

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2005-36

**Support to the State-Appointed Expert Review Panel during
Development of Sound Transit's High Capacity Transit ST2 System Plan
Contract with the Washington State Department of Transportation**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	4/7/05	Discussion/Possible Action	Paul Matsuoka, Chief Officer of Policy & Planning David Phillip Beal, Program Manager, Office of Policy & Planning	(206) 398-5070 (206) 398-5124

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

✓ *Applicable to proposed transaction.*

ACTION

Authorizes the Chief Executive Officer to execute Supplement No. 2 to Agreement GCA 3536 Task Order #8 with the Washington State Department of Transportation for professional services and support to the State-appointed Expert Review Panel performed by WSDOT and its consultant(s) during the development of Sound Transit's ST2 system plan in the amount of \$298,764, for a total authorized amount for Task Order #8 not to exceed \$334,764.

KEY FEATURES

- Authorizes a supplemental task order with the Washington State Department of Transportation (WSDOT) to provide organizational and professional support to the State-appointed eight-member Expert Review Panel (ERP) through December 31, 2006. This duration intentionally coincides with the Sound Transit's Board direction to staff to advance ST2 planning so that a measure could be advanced to the voters as early as November 2006.
- Through Agreement GCA 3536 Task Order #8, WSDOT will provide organizational and professional support to the eight-member ERP, to enable them to fulfill their mandate under RCW 81.104.
- This supplemental task order permits Sound Transit to reimburse the State for its costs of supporting the Panel and providing direct expenses such as Panel travel, lodging and meals.

- RCW 81.104.110 states “an expert review panel shall be appointed to provide independent technical review for development of any system plan ... [with] experts in relevant fields such as transit operations, planning, emerging transportation technologies, engineering, finance, law, the environment, geography, economics and political science ... [who] shall review all reports required 81.104.100 and shall concentrate on service modes and concepts, costs, patronage and financing evaluations. ... The legislative transportation committee shall contract for consulting services for expert review panels. The amount of consultant support shall be negotiated with each expert review panel by the legislative transportation committee and shall be paid from appropriations for that purpose from the high capacity transportation fund.” Sound Transit will reimburse WSDOT’s expenses because the high capacity transportation fund no longer has a revenue source and the State has no other available sources to contribute to this effort.

BUDGET IMPACT SUMMARY

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan.

BUDGET DISCUSSION

The Adopted 2005 Budget includes \$7.1 million for the Phase 2 project for activity in 2005 and \$38.7 million over the life of the project. Within this budget, the external studies task of this project has a 2005 annual budget of \$875,000; a 2006 annual estimate of \$850,000 and a lifetime budget of \$3,175,000. It is anticipated that approximately half of this action (for \$298,764) will occur in 2005 and half in 2006. This action together with previous commitments would bring the total committed costs for this task to approximately \$335,000.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

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

BUDGET TABLE

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

Action Item: Contract with the WSDoT for Support to the Expert Review Panel for the ST/2 System Plan

	(A)	(B)	(C)	(D)
	Current Approved			Proposed Total
Contract Budget	Contract Value	Spent to Date	Proposed Action	Contract Value
1 WSDoT	36,000	36,000	298,764	334,764
2 Contingency	0	0	0	0
3 Total	36,000	36,000	298,764	334,764
4 Percent Contingency	0%	0%	0%	0%

Contract to be Charged to:

Phase 2 (Project 415) [page 35, Adopted 2005 Budget]	2005 O&M Budget	2006 O&M Budget	Direct Charges to Projects	Total
5 External Studies	875,000	850,000	-	1,725,000

Phase 2 (#415) Budget	Adopted 2005 O&M Budget for Item	Spent to Date	This Action	2005 Suplus (Shortfall)
6 External Studies	334,764	36,000	298,764	-
7 Other Phase 2 Tasks	6,778,236	558,083		6,220,153
8 Total Project Budget	7,113,000	594,083	298,764	6,220,153

Budget Shortfall

Level	\$	Revenues	Funding Source
9 NA	-	-	NA

M/W/DBE – SMALL BUSINESS PARTICIPATION

WSDOT followed state-mandated sole source procedures for this procurement.

HISTORY OF PROJECT

RCW 81.104, the “High Capacity Transportation Systems” Act (the Act), establishes requirements for local jurisdictions planning to implement High Capacity Transportation (HCT) systems and identifies the role of the state in the planning of these systems. The Act specifically establishes requirements that jurisdictions must satisfy before they may proceed with any ballot measure that, if passed, would impose voter-approved local option funding sources.

