

STAFF REPORT

SOUND TRANSIT MOTION NO. M2001-79

Approval of Supplement to Existing Agreement with the Washington State Department of Transportation to include PS&E Services for the I-5 at 164th Direct Access Project

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee Board	8/02/01	Canceled Action	Agnes Govern, Director, Regional Express	(206) 398-5037
	8/9/01		Jim Edwards, Program Manager, Capital Projects	(206) 398-5436
			Tracy Krawczyk, Project Manager, Capital Projects	(206) 689-4906

PROPOSED ACTION

Approval of Motion No. M2001-79 would:

1. Authorize the Executive Director to transfer funding from the contingency phase to the final design phase of the Regional Express I-5 at 164th (Ash Way) direct access project.
2. Authorize the Executive Director to execute a supplement to the existing project agreement for design services with the Washington State Department of Transportation (WSDOT) to prepare final design plans, specifications, and estimates (PS&E).
3. Direct staff to address the project funding shortfall through the 2002 budget process.

The amount of the final design supplemental agreement is not to exceed \$1,634,119, including a contingency reserve of \$44,466 (representing 10% of WSDOT labor and other direct fees). The total amount for the WSDOT final design supplemental agreement being requested for approval is \$1,678,585. This supplement will bring the total WSDOT agreement to \$2,928,573 for preliminary and final design.

KEY FEATURES

Highlights of Proposed Action:

- ◆ Authorizes the Executive Director to transfer project funds from the contingency phase to the final design phase of the I-5 at 164th (Ash Way) direct access project within the Regional Express Capital Projects Program.
- ◆ Authorizes the Executive Director to execute a supplement to the existing project agreement for design services with WSDOT for final design (PS&E) services. The final design supplement to the agreement is for an amount not to exceed \$1,634,119, with an authorized contingency reserve of \$44,466 (representing 10% of WSDOT labor and other direct fees). The total amount for the WSDOT final design supplemental agreement being requested for approval is \$1,678,585. This supplement will bring the total WSDOT agreement to \$2,928,573 for preliminary and final design.
- ◆ Outlines final design services to be provided by WSDOT.

- ◆ Outlines a funding strategy and directs staff to address the overall project funding shortfall through the 2002 budget process.
- ◆ Provides an update of the project schedule and key milestones.

Discussion of Proposed Action

On November 29, 1999, Sound Transit entered into a project agreement (GCA-1939) with WSDOT to procure services for the I-5 at 164th (Ash Way) high-occupancy vehicle (HOV) direct access project. The agreement defined three phases of project implementation:

Phase 1 – Conceptual layout, preliminary design, environmental documentation, design file documentation, and Access Point Decision Report.

Phase 2 – Development of plans, specification/estimates, advertisement, and award.

Phase 3 – Construction administration.

The original agreement covered Phase 1 services and stipulated that the agreement would be supplemented for Phases 2 and 3. The scope of services for Phase 2 include:

- Project administration and management
- Survey and base mapping
- Structural plans
- Hydraulics, including temporary erosion and sediment control plans, and drainage plans
- Environmental and construction permit assistance
- Wetlands mitigation, landscape planting, and irrigation plans
- Roadway plans
- Traffic plans
- Opinion of cost
- Assembly of bid documents and assistance through the bid process

Phase 1 work efforts for preliminary engineering and environmental documentation are currently nearing completion. Various engineering and environmental analysis reports have been prepared addressing transportation, hydraulics, geotechnical, air quality, noise, wetlands/biology, and wetlands mitigation issues. Based on this information, an environmental checklist was prepared and a Determination of Non-significance (DNS) was recently issued under the State Environmental Policy Act (SEPA). It is anticipated that the Federal Highway Administration will approve a Documented Categorical Exclusion (DCE) later this summer in compliance with the National Environmental Policy Act (NEPA). Although Sound Transit often combines the SEPA and NEPA processes, the SEPA process was expedited in this case to support this Board action approving moving forward into final design. This will allow the project to maintain its critical schedule path.

Construction advertisement is planned for July 2002, at which time staff will seek Board authorization of the Phase 3 services from WSDOT. Construction completion is anticipated in December 2003. Bus service on the new ramps would begin as part of the February 2004 service change.

BACKGROUND

Sound Move provided for direct access ramps for buses, carpools, and vanpools between the Ash Way Park-and-Ride Lot in Snohomish County and I-5 (to and from the south) to increase travel speed and reliability. The identified location for the ramps was just north of the existing I-5 at 164th Street SW interchange, connecting with the north end of the new 1,000-stall Ash Way Park-and-Ride Lot.

Based on an alternatives analysis that included consideration of cost-effectiveness, the direct access ramps between I-5 (to/from the south) and the Ash Way Park-and-Ride Lot have been designed for transit-only use. This scope change will avoid incurring costs associated with an additional 8-feet of pavement width and stormwater drainage costs for the length of the project along I-5. These costs were not envisioned in the original project scope and budget, but would have been required under current design standards.

