

MOTION NO. M2010-102
Program Realignment – Sound Move and ST2 Plans

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:	PHONE:
Executive Committee	12/2/10	Recommendation to Board	Brian McCartan, Executive Director Finance & Information Technology	206-398-5100
Board	12/16/10	Final Action	Ric Ilgenfritz, Executive Director Planning, Environment, and Project Development	206-398-5239

PROPOSED ACTION

Approves a plan to implement the Sound Move and ST2 Plans within available resources.

KEY FEATURES

- Authorizes the CEO to proceed with specified capital projects and service improvements as detailed in Attachment A. Those projects and improvements are currently affordable, best achieve the stated goals of Sound Move and ST2, and/or are necessary to keep the existing system in a state of good repair.
- Does not permanently delete any Sound Move or ST2 projects.
- Directs the Board to evaluate the ability of the agency to restore funding to projects and services that are not currently funded in the long-term financial plan as revenue and capital project costs are updated.
- Determines that Sound Transit will not solicit proposals for passenger rail for the eastside BNSF corridor. Sound Transit will consider unsolicited proposals until either a proposal is selected, or the project is removed from the ST2 Plan, or December 31, 2011, whichever occurs earlier.
- Directs the CEO to execute a work plan to evaluate and develop a high-capacity transit program development plan for the south corridor.

PROJECT DESCRIPTION

Not applicable to this action.

FISCAL INFORMATION

The program realignment is consistent with the Proposed 2011 Budget and Proposed 2011 Transit Improvement Plan. The program realignment is consistent with the 2011 financial plan. The program realignment is the currently affordable portions of the capital projects and service improvements that best achieve the stated goals of the Sound Move and ST2 Plans and/or are necessary to keep the existing system in a state of good repair.

SMALL BUSINESS PARTICIPATION

Not applicable to this action.

EQUAL EMPLOYMENT WORKFORCE PROFILE

Not applicable to this action.

BACKGROUND

When the revenue generated by a subarea is inadequate to fund the transit projects and services planned for a subarea, the Sound Move and ST2 Plans grant the Board broad authority to make adjustments to projects and services on an ongoing basis consistent with the available resources and the adopted financial policies.

If there is insufficient revenue to complete all the projects and services in the Sound Move and ST2 Plans as planned, the Board is authorized to fund those affordable portions of the capital projects and service improvements that best achieve the stated goals of the Sound Move and the ST2 Plans.

As a result of the projected \$3.9 billion revenue loss resulting from the 2007-2009 national economic recession, there is insufficient revenue to complete all elements of the ST2 program by 2023 as originally planned. In response to the revenue loss, in September 2010 the staff provided the Board with a comprehensive review of the proposed ST2 capital and operating plans in an effort to develop a strategic approach that aligns the cost of the plan with the projected resources.

In 2009, the Board reviewed the ST2/Sound Move Integration and Implementation White Paper, which discussed four principles to guide implementation of the regional transit system with reduced tax revenue: reduce operating costs whenever and wherever possible, gain knowledge of capital projects through selected acceleration of initial engineering design, manage to the low end of capital cost estimates, and optimize capital project phasing to save funds.

During its review of the Proposed 2011 Budget, Proposed 2011 Transit Improvement Plan, and Proposed 2011 Service Implementation Plan, the Board considered proposed funding plans and schedules for all Sound Move and ST2 capital projects and identified certain cost savings through operational efficiencies in an effort to realign project costs with available resources. The Board then held public hearings on the Proposed 2011 Budget, the Proposed 2011 Transit Improvement Plan, the Proposed 2011 Service Implementation Plan, and a proposal to align the cost of the projects and services with available funding.

The Adopted 2011 Budget and 2011 Transit Improvement Plan reflect the Board's allocation of currently available funding to the capital projects and services that best achieve the stated goals of Sound Move and ST2. These capital projects and services are identified in Attachment A to this motion. The Adopted 2011 Budget also includes recommendations to inform the Board's future decisions to approve, delay, defer, or delete individual projects and services based on a number of considerations, including affordability, ridership, and utility in achieving the stated goals of the regional transit plan.