Section .110 of the Act, “Independent system plan oversight,” provides a recognized framework for guiding HCT studies and guaranteeing that key study assumptions are reasonable. This framework requires that an ERP be appointed cooperatively by the Chair of the Legislative Transportation Committee, the Secretary of the DOT, and the Governor. The ERP must consist of between five and ten members with expertise in relevant fields, such as transit operations, planning, emerging technologies, engineering, finance, law, the environment, geography, economics and political science.

Throughout the multi-year development of Sound Transit’s “Vision” and Sound Move, an ERP functioned and reviewed all pertinent documents, methods and processes used in the

development of those plans. Ultimately, prior to the successful 1996 Sound Move vote, the first ERP issued a final report to the appointing authorities indicating that, in all critical areas, the information created during the planning of the HCT system was adequate and reasonable.

In early 2004, ST concluded that the ERP-related requirements of the Act still pertained to the development of the ST2 system plan. Accordingly, Sound Transit formally requested that the appointing bodies form a new ERP for this round of central Puget Sound regional HCT planning. The State has formed a new, eight-member ERP. All eight members reside outside the Sound Transit district, and seven of the members reside outside of Washington State. The Panel's first meeting occurred in early February, 2005.

As with the first ERP, and as provided for in Section .110 of the Act, the State has contracted for consulting services for ERP support. WSDOT followed procurement processes required by the Office of Financial Management, and has awarded a sole source contract to the Cedar River Group. The ERP's expenses will include the cost of this consulting support as well as direct expenses such as the Panel members' travel, lodging and meals when they meet to conduct business. The Act envisioned ERP-related expenses would be "paid from appropriations ... from the (State's) high capacity transportation account." The high capacity transportation account (Account) was funded through the motor vehicle excise tax which the State no longer collects. The last funds were distributed from the Account during the 99-01 biennium. Without the funding source envisioned by the Act, the State had no means of funding ERP activities. Following some discussion of this dilemma, Sound Transit determined that it to be appropriate to reimburse the State for the ERP's expenses, exclusive of the State's staff costs. This course of action would allow the formation and start-up of the ERP to proceed, which Sound Transit needs in order to permit development of the ST2 system plan on schedule. The ERP is completely independent of Sound Transit. The ERP and their consultants will report directly to the State.

Only recently did Sound Transit receive a final projection of the total ERP costs through end of the year 2006. The proposed total value of Agreement GCA 3536 Task Order #8 (\$334,764) will be sufficient to complete the ERP's required activities, assuming a public vote on ST2 in late 2006. (Should ST2 planning be extended over a longer period, the ERP's activities would extend similarly and presumably at additional expense.)

CONSEQUENCES OF DELAY

Because WSDOT has exhausted funds available to them for the start-up of ERP support, action by Sound Transit later than April 7, 2005 may result in a cessation of support to the ERP by WSDOT's consultant. This would occur at a time when the ERP is actively engaged in review of both the Long-Range Plan DRAFT Supplemental EIS and ST's development of the Long-Range Plan itself.

PUBLIC INVOLVEMENT

The ERP is independent of Sound Transit and the State has opened all activities to the public. It has announced meetings via media, accepted public comments, and allowed public on tours of ST facilities.

LEGAL REVIEW

JW 03/25/05

SOUND TRANSIT

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A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute Supplement No. 2 to Agreement GCA 3536 Task Order #8 with the Washington State Department of Transportation for professional services and support to the State-appointed Expert Review Panel performed by WSDOT and its consultant(s) during the development of Sound Transit's ST2 system plan, in the amount of \$298,764, for a total authorized amount for Task Order #8 not to exceed \$334,764.

Background:

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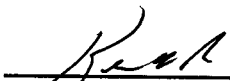
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Motion:


It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute Supplement No. 2 to Agreement GCA 3536 Task Order #8 with the Washington State Department of Transportation for professional services and support to the State-appointed Expert Review Panel performed by WSDOT and its consultant(s) during the development of Sound Transit's ST2 system plan, in the amount of \$298,764, for a total authorized amount for Task Order #8 not to exceed \$334,764.

APPROVED by the Finance Committee of the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on April 7, 2005.



Kevin R. Phelps,
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator