

**SOUND TRANSIT
STAFF REPORT**

**RESOLUTION NO. R2009-11 and
MOTION NO. M2009-44**

**Adopted 2009 Budget Amendment for the East Link Project and
Contract Amendment for East Corridor High Capacity Transit Services**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	5/21/09	Discussion/Possible Action to Recommend Board Approval	Ahmad Fazel, Link Executive Director	(206) 398-5389
Board	5/28/09	Action	Ron Lewis, Link Deputy Executive Director Don Billen, East Link Program Manager Tony Raben, East Link Deputy Program Manager	(206) 398-5145 (206) 398-5052 (206) 398-5171

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

East Link

PROPOSED ACTIONS

Resolution No. R2009-11 amends the Adopted 2009 Budget to increase the East Link project lifetime capital budget by \$27,472,914 to \$32,472,914 and the 2009 annual capital budget by \$8,000,000 to \$13,000,000 for the preliminary engineering phase to provide funding to prepare the final Environmental Impact Statement, conduct preliminary engineering, and develop term sheets confirming project scopes and establishing permit approval processes for the East Link project.

Motion No. M2009-44 authorizes the CEO to exercise a contract option with CH2M Hill to amend the East Corridor High Capacity Transit planning contract to provide engineering, environmental, and public outreach services in the amount of \$31,082,942, with a 4% contingency of \$1,389,972 for a new total authorized contract amount not to exceed \$49,972,055.

KEY FEATURES of PROPOSED ACTIONS

- **Resolution No. R2009-11** amends the Adopted 2009 Budget to revise the East Link project annual and lifetime budgets to provide funding to prepare the final Environmental Impact Statement (EIS), conduct preliminary engineering, and develop term sheets confirming project scopes and establishing permit approval processes for the East Link project. Future budget amendments will address other preliminary engineering activities and phases of the project.
- **Motion No. M2009-44:**
 - Authorizes preliminary engineering for the East Link project. Preliminary engineering will begin in the I-90 corridor and continue through Bellevue and Redmond with the Board identified preferred route and station alternatives. The goal of the preliminary engineering is to define the project scope for the purposes of (1) developing a project budget and (2) providing direction to the final designers. Preliminary engineering will include value analysis and constructability reviews.

- Directs staff to develop term sheets at the earliest time possible to confirm project scopes for the preferred alternative and establish a permit approval process with each agency having jurisdiction. Term sheets will enable a more accurate scope definition and cost estimate for the preferred alternative. They will be updated following completion of the Final EIS to reflect the final project scope adopted by the Board.
- Exercises a contract option for the completion of preliminary engineering and preparation of the Final EIS for the East Link project. The CH2M Hill consultant team includes integrated civil, systems, environmental, project control, transit operations, and public outreach capabilities. The procurement for this contract included scope for preliminary engineering and the Final EIS subject to satisfactory performance by the consultant during the initial phases of work. Authorizing the remaining scope as anticipated gives Sound Transit the ability to utilize the consultant knowledge gained during conceptual engineering and Draft EIS preparation. Unused contingency from the initial phases of \$1,718,322 combined with the requested contingency of this motion, \$1,389,972, will provide a total contingency of \$3,108,294, which is equal to 10% of the next phase of work.
- The proposed contract amendment includes preliminary engineering budget for a single route alternative in each segment except in downtown Bellevue where two alternatives will be studied approximately one-half way through preliminary engineering. Staff anticipates the Board will then narrow to a single downtown alternative for the completion of preliminary engineering. Should the Board not narrow to a single downtown alternative or should the Board identify other alternatives for preliminary engineering, additional contract authority would be required.

BUDGET IMPACT SUMMARY

Project Name: East Link

Projected Completion Date: TBD

Current Project Phase: Preliminary Engineering

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
This Task		
Budget Amendment Required	✓	A budget amendment of \$27.5M is required to be able to amend the CH2M Hill contract.

