

SOUND TRANSIT

MOTION NO. M99-73

Washington State Department of Transportation Agreement Amendment I-405 and Bellevue HOV Projects

BACKGROUND AND COMMENTS

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	10/21/99	Recommendation for Board Action	Agnes Govern, Director, Regional Express	206-398-5037
Board of Directors	10/28/99	Action	Bill Guenzler, Program Manager, Capital Projects	206-398-5042

ACTION:

Approval of Motion No. M99-73 authorizes the Executive Director to execute an amendment to the project agreement with Washington State Department of Transportation (WSDOT) for technical services pertaining to the Bellevue Direct Access Project. This amendment covers the cost of accelerating design of the first phase of the project. The total cost of the amendment is not to exceed \$1,892,094.

BACKGROUND:

Sound Transit executed a project agreement with WSDOT (Resolution No. R98-32, August 1998) for technical services for the Bellevue Direct Access Project. Under the existing project agreement, WSDOT was to prepare design file documents for the overall project and design and prepare contract documents for extending NE 2nd Street. We had also received preliminary approval from the Board for \$5.3 million to acquire right of way for the NE 2nd Street extension.

This amendment is necessary for two reasons:

1. The City of Bellevue has taken the lead on the NE 2nd Street extension work because it has capital projects underway in that area.
2. The first phase of the project must be accelerated to mitigate the delays that have occurred. Delays have occurred due to issues in securing approval of the Access Report and due to the inclusion of Puget Sound Chinook salmon on the endangered species list which has complicated the release of the Final Environmental Impact Statement.

The first phase of ST Express service began September 19, 1999, and will use existing facilities until the new capital projects are completed. The Sound Transit projects associated with this action include the Bellevue Direct Access HOV Project and improvements to the adjacent Bellevue Transit Center. It is currently anticipated that part of the transit center and related improvements will be constructed during 2000 with completion in 2001.

Risk Analysis

The 1999 update to the risk analysis for Regional Express capital projects describes the risk for the Bellevue Direct Access project and the Bellevue Transit Center expansion as follows:

Project	Financial Risk (Relative to current budget [1995\$])	Schedule Risk (Relative to 1999 Budget)	Comments
Bellevue Direct Access	Moderate	High	A cost-sharing agreement with Bellevue and WSDOT to be negotiated 1999-2000. Construction phasing to manage traffic impacts may slow construction schedule and impact bus service.
Bellevue Transit Center	Low	Low	Project on schedule to be completed within \$15M budget by 2001.

The total cost of the Bellevue Direct Access project cannot be accurately estimated until the completion of the design file that is scheduled for third quarter 2000. A comprehensive funding agreement will then be brought to the Board. Accelerating design of the first project phase (NE 6th Street widening; NE 8th Street and 112th Avenue NE, and SE 8th Street interchange improvement) as proposed in this motion, increases financial exposure by a maximum of \$2.3 million. Authorizing design of SE 8th Street interchange improvements now will recover six to seven months in the schedule. However, there is some possibility that state and federal review of the design file could make changes that would result in re-work on the SE 8th Street interchange design.

The improvements in the first project phase are mitigation common to all alternatives being evaluated in the draft FEIS. Final design of these improvements will not limit the Board's choice on if and how to proceed with the Bellevue direct access project. We will return to the Board after the FEIS is issued for action on final design for the remainder of the project and on a comprehensive funding agreement.

In partnership, Bellevue is proceeding on a similar schedule to design, acquire land, and construct supporting improvements at the following locations called out in the construction phasing plan from the draft FEIS:

- NE 8th Street/116th Avenue NE intersection
- NE 2nd Street/112th Avenue NE intersection
- Extension of NE 2nd Street (partial reimbursement by Sound Transit)

Project Schedule

The current schedule is as follows.

• Board authorizes WSDOT project agreement to prepare design file.	July 1998
• Approval of Sound Transit/Bellevue cost share agreement on construction of mitigation (NE 2nd Street).	October 1999
• Approval of amended project agreement with WSDOT to include the cost of design for SE 8th Street interchange improvements.	October 1999
• Approval of consultant contract for final design of transit center improvements (separate <i>Sound Move</i> project).	1Q 2000
• Award contract for interim widening of SE 6th Street.	1Q 2000
• WSDOT project agreement to design the balance of HOV project.	1Q 2000
• Comprehensive funding agreement with WSDOT and Bellevue.	3Q of 2000*
• Construction of HOV project.	2Q 2001 to 1Q 2004

*Earliest probable date based on the design file schedule.

Project Budget

The current cost data is based upon very preliminary engineering, generalized right-of-way data, estimated inflation in construction, and right-of-way costs in accordance with the above schedule.

Assumed Source	Sound Move in 1995\$	1999 Budget in YOES
Sound Transit (not including ST internal costs)	\$66M	\$76.7M (see funding below)
City and other sources		\$35.9M
Total		\$112.6M

RELEVANT BOARD POLICIES AND PREVIOUS ACTIONS TAKEN:

- Adoption of Sound Move (May 31, 1996).
- Adoption of Implementation Guide (May 22, 1997).
- Resolution 99, approving a Memorandum of Understanding with WSDOT (October 23, 1997).
- Approval of Resolution No. R98-32, an agreement with WSDOT for preparation of the design file for the Bellevue Direct Access Project, acquisition of right-of-way for the extension of NE 2nd Street, and the preparation of design and contract specifications for NE 2nd Street (August 18, 1998).
- Adoption of Fiscal Year 1999 Budget (November 12, 1998).
- Regional Express Capital Project Risk Analysis (Discussion Paper, July 1999).

KEY FEATURES OF THIS ACTION:

The amendment to the Bellevue Direct Access Project Agreement with WSDOT includes five items.

