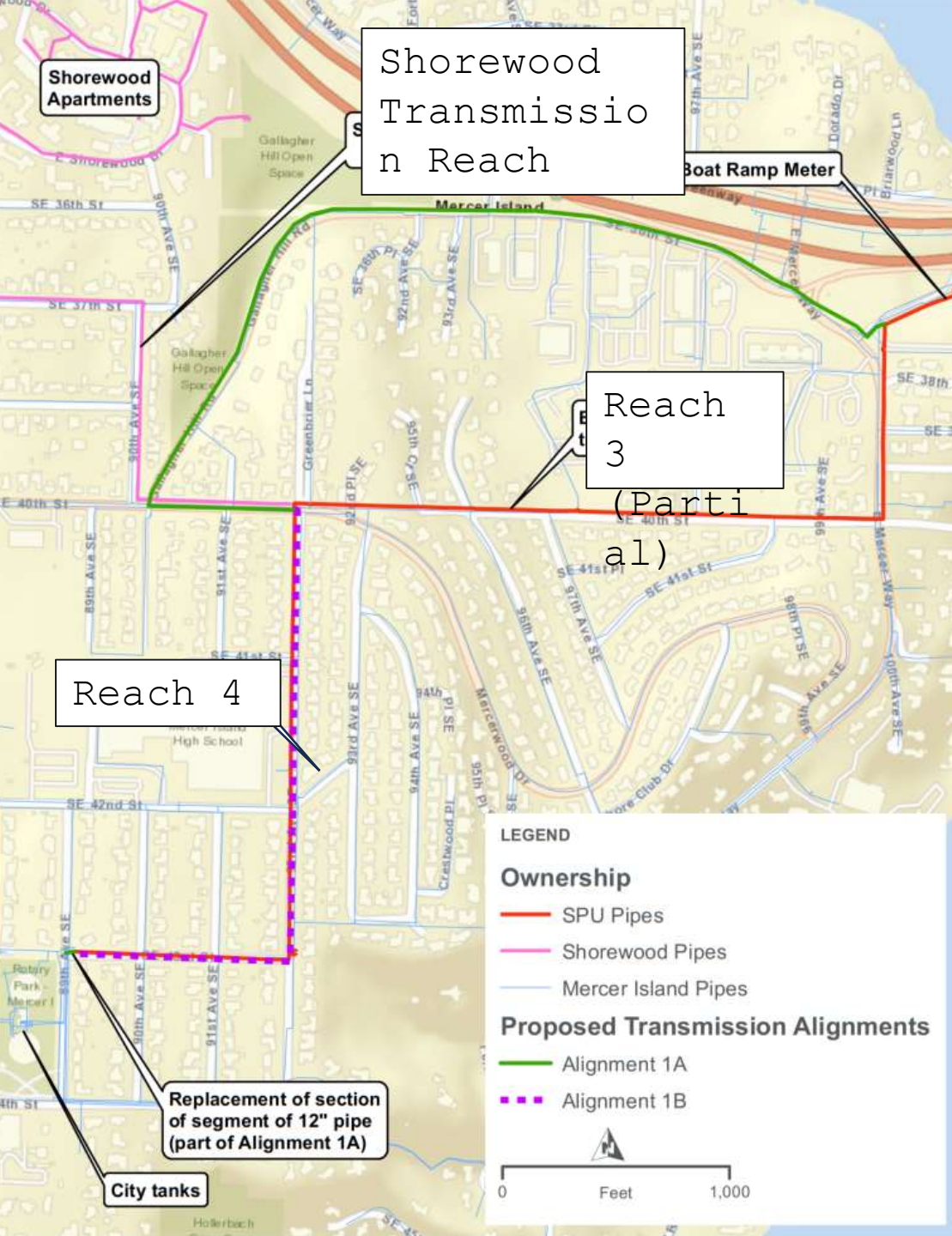
- Overview of current SPU supply
- Goals of Pipeline Project
- Project Elements
- Design Considerations
- Timeline
- Estimated Project Cost
- Next Steps
- Questions



