

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2009-62

**Amendment to the Agreement with the City of Renton for the
Rainier Avenue Arterial Improvements Project**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	8/20/09	Discussion/Possible Action to Recommend Board Approval	Jim Edwards, Capital Projects Director	(206) 398-5436
Board	8/27/09	Action	Paul Cornish, Project Manager	(206) 398-5342

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

Rainier Avenue Arterial Improvements

PROPOSED ACTION

Authorizes the chief executive officer to execute an amendment to the agreement with the City of Renton to reimburse the city for final design and right-of-way acquisition costs related to the Rainier Avenue Arterial Improvements Project in the amount of \$4,500,000, for a new total authorized agreement amount not to exceed \$9,530,000.

KEY FEATURES of PROPOSED ACTION

- The May 2006 interlocal agreement with the City of Renton for this project anticipated future amendments for Sound Transit's contribution to each project phase. This third amendment to the agreement is for the final design and right-of-way acquisition phases.
- The proposed action would reimburse the City of Renton 70% of the actual costs paid by the city for final design of business and transit (BAT) lanes (up to \$1,700,000) and right-of-way acquisition costs (up to \$2,800,000) related to the Rainier Avenue Arterial Improvements project, up to a limit of \$4,500,000.
- In the event that the city does not achieve substantial completion (all transit elements of the project) by April 1, 2012, the city will return all funds for right-of-way acquisition, plus interest.
- There is no change to Sound Transit's capped funding contribution.

BUDGET IMPACT SUMMARY

Current Project Phase: Final Design
Projected Completion Date: 2012

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan.

BUDGET and FINANCIAL PLAN DISCUSSION

The Adopted 2009 Budget for this project is \$15,717,414, with a final design phase budget of \$1,700,000 and a right-of-way phase budget of \$2,800,000. The proposed action will result in both the final design and right-of-way phases being fully committed. The remaining project balance will be \$5,399,918.

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)

Project: 151 - Rainier Avenue Arterial Improvements

	2009 Adopted Budget ¹ (A)	Committed To Date ² (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
Agency Administration	\$ 817	\$ 817	\$ -	\$ 817	\$ -
Preliminary Engineering	\$ 2,500	\$ 2,500	-	\$ 2,500	\$ (0)
Final Design	\$ 1,700	\$ -	1,700	\$ 1,700	\$ -
Right of Way	\$ 2,800	\$ -	2,800	\$ 2,800	\$ -
Construction	\$ 7,900	\$ 2,500	-	\$ 2,500	\$ 5,400
Contingency	\$ -	\$ -	-	\$ -	\$ -
Total Current Budget	\$ 15,717	\$ 5,817	\$ 4,500	\$ 10,317	\$ 5,400

Phase Budget Detail

Final Design	\$ 1,700	\$ -	\$ 1,700	\$ 1,700	\$ -
Misc. Activity				\$ -	\$ -
Total Phase	\$ 1,700	\$ -	\$ 1,700	\$ 1,700	\$ -

Phase Budget Detail

Right of Way	\$ 2,800	\$ -	\$ 2,800	\$ 2,800	\$ -
Misc. Activity				\$ -	\$ -
Total Phase	\$ 2,800	\$ -	\$ 2,800	\$ 2,800	\$ -

Contract Budget	Current Approved Contract Value (F)	Spent to Date (G)	Proposed Action (H)	Proposed Total Contract Value (I)
City of Renton	\$ 5,030	\$ 1,009	\$ 4,500	\$ 9,530
Contingency	-			\$ -
Total	5,030	1,009	4,500	9,530
Percent Contingency	0%	0%	0%	0%

Notes:

¹ Project budget is located on page 161 of the Adopted 2009 Budget book. The 2009 Budget was adopted by the Board on December 11, 2008.

² Committed to date amount includes actual outlays and commitments through May 31, 2009.

SMALL BUSINESS PARTICIPATION

Not applicable to this action.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

In a letter of intent dated April 19, 2005 between the City of Renton and Sound Transit, Sound Transit agreed to provide a capped contribution of \$14,900,000 to the City of Renton for the completion of transit improvements to be managed by the City of Renton including BAT lanes and improved pedestrian access to existing transit stops.

The City of Renton is currently scheduled to begin construction activities for this project by early 2010 and achieve substantial completion by April 2012.

The City of Renton, as lead agency for the State Environmental Policy Act (SEPA), has completed SEPA environmental documentation for the Rainier Avenue Improvement Project. Sound Transit staff reviewed and commented on draft documents, and worked with the City and its consultants on preparation and completion of the environmental documentation. A Mitigated Determination of Nonsignificance (MDNS) was issued by the City on August 14, 2009. Documentation under the National Environmental Policy Act (NEPA) was completed in April, 2009 with the Federal Highway Administration approving a Categorical Exclusion.

Amending Sound Move

In October 2005, the Board adopted Resolution No. R2005-19 which:

- Amended Sound Move to create two new projects: Rainier Avenue/Hardie Avenue Arterial Improvements and Strander Boulevard Extension;
- Allocated \$15,675,000 from East King County Capital Program Reserve to the Rainier Avenue/Hardie Avenue Arterial Improvements Project and \$4,208,000 to the Strander Boulevard Extension Project.

