



Motion No. M2020-56

Funding Agreement for Capped Contribution to City of Seattle’s Madison BRT Project

| Meeting: | Date: | Type of action: | Staff contact: |
|----------|-----------|-----------------|--|
| Board | 9/24/2020 | Final action | Don Billen, Executive Director, PEPD Cathal Ridge, Executive Corridor Director- Central Corridor Chris Rule, HCT Project Manager – Central Corridor |

Proposed action

Authorizes the chief executive officer to execute an agreement with the City of Seattle to provide a funding contribution of \$29,500,000 for bus corridor improvements in support of the City of Seattle’s bus rapid transit project along the Madison Street corridor, with a contingency of \$6,300,000 for a total authorized agreement amount not to exceed \$35,800,000.

Key features summary

- This action authorizes Sound Transit to enter into an inter-local agreement with the City of Seattle to partially fund the City’s Madison Street BRT project beginning in 2021. The agreement would allow Sound Transit to reimburse the City for construction phase costs of up to \$29.5 million, with an additional \$6.3 million of contingency allocated to aid the City in meeting Federal Transit Administration (FTA) budget commitment requirements for a Small Starts grant.
- The Sound Transit 3 (ST3) System Plan includes a capped capital contribution of \$65 million for bus capital enhancements to design and construct transit priority improvements that improve speed and reliability for the Madison BRT project and the RapidRide C and D Lines.
- In 2018, the Sound Transit Board established the RapidRide C and D Improvements project. In the 2020 Budget adopted by the Board, the project budget and scope was expanded to include the Madison BRT budget and scope.
- The City of Seattle is the lead agency for the Madison BRT project. The project will provide bus-only lanes and other improvements in Seattle right of way and procure a fleet of diesel-hybrid buses to be operated as the RapidRide G Line by King County Metro. The City plans to begin construction in 2021.
- Sound Transit staff would monitor the project via quarterly progress reports and ensure the City meets key construction milestones to receive Sound Transit payment. The City is expected to complete the Madison BRT project by the end of 2024. If the City were to abandon the project, the agreement requires the City to reimburse Sound Transit for the agency’s funding contribution.
- The City of Seattle’s project is supported by several other federal, state, and local funding sources. The City seeks an FTA Small Starts Grant of \$59.9 million, and the project has received an overall High rating. The City requires that Sound Transit’s funding commitment be secured in order to meet readiness requirements for this federal grant.

- The City of Seattle intends to use Sound Transit's contribution as a local match to other project funding sources, including the FTA Small Starts grant. Sound Transit would confirm that adequate funding is secured prior to reimbursing project costs.

Background

The ST3 Plan includes, within the Early Deliverables Program, a combined capped funding contribution for both Madison Street bus rapid transit and RapidRide C & D capital improvement projects. The Seattle Transit Master Plan, as amended in 2016, identifies Madison Street between the Colman Dock Ferry Terminal in downtown Seattle and 23rd Avenue E as a future high-capacity Bus Rapid Transit (BRT) corridor. The City of Seattle began planning for this project in 2014.

King County Metro has identified the Project as a future RapidRide Line in the "Metro Connects" long-range vision plan adopted by the King County Council in January 2017. Metro is partnering with SDOT to operate the Madison BRT project as the RapidRide G Line.

The City of Seattle's Department of Transportation (SDOT) will construct enhancements to enable new BRT service provided by King County Metro on Madison Street between 1st Avenue and Martin Luther King, Jr. Way E, Spring Street between 1st Avenue and 9th Avenue, and 1st Avenue and 9th Avenue between Madison Street and Spring Street as part of the Madison Street BRT Project.

The project will provide fast, frequent, reliable, and safe public transportation between 1st Avenue in downtown Seattle and Martin Luther King Jr. Way E and will serve densely developed neighborhoods in downtown Seattle, First Hill, Capitol Hill, the Central Area, and Madison Valley. It will connect to key bus routes, the First Hill Streetcar, ferry service at the Colman Dock Ferry Terminal, and existing and future Link light rail stations. Key project elements include new diesel hybrid buses, eleven BRT station areas, 2.6 miles of Transit-Only Lanes and Business Access and Transit lanes, and signal improvements.

The City identified proposed elements of the Madison Street BRT project and completed environmental review of the Project under the National Environmental Policy Act (NEPA). The FTA concurred that the project qualified as a categorical exclusion on December 27, 2017. The City issued a Determination of Non-Significance adoption notice on January 19, 2018 under the State Environmental Policy Act (SEPA).

