

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2003-12

Agreement with the Burlington Northern Santa Fe Railway Company (BNSF) for closure and removal of the Lakeview Subdivision crossing at Pacific Avenue and 17th Street in the City of Tacoma

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	1/30/03	Deferred	Ahmad Fazel, Link Director	(206) 398-5389
Finance Committee	2/6/03	Discussion/Possible Action	Winston Simmonds,	(206) 689-3326
Board	2/13/03	Action	Systems Engineering Manager	

Contract/Agreement Type:		Requested Action:	
Competitive Procurement	3	Execute New Contract/Agreement	3
Sole Source		Amend Existing Contract/Agreement	
Memorandum of Agreement	3	Contingency Funds Required	
Purchase/Sale Agreement		Budget Amendment Required	

4 Applicable to proposed transaction.

OBJECTIVE OF ACTION

- To enter into an agreement with Burlington Northern Santa Fe Railway Company (BNSF) to close and remove the BNSF Lakeview Subdivision grade crossing at Pacific Avenue and 17th Street in the City of Tacoma.

ACTION

- Authorize the Executive Director to enter into an agreement with BNSF specifying the terms and conditions for closure and removal of the BNSF Lakeview Subdivision grade crossing at Pacific Avenue and 17th Street in the City of Tacoma, for a lump sum amount of \$2,000,000.

KEY FEATURES

- BNSF will close the section of track from milepost 0.60 to milepost 2.7 (approximately 2.1 miles) on the Lakeview Subdivision, which includes its Lakeview Subdivision grade crossing at Pacific Avenue and 17th Street in the City of Tacoma by March 30, 2003.
- BNSF will divert its existing freight traffic away from the section of track including the grade crossing at Pacific Avenue and 17th Street to restored track between Lakeview, Washington and Nisqually, Washington, by March 30, 2003.
- Sound Transit will pay BNSF a lump sum amount of \$2,000,000 to cover the cost to restore 11.5 miles of track between Lakeview and Nisqually, and for increased operations expense associated with diverting freight traffic the additional 32 car-miles to the Lakeview-Nisqually section of track to serve its customers. The BNSF restoration of track between Lakeview and Nisqually will also benefit future Sounder operation.

BUDGET IMPACT SUMMARY

Project Description: Tacoma Link
Current Status: Under Construction
Projected Completion Date: 09/03

Action Outside of Adopted Budget:	Y/N	Y Requires Comment
This Line of Business	N	
This Project	N	
This Phase	N	
This Task	Y	Requires a transfer from uncommitted funds within the construction phase
Budget amendment required	N	
Key Financial Indicators:	Y/N	Y Requires Comment
Contingency funds required	N	
Subarea impacts	N	
Funding required from other parties other than what is already assumed in financial plan	N	

N = Action is assumed in current Board-adopted budget. Requires no budget action or adjustment to financial plan

BUDGET DISCUSSION

The total 2003 adopted budget for Tacoma Link is \$80.4 million. Within that budget, a line item of \$745,000 was set aside for the BNSF crossing signals in the construction phase. Should the Board authorize the execution of this contract for \$2,000,000, the total commitment associated with the BNSF crossing will exceed the total task budget by \$1,255,000. Staff proposes to fund these activities from uncommitted funds within the construction phase, utilizing savings that will be realized by the closure and removal of the BNSF Lakeview Subdivision crossing, as described below.

The December 2002 forecast identified all costs associated with installation of the double diamond crossing. The closure and removal of the BNSF Lakeview Subdivision grade crossing, and elimination of the double diamond, is currently estimated to result in a \$1,465,000 savings to the project over and above the \$745,000 budget for BNSF. The estimate of savings includes the amounts remaining for all contracts authorized by the board and necessary to comply with the FRA requirements for crossing the BNSF tracks, and also considers costs that will be incurred to install trackwork/systems across the intersection. After the \$2,000,000 for the activities considered in this motion are deducted from the above amounts (\$1,465,000 + \$745,000 = \$2,210,000), it is estimated that the project will realize a net savings of \$210,000.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The proposed action is affordable within the agency's current long-term financial plan and sub-area financial capacity. The action will have no new revenue impacts on Sound Transit, and further should result in a net savings to the Tacoma Link project.