1. Deducts \$398,300 for the design and contract documents for the extension of NE 2nd Street. (If the Board approves, Bellevue will design and construct portions of NE 2nd Street and 112th Avenue NE with a \$3.2M contribution from Sound Transit as mitigation cost. This will be done by a separate Board action.)
2. Rescinds preliminary approval for \$5,350,000 to acquire right-of-way for the extension of NE 2nd Street.
3. Adds \$1,608,894 to cover the cost of final design and preparation of construction documents for improvements to SE 8th Street interchange that are necessary for mitigating construction traffic.
4. Adds \$119,000 for final design and preparation of construction documents that will accelerate a portion of the HOV Direct Access project to allow interim bus layover parking on NE 6th Street just east of the Bellevue Transit Center.
5. Adds \$331,200 for the final design and construction contract for the intersection of NE 8th Street and 112th Avenue NE.
6. Reimburses WSDOT \$231,300 for mapping and other management services.

FUNDING:

The 1999 Budget and Capital Plan approved by the Board on November 12, 1998 includes \$81.2M (YOE dollars). Work included in this agreement covers portions of 1999 and 2000 as follows:

	1997 and 1998	1999	2000	2001-2003	Project Total (including ST internal costs)
Budget	\$1.9M	\$10.7M	\$12.6M	\$56.0M	\$81.2M
Committed	\$.1M	*\$4.8M	\$2.1M		\$ 7.0M
This action		\$0.2M	\$1.7M		

*Assumes that Sound Transit will make a \$3.2M payment to Bellevue for a share of NE 2nd Street construction.

ALTERNATIVES:

1. Do not undertake any final design until the design file is complete and a comprehensive funding agreement is reached between WSDOT and Bellevue.

The projected time for completing the design file is now set for third quarter 2000. Final design on any phase prior to that time can result in additional work, if a design file decision were to cause a change in the final design of SE 8th Street interchange improvements. Re-

work would be costly and perhaps lose some of the time gained by accelerating this portion of the design.

The advantage of accelerating the final design of the SE 8th Street improvements is that some of the recent slip in the schedule could be made up and bring the project to completion closer to the Sound Move schedule. Some money would be saved by avoiding construction cost inflation to offset the risk of extra work on the final design.

The final design for the SE 8th Street interchange phase of construction is on the critical path and somewhat separate from improvements in the NE 4th Street to NE 8th Street portion of the project. The risk of re-work in the SE 8th Street section is relatively low.

2. Do not undertake final design on any phase until after the November election to determine the impact on Sound Transit's funding partners if Initiative 695 passes.

The project defined in the draft Final Environmental Impact Statement has elements that are necessary to Bellevue and WSDOT and whose construction will be funded by those entities. If I-695 were to pass, significant revenues would be lost to Bellevue and WSDOT. It has not yet been determined how the loss in revenue would affect the Bellevue Direct Access project. It would be difficult, without revisiting the Environmental Impact Statement, to change the project description so that it could be funded solely by Sound Transit.

CONSEQUENCES OF DELAY:

Bellevue will be the transit service hub for five ST Express eastside routes, as well as a significant service point for King County Metro. The current schedules would mean that the new service would operate without benefit of direct access for as many as three years. Postponement of final design would lengthen that period. In addition, the project would experience some cost inflation in construction cost.

LEGAL REVIEW:

The Legal Department has reviewed and approved the Background and Comments as to legal sufficiency.

SOUND TRANSIT

MOTION NO. M99-73

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute an amendment to the Bellevue Direct Access Project Agreement with the Washington State Department of Transportation for final design of improvements to SE 8th Street interchange, interim improvements to NE 6th Street between 110th and 112th Avenues NE, and improvements at the intersection of NE 8th Street and 112th Avenue NE for an amount not to exceed \$1,892,094.

Background:

In August 1998, Sound Transit executed a project agreement with WSDOT for technical services for the Bellevue Direct Access Project. Under the existing project agreement, WSDOT was to prepare design file documents for the overall project and design and prepare contract documents for extending NE 2nd Street. This motion would authorize an amendment to cover the cost of accelerating design of the first phase of the project. The amendment would deduct tasks related to the design of NE 2nd Street and add tasks to design improvements to the SE 8th Street interchange, NE 6th Street, and the intersection of NE 8th Street and 112th Avenue NE. The total cost of the amendment is not to exceed \$1,892,094.

The amendment is necessary for two reasons:

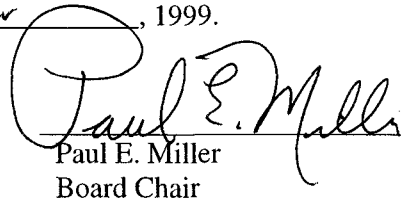
1. The City of Bellevue has taken the lead on the NE 2nd Street extension work, because the City has capital projects underway.
2. The first phase of the project must be accelerated to mitigate the delays that have occurred. Delays have occurred due to issues in securing approval of the Access Report and due to inclusion of Puget Sound Chinook salmon on the endangered species list.

Motion:

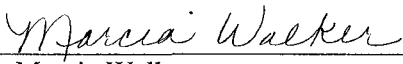
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to execute an amendment to the Bellevue Direct Access Project Agreement between Sound Transit and the Washington State Department of Transportation for a total amount not to exceed \$1,892,094. The amendment provides for:

1. The deduction of costs for right-of-way and design of an extension to NE 2nd Street;
2. The addition of costs for final design of improvements to the SE 8th Street interchange, the intersection of NE 8th Street at 112th Avenue NE and widening of NE 6th Street; and
3. The reimbursement of the costs of mapping and project management.

ADOPTED by the Board of Directors of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on the 28th day of October, 1999.


Paul E. Miller
Board Chair

ATTEST:



Marcia Walker
Board Administrator