The vast majority of carpool/vanpool trips in the project vicinity will occur on 164th Street SW, while only a small percentage are anticipated to be formed within the Ash Way Park-and-Ride Lot or to travel on Ash Way to/from the north. WSDOT is just completing improvements at the adjacent I-5 at 164th Street SW interchange, including HOV bypass lanes and new loop ramps to eliminate left-turn delays at traffic signals. The majority of area carpool/vanpool trips are anticipated to use these new facilities to access the I-5 HOV lanes rather than travel out of direction to use the new Sound Transit ramps just to the north.

When completed, the transit-only ramps will be used by Community Transit and ST Express buses on I-5 serving points south, including Lynnwood and Seattle, to access the Ash Way Park-and-Ride Lot. The average transit trip is projected to save more than 6 minutes in travel time over the existing transit routing.

BUDGET

The 2001 Budget provided \$1,221,000 (YOE\$) for final design services. Based on recent negotiations, the amount being requested for final design (including contract contingency) is \$1,678,585. Authorization of the final design agreement with WSDOT will necessitate a funding transfer of \$457,585 from the project’s contingency phase to the final design phase.

Table 1: Summary of Funding Available for Final Design Phase

Total Project Budget	Budget for Final Design Phase	Expenditures to Date for Final Design Phase	Total Amount Requested	(Shortfall)* or Surplus
	(A)	(B)	(C)	(A-[B+C])
\$13,879	\$1,221	\$0	\$1,679	(\$458)
*Amount of Shortfall	Potential Revenues	Funding Sources		
(\$458)	\$669	Project budget for contingency phase		

All amounts shown are in YOE\$ in thousands.

In addition to the funding shortfall for the final design phase, there is an overall project funding shortfall. The recent 30% design cost estimate for this project is \$16,979, 000 (YOES). The 2001 Adopted Budget provides \$13,879,000, resulting in a projected funding shortfall of \$3,100, 000 (YOES). The project shortfall in 2001 dollars is \$2,598,000.

Table 2: Summary of Funding Available for Total Project

Total Project Budget (A)	Current Project Cost Estimate (B)	(Shortfall)* or Surplus (A-B)	Potential Revenues
\$13,879	\$16,979	(\$3,100)	(1) \$1,290 (2) \$1,810
Funding Sources			
(1) Ashway Park and Ride Lot Project (\$1,290 available)			
(2) Funds for Other Projects (Snohomish) (\$26,788 available)			

All amounts shown are in YOES in thousands.

In June, the projected budget shortfall was reviewed with the Snohomish County Boardmembers and/or their representatives. Based on their direction, the funding shortfall is proposed to be partially addressed by transferring remaining unspent funds for the completed Ash Way Park-and-Ride Lot project (#340). Discussions of other potential sources of funds included unanticipated revenue funds, and Funds for Other Projects in the Snohomish County subarea (#395). At this time, it does not appear that unanticipated revenues in Snohomish County exceed the 5% threshold established by the Board. Budget transfers will be proposed as part of the 2002 budget process based on further discussions with Snohomish County Boardmembers.

Three key factors contributed toward the shortfall that has been identified since the original Sound Move budget was adopted from the WSDOT's Puget Sound HOV Pre-Design Studies:

- **Agency Administration and Art** – The original estimate adopted into Sound Move did not account for 5.2% of project costs for agency administration, other allocated agency administrative costs, nor 1% of construction costs devoted to the Sound Transit art program.
- **Design Engineering and Environmental Review** – The original cost estimate assumed preliminary and final engineering and environmental review costs at 18% of construction cost (including contingency). Based on negotiated and pending contracts, the actual design and environmental costs for this project are projected to closer to 25%, which is higher than the original estimate but slightly lower than the average of 26% now typically assumed for this type of freeway project.
- **Contingency** – The original estimate included a contingency of 5% of construction costs. The current estimate increases this to 10% of construction costs to reflect the level of uncertainty that still remains at 30% design for large projects and the unknown wetland mitigation needs for this specific project.

The 2001 Risk Assessment identified a high financial and schedule risk for this project, increased from a moderate risk determination in the 2000 Risk Assessment, when there were

no known quantifiable risks. Over the course of this project, several risk management strategies were implemented:

- Partnership Development – Formed project team to manage expectations and identify critical elements.
- Scope Reduction – Designed ramps for transit-only use avoiding costs of new design standards.
- Cost-effectiveness – Conducted analysis that determined direct freeway ramps for buses are twice as cost-effective as transportation system management improvements at this project location.
- Independent Cost Analysis – An independent consultant validated WSDOT's cost estimate.
- Acceleration of SEPA – As a critical path item, SEPA compliance was accelerated ahead of NEPA.

ALTERNATIVES

Sound Move states that, "Actual design and construction of all HOV lanes and ramps will be done by the state Department of Transportation." Under the terms of the original project agreement signed by WSDOT and Sound Transit in November 1999, Phase 2 design services cannot be accomplished through another contractor.

