

**SOUND TRANSIT
STAFF REPORT**

RESOLUTION NO. R2010-02

**Budget Amendment for North Link
Final Design, Property Acquisition and related Third Party Activities**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	2/18/10	Discussion/Possible Action to Recommend Board Approval	Ahmad Fazel, Executive Director	(206) 398-5389
Board	2/25/10	Action	Don Davis, Deputy Executive Director Ron Endlich, University Link Deputy Project Director	(206) 370-5508 (206) 398-5141

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

North Link Project - UW Station to Northgate

PROPOSED ACTION

Amends the Adopted 2010 Lifetime Capital Budget for the North Link – UW Station to Northgate project from \$107,176,375 to \$345,499,512 to complete final design, third party coordination, property acquisition, and related tasks, and amends the 2010 annual budget by decreasing the Right of Way Acquisition and Permits phase by \$9,000,000 and increasing the Final Design phase by \$9,000,000.

KEY FEATURES of PROPOSED ACTION

- This action authorizes the North Link – UW Station to Northgate project through Gate 4, which authorizes final design (including construction contract bid support) and right of way acquisition. This action is consistent with the ST2 cost estimate for the University of Washington to Northgate light rail segment, and is affordable within the agency's current finance plan.
- This action amends the Adopted 2010 Lifetime Capital Budget for the North Link Project by a total of \$238.32 million, which includes \$75.99 million for final design, \$18.0 million for third party coordination, \$41.88 million for administration, and \$102.45 million for property acquisition and related costs. The current budget for the project funded work through preliminary engineering together with other early work.
- All of the prerequisites for advancing the North Link project into Final Design have been completed. The Record of Decision (ROD) for North Link was issued by the Federal Transit Administration (FTA) in June 2006, completing the environmental review process. Funding to complete the North Link Project was included in the Sound Transit 2 Plan, which was approved by the region's voters in November 2008.
- Based on lessons learned from the University Link project, this action would fund final design earlier than scheduled in the ST2 Plan. Staff recommends initiating final design early work tasks by mid-2010 in order for the Project to be completed and operational by 2020, the ST2 Plan completion date.

- This action enables Sound Transit to begin the procurement process to provide civil engineering, architectural and systems engineering final design consultant services to complete final design for the North Link Project. The final design work phase will bring the North Link Project from the current 30% design completion to 100% design completion, including construction contract bid support.
- Final design early work tasks include evaluating station entrance configurations, value engineering and constructability review recommendations and other ideas for reducing project costs, advancing station architectural work, and other pre-final design activities. This requires an acceleration of North Link final design work by six months compared to the implementation schedule start of 2011 assumed in the ST2 Plan.
- This action also establishes a budget to complete the needed property acquisitions for the three North Link stations and associated construction staging areas, required relocation expenses, underground tunnel easements and associated expenses. Sound Transit has already purchased three property parcels needed for the Roosevelt Station. Third Party design support and permit costs are also included in this budget amendment action.
- This action also amends the Adopted 2010 Annual Budget by decreasing the Right of Way Acquisition and Permits phase by \$9,000,000 and increasing the Final Design phase by \$9,000,000. This amendment will allow final design early work to begin in 2010 instead of 2011 and is consistent with the current work plan for the project.
- The budget required to complete North Link construction and related activities is not authorized as part of this action. The North Link Project budget and schedule will be baselined through separate Board action after completing 60% design; anticipated in mid-2011.

BUDGET and FINANCIAL PLAN DISCUSSION

Current Project Phase: Preliminary Engineering
 Projected Completion Date: Final Design in 2011 and Construction in 2020

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
This Task		
Budget Amendment Required	✓	Proposed action would increase the Adopted 2010 Lifetime Capital Budget for this project by \$238.32 million.

