

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2002-94

Everett Station Interlocal Agreement

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	9/5/02	Discussion/Possible Action to Recommend Board Approval Action	Agnes Govern, Director, Regional Express Gloria Overgaard, Deputy Director, Regional Express	(206)398-5037
Board	9/12/02			(206)689-4909

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

- Execute an Interlocal Agreement between Sound Transit and the City of Everett for operations and maintenance costs for ST Express at Everett Station.

ACTION

- Authorizes the Executive Director to execute a three-year Interlocal Agreement with the City of Everett to provide operations and maintenance services at Everett Station for ST Express in the total amount of \$109,849, with a 10% contingency of \$10,985, for a total authorized amount not to exceed \$120,834.

KEY FEATURES

- The agreement was negotiated following the Good Neighbor Policy. Sound Transit contributes its proportionate share for the transit related ongoing/major maintenance and operations costs.
- Allows the addition of commuter rail operations to be included when Sounder service begins.
- The costs for the agreement are fixed using 2002 as the baseline with a ceiling of 4% annually on the Consumer Price Index (CPI).
- There is a 50/50 revenue sharing component for the ST Express assigned 146 parking stalls when used for non-transit related activity.

BUDGET IMPACT SUMMARY

Project Description: Regional Express bus routes operating within Snohomish County.

Current Status: Ongoing

Projected Completion Date: December 2006

Action Outside of Adopted Budget:	Y/N	Y	Requires Comment
This Line of Business	N		
This Project	N		
This Phase	N		
This Task	N		
Budget amendment required	N		
Key Financial Indicators:	Y/N	Y	Requires Comment
Contingency funds required	N		
Subarea impacts	N		
Funding required from other parties other than what is already assumed in financial plan	N		

N = Action is assumed in current Board-adopted budget. Requires no budget action or adjustment to financial plan

BUDGET DISCUSSION

The operations and maintenance phase of the Snohomish subarea project budget contains sufficient funds for this effort. Committing these funds does not impact any other project elements that are to be funded out of the overall project.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

- The proposed action is consistent with the current Board adopted budget and is affordable within Sound Transit's current long-term financial plan and the subarea financial capacity.

SUMMARY OF BOARD ACTION

Summary for Board Action (Year of Expenditure \$000)

Action Item: Operations and Maintenance at Everett Station
Subarea: Snohomish

Regional Bus Budget	Current Board Adopted Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Operations & Maintenance	55,211	23,909	121	24,030	31,182
2 Agency Administration (O&M)	3,007	915	-	915	2,092
3 Agency Administration (CAP)	617	170	-	170	447
4 Vehicles	11,236	10,461	-	10,461	775
5 Total Current Budget	70,071	35,455	121	35,576	34,495

Phase Budget Detail

6 Maintenance of stations	1,067	-	121	121	946
7 Direct costs	40,657	20,964	-	20,964	19,693
8 Regional Mobility	5,135	0	-	0	5,134
9 Mobility Initiative Program	1,354	18	-	18	1,336
10 Other	6,999	2,926	-	2,926	4,072
11 Total Phase	55,211	23,909	121	24,030	31,182

Contract Budget	Current Approved Contract Value (F)	Spent to Date (G)	Proposed Action (H)	Proposed Total Contract Value (I)
12 City of Everett	0	0	110	110
13 Contingency	0	0	11	11
14 Total	0	0	121	121
15 Percent Contingency			10%	10%

Notes

- 1 Current phase budget for Operations and Maintenance phase
- 2 Current phase budget for Agency Administration O&M (LOB and Support Dept. staff costs)
- 3 Current phase budget for Agency Administration Capital (LOB and Support Dept. staff costs)
- 4 Current phase budget for vehicles.
- 5 Total Current lifetime budget for Snohomish Subarea.

M/W/DBE – Small Business Participation

- None for this action

HISTORY OF PROJECT

Everett Station is owned and operated by the City of Everett. The commuter rail component of the project began in 1999 in funding partnership with the City of Everett. It is one of two multi-modal stations in the Sound Transit service area and began operations for the bus component on February 3, 2002. Except for the commuter rail related improvements funded and owned by Sound Transit, the City of Everett owns Everett Station. At this time, the Station, including the bus areas, pedestrian walkways, bus platforms, and parking lots is completed. In 1999, Community Transit, Everett Transit, King County Metro, Pierce Transit, and Sound Transit negotiated the Good Neighbor Policy where it was agreed that all the agencies serving the Everett Station would pay a proportionate share of the daily operations and maintenance, the mid-life and the major asset replacement costs of the transit portion of the facility. The Good Neighbor Policy allows the five transit agencies to access each others' existing facilities at no cost and contains cost sharing parameters that cover facilities added after 1999. The parameters agreed upon for multi-modal stations are incorporated into this proposed agreement. The City of Everett is negotiating similar agreements or leases with the current eight building tenants and transportation agencies using Everett Station.

