

Resolution No. R2025-15

Establishing a budget and authorizing negotiation of a purchase agreement for the Mountlake Terrace Garage

Meeting:	Date:	Type of action:	Staff contact:
Rider Experience and Operations Committee Board	07/03/2025 07/24/2025	Recommend to Board Final action	Marie Olson, Acting Service Delivery Deputy CEO Harry Demarest, Executive Director, Asset Management Bernadette McDermott, Executive Director, Project Delivery Clint Dameron, Acting Director, Real Property Michelle Walker, Deputy Executive Director, Facilities & Systems Maintenance

Proposed action

(1) Authorizes the chief executive officer to negotiate an agreement with Washington State Department of Transportation (WSDOT) to purchase the Mountlake Terrace Garage through a land transfer agreement, and (2) establishes a budget for the Mountlake Terrace Garage Rehabilitation Program by a) establishing an authorized program allocation of \$17,394,447 and b) establishing the program's 2025 annual budget of \$9,763,675.

Key features summary

- This action would authorize the CEO to engage in negotiations to acquire the Mountlake Terrace Garage (the "Property") from WSDOT to complement the infrastructure constructed as part of the Lynnwood Link Extension. Sound Transit took operational custody of the garage on April 1, 2025, under a Letter of Understanding (LOU) with WSDOT.
- Due diligence is underway to complete the Property transfer; several easements need to be retained by WSDOT, along with changes to its Right of Way Manual before an appraisal can be completed and the Property can be transferred to Sound Transit. After the appraisal and negotiations with WSDOT are complete, staff will return to the Board to ask for authorization to enter into an agreement to purchase the Property.
- An engineered assessment was completed on May 12, 2025, by Parametrix which identifies the rehabilitation scope to be completed over the next two years to bring the 17-year-old garage into a State of Good Repair and up to Sound Transit operational standards. The scope includes structural, mechanical, electrical, communications, civil, and wayfinding and signage elements.
- Elements of the structural rehabilitation scope are recommended by the assessment to be completed within nine months, prior to the formal completion of the acquisition. This work is weather sensitive and can only be completed between May and November.

- Any contracts necessary to complete the rehabilitation work will be executed in accordance with Resolution No. R2023-30, Sound Transit's Procurement, Agreements, and Delegated Authority Policy.

Background

In 2005, Community Transit (CT) was awarded a federal grant from the FTA to construct a parking garage at Mountlake Terrace Park and Ride. To facilitate this project, CT and the WSDOT entered into both an Interlocal Agreement and a Cooperative Operations and Maintenance Agreement. These agreements specified that, upon completion and acceptance of the garage by WSDOT, ownership of the facility would be transferred to WSDOT.

In 2009, WSDOT accepted the completed parking garage, and CT has operated and maintained the facility since then.

In 2020, WSDOT, CT, and Sound Transit entered into a Three-Party Concurrence Agreement to coordinate the use and maintenance of the Mountlake Terrace Park and Ride property, including the garage. As part of this agreement, WSDOT and CT agreed to amend their Cooperative Agreement to temporarily reduce the area covered by the agreement for the duration of Sound Transit's Temporary Construction Airspace Lease (TCAL) for the Lynnwood Link Extension project.

In 2022, CT formally executed a third amendment to the Cooperative Agreement with WSDOT, documenting the transfer of ownership of the garage to WSDOT (retroactively acknowledging acceptance in 2009). This amendment also confirmed WSDOT's assumption of all obligations under the FTA grant, including responsibility for the remaining Federal Interest in the facility.

In August 2024, Sound Transit opened the Lynnwood Link Extension. However, instead of transitioning the TCAL to a permanent Airspace Lease (ASL), the TCAL period was extended due to several factors, including the need to complete follow-up items and the completion of the 130th Street Infill Station. As a result of this extension, CT continued to be responsible for operations and maintenance of the Mountlake Terrace Park and Ride and garage under the terms of the Cooperative Agreement.

This arrangement remained in place until Sound Transit entered into a Letter of Understanding ("LOU") with WSDOT on March 27, 2025, to operate, maintain, and eventually acquire the Property. Fee acquisition of the Property is scheduled to occur in mid-2026. The LOU is temporary until such time as Amendment 5 to the L300 TCAL is complete, which will incorporate the Property into the TCAL premises until the fee acquisition is complete.

It is anticipated that the garage and all improvements will be transferred at no cost, and Sound Transit will only pay the land value of the Property to WSDOT via the Landbank Agreement. The land value of the Property will be determined by appraisal prior to closing.

On May 12, 2025, Sound Transit completed an engineered assessment of the garage, which identified structural repairs that are recommended to be completed within 9 months to mitigate further degradation of the structure. This work must be completed during the dry, warm weather window prior to November 2025 to meet the recommendation. As such, the structural portion of the rehabilitation scope will need to be completed prior to the acquisition. The impact of deferral of this work will increase future structural rehabilitation costs and, while there is no immediate indication of structural integrity failure, it would increase future risks of taking portions of the garage out of service for Passengers for more extended periods. The garage is currently 100% utilized during weekdays.