Key Financial Indicators:	✓	Comments on Checked Items
Contingency Funds Required		
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

Proposed Action – Resolution No. R2009-11:

The current-adopted Lifetime Capital Budget for the East Link project is \$5,000,000. The proposed resolution would increase this amount by \$27,472,914 for the preliminary engineering phase. Should the Board adopt the proposed resolution, the Amended 2009 Lifetime Capital Budget would be \$32,472,914. The proposed action is consistent with the ST2 financial plan and is affordable within the agency’s long-term financial plan.

BUDGET TABLE

Proposed Action: Budget Amendment: Amend the project capital budget for East Link - ST2 Early Work to increase the funding to provide prepare the final EIS, conduct preliminary engineering, and develop term sheets confirming project scopes and establishing permit approval processes for the East Link project.

in 1,000's						
Phase	2009 Annual Budget			Lifetime Budget		
	Adopted 2009 Project Budget (A)	Budget Transfer (B)	Revised Project Budget (C)	Adopted 2009 Project Budget (D)	Budget Transfer (E)	Revised Project Budget (F)
Agency Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Preliminary Engr / Environmental Review	\$ 5,000	\$ 8,000	\$ 13,000	\$ 5,000	\$ 27,473	\$ 32,473
Final Design / Specifications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ROW Acquisition and Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Third Party Agreement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
East Link Capital Budget	\$ 5,000	\$ 8,000	\$ 13,000	\$ 5,000	\$ 27,473	\$ 32,473
East Link Operating Budget	\$ 5,303	\$ -	\$ 5,303	\$ 23,000	\$ -	\$ 23,000
East Link Total Budget	\$ 10,303	\$ 8,000	\$ 18,303	\$ 28,000	\$ 27,473	\$ 55,473

BUDGET and FINANCIAL PLAN DISCUSSION

Proposed Action – Motion No. M2009-44:

If the Board approves Resolution No. R2009-11, the Amended 2009 Lifetime Capital Budget for East Link, will be \$32,472,914 for the preliminary engineering phase. The proposed action would commit the full \$32,472,914, and leave no remaining balance for this budget line item. Future budget amendments will address other preliminary engineering activities and phases of the project.

The current total authorized contract amount for CH2M Hill for the East Corridor High Capacity Transit planning is \$17,499,141, as authorized by the Board in May 2006 and amended in February 2007. To date, \$16,747,476 has been committed to the East Link Operating Budget for planning. Appropriate prior operating expenses related to the preliminary engineering/ environmental phase will be capitalized when the East Link lifetime capital budget is established.

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.

BUDGET TABLE

Proposed Action: Contract Amendment: Amend the CH2M Hill contract to provide engineering, environmental, and public outreach services.

	Amended 2009 Budget ¹ (A)	Committed To Date ² (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
in 1,000's					
Agency Administration	\$ -	\$ 25	\$ -	\$ 25	\$ (25)
Preliminary Engr / Environmental Review	\$ 32,473	\$ -	\$ 32,473	\$ 32,473	\$ -
Final Design / Specifications	\$ -	\$ -	\$ -	\$ -	\$ -
ROW Acquisition and Permits	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -
Third Party Agreement	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -
East Link Capital Budget	\$ 32,473	\$ 25	\$ 32,473	\$ 32,498	\$ (25)
East Link Operating Budget	\$ 23,000	\$ 16,747	\$ -	\$ 16,747	\$ 6,253
East Link Total Budget	\$ 55,473	\$ 16,773	\$ 32,473	\$ 49,246	\$ 6,227
Phase Budget Detail					
Preliminary Engr / Environmental Review	\$ 32,473	\$ -	\$ 32,473	\$ 32,473	\$ -
Misc. Activity	\$ -	\$ -	\$ -	\$ -	\$ -
Total Phase	\$ 32,473	\$ -	\$ 32,473		\$ -
Contract Budget					
	Current Approved Contract Value (F)	Committed To Date ² (G)	Proposed Action (H)	Proposed Total Contract Value (I)	
CH2M Hill	\$ 15,781	\$ 14,793	\$ 31,083	\$ 46,864	
Contingency	\$ 1,718	\$ -	\$ 1,390	\$ 3,108	
Total	\$ 17,499	\$ 14,793	\$ 32,473	\$ 49,972	
Percent Contingency	11%	0%	4%	7%	

Notes:

¹ Project budget is located on page 39 of the Adopted 2009 Budget book. The 2009 Budget was adopted by the Board on December 11, 2008 and is being amended as part of this action.

