

**RESOLUTION NO. R2013-23**
**Ratifying an amendment to the Adopted 2013 Budget for the Purchase of the International Paper Property**

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:	PHONE:
Board	09/26/13	Final Action	Ric Ilgenfritz, Executive Director, Planning, Environment and Project Development <b>Michael Williams, Deputy Executive Director, Capital Project Development</b>	206-398-5239  206-398-5145

**PROPOSED ACTION**

Ratifies actions taken by the Board Chair and Vice Chairs to (1) amend the Adopted 2013 Lifetime Budget for the Link Operations and Maintenance Satellite Facility from \$9,431,531 to \$32,556,531, and (2) amend the Adopted 2013 Annual Budget for the Link Operations and Maintenance Satellite Facility from \$4,249,305 to \$27,374,305 to include the cost to purchase the International Paper Property as a protective acquisition for site alternatives being evaluated for the Link Operations and Maintenance Satellite Facility project.

**KEY FEATURES SUMMARY**

- Ratifies the amendment of the 2013 Budget by the Board Chair and Vice Chairs conducted pursuant to an affirmative e-mail vote of a supermajority of Boardmembers that was concluded on September 2, 2013.
- The budget amendment was necessary in order to timely close on the purchase of the International Paper Property pursuant to a Board-authorized purchase and sale agreement.
- The e-mail vote was carried out in compliance with Board rules for actions of the Board when meetings are impracticable or impossible.
- The budget amendment authorized by the Board Chair and Vice Chairs also included \$125,000 in closing costs and administrative fees.

**BACKGROUND**

The ST2 Plan adopted by the voters in 2008 included a project to locate, design and construct a second Link Light Rail Operations and Maintenance facility to accommodate the future fleet requirements related to the expanded light rail system. On December 20, 2012, the Sound Transit Board identified four sites to be studied in the OMSF draft environmental impact statement.

In September 2011 the Sound Transit Board was informed that International Paper (IP) property located in Bellevue was for sale. The IP property is included as a portion of two of the OMSF sites being evaluated in the DEIS; Alternative 2: BNSF and Alternative 3: BNSF Modified. The Sound Transit Board directed staff to pursue a protective acquisition of the IP property.

Sound Transit requested Federal Transit Administration (FTA) approval of Sound Transit's protective acquisition of the IP property. In a letter dated December 28, 2011, FTA approved the protective acquisition. The letter stipulated that approval of the protective acquisition does not limit the evaluation of other alternative sites under consideration.

On January 26, 2012, the Sound Transit Board approved Resolution No. R2012-01, authorizing the chief executive officer to purchase the IP property and to prepare budget amendment within 60-day of the acquisition of the property.

Sound Transit entered into a purchase and sale agreement on June 19, 2013 for the purchase of the IP property for \$23,000,000. Based on the terms of that agreement, the last day to close the transaction was September 4, 2013.

Since the purchase of the property commits the Board to amend the budget, on September 2, 2013 Sound Transit’s Legal Counsel received votes via e-mail from a super-majority of Boardmembers to authorize the Board Chair and Vice Chairs to amend the budget to provide the funds necessary to purchase the property. This was done in compliance with Board rules for actions of the Board when meetings are impracticable or impossible.

On September 3, 2013, Sound Transit purchased the IP property.

**FISCAL IMPACT**

This action of purchasing property to include closing costs; will increase the 2013 annual budget and the lifetime budget of the project by a total of \$23.1 million. This increase is accounted for in the agency Financial Plan and in the full ST2 Cost Estimate.

**Link Operations and Maintenance Satellite Facility**

**BUDGET AMENDMENT**

Phase	2013 Annual Budget			Lifetime Budget		
	2013 Project Budget	Budget Transfer	Revised Project Budget	2013 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	1,153	0	1,153	3,237	0	3,237
Preliminary Engineering	2,876	0	2,876	5,710	0	5,710
Final Design	0	0	0	0	0	0
Right of Way	55	23,125	23,180	100	23,125	23,225
Construction	0	0	0	0	0	0
Construction Services	0	0	0	0	0	0
Third Party Agreements	165	0	165	385	0	385
Vehicles	0	0	0	0	0	0
Contingency	0	0	0	0	0	0
<b>Total</b>	<b>4,249</b>	<b>23,125</b>	<b>27,374</b>	<b>9,432</b>	<b>23,125</b>	<b>32,557</b>

Notes:  
 Amounts are expressed in Year of Expenditure \$000s.  
 Project Budget is located on page 26 of the 2013 Transit Improvement Plan (TIP).

