

RESOLUTION NO. R2017-18

Agreement with the Port of Everett to Convey Certain Real Property Interests to Sound Transit

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	05/11/17	Recommend to the Board	Ahmad Fazel, DECM Executive Director Kevin Workman, Director of Real Property
Board	05/25/17	Final Action	Patrick Sullivan, Senior Real Property Agent

PROPOSED ACTION

Authorizes the chief executive officer to execute an agreement to (1) acquire certain real property interests from the Port of Everett and (2) reimburse the Port of Everett for utility infrastructure improvements that serve the Mukilteo Sounder Station platform, for a total agreement amount of \$1,234,000.

KEY FEATURES SUMMARY

- The Port of Everett received the Mukilteo Tank Farm property from the Secretary of the Air Force in October 2013 and intends to convey portions of the Tank Farm property to various public entities, including Sound Transit.
- This action authorizes Sound Transit to purchase the portion of the Tank Farm property which is currently leased to Sound Transit for the Mukilteo commuter rail station for a purchase price of \$1,000,000.
- In 2014, the Port of Everett appraised the property to have a value of \$1,000,000 based on certain property acquisitions related to the Tank Farm. Since that time, the property interests have been refined and include Lot 1 of the binding site plan, together with easements that serve the commuter rail station. Several of the easements identified may be relocated by future public projects to be conducted at the Tank Farm property, so long as Sound Transit's operations and functionality are preserved during construction and at the completion of the projects.
- Sound Transit's 2017 appraisal of the property interests to be purchased values them at \$945,480. In consideration of the Port's decades long role in securing the property for public agencies, including Sound Transit, and the ongoing cooperation of the parties, the parties have agreed to the purchase price of \$1,000,000.
- This action also authorizes the reimbursement of \$234,000 to the Port of Everett for utilities and infrastructure installation completed during the construction of the platform. In addition, Sound Transit will grant or consent to a no cost temporary construction easement to Washington State Ferries on parts of the station area to facilitate a public project.
- The real property identified in this action is included in Exhibit A.

BACKGROUND

On October 28, 1999, Sound Transit adopted Motion No. M1999-75 authorizing the Executive Director to execute a Memorandum of Understanding (MOU) establishing cooperation between Sound Transit, Port of Everett, City of Mukilteo, Washington State Department of Transportation (WSDOT), and City of Everett for the acquisition of the Mukilteo Tank Farm property from the United States Air Force. Under the terms of the MOU, the parties utilized the Department of Defense surplus property process in order to provide Sound Transit with sufficient land to support

Sounder commuter rail needs at the Mukilteo Station. The property is a former fuel tank farm site covering approximately 22 acres of the City of Mukilteo's waterfront. The Sounder Mukilteo Station was constructed and operates on a portion of the property pursuant to a lease that initially was with the Department of Defense and now is with the Port of Everett.

On October 4, 2013, the Secretary of the Air Force conveyed the Tank Farm property to the Port of Everett after completing certain dismantling and environmental cleanup activities.

The Port of Everett installed utility infrastructure to serve the Mukilteo Tank Farm property and associated projects. Sound Transit agreed to reimburse the Port of Everett for Sound Transit's portion of the utility infrastructure.

The Port of Everett intends to convey portions of the Tank Farm property to various public entities, including Sound Transit. That portion of the Tank Farm Property to be conveyed to Sound Transit includes the current platform, and both temporary and permanent easements that serve the Mukilteo commuter rail station.

FISCAL INFORMATION

This action is within the baseline budget and sufficient monies remain after approval of this action to fund the remaining work in the right of way phase as contained in the current cost estimates.

The baseline budget for the Mukilteo Station, S Platform project is \$18,312,899. Within the right of way phase, \$1,287,037 has been allocated to the budget line item for ROW Take. The proposed action would commit \$1,234,000 to this line item and leave a remaining budget balance of \$53,037.

Mukilteo Station, S Platform

(in thousands)

	Baseline Budget	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Agency Administration	\$1,540	\$1,417	\$	\$1,417	\$123
Preliminary Engineering					
Final Design	2,647	2,240		2,240	407
Third Party Agreements	35	35		35	
Right of Way	1,778	491	1,234	1,725	53
Construction	10,363	9,057		9,057	1,306
Construction Services	1,950	1,724		1,724	226
Vehicles					
Total Current Budget	\$18,313	\$14,965	\$1,234	\$16,199	\$2,114
Phase Detail					
Right of Way					
ROW TAKE	\$1,287	\$	\$1,234	\$1,234	\$53
Other Right of Way Phase	491	491		491	
Total Phase	\$1,778	\$491	\$1,234	\$1,725	\$53

Agreement Detail

Port of Everett

	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Agreement Amount	\$	\$	\$1,234	\$1,234
Contingency				
Total	\$	\$	\$1,234	\$1,234
Percent Contingency	0%	0%	0%	0%

Notes:

Amounts are expressed in Year of Expenditure.