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

SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

CH2M Hill is the prime consultant for this contract. In the consultant selection process, CH2M Hill proposed to utilize M/W/DBE and other small business for 26% of all work (engineering, environmental, and public outreach services) over the life of the contract. The proposal assumed 9% of the work would be for public outreach; however, Sound Transit has elected to perform most of this work using staff resources. The contract with CH2M Hill includes a 20% M/W/DBE and small business participation goal that the consultant achieved in the initial phases of work. During the next phase of the contract, CH2M Hill projects a 21% M/W/DBE and small business participation rate, of which 1.6% will be for public outreach services.

CH2M Hill plans to use 26 M/W/DBE or small business subconsultants to achieve the 21% participation rate in the next contract phase. Additionally during the course of the initial phases of the contract, several M/W/DBE firms were purchased (Milbor Pita and Mirari Associates), closed (Streeter Architects) or graduated (Tres West). CH2M Hill proposes to continue to use the graduated firm Tres West and the purchaser of Mirari Associates, Fehr and Peers. Furthermore, some former employees of the closed firm Streeter Architects are now employed by the IBI Group as subconsultants on the East Link project.

Utilization Breakdown Table

Subconsultant	Business Type	% of Work	Dollar Value
Axis	WBE/DBE	0.2%	\$57,677
Berk & Associates	WBE	0.1%	\$25,337
Bolima Drafting	MBE/DBE	5.2%	\$1,417,118
Bright Engineering	MBE	0.7%	\$182,246
Civil Tech Engineering	MBE	0.5%	\$135,825
Entech	MWBE/DBE	0.3%	\$84,062
FSI Consulting Engineering	Small business	0.1%	\$27,842
Gregory Drilling	Small business	1.6%	\$426,135
Glosten Associates	Small business	0.1%	\$35,765
Grijalva Engineering	MBE/DBE	3.5%	\$956,515
Historical Research Associates	Small business	0.2%	\$65,133
HMMH	Small business	0.4%	\$103,301
HRA	Small business	0.2%	\$65,133
JAD Associates	MBE/DBE	1.0%	\$275,299
Jill Irwin	WBE/DBE	0.4%	\$97,560
KBA/Kristen Betty & Associates	WBE/DBE	0.2%	\$40,593
Langton Spieth	Small business	0.3%	\$72,300
Michael Minor	MBE/DBE	0.2%	\$62,659
Nakano Associates	MBE/DBE	1.6%	\$427,167
Pacific Communications Consultants	MWBE/DBE	0.2%	\$55,882
PRR	MWBE/DBE	1.3%	\$364,575
Taylor & Associates	MBE/DBE	0.2%	\$43,815
True North Land Surveying	WBE/DBE	0.3%	\$84,079
Triunity	MBE/DBE	0.9%	\$232,720
Universal Technical Resource Services	Small business/DBE	1.5%	\$395,735
Wakerobin	Small business/WBE	0.1%	\$15,749
White Shield	MBE/DBE	0.1%	\$18,408
Total		21.1%	\$5,703,497

Equal Employment Workforce Profile (% Women/People of Color)

The work force demographic of personnel identified to work on Phase 3 is 21% People of Color and 28% Women.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

In November 2008, voters approved funding for the East Link project to provide light rail service between Seattle, Mercer Island, Bellevue, and the Overlake Transit Center in Redmond. The terminus of the project is the Overlake Transit Center. Environmental review has also been prepared for the future extension of the line from the Overlake Transit Center to downtown Redmond.

In May 2006, the Finance Committee authorized the chief executive officer to execute a contract with CH2M Hill to provide engineering, environmental, and public outreach services for the Phase II East Corridor High Capacity Transit planning. Subsequently, staff initiated NEPA/SEPA project-level environmental review, route, station, and maintenance facility screening, and project-level public involvement in the corridor.