ENVIRONMENTAL COMPLIANCE

Jl 11/29/10

TIME CONSTRAINTS

The Board could delay action on this motion without immediate consequences. The Proposed 2011 Budget contains budget authorization levels consistent with this motion and the Board is scheduled to consider adoption of the Budget at its December 16, 2010 meeting.

PUBLIC INVOLVEMENT

The Sound Transit Board reviewed the proposed budget in public session in September, October and November 2010. In October and November, five open houses were held throughout the district to provide the public the opportunity to ask questions and provide comment on the Proposed 2011 Budget and program realignment. On November 4, 2010 a public hearing was held and public testimony was taken.

LEGAL REVIEW

DB 11/29/10

MOTION NO. M2010-102

A motion of the Board of the Central Puget Sound Regional Transit Authority approving a plan to implement the Sound Move and ST2 Plans within available resources.

BACKGROUND:

When the revenue generated by a subarea is inadequate to fund the transit projects and services planned for a subarea, the Sound Move and ST2 Plans grant the Board broad authority to make adjustments to projects and services on an ongoing basis consistent with the available resources and the adopted financial policies. If there is insufficient revenue to complete all the projects and services in the Sound Move and ST2 Plans as planned, the Board is authorized to fund those affordable portions of the capital projects and service improvements that best achieve the stated goals of the Sound Move and the ST2 Plans.

As a result of the projected \$3.9 billion revenue loss resulting from the 2007-2009 national economic recession, there is insufficient revenue to complete all elements of the ST2 program by 2023 as originally planned. In response to the revenue loss, in September 2010 the staff provided the Board with a comprehensive review of the proposed ST2 capital and operating plans in an effort to develop a strategic approach that aligns the cost of the plan with the projected resources.

In 2009, the Board reviewed the ST2/Sound Move Integration and Implementation White Paper, which discussed four principles to guide implementation of the regional transit system with reduced tax revenue: reduce operating costs whenever and wherever possible, gain knowledge of capital projects through selected acceleration of initial engineering design, manage to the low end of capital cost estimates, and optimize capital project phasing to save funds.

During its review of the Proposed 2011 Budget, Proposed 2011 Transit Improvement Plan, and Proposed 2011 Service Implementation Plan, the Board considered proposed funding plans and schedules for all Sound Move and ST2 capital projects and identified certain cost savings through operational efficiencies in an effort to realign project costs with available resources. The Board then held public hearings on the Proposed 2011 Budget, the Proposed 2011 Transit Improvement Plan, the Proposed 2011 Service Implementation Plan, and a proposal to align the cost of the projects and services with available funding.

The Adopted 2011 Budget and 2011 Transit Improvement Plan reflect the Board's allocation of currently available funding to the capital projects and services that best achieve the stated goals of Sound Move and ST2. These capital projects and services are identified in Attachment A to this motion. The Adopted 2011 Budget also includes recommendations to inform the Board's future decisions to approve, delay, defer, or delete individual projects and services based on a number of considerations, including affordability, ridership, and utility in achieving the stated goals of the regional transit plan.

MOTION:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that

Section 1. Subject to further Board review through the agency phase/gate project approval system, the chief executive officer is authorized to proceed with the capital projects and service improvements identified in Tables 1, 2, and 3 of Attachment A. These projects are the currently affordable portions of the capital projects and service improvements that best achieve the stated goals of the Sound Move and ST2 Plans and/or are necessary to keep the existing system in a state of good repair.

Section 2. The program realignment does not permanently delete any projects from the Sound Move or ST2 Plans. Before the Board removes projects from either the Sound Move or ST2 Plans, the Board will apply the following criteria:

- A. Consistency with Sound Transit's enabling legislation;
- B. Consistency with the propositions approved by voters in the November 1996 and 2008 elections;
- C. Consistency with Sound Transit's funding requirements and priorities; and
- D. Consistency with the transportation goals, commitments, projects, and transportation corridors served by Sound Transit;
- E. Ability to implement the project.

Section 3. As revenue and capital project cost information is updated from time to time, the Board will evaluate the ability to restore funding to those projects and services that are not currently funded in the agency's financial plan (Table 4 of Attachment A).