Interlocal Agreement between Sound Transit and City of Renton

In April 2006, the Board approved Motion No. M2006-31, which authorized \$30,000 for preliminary engineering and environmental documentation for the transit elements of the Strander Boulevard Extension Project and \$2,500,000 for preliminary engineering and environmental documentation for the Rainier Avenue/Hardie Avenue Arterial Improvements Project.

First Amendment to the Agreement

In a July 2007 letter to Sound Transit, the City of Renton proposed to modify the scope of the Rainier Avenue/Hardie Avenue Arterial Improvements Project to focus solely on the Rainier Avenue improvements. The City of Renton determined that the cost estimates identified during preliminary design of the Rainier Avenue/Hardie Avenue Arterial Improvements Project required a substantial increase that exceeded the City of Renton's project budget. Sound Transit and King County Metro reviewed the City of Renton's traffic modeling for the Rainier Project, including BAT lanes and associated improvements. The review determined that the scope proposed by the city provided a better transit benefit and could be accomplished within the available Sound Transit capped contribution and the City of Renton's available funding.

Motion No. M2007-123 was approved by the Board in December 2007, which amended the interlocal agreement by reflecting these proposals.

Second Amendment to the Agreement

Through Motion No. M2008-23, the Board authorized a \$2,500,000 reimbursement to the City of Renton for the BNSF trestle replacement work, which was part of the improvements outlined in the first amendment. The trestle was widened to accommodate future BAT lanes on Rainier Ave and the reimbursement is part of the \$14.9 million capped contribution to be made by Sound Transit for the Rainier Avenue Arterial Improvements Project stated in the April 19, 2005 letter of intent.

The timing of the trestle replacement was critical to take advantage of scheduled track closures by BNSF.

Third Amendment to the Agreement

The proposed action would authorize execution of the third amendment to the agreement. Pursuant to this amendment, Sound Transit would reimburse to the City of Renton 70% of the actual costs invoiced to and paid by the city for final design (up to \$1,700,000) and right-of-way acquisition costs (up to \$2,800,000) related to the project, up to a limit of \$4,500,000.

Prior Board/Committee Actions

Motion/Resolution Number and Date	Summary of Action
M2008-23 2/21/08	Authorized the chief executive officer to execute an amendment to the agreement with the City of Renton to reimburse the City of Renton for \$2,500,000 towards Sound Transit's portion of the costs incurred to rebuild and lengthen the Burlington Northern Santa Fe Railroad trestle over Rainier Avenue.
M2007-123 12/13/07	Authorized the chief executive officer to execute an amendment to the agreement with the City to remove references to Hardie Avenue and define the scope of work for Rainier Avenue.
M2006-31 04/27/06	Authorized the chief executive officer to execute an agreement with the City of Renton to (1) provide funding for preliminary engineering and environmental documentation of the transit improvements to be constructed by the City in connection with Strander Boulevard Extension Project in an amount not to exceed \$30,000, (2) provide funding for preliminary engineering and environmental documentation of the Rainier Avenue/Hardie Avenue Arterial Improvements Project in an amount not to exceed \$2,500,000; and (3) establish the essential terms of future agreements with the City for funding of the final design and construction of the transit elements in these two projects and transfer of property interests to the City.
R2005-19 10/13/05	Amended Sound Move to create two new projects, Rainier Avenue/Hardie Avenue Arterial Improvements Project and Strander Boulevard Extension Project, in the City of Renton.

CONSEQUENCES of DELAY

A two-week delay in Board action will not significantly impact the project timeline.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

SSK 8-12-09

LEGAL REVIEW

LA 8-12-09

SOUND TRANSIT

MOTION NO. M2009-62

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute an amendment to the agreement with the City of Renton to reimburse the city for final design and right-of-way acquisition costs related to the Rainier Avenue Arterial Improvements Project in the amount of \$4,500,000, for a new total authorized agreement amount not to exceed \$9,530,000.

Background:

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Third Amendment to the Agreement

Third Amendment to the Agreement

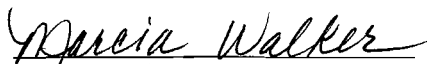
The proposed action would authorize execution of the third amendment to the agreement. Pursuant to this amendment, Sound Transit would reimburse to the City of Renton 70% of the actual costs invoiced to and paid by the city for final design (up to \$1,700,000) and right-of-way acquisition costs (up to \$2,800,000) related to the project, up to a limit of \$4,500,000.

Motion:

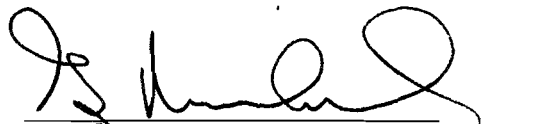
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute an amendment to the agreement with the City of Renton to reimburse the city for final design and right-of-way acquisition costs related to the Rainier Avenue Arterial Improvements Project in the amount of \$4,500,000, for a new total authorized agreement amount not to exceed \$9,530,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 10, 2009.

ATTEST:



Marcia Walker
Board Administrator



Greg Nickels
Board Chair