1. The Finance Committee could choose to delay the project until completion of environmental review under NEPA. SEPA review was completed based on the same set of project environmental analyses that will be documented for NEPA compliance purposes; no significant adverse impact findings are anticipated.
2. The Finance Committee could choose to delay the project until all project funding is secured either through an approved budget transfer or through the 2002 Budget adoption process.
3. The Finance Committee could choose to delay the project indefinitely.

CONSEQUENCES OF DELAY

This project is currently slated to begin construction during summer 2002, with overall completion of the direct access ramps by December 2003. There is no float time in the schedule, and any delay in action will directly impact the ability to complete this project within the 2003 timeframe established in Sound Transit's Implementation Guide.

REGIONAL PARTNERSHIP AND COOPERATION

A Project Management Team has been established for this project to help set project expectations and identify critical elements. The team is comprised of technical staff from Sound Transit, WSDOT, Snohomish County, and Community Transit. Additionally, the Federal Highway Administration is the lead federal agency to ensure environmental compliance under NEPA and to approve the Access Point Decision Report required for any modifications to an interstate, such as I-5.

PUBLIC INVOLVEMENT

An open house was held on this project June 21, 2000. At this event the project team shared conceptual design layouts with the public and the intention to build the direct access ramps for transit-only use. The comments received from this open house were generally supportive of the proposed project.

In addition, the environmental checklist and DNS under SEPA have been made available to the public with comments requested during the period of June 22, 2001, through July 6, 2001. A copy of the DNS was placed on the Sound Transit website and a web page was developed to provide project information.

LEGAL REVIEW

MBL 7/19/01

SOUND TRANSIT

MOTION NO. M2001-79

A motion of the Board of the Central Puget Sound Regional Transit Authority: (1) authorizing the Executive Director to transfer funds from the contingency phase to the final design phase of the Regional Express I-5 at 164th (Ash Way) direct access project; (2) authorizing the Executive Director to execute a supplement to the existing project agreement for design services with the Washington State Department of Transportation (WSDOT) for the I-5 at 164th (Ash Way) Direct Access Project to include preparation of final design plans, specifications, and estimates (PS&E); and (3) directing staff to address the project funding shortfall through the 2002 Budget process. The amount of the WSDOT final design supplemental agreement is not to exceed \$1,634,119, with an authorized contingency reserve of \$44,466 (representing 10% of WSDOT labor and other direct fees). The total amount being requested for approval is \$1,678,585. This supplement will bring the total WSDOT agreement to \$2,928,573 for preliminary and final design.

Background:

This proposed project will create a direct connection for buses between the existing Ash Way Park-and-Ride Lot and the I-5 high-occupancy vehicle (HOV) lanes to and from the south. Sound Transit's 2001 Adopted Budget provides for \$13,879,000 (YOES) for the I-5 at 164th (Ash Way) Direct Access Project, including \$1,221,000 for final design and \$669,000 in project contingency.

Based on the recent 30% design cost estimate, project costs are projected to total \$16,979,000. This results in a project shortfall of \$3,100,000.

Phase I of a project agreement with WSDOT provided for preliminary engineering and environmental documentation services. This work is now nearing completion. This motion would allow for:

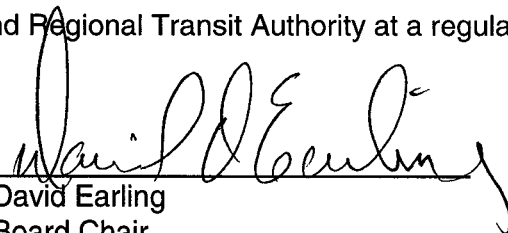
- A funding transfer between the project's contingency and final design phases.
- Authorization of a Phase 2 supplements to the existing agreement with WSDOT for final design services.
- Implementation of a funding strategy to address the overall project funding shortfall.

Motion:

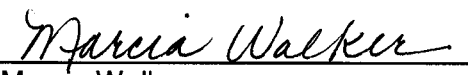
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that: (1) the Executive Director be authorized to transfer funds from the contingency phase to the final design phase of the Regional Express I-5 at 164th (Ash Way) direct access project; (2) the Executive Director be authorized to execute a supplement to the existing project agreement for design services with WSDOT to include preparation of final design plans, specifications and estimates (PS&E); and (3) Sound Transit staff be directed to address the project funding shortfall through the 2002 Budget process.

The amount authorized for the WSDOT final design supplemental agreement is not to exceed \$1,634,119, with a contingency of \$44,466 (representing 10% of WSDOT labor and other direct fees) to pay for changes in the work, if required. The total amount authorized for approval is \$1,678,585. This supplement will bring the total WSDOT agreement to \$2,928,573 for preliminary and final design.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on the 9th day of August, 2001.


David Earling
Board Chair

ATTEST:


Marcia Walker
Board Administrator