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

The proposed resolution would amend the Adopted 2010 Lifetime Capital Budget to increase the project budget for North Link – UW Station to Northgate of \$107,176,375 by \$238,323,137, for a revised total project budget of \$345,499,512. The Agency Administration phase would be increased by \$41,883,000 to an amended total amount of \$49,460,574; the Final Design phase budget would be increased by \$75,990,000 to an amended total amount of \$82,373,947; the Third Party phase budget would be increased by \$18,000,000 to an amended total amount of \$20,994,295; and the Right of Way Acquisition and Permits phase budget would be increased by \$102,450,137 to an amended total amount of \$164,820,099.

The proposed resolution would amend the Adopted 2010 Annual Capital Budget for the North Link – UW Station to Northgate project. The Right of Way Acquisition and Permits phase budget would be reduced by \$9,000,000 to an amended total amount of \$30,367,020, and the Final Design phase budget would be increased by \$9,000,000 to an amended total amount of \$9,000,000. The total Amended 2010 Annual Capital Budget for the project would remain unchanged at \$48,667,455.

This budget amendment for the North Link – UW Station to Northgate is consistent with both the ST2 and the current cost estimates for the project and within the agency’s financial plan. This project is located entirely within the North King County subarea.

BUDGET TABLE

(Year of Expenditure \$000)

Action Item: Amend the Adopted 2010 Lifetime Capital Budget for the North Link - UW Station to Northgate project to complete final design, property acquisition, and related tasks.

North Link - Northgate to 45th Street

Phase	2010 Annual Budget			Lifetime Budget		
	Adopted 2010 Project Budget (A)	Budget Transfer (B)	Revised Project Budget (C)	Adopted 2010 Project Budget (D)	Budget Transfer (E)	Revised Project Budget (F)
Agency Administration	\$ 4,611	\$ -	\$ 4,611	\$ 7,578	\$ 41,883	\$ 49,461
Preliminary Engr / Environmental Review	\$ 565	\$ -	\$ 565	\$ 18,818	\$ -	\$ 18,818
Final Design / Specifications	\$ -	\$ 9,000	\$ 9,000	\$ 6,384	\$ 75,990	\$ 82,374
Construction Services	\$ 30	\$ -	\$ 30	\$ 300	\$ -	\$ 300
Third Party	\$ 1,706	\$ -	\$ 1,706	\$ 2,994	\$ 18,000	\$ 20,994
Construction	\$ 2,389	\$ -	\$ 2,389	\$ 8,733	\$ -	\$ 8,733
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ROW Acquisition and Permits	\$ 39,367	\$ (9,000)	\$ 30,367	\$ 62,370	\$ 102,450	\$ 164,820
Testing and Start-up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 48,667	\$ -	\$ 48,667	\$ 107,176	\$ 238,323	\$ 345,500

Note: (A) ADOPTED 2010 BUDGET amounts as adopted by resolution of the Sound Transit Board (R2009-23, approved 12/10/09). The Link Light Rail capital project budget for North Link - UW Station to Northgate is located on page 35 of the Proposed 2010 Transit Improvement Plan book.

SMALL BUSINESS PARTICIPATION

Not applicable for this action.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

The North Link Final SEIS was published on April 7, 2006, which informed the Board’s final decision on the North Link project to be built, including route, station locations, project phasing, and financing. On April 27, 2006, the Sound Transit Board adopted Resolution No. R2006-07, which selected the final route, profile, and station locations for North Link; selected the University Link Project to be advanced to final design and property acquisition, followed by construction and operation; and approved a revised University Link lifetime project budget.

The University Link Project is a 3.15-mile extension of the Initial Segment of light rail connecting downtown Seattle with Capitol Hill and the University of Washington (UW) campus and is now under construction. The remaining North Link Project is a 4.3-mile extension of light rail from the UW Station to Northgate in twin-bored tunnels with two cut-and-cover stations serving the University District (Brooklyn Station) and Roosevelt neighborhoods and then transitions to an elevated guideway and station near the Northgate Transit Center serving the surrounding Northgate area communities and North Seattle.