SUMMARY FOR BOARD ACTION

Action Item: BNSF (agreement for closure and removal of the Lakeview Subdivision crossing in Tacoma)

(Year of Expenditure \$000)

Tacoma Link	Adopted FY2003 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	4,475	3,910		3,910	565
2 Preliminary Engineering	5,654	6,157		6,157	(503)
3 Final Design	5,379	4,550		4,550	829
4 Right of Way	2,519	2,545		2,545	(26)
5 Construction	52,919	46,157	2,000	48,157	4,762
6 Vehicles	8,632	8,614		8,614	18
7 System Testing and Startup	837	409		409	428
8 Contingency	-	-		-	-
9 Total Current Budget	80,416	72,342	2,000	74,342	6,074

Phase Budget Detail

10 BNSF Lakeview Crossing	745	-	2,000	2,000	(1,255)
11 Other Construction	52,174	46,157	-	46,157	6,017
12 Total Phase	52,919	46,157	2,000	48,157	4,762

Contract Budget	Current Approved Contract Value (F)	Spent to Date (G)	Proposed Action (H)	Proposed Total Contract Value (I)
16 BNSF Lakeview Crossing	-	-	2,000	2,000
17 Contingency	-	-	0	0
18 Total	-	-	2,000	2,000
19 Percent Contingency	0%	0%	0%	0%

M/W/DBE – SMALL BUSINESS PARTICIPATION

N/A

HISTORY OF PROJECT

The Tacoma Link route along Pacific Avenue crosses a track of the BNSF Lakeview Subdivision at Pacific Avenue and 17th Street in the City of Tacoma. In accordance with federal regulations, a light rail crossing of the General Railroad System requires the light rail system to comply with many Federal Railroad Administration (FRA) regulations, unless a formal waiver petition is presented to and approved by the Safety Board of the FRA. Sound Transit filed a formal waiver petition with the FRA. Sound Transit received the FRA waiver on May 17, 2002, which described the conditions Sound Transit must meet to receive relief from the specific regulations that do not apply or cannot be met by Tacoma Link. A critical requirement of the waiver is that Sound Transit complies with FRA regulations that apply to the signal system that governs freight and light rail train movements that approach and pass through the crossing. A broad term for the system is an “interlocking.”

In May 2002, the Sound Transit Finance Committee authorized a contract to manufacture the Tacoma Link double diamond crossing. On July 10, 2002, the Executive Director executed a sole source contract with General Electric Transportation Systems (GETS) for design of the signal system equipment. BNSF has stated that GETS is its exclusive supplier for railway signal

system equipment. On October 24, 2002, the Sound Transit Board approved a sole source contract amendment with GETS to furnish the signal system equipment for the Tacoma Link/BNSF crossing. On November 7, 2002, the Sound Transit Board approved a contract amendment with Gary Merlino Construction Company to install the Tacoma Link double diamond crossing.

On December 4, 2002, Sound Transit received a proposal from BNSF to close the section of track from milepost 0.60 to milepost 2.7 on the Lakeview Subdivision, including the grade crossing at Pacific Avenue and 17th Street in the City of Tacoma, and divert its existing freight traffic to a section of track between Lakeview and Nisqually. BNSF proposed that Sound Transit reimburse BNSF for the cost to restore 11.5 miles of track, which had been out of service, and for increased operations expense associated with the diverting freight traffic an additional 32 car-miles to the Lakeview-Nisqually section of track to serve its customers. Tacoma Link would benefit from BNSF closing the section of track through downtown Tacoma and diverting freight traffic as follows:

- Forego additional expense for purchase, installation and on-going maintenance of signal equipment for the interlocking.
- Forego additional expense for installation and on-going maintenance of the double-diamond special track work.
- Less complicated light rail operations for Tacoma Link as a result of no interlocking.
- Elimination of potential delays to light rail operations waiting for BNSF freight trains to clear the interlocking.

As a result, the net savings for the Tacoma Link project are estimated to be \$210,000 by eliminating installation of the double diamond special track work and the interlocking signal equipment. Staff will investigate the possibility of using some of the signal system equipment on future Sounder projects.

