

May 25, 2006

TO: Sound Transit Board members

FROM: Paul Matsuoka, Chief Policy and Planning Officer

SUBJECT: Recent Revisions to ST2 Candidate Projects' Scopes and Cost Estimates

In December 2005, staff provided you with a set of project templates, presenting the scopes and cost estimates for 81 ST2 candidate projects. On January 12, 2006, through Motion M2006-03, you removed eighteen of those projects from further analysis. This memo is to inform you and the public that all of the project templates for the remaining 63 ST2 candidate projects have undergone some revisions, which will make the information in the binders that staff distributed to the Board in December, 2005 out of date.

If you recall, when we distributed the binders to you in December, we advised that our intent was to continue to refine the cost estimates and scopes, where appropriate, based on new information and/or continued consultations with local jurisdictions or other partners. Rather than to continually produce updated binders, staff intends to notify you of the changes as they occur so that you and your staff may download the updated project templates of interest to you from the Sound Transit website. It is our commitment that as the project scopes and cost estimates settle down and stop changing, we will produce a final binder with the most up-to-date information on all the projects before you adopt a final ST2 Plan. Our intent is to produce that final binder in the autumn, so that it can help inform your deliberations on a ST2 Plan at the end of this year.

The changes that we are undertaking now include five different types of revisions:

- (1) Annual O&M costs for facilities that may be owned by ST have been added.
- (2) Potential annual contributions for paratransit services have been incorporated into the operating costs for all light rail extensions.
- (3) The scopes of some projects have been revised, or alternative scopes have been developed, based on consultations with jurisdictions and Board members (with associated changes in cost estimates).
- (4) The incomplete portion of the evaluation matrix for each project has now been filled out.
- (5) The cost estimates for Express Bus and *Sounder* Commuter Rail projects have been revised to reflect a more reasonable treatment of allocated contingencies and the establishment of the low and high ends of the potential cost range.

More specifics on each of these types of changes are described below.

1. Facilities O&M

We have added annual facility O&M costs for those projects which would be built, owned and operated by Sound Transit. The annual O&M costs are based directly on current ST cost experience with *Sound Move* projects.

2. Paratransit Costs

We have incorporated annual paratransit costs for all light rail extensions, as required by ADA laws. The estimated O&M costs for paratransit are calculated consistent with the agreed-upon methodology negotiated between King County Metro and Sound Transit for operation of the Central Link System. According to this methodology, these costs can vary depending on the projected ridership for the light rail system. Hence, until a final plan is approved, staff will use a surrogate cost which we believe yields a very close approximation, pending final ridership estimation.

3. Scope Revisions

The following projects are those that have undergone the most significant changes in scope and companion cost estimates. A brief explanation for each project is provided below:

North Corridor Projects

- **N6:** This project extended Link LRT from the University of Washington to Northgate. New projects have been developed and would extend Link from Northgate to Mountlake Terrace and/or Lynnwood Transit Center in Snohomish County. See projects N28, N29, N30, N31, N31T2 and N35T2.
- **N7:** The First Hill Connector project has a revised scope (both bus and streetcar options) and resulting cost estimate. Also, improvements in the Madison Street corridor are now separately described and analyzed. See projects N7A, N7B and N7C.
- **N11:** SR-99 BAT lanes (Snohomish) – Narrower lanes than the 14-foot standard BAT lanes are explored as an alternative scope/cost estimate, in four separate sub-segments. See projects N11A, N11B, N11C and N11D.
- **N23:** A variation of the new permanent *Sounder* station project in Edmonds has been developed to coordinate with funding for the “Edmonds Crossing” project currently included in the draft RTID package. This potentially reduces Sound Transit’s costs for developing *Sounder* facilities at this location. See project S23A.

East Corridor Projects

- **E13:** SR520 108th Direct Access – Project is re-scoped from a direct access ramp to a shoulder transit-only lane on the off-ramp and an additional lane on the bridge leading to the South Kirkland Park and Ride. See project E13B.
- **E20:** Bothell Transit Center – Based on City input, the site for this project has been moved. Therefore, the cost estimate has been revised.

South Corridor Projects

- **S2:** LRT extension from Kent/Des Moines Road to Tacoma Dome – This project is being segmented into more numerous sections and a more refined cost estimate developed for each segment. See projects S28, S29, S29T2 and S33T2 for extensions as far south as Federal Way Transit Center. Equivalent project refinement is currently underway for the potential LRT segments between Tacoma Dome Station and South Federal Way Transit Center. Those project scopes and estimates will be available for review in a few weeks.
- **S7:** Tacoma Link Extension to Tacoma Community College – A shorter extension of Tacoma Link, one to Tacoma General Hospital, has been described and analyzed. See project S7B.
- **S15:** Burien Park/Ride – The City and KCM have developed a proposal capping ST’s financial contribution to the project and making the City and KCM responsible for project cost overruns. See project S15B.
- **S18:** Auburn Station Parking Garage – An alternative project has been developed to construct the parking garage on ST-owned property. See project S18B.
- **S23:** Lakewood Station Parking Garage – An alternate project has been developed that increases the size of the garage to 600 stalls and includes a Sound Transit contribution of up to \$1M toward design and construction of a pedestrian bridge over the *Sounder* tracks, connecting the station to a neighborhood. See project S23B.

Light Rail Extensions to Central Link -- General

- All extensions to the *Sound Move* Central Link LRT system (University of Washington–to-SeaTac Airport) will have additional costs for fleet, maintenance bases and terminal facilities, which will vary depending on the length and ridership of the extensions in the corridors north, east and south of the *Sound Move* system. For simplicity, these additional *system* costs have been summarized in project templates representing extensions to Lynnwood (north), Redmond (east) and Federal Way Transit Center (south). Any Link LRT extensions to any other points will have different fleet, base and terminal costs that staff will calculate and present as the Board identifies those extensions for formal financial and other analyses as part of alternative transit systems.

4. Evaluation Summary

The notebooks distributed in December had an evaluation section in which only the four key criteria were filled-in. After this, staff completed the evaluation of each project on all measures and distributed that information via separate handout. Since we are revising all the project templates, we have taken advantage of this opportunity to add a summary of all the evaluation criteria to each project template.

5. Cost Estimates for Express Bus and Sounder Commuter Rail Projects

We have revised the cost estimates for Express Bus and *Sounder* Commuter Rail projects to reflect a more accurate and reasonable treatment of both allocated contingencies and the calculation of the low

and high ends of the potential cost ranges. This aligns the calculation of cost ranges for bus and commuter rail projects with the manner in which these are established for light rail projects. One result is that the high end cost estimates (so far used for all financial analysis) for these projects have been reduced by an average of approximately 20 percent. This coincides with the many comments received to date that the earlier (December, 2005) bus and commuter rail project cost estimates were too conservative and, therefore, artificially high. The revised cost estimates compare more closely to actual cost experience during implementation of the *Sound Move* projects.

As stated above, as project scopes evolve, staff will continue to keep the Board apprised of any ensuing changes to the project templates through periodic memos such as this one. If you have any questions about this memo, please do not hesitate to contact me or my staff.