The Adopted 2010 Budget included \$48,667,000 for North Link Project activities, primarily in the property acquisition budget phase. This action, if approved, would establish North Link Project final design, property acquisition, third parties, and agency administration budgets. No additional funds are requested for 2010.

The proposed civil engineering and architectural services contract scope of work will be divided into two phases, early work and final design. Early work tasks include evaluating revised station entrance

configurations, value engineering and constructability review recommendations and other ideas for reducing project costs, advancing station architectural work, refining cost estimates and other pre-final design activities. The final design work phase will bring the North Link project from 30% design completion to 100% design completion, including construction contract bid support.

If this action is approved, the procurement process for civil engineering and architectural final design consultant services would begin in February 2010. A consultant team would be selected in spring 2010 and a contract would then be negotiated and returned to the Board for approval in mid-2010. Early work activities would begin shortly after the contract is executed and the consultant team mobilizes via a Notice To Proceed. Final design work would begin in early 2011. North Link final design work is expected to be completed within 42 months of the start of this contract.

In addition to this civil engineering and architectural services final design contract, Sound Transit will also procure one other large final design contract and several other smaller consultant contracts for North Link. The North Link systems engineering final design consultant contract would cover design work for vehicle traction power, communications, signaling, trackwork, and other systems. Sound Transit may also seek consultant assistance to provide design management support services to supplement Link staff capacity during North Link final design. In addition, Sound Transit will also procure smaller consultant services contracts for other areas of technical expertise including vibration and electro-magnetic field (EMF) work and additional environmental analyses as necessary. These contracts will be brought to the Sound Transit Board for appropriate approvals, following completed negotiations.

This action would establish a budget to complete the remaining needed property acquisitions for the three North Link stations and associated construction staging areas, required relocation expenses and underground tunnel easements. Third Party design support and permit costs are also included in this budget amendment action. The authority to acquire specific North Link property interests will be requested as part of a separate Board action, currently planned for Board consideration in March 2010.

The first North Link construction contracts are scheduled to be underway in late 2012 and will include advance utility relocation and site demolition work. Station excavation and construction activities would begin in 2013. North Link service would start in 2020.

Sound Transit conducted a limited amount of advanced preliminary engineering (PE) work for North Link in 2009. This work focused on refining the bored tunnel alignment and profiles, examining Brooklyn Station design and constructability issues to refine construction staging property requirements, and examining alternative tunnel portal location and construction staging options. If this action is approved by the Board, Sound Transit staff will schedule community outreach meetings starting in March 2010 to share the preliminary results of this work and begin to re-engage with the public, affected property owners, neighborhood and business groups, other agency staff, major institutions, and other stakeholders along the Project route.

Prior Board/Committee Actions on this Project

Motion/ Resolution Number and Date	Summary of Action
R2006-07 4/27/06	(1) Selected the final route, profile, and station locations for the North Link Light Rail Project; (2) selected the University Link portion of North Link to be constructed and operated as part of the Central Link Light Rail Project, including authorizing the steps necessary to complete final design and implementation of the University Link Project including securing a federal Full Funding Grant Agreement; (3) increased the University Link lifetime Adopted 2006 Budget and revising the annual Adopted 2006 Budget; and (4) for planning purposes reduced the minimum debt service coverage for the North King County subarea to 1.15x for the University Link Finance Plan.

CONSEQUENCES of DELAY

A significant delay in Board approval of this action may cause the North Link Project to not meet the ST2 Plan completion date of 2020. Staff would also postpone the start of the public outreach re-engagement effort for North Link until final design funding is approved. A short-term delay in approving this action is not expected to cause a significant project delay.

PUBLIC INVOLVEMENT

Sound Transit staff conducted an active public outreach program during the earlier North Link planning, environmental review and PE phases of the project which concluded in 2006 when the Board selected the final North Link route and stations and authorized the budget to complete the University Link Project. Since that time, only a limited amount of public outreach has occurred along the North Link route since additional project work was not being advanced pending further project funding.

