

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2006-21

**Funding Contribution to the City of Tacoma
for the D Street Overpass Project**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Board	2/9/06	Discussion Possible Action	Agnes Govern, Capital Projects Director Jim Edwards, Deputy Director Mike Merrick, Program Manager	(206) 398-5037 (206) 398-5436 (206) 398-5201

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)	✓	Budget Amendment	
Real Estate		Property Acquisition	

PROJECT NAME

Auburn-Tacoma Track and Signal

PROPOSED ACTION

Authorizes the Chief Executive Officer to execute an Interlocal Agreement with the City of Tacoma to provide a capped \$300,000 funding contribution to the City of Tacoma for the construction of the City's D Street Overpass project.

KEY FEATURES of PROPOSED ACTION

- The purpose of this action is to help eliminate a \$2.66 million shortfall in the funding for the construction of the City of Tacoma's D Street Overpass project.
- The Interlocal Agreement provides the maximum amount of \$300,000 in funding to the City to allow the overpass construction to move forward and thereby avoiding additional delay to the completion of the Burlington Northern Santa Fe Railway (BNSF) track improvements in the Tacoma Yard. These improvements are part of the BNSF Phase II construction which must be completed to increase Sounder service between Seattle and Tacoma.

BUDGET IMPACT SUMMARY

Current Project Phase: Construction
Projected Completion Date: 2007

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase	✓	This will create a shortfall in this phase of \$300K.
This Task		
Budget Amendment Required		

Key Financial Indicators:	✓	Comments on Checked Items
Contingency Funds Required	✓	There are sufficient contingency funds to cover the shortfall.
Funding required from other parties (other than what is in financial plan)		

Not checked = action is assumed in current Board-adopted budget. No budget action or adjustment to financial plan required.

BUDGET and FINANCIAL PLAN DISCUSSION

The adopted 2006 project budget is \$205,717,779 with a construction phase budget of \$147,345,152. The proposed action is to execute an Interlocal Agreement with the City of Tacoma to provide \$300,000 funding contribution to the City. This action will leave the construction phase budget over spent by the \$300,000. Consistent with Sound Transit Board budget policies, the unallocated project contingency can be reallocated to the construction phase to align phase budget amounts with project phase activity. The remaining uncommitted balance for the project after this action is \$4,464,042.

There are sufficient funds to complete this action. Committing these funds will not endanger any other project elements that are to be funded out of the overall project.

BUDGET TABLE

Summary for Board Action (Year of Expenditure \$000)

Action Item: Execute an Interlocal Agreement with the City of Tacoma to provide a \$300,000 funding contribution toward the shortfall in funding for the construction of the City's D Street Overpass, this will be taken from the budget for the Auburn-Tacoma Track and Signal project (#120).

	2006 Board Adopted Budget ¹ (A)	Committed To Date ² (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	\$ 8,942	\$ 8,426	\$ -	\$ 8,426	\$ 516
2 Preliminary Engineering	\$ 4,807	\$ 3,517	\$ -	\$ 3,517	\$ 1,289
3 Final Design	\$ 3,938	\$ 3,957	\$ -	\$ 3,957	\$ (19)
4 Right of Way	\$ 14	\$ 6	\$ -	\$ 6	\$ 8
5 Construction	\$ 147,345	\$ 147,345	\$ 300	\$ 147,645	\$ (300)
6 Vehicles	\$ 39,997	\$ 37,702		\$ 37,702	\$ 2,295
7 Contingency	\$ 676	\$ -	\$ -	\$ -	\$ 676
8 Total Current Budget	\$ 205,718	\$ 200,954	\$ 300	\$ 201,254	\$ 4,464

Phase Budget Detail					
9 City of Tacoma	\$ -	\$ -	\$ 300	\$ 300	\$ (300)
11 Misc. Activity	\$ -	\$ -	\$ -	\$ -	\$ -
10 Total Phase	\$ -	\$ -	\$ 300	\$ 300	\$ (300)

Contract Budget	Current Approved Contract Value (F)	Spent to Date (G)	Proposed Action (H)	Proposed Total Contract Value (I)
11 City of Tacoma	\$ -	\$ -	\$ 300	\$ 300
12 Contingency	\$ -	\$ -	\$ -	\$ -
13 Total	\$ -	\$ -	\$ 300	\$ 300
14 Percent Contingency	0.00%	0.00%	0.00%	0.00%

Budget Shortfall ³			
Level	Shortfall Amt (J)	Potential Funds (K)	Funding Source (L)
15 Construction	\$ 300	\$ (300)	Project Contingency
Total	\$ 300	\$ (300)	

Notes:

¹ Project budget is located on page 94 of the proposed 2006 budget book. The budget was approved through Resolution R2005-26 on December 8, 2005.

