

**SOUND TRANSIT
STAFF REPORT**

**MOTION NO. M2004-49 AND
RESOLUTION NO. R2004-07**

**Interagency Agreement with the City of Everett and
Budget Amendment for the North Everett Transit Center**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	6/17/04	Discussion/Possible Action to Recommend Board Approval	Jim Edwards, Interim Director, Regional Express	(206) 398-5436
Board	6/24/04	Deferred	Vicki Youngs, Program Manager	(206) 398-5024
Board	7/8/04	Action	Dan Eder, Project Manager	(206) 398-5104

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement		Execute New Contract/Agreement	✓
Sole Source		Amend Existing Contract/Agreement	
Interagency Agreement	✓	Contingency Funds (Budget) Required	
Purchase/Sale Agreement		Budget Amendment Required	✓

✓ *Applicable to proposed transaction.*

OBJECTIVE OF ACTION

1. Establish an agreement between Sound Transit and the City of Everett delineating responsibilities relating to the North Everett Transit Center project development.
2. Amend the North Everett Transit Center project budget.

ACTIONS

1. A motion authorizing the Chief Executive Officer to execute an Interagency Agreement with the City of Everett in which Sound Transit's funding responsibility is limited to a maximum of \$1,452,400 covering all phases (study, planning, environmental documentation, design, property acquisition, and construction) of the North Everett Transit Center.
2. A resolution amending the Adopted 2004 Budget.

KEY FEATURES

- Establishes that the City of Everett is the lead for all phases of the North Everett Transit Center project.

- Provides that Sound Transit will contribute a maximum of \$1,452,400 to the City of Everett under this Agreement. A portion of Sound Transit's contribution (\$452,400) will be used as a local match for the Federal Transit Administration design and construction grants secured and administered by the City of Everett. The balance of Sound Transit's contribution (\$1,000,000) will be used for land acquisition.
- Establishes that Sound Transit will not be responsible for any cost increases or for any other additional project-related costs, aside from internal Sound Transit agency administrative costs.
- Amends the 2004 Budget by:
 - (1) Reducing the project budget by a total of \$573,000; and
 - (2) Transferring \$270,000 from the North Everett Transit Center to the Snohomish Subarea Program Reserve. (The difference of \$303,000 is discussed later in this report.)

BUDGET IMPACT SUMMARY

Project Description: North Everett Transit Center/Everett Community College.

Current Status: PE/ED.

Projected Completion Date: 2007.

Action Outside of Adopted Budget:	Y/N	Y Requires Comment
This Line of Business	N	
This Project	Y	Requesting project budget decrease of \$573,000 including a transfer of \$270,000 to the Snohomish County Capital Projects Reserve Fund and a reduction in budget of \$303,000 to reflect changes in funding assumptions.
This Phase	N	
Budget amendment required	Y	Requesting budget amendment to transfer \$270,000 to the Snohomish County Capital Projects Program Reserve Fund.
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	Y	This action will decrease the amount of funding that Sound Transit receives from the City of Everett from \$354,000 to \$51,000. The project budget will be reduced by \$303,000.

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

BUDGET DISCUSSION

This project was included in the Adopted 2004 Budget with a lifetime budget of \$2,286,770. Amendment 18 of Attachment B in the resolution adopting the 2004 Budget capped the Sound Transit contribution at up to \$1,500,000, with the remaining project budget to be transferred to the Snohomish County Regional Express Program Reserve Fund. This action specifies the amount of money to be transferred to that fund. The amount contemplated in this agreement, \$1,452,400, is within the \$1,500,000 authorized by the adoption of the 2004 Budget.

The revised project budget as discussed below reflects changes in funding assumptions, the amounts already spent to date, plus the amount to be contributed to the City of Everett per the agreement. The remaining uncommitted project budget will be transferred to the subarea program reserve.