If the Board approves this action, staff will begin a very active public involvement program to start the North Link final design and property acquisition work. A kick-off public meeting would be held in March 2010 to launch the outreach effort and will include an overview of the project, a review of the prior route and station design work and refinement ideas, and discussion of the final design and property acquisition schedule. Sound Transit will seek public input on design ideas, construction concerns and other community and stakeholder issues. Follow-up meetings will also be planned for each station area and with affected property owners and other interested parties, as needed.

Once the civil engineering and architectural final design consultant team is under contract in mid-2010, additional station design workshops, project open houses, and other meetings involving property owners, neighborhood and business groups, and other interested parties along the North Link route will be held. The final design team will be providing design resources to assist Sound Transit in future outreach activities.

Sound Transit will continue an active community outreach program throughout the North Link final design and property acquisition work effort.

ENVIRONMENTAL COMPLIANCE

Jl, 1/12/10

LEGAL REVIEW

LA, 2/16/10

SOUND TRANSIT

RESOLUTION NO. R2010-02

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority 1) amending the Adopted 2010 Lifetime Capital Budget for the North Link – UW Station to Northgate project from \$107,176,375 to \$345,499,512 to perform final design, third party coordination, property acquisition, and related tasks, and 2) amending the North Link – UW Station to Northgate 2010 annual budget by decreasing the Right of Way Acquisition and Permits phase by \$9,000,000 and increasing the Final Design phase by \$9,000,000.

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 permanently 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 8, 2008, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, Resolution No. R2006-07, adopted by the Sound Transit Board on April 27, 2006, (1) Selected the final route, profile, and station locations for the North Link Light Rail Project; (2) selected the University Link portion of North Link to be constructed and operated as part of the Central Link Light Rail Project, including authorizing the steps necessary to complete final design and implementation of the University Link Project including securing a federal Full Funding Grant Agreement; (3) increased the University Link lifetime Adopted 2006 Budget and revising the annual Adopted 2006 Budget; and (4) for planning purposes reduced the minimum debt service coverage for the North King County subarea to 1.15x for the University Link Finance Plan; and

WHEREAS, the Sound Transit Board monitors progress in development and makes decisions related to the scope, schedule and budget of each capital project through the Phase Gate process based on completion of work within the current phase of the project; and

WEREAS the North Link Project - UW Station to Northgate project has completed preliminary engineering and is prepared to enter final design and complete acquisition of all needed right of way; and

WHEREAS the requested total budget for completion of final design, right of way acquisition and other related tasks is consistent with the original cost estimate that was included in the ST2 plan and with the current finance plan; and

WHEREAS, by Resolution No. R2009-23, the Sound Transit Board adopted the 2010 budget on December 10, 2009; and

WHEREAS, said budget amendment is consistent with and affordable under Board-adopted Sound Transit financial policies; and

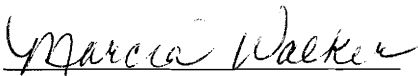
WHEREAS, a two-thirds affirmative vote of the entire membership of the Sound Transit Board is required to amend the Adopted 2010 Budget.

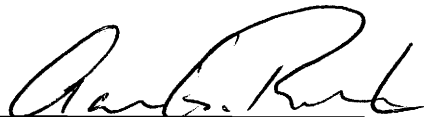
NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that:

1. The Adopted 2010 Lifetime Capital Budget is hereby amended for the North Link – UW Station to Northgate project from \$107,176,375 to \$345,499,512 to perform final design, third party coordination, property acquisition, and related tasks; and
2. The Adopted 2010 annual Capital Budget is hereby amended for the North Link – UW Station to Northgate project by decreasing the Right of Way Acquisition and Permits phase by \$9,000,000 and increasing the Final Design phase by \$9,000,000.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 25, 2010.

ATTEST:


Marcia Walker
Board Administrator


Aaron Reardon
Board Chair