**SMALL BUSINESS PARTICIPATION**

Not applicable to this action.

**EQUAL EMPLOYMENT WORKFORCE PROFILE**

Not applicable to this action.

**PUBLIC INVOLVEMENT**

Not applicable to this action.

## TIME CONSTRAINTS

A one month delay would not create a significant impact.

## PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2012-01: Authorized the chief executive officer to acquire, dispose, or lease certain real property by negotiated purchase, by condemnation (including settlement of condemnation litigation), or by entering into administrative settlements, and to pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary in order to secure property required for construction, operation, and maintenance of a potential site for the Link Light Rail Maintenance and Storage Project, and (2) required staff to prepare an amendment to the Adopted 2012 Budget for Board consideration within 60 days of completion of the acquisition.

## ENVIRONMENTAL REVIEW

JI 9/4/2013

## LEGAL REVIEW

JB 9/20/2013

**RESOLUTION NO. R2013-23**

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority ratifying actions taken by the Board Chair and Vice Chairs to (1) amend the Adopted 2013 Lifetime Budget for the Link Operations and Maintenance Satellite Facility from \$9,431,531 to \$32,556,531, and (2) amend the Adopted 2013 Annual Budget for the Link Operations and Maintenance Satellite Facility from \$4,249,305 to \$27,374,305 to include the cost to purchase the International Paper Property as a protective acquisition for site alternatives being evaluated for the Link Operations and Maintenance Satellite Facility project.

WHEREAS, the Central Puget Sound Regional Transit Authority, commonly known as Sound Transit, was formed under RCW Chapters 81.104 and 81.112 for the Pierce, King, and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, Sound Transit is authorized to plan, construct, and permanently operate a high-capacity system of transportation infrastructure and services to meet regional public transportation needs in the Central Puget Sound region; and

WHEREAS, in general elections held within the Central Puget Sound Regional Transit Authority district on November 5, 1996 and November 4, 2008, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, by Resolution No. R2012-25, the Sound Transit Board adopted the 2013 Budget on December 20, 2012; and

WHEREAS, on January 26, 2012, by Resolution No. R2012-01, the Sound Transit Board authorized the chief executive officer to acquire, dispose, or lease certain real property by negotiated purchase, by condemnation (including settlement of condemnation litigation), or by entering into administrative settlements, and to pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary in order to secure property required for construction, operation, and maintenance of a potential site for the Link Light Rail Maintenance

and Storage Project, and required staff to prepare an amendment to the Adopted 2012 Budget for Board consideration within 60 days of completion of the acquisition; and

WHEREAS, the purchase of the property commits the Board to amend the budget; and

WHEREAS, with approval by a super-majority of the Sound Transit Board, the Board Chair and Vice Chairs authorized an amendment to the annual and lifetime budget for the Link Operations and Maintenance Satellite Facility to purchase the International Paper Property as a protective acquisition for site alternatives being evaluated for the Link Operations and Maintenance Satellite Facility project; and

WHEREAS, Board approval for the Board Chair and Vice Chairs to act on behalf of the Board was done in compliance with Board rules for actions of the Board when meetings are impracticable or impossible; and

WHEREAS, on September 3, 2013, Sound Transit purchased the International Paper property for the purchase price of \$23,000,000; and

WHEREAS, the budget amendment amount includes \$125,000 for closing costs and other administrative fees associated with the purchase of the property; and

WHEREAS, a two-thirds affirmative vote of the entire membership of the Sound Transit Board is required to amend the Adopted 2013 Budget.

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


- 1) Actions taken by the Board Chair and Vice Chairs are ratified.
- 2) The Adopted 2013 Lifetime Budget for the Link Operations and Maintenance Satellite Facility is amended from \$9,431,531 to \$32,556,531.
- 3) The Adopted 2013 Annual Budget for the Link Operations and Maintenance Satellite Facility is amended from \$4,249,305 to \$27,374,305 to include the cost to purchase the International Paper Property as a protective acquisition for site alternatives being evaluated for the Link Operations and Maintenance Satellite Facility project.

ADOPTED by a super-majority of the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 26, 2013.



Pat McCarthy  
Board Chair

ATTEST:



Marcia Walker  
Board Administrator