12" pipe installation

Overview of SPU Supply





Goals of New Supply Line

- Align ownership & control with responsibility
- Make generational investment in system resilience
- Improve resiliency & reliability; reduce risk of vulnerable areas by relocation
- Upgrade Gallagher Hill Road with AC main replacement and roadway and sidewalk improvements
- Abandonment of Reach 3 segment
- Transfer ownership of Reach 4 to City
- Improve Shorewood Apartments water delivery by retiring old AC pipeline

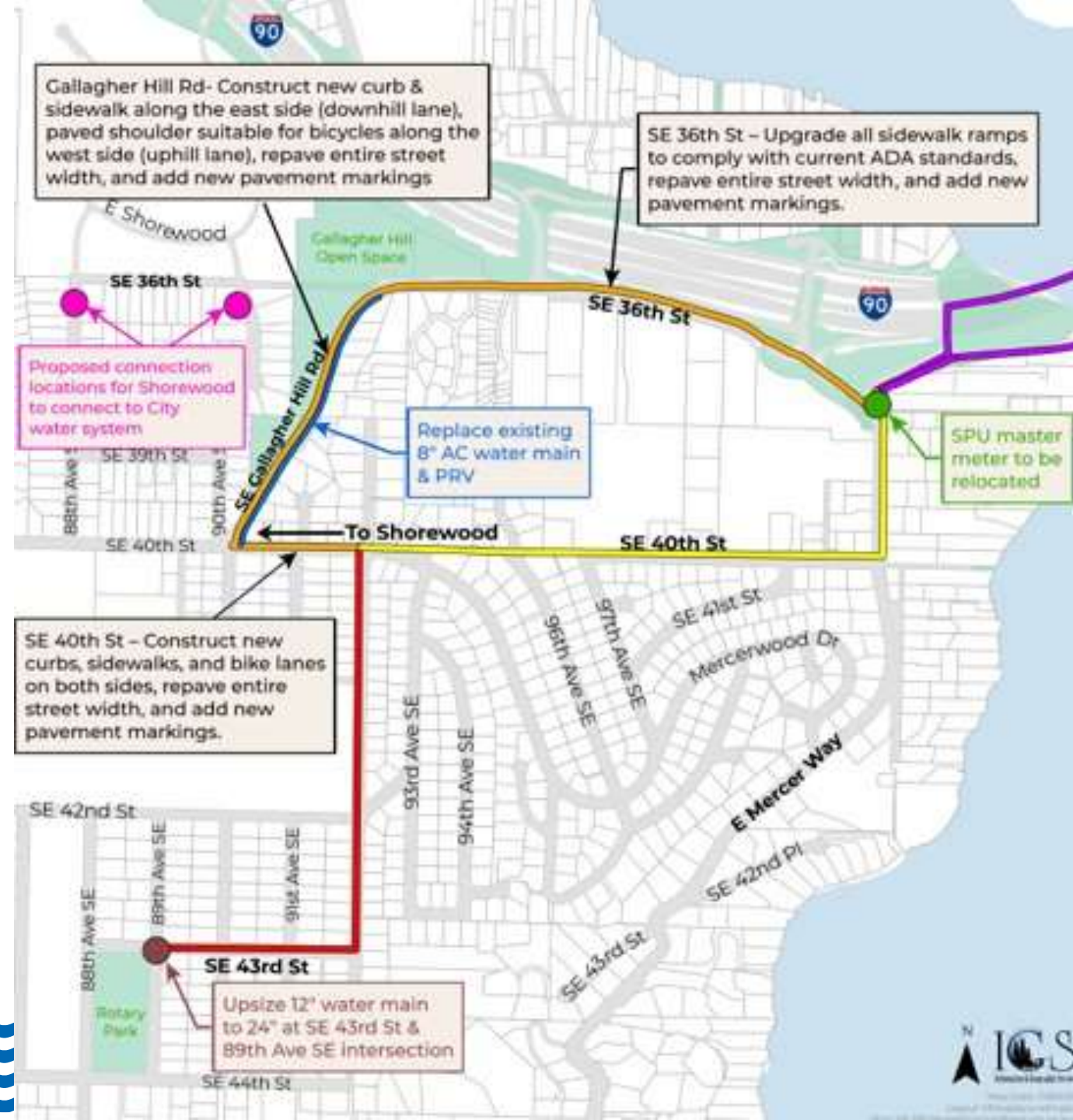
Project Elements (Water)

