

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2007-62

Sound Transit/University of Washington Master Implementation Agreement

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	6/7/07	Discussion/Possible Recommendation for Board Approval	Ahmad Fazel, Link Executive Director	(206) 398-5389
Board	6/14/07	Action	Ron Lewis, Link Deputy Executive Director	(206) 689-4905

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

University Link Segment of the North Link Project – Pine Street Stub Tunnel to University of Washington Station, and the segment from University of Washington Station to west edge of Seattle campus along 15th Avenue NE.

PROPOSED ACTION

Authorizes the chief executive officer to execute a Master Implementation Agreement with the University of Washington establishing terms and conditions to acquire access to and use of University of Washington property for purposes of design, construction, operation, monitoring, and maintenance of Link light rail transit system for a total authorized agreement amount of \$35,200,000.

KEY FEATURES of PROPOSED ACTION

- Establishes the terms and conditions necessary for Sound Transit to gain access to and use of University of Washington (UW) property east of 15th Avenue NE and south of NE 45th Street for purposes of design, construction, operation, monitoring, and maintenance of Link light rail.
- Implements the Memorandum of Agreement (MOA) with UW executed in 2000. Where conflict exists, the Master Implementation Agreement prevails.
- Elements of the agreement include:
 - UW Station Entrances – Agreement calls for two station public access points with at least one located north of NE Pacific Place and the Burke Gilman Trail.
 - Interim Terminus – Agreement allows construction and operation of the University of Washington Station on University property as an interim terminus subject to certain

design and construction features and a commitment that Sound Transit will aggressively pursue funding to extend the system to Northgate.

- Spoils Removal and Tunneling Time Limit – Agreement provides for spoils to be removed at UW Station for tunnel boring from UW to Capitol Hill. For any future extension beyond UW Station, spoils will be removed off campus and such tunnel boring activities under campus will not exceed 304 days (10 months).
- North Link Tunnels – Agreement provides for Sound Transit’s future use of University property to construct, operate, monitor, and maintain the tunnels necessary to extend Link north of the UW Station to the west edge of the Seattle campus at 15th Avenue NE.
- Brooklyn Station – Agreement reflects the Sound Transit Board adopted North Link alignment with a north University District station located between NE 43rd and NE 45th and under Brooklyn Avenue NE; the terms and conditions for development of which are not included in this agreement.
- Cable Line – Agreement calls for Sound Transit to install a cable line for UW from the Pine Street Stub Tunnel in downtown Seattle to UW Station, at UW’s expense, per a commitment from the 2000 MOA.
- UW Staffing and Consultant Support – Agreement provides for a lump sum payment of \$5.2 million to UW for its design review and approvals, relocation plans, construction coordination, and participation in the preparation, review, and approval of operating plans.
- Hazardous Materials, Historic, Cultural Resources or Human Remains – Sound Transit bears the consequences of delays or increased cost associated with the discovery of hazardous materials, historic, cultural resources or human remains on University property. Sound Transit will defend and indemnify the University from any claims or liability. In return, the University will reimburse Sound Transit for costs reasonably incurred to monitor or mitigate the site if the University develops a project on the affected property outside of the easements prior to December 31, 2040. The University will also cooperate with Sound Transit to develop approaches, such as grant funding, to recoup site management costs incurred by Sound Transit. The University agrees to cooperate and fully support Sound Transit’s efforts in working with regulatory agencies on these issues.
- Magnetic Fields and Vibration – Magnetic fields and vibration will be generated by the Light Rail Transit System operations. Specific magnetic field and vibration thresholds, mitigation and operations monitoring requirements are identified in the agreement to prevent and/or mitigate impacts to University research from magnetic fields and vibration caused by Link operations.
- Relocations – Sound Transit will fund and UW will manage any facility relocations or other remedies required to address magnetic field and vibration impacts prior to the start of light rail operations.
- Construction Staging – Sound Transit will construct the University Link portion of the Light Rail Transit System on University property in three phases, for a total not to exceed

2,008 days (66 months); not including advance utility relocation or retrieval of tunneling machines used to construct the tunnels north of the UW Station.

