

RESOLUTION NO. R2016-19
Rebaseline the Point Defiance Bypass Project

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	07/14/2016	Recommend to Board	Ahmad Fazel, DECM Executive Director
Board	07/28/2016	Final Action	Mark Johnson, Project Director

PROPOSED ACTION

Amends the Point Defiance Bypass baseline budget by (a) reducing the Adopted 2016 Project Budget by \$44,330,000 from \$128,000,000 to \$83,670,000, and (b) reducing the Adopted 2016 Annual Budget by \$2,902,275 from \$52,482,000 to \$49,579,725.

KEY FEATURES SUMMARY

- Adopts a revised baseline budget for the Point Defiance Bypass project (PDB) in order to:
 - Reflect the reduced bid amount for the PDB Track & Signal construction contract, and
 - Reflect the authorized amount in the amended Construction and Maintenance Agreement with the Washington State Department of Transportation (WSDOT), which was brought to the Board in a separate action (Motion No. M2016-50).
- Project budget retains sufficient funding to complete all remaining work.

BACKGROUND

WSDOT has obtained nearly \$800 million in funding through the Federal Railroad Administration's (FRA) High-Speed Intercity Passenger Rail program. WSDOT is using the funds to deliver passenger rail infrastructure improvements that expand travel choices, preserve freight mobility, and foster economic growth across the state. The program goal is to improve Washington's Amtrak Cascades service between Portland, OR and Vancouver, B.C., with specific outcomes to reduce travel time between Portland and Seattle, increase on-time performance to 88%, and add two additional daily roundtrips.

The Point Defiance Bypass project is a keystone project within the Cascade High Speed Rail program and will improve portions of the Sound Transit-owned Lakeview Corridor in Pierce County. Passenger service will then be routed along the Lakeview Corridor between Nisqually and Tacoma, avoiding the slower, more congested route along Puget Sound. The Lakeview Corridor route contributes substantially to the travel time savings and on-time reliability goals of WSDOT's program, as the current route is both speed-restricted and capacity-constrained by a single track tunnel and a moveable bridge.

The Point Defiance Bypass project will construct a series of improvements, including:

- Construction of a new second track adjacent to Sound Transit's existing main line between South Tacoma (66th Street Bridge) and Lakewood (Bridgeport Way).
- Reconstruction of Sound Transit's existing track, including new rails, ties, and ballast, between Lakewood and Nisqually.
- Improvements at the connection to BNSF's main line at Nisqually Junction.
- Safety improvements at four existing at-grade crossings within the project corridor.
- Extension of the existing DuPont Yard.
- Reconstruction of the Clover Creek Bridge.
- Rehabilitation of the Pendleton Avenue Bridge and the rail bridges crossing over north- and south-bound I-5.

Sound Transit currently operates along a portion of the rail corridor where these improvements will be built. Amtrak will shift all its passenger operations to the Point Defiance Bypass after the project is complete, while BNSF will continue its freight operations on its Point Defiance route.

As the owner of the corridor, Sound Transit has agreed to administer the construction of the project to help minimize impacts to current Sound Transit service as well as complete the work effectively and efficiently. WSDOT has designed the project through a consultant. The project is located entirely within Sound Transit right-of-way; once the project is built, Sound Transit will own all of the improvements. All allowable costs incurred for this project will be reimbursed by WSDOT through a grant WSDOT received from the FRA.

Stacy and Witbeck, Inc. is the contractor for this project and was issued notice to proceed in September 2015. As of May 2016, the project is approximately 49% complete. The Amended Construction and Maintenance Agreement with the Washington State Department of Transportation (WSDOT), which was brought to the Board in a separate action, does not add any additional scope to this project, which is scheduled to be completed by March 2017.

PROJECT STATUS

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Project Identification	Alternatives Identification	Conceptual Engineering	Preliminary Engineering	Final Design	Construction

Projected Completion Date for Point Defiance Bypass: March 2017

FISCAL INFORMATION

The revision of the baseline of the Point Defiance Bypass project has zero impact to the financial plan. The Point Defiance Bypass project is a project where all allowable costs are fully reimbursable.

The action reduces the Point Defiance Bypass project budget from \$128,000,000 to \$83,670,000. The annual budget is also reduced by \$2,902,275.

This project applied for and received a Phase Gate – Gate 5 meeting exception for the re-baseline action given neither the scope or schedule were changed.

This action is fully funded within existing agency resources.

BUDGET AMENDMENT

Point Defiance Bypass Project				Project Budget		
Phase	2016 Annual Budget			Adopted 2016 Project Budget	Budget Transfer	Revised Project Budget
	Adopted 2016 Annual Budget	Budget Transfer	Revised Project Budget			
Agency Administration	1,235	72	1,307	2,860	341	3,201
Preliminary Engineering						
Final Design		45	45	200		200
Third Party Agreements						
Right of Way	10	151	161	1,000	-600	400
Construction	43,437	1,162	44,599	114,340	-44,717	69,623
Construction Services	7,800	-4,333	3,467	9,600	646	10,246
Vehicles						
Contingency						
Total	52,482	-2,902	49,580	128,000	-44,330	83,670

Notes:
 Amounts are expressed in Year of Expenditure \$000.
 The project budget is located on page 34 of 140 respectively in the Adopted 2016 Transit Improvement Plan (TIP).