- Install 5,000 feet of new supply pipeline; 24" ductile iron restrained joint pipe
- Replace over 1,500 feet of AC main on Gallagher Hill Road
- Replace a Pressure Reducing Valve at bottom of Gallagher Hill Road
- Connect Shorewood Apartments into City's water system
- Relocate SPU metering to Boat Launch road
- Upsize a section of pipe behind Reservoir on 89th Ave

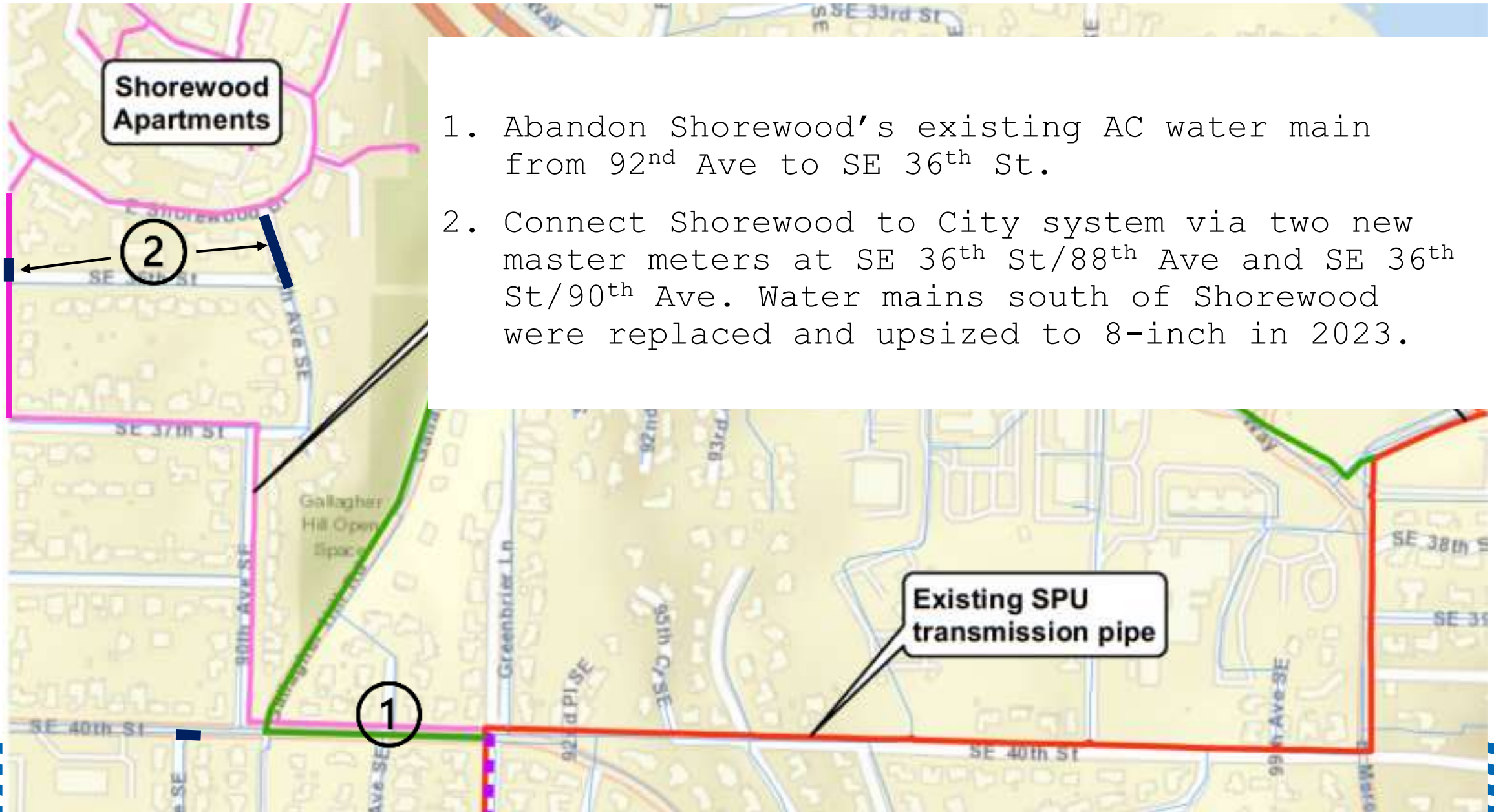


Project Elements (Roadway)

- Improve approx. 1 mile of arterials:
 - Gallagher Hill Road
 - SE 40th St (90th to 93rd Aves)
 - SE 36th St (GHR to EMW)
- Curbs, sidewalks, bike lanes, street lighting, asphalt overlays
- These projects are in the current TIP and schedules were changed to fit with Supply Pipeline timing



Service to Shorewood Apartments



Project Status Entering 90% Design Stage

- Finalizing pipe alignments
- Finalizing roadway improvements layout
- Connections to Shorewood Apartments
- Timing/activation of new supply and transition from SPU
- Construction sequencing, phasing, and duration
- Traffic Impacts during construction
- Permitting with City and WSDOT
- Beginning public outreach
- Utility Board and City Council meetings



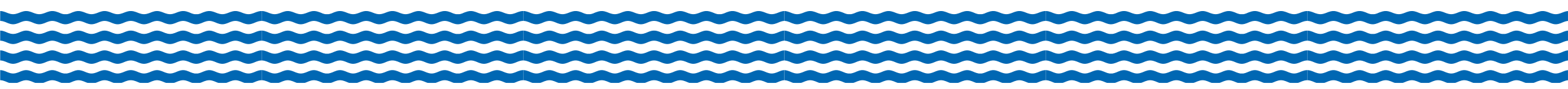
Estimated Project Timeline

Dates	Project Task
Oct 2025 - April 2026	Complete design work
May 2026 - April 2027	Construct water improvements
March 2027 - Dec 2027	Construct roadway improvements
Dec 2027	Construction substantially complete



Project Cost Estimate

- At 60% stage in design, construction cost for water elements is \$12.5 to \$13.5M
- Several design issues being resolved to reach the 90% and 100% stages
- Cost refinement as roadway improvement elements are more developed
- \$6M budgeted in 2025-2026 Capital Budget
- \$18M is available from Water Fund Bonds issued in 2025 (\$13M scheduled for 2027)
- \$1.2M in funding approved by WA State Legislature (Dept of Commerce grant)



Next Steps

- Complete design work
- Negotiate max. construction cost through GC/CM method
- Advertise for 10" main replacement
- Finalize construction sequencing
- Continue negotiations with SPU, Shorewood, and WSDOT on pipeline ownership, metering, and connections
- Return to Utility Board in March
- City Council update in April
- Begin construction in May 2026



30" pipe



Questions

Next Steps



Continue design development and refinement with consultant and contractor using GC/CM delivery.



Finalize construction sequencing and develop final cost estimate. Return to Council with update in Q1 2026.



Continue negotiations with SPU, Shorewood, and WSDOT on pipeline ownership, metering, and connections.