As of February 2002, there are five ST Express routes serving using the station: 505/506-Everett to Northgate; 510-Seattle to Everett; 512-Seattle to Everett; and 513-Seattle to Everett.

ELEMENTS OF THE AGREEMENT

- A three-year Interlocal Agreement from February 2002 to February 2005 that can be extended.
- The fixed costs are set on a 2002 baseline with an annual escalator that will be based on the percentage increase in the urban consumer price index, but with an annual 4% ceiling.
- The revenue sharing component allows the non-transit parking revenue for the 146 parking stalls assigned to ST Express to be split 50/50 between the City of Everett and Sound Transit. If commuter rail is incorporated into this agreement, then a separate revenue sharing component would be negotiated.
- The fixed rate includes ongoing operations and maintenance, mid-life, and major asset replacement so no additional costs will be assessed to Sound Transit unless ST Express services require additional parking, bus bays or platforms.
- Sound Transit owns and maintains the regional signage and information display hardware.
- There will be an annual parking survey to determine the level of use by bus customers and the annual costs will be adjusted based on usage.
- The operation and maintenance of the commuter rail improvements may be addressed through a future amendment or by a separate agreement. When commuter rail begins

regular operations, Sound Transit will determine whether to have the City of Everett or another provider maintain the improvements owned by Sound Transit. At this time, there is a temporary license allowing the City to use commuter rail's parking lot in exchange for ongoing operations and maintenance services.

**Prior Board or Committee Actions
and Relevant Board Policies**

Motion or Resolution Number	Summary of Action	Date of Action
M2001-105	Supplemental Agreement No. 2 to the Memorandum of Agreement between the City of Everett and Sound Transit to increase commuter rail construction budget for Everett Station, to approve the transfer of funds from the Pacific Avenue Overpass to commuter rail and to establish a second supplemental agreement to the memorandum of agreement.	10/25/02
M2000-33	Supplemental Agreement No. 1 to the Memorandum of Agreement between the City of Everett and Sound Transit to allow Sound Transit to reimburse the City for design costs for commuter rail related station elements.	04/20/00
R99-5	Establish a Memorandum of Agreement between the City of Everett and Sound Transit establishing the working relationship for environmental process, design and permitting of the proposed Everett/ Sounder facilities.	02/11/99

CONSEQUENCES OF DELAY

- Everett Station opened on February 3, 2002 and the City of Everett began incurring operations and maintenance costs, some of which are attributable to ST Express service. A delay in approving this agreement would mean that the payment would be further delayed.

REGIONAL PARTNERSHIP AND COOPERATION

- This agreement was negotiated following the Good Neighbor Policy that was agreed to by Community Transit, Everett Transit, King County Metro, and Sound Transit. At the time the policy was developed, it was agreed that all users of the multi-modal stations (Everett Station and Tacoma Dome) would contribute their portion of the ongoing, mid-life maintenance and major asset replacement costs.

LEGAL REVIEW

BN 7/24/02

SOUND TRANSIT

MOTION NO. M2002-94

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a three-year Interlocal Agreement with the City of Everett to provide operations and maintenance services at the Everett Station for ST Express in the total amount of \$109,849 with a 10% contingency of \$10,985 for a total authorized amount not to exceed \$120,834.

Background:


Everett Station is owned and operated by the City of Everett. The commuter rail component of the project began in 1999 in funding partnership with the City of Everett. It is one of two multi-modal stations in the Sound Transit service area and began operations for the bus component on February 3, 2002. Except for the commuter rail related improvements funded and owned by Sound Transit, the City of Everett owns Everett Station. At this time, the station, including the bus areas, pedestrian walkways, bus platforms, and parking lots is completed. In 1999, Community Transit, Everett Transit, King County Metro, Pierce Transit, and Sound Transit negotiated the Good Neighbor Policy where it was agreed that all the agencies serving Everett Station would pay a proportionate share of the daily operations and maintenance, the mid-life and the major asset replacement costs of the transit portion of the facility. This agreement follows the agreed upon parameters.

The agreement has a fixed base cost with an annual escalator using CPI-U but with a 4% annual ceiling and a revenue sharing component. The three-year Interlocal Agreement may be amended to include commuter rail when it begins daily operations. The total cost of the three-year Interlocal Agreement for ST Express is \$120,834, which includes a 10% contingency.

Motion:


It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to execute a three-year Interlocal Agreement with the City of Everett to provide operations and maintenance services at the Everett Station for ST Express in the total amount of \$109,849 with a 10% contingency of \$10,985 for a total authorized amount not to exceed \$120,834.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 12, 2002.



Ron Sims
Board Chair

ATTEST:



Marcia Walker
Board Administrator