- Parking Replacement – Approximately 600 parking stalls will be temporarily displaced and 100 of these 600 will be permanently displaced by light rail construction and operation. The University accepts responsibility to mitigate this impact in exchange for a payment by Sound Transit in the amount of \$10 million upon execution of the Agreement in June 2007.
- Protection of University Activities – Agreement provides assurance that University facilities will be protected during construction, including related University construction activities identified by the UW in writing at least 90 days prior to Sound Transit’s major Request for Proposals issuance. Agreement also sets a physical limit west of Husky Stadium that separates Link facility construction from proposed Husky Stadium improvements by the University.
- Performance Clause – Agreement includes performance incentives through the provision of Liquidated Damages for exceeding time periods established for occupying construction staging areas and tunneling north of UW Station, exceeding thresholds established for magnetic field and vibration impacts directly associated with light rail operations, and maintaining an effective monitoring system.
- Real Property Interests to Construct and Operate Light Rail – UW property (Section 16 – ref: RCW 28B.20.340) cannot be sold or condemned. Agreement calls for the UW to grant temporary construction easements and transportation easements to Sound Transit for use of University property for consideration in the amount of \$20 million. This payment is subject to adjustment for inflation if it occurs after May 31, 2008.
- Follow-on Operating Agreements – Agreement identifies additional operating agreements that are anticipated to support continued design, construction, and operations. These may include, but not be limited to: a detailed monitoring plan, protection and relocation of utilities, contractor parking, installing UW cables in light rail tunnels, insurance and indemnification provisions during operations, licensing arrangements, safety and security, etc.

BUDGET IMPACT SUMMARY

Current Project Phase: Preliminary Engineering / Final Design
 Projected Completion Date: 2016

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
This Task	✓	Proposed action requires funding from third party phase unallocated contingency.
Budget Amendment Required		
Key Financial Indicators:	✓	Comments on Checked Items
Contingency Funds Required	✓	Proposed action requires funding from third party phase unallocated contingency.
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 proposed action authorizes execution of a Master Implementation Agreement with the University of Washington, which establishes terms and conditions to acquire access to and use of University of Washington property for purposes of design, construction, operation, monitoring, and maintenance of Link light rail for a total authorized agreement in the amount of \$35,200,000.

The total current adopted budget for University Link is \$1.514 billion. Within that amount, the budget for the right of way phase is \$135.3 million. The proposed action would authorize \$20 million for the University of Washington to grant easements for temporary construction and long-term transportation use of University property by Sound Transit for University Link facilities. The transportation easement payment also includes the use of University property to construct and operate the necessary tunnels between University of Washington Station and 15th Avenue NE for a future extension of Link light rail to Brooklyn Station. Approval of the proposed action, when added to current commitments, would result in a remaining University Link budget balance of \$74.2 million for the right of way phase.

Within the third party phase for University Link, a line item budget of \$5.0 million has been identified for the University of Washington to provide review and coordination. The proposed action would authorize \$5.2 million for these services which will result in a line item budget shortfall of \$199,000. There are sufficient unallocated phase level contingencies available to cover the shortfall. If the proposed action is approved, there will be \$933,000 remaining in unallocated third party phase level contingencies.

Responsibility for building replacement parking prior to beginning construction on the University campus was originally assumed by Sound Transit and additional budget was included in design, construction management, and permitting for this purpose. The proposed action would transfer all of these responsibilities to the University of Washington resulting in reduced schedule risk on the light rail project. The proposed action would authorize \$10 million upon execution of the Agreement for the University of Washington to design, construct, and operate replacement parking. Within the University Link third party phase, a line item budget of \$1.1 million has been identified for parking replacement mitigation. Within the University Link construction phase, an additional line item budget of \$6.8 million has been identified for University of Washington parking mitigation and \$2.1 million will be charged to the \$136.6 million budgeted for station site preparation and excavation.