Elimination of the BNSF railroad crossing at Pacific Avenue and 17th Street has been reviewed and determined that it reduces adverse impacts and does not substantially change the analysis of significant impacts and alternatives in the Tacoma Link Light Rail Transit Final Environmental Impact Statement (January 1999).

**Prior Board or Committee Actions
and Relevant Board Policies**

Motion or Resolution Number	Summary of Action	Date of Action
Motion M2002-124	Awarding contract No. RTA/LR 66-02 for the Tacoma Link Light Rail Double Diamond Crossing to Gary Merlino Construction Company (GMCC) in the amount of \$815,350 plus a 10% contingency of \$81,535 for a total authorized amount not to exceed \$896,885	11/7/02
Motion M2002-119	Authorizing the Executive Director to execute a sole source contract amendment with General Electric Transportation Systems Global Signaling (GETS) to furnish signal system equipment for the Tacoma Link/BNSF crossing in the amount of \$820,270 for a new total authorized amount not to exceed \$919,798.	10/24/02
Motion M2002-51	Authorizing the Executive Director to execute a contract with L.B. Foster Company for the manufacture of a double diamond crossing for the Tacoma Link Light Rail crossing of BNSF track at 17th Street and Pacific Avenue in downtown Tacoma in the amount of \$229,480 plus a 10% contingency of \$22,948 for a total authorized amount not to exceed \$252,428	5/2/02

CONSEQUENCES OF DELAY

A delay in approving this agreement may impact completion of the Tacoma Link project. It is necessary that BNSF complete the track restoration work and close the Pacific Avenue grade crossings by March 30, 2003 so that the current construction schedules for Tacoma Link's line section and systems contractors are not jeopardized.

REGIONAL PARTNERSHIP AND COOPERATION

The City of Tacoma provided the highway grade crossing diagnostic document identifying the grade crossing warning system requirements.

The abandonment of this line has positive benefits for the City of Tacoma and the safety of the general public.

PUBLIC INVOLVEMENT

N/A

LEGAL REVIEW

MB 1/17/03

SOUND TRANSIT

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A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to enter into an agreement with Burlington Northern Santa Fe Railway Company (BNSF) specifying the terms and conditions for closure and removal of the BNSF Lakeview Subdivision grade crossing at Pacific Avenue and 17th Street in the City of Tacoma, for a lump sum amount of \$2,000,000.

Background:

The Tacoma Link route along Pacific Avenue crosses a track of the BNSF Lakeview Subdivision at Pacific Avenue and 17th Street in the City of Tacoma. In accordance with federal regulations, a light rail crossing of the General Railroad System requires the light rail system to comply with many Federal Railroad Administration (FRA) regulations, unless a formal waiver petition is presented to and approved by the Safety Board of the FRA. Sound Transit filed a formal waiver petition with the FRA. Sound Transit received the FRA waiver on May 17, 2002, which described the conditions Sound Transit must meet to receive relief from the specific regulations that do not apply or cannot be met by Tacoma Link. A critical requirement of the waiver is that Sound Transit complies with FRA regulations that apply to the signal system that governs freight and light rail train movements that approach and pass through the crossing. A broad term for the system is an "interlocking."

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As a result, the net savings for the Tacoma Link project are estimated to be \$210,000 by eliminating installation of the double-diamond special track work and the interlocking signal equipment. Staff will investigate the possibility of using some of the signal system equipment on future Sounder projects.

Elimination of the BNSF railroad crossing at Pacific Avenue and 17th Street has been reviewed and determined that it reduces adverse impacts and does not substantially change the analysis of significant impacts and alternatives in the Tacoma Link Light Rail Transit Final Environmental Impact Statement (January 1999).

Motion:


It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to enter into an agreement with Burlington Northern Santa Fe Railway Company (BNSF) specifying the terms and conditions for closure and removal of the BNSF Lakeview Subdivision grade crossing at Pacific Avenue and 17th Street in the City of Tacoma, for a lump sum amount of \$2,000,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 13, 2003.



Ron Sims
Board Chair

ATTEST:



Marcia Walker
Board Administrator

