

RESOLUTION NO. R2014-15

Budget Amendment for Tacoma Trestle Track and Signal Project

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	8/14/2014	Recommendation to Board	Ahmad Fazel, DECM Executive Director Eric Beckman, Deputy Executive Director – Business & Construction Services
Board	8/28/2014	Final Action	Melissa Flores Saxe, Project Manager

PROPOSED ACTION

(1) Amends the Adopted 2014 Lifetime Budget for the Tacoma Trestle Track and Signal project from \$11,454,520 to \$34,554,000 by increasing the budget by \$23,099,480, and; (2) amends the Adopted 2014 Annual Budget from \$10,674,000 to \$16,579,000, and (3) approves Gate 4: Enter Final Design within Sound Transit’s Phase Gate Process.

KEY FEATURES SUMMARY

- This action amends the Adopted Budget to increase the lifetime capital budget for the Tacoma Trestle Track and Signal project by \$23,099,000 for the Preliminary Engineering, Final Design, Right of Way and Construction Services Phases. Future Board action will be required to commence work at the completion of preliminary engineering.
- The estimated cost of the project based on conceptual engineering is substantially higher than the ST2 Plan budget. Preliminary engineering plans and cost estimates are due late August 2014, which will better inform the final scope and cost of the project.
- The project site is very constrained physically, the project needs to be constructed while maintaining service on the corridor, and environmental conditions including poor soils, minor wetlands and high ground water make construct work complex.
- The Tacoma Trestle Track and Signal Project is currently on a schedule to complete construction by Fall 2017 in advance of additional train service on the line.
- Approves Phase Gate 4: Enter Final Design within Sound Transit’s Phase Gate process.

BACKGROUND

The Tacoma Trestle Track and Signal project covers the complete re-construction of track and structure upgrades along a 0.65-mile section of the Sounder South Line from the Tacoma Dome Station to East M Street in Tacoma. The project includes the replacement of the 100-year old single-track wooden trestle and steel girder bridge with a new double-track structure. Replacement of the trestle includes demolition and track removal of the existing bridge and trestle, upgrades to the embankment along the trestle, construction of new tracks and crossovers, construction of a new concrete viaduct, signal upgrades and erosion control. Service in the corridor will remain active throughout construction.

Environmental review for the Tacoma Trestle Track and Signal project was completed with the State Environmental Policy Act (SEPA) Checklist and Determination of Non-Significance (DNS) issued July 16, 2014 and the Federal Transit Administration approved a National Environmental Policy Act (NEPA) Documented Categorical Exclusion (DCE) on April 14, 2014. With completion of the project’s NEPA review, the Board will consider a property acquisition resolution for the Tacoma Trestle Track and Signal project during the August 2014 Board meeting to begin the real estate process and negotiations to acquire property interests for the project by November 2015.

Conceptual engineering completed earlier this year and the corresponding cost estimate, forecast the project to be substantially higher than the ST2 budget amount. Initial conceptual cost estimates indicate total project could be \$20-\$40 million higher than original ST2 estimates. Higher costs are due to poor conditions requiring more extensive sub structure and elaborate phasing necessary to maintain service on the line during construction. Preliminary engineering currently underway is due to be submitted later this month. This will be the basis for further refining the scope and costs to better align with available funding. Sound Transit staff will perform a thorough independent review of the plans, costs and scope of the project to ensure the best value project advances into final design.

Budget in the right of way phase will fund property acquisitions anticipated to begin in September 2014 and budget within the construction services phase for a future construction management contract that covers several Sounder Commuter Rail projects. Construction service costs are included in this action to allow for the construction management team to be brought on during the later stages of final design to participate in constructability reviews and assemblage of the final contract documents.

The action is consistent with the Agency's Phase Gate process and will establish the necessary budgets for final design, construction services and right of way. Future Board actions will be necessary to award contracts for final design and construction management services and initiate right of way acquisition.