SMALL BUSINESS/DBE PARTICIPATION

Not applicable to this action.

PUBLIC INVOLVEMENT

Sound Transit and WSDOT staff have coordinated on a number of public outreach activities; including stakeholder meetings and the environmental outreach process.

TIME CONSTRAINTS

A one-month delay would not create a significant impact to the Point Defiance Bypass project, however it would create an impact to the funding and delivery of WSDOT work to be included in the Tacoma Trestle Project.

PRIOR BOARD/COMMITTEE ACTIONS

Motion No. M2016-50: Authorized the chief executive officer to execute an amended and restated Construction and Maintenance Agreement with the Washington State Department of Transportation to implement a portion of the Cascade High Speed Rail Program on Sound Transit-owned rail corridor in the additional amount of \$22,344,392, for a new total authorized agreement amount not to exceed \$151,725,572.

Resolution No. R2015-01: (1) Adopted the Point Defiance Bypass baseline schedule and budget by adopting March 2017 as the project completion milestone, and establishing a baseline budget of \$128,000,000; and (2) approving Gate 5 within Sound Transit's Phase Gate process.

Motion No. M2014-21: Authorized the chief executive officer to execute a Service Outcomes Agreement with the Washington State Department of Transportation (WSDOT) and the National Railroad Passenger Corporation and a Construction and Maintenance Agreement with WSDOT to implement a portion of the Cascade High Speed Rail Program on Sound Transit-owned rail corridor.

Resolution No. R2014-03: (1) Amended the Adopted 2014 Budget to create the Point Defiance Bypass Project by (a) establishing a Project Lifetime Budget in the amount of \$6,400,000 and (b) establishing a 2014 Annual Project Budget of \$642,000 and (2) Approving Gate 1 within Sound Transit's Phase Gate process.

ENVIRONMENTAL REVIEW

Jl 4/8/2016

LEGAL REVIEW

JW 7/5/2016

RESOLUTION NO. R2016-19

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority amending the Point Defiance Bypass baseline budget by (a) reducing the Adopted 2016 Project Budget by \$44,330,000 from \$128,000,000 to \$83,670,000, and (b) reducing the Adopted 2016 Annual Budget by \$2,902,275 from \$52,482,000 to \$49,579,725.

WHEREAS, the Central Puget Sound Regional Transit Authority, commonly known as Sound Transit, was formed under RCW Chapters 81.104 and 81.112 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 4, 2008, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, by way of Motion No. M2014-21, the Sound Transit Board authorized the chief executive officer to enter into a Construction and Maintenance Agreement with the Washington State Department of Transportation (WSDOT) to implement a portion of the Cascade High Speed Rail Program on Sound Transit-owned rail corridor;

WHEREAS, by way of Resolution No. R2005-01 on January 22, 2015, the Sound Transit Board adopted the Point Defiance Bypass baseline schedule and budget by adopting March 2017 as the project completion milestone and amended the project budget from \$6,400,000 to \$128,000,000;

WHEREAS, as a result of receiving a low bid for construction of Point Defiance Bypass improvements that is below the estimated cost for construction, WSDOT wishes to redistribute

funding now obligated to Point Defiance Bypass improvements to support construction of additional WSDOT's Point Defiance Bypass components at Freighthouse Square in Tacoma that Sound Transit has agreed to construct on behalf of WSDOT as part of the Construction and Maintenance Agreement;

WHEREAS, the Point Defiance Bypass project needs to rebaseline its budget in order to reflect both the not-to-exceed contract amount authorized by the Sound Transit Board in Motion No. M2015-78, and the Construction and Maintenance Agreement with WSDOT, which was brought to the Board for approval via Motion No. M2014-50, and later amended, restated and brought to the Board for approval via Motion No. M2016-50; and

WHEREAS, by Resolution No. R2015-36, the Sound Transit Board adopted the 2016 Budget on December 17, 2015; and

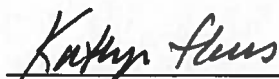
WHEREAS, a two-thirds affirmative vote of the entire membership of the Sound Transit Board is required to amend the Adopted 2016 Budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that the Point Defiance Bypass baseline budget is amended by (a) reducing the Adopted 2016 Project Budget by \$44,330,000 from \$128,000,000 to \$83,670,000, and (b) reducing the Adopted 2016 Annual Budget by \$2,902,275 from \$52,482,000 to \$49,579,725.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 28, 2016.


Pat McCarthy
Board Chair Pro Tem

ATTEST:



Kathryn Flores
Board Administrator