

**SOUND TRANSIT
STAFF REPORT**

RESOLUTION NO. R2008-06

Amending the Adopted 2008 Budget

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	3/20/08	Postponed	Jim Edwards, Director, Capital Projects	(206) 398-5436
Finance Committee	4/3/08	Discussion/Possible Action to Recommend Board Approval Action	Eric Beckman, Program Manager,	(206) 398-5251
Board	4/10/08		Val Batey, Project Manager	(206) 398-5117

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)		Budget Amendment	✓
Real Estate		Property Acquisition	

PROJECT NAME

Everett-Seattle Track and Signal Project
Snohomish Program Reserves Project
Everett Station Project

PROPOSED ACTION

Amends the Adopted 2008 Budget to:

- (a) Revise the Everett-Seattle Track and Signal Project lifetime budget from \$303,325,836 to \$300,369,036;
- (b) Revise the Snohomish County Program Reserve Project lifetime budget from \$2,237,910 to \$12,448; and
- (c) Revise the Everett Station lifetime budget from \$28,774,391 to \$33,956,653.

KEY FEATURES of PROPOSED ACTION

- The Everett-Seattle Track and Signal Project is complete. The project budget is scheduled to be closed during the 2009 budget process. Contingency funds are available to transfer to the Snohomish Program Reserves.
- This action amends the Adopted 2008 Budget for Everett Station to \$33,956,653 to accommodate the successful low construction bid.
- This action amends the Adopted 2008 Budget for Everett-Seattle Track and Signal to \$300,369,036.
- This action amends the Adopted 2008 Budget for the Sounder Program Reserve for Snohomish County to \$12,448.

BUDGET IMPACT SUMMARY

Current Project Phase: Final Design
Projected Completion Date: Dec 2008

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
This Task		
Budget Amendment Required	✓	\$2.2 million is being transferred from the Snohomish County Program Reserve and \$3 million from Everett-Seattle Track and Signal.

Key Financial Indicators:	✓	Comments on Checked Items
Contingency Funds Required		
Funding required from other parties (other than what is in financial plan)		

Not checked = action is assumed in current Board-adopted budget. No budget action or adjustment to financial plan required.

BUDGET and FINANCIAL PLAN DISCUSSION

The proposed resolution will amend the lifetime budget for Everett-Seattle Track and Signal Project reducing it by \$2,956,800 to \$300,369,036. The \$2,956,800 will be transferred to the Everett Station Project budget.

The proposed resolution will amend the lifetime budget for the Snohomish County Program Reserves reducing it by \$2,225,462 to \$12,448. The \$2,225,462 will be transferred to the Everett Station Project budget.

The proposed resolution will amend the lifetime budget for Everett Station increasing it by \$5,182,262 to \$33,956,653 funded by the transfers from Everett-Seattle Track and Signal Project and from the Snohomish County Program Reserve.

This action will have no effect on the projects' annual budget for activity in 2008.

BUDGET TABLE

BUDGET AMENDMENT

	Adopted 2008 Lifetime Budget ¹	Proposed Budget Amendment ²	Revised 2008 Budget
Everett-Seattle Track & Signal	(A)	(B)	(C)
1 Agency Administration	\$ 9,166,412	\$ (156,800)	\$ 9,009,612
2 Preliminary Engineering	\$ 3,955,748	\$ -	\$ 3,955,748
3 Final Design	\$ 11,190	\$ -	\$ 11,190
4 Right of Way	\$ 258,256,017	\$ -	\$ 258,256,017
5 Construction	\$ 701,154	\$ -	\$ 701,154
6 Vehicles	\$ 28,042,941	\$ -	\$ 28,042,941
7 Contingency	\$ 3,192,373	\$ (2,800,000)	\$ 392,373
8 Total Current Budget	\$ 303,325,836	\$ (2,956,800)	\$ 300,369,036

9 Snohomish County Program Reserve	\$ 2,237,910	\$ (2,225,462)	\$ 12,448
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Everett Station

10 Agency Administration	\$ 1,699,512	\$ 181,831	\$ 1,881,344
11 Preliminary Engineering	\$ 1,194,884	\$ -	\$ 1,194,884
12 Final Design	\$ 1,476,920	\$ 34,051	\$ 1,510,971
13 Right of Way	\$ 7,398,800	\$ (90,000)	\$ 7,308,800
14 Construction	\$ 16,771,541	\$ 4,966,380	\$ 21,737,921
15 Vehicles	\$ -	\$ -	\$ -
16 Contingency	\$ 232,733	\$ 90,000	\$ 322,733
17 Total Current Budget	\$ 28,774,391	\$ 5,182,262	\$ 33,956,653

Notes:

- ¹ The Everett Station project budget is located on page 118 of the Proposed 2008 Budget book, Everett-Seattle Track & Signal is on page 109, and the Snohomish County Program reserve budget is on page 128. The Adopted 2008 Budget was approved by the Board on November 29, 2007.
- ² The proposed budget amendment would transfer \$2,956,800 from Everett-Seattle Track & Signal project and \$2,225,462 from the Snohomish County Program Reserve to the Everett Station project.