There are sufficient funds to complete this action within the project's budget. Committing these funds will not endanger any other project elements that are to be funded out of the overall project. The University Link budget will be baselined in the fall of 2007 and will reflect costs contained in this agreement.

BUDGET TABLE

Action Item: University of Washington (Master Implementation Agreement establishing terms and conditions to access UW property for construction, operation, monitoring and maintenance of Link light rail for University Link)

(Year of Expenditure \$000)

University Link	Adopted 2007 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	87,532	8,773		8,773	78,759
2 Preliminary Engineering	24,476	24,872		24,872	(396)
3 Final Design	74,635	57,698		57,698	16,937
4 Right of Way	135,261	41,070	20,000	61,070	74,191
5 Construction	972,140	-	8,913	8,913	963,227
6 Construction Services	57,911	-		-	57,911
7 Third Party Agreements	19,733	2,957	6,287	9,244	10,489
8 Vehicles	142,320	-		-	142,320
9 Total Current Budget	1,514,008	135,370	35,200	170,570	1,343,438
ROW Phase Budget Detail					
10 Right of Way	135,261	41,070	20,000	61,070	74,191
11 Total Phase	135,261	41,070	20,000	61,070	74,191
Construction					
12 UW Parking Mitigation	6,795	-	6,795	6,795	-
13 UW Station Excavation	136,602	-	2,118	2,118	134,484
14 Other Construction	795,036	-	-	-	795,036
15 Construction Unallocated Contingency	33,707	-	-	-	33,707
16 Total Phase	972,140	-	8,913	8,913	963,227
Third Party Phase Budget Detail					
17 UW Design Review	5,001	-	5,200	5,200	(199)
18 UW Parking Mitigation	1,087	-	1,087	1,087	-
19 Other Third Party	12,513	2,957	-	2,957	9,556
20 Third Party Unallocated Contingency	1,132	-	-	-	1,132
Total Phase	19,733	2,957	6,287	9,244	10,489
Contract Amount					
	Board Approvals to Date (F)	Current Approved Contract Value (G)	Proposed Action (H)	Proposed Total for Board Approval (I)	Proposed Contract Value (J)
21 Contract Amount	-	-	35,200	35,200	35,200
22 Contingency	-	-	-	-	-
23 Total	-	-	35,200	35,200	35,200
24 Percent Contingency	-	-	-	-	-
Budget Shortfall					
Task Level	\$ (K)	Potential Resources (L)	Source (M)		
26 UW Design Review	199	1,132	Third Party phase unallocated contingency.		

(B) COMMITTED TO DATE amounts are from Agency WBS Report as of April 2007 + approved and pending board actions not recorded as of 4/30/07, or submitted after that date.

SMALL BUSINESS PARTICIPATION

Not applicable to this action.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

In July 2000, Sound Transit and the University of Washington entered into a Memorandum of Agreement applying to access and use of University property by Sound Transit for light rail construction and operation. After execution of that agreement, the Sound Transit Board approved Motion No. M2001-104 on September 25, 2001, directing staff to investigate alternative routes to those contemplated in the 2000 MOA.

Following consultation with the University of Washington, the Sound Transit Board approved Motion No. M2003-128 on December 11, 2003, authorizing study of a modified Montlake route. In February 2004, Sound Transit issued an addendum to the 2003 Draft SEIS, which analyzed the impacts of a modified Montlake route through the University of Washington campus.

On May 20, 2004, the Sound Transit Board adopted Resolution No. R2004-08 identifying the preferred route and stations for North Link including selection of the modified Montlake route as the new preferred alignment for North Link and directing staff to complete the Final SEIS and other work on the preferred alternative and other alternatives in the 2003 Draft SEIS. This new alignment had a different route under campus and a different station location near Husky Stadium. Thus, this new Master Implementation Agreement between the University of Washington and Sound Transit was negotiated in response to project changes.