Section 4. Due to financial and legal uncertainties regarding the viability or utility of an RFP process to entertain proposals to operate passenger rail on the Eastside BNSF Corridor, the agency will not solicit proposals for such service, but the agency will consider unsolicited proposals until either a proposal is selected, or the project is removed from the ST2 Plan, or December 31, 2011 whichever occurs earlier.

Section 5. The CEO will execute a work plan to evaluate the south corridor and develop a program development plan. The south corridor work plan will review project cost, ridership and financial information, to assess and prioritize, according to mobility benefits, reevaluate all the south corridor investments included in the ST2 Plan. This analysis will also include determining how far the light rail line can be extended within existing revenues and schedules; determining how long ST must collect local taxes at current tax rates to complete the system plan; and identifying such other affordable capital and/or service improvements that best achieve the stated goals of the ST2 Plan within existing schedules. Subject to Board direction, later phases of the south corridor work plan would focus on initial environmental and preliminary design studies of any portion of the approved light rail in the south corridor that the Board has determined is feasible and best meets the goals of the system plan, and any other transit options at the system level the Board determines should be considered based on the initial phase of work referenced above.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on December 16, 2010.



Aaron Reardon
Board Chair

ATTEST:



Marcia Walker
Board Administrator

MOTION NO. M2010-102
Attachment A

2011 Program Realignment

Because of the loss of revenue resulting from the economic recession (2007-2009), there is insufficient revenue to complete all elements of the ST 2 Plan by 2023 as planned. Pursuant to Resolution No. R2008-11, the Board has considered the costs and local and system-wide transit benefits associated with each element of ST2 and the remaining Sound Move projects, and determined that in order to best achieve the stated goals of the system plan (Sound Move and ST2), the currently available funding should be allocated and managed as indicated below.

Final project budgets and subarea allocations will be reviewed and approved by the Board through future annual budget adoptions and through Board phase/gate project milestone approvals. Sound Transit staff will continue to evaluate all capital projects for potential cost savings and efficiencies.

Table 1. The following projects will proceed through design and construction, consistent with board approved budgets, and are fully funded within the agency's long-term financial plan.

Ticket Vending Machine (#212)	Link LRV Wash Bay Doors (#762)
Transit Police Office (#748)	UW-Northgate (1yr delay) (#100)
Ash Way Transit Access/164 th SW (#105)	85th Corridor Kirkland (#141)
S. Everett Freeway Station/112 th SE (#319)	Rainier Ave Arterial Improvements (#151)
Passenger Information Systems/CCTV (#216)	M Street - Lakewood Track & Signal (#130)
Bike Locker Program (#753)	Lakewood to Seattle Expansion (Sounder South Expanded Service) (#510)
Willow Creek Environmental Mitigation (#101)	Bus Fleet Replacement (#701)
Sounder Layover (#140)	Security Improvements (#743)
ST Art (#X68)	Federal Way Transit Center/317th (#321)
Canyon Park Freeway Station (#324)	Federal Way HOV Access/S 317th (#125)
Mercer Island Park & Ride/N Mercer Way (#354)	Airport Link (#400)
Totem Lake Freeway Station/NE 128th (#140)	Burien Parking Garage (Burien Transit Center Parking Expansion) (#006)
Issaquah Transit Center/SR 900 (#326)	Parking Enhancements (#746)
Kirkland Transit Center/3rd (#142)	Federal Way: Post Tension Cable Repair (#768)
ST Express Mobile Communications (#745)	Radio Upgrade (#763)
Strander Boulevard Extension (#152)	Auburn Station: Post Tension Cable Repair (#765)
Tacoma Link Auxiliary Power Supply Replacement (#757)	Lakewood Station (#253)
Tacoma Link Announcement & Sign System (#758)	Tacoma Dome Station (#356)
Sounder Positive Train Control – Everett-Tacoma (#759)	Regional Express Program Reserve – EKC (#999)
Edmonds Station (Sound Move) (#209)	South Tacoma Station (#251)
Permitting/Environmental Management (#131)	Sounder Program Reserve (\$1M Pierce County) (#601)
Small Works Program (#740)	SR522 HOV Enhancements/Bothell (#385)
Initial Segment (#300)	I-90 2-Way Transit & HOV Stages 1-3 (#382, 386, 387)
Mountlake Terrace Freeway Station (#312)	Positive Train Control – Tacoma-Lakewood (#011)
DSTT S. Access Security (#320)	D Street - M Street Track & Signal (#135)
Link Project Reserve (N King County) (#399)	
University Link (#200)	
First Hill Link Connector (#007)	
Link OMF Laydown Area Improvements (#760)	
Network Phones at the Link Control Center (#761)	

