



MOTION NO. M2011-33
Woodinville Subdivision Rail Corridor Purchase and Sale Agreement

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:	PHONE:
Board	04/28/11	Final Action	Celia Kupersmith, Acting CEO	206-398-5037

PROPOSED ACTION

Authorizes the chief executive officer to execute a purchase and sale agreement with the Port of Seattle in the amount of \$13,752,393 for the acquisition of 1) a 1.1 mile segment of the Woodinville Subdivision rail corridor located in Bellevue for construction and operation of the East Link project, and 2) easements for high-capacity transit throughout the remainder of the Woodinville Subdivision rail corridor.

KEY FEATURES

- Authorizes a purchase and sale agreement with the Port of Seattle and allows Sound Transit to acquire the interests needed to construct and operate all East Link alignments under consideration within the Woodinville Subdivision rail corridor. Closing the transaction is contingent on FTA approval of Sound Transit's real property appraisal.
- Sound Transit will receive a high-capacity transit easement throughout the remainder of the rail corridor that permits development of one or more high capacity transit facilities in the future, subject to shared use of the corridor with a regional trail and utility uses. The high-capacity transit easement covers the eastside rail corridor between Woodinville and Renton and in the portions of the Redmond Spur located outside the Redmond city limits.
- Sound Transit will also receive a high-capacity transit easement on the portion of the rail corridor located within Redmond city limits that will allow construction and operation of portions of a future light rail extension currently being evaluated in downtown Redmond. Redmond will convey this easement at the time Sound Transit closes its transaction with the Port of Seattle.
- The rights Sound Transit would acquire in this transaction are subject to federal rail banking requirements and King County's right to develop a regional trail.
- If King County acquires additional rights in the rail corridor after Sound Transit completes the acquisition from the Port of Seattle, Sound Transit would pay to relocate King County's trail if a Sound Transit project required such relocation.

PROJECT DESCRIPTION

The purpose of the East Link project is to expand the Sound Transit Link light rail system from Seattle to Mercer Island, Bellevue and Redmond via Interstate 90 (I-90) in order to provide a reliable and efficient alternative for people to travel throughout the region. The proposed purchase supports the purpose and need of East Link by ensuring that consideration and analysis of all alternatives considered in the Environmental Impact Statement will continue in the environmental review process.

FISCAL INFORMATION

Budget Table

(Year of Expenditure \$000)

East Link	Adopted 2011 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
Agency Administration	63,764	7,001		7,001	56,763
Preliminary Engineering	64,660	54,862		54,862	9,798
Final Design	169,400	-		-	169,400
Right of Way	41,157	20,551	13,752	34,304	6,853
Construction	-	-		-	-
Construction Services	-	-		-	-
Third Party Agreements	25,569	858		858	24,710
Vehicles	-	-		-	-
Total Current Budget	364,550	83,273	13,752	97,025	267,525

Right of Way Phase Detail

Right of Way	41,157	20,551	13,752	34,304	6,853
Total Phase	41,157	20,551	13,752	34,304	6,853

Contract Amount	Board Approvals to Date (F)	Current Approved Contract Value (G)	Proposed Action (H)	Proposed Total for Board Approval (I)	Proposed Contract Value (J)
Contract Amount	-	-	13,752	13,752	13,752
Contingency	-	-	-	-	-
Total Contract	-	-	13,752	13,752	13,752
Percent Contingency	0%	0%	0%	0%	0%

(B) COMMITTED TO DATE amounts are from Link WBS Report as of March 2011 + approved and pending board actions not recorded as of 3/31/11, or submitted after that date, and include allocated contingencies.

SMALL BUSINESS PARTICIPATION

Not applicable to this action.

BACKGROUND

Sound Transit entered into a non-binding Memorandum of Understanding Regarding Acquisition of the Woodinville Subdivision with the Port of Seattle, King County, Puget Sound Energy, the City of Redmond, and the Cascade Water Alliance on November 5, 2009 (the "MOU"). Subsequent to the execution of the MOU, the Port of Seattle purchased the Woodinville Subdivision from the Burlington Northern and Santa Fe Railroad, subject to a King County Multipurpose Easement. The MOU set forth the intentions of the parties to acquire various interests in the rail corridor from the Port.

The City of Redmond and Puget Sound Energy have entered into agreements with the Port and have acquired property interests in the corridor. Sound Transit has negotiated a purchase and sale agreement and High Capacity Transportation Easement Agreement (Woodinville Subdivision Rail Corridor) that provides for Sound Transit to acquire a 1.1 mile segment of the corridor in Bellevue with an easement for high capacity transit purposes throughout the remainder of the corridor between Woodinville and Renton and the portion of the corridor known as the Redmond Spur, between Woodinville and the city limits of Redmond. Pursuant to prior agreement between the Port and Redmond, at the closing of the Sound Transit transaction with the Port, Redmond will grant Sound Transit an easement for high capacity transit purposes on the Redmond Spur within the city limits of Redmond.

