

**RESOLUTION NO. R2011-05**
**South Link - Airport to South 200th Project Acceleration and Budget Amendment**

<b>MEETING:</b>	<b>DATE:</b>	<b>TYPE OF ACTION:</b>	<b>STAFF CONTACT:</b>
Capital Committee	07/14/11	Recommendation to Board	Ahmad Fazel, DECM Executive Director
Board	07/28/11	Final Action	<b>Ron Lewis, Interim Project Director</b>

**PROPOSED ACTION**

(1) Accelerates the South Link – Airport to South 200<sup>th</sup> Street Project and establishes a project completion schedule milestone of September 2016; (2) approves Gates 4 and 5 within Sound Transit’s Phase Gate system; (3) amends the Project Lifetime Budget to increase it by \$341,849,600, from \$41,391,400 to \$383,241,000; and (4) amends the Adopted 2011 Annual Project Budget to increase it by \$500,829, from \$11,338,347 to \$11,839,175.

**KEY FEATURES**

Board approval of this action:

- Baselines the South Link Project schedule and budget for extension of Link from the SeaTac/Airport Station to South 200<sup>th</sup> Street and the opening of a station at South 200<sup>th</sup> Street in September 2016, four years earlier than contemplated in the Sound Transit 2 Plan; and
- Approves the South Link Project capital Baseline Cost Estimate at \$383,241,000 (YOES); and
- Constitutes approval of a modified Gate 4 and 5 within the agency’s Phase Gate system for adoption of the South Link Project baseline scope, schedule, and budget; and
- Establishes the Project Lifetime Budget of \$383,241,000 to provide final design services, right of way, construction, construction services, agency administration, and third party activities required to complete the project; and
- Increases the Adopted 2011 Annual Project Budget by \$500,829 to allow additional design services, third party agreement negotiations, and right of way acquisitions needed in 2011 to advance the project.

**PROJECT DESCRIPTION**

The South Link Project, incorporating the design refinements identified in the updated NEPA/SEPA environmental documents would extend light rail approximately 1.6 miles beyond the existing interim southern terminus at the SeaTac/Airport Station. The design features an elevated light rail guideway, a park-and-ride facility with a long term capacity of approximately 700 stalls and an interim capacity of up to 1100 stalls while a South 200<sup>th</sup> station is a temporary terminus of the Link system, on-street bus pullouts at the station, an off-street kiss and ride drop-off area, secured bicycle parking, and improved pedestrian and bicycle connections in the station vicinity.

As part of the recently completed design refinement effort, three new scope elements have been identified and incorporated into the project that were not previously part of the project scope. Two of the new scope elements are a direct result of Sound Transit’s current design guidelines and operations plans for the Link system. Specifically, incorporating a special guideway and track configuration to provide a pocket track south of SeaTac/Airport Station and a tail track beyond a South 200<sup>th</sup> station. Since the 2011 Transit Improvement Plan (TIP) included these structures in planning for the extension of Link beyond South 200<sup>th</sup> Street, adding them to the South Link Project directly reduces the scope for a future Link project. The third new scope element is an

increase in the amount of parking provided during the time period that a South 200<sup>th</sup> station is an interim terminus and the parking demand is anticipated to be the greatest.

## **FISCAL INFORMATION**

The resolution would amend the 2011 Lifetime Budget and the annual Adopted 2011 Budget for South Link.

- The 2011 Lifetime Budget would be amended to add \$341,849,600 to complete final design, property acquisition, construction, and related project activities to extend light rail to South 200<sup>th</sup> Street by 2016. The current South Link Lifetime Budget is \$41,391,400. Through adoption of this resolution, the amended 2011 South Link Lifetime Budget will be \$383,241,000.
- The Adopted 2011 Annual Budget for South Link would be amended to add \$500,829 to fund project activities for the remainder of 2011. The current South Link Adopted 2011 Annual Budget is \$11,338,347. Through adoption of this resolution, the amended 2011 South Link Budget will be \$11,839,175.
- The cost estimate included in the 2011 TIP for the South Link Project is \$303 million (2010\$) which is the equivalent of \$365 million (YOE\$). The proposed resolution would establish the Baseline Cost Estimate and amend the project budget to \$383.2 million (YOE\$), a net increase of approximately \$18 million (YOE\$). This increase is attributable to incorporating the design and construction of the pocket track and tail track into this project to meet Sound Transit's design guidelines and operations plans and increased parking supply while South 200<sup>th</sup> is an interim terminus. These additions are largely scope transfers from the next extension south and will result in some reduced costs for that extension.

The additional \$18 million (YOE\$) South 200<sup>th</sup> Project costs will be funded by \$6 million (YOE\$) of savings from the Airport Link Project, which will be defunded as part of the 2012 Budget, and \$5 million (YOE\$) reduction in the capital costs of the Kent Des Moines light rail segment (as the cost of the tail track are south of a 200<sup>th</sup> station and will reduce Kent Des Moines project costs). In addition, Sound Transit is pursuing a \$28 to \$34 million Transportation Investments Generating Economic Recovery (TIGER III) grant for the project. If the agency is successful in securing this grant, these resources would be added to the financial capacity of the South King County subarea.