The following table summarizes the amounts to be transferred to the Snohomish County Regional Express Program Reserve and changes in project budget due to changes in funding assumptions:

	Current Budget (1)	Amendment Requested (2)	Reduction in Budget due to change in revenue assumptions (3)	Revised Budget (4)
North Everett Transit Center (#51316)	\$ 2,287,000	\$ (270,000)	\$ (303,000)	\$ 1,714,000
Snohomish County Regional Express Program Reserve (#51999)	\$ 18,501,000	\$ 270,000		\$ 18,771,000
Total	\$ 20,788,000	\$ -	\$ (303,000)	\$ 20,485,000

Notes:

- (1) - Current budget represents the amounts identified in the Adopted 2004 Budget.
- (2) - This action would transfer \$270,000 from the project budget to the Snohomish County Regional Express Program Reserve
- (3) - The City of Everett was going to match up to \$354k. This amount was added to the project budget in the Approved 2003 Budget. To date Everett has paid \$51k. With the switch in project lead as described in this Interagency Agreement the remaining \$303k will not be paid to Sound Transit. This amount is now being removed from the project budget.
- (4) - The Revised Budget reflects the project budgets after the transfer on funding is made.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The Proposed 2004 Budget contemplated that Sound Transit would be acting as the project lead and would be receiving a total of \$354,000 from the City of Everett in matching funds. To date, the City of Everett has contributed \$51,000. Under this Interagency Agreement, the City of Everett will take over as project lead and the balance of \$303,000 will not be paid. This represents a net reduction in the subarea capital plan.

BUDGET TABLE

Per items of the Interagency Agreement, Sound Transit will reimburse the City of Everett up to \$452,400 for planning, environmental documentation, design, and construction and up to \$1,000,000 for property acquisition. Costs spent to date and internal agency costs allocated to this project are included in the revised project budget and are not included in the Interagency Agreement.

The following table illustrates the impact of this action on the phase budgets:

Summary for Board Action (YOE \$000)

Action Item: Interagency Agreement with the City of Everett for North Everett Transit Center project (#316)
 Transfer budget to Snohomish County Program Reserves
 Update phase budgets to reflect current project status

Project Budget	Adopted 2004 Budget (1) (A)	Amend budget to reflect change in funding (2) (B)	Transfer to Program Reserves (3) (C)	2004 Budget (Revised) (D)	Commitments (4) (E)	Amount Per this Action (5) (F)	Total Committed & Action (G)=(E)+(F)	Uncommitted (Shortfall) (H)
Agency Administration	\$ 118	\$ -	\$ (20)	\$ 98	\$ 98	\$ -	\$ 98	\$ -
Preliminary Eng./Env Rev.	156	-	-	156	118	38	156	-
Final Design	353	(302)	-	51	1	50	51	-
Property Acquisition	1,026	(1)	-	1,025	25	1,000	1,025	-
Construction	364	-	-	364	-	364	364	-
Contingency	270	-	(250)	20	-	-	-	20
Total Project Budget	2,287	(303)	(270)	1,714	242	1,452	1,694	20

Notes:

- (1) - Adopted 2004 Budget from page 161 in budget document. This project was adopted with an amendment capping Sound Transit match to City of Everett at \$1.5 million and transferring \$3.0 million to the Snohomish County Regional Express Program Reserves. This action specifies the exact amount of the agreement with Everett and transfers the remaining project budget to the program reserves.
- (2) - The City of Everett was going to match up to \$354k. This amount was added to the project budget in the Adopted 2003 Budget. To-date Everett has paid \$51k. With the switch in project lead as described in this Interlocal Agreement the remaining \$303k will not be paid to Sound Transit. This amount is now being removed from the project budget.
- (3) - Funding to be transferred from this project to the Snohomish County Regional Express Program Reserve.
- (4) - Committed to date through March 8, 2004 (HQRreports), less changes from this action. Commitments include projected agency costs for administering the project.
- (5) - This action caps Sound Transit's remaining contribution at \$452,400 as local match for FTA grants and up to \$1,000,000 for property acquisition.

M/W/DBE – SMALL BUSINESS PARTICIPATION

Not applicable for this action.

