



## Motion No. M2019-91

### Pierce Transit Pacific Avenue/SR7 Bus Corridor Improvements Funding Agreement

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee Board	08/08/2019 08/22/2019	Recommend to Board Final action	Don Billen, Executive Director, PEPD <b>Alex Krieg, Senior Manager – Planning &amp; Integration</b> <b>Chelsea Levy, HCT Development Director – South Corridor</b>

### Proposed action

Authorizes the chief executive officer to execute an agreement with Pierce Transit to provide a funding contribution for bus corridor improvements in support of Pierce Transit's bus rapid transit project along the Pacific Avenue/State Route 7 corridor, for a total authorized agreement amount not to exceed \$60,000,000.

### Key features summary

- The Sound Transit 3 (ST3) System Plan includes a capped capital contribution of \$60 million to Pierce Transit for bus capital enhancements for speed, reliability, and convenience along Pacific Avenue/ State Route 7 (SR7) in Tacoma and Pierce County.
- In early 2017, Pierce Transit began a feasibility study of high capacity transit along this corridor and identified bus rapid transit (BRT) as the preferred option. In 2018, the Pierce Transit Board of Commissioners identified a locally preferred alternative, which included the mode (BRT), the termini of the corridor (downtown Tacoma and Spanaway), and the alignment. In 2019, the Pierce Transit Board identified station locations, lane configuration, and routing to the Tacoma Dome Station. Pierce Transit has engaged the community throughout this process using a variety of methods, including 12 open houses in 2017 and 2018.
- The funding agreement includes initial periodic contributions of up to \$5 million for costs associated with project development activities to advance design, complete environmental, and further refine the project, and larger periodic contributions of the remaining amount (up to \$55 million) for actual costs of construction. Sound Transit's contribution for actual costs of construction are intended to support improvements that contribute to transit speed, reliability, and convenience in the Pacific Avenue and SR7 corridor. If Pierce Transit does not expend the entire amount of the contribution for project development costs, the balance can be used for reimbursement for costs of construction.
- Pierce Transit's project is supported by \$30.4 million in other federal, state, and local funding sources. Pierce Transit has applied for a Federal Transit Administration Small Starts Grant in the amount of \$59.7 million and received a Medium-High rating.
- Pierce Transit's project is expected to begin construction in 2021 and is scheduled to begin operation in 2023.

## **Background**

ST3 included a capped capital contribution to Pierce Transit in the amount of \$60 million for capital enhancements to support bus speed, reliability, and convenience along Pacific Avenue/SR7 in Tacoma and Pierce County. This corridor is currently served by Route 1, which is the highest ridership route in the Pierce Transit network and accounts for 12 percent of system ridership.

In early 2017, Pierce Transit began a feasibility study of high capacity transit along this corridor and identified bus rapid transit (BRT) as the preferred option. In 2018, the Pierce Transit Board of Commissioners identified a locally preferred alternative, which included the mode (BRT), the termini of the corridor (downtown Tacoma and Spanaway), and the alignment. In 2019, the Pierce Transit Board identified station locations, lane configuration, and routing to the Tacoma Dome Station. Pierce Transit has engaged the community throughout this process using a variety of methods.

Pierce Transit will use Sound Transit's capped contribution to support implementation of their proposed BRT project. Specifically, a small portion of Sound Transit's contribution will enable Pierce Transit to proceed through project development while the majority of the contribution will support construction of improvements that contribute to the high capacity transit elements of the project, including transit speed and reliability improvements.

Pierce Transit has applied for a Federal Transit Administration (FTA) Small Starts Grant in the amount of \$59.7 million and received a medium high rating. Pierce Transit has secured an additional \$30.4 million in other federal, state, and local funding sources.

Pierce Transit is currently in the environmental review process working with the FTA as lead agency for the National Environmental Policy Act. Pierce Transit is the lead agency for this proposal under the State Environmental Policy Act. Pierce Transit will initiate preliminary engineering later this year. Final design will be complete in early 2020 with construction expected that year. Pierce Transit expects to open their BRT project for service in 2023.

## **Fiscal information**

The authorized project allocation to date for the Pacific Avenue SR7 Bus Corridor Improvement project is \$60,500,000. Within that amount, \$60,000,000 has been allocated to the third party phase for project development and construction activities. This proposed action is a capped contribution and would commit this entire amount of \$60,000,000, leaving no remaining budget in the third party phase.

## Pacific Avenue SR7 Bus Corridor Improvement

(in thousands)

Project Phase	Proposed Project Allocation to Date	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Agency Administration	\$500	\$9	\$	\$9	\$491
Preliminary Engineering				0	0
Final Design				0	0
Third Party	60,000		60,000	60,000	0
Right of Way				0	0
Construction					
Construction Services					
Vehicles					
<b>Total Current Budget</b>	<b>\$60,500</b>	<b>\$9</b>	<b>\$60,000</b>	<b>\$60,009</b>	<b>\$491</b>
<b>Phase Detail - Third Party</b>					
Pierce Transit	\$60,000	\$	\$60,000	\$60,000	\$
Other Third Party					
<b>Total Phase</b>	<b>\$60,000</b>	<b>\$</b>	<b>\$60,000</b>	<b>\$60,000</b>	<b>\$</b>

Agreement Detail	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Pierce Transit				
Agreement Amount	\$	\$	\$60,000	\$60,000
Contingency				0
<b>Total Contract Amount</b>	<b>\$</b>	<b>\$</b>	<b>\$60,000</b>	<b>\$60,000</b>
Percent Contingency	0%	0%	0%	0%

### Notes:

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

Board Approvals = Committed and PO Contingency Remaining as of 6/30/19.

## Disadvantaged and Small Business Participation

Not applicable in this action.

## Public involvement

Not applicable in this action.

## Time constraints

A one-month delay would have an impact on Pierce Transit's ability to execute a contract for project development and design services.

**Environmental review – KH 7/30/19**

**Legal review – AJP 8/1/19**





## **Motion No. M2019-91**

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute an agreement with Pierce Transit to provide a funding contribution for bus corridor improvements in support of Pierce Transit's bus rapid transit project along the Pacific Avenue/State Route 7 corridor, for a total authorized agreement amount not to exceed \$60,000,000.

### **Background**

The Sound Transit 3 (ST3) included a capped capital contribution to Pierce Transit in the amount of \$60 million for capital enhancements to support bus speed, reliability, and convenience along Pacific Avenue/SR7 in Tacoma and Pierce County. This corridor is currently served by Route 1, which is the highest ridership route in the Pierce Transit network and accounts for 12 percent of system ridership.

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Pierce Transit has applied for a Federal Transit Administration (FTA) Small Starts Grant in the amount of \$59.7 million and received a [confirm rating]. Pierce Transit has secured an additional \$30.4 million in other federal, state, and local funding sources.

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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 Pierce Transit to provide a funding contribution for bus corridor improvements in support of Pierce Transit's bus rapid transit project along the Pacific Avenue/State Route 7 corridor, for a total authorized agreement amount not to exceed \$60,000,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on August 22, 2019.

  
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John Marchione  
Board Chair

**Attest:**

  
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Kathryn Flores  
Board Administrator