## BUDGET TABLE

### BUDGET AMENDMENT

South Link - Airport to 200th St				LifETIME Budget		
Phase	2011 Annual Budget			Adopted 2011	Budget	Revised Project
	Project Budget	Budget Transfer	Project Budget	Project Budget	Transfer	Budget
Agency Administration	\$ 2,036	\$ (265)	\$ 1,770	\$ 3,378	\$ 12,686	\$ 16,064
Preliminary Engineering	\$ 526	\$ 2,604	\$ 3,130	\$ 5,878	\$ 0	\$ 5,878
Final Design	\$ 6,000	\$ (4,068)	\$ 1,933	\$ 15,373	\$ 4,632	\$ 20,005
Right of Way	\$ 2,177	\$ 2,001	\$ 4,177	\$ 15,441	\$ 28,108	\$ 43,549
Construction	\$ -	\$ -	\$ -	\$ -	\$ 275,725	\$ 275,725
Construction Services	\$ -	\$ -	\$ -	\$ -	\$ 15,135	\$ 15,135
Third Party Agreements	\$ 600	\$ 230	\$ 830	\$ 1,321	\$ 5,564	\$ 6,885
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 11,338</b>	<b>\$ 501</b>	<b>\$ 11,839</b>	<b>\$ 41,391</b>	<b>\$ 341,850</b>	<b>\$ 383,241</b>

Notes:

Amounts are expressed in Year of Expenditure \$000.

The South Link - Airport to 200th St project budget is located on page 53 of the 2011 Transit Improvement Plan (TIP).

## SMALL BUSINESS PARTICIPATION

Not applicable to this action.

## EQUAL EMPLOYMENT WORKFORCE PROFILE

Not applicable to this action.

## BACKGROUND

In 1996 voters approved the Sound Move Plan, a 24-mile Central Link light rail alignment between Northgate in Seattle and South 200<sup>th</sup> Street in SeaTac. The Sound Move Plan projected completion of at least 21 miles of light rail by 2006. However, a number of challenges encountered in the early part of the Central Link project resulted in a more phased implementation of the plan. The portion of the Central Link alignment from South 154<sup>th</sup> Street to South 200<sup>th</sup> Street was separated from the rest of the light rail projects in the Sound Move Plan and was identified as the Airport Link project.

The Airport Link Environmental Assessment, which was published on May 26, 2005, informed the Board's final decision on the Airport Link project including route and station locations. On July 14, 2005, the Sound Transit Board adopted Resolution No. R2005-16, which selected the final route, profile, and station locations for Airport Link from Tukwila International Boulevard Station to South 200<sup>th</sup> Street and selected the portion of the Airport Link project from Tukwila International Boulevard Station to SeaTac/Airport Station to be completed by the end of 2009. On February 28, 2008, the Board adopted Resolution No. R2008-04, which among other actions, amended the Airport Link Project budget and created a new project for the light rail segment from South 176<sup>th</sup> to South 200<sup>th</sup> Street (South Link).

The ST2 Plan approved by voters in the fall of 2008 included extension of the Central Link system to South 200<sup>th</sup> Street and Highline Community College by 2020, and to Redondo/Star Lake by 2023. In an effort to optimize the implementation of the ST2 capital program, Sound Transit's CEO directed staff to explore the potential of accelerating the construction and operation of the Link light rail extension from SeaTac/Airport Station to South 200<sup>th</sup> Street to be completed and placed in

service earlier than contemplated in the ST2 Plan. This direction was based upon the advanced state of readiness of the project (preliminary engineering complete and Record of Decision issued), and its potential to: increase ridership, create a fully functional multimodal interim terminus, provide additional parking on the system concurrent with the opening of the University Link project, and, benefit from a favorable bidding climate.

In September 2010, the Sound Transit Capital Committee approved a contract with Huitt-Zollars to refine the preliminary engineering work done under the Sound Move program to allow consideration of accelerating the extension to South 200<sup>th</sup> Street, subject to satisfactory resolution of the financial impacts of such acceleration. The objectives of the design refinement effort were to optimize the plan and profile for the guideway and station, conduct geotech, survey, utility, and other technical studies, review and refine right of way impacts, coordinate the guideway alignment and column locations with existing and planned roadways on Port of Seattle property, prepare an updated parking demand study for the South 200<sup>th</sup> Station applying lessons learned from existing light rail operations, identify and assess environmental impacts, and develop an updated cost estimate for the project. The design refinement effort is now complete and the resulting revisions to the project have been addressed in a NEPA re-evaluation and SEPA addendum issued by Sound Transit.