SMALL BUSINESS PARTICIPATION

Not applicable to this action.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

Everett Station is a multimodal station accommodating Amtrak, Greyhound, Everett Transit, Community Transit, ST Express Bus, Sounder Commuter Rail, charters, taxis, and shuttles. The initial phase of the project was developed by the City of Everett and includes the Everett Station building; the off-street bus transit center; parking for commuters, Amtrak and Greyhound customers and other patrons; a portion of the commuter rail platform and canopies; and the Amtrak passenger boarding platform. Sound Transit is responsible for the final phase of the station improvements, which include a 440-stall east parking lot, a pedestrian bridge over the existing tracks, pedestrian access plazas on both sides of the tracks, completion of the north 71-stall section of the 330-stall southwest parking lot, and an operations building for light maintenance equipment and supplies and use by BNSF train crews, utilities, and landscaping.

The Adopted 2008 Budget for the Everett Station is based on an engineer's estimate for construction of the final phase of the project that was prepared for the project in August 2006. That estimate totaled \$8,590,964 and included a 5% contingency. In October 2007 prior to advertisement, an updated engineer's estimate was prepared. The revised cost estimate of \$9,759,666, which included a 5% contingency and a 1.08% construction cost escalation factor, was used to support bid opening.

In October 2007, the Invitation for Bid for the construction of the Everett Station Phase 2 Project was issued. Two contractors submitted bids, which were opened on January 18, 2008. The bids were \$12.3 million and \$12.9 million. Wilder Construction Company is the low responsive and responsible bidder with a bid of \$12,320,000, 26.23% higher than the 2007 engineer's estimate, creating a budget shortfall for the project. At this time, based on the current bidding climate and rising costs of labor and materials we believe this is a reasonable bid and offers the best value to the Agency. Canceling the bids and re-bidding the project would not be in the best interest of the Agency as the potential risk of receiving higher bids is great.

The estimated shortfall for the project is \$5.18 million, which includes shortfalls in the construction contract, construction management, construction contingency, project administration, and proposed contingency amounts. A transfer of funds from the Everett-Seattle Track and Signal Project and the Sounder Program Reserves for Snohomish County will address this shortfall.

Environmental impacts resulting from the Everett Station improvements were addressed in the Everett Multimodal Transportation Facility NEPA EA/SEPA EIS (1995) issued by the City of Everett, the Everett – Seattle Commuter Rail Final EIS issued by FTA and Sound Transit (December, 1999), and subsequent environmental documentation. A Finding of No Significant Impact was issued for the City's environmental document. Sound Transit's Final EIS received a Record of Decision (ROD) from FTA in February 2000. Sound Transit also issued a SEPA Addendum on June 7, 2005 and had a NEPA reevaluation approved by FTA on June 1, 2005 for design refinements to the Everett Station East Parking Lot.

Prior Board/Committee Actions

Not applicable to this action.

CONSEQUENCES of DELAY

Sound Transit has 120 days from bid opening to award the bid at the price offered by the bidder. This period expires on May 17, 2008. Delaying award of the bid will reduce the dry weather construction period for the project. Delaying the project does not affect delivery of planned or existing service.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

SSK 3-6-08

LEGAL REVIEW

JW 3/13/08

SOUND TRANSIT

RESOLUTION NO. R2008-06

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority amending the Adopted 2008 Budget to: (a) Revise the Everett-Seattle Track and Signal Project lifetime budget from \$303,325,836 to \$300,369,036; (b) Revise the Snohomish County Program Reserve Project lifetime budget from \$2,237,910 to \$12,448; and (c) Revise the Everett Station lifetime budget from \$28,774,391 to \$33,956,653.

WHEREAS, a Regional Transit Authority, hereinafter referred to as Sound Transit, has been created for the Pierce, King, and Snohomish County region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, on November 5, 1996, at a general election held within the Central Puget Sound Regional Transit Authority district, the voters approved local funding for high capacity transit in the Central Puget Sound Region; and

WHEREAS, by Resolution No. R2007-25, the Sound Transit Board adopted the 2008 budget on November 29, 2007; and

WHEREAS, the Everett-Seattle Track and Signal Project is complete. The project budget is scheduled to be closed during the 2009 budget process. Contingency funds are available to transfer to the Snohomish Program Reserves; and

WHEREAS, said budget amendment is consistent with and affordable under Board-adopted financial policies as established by Resolution No. R72-1; and

WHEREAS, a two-thirds affirmative vote of the entire membership of the Sound Transit Board is required to amend the Adopted 2008 Budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that:

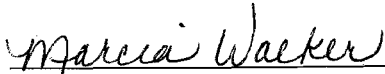
Section 1. The Adopted 2008 Budget is hereby amended to: (a) revise the Everett-Seattle Track and Signal Project lifetime budget from \$303,325,836 to \$300,369,036; (b) revise the Snohomish County Program Reserve Project lifetime budget from \$2,237,910 to \$12,448; and (c) revise the Everett Station lifetime budget from \$28,774,391 to \$33,956,653.

ADOPTED by a 2/3 majority of the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on April 10, 2008.



Claudia Thomas
Board Vice-Chair

ATTEST:



Marcia Walker
Board Administrator