

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2002-78

Authorization to Submit FFGA Application

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Board	6/13/02	Discussion/Possible Action	Ahmad Fazel, Director, Link Light Rail Ric Ilgenfritz, Chief Communications Officer	(206) 398-5389 (206) 398-5239

Contract/Agreement Type:	Requested Action:
Competitive Procurement	Execute New Contract/Agreement
Sole Source	Amend Existing Contract/Agreement
Memorandum of Agreement	Contingency Funds Required
Purchase/Sale Agreement	Budget Amendment Required

- Applicable to proposed transaction.

Objective of Action

- This action would authorize the Executive Director to submit an application to the Federal Transit Administration (FTA) for a Full Funding Grant Agreement (FFGA) of \$500 million for the Initial Segment of the Central Link Light Rail Project.

Action

- Authorize the Executive Director to submit an application for a Full Funding Grant Agreement to the Federal Transit Administration for the capital construction of the Initial Segment of Central Link Light Rail.

KEY FEATURES

- Authorizes the Executive Director to submit an application to the Federal Transit Administration (FTA) for a Full Funding Grant Agreement (FFGA) of \$500 million for the Initial Segment of the Central Link Light Rail project.
- The FTA has given the Initial Segment a "recommended" rating in its Annual New Starts report that was released in March 2002 and issued its amended Record of Decision (ROD) on the project in May 2002. These two actions were pre-requisites to the FFGA application.
- As the FTA and the U.S. Department of Transportation review the application, the parties will finalize the terms of the FFGA. Congress will then review the FFGA before it is ready for execution by the FTA and Sound Transit.
- The Executive Director is authorized to apply for federal grants under Resolution No. 26; however, this action provides the Board, the public and our federal partners notification that the project has cleared the federal pre-requisites for the application and that the formal grant process has begun.

BUDGET DISCUSSION

Submitting an application for a Full Funding Grant Agreement has no budget impact.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The submission of the FFGA application is necessary to secure the \$500 million federal grant commitment. These funds are assumed in the Financial Plan, and with these funds, the Initial Segment of Central Link Light Rail project is affordable within Sound Transit's Financial Plan.

M/W/DBE – Small Business Participation

N/A

History of Project

- In November 2001, the Sound Transit Board approved Resolution No. R2001-16 selecting the Initial Segment of the Central Link Light Rail project to be constructed and operated by 2009. At that time, the Board adopted an estimated capital budget and schedule for the Initial Segment and established a project reserve to meet unanticipated cost increases. The November resolution also designated the Initial Segment as the new Minimum Operable Segment for purposes of seeking federal funding from the FTA.
- Since the November Board action, the FTA has issued a "recommended" rating for the Initial Segment in its Annual New Starts Report (March 2002). In addition, the FTA issued an amended Record of Decision on the project (May 2002). The ROD finds that the requirements of the National Environmental Policy Act have been satisfied for the construction and operation of the Initial Segment. Both of these actions are pre-requisites for the FFGA application.
- This FFGA application has been preceded by a series of events that caused an earlier FFGA for another segment of the Central Link Light Rail project to be held in abeyance; these events are summarized below.
- In the fall of 2000, the estimated cost of the Central Link project rose over previous estimates. In January 2001, the Sound Transit Board authorized execution of a FFGA with the FTA to fund a Minimum Operable Segment from the maintenance base at South Forest Street to NE 45th Street in the University District.
- In April 2001, based on recommendations of the Inspector General of the U.S. Department of Transportation, the Secretary of Transportation announced his intention to hold funds and funding decisions related to the Central Link project in abeyance.
- In light of these events, the Sound Transit Board directed staff to refocus on the southern portion of the project first, which culminated in the November 2001 action by the Sound Transit Board to select the Initial Segment.

Prior Board or Committee Actions and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
R2001-16	Selected the Initial Segment of the Central Link Light Rail Project to be constructed and operated by 2009	11/29/01
M2001-104	Directed the Executive Director to evaluate Central Link Light Rail routes and station alternatives between Convention Place and Northgate	9/27/01
M2001-103	Identified the preferred initial segment to be constructed and operated first for Central Link Light Rail	9/27/01
M2001-68	Directed the Executive Director to implement a work plan for Central Link that is consistent with the selected items in the attached Board decision matrix and that supersedes the previously adopted 6-month and Airport Link work programs	6/28/01
M2001-21	Adopted a work program for the Airport Link portion of the Central Link Light Rail project for the 2001 – 2003 time period	3/08/01
M2001-02	Identified a preferred alternative for the Central Link Light Rail project in the City of Tukwila for the purposes of completing the Supplement Environmental Impact Statement	2/08/01
M2001-01	Authorized execution of a full funding grant agreement with the United States Department of Transportation—Federal Transit Administration and to amend the Central Link Light Rail Project budget and the Sound Move ten-year Regional Transit System Plan and adoption of a 6-month work plan.	1/11/01
M2000-44	Directed staff to initiate and complete the "formal" environmental process under the State and National Environmental Policy Acts (SEPA and NEPA) for the Tukwila freeway route for the Central Link Light Rail line and providing further direction as related to the Central Link Light Rail alignment through the City of Tukwila	5/25/01
M99-85	Directed staff to analyze an alternative alignment through Tukwila for the Central Link Light Rail Project	11/18/99
R99-34	Selected the alignment alternatives and profiles, station locations, and vehicle maintenance base site alternative to be built for the Central Link Light Rail line.	11/18/99
M99-14	Identified the locally preferred alternative for alignment, station locations and location of a vehicle maintenance facility for the Central Link Light Rail line.	2/25/99

CONSEQUENCES OF DELAY

Federal Funding – a decision to delay the FFGA application could impact the agency's ability to maintain the federal funding commitment of \$500 million.

Schedule and Cost – a decision to delay would likely affect Sound Transit's ability to open the system by 2009, which would increase the project costs.

Regional Partnership and Cooperation

N/A

Public Involvement

N/A

Legal Review

JW 5/31/02

SOUND TRANSIT

MOTION NO. M2002-78

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to submit an application for a Full Funding Grant Agreement to the Federal Transit Administration for the capital construction of the Initial Segment of Central Link Light Rail.

Background:

In November 2001, the Sound Transit Board approved Resolution No. R2001-16 selecting the Initial Segment of the Central Link Light Rail project to be constructed and operated by 2009. The resolution also designated the Initial Segment as the new Minimum Operable Segment for purposes of seeking federal funding from the Federal Transit Administration (FTA).

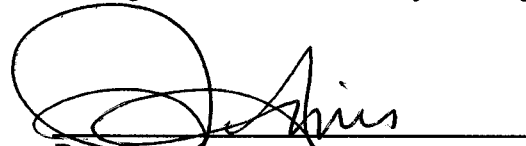
In March 2002, the FTA issued a "recommended" rating for the Initial Segment in its Annual New Starts Report. In May 2002, the FTA issued an amended Record of Decision (ROD) on the project. The ROD finds that the requirements of the National Environmental Policy Act have been satisfied for the construction of the Initial Segment. Both of these actions are pre-requisites for the FFGA application.

This action authorizes the Executive Director to submit an application for a Full Funding Grant Agreement of \$500 million to the Federal Transit Administration for the capital construction of the Initial Segment of the Central Link Light Rail project.


Motion:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to submit an application for a Full Funding Grant Agreement to the Federal Transit Administration for the capital construction of the Initial Segment of the Central Link Light Rail project.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 13, 2002.


Ron Sims
Board Chair

ATTEST:


Marcia Walker
Board Administrator