² Committed to-date amount includes actual outlays and commitments through February 3, 2006.

³ Consistent with Sound Transit Board budget policies, this phase level shortfall will be depicted as a negative variance until the unallocated project contingency can be reallocated to the Construction phase to align phase budget amounts with project phase activity.

M/W/DBE – SMALL BUSINESS PARTICIPATION

Not applicable for this action.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

The City of Tacoma is the lead agency for the D Street Overpass project which consists of the construction of a new bridge and approach ramps across the BNSF mainline tracks at D Street in the City of Tacoma. This construction will eliminate the existing railroad grade crossing that causes significant delay to highway traffic. Following construction of the bridge, BNSF will be able to proceed with construction of the D Street track and signal improvements. These improvements are part of the track capacity improvements required under the BNSF Phase II construction program that is necessary to allow the expansion of Sounder service in the Seattle to Tacoma Corridor to nine round trips per day.

The City, as the lead agency for the D Street Overpass Project, has issued the “East D Street Grade Separation Revised Environmental Assessment” on September 2001 and the “Finding of No Significant Impact” on September 18, 2001.

The City of Tacoma opened bids for the D Street Overpass construction contract solicitation on January 10, 2006. The apparent low bid was \$2.66 million over the City’s budget for the work. The City has requested the project funding agencies provide additional funds to eliminate the shortfall so that the work may proceed.

Sound Transit’s contribution is one of several funding commitments that have been identified by the funding partners and stakeholders which will eliminate the \$2.66 million budget shortfall. With the construction fully funded, the City of Tacoma will be able to execute the construction contract and move the project forward on its present schedule. This will avoid additional delay to completion of the Sounder Commuter Rail Phase II construction program.

Funding Partners and Stakeholders:

D Street Overpass

- Federal Highway Administration
- Economic Development Administration
- Transportation Improvement Board
- Burlington Northern Santa Fe Railway
- City of Tacoma

D Street Track Improvements

- Port of Tacoma
- Freight Mobility Strategic Investment Board
- Sound Transit

CONSEQUENCES of DELAY

The City of Tacoma's schedule for execution of the D Street Overpass construction contract is February 23rd, 2006. For the City to keep this date, it must have adequate construction funding in place before requesting authorization to execute the contract from the Tacoma City Council at its February 14, 2006, meeting. Delay to this action would postpone execution of the contract and possibly result in the loss of the low bid. Either of these events would result in a delay to BNSF's Phase II construction program and Sound Transit's ability to increase commuter rail service in the Seattle to Tacoma corridor.

PUBLIC INVOLVEMENT

Not applicable for this action.

ENVIRONMENTAL COMPLIANCE

Not applicable for this action.

LEGAL REVIEW

BN 2-6-06

SOUND TRANSIT

MOTION NO. M2006-21

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute an Interlocal Agreement with the City of Tacoma to provide a funding contribution to the City of Tacoma in an amount not to exceed \$300,000 for the construction of the City's D Street Overpass project.

Background:

The City of Tacoma is the lead agency for the D Street Overpass Project which consists of the construction of a new bridge and approach ramps across the Burlington Northern Santa Fe (BNSF) mainline tracks at D Street in the City of Tacoma. This construction will eliminate the existing railroad grade crossing that causes significant delay to highway traffic. Following construction of the bridge, BNSF will be able to proceed with construction of the D Street track and signal improvements. These improvements are part of the track capacity improvements required under the BNSF Phase II construction program that is necessary to allow the expansion of Sounder service in the Seattle to Tacoma corridor to nine round trips per day.

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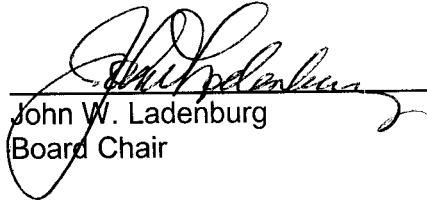
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Motion:

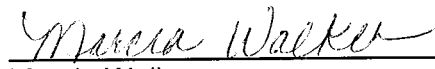
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute an Interlocal Agreement with the City of Tacoma to provide a funding contribution to the City of Tacoma in an amount not to exceed \$300,000 for the construction of the City's D Street Overpass project.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 9, 2006.



John W. Ladenburg
Board Chair

ATTEST:



Marcia Walker
Board Administrator