Board Approvals = Committed To-Date + Contingency as of Mar 17, and includes pending Board actions.

For detailed project information, see page 44 or 147 in the Adopted 2017 Transit Improvement Plan.

SMALL BUSINESS/DBE PARTICIPATION

Not applicable to this action.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one-month delay would not significantly impact the project.

PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2000-10: Authorized acquiring, disposing, or leasing certain real property interests by negotiated purchase or by condemnation and to pay eligible relocation and re-establishment benefits to affected parties as necessary for the construction and operation of commuter rail facilities for the Everett to Seattle Commuter Rail Project.

Motion No. M1999-75: Authorized the Executive Director to execute a Memorandum of Understanding establishing cooperation between Sound Transit, Port of Everett, City of Mukilteo, Washington State Department of Transportation (WSDOT), and City of Everett for the acquisition of the Mukilteo Tank Farm property from the United States Air Force through the Department of Defense surplus property process.

Resolution No. R1999-5: Established a Memorandum of Agreement between the City of Everett and Sound Transit establishing the working relationship for environmental process, design and permitting of the proposed Everett/Sounder facilities.

ENVIRONMENTAL REVIEW

JI 5/9/2017

LEGAL REVIEW

JB 5/10/2017

RESOLUTION NO. R2017-18

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute an agreement to (1) acquire certain real property interests from the Port of Everett and (2) reimburse the Port of Everett for utility infrastructure improvements that serve the Mukilteo Sounder Station platform, for a total agreement amount of \$1,234,000.

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, November 4, 2008, and November 8, 2016, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, Sound Transit desires to acquire a portion of the Tank Farm which is currently leased to Sound Transit for the Mukilteo commuter rail station through that certain lease dated May 1, 2011 between Sound Transit and the Secretary of the Air Force assigned by the Air Force to the Port of Everett on October 3, 2013, and extended September 28, 2015, together with easements that serve the station; and

WHEREAS, Sound Transit desires to reimburse the Port of Everett \$234,000 for the costs of utility infrastructure work done by the Port for the benefit of the Mukilteo Station; and

WHEREAS, Sound Transit has negotiated that certain Agreement to convey real property with the Port of Everett whereby Sound Transit would grant or consent to a temporary construction easement for Washington State Ferries construction, reimburse the Port of Everett for the utility infrastructure work, and acquire real properties as necessary for the continued operation and permanent location of the Mukilteo Sounder Station and such properties are reasonably described in Exhibit A of this resolution; and

WHEREAS, Sound Transit has commissioned an appraisal which determined the fair market value of the properties is \$945,480; and

WHEREAS, in consideration of the Port's decades long role in securing the property for public agencies, including Sound Transit and the ongoing cooperation of the parties, Sound Transit has determined that a purchase price of \$1,000,000 represents the true and full value of the properties; and

WHEREAS, the funds necessary to acquire the property by voluntary purchase and the funds necessary to reimburse eligible relocation and reestablishment expenses shall be paid from Sound Transit general funds.

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

SECTION 1. The chief executive officer is hereby authorized to execute the Agreement to Convey Real Property for a total agreement price of \$1,234,000, together with such agreements as are customary and necessary for the acquisition or lease of interests in the real property described in Exhibit A (said property to be used for the Mukilteo Sounder Station) and incorporated herein by reference.

SECTION 2. In consideration of the Port of Everett's facilitation of Sound Transit's lease and purchase of the properties, and in consideration of continued cooperation, the Sound Transit Board deems the purchase price of \$1,000,000 to be true and full value for the properties and other benefits received.

SECTION 3. The chief executive officer is also authorized to make minor amendments to the legal descriptions of the properties described in Exhibit A, as may be necessary to correct scrivener's errors and/or to conform the legal description to the precise boundaries of the property required for the Project.

SECTION 4. The funds necessary to acquire the property by purchase shall be paid from Sound Transit general funds.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 25, 2017.



Dave Somers
Board Chair

ATTEST:



Kathryn Flores
Board Administrator

RESOLUTION NO. R2017-18
EXHIBIT A

Port of Everett-Mukilteo Tank Farm

ITEM	ROW ID	TAX PARCEL NUMBER	TAX PAYER	PROPERTY ADDRESS
1	MLTK016	Lot 1 of amended Binding Site Plan recorded under recording number 201701205001 Snohomish County WA.	Port of Everett	PO Box 538 Everett, WA 98206
2	MLTK017	Tract 1 of amended Binding Site Plan recorded under recording number 201701205001 Snohomish County WA.	Port of Everett	PO Box 538 Everett, WA 9820
3	MLTK018	Tract 2 of amended Binding Site Plan recorded under recording number 201701205001 Snohomish County WA.	Port of Everett	PO Box 538 Everett, WA 9820
4	MLTK019	Lot 4 of amended Binding Site Plan recorded under recording number 201701205001 Snohomish County WA.	Port of Everett	PO Box 538 Everett, WA 9820