HISTORY OF PROJECT

Prior Board or Committee Actions and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
M2003-118	Directed staff to negotiate an agreement with the City of Everett to cap Sound Transit's funding participation at \$1,452,400, to transfer project lead to the City of Everett, and to draft an amendment to the proposed 2004 budget.	11/6/03
M2003-21	Authorized an Interlocal Agreement with the City of Everett establishing Sound Transit as project lead through design and provided provisions for the City of Everett to reimburse Sound Transit up to a capped amount for design services.	3/27/03
M2002-31	Authorized a contract with Parametrix, Inc. to provide design services for the North Everett Transit Center.	2/6/02

Sound Move provided funding for over 20 Community Connections projects including the North Everett Transit Center project. The majority of these projects are served directly by ST Express

bus routes. However, several projects, including the North Everett Transit Center, are not served by ST Express bus routes nor is service to this facility planned in the future.

In partnership with the City of Everett and Everett Community College, Sound Transit worked to identify a transit center alternative on the Everett Community College campus to serve the needs of the college and to meet the service requirements of Everett Transit. As work on the project progressed, changes in the college's capital improvement program made the selected campus site infeasible.

In Motion No. M2003-118, Sound Transit's Executive Committee directed staff to negotiate an agreement with the City of Everett in which:

- (1) Sound Transit funds a portion of the project (up to \$1.5 million); and
- (2) The City of Everett assumes the project lead.

Consistent with the direction provided in Motion No. M2003-118, the proposed action:

- (1) Limits Sound Transit's funding participation to an amount not to exceed \$1,452,400; and
- (2) Transfers project lead for all phases of the project to the City of Everett.

In addition, Motion No. M2003-118 directed staff to prepare an amendment to the Adopted 2004 Budget reducing the North Everett Transit Center project budget and transferring the remaining project budget to the Snohomish Subarea Program Reserve. Consistent with this direction, the proposed action will reduce the North Everett Transit Center project budget by \$270,000 and make those funds available for other Regional Express capital projects in the Snohomish County Subarea via the Snohomish Subarea Program Reserve.

The proposed action requires the City of Everett to complete necessary environmental review of the project, which Sound Transit will rely upon before authorizing reimbursement for costs beyond preliminary engineering and environmental documentation.

CONSEQUENCES OF DELAY

There are no significant risks should the Board delay action on the proposed Interagency Agreement.

LEGAL REVIEW

JW 5/11/04

SOUND TRANSIT

RESOLUTION NO. R2004-07

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority amending the Adopted 2004 Budget by (1) reducing the North Everett Transit Center by \$573,000 and (2) transferring \$270,000 from the North Everett Transit Center project to the Snohomish Subarea Program Reserve.

WHEREAS, a Regional Transit Authority, hereinafter referred to as Sound Transit, has been created for the Pierce, King and Snohomish County region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, on November 5, 1996, at a general election held within the Central Puget Sound Regional Transit Authority's district, the voters approved local funding for Sound Move, the ten-year plan for high capacity transit in the Central Puget Sound Region; and

WHEREAS, Sound Move includes the North Everett Transit Center project (#316) in the vicinity of the Everett Community College campus; and

WHEREAS, changes to the College's capital improvement program have made a campus site infeasible; and

WHEREAS, by Resolution No. R2003-19, the Sound Transit Board adopted the annual budget for the period from January 1 through December 31, 2004; and

WHEREAS, by Resolution No. R2003-19, the Sound Transit Board approved a capital plan including the North Everett Transit Center (\$2,287,000 in YOES) and for the Snohomish County Regional Express Program Reserve (\$18,501,000 in YOES); and

WHEREAS, an agreement has been negotiated with the City of Everett, in which Sound Transit will fund a portion of the project up to a capped amount; and

WHEREAS, the City of Everett will assume the role of project lead;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that:

Section 1. Subject to provisions of Resolution No. 72 the Adopted 2004 Budget is amended to decrease the phase budgets for the North Everett Transit Center by a total of \$573,000.


Section 2. The Snohomish County Capital Projects Program Reserve Fund should be increased by \$270,000.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 8, 2004.



John W. Ladenburg
Board Chair

ATTEST:



Marcia Walker
Board Administrator