All or a portion of the 1.1 mile segment under the purchase agreement is needed for the Segment C (Downtown Bellevue) and Segment D (Bel Red/Overlake) project alternatives being evaluated in the East Link Light Rail Project Final Environmental Impact Statement. Sound Transit requested and received approval from the Federal Transit Administration to acquire the property, together with the easements for high capacity transit purposes as a “protective acquisition” before the FTA issues its Record of Decision.

Sound Transit has obtained an appraisal of the value of the property interests to be acquired. Sound Transit has reviewed that appraisal and requested FTA approval. Sound Transit’s obligation to close the purchase transaction is contingent on receipt of FTA approval of the appraisal.

The Woodinville Subdivision rail corridor is railbanked. As a result, Sound Transit must accommodate King County’s right as the federally recognized trail sponsor to develop a trail on the corridor. Further, Sound Transit will design any improvements to accommodate the reactivation of the corridor for freight use.

The high capacity transportation easement that Sound Transit will acquire allows Sound Transit to establish temporary and permanent locations within the rail corridor for the construction and operation of one or more high capacity transportation facilities.

ENVIRONMENTAL COMPLIANCE

The FTA has concurred in Sound Transit’s request for a Documented Categorical Exclusion (DCE) under the Nation Environmental Policy Act (NEPA) for this acquisition.

Jl 4/20/2011

PRIOR BOARD/COMMITTEE ACTIONS

Motion M2009-110 – Confirmed the chief executive officer’s authority to negotiate transaction documents for Sound Transit’s acquisition of property interests in the Southern Portion of the BNSF Woodinville Subdivision and the Redmond Spur, generally consistent with the terms of the Memorandum of Understanding Regarding Acquisition of the Woodinville Subdivision among Sound Transit, the Port of Seattle, King County, the City of Redmond, Puget Sound Energy and the Cascade Water Alliance, for a purchase price not to exceed \$14,000,000, and consistent with the general premises upon which the maximum purchase price was developed.

TIME CONSTRAINTS

A one month delay would not create a significant impact to the project schedule however a longer delay could jeopardize the project construction schedule.

PUBLIC INVOLVEMENT

The East Link Project has and continues to engage the community in the environmental review process. The project started in September 2006 with the Scoping Process. During this process, four public meetings were held. In addition to public meetings, an extensive notification process was conducted including mailing informative postcards, posting information in Sound Transit’s website, advertizing in newspapers and community publications, posting posters announcing the meetings and encouraging the community to participate in the process. A Coordination Plan was prepared in 2007 to guide the project team’s outreach efforts with cooperating and participating

agencies, along with other organizations and community, during the joint NEPA and SEPA environmental review process.

With the issuance of the Draft EIS, a 75-day comment period was provided, which was thirty days longer than the typical comment period of 45 days. Five public meetings were held, in addition to special briefings to community and business groups. Throughout the process, the appropriate notification process was conducted including publishing notices in the SEPA register, Federal Register, local newspapers and publications. A website was designed that provided information, invited citizens to participate at public meetings, and encouraged submittal of comments. Letters were mailed to property owners of affected potentially acquisition. Recently, FTA, ST, and WSDOT issued a Supplemental DEIS, which analyzed potential project impacts for new and modified alternatives along with provided key project updates. Public comment period closes in January 10, 2011, providing a 60-day comment period.

Throughout the entire process, the analysis, write-up, and conceptual engineering drawings have provided information about the relationship of the range of East Link project alternatives with the Woodinville Subdivision rail line (formerly owned by BNSF). Staff has been and will continue to meet with community organizations, individual homeowners, business groups, and other stakeholders as the Final EIS is published in 2011.

LEGAL REVIEW

JB 4/21/11

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A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a purchase and sale agreement with the Port of Seattle in the amount of \$13,752,393 for the acquisition of 1) a 1.1 mile segment of the Woodinville Subdivision rail corridor located in Bellevue for construction and operation of the East Link project, and 2) easements for high-capacity transit throughout the remainder of the Woodinville Subdivision rail corridor.

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The high capacity transportation easement that Sound Transit will acquire allows Sound Transit to establish temporary and permanent locations within the rail corridor for the construction and operation of one or more high capacity transportation facilities.

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 a purchase and sale agreement with the Port of Seattle in the amount of \$13,752,393 for the acquisition of 1) a 1.1 mile segment of the Woodinville Subdivision rail corridor located in Bellevue for construction and operation of the East Link project, and 2) easements for high-capacity transit throughout the remainder of the Woodinville Subdivision rail corridor.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on April 28, 2011.



Aaron Reardon
Board Chair

ATTEST:



Marcia Walker
Board Administrator