

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2007-114

**Agreement with the City of Marysville to Acquire Mitigation
Properties in the Snohomish Estuary**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	11/1/07	Discussion/Possible Action	Jim Edwards, Director, Capital Projects Eric Beckman, Capital Projects Chris Townsend, Senior Environmental Planner	(206) 398-5436 (206) 398-5251 (206) 398-5135

Contract/Agreement Type:	<input checked="" type="checkbox"/>	Requested Action:	<input checked="" type="checkbox"/>
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	<input checked="" type="checkbox"/>
Agreement with Other Jurisdiction(s)	<input checked="" type="checkbox"/>	Budget Amendment	
Real Estate		Property Acquisition	

PROJECT NAME

Sounder Commuter Rail Permitting/Environmental Mitigation

PROPOSED ACTION

Authorizes the chief executive officer to amend an agreement with the City of Marysville to purchase mitigation properties in the Snohomish River Estuary and to compensate the City of Marysville for an additional amount of \$701,000 for a new total authorized agreement amount not to exceed \$1,691,000.

KEY FEATURES of PROPOSED ACTION

- In November 2006 Sound Transit entered into an agreement with the City of Marysville to purchase approximately 15 acres of land in the Snohomish River estuary as partial mitigation for impacts associated with the Third Easement of the Everett to Seattle Commuter Rail project.
- The purchase price in the original agreement was based on appraisals completed in September 2006. Changes in appraisal assumptions from the original appraisals and new comparable property sales in the area resulted in higher values for each of the properties in the appraisal updates completed in the summer of 2007.

BUDGET IMPACT SUMMARY

Current Project Phase: Right of Way
 Projected Completion Date: 2008

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 and FINANCIAL PLAN DISCUSSION

The Board-adopted budget for this project is \$10,288,098 with a Right of Way phase budget of \$1,967,248. The proposed action would amend an agreement with the City of Marysville, increasing it by \$701,000, including \$60,000 in transaction costs. This action will leave a remaining Right of Way phase balance of \$69,131 and a project balance of \$6,555,004.

There are sufficient funds to complete this action. Committing these funds will not endanger any other project elements that are to be funded out of the overall project.

BUDGET TABLE

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

Project: 131 - Permitting/Environmental Mitigation

	2007 Board Adopted Budget ¹ (A)	Committed To Date ² (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	\$ 527	\$ 527	\$ -	\$ 527	\$ -
2 Preliminary Engineering	\$ 1,820	\$ 997	\$ -	\$ 997	\$ 823
3 Final Design	\$ 380	\$ 20	\$ -	\$ 20	\$ 360
4 Right of Way	\$ 1,967	\$ 1,197	\$ 701	\$ 1,898	\$ 69
5 Construction	\$ 4,556	\$ 290	\$ -	\$ 290	\$ 4,265
6 Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -
7 Contingency	\$ 1,038	\$ -	\$ -	\$ -	\$ 1,038
8 Total Current Budget	\$ 10,288	\$ 3,032	\$ 701	\$ 3,733	\$ 6,555

Phase Budget Detail

9 Right of Way	\$ 1,967	\$ 1,197	\$ 701	\$ 1,898	\$ 69
10 Misc. Activity	\$ -	\$ -	\$ -	\$ -	\$ -
11 Total Phase	\$ 1,967	\$ 1,197	\$ 701	\$ 1,898	\$ 69

Contract Budget	Current Approved Contract Value (F)	Committed To Date ² (G)	Proposed Action (H)	Proposed Total Contract Value (I)
12 City of Marysville Agreement	\$ 990	\$ 990	\$ 701	\$ 1,691
13 Contingency	\$ -	\$ -	\$ -	\$ -
14 Total	\$ 990	\$ 990	\$ 701	\$ 1,691
15 Percent Contingency	0%	0%	0%	0%

Notes:

¹ Project budget is located on page 111 of the Adopted 2007 Budget book. The Board approved the Adopted 2007 Budget on December 14, 2006.

² Committed to date amount includes actual outlays and commitments through September 20, 2007.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

Sound Transit wishes to provide an additional daily Sounder commuter train between Everett and Seattle on Burlington Northern Santa Fe Railway (BNSF) tracks. Implementation of this Everett-to-Seattle commuter rail project requires mitigation of unavoidable impacts to near-shore marine habitats and freshwater wetlands resulting from proposed track improvements necessary to provide a third easement.

In consultation with the USACE Regulatory Branch and the Trustees, Sound Transit has developed a preferred mitigation approach that involves securing key properties adjacent to the Qwuloolt Restoration Project for additional restoration.

Marysville entered into an agreement with Sound Transit in November 2006 to assist with the acquisition of the required properties. Since that time, Marysville has completed due diligence activities, including appraisal updates on the subject properties. The appraisal updates commissioned by Marysville and accepted by a review appraiser have appraised the properties at a higher value than appraisals completed by the same firm in September 2006. The increase in appraised value is due in part to differing assumptions in the initial appraisal and in part to new comparable sales in the vicinity of the subject properties.

Marysville is prepared to enter into purchase and sale agreements with the property owners prior to the end of 2007, consistent with mitigation requirements in permits.

This action will implement environmental commitments made to and approved by several federal, state, and local jurisdictions.

Prior Board/Committee Actions

Motion/Resolution Number and Date	Summary of Action
M2006-75 11/02/06	Authorized the chief executive officer to execute an agreement with the City of Marysville to purchase mitigation properties in the Snohomish River Estuary for an amount not to exceed \$930,000, and to compensate the City of Marysville for transaction costs for a total not to exceed \$60,000, for a total authorized agreement amount not to exceed \$990,000.

CONSEQUENCES of DELAY

Sound Transit is required by a permit from the Washington State Department of Ecology to purchase the properties in the estuary by the end of 2007. A delay of Finance Committee approval may compromise Sound Transit's ability to fulfill the terms of the 401 (Clean Water Act) permit, which could delay provision of commuter rail service on trains three and four.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

SK 9/25/07

LEGAL REVIEW

BN 10/24/07

SOUND TRANSIT

MOTION NO. M2007-114

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to amend an agreement with the City of Marysville to purchase mitigation properties in the Snohomish River Estuary and to compensate the City of Marysville for an additional amount of \$701,000 for a new total authorized agreement amount not to exceed \$1,691,000.

Background:

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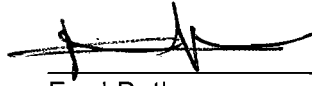
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Motion:

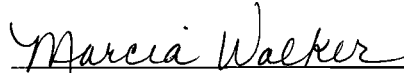
It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to amend an agreement with the City of Marysville to purchase mitigation properties in the Snohomish River Estuary and to compensate the City of Marysville for an additional amount of \$701,000 for a new total authorized agreement amount not to exceed \$1,691,000.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on November 1, 2007.



Fred Butler
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator