

MOTION NO. M2018-74

Amendment to the Construction and Maintenance Agreement with the Washington State Department of Transportation

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	06/14/2018	Recommend to Board	Ahmad Fazel, DECM Executive Director
Board	06/28/2018	Final Action	Joe Gildner, Deputy Executive Director-PM Mark Johnson, Project Director

PROPOSED ACTION

Authorizes the chief executive officer to execute an amendment to give Washington State Department of Transportation two 20-year options to extend the Amended and Restated Construction and Maintenance Agreement with WSDOT that implemented a portion of the Cascade High Speed Intercity Passenger Rail Program on Sound Transit-owned rail corridor.

KEY FEATURES SUMMARY

- The Amended and Restated Construction and Maintenance agreement gives Washington State Department of Transportation (WSDOT) rights to operate passenger trains on Sound Transit's Lakewood Subdivision and use of Sound Transit's facilities at Tacoma Dome Station (TDS), including the new platforms funded by WSDOT. WSDOT pays track use fees based on train-miles traveled and a portion of facilities maintenance costs at TDS based on usage.
- The current agreement with WSDOT is for a term of 20 years, expiring in June 2036.
- The parties have identified mutual benefit in amending the agreement to give WSDOT two 20-year options to extend its term.
- If WSDOT exercises these options, WSDOT's rights and cost responsibilities will be extended accordingly.

BACKGROUND

WSDOT obtained nearly \$800 million in funding through the Federal Railway Administration's (FRA) High-Speed Intercity Passenger Rail program. The FRA funds were used to deliver rail infrastructure improvements that expanded travel choices, preserved freight mobility, and fostered 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 include reducing travel time between Portland and Seattle, improving on-time performance to 88 percent, and adding two additional daily roundtrips between the cities.

The Point Defiance Bypass (PDB) project is a keystone within the state's program; the PDB Track & Signal contract improved portions of the Lakewood rail corridor owned by Sound Transit in Pierce County. Amtrak Cascades and long-distance passenger service was routed along the rail corridor between Nisqually and Tacoma in 4Q 2018, avoiding the slower, 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.

As the owner of the Lakewood corridor, Sound Transit agreed to administer the construction of the PDB Track & Signal contract to help minimize impacts to current Sounder service as well as complete the work effectively and efficiently. WSDOT's program has also allocated \$30 million of the High Speed Rail funding received to the completed D-to-M Streets Track & Signal project in Pierce County, a project that was essential to connecting the Lakeview corridor to TDS.

Sound Transit negotiated three agreements with WSDOT and Amtrak related to implementation of the Cascade High Speed Rail Program: a Service Outcomes Agreement with WSDOT and Amtrak, a Construction and Maintenance Agreement with WSDOT, and an Operating Agreement with Amtrak.

The Amended and Restated Construction and Maintenance Agreement between Sound Transit and WSDOT covers all the capital funding for the two projects, including \$30 million for the D-to-M Street Track & Signal project and the entirety of the funding for the PDB Track & Signal project costs. The agreement also stipulates reporting requirements, timelines for delivery, and other grant requirements that flow down from the FRA for administration of the project.

In addition to the improvements made to the rail corridor between Tacoma and Nisqually, other improvements were made in and around Tacoma Dome Station at Freighthouse Square in order to accommodate the relocation of Amtrak's existing station in Tacoma to Freighthouse Square. This allows Amtrak to operate its trains through the Lakewood rail corridor and continue to serve patrons in Tacoma. The improvements at Freighthouse Square/TDS were built in the vicinity of the Tacoma Trestle construction. Because of the number of interface and construction coordination issues between the projects, WSDOT asked Sound Transit to administer construction of those components of the PDB project adjacent TDS, with the exception of the Amtrak Station construction inside Freighthouse Square. Sound Transit agreed to deliver this work, which was incorporated by change order in the Tacoma Trestle construction contract.

Expenses for these additional scopes of work have been reimbursed to Sound Transit by WSDOT through the FRA's High-Speed Intercity Passenger Rail program, funds for which were appropriated under the American Recovery and Reinvestment Act (ARRA) of 2009, and using state funds for project scope completed after the ARRA program's end in September 2017.

The Construction and Maintenance Agreement also covers responsibilities for operating and maintaining the improvements and for payment of associated costs. Where the costs of maintenance are to be shared between Sound Transit and WSDOT, actual costs are divided proportionally according to the number of trains operated by each party that stop at TDS.