In July 2006 following the review of the planning and other studies described above, the Board identified light rail as the preferred High Capacity Transportation (HCT) mode in the Seattle to Redmond via I-90 corridor. Light rail provides the highest level of ridership and the shortest travel time of all the HCT modes evaluated in the corridor and provides a higher level of system integration, because East Link light rail will be interlined with northbound Central Link light rail in downtown Seattle.

On December 14, 2006 the Board identified the light rail routes, stations, and maintenance facility alternatives to study in detail in the EIS. In February 2007, the Board authorized the chief executive officer to execute a contract option with CH2M Hill for the completion of conceptual engineering and preparation of the East Link Draft EIS).

Sound Transit is evaluating alternative project routes, stations, and light rail maintenance facility locations in cooperation with the Federal Transit Administration (FTA). Before committing federal funds to the East Link project, the FTA is required to undertake environmental review in compliance with the National Environmental Policy Act (NEPA). As the public agency proposing the East Link project, Sound Transit is required to comply with the State Environmental Policy Act (SEPA). The FTA, as the federal lead agency under NEPA, and Sound Transit, as the state lead agency under SEPA, have determined that alternative routes and station locations in the project area may have probable significant adverse environmental impacts. The Washington State Department of Transportation (WSDOT) is also a SEPA co-lead agency. To satisfy both NEPA and SEPA requirements, the agencies are preparing a combined NEPA/SEPA EIS for the project.

Sound Transit, FTA, and WSDOT published a Draft EIS for the project on December 12, 2008. The 75-day comment period closed on February 25, 2009. To ensure adequate public and agency input, the comment period included five informational open house events. Public hearings were held at each open house event.

At the January 15, 2009 meeting, the Board held a workshop to review the Draft EIS analysis of the potential light rail route options in terms of the potential environmental impacts, mitigation measures, and project benefits. Staff provided a briefing to the Board on March 26, 2009, summarizing the Draft EIS public and agency comments. On April 23, 2009 and May 14, 2009, staff responded to further questions from the Board regarding the light rail alternatives. The Board also received public testimony at its March and April meetings and identified the preferred alternative for the final East Link EIS on May 14, 2009.

PRIOR BOARD/COMMITTEE ACTIONS AND RELEVANT BOARD POLICIES

Motion/Resolution Number & Date	Summary of Action
R2008-10 7/24/08	Adopting a revised Sound Transit 2 Regional Transit System Plan.
M2007-31 2/22/07	Authorized CEO to execute a contract amendment to provide the second portion of engineering, environmental, and public outreach services of a multi-part project with CH2M Hill for the Phase II East Corridor High Capacity Transit project.
M2006-87 12/14/06	Identifying the light rail routes, stations, and maintenance facility alternatives to be studied in detail in the East Link draft Environmental Impact Statement.
R2006-15 7/13/06	Identifying light rail as the preferred high capacity transit mode in the Seattle to Bellevue to Redmond via I-90 corridor.
M2006-39 5/4/06	Authorizing the CEO to execute a contract to provide the first portion of engineering, environmental, and public outreach services of a multi-part project with CH2M Hill for the Phase II East Corridor High Capacity Transit project.

CONSEQUENCES of DELAY

A delay in Board approval would delay the start of work on the East Link preliminary engineering and the Final EIS.

PUBLIC INVOLVEMENT

A 75-day comment period for the East Link project Draft EIS ended on February 25, 2009. The process involved an extended comment period, five open houses and public hearings, where the public and agencies had the opportunity to review the Draft EIS and provide comments. The Board received a summary and copies of each of the 765 comments received during the comment period.

During preliminary engineering, staff will hold route and station development workshops to engage affected communities in the project development process and get feedback on alignment and station location design issues. Sound Transit will also seek to avoid, minimize, or mitigate potential impacts of the project as design progresses.

ENVIRONMENTAL COMPLIANCE

JI 5/15/09

LEGAL REVIEW

JDW 5/15/09

SOUND TRANSIT

RESOLUTION NO. R2009-11

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority revising the Adopted 2009 Budget for the East Link capital project as follows: the lifetime budget is revised to \$32,472,914 and the 2009 annual budget is revised to \$13,000,000 to provide funding to prepare the final EIS, conduct preliminary engineering, and develop term sheets confirming project scopes and establishing permit approval processes for the East Link project.