Table 2. The following projects will proceed through design and environment studies consistent with board approved budgets. The current cost estimates for these projects are fully funded within the agency's financial plan. Final delivery schedules for the projects, given the early stage of design

and uncertainties of agency local tax revenue collection levels, will have to be monitored and evaluated.

Station Access Program – Snohomish (#001)
North Corridor HCT – Northgate to Lynnwood (#115)
Light Rail Maintenance Facility (ST2) (#009)
Sounder Fleet Program (ST2) (#755)
Sounder Yard and Shops (ST2) – Snohomish (#004)
Sounder Yard and Shops (ST2) – Pierce (#004)
ST Express Bus Base (Sound Move) (#261)
ST Express Bus Fleet (ST2) (#705)
Mukilteo Station - South Platform (#206)
Administrative Capital (#001)
ST3 Planning
ST Express Bus Base (ST2) – Snohomish (#005)
Seattle to Overlake (East Link) (#600)
St Express Bus Base (ST2) – Pierce (#005)

Fare Administration
Track & Structure Upgrades – Tacoma Dome-Reservation Junction
Station Access Program – Pierce (#001)
Admin O&M
Insurance
TOD
South Link - Airport to S 200 th (#420)
Tukwila Permanent Station (#236)
Light Rail Maintenance Facility (ST2)
Light Rail Fleet Expansion (ST2)
ST Express Bus Base (ST2) – EKC (#005)
ST Express Bus Base (ST2) – SKC (#005)
Tacoma Link Expansion (#008)
Tacoma Track & Signal Upgrades
Research & Technology

Table 3. The following projects are allocated limited funding within the agency’s financial plan, consistent with authorized levels within approved agency budgets. As costs and agency revenue uncertainties are resolved, the Board will evaluate options for restoring additional funding for these projects.

South Corridor HCT -S 200th to S 272nd (#445)
Station Access Program – SKC (#001)
S 272nd to Tacoma Dome (PE & ROW)

Table 4. All activities are suspended for the following projects, which are not funded in the agency’s long-term financial plan. As costs and agency revenue uncertainties are resolved, the Board will evaluate options for restoring additional funding for these projects.

Edmonds Station (ST2)
Sounder Platform Extensions
System Access (grants) (#003)
Rex Program Reserve – Snohomish & SKC (#999)
BNSF Corridor (Eastside Rail Partnership) (#002)

Renton HOV Access/N 8 th (#150)
Bothell Transit Center
Sounder Program Reserve – Snohomish & SKC (#601)
Light Rail Overlake to Redmond PE

The cost information and transportation benefit analysis reviewed by the Board is contained in Appendices A, C & D to the Sound Move Regional Transit Plan and in Appendices A, C, and D to the ST 2 Regional Transit System Plan.

MOTION NO. M2010-102
Attachment A

2011 Program Realignment

Because of the loss of revenue resulting from the economic recession (2007-2009), there is insufficient revenue to complete all elements of the ST 2 Plan by 2023 as planned. Pursuant to Resolution No. R2008-11, the Board has considered the costs and local and system-wide transit benefits associated with each element of ST2 and the remaining Sound Move projects, and determined that in order to best achieve the stated goals of the system plan (Sound Move and ST2), the currently available funding should be allocated and managed as follows:

Table 1. The following projects will proceed through design and construction, consistent with board approved budgets, and are fully funded within the agency’s long-term financial plan.

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Tacoma Track & Signal Upgrades
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