

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2004-42

SR 522 HOV Enhancements

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Executive Committee	5/6/04	Discussion/Possible Action to Recommend Board Approval	Jim Edwards, Acting Director, Regional Express	(206) 398-5436
Finance Committee	5/6/04	Discussion/Possible Action to Recommend Board Approval	Christine Engler, Construction Program Manager, Regional Express	(206) 398-5056
Board	5/20/04	Action	Tamara Jenkins, Project Manager, Regional Express	(206) 398-5316

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	
Interagency Agreement	✓	Contingency Funds (Budget) Required	
Purchase/Sale Agreement		Budget Amendment Required	

✓ Applicable to proposed transaction.

OBJECTIVE OF ACTION

Brief the Board on the status of the SR 522 HOV Enhancements project.

ACTION

Authorizes the Chief Executive Officer to execute Memorandums of Understanding for cooperative funding with the cities of Bothell and Kenmore for the SR 522 HOV Enhancements Project

KEY FEATURES

- Defines the preferred alternative for the SR 522 HOV Enhancements Project (which contains two proposed sub-projects in Kenmore and Bothell) and proposes an approach for continued implementation in light of potential funding shortfall.
- Provides assurances to the cities of Kenmore and Bothell that Sound Transit is interested in cooperative funding for the proposed projects but recognizes Sound Transit cannot make a final decision about the proposed projects or their funding until after the completion of preliminary engineering and environmental documentation.
- Establishes guiding principles for scope, schedule, budget, and cost allocation considerations that may be implemented in future Interagency Agreements between Sound Transit and each of the cities of Bothell and Kenmore after the completion of preliminary engineering and environmental documentation (PE/ED). Such Interagency Agreements

would provide for partial Sound Transit funding for the SR 522 HOV Enhancements project involving the cities.

- Informs the Board of the potential to transfer funds from the East King County Program Reserve to the SR 522 HOV Enhancements project to offset a predicted funding shortfall if the Board ultimately approves the recommended preferred project alternatives. Fund transfer would occur with the 2005 budget process. This is consistent with the May 6, 2004, Executive and Finance Committee meetings and the members' recommendation.

PREFERRED ALTERNATIVES

The SR-522 HOV Enhancements project consists of two proposed sub-projects, which provide for transit benefits within the cities of Bothell and Kenmore. These two sub-projects also contain general-purpose traffic improvements, which would be funded by the cities.

BOTHELL

The Bothell Preferred Alternative would design and build general purpose and transit elements which would enhance traffic flow along SR 522. This proposed project would have quantifiable benefits to transit in improving transit access, speed, and reliability.

The proposed project is located along SR 522 in the Wayne Curve Area at the SR 522 intersection with 96th Street. The proposed project scope would include construction of a westbound transit queue by-pass lane, eastbound transit lane/right turn lane, signal improvements (including Transit Signal Priority), additional left turn lane, sidewalk, curb/gutter/plantings, 96th Street improvements, north retaining wall, south retaining wall, urban amenities, and illumination.

KENMORE

The Kenmore Preferred Alternative, also containing general purpose and transit elements, would provide transit connectivity along SR 522 between Lake Forest Park and Bothell.

The anticipated project scope would include widening SR 522 for the addition of north and south business access and transit (BAT) lanes, replacement of the Swamp Creek bridge, improvements to 80th Avenue, curb/gutter/plantings, sidewalks, retaining walls from 80th to 83rd, retaining walls from 83rd to the end of the project, signal at 83rd, signal at 80th, signal at or near Kenmore Lanes, urban amenities, utility under-grounding, and illumination.

BUDGET DISCUSSION

The Adopted 2004 Budget for the SR 522 HOV Enhancements project (#384) is \$14.7 million, \$1.6 million of which has already been committed. The proposed Bothell and Kenmore sub-projects are currently in the PE/ED phase and are within the current 2004 Adopted Budget levels for both the phase and the SR 522 HOV Enhancements project. The total cost of these two sub-projects, as developed and recommended as the preferred alternatives, is \$25.7 million.

MOUs were negotiated and developed with the cities for Board consideration in order to provide guiding principles for an overall cost sharing approach for continued project implementation. If the Board approves the MOUs, and if the Board decides to proceed with the proposed projects

after the completion of PE/ED, detailed Interagency Agreements for remaining phases would be brought forward later for Board consideration.