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

WHEREAS, Sound Transit is authorized to plan, construct, and operate a high-capacity system of transportation infrastructure and services to meet regional public transportation needs in the Central Puget Sound region; and

WHEREAS, in general elections held within the Central Puget Sound Regional Transit Authority district on November 5, 1996 and November 4, 2008, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, the East Link project provides light rail service between Seattle, Mercer Island, Bellevue, and the Overlake Transit Center in Redmond. The terminus of the project is the Overlake Transit Center. Environmental review has also been prepared for the future extension of the line from the Overlake Transit Center to downtown Redmond; and

WHEREAS, in May 2006, the Finance Committee authorized the chief executive officer to execute a contract with CH2M Hill to provide engineering, environmental, and public outreach services for the Phase II East Corridor High Capacity Transit planning. Subsequently, staff initiated NEPA/SEPA project-level environmental review, route, station, and maintenance facility screening, and project-level public involvement in the corridor; and

WHEREAS, in July 2006, following the review of planning, environmental and other studies, the Board identified light rail as the preferred high capacity transportation (HCT) mode in the Seattle to Redmond via I-90 corridor. Light rail provides the highest level of ridership and the shortest travel time of all the HCT

modes evaluated in the corridor and provides a higher level of system integration, because East Link light rail will be interlined with northbound Central Link light rail in downtown Seattle; and

WHEREAS, on December 14, 2006, the Board identified the light rail routes, stations, and maintenance facility alternatives to study in detail in the EIS. In February 2007, the Board authorized the chief executive officer to execute a contract option with CH2M Hill for the completion of conceptual engineering and preparation of the draft Environmental Impact Statement (draft EIS) for the East Link project; and

WHEREAS, Sound Transit is evaluating alternative project routes, stations, and light rail maintenance facility locations in cooperation with the Federal Transit Administration (FTA). Before committing federal funds to the East Link project, the FTA is required to undertake environmental review in compliance with the National Environmental Policy Act (NEPA). As the public agency proposing the East Link project, Sound Transit is required to comply with the State Environmental Policy Act (SEPA). The FTA, as the federal lead agency under NEPA, and Sound Transit, as the state lead agency under SEPA, have determined that alternative routes and station locations in the project area may have probable significant adverse environmental impacts. The Washington State Department of Transportation (WSDOT) is also a SEPA co-lead agency. To satisfy both NEPA and SEPA requirements, the agencies are preparing a combined NEPA/SEPA EIS for the project; and

WHEREAS, Sound Transit, FTA, and WSDOT published a Draft EIS for the project on December 12, 2008. An extended 75-day comment period was held, which closed on February 25, 2009. To ensure adequate public and agency input, the comment period included five open houses and public hearings. The Board received a summary and copies of each of the 765 comments received during the comment period; and

WHEREAS, at the January 15, 2009 meeting, the Board held a workshop to review the Draft EIS analysis of the potential light rail route options in terms of the potential environmental impacts, mitigation measures, and project benefits. Staff provided a briefing to the Board on March 26, 2009, summarizing the Draft EIS public and agency comments. On April 23, 2009 and May 14, 2009, staff responded to further questions from the Board regarding the light rail alternatives. The Board also received public testimony at their March and April meetings and identified a preferred alternative on May 14, 2009; and


WHEREAS, this budget amendment is consistent with and affordable under adopted Sound Transit financial policies as established by Resolution No. R2008-10 and consistent with Sound Transit budget policies.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority to revise the Adopted 2009 Budget for the East Link capital project as follows: the lifetime budget is revised to \$32,472,914 and the 2009 annual budget is revised to \$13,000,000 to provide funding to prepare the final EIS, conduct preliminary engineering, and develop term sheets confirming project scopes and establishing permit approval processes for the East Link project.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 28, 2009.

ATTEST:


Claudia Thomas
Board Vice Chair


Marcia Walker
Board Administrator