Fiscal information

This action is within the RapidRide C and D project budget and sufficient monies remain after approval of this action to fund the remaining work in the Third Party phase.

The project was established in 2018 and the 2020 budget increased the project budget by \$62.65 million to fund agreements with King County Metro and the City of Seattle for RapidRide C and D and Madison Street BRT Improvements.

The authorized project allocation to date for the RapidRide C and D project is \$65,000,000. Within the Third Party phase, \$35,800,000 has been allocated to City of Seattle for Madison BRT. The action would commit \$35,800,000 to this line item and leave no remaining budget balance.

RapidRide C&D Improvements

(in thousands)

| Project Phase | Authorized Project Allocation to Date | Board Approvals | This Action | Board Approved Plus Action | Uncommitted / (Shortfall) |
|-----------------------------------|---------------------------------------|-----------------|-----------------|----------------------------|---------------------------|
| Agency Administration | \$750 | \$78 | \$ | \$ | \$750 |
| Preliminary Engineering | 1,750 | 599 | | 599 | 1,151 |
| Final Design | | | | | |
| Third Party | 62,500 | | 35,800 | 35,800 | 26,700 |
| Right of Way | | | | | |
| Construction | | | | | |
| Construction Services | | | | | |
| Vehicles | | | | | |
| Total Current Budget | \$65,000 | \$677 | \$ | \$36,399 | \$28,601 |
| Phase Detail - Third Party | | | | | |
| City of Seattle | \$35,800 | \$ | \$35,800 | \$35,800 | \$ |
| Other Third Party | 26,700 | | | 0 | 26,700 |
| Total Phase | \$62,500 | \$ | \$35,800 | \$35,800 | \$26,700 |

| Contract Detail | Board Approvals to Date | Current Approved Contract Status | Proposed Action | Proposed Total for Board Approval |
|------------------------------|-------------------------|----------------------------------|-----------------|-----------------------------------|
| City of Seattle | | | | |
| Contract Amount | \$ | \$ | \$29,500 | \$29,500 |
| Contingency | 0 | 0 | 6,300 | 6,300 |
| Total Contract Amount | \$ | \$ | \$35,800 | \$35,800 |
| Percent Contingency | 0% | 0% | 21% | 21% |

Notes:

Amounts are expressed in Year of Expenditure \$000s.

Board Approvals = Commitment and PO Contingency Remaining as of 9/21/2020

For detailed project information, see page 84 of the 2020 Finance Plan and Adopted Budget Book.

Small and Disadvantaged Business Participation

The City would set goals and track and report small business/DBE participation and apprenticeship utilization for project construction. Sound Transit would monitor progress on these goals.

Public involvement

The City of Seattle is the project lead and has conducted extensive public outreach during project development and refinement of the design, including open houses, meetings with individual stakeholders, and online participation.

Time constraints

A one-month delay may affect the ability of the City of Seattle to secure matching Federal Transit Administration grant funding.

Prior Board/Committee actions

Resolution No. R2019-30: Adopted an annual budget for the period from January 1 through December 31, 2020, and adopting the 2020 Transit Improvement Plan.

Resolution No. R2018-31: Amended the Adopted 2018 Budget to establish one of the early ST3 deliverable projects by (a) establishing the project and project name as RapidRide C and D Improvements, (b) establishing the project allocation to date through the completion of the preliminary engineering phase in the amount of \$2,350,000, and (c) establishing a 2018 Annual Budget in the amount of \$350,000.

Environmental review – KH 2/5/20

Legal review – MT 9/21/2020



Motion No. M2020-56

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute an agreement with the City of Seattle to provide a funding contribution of \$29,500,000 for bus corridor improvements in support of the City of Seattle's bus rapid transit project along the Madison Street corridor, with a contingency of \$6,300,000 for a total authorized agreement amount not to exceed \$35,800,000.

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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 agreement with the City of Seattle to provide a funding contribution of \$29,500,000 for bus corridor improvements in support of the City of Seattle's bus rapid transit project along the Madison Street corridor, with a contingency of \$6,300,000 for a total authorized agreement amount not to exceed \$35,800,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 24, 2020.



Kent Keel
Board Chair

Attest:



Kathryn Flores
Board Administrator