

**SOUND TRANSIT  
DISCUSSION ITEM  
POSSIBLE ACTION**

**MOTION NO. M2006-50**

**Change in Scope – Phase II Improvements  
Seattle to Tacoma Track and Signal Improvements**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	6/15/06	Discussion/Possible Action to Recommend Board Approval	<b>Agnes Govern, Director Capital Projects</b>	(206) 398-5037
Board	6/22/06	Action		

**PROPOSED ACTION**

Authorizes a change in scope for Phase II improvements to the Seattle to Tacoma Track and Signal projects. This authority is contingent on a written commitment from the Washington State Department of Transportation (WSDOT) to fund the changes, a written commitment from Burlington Northern Santa Fe Railway (BNSF) to allow two additional round trips in September 2007, a written commitment from the National Railroad Passenger Corporation (Amtrak) to approve the use of escrow funds in the event that WSDOT is unable to meet its commitment in the near term, a written commitment from WSDOT to work with the Governor's Office and the Legislature to seek funding to reimburse any advance made by Sound Transit, and the completion of any necessary environmental review.

**BUDGET DISCUSSION**

The additional cost of this change in scope is approximately \$8 million. WSDOT has committed to funding the additional cost. However, they have indicated that their multi-modal revenue source could be eliminated should an initiative be placed on the November 2006 ballot and passed by the voters. In that event, WSDOT is requesting that Sound Transit advance funds for construction of the plan based on WSDOT's commitment to work with the Governor's Office and the Legislature to seek funding to reimburse the advance made by Sound Transit.

Sound Transit has available funds in the escrow account that was established as part of the lease-leaseback arrangement on our trains. The funds in this account total approximately \$8.3 million; any expenditure from the account is limited to the funding of projects of mutual benefit to Amtrak and Sound Transit and requires both agencies' approval. Amtrak has committed to approve using funds from the escrow account should WSDOT be unable to fulfill its funding commitment in the short term.

The initiative that would impact WSDOT's multi-modal revenue source may also have significant impacts on Sound Transit's financial plan. The initiative seeks to require Sound Transit to retire \$350 million in outstanding bonds pledging motor vehicle taxes as security for repayment. If the initiative qualifies for the ballot, is passed by the voters, and upheld by the courts, the new law will mean that Sound Transit cannot continue to collect its motor-vehicle excise tax.

## **COMMUTER RAIL SERVICE DISCUSSION**

The current schedule calls for Phase II improvements to be completed in November 2007. This schedule is at risk given delays associated with the D Street Overpass project and the King Street Station work. In discussions, Burlington Northern Santa Fe (BNSF) has responded positively to our request to begin the fifth and sixth round trips between Tacoma and Seattle in September 2007. However, the formal approval is in process and is expected next week. The authority to change scope is contingent on receiving approval from BNSF. The remaining three round trips could begin upon completion of Phase II improvements, estimated to be April 2008.

## **HISTORY OF PROJECT**

Sound Transit and BNSF executed a construction agreement in May 2000 where Sound Transit funded a series of track and signal improvements in exchange for commuter rail service. The agreement called for three trains upon completion of Phase I improvements and the remaining six trains upon completion of Phase II improvements. Phase I improvements were completed as scheduled in 2004, under budget. BNSF approved the addition of a fourth train in 2005, prior to its contractual obligation. Phase II improvements are approximately 60% complete, with most of the remaining work in the Tacoma Yard area and the King Street Station area.

The original scope for Sound Transit Phase II improvements in the King Street Station area would have been sufficient to handle the currently planned Sound Transit service and some of the planned WSDOT future service. In January 2005, the WSDOT Rail Division asked BNSF and Sound Transit to consider changes in the King Street Station plan that would accommodate their planned growth. The new plan utilizes newly available WSDOT property for a larger station footprint that will accommodate more trains with better reliability and also allow for future expansion. The larger footprint enables longer station tracks that will accommodate longer passenger trains and higher speed entries and exits to the station. It will also add two more double-ended tracks at the north end of the station area, which is important as passenger service expands at the station. This change in scope in the King Street Station area is particularly important, given that development potential of the airspace over the tracks in this area could preclude future capacity improvements. Building the new plan in coordination with WSDOT also avoids future disruption to our services caused by additional main line track construction.

## **CONSEQUENCES OF DELAY**

The revised plan in the King Street Station area requires a purchase of land from the Seattle Monorail Authority by BNSF. BNSF cannot move forward on acquiring this land until the plan is approved by Sound Transit. The Seattle Monorail Authority needs to conclude its real estate activities as soon as possible. Delay could interfere with the ability of BNSF to acquire critically needed right-of-way.

Phase II improvements in the King Street Station area are not proceeding on schedule pending this change in scope. BNSF cannot go forward until Sound Transit gives formal approval of the change in scope. Should the decision be delayed, additional train service would likely be delayed as well.

**ENVIRONMENTAL REVIEW**

PW 6/13/06

**LEGAL REVIEW**

JW 6/14/06

## **SOUND TRANSIT**

### **MOTION NO. M2006-50**

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing a change in the scope of work for Phase II Improvements associated with the Seattle to Tacoma Track and Signal projects. This authority is contingent on a written commitment from the Washington State Department of Transportation (WSDOT) to fund the changes, a written commitment from Burlington Northern Santa Fe Railway to allow two additional round trips in September 2007, a written commitment from the National Railroad Passenger Corporation (Amtrak) to approve the use of escrow funds in the event that WSDOT is unable to meet its commitment in the near term, a written commitment from WSDOT to work with the Governor's Office and the Legislature to seek funding to reimburse any advance made by Sound Transit, and the completion of any necessary environmental review. In the event the escrow funds are used to advance money to fund these improvements, the escrow account will be replenished when WSDOT reimburses Sound Transit.

#### **Background:**

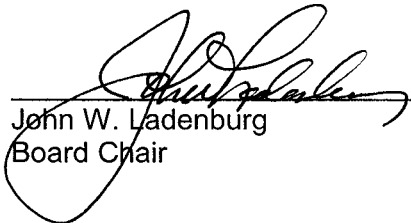
Sound Transit and Burlington Northern Santa Fe (BNSF) executed a construction agreement in May 2000 where Sound Transit funded a series of track and signal improvements in exchange for commuter rail service. The agreement called for three trains upon completion of Phase I improvements and the remaining six trains upon completion of Phase II improvements. Phase I improvements were completed as scheduled in 2004, under budget. BNSF approved the addition of a fourth train in 2005, prior to its contractual obligation. Phase II improvements are approximately 60% complete with most of the remaining work in the Tacoma Yard area and the King Street Station area.

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**Motion:**

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that a change in the scope of work for Phase II Improvements associated with the Seattle to Tacoma Track and Signal projects. This authority is contingent on a written commitment from the Washington State Department of Transportation (WSDOT) to fund the changes, a written commitment from Burlington Northern Santa Fe Railway to allow two additional round trips in September 2007, a written commitment from the National Railroad Passenger Corporation (Amtrak) to approve the use of escrow funds in the event that WSDOT is unable to meet its commitment in the near term, a written commitment from WSDOT to work with the Governor's Office and the Legislature to seek funding to reimburse any advance made by Sound Transit, and the completion of any necessary environmental review. In the event the escrow funds are used to advance money to fund these improvements, the escrow account will be replenished when WSDOT reimburses Sound Transit.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 22, 2006.

  
John W. Ladenburg  
Board Chair

ATTEST:

  
Marcia Walker  
Board Administrator