

SOUND TRANSIT

MOTION NO. M99-74

**Agreement with City of Bellevue
for NE 2nd Street Extension
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	Approval	Bill Guenzler, Program Manager, Capital Projects	206-398-5042

ACTION:

Approval of Motion No. M99-74 authorizing the Executive Director to execute an agreement with the City of Bellevue (City) sharing the cost of extending NE 2nd Street from 112th Avenue NE to 114th Avenue NE.

BACKGROUND:

The Board approved Resolution No. R98-32 on August 18, 1999, authorizing the Executive Director to execute an agreement with the Washington State Department of Transportation (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. The resolution further directed the Executive Director to prepare and present an agreement to the Board for sharing the cost of extending NE 2nd Street.

As part of that negotiation, the City has proposed that the design and right-of-way acquisition of NE 2nd Street be incorporated into a larger street improvement on 112th Avenue NE that is being done by the City. Acceptance of the proposal would require modification of the agreement with WSDOT to delete the work on NE 2nd Street from their contract. It would also require that Sound Transit convey funds to the City for its share of the construction of NE 2nd Street.

Project Scope and Purpose

The draft Final Environmental Impact Statement requires that NE 2nd Street be extended to mitigate the traffic impacts of the Bellevue Direct Access Project on City streets. It would be constructed to City street standards and connect 112th Avenue NE to 114th Avenue NE. After constructed, it would become a City street, operated and maintained at City expense.

The NE 2nd Street Extension is a mitigation improvement common to all alternatives being evaluated in the draft FEIS. Conveying funds for this improvement at this time will not limit the Board's choice on if and how to proceed with the Bellevue direct access project. After the FEIS is issued, we will return to the Board for action on final design for the remainder of the project and on a comprehensive funding agreement.

Project Schedule

The current schedule is as follows including milestones for the adjacent Bellevue Transit Center Project contained in Sound Move:

• 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 Sound Move project).	1Q 2000
• Award final design contract for interim widening of NE 6th Street.	1Q 2000
• WSDOT project agreement to complete final design for 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.

Proportioning Cost

Because the overall cost of the project is being shared by Sound Transit and Bellevue, the cost of mitigating its impacts on City streets is proposed to be shared in the same proportion as the overall project. Using the latest comprehensive cost analysis available, the Sound Transit share of the overall project is 68.1%:

<u>Assumed Source</u>	<u>1999 Budget in YOE dollars</u>	<u>Proportional Share of Project Costs</u>
Sound Transit (not including ST internal costs)	\$76.7M	68.1%
<u>City of Bellevue</u>	<u>\$35.9</u>	<u>31.9%</u>
Total Project	\$112.6M	100.00%

The cost of the NE 2nd Street Extension is estimated at \$4,735,800. Sound Transit’s share of this improvement is proposed to be \$3.2M (\$4,735,800 x 0.681).

Adjustment to WSDOT Agreement

Under a pending separate motion, the Board will be asked to approve the deduction of the \$398,300 work elements related to the NE 2nd Street extension from the WSDOT Agreement (Resolution No. R98-32).

RELEVANT BOARD POLICIES AND PREVIOUS ACTIONS TAKEN:

- Adoption of Sound Move (May 31, 1996).
- Adoption of the Implementation Guide (May 22, 1997).
- Resolution 99, approving Memorandum of Understanding with WSDOT (October 23, 1997).
- 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 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).

KEY FEATURES:

The motion authorizes the Executive Director to negotiate and execute an agreement with the City with the following elements:

- Commits Sound Transit to provide \$3.2M to the City for Sound Transit’s share of extending NE 2nd Street from 112th Avenue NE to 114th Avenue NE.
- Provides that Sound Transit will not be responsible for cost increases.
- Requires the City to construct NE 2nd Street prior to the beginning of the reconstruction of the NE 8th interchange on I-405.
- Requires the City to convey portions of land and right-of-way necessary for the completion of improvements to NE 6th Street.

Additionally, a pending separate action will come before the Board for approval to authorize the Executive Director to execute an amendment to the existing WSDOT agreement to delete tasks pertaining to the development of the NE 2nd Street project.

FUNDING:

The total cost of the project is estimated to be \$112.6M (YOE). Sound Transit’s budgeted amount is \$81.2M (\$76.7M after internal Sound Transit expense) for this project. This motion provides no net increase in the cost to Sound Transit as long as cost related to extending NE 2nd Street is deducted from the WSDOT agreement. The entire \$3.2M would be conveyed upon execution of the agreement which is expected in 1999. Because of delays related to the Endangered Species Act and FHWA’s action on the Access Point Decision Report, the 1999 budget will be under-expended after the conveyance of these funds to the City.