The MOUs with each of the cities outline levels of funding participation based on quantifiable transit benefits of \$15.7 million for the corridor. In addition, agency administrative and PE/ED costs bring the total cost of Sound Transit's portion of the project to \$17.9 million, forecasting an anticipated budget shortfall of \$3.2 million. If the Board concurs with the staff recommendation to move forward with the project as described below, the project budget would need to be increased by \$3.2 million for a total of \$17.9 million. Possible funding alternatives for Board consideration to address the shortfall for transit improvements along the SR 522 corridor include the following:

1. Transfer \$3.2 million from Bothell Branch Campus project (#372), which allows building both SR 522 sub-projects. Currently, the Bothell Branch Campus project is in the project definition phase nearing PE/ED. At this time, there is a forecasted surplus of \$3 to \$4 million. This option is consistent with the East King County Board briefings and endorsed by the Bothell City Council.
2. Allocate project savings from other projects in the East King County subarea to cover the \$3.2 million shortfall.
3. Allocate a portion of the East King County Program Reserve to the project to cover the \$3.2 million shortfall. The balance of the Program Reserve is \$37.3 million per the Adopted 2004 Budget.
4. Stay within the Adopted 2004 Budget of \$14.7 million and make a decision on an appropriate funding split between the cities of Bothell and Kenmore, or eliminate certain key elements, which may or may not impact transit benefits, from the project.

Staff is not seeking Board action at this time. Board concurrence is requested on the issue of whether to proceed with the preferred alternatives which will require a budget supplement prior to construction, or if the projects should be scaled back to remain within budget. Staff will return to the Board after the completion of PE/ED for a decision about funding and whether to proceed into final design.

At the May 6, 2004, Executive and Finance Committee meetings, the members recommended Option 3 as the preferred funding alternative to be brought forward during the 2005 budget process.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The proposed approach is affordable with Sound Transit's current long-term financial plan and subarea financial capacity. Sufficient funds exist in the East King County subarea to fund this budget transfer. The action will have no new revenue impacts on Sound Transit.

M/W/DBE – SMALL BUSINESS PARTICIPATION

The cities of Bothell and Kenmore would be lead agencies for the proposed projects within each city's jurisdiction and would follow their respective contracting requirements.

The city of Kenmore would adopt WSDOT's Disadvantaged Business Enterprises (DBE) Plan or develop an equivalent plan that would be reviewed and approved by WSDOT.

The city of Bothell follows the WSDOT Local Agency Guidelines (LAG) for administration of federally funded projects. The LAG Manual Chapter 26 - DBE prescribes the procedures and guidelines for meeting these requirements.

HISTORY OF PROJECT

Prior Board or Committee Actions and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
M2002-33	Authorized the execution of an MOA with the city of Kenmore, making the city of Kenmore the lead agency for the SR 522 HOV enhancement Project PE/ED Phase.	3/21/02
M2002-32	Authorized the execution of an MOA with the city of Bothell, making the city of Bothell the lead agency for the SR 522 HOV enhancement Project PE/ED Phase.	3/21/02
M2002-22	Amended Sound Move to change the geographic scope to include the city of Kenmore and remove the city of Woodinville.	3/14/02

Within the I-405 and SR 522 area, Sound Transit has earmarked \$34.8 million for four important projects that will enhance transit access, speed, and reliability. Canyon Park Freeway Station (#324), Woodinville Arterial HOV Enhancements (#376), Bothell Branch Campus (#372), and SR 522 HOV Enhancements (#384) are well under way with project definition and design. Three of the projects are in PE/ED and one, Bothell Branch Campus, is in the project definition stage nearing PE/ED.

Sound Move recognized the importance of SR 522 as part of a regional transit network and included funding for both transit service, as well as, projects for transit improvements. Since 1999, representatives from the cities of Bothell, Kenmore, and Woodinville, as well as King County Metro, WSDOT, and Sound Transit have worked together to refine the service plan and to define transit facility needs in the SR 522 Corridor.

As defined by two Memorandums of Agreement (MOA) with the cities of Kenmore and Bothell, both jurisdictions initiated PE/ED work in 2002. PE/ED efforts in both cities have resulted in project evolution, refinement in scope, early cost estimates, and the identification of new environmental issues. Both cities, with support from WSDOT and Sound Transit, continue to evaluate potential Section 4(f) environmental impacts. Section 4(f) regulations of the 1966 Federal Department of Transportation Act apply when a potential effect to a publicly owned park, recreation area, or land of historic significance exists as a result of a project proposal. In

the case of this project, there are potential effects to the Burke-Gilman Trail in Kenmore and park property in the city of Bothell.