FISCAL INFORMATION

Although there is no direct fiscal action associated with the proposed action, the extension of the agreement will have fiscal impacts as to WSDOT's rights and cost responsibilities laid out in the agreement.

SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

Not applicable to this action.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one-month delay would not create a significant impact to the project schedule.

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.

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 (Amtrak) 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.

ENVIRONMENTAL REVIEW

KH 6/6/2018

LEGAL REVIEW

JW 6/7/18

MOTION NO. M2018-74

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute an amendment to give Washington State Department of Transportation two 20-year options to extend the Amended and Restated Construction and Maintenance Agreement with WSDOT that implemented a portion of the Cascade High Speed Intercity Passenger Rail Program on Sound Transit-owned rail corridor.

BACKGROUND:

Washington State Department of Transportation (WSDOT) obtained nearly \$800 million in funding through the Federal Railway Administration's (FRA) High-Speed Intercity Passenger Rail program. The FRA funds were used to deliver rail infrastructure improvements that expanded travel choices, preserved freight mobility, and fostered 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 include reducing travel time between Portland and Seattle, improving on-time performance to 88 percent, and adding two additional daily roundtrips between the cities.

The Point Defiance Bypass (PDB) project is a keystone within the state's program; the PDB Track & Signal contract improved portions of the Lakewood rail corridor owned by Sound Transit in Pierce County. Amtrak Cascades and long-distance passenger service was routed along the rail corridor between Nisqually and Tacoma in 4Q 2018, avoiding the slower, 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.

As the owner of the Lakewood corridor, Sound Transit agreed to administer the construction of the PDB Track & Signal contract to help minimize impacts to current Sounder service as well as complete the work effectively and efficiently. WSDOT's program has also allocated \$30 million of the High Speed Rail funding received to the completed D-to-M Streets Track & Signal project in Pierce County, a project that was essential to connecting the Lakeview corridor to TDS.

Sound Transit negotiated three agreements with WSDOT and Amtrak related to implementation of the Cascade High Speed Rail Program: a Service Outcomes Agreement with WSDOT and Amtrak, a Construction and Maintenance Agreement with WSDOT, and an Operating Agreement with Amtrak.

The Amended and Restated Construction and Maintenance Agreement between Sound Transit and WSDOT covers all the capital funding for the two projects, including \$30 million for the D-to-M Street Track & Signal project and the entirety of the funding for the PDB Track & Signal project costs. The agreement also stipulates reporting requirements, timelines for delivery, and other grant requirements that flow down from the FRA for administration of the project.

In addition to the improvements made to the rail corridor between Tacoma and Nisqually, other improvements were made in and around Tacoma Dome Station at Freighthouse Square in order to accommodate the relocation of Amtrak's existing station in Tacoma to Freighthouse Square. This allows Amtrak to operate its trains through the Lakewood rail corridor and continue to serve patrons in Tacoma. The improvements at Freighthouse Square/TDS were built in the vicinity of the Tacoma Trestle construction. Because of the number of interface and construction coordination issues between the projects, WSDOT asked Sound Transit to administer construction of those

components of the PDB project adjacent TDS, with the exception of the Amtrak Station construction inside Freighthouse Square. Sound Transit agreed to deliver this work, which was incorporated by change order in the Tacoma Trestle construction contract.

Expenses for these additional scopes of work have been reimbursed to Sound Transit by WSDOT through the FRA's High-Speed Intercity Passenger Rail program, funds for which were appropriated under the American Recovery and Reinvestment Act (ARRA) of 2009, and using state funds for project scope completed after the ARRA program's end in September 2017.

The Construction and Maintenance Agreement also covers responsibilities for operating and maintaining the improvements and for payment of associated costs. Where the costs of maintenance are to be shared between Sound Transit and WSDOT, actual costs are divided proportionally according to the number of trains operated by each party that stop at TDS.

MOTION:

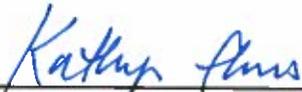
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute an amendment to give Washington State Department of Transportation (WSDOT) two 20-year options to extend the Amended and Restated Construction and Maintenance Agreement with WSDOT that implemented a portion of the Cascade High Speed Intercity Passenger Rail Program on Sound Transit-owned rail corridor

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 28, 2018.



Dave Somers
Board Chair

ATTEST:



Kathryn Flores
Board Administrator