Work covered in this agreement covers portions of 1999 and 2000 as follows:

	1997 and 1998	1999	2000	2001-2003	Project Total
Budget	\$1.9M	\$10.7M	\$12.6M	\$56.0M	\$81.2M
Committed	\$.1M	\$4.8M*	\$ 2.1M		\$ 7.0M
This action		\$3.2M			

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

ALTERNATIVES:

1. Sound Transit could construct NE 2nd Street from 112th Avenue NE to 114th Avenue NE and seek reimbursement for the City's share of the cost. The City has contracted with a consulting firm to design improvements to 112th Avenue NE which connect to NE 2nd Street and adjoin the property that will be partially acquired for the construction of NE 2nd Street. If Sound Transit were to design and build NE 2nd Street, it would be necessary to negotiate with some of the same property owners for right-of-way and coordinate the design and construction of simultaneous and adjoining projects.
2. Do not construct NE 2nd Street. The draft Final Environmental Impact Statement has been approved for publishing once the Biological Assessment has been approved by National Marine Fisheries Service. The FEIS identifies environmental impacts from construction traffic; it also recommends removal of a portion of NE 6th Street, which limits the options for re-routing traffic. The FEIS proposes to mitigate the construction traffic through a series of projects including extension of NE 2nd Street from 112th Avenue NE to 114th Avenue NE. Not building NE 2nd Street would require a reevaluation of construction mitigation and some form of revision to the FEIS.
3. Have the City construct NE 2nd Street and determine the Sound Transit share at the completion of the HOV Direct Access Project. The City requires working capital that the Sound Transit share would provide. In addition, if the City were to provide interim financing, the cost to Sound Transit would increase.

CONSEQUENCES OF DELAY:

The adjacent Bellevue Transit Center will be the service hub for five of Sound Transit's eastside routes, as well as a significant service point for King County Metro. Four Sound Transit routes will begin September 19, 1999, and use the existing street system and transit center until improvements are complete. Sound Move anticipated that the HOV Direct Access ramps would be complete in 2003. The current project schedule anticipates that the project will not be done until 2004. Any additional delay will extend the time that ST Express bus service will operate without the benefits of direct access.

LEGAL REVIEW:

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

SOUND TRANSIT
MOTION NO. M99-74

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute an agreement with the City of Bellevue for cost sharing for extending NE 2nd Street from 112th Avenue NE to 114th Avenue NE for mitigating street impacts as related to the Bellevue Direct Access Project.

Background:

On August 18, 1999, the Board approved Resolution No. R98-32, authorizing the Executive Director to execute an agreement with the Washington State Department of Transportation (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. The resolution further directed the Executive Director to prepare and present an agreement to the Board for sharing the cost of extending NE 2nd Street.

As part of the negotiation, the City of Bellevue has proposed that the design and right-of-way acquisition of NE 2nd Street be incorporated into a larger street improvement on 112th Avenue NE that is being done by the City. Acceptance of the proposal would require modification of the agreement with WSDOT to delete the work on NE 2nd Street from the contract. It would also require that Sound Transit convey funds to the City for its share of the construction of NE 2nd Street.

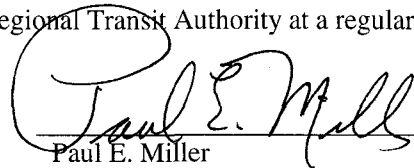
This motion authorizes the Executive Director to negotiate and execute an agreement with the City of Bellevue with the following elements:

- Commits Sound Transit to provide \$3.2M to the City for Sound Transit's share of extending NE 2nd Street from 112th Avenue NE to 114th Avenue NE.
- Provides that Sound Transit will not be responsible for cost increases.
- Requires the City to construct NE 2nd Street before the beginning of the reconstruction of the NE 8th interchange on I-405.
- Requires the City to convey portions of land and right-of-way necessary for the completion of improvements to NE 6th Street.

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 agreement with the City of Bellevue for conveyance of \$3.2 million in a lump sum payment to the City of Bellevue for the extension of NE 2nd Street from 112th Avenue NE to 114th Avenue NE and timely completion of said extension for mitigation of street impacts as related to the Bellevue Direct Access Project.

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



Paul E. Miller
Board Chair

ATTEST:



Marcia Walker
Board Administrator