

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2004-20

East King County Capital Program Assessment

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Board	3/11/04	Discussion/Possible Action	Agnes Govern, Interim Director, Administrative Services Vicki Youngs, Pre-Construction Program Manager, Regional Express	(206) 398-5037 (206) 398-5024

OBJECTIVE OF ACTION

- To guide staff approach in managing the balance of the East King County (EKC) subarea Regional Express capital program.
- Provide direction regarding use of an estimated \$39 million in cost savings from projects in the EKC subarea capital program.
- Establish a six-month deadline and performance criteria for the phase one EKC subarea capital program.

ACTION

Directing staff to work with partners within the East King County subarea to conduct a six-month evaluation of the subarea capital program and recommend a final capital project list for Board consideration.

SUMMARY

There are 39 Regional Express capital projects; 23 (60%) of which are located in the East King County (EKC) subarea. Staff's assessment of the EKC capital program contains good news. Two-thirds of the program is expected to be complete or under construction by 2005 and \$39 million in estimated cost savings have been identified from six project budgets in the EKC capital program. This staff report suggests a process to be used for investing the \$39 million in estimated cost savings.

Staff recommends that the Board establish performance criteria and a six-month deadline to assess projects for inclusion in Sound Move.

BACKGROUND

The EKC Regional Express capital program totals \$530 million, including \$492 million for the 23 projects in EKC and \$37 million in the EKC Regional Express program reserve. Regional Express has made sufficient progress on six of these projects to forecast an estimated \$39 million in cost savings in the \$492 million EKC capital program that could potentially be used for other transit improvements.

Exhibit 1 provides detail regarding the sources of the estimated project budget savings as well as the status of the overall program, including the current phase of work, anticipated construction schedule, and lifetime budget for each project.

Staff is seeking Board direction to effectively manage the balance of the EKC Regional Express capital program. Staff recommends criteria for the Board to consider in allocating the estimated \$39 million in EKC cost savings. This recommendation includes the establishment of performance criteria to evaluate projects to determine whether they remain viable and to set a deadline of September 2004 for completing this evaluation.

DISCUSSION

Past and current practice within the Regional Express capital program has been to seek opportunities to invest project budget savings in a way that directly benefits transit in the jurisdiction where the project savings have been realized. Neither criteria nor a time limit have been established for determining viable investment opportunities within such jurisdictions.

Staff recommends that current practices within Regional Express be amended by Board directive to incorporate the following criteria for determining the viability of projects currently included in the EKC capital program:

1. Projects will be given six months from the date the Board establishes this directive to demonstrate project feasibility.
2. Within six months, partners in each project will have an agreement in principle on scope, schedule, and budget.
3. The agreement in principle for each project will use the following criteria:
 - The project's scope is sufficiently detailed to ascertain probable cost,
 - The project demonstrates regional transit benefit consistent with Sound Move, and
 - Funds for any non-Sound Transit share of the project are identified including a contingency plan to address any funding shortfall that may occur.

Allocation and investment of an estimated \$39 million in project budget savings in the EKC subarea would be consistent with the above criteria. If current project(s) fail to meet the criteria, then project budget savings will be reallocated to other capital projects as needed throughout the subarea.

NEED FOR FUTURE BOARD ACTIONS

This report recommends existing and planned projects be evaluated using performance criteria to determine when the projects can be completed. Further, this report recommends allocating an estimated \$39 million in cost savings on a subarea-wide basis should investment opportunities, in the jurisdictions where project budget savings are incurred, fail to meet the performance criteria. If the Board concurs with the recommendations made in this paper, Regional Express will report back in six months.

Sound Transit's experience indicates that some projects may not meet the recommended criteria. It is also reasonable to project that some projects may warrant additional funding to meet the project objectives established in Sound Move. Regional Express will bring each such project to the Board for consideration, as appropriate, to amend Sound Move to terminate any existing project, to increase any existing project budget, or to fully fund planned improvements. The 2005 Budget will be drafted consistent with any Board actions on the projects.

CONCLUSION

The EKC capital program evaluation process has been ongoing for seven years. Staff recommends that the proponents of planned projects be given six months to demonstrate their continued consistency with Sound Move. Regional Express will work with partners to ensure that the projects in question are given the opportunity to meet performance criteria. During 2004, the Board will be asked to formally act on the results of the recommendations in this report on a project by project basis.

LEGAL REVIEW

DB 2/25/04

SOUND TRANSIT

MOTION NO. M2004-20

A motion of the Board of the Central Puget Sound Regional Transit Authority directing staff to work with partners within the East King County subarea to conduct a six-month evaluation of the subarea capital program and recommend a final capital project list for Board consideration.

Background:

There are 39 Regional Express capital projects; 23 (60%) of which are located in the East King County (EKC) subarea. Staff's assessment of the EKC capital program contains good news. Two-thirds of the program is expected to be complete or under construction by 2005 and \$39 million in estimated cost savings have been identified from six project budgets in the EKC capital program.

After seven years of work, staff recommends that the Board establish performance criteria and a six-month deadline to assess projects for inclusion in Sound Move. Existing projects that fail to meet established criteria by the six-month deadline would be deleted from Sound Move.