This action would facilitate completion of the South Link Project by September 2016. The public benefits of opening light rail service to South 200<sup>th</sup> Street sooner than anticipated in ST2 would be to increase access to the Link system for south King County and Pierce County riders, provide a more balanced distribution of parking by providing an alternative to parking at the Tukwila International Boulevard Station, and create new jobs.

As part of the design refinement effort, staff explored the feasibility of accelerating the schedule for delivering the project utilizing a design-build delivery method. In July 2010, Sound Transit received approval from the State of Washington Capital Projects Advisory Review Board (CPARB), Project Review Committee (PRC) to use a design-build alternative contracting method for the South Link Project. Staff also studied light rail design-build projects performed by other transit agencies, conducted assessment workshops, and consulted with WSDOT and other public agencies about the design-build project delivery method. Staff intends to utilize a design-build delivery method for the South Link Project to further the project goals to:

- Open light rail service to South 200<sup>th</sup> Street by September 2016;
- Deliver the project scope within the Board approved budget;
- Foster innovation and quality in design and construction to provide long term sustainability benefits and reduced operations and maintenance costs;
- Benefit from the integration of the designer and contractor into a single team to effectively and efficiently identify, address, and resolve design and construction conflicts;
- Emphasize safety throughout all phases of the project; and
- Minimize disruption to the public and maintain positive relationships with key stakeholders including the City of SeaTac, Port of Seattle, and Sound Transit Link light rail users.

Sound Transit has submitted grant applications to help finance the South Link Project. Sound Transit's grant target for the South Link Project is approximately \$40 million. To date, Sound Transit has secured \$12.2 million in additional grant funding for South Link, which is above the amount assumed in the Financial Plan. The next opportunity for seeking additional grant funding for the South Link Project is a TIGER III grant. Sound Transit will also submit the South Link Project, as appropriate, for other grant competitions.

## **ENVIRONMENTAL COMPLIANCE**

Environmental compliance pursuant to the National Environmental Policy Act (NEPA) and the State Environmental Policy Act (SEPA) for Airport Link was completed with the Central Link Final Environmental Impact Statement (EIS) issued in November 1999 and Airport Link Environmental Assessment/SEPA Addendum (EA) on May 26, 2005. The Federal Transit Administration issued a Record of Decision for Airport Link on September 13, 2005. A NEPA re-evaluation of the changes proposed from the design refinement work was issued on June 24, 2011. A SEPA addendum was issued on July 5, 2011.

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## **PRIOR BOARD/COMMITTEE ACTIONS**

Resolution No. R2008-04 – Amended the Adopted 2008 Budget to (a) revise the Airport Link lifetime budget to \$269.1 million; (b) add a project for the light rail segment from South 176<sup>th</sup> to South 200<sup>th</sup> with a budget of \$3.767 million; and (c) treat as property for resale and record separately from the Airport Link project budget the previously authorized \$4.1 million acquisition costs for the “kiss-and-ride” facility at the Airport Link Station.

Resolution No. R2005-16 – Selected the final route, profile, and station locations for the Airport Link Light Rail Project from the Tukwila International Boulevard Station to South 200<sup>th</sup> Street.

## **TIME CONSTRAINTS**

A one month delay would erode project float very early in the project’s life cycle, and would impact the schedule for critical long-lead items such as obtaining required permits, acquiring necessary property rights, and initiating the design-build procurement. It is preferable to obtain Board approval at this time in order to benefit from the current favorable bidding climate.

## **PUBLIC INVOLVEMENT**

Project staff has provided updates and briefings during SeaTac City Council and public meetings over the past several months. The most recent briefing on June 28, 2011, included a project update and also focused on the property acquisition and relocation program.

Three public involvement and informational pieces have been created for this project. They include a fact sheet providing high-level project information such as project scope, schedule benefits, and status of design, a real estate fact sheet that defines common real estate terms, and a fact sheet for interested contractors with information on how to stay informed on the procurement process. A webpage with the same level of project information can be found at [www.soundtransit.org](http://www.soundtransit.org) under Projects and Plans.

A public open house was held on March 2, 2011, which included basic project information, along with updated design information as a result of the design refinement effort. Approximately 150 members of the public attended this open house.

Staff also participated in the SeaTac International Festival held at Angle Lake Park on June 25 and 26, 2011. Staff at Sound Transit’s informational booth provided basic project information, responded to questions, and distributed promotional items.

Notification of the SEPA addendum was sent to over 9,000 residents on June 27, 2011. The addendum was available for review on the project website.

In compliance with state law regarding public notification, Sound Transit mailed certified letters to property owners affected by this action on July 11, 2011. Legal notices of this proposed Board action will be published in the Seattle Times newspaper on July 15 and 22, 2011. In addition, staff have also attempted to personally contact each affected property owner. Staff personally met with property owners or contacted them by phone if contact information was available prior to certified letter notifications.

## **LEGAL REVIEW**

DB 7/11/11