On July 28, 2005, the Sound Transit Board adopted Resolution No. R2005-20, which modified the preferred route, profiles, and station locations for the North Link Light Rail Project including removal of the First Hill light rail station and identifying University Link as the preferred segment of North Link for purposes of the Final SEIS and for purposes of obtaining a New Starts rating from the Federal Transit Administration.

The North Link Final SEIS was published on April 7, 2006, informing the Board's final decision on the North Link project to be built, including route, station locations, project phasing and financing. The Sound Transit Board selected the final North Link alignment on April 27, 2006. This Master Implementation Agreement provides the terms and conditions necessary for Sound Transit to gain access to and use of University of Washington (UW) property for purposes of construction, operation, monitoring, and maintenance of Link light rail.

Prior Board/Committee Actions on this Project

Motion/ Resolution Number & Date	Summary of Action
M2007-52 5/10/07	Authorizes the chief executive officer to execute a technical amendment of the agreement with the City of Seattle, for grant of a non-exclusive use of a light rail transitway as related to the North Link Light Rail Project to reflect the Board selected final North Link alignment.
R2006-07 4/27/06	Selected the final route, profile, and station locations for the North Link Light Rail Project; selected the University Link portion of North Link to be constructed and operated as part of the Central Link Light Rail project
R2005-20 7/28/05	Modified the preferred route, profiles, and station locations for the North Link Light Rail Project and identifying University Link as the preferred segment of North Link for purposes of the final supplemental EIS and for obtaining a New Starts rating from the Federal Transit Administration.
R2004-08 5/20/04	Identified the preferred route, profiles, and station locations for the North Link Light Rail Project.
M2003-128 12/11/03	Authorized staff to conduct additional study of a modified Montlake route for future Board consideration as part of the North Link Supplemental Environmental Impact Statement process, including additional engineering and cost estimating work, environmental analysis, continued coordination with the University of Washington, and additional community outreach efforts.

M2002-63 6/13/02	Authorizing the Executive Director to execute an agreement with the University of Washington to provide environmental and design assistance for the North Link SEIS project in the amount of \$250,000 plus a 10% contingency of \$25,000 for a total authorized amount not to exceed \$275,000.
M2001-104 9/25/01	Directing the Executive Director to evaluate Central Link Light Rail routes and station alternatives between Convention Place and Northgate (North Link).
R2000-08 5/25/00	Approved a Memorandum of Agreement with the University of Washington related to the purchase of University of Washington property to build a portion of the Central Link Light Rail line on and adjacent to University of Washington-owned property.

CONSEQUENCES of DELAY

Timely execution of this agreement is necessary to support on-going final design activities and to maintain the overall project schedule.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

JI, 06/05/07

LEGAL REVIEW

SS 6/5/07

SOUND TRANSIT

MOTION NO. M2007-62

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a Master Implementation Agreement with the University of Washington establishing terms and conditions to acquire access to and use of University of Washington property for purposes of design, construction, operation, monitoring, and maintenance of Link light rail transit system for a total authorized agreement amount of \$35,200,000.

Background:

In July 2000, Sound Transit and the University of Washington entered into a Memorandum of Agreement applying to access and use of University property by Sound Transit for light rail construction and operation. After execution of that agreement, the Sound Transit Board approved Motion No. M2001-104 on September 25, 2001, directing staff to investigate alternative routes to those contemplated in the 2000 MOA.

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Motion:

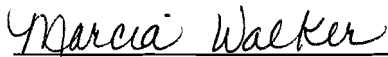
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a Master Implementation Agreement with the University of Washington establishing terms and conditions to acquire access to and use of University of Washington property for purposes of design, construction, operation, monitoring, and maintenance of Link light rail transit system for a total authorized agreement amount of \$35,200,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 14, 2007.



Mark Olson
Board Vice Chair

ATTEST:



Marcia Walker
Board Administrator