Motion:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that staff be directed to work with partners within EKC to evaluate existing and planned projects as follows:

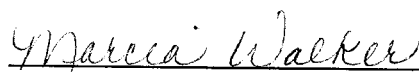
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3. The agreement in principle for each project will use the following criteria:
 - The project's scope is sufficiently detailed to ascertain probable cost,
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 - Funds for any non-Sound Transit share of the project are identified, including a contingency plan to address any funding shortfall that may occur.

Allocation and investment of an estimated \$39 million in project budget savings in the EKC subarea should be consistent with the above criteria. If current project(s) fail to meet the criteria, then project budget savings will be allocated to other capital projects as needed throughout the EKC subarea.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on March 11, 2004.


John W. Ladenburg
Board Chair

ATTEST:


Marcia Walker
Board Administrator

Motion No. M2004-20
Regional Express - East King County Program
Exhibit 1

	Capital Projects Name	No.	Jurisdiction	SCHEDULE		BUDGET	
				Current Project Status	Anticipated Construction	Estimated Cost Savings	2004 Adopted Budget
1	Bellevue Transit Center/NE 6th	322	Bellevue	Substantially Complete			\$ 16,211,000
2	Overlake Transit Center/NE 40th	332	Redmond	Substantially Complete			\$ 11,123,000
	Overlake RSB & Shuttle Operations Bldg	332b		Substantially Complete			
3	I-90 @ Sunset Interchange	165	Issaquah	Substantially Complete			\$ 9,184,000
4	Bellevue HOV Access	145	Bellevue	Construction	2Q 02 - 1Q 05	\$ 3,000,000	\$ 82,903,000
5	SR 900 Park & Ride Arterial Imps	166	Issaquah	Construction	3Q 03 - 1Q 05	\$ 1,900,000	\$ 9,327,000
6	Bellevue Rider Services Building	323	Bellevue	Construction starts 2Q 04	2Q 04 - 4Q 04		\$ 5,813,000
7	Issaquah Highlands Park & Ride/Highland Dr	355	Issaquah	FD, ROW	2Q 04 - 3Q 05		\$ 5,312,000
8	Woodinville Arterial HOV Enhancements	376	Woodinville	PE/ED, FD	4Q 04 - 1Q 05		\$ 6,718,000
9	Eastgate Transit Access/142nd Ave SE	160	Bellevue	FD	1Q 05 - 4Q 06		\$ 38,908,000
10	Totem Lake Freeway Station/NE 128th	140	Kirkland	PE/ED, FD, ROW	1Q 05 - 1Q 07	\$ 20,100,000	\$ 98,170,000
11	Sammamish Park & Ride/228th SE	380	Sammamish	FD, ROW	2Q 05 - 4Q 05		\$ 6,672,000
12	Mercer Island Park-and-Ride/ N Mercer Way	354	Mercer Island	PE/ED, ROW	2Q 05 - 2Q 06		\$ 9,008,000 *
13	Kirkland Transit Enhancements	141	Bellevue, Kirkland and Redmond	PE/ED, FD	2Q 05 - 2Q 07	\$ 4,100,000	\$ 14,001,000
14	Totem Lake TC/Evergreen Medical Center	328	Kirkland	PE/ED	3Q 05 - 4Q 06	\$ 3,300,000	\$ 13,243,000
15	I-90 Two-Way Transit and HOV Operations	382	Regional	PE/ED	1Q 06 - 2Q 08		\$ 18,890,000
16	Canyon Park Freeway Station/I-405	324	Bothell	PE/ED	2Q 06 - 4Q 06		\$ 6,638,000 *
17	Bothell Branch Campus Access @195th/I-405	372	Bothell	PE/ED	2Q 06 - 3Q 07		\$ 6,779,000
18	Renton HOV Access/N 8th	150	Renton	PE/ED	2Q 06 - 2Q 09		\$ 86,958,000
19	SR-522 HOV Enhancements	384	Kenmore and Bothell	PE/ED	4Q 06 - 4Q 08		\$ 14,697,000
20	Issaquah Transit Center/SR 900	326	Issaquah	PE/ED	1Q 06 - 2Q 07		\$ 13,957,000 *
21	Newcastle Transit Center	330	Newcastle	Project Definition	3Q 05 - 2Q 06		\$ 7,223,000
22	Small Cities Transit Access	378	TBD	Project Definition	TBD		\$ 4,402,000
23	Willows Arterial	374	Redmond	Project Definition	N/A	\$ 6,600,000	\$ 6,932,000
	<i>East King County Program Reserve</i>	54999					\$ 37,304,000
Potential Candidates for use of estimated cost savings as changes to Sound Move Phase One							
	Downtown Kirkland Transit Center				TBD		TBD
	Redmond Transit Center				TBD		TBD
	Kingsgate/Brickyard Parking				TBD		TBD
TOTAL						\$ 39,000,000	\$ 530,373,000

Legend

PE/ED - Preliminary Engineering/Environmental Design
 FD - Final Design
 ROW - Right-of-way Acquisition
 TBD - To be determined

* Additional funding may be required