A future action will be brought to the Board to complete the acquisition of the site from WSDOT. Timing is estimated to be Q1 2026.

Fiscal information

The action establishes the Mountlake Terrace Garage Rehabilitation authorized project allocation in the amount of \$17,394,447 and a 2025 annual project budget in the amount of \$9,763,675.

The agency has sufficient allocated funding in the long-term service delivery projects forecast to fund this program.

Mountlake Terrace Garage Rehabilitation Program						
(in thousands)				Authorized Project Allocation to Date		
Phase	Annual Project Budget			Authorized Project Allocation to Date (Current)	Allocation Change	Authorized Project Allocation to Date (New)
	Adopted 2025 Annual Project Budget	Budget Revision	Revised 2025 Annual Project Budget			
Agency Administration		\$628	\$628		\$1,093	\$1,093
Preliminary Engineering		3,217	\$3,217		3,449	\$3,449
Final Design		2,500	\$2,500		2,730	\$2,730
Third Party Agreements			\$			\$
Right of Way			\$			\$
Construction		2,531	\$2,531		8,542	\$8,542
Construction Services			\$			\$
Vehicles			\$			\$
Contingency		888	\$888		1,581	\$1,581
Total	\$	\$9,764	\$9,764	\$	\$17,394	\$17,394

Time constraints

A one-month delay would limit the completion of recommended structural State of Good Repair work prior to the winter season.

Prior Board/Committee actions

Resolution No. R2024-25: Adopted an annual budget for the period from January 1 through December 31, 2025 and adopted the 2025 Transit Improvement Plan.

Environmental review – KH 6/18/25

Legal review – AJP 6/27/25

Resolution No. R2025-15

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority (1) Authorizing the chief executive officer to negotiate an agreement with Washington State Department of Transportation (WSDOT) to purchase the Mountlake Terrace Garage through a land transfer agreement, and (2) establishing a budget for the Mountlake Terrace Garage Rehabilitation Program by a) establishing an authorized program allocation of \$17,394,447 and b) establishing the program's 2025 annual budget of \$9,763,675.

WHEREAS, the Central Puget Sound Regional Transit Authority, commonly known as Sound Transit, was formed under chapters 81.104 and 81.112 of the Revised Code of Washington (RCW) for the Pierce, King, and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, Sound Transit is authorized to plan, construct, and permanently operate a high-capacity system of transportation infrastructure and services to meet regional public transportation needs in the Central Puget Sound region; and

WHEREAS, in general elections held within the Sound Transit district on November 5, 1996, November 4, 2008, and November 8, 2016, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, in 2020 Sound Transit, Washington State Department of Transportation (WSDOT), and Community Transit entered into a Concurrence Agreement to coordinate the use and maintenance of the Mountlake Terrace Park and Rider Property, including the parking garage; and

WHEREAS, Community Transit and WSDOT amended their Cooperative Operations and Maintenance Agreement to temporarily reduce the area covered by the agreement for the duration of Sound Transit's Temporary Construction Airspace Lease for the Lynnwood Link Extension project; and

WHEREAS, in 2022, Community Transit and WSDOT amended the Cooperative Operations and Maintenance Agreement documenting and acknowledging the 2009 transfer of ownership from Community Transit to WSDOT of the parking garage, and confirmed the assumption of all obligations, including responsibility for the remaining Federal Interest in the facility, under a 2005 Federal Transit Administration grant used to construct the garage; and,

WHEREAS, following the 2024 opening of the Lynnwood Link Extension, the Temporary Construction Airspace Lease was extended due to several factors, and Community Transit continued to be responsible for the Operations and Maintenance of the Mountlake Terrace Park and Ride, including the garage; and

WHEREAS, Sound Transit entered into a Letter of Understanding (LOU) with WSDOT on March 27, 2025, to operate, maintain, and eventually acquire the property, with the intent of incorporating the property into the Temporary Construction Airspace Lease until the fee acquisition, anticipated to occur in mid-2026, is complete; and,

WHEREAS, on May 12, 2025, Sound Transit completed an engineered assessment of the garage which identified structural repairs that are recommended to be completed within nine months to mitigate further degradation; the work for which must be completed during the dry, warm weather window prior to November 2025; and,

WHEREAS, while there is no immediate indication of structural integrity failure should the work be deferred, there would be an increased future risk of taking portions of the garage out of service for extended periods to facilitate potential repairs.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that:

Section 1. The chief executive officer is authorized to negotiate an agreement with Washington State Department of Transportation (WSDOT) to purchase the Mountlake Terrace Garage through a land transfer agreement.

Section 2. The Adopted 2025 Budget is amended to establish a budget for the Mountlake Terrace Garage Rehabilitation Program by a) establishing an authorized program allocation of \$17,394,447 and b) establishing the program's 2025 annual budget of \$9,763,675.

ADOPTED by no less than a 2/3 affirmative vote of the entire membership of the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on _____.

Dave Somers
Board Chair

Attest:

Kathryn Flores
Board Administrator