On October 2, 2003, staff provided an update to the Executive Committee on the status of the SR 522 HOV Enhancements project. Staff received direction to continue with PE/ED and to identify Sound Transit's participation and funding contribution based on the preferred alternatives. The preferred alternatives have been approved by each jurisdiction and endorsed by the Executive Advisory Committee (EAC). The EAC is comprised of the cities of Bothell and Kenmore, WSDOT, King County Metro, and Sound Transit.

On March 22, 2004, the Kenmore City Council authorized the City Manager to enter into the MOU with Sound Transit for the proposed city of Kenmore project.

On April 19, 2004, the Bothell City Council authorized the City Manager to enter into the MOU with Sound Transit for the proposed Bothell project, and endorsed the transfer of predicted surplus funds from the Bothell Branch Campus project to the SR 522 Enhancements project.

Upon the approval and endorsement of staff recommendations by the Board, the next steps are as follows:

Next Steps:

- Submission of grant packages by the cities for non-Sound Transit funds.
- Revision of the project budget to be included with the 2005 budget process.
- Continuation of the PE/ED process and completion within the first quarter of 2005.
- Return to the Board after the completion of PE/ED for decision on whether to proceed with the proposed projects into final design.
- Negotiation and execution of the Memorandums of Understanding in the first quarter of 2005.
- Implementation of the scope, schedule, and budget for the remaining phases of work from 2005 through 2009.

CONSEQUENCES OF DELAY

- A delay in the MOU execution beyond May to June 2004 will most likely weaken the cities' grant applications.
- Delay of the MOUs beyond September 2004, will further delay implementation of the proposed Kenmore and Bothell projects.

REGIONAL PARTNERSHIP AND COOPERATION

Through the establishment of the Technical Advisory Committee, Sound Transit has coordinated with the city of Bothell, city of Woodinville, city of Kenmore, King County Metro, Community Transit and WSDOT to develop criteria for project site selections and provide input during selection of a preferred alternative.

The members of the EAC concur with the proposed project alternatives and the proposed funding strategy.

The City Councils of Kenmore and Bothell have endorsed the project alternatives and proposed funding strategies.

LEGAL REVIEW

DLB 5/2/04

SOUND TRANSIT

MOTION NO. M2004-42

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute Memorandums of Understanding establishing guiding principles for cooperative funding with the cities of Bothell and Kenmore for continued implementation of the preferred alternatives, for the SR 522 HOV Enhancements Project.

Background:

Sound Move recognized the importance of SR 522 as part of a regional transit network and included funding for both transit service as well as projects for transit improvements. Since 1999, representatives from the Cities of Bothell, Kenmore, and Woodinville, as well as King County Metro, WSDOT, and Sound Transit have worked together to refine the service plan and to define transit facility needs in the SR 522 Corridor.

The SR-522 HOV Enhancements project consists of two proposed sub-projects, which provide for transit benefits within the cities of Bothell and Kenmore. These two sub-projects also contain general-purpose traffic improvements, which would be funded by the cities.

The Bothell Preferred Alternative would design and build general purpose and transit elements which will enhance traffic flow along SR 522. This proposed project would have quantifiable benefits to transit in improving transit access, speed, and reliability.

The Kenmore Preferred Alternative, also containing general purpose and transit elements, would provide transit connectivity along SR 522 between Lake Forest Park and Bothell.

The proposed Memorandums of Understanding (MOUs), which have been adopted by both City Councils, establish guiding principles for future cost sharing that may be implemented in future Interagency agreements between Sound Transit and the cities of Bothell and Kenmore after the completion of preliminary engineering/environmental documentation.

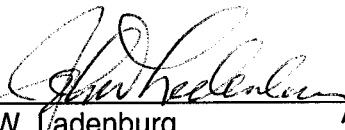
Executing the proposed MOUs provides assurances to the cities of Kenmore and Bothell that Sound Transit is interested in cooperative funding for the proposed projects but recognizes Sound Transit cannot make a final decision about the proposed projects or their funding until after the completion of preliminary engineering/environmental documentation.

Board concurrence is requested on the issue of whether to proceed with the preferred alternatives, which will require a budget supplement prior to construction, or if the projects should be scaled back to remain within budget.

Motion:

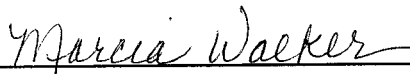
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute Memorandums of Understanding establishing guiding principles for cooperative funding with the cities of Bothell and Kenmore for continued implementation of the preferred alternatives, for the SR 522 HOV Enhancements Project as provided in the accompanying staff report.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 20, 2004.



John W. Ladenburg
Board Chair

ATTEST:



Marcia Walker
Board Administrator