PROJECT STATUS IN SOUND TRANSIT'S PHASE/GATE PROCESS

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Phase I: Project Identification	Phase II: Alternatives Identification	Phase III: Conceptual Engineering	Phase IV: Preliminary Engineering	Phase V: Final Design	Phase VI: Construction

FISCAL IMPACT

Capital projects are implemented in phases through Sound Transit's Phase Gate process. The Board acts to fund a phase when a project moves from one phase to the next. The Board acts to amend both the current year Annual Budget and the project's lifetime budget when a project moves to the next phase. The resulting budget must fall within the ST2 Cost Estimate for the project.

This action amends the Tacoma Trestle Track and Signal lifetime project budget by \$23,099,000 to fund the Preliminary Engineering, Final Design, Right of Way Acquisition, and Construction Services phases. The additional \$23,099,000 in costs are in excess of the existing lifetime cost estimate and the set-aside for this project is within the agency's long-term financial plan. If approved, these additional costs would be financed by the issuance of additional bonds.

Overview of Amendments

- Amends the current budget for fiscal year 2014 by increasing the budgets for the Agency Administration, Preliminary Engineering, Final Design, Right of Way, and Construction Services Phases by \$5,905,000 from \$10,674,000 to \$16,579,000.
- Amends the current Lifetime Budget by increasing the budgets for the Agency Administration, Preliminary Engineering, Final Design, Right of Way, and Construction Services Phases by \$23,099,000 from \$11,455,000 to \$34,554,000.

Tacoma Trestle Phase	2014 Annual Budget			Lifetime Budget		
	Adopted 2014 Project Budget	This Action	Revised Project Budget	Adopted 2014 Project Budget	This Action	Revised Project Budget
Agency Administration	\$ 454	\$ 170	\$ 624	\$ 592	\$ 1,084	\$ 1,676
Preliminary Engineering	\$ 4,220	\$ 195	\$ 4,415	\$ 4,730	\$ 435	\$ 5,165
Final Design	\$ -	\$ 2,175	\$ 2,175	\$ -	\$ 10,374	\$ 10,374
Right of Way	\$ 6,000	\$ 3,265	\$ 9,265	\$ 6,132	\$ 5,782	\$ 11,914
Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Services	\$ -	\$ 100	\$ 100	\$ -	\$ 5,425	\$ 5,425
Third Party Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 10,674	\$ 5,905	\$ 16,579	\$ 11,455	\$ 23,099	\$ 34,554

Notes:

Amounts are expressed in Year of Expenditure \$000.

The Tacoma Trestle project budget is located on page 51 of 198 the Adopted 2014 Transit Improvement Plan (TIP).

SMALL BUSINESS/DBE PARTICIPATION

Not applicable to this action.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one month delay would create an impact to the project schedule given that Sound Transit will need to begin the real estate process to acquire all of the right of way interests for the project before construction begins in Fall 2015.

PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2014-02: (1) Approved Gates 2 and 3 within Sound Transit's Phase Gate process for the Tacoma Trestle Track and Signal project, (2) amending the Adopted 2014 Lifetime Budget for the Tacoma Trestle Track and Signal project from \$10,254,520 to \$11,454,520 by increasing the preliminary engineering phase budget by \$1,200,000, and (3) amending the Adopted 2014 Annual Budget from \$5,474,000 to \$10,674,000 by increasing (a) the Preliminary Engineering phase from \$3,020,000 to \$4,220,000 and (b) the Right-of-way phase from \$2,000,000 to \$6,000,000.

Motion No. M2013-76: Authorized the chief executive officer to (1) execute a purchase and sale agreement with the City of Tacoma for a 1.3-mile rail corridor in the City of Tacoma for the benefit of ongoing commuter rail service in Pierce County for \$4,000,000, and (2) execute a Joint Use Agreement with City of Tacoma for Tacoma Rail's ongoing use of the rail corridor.

Motion No. M2013-47: Authorized CEO to execute a contract with David Evans & Associates to provide conceptual engineering services for the Tacoma Trestle Project in the amount of \$1,356,345, with a 10% contingency of \$135,635, for a total authorized contract amount not to exceed \$1,491,980.

ENVIRONMENTAL REVIEW

Jl 8/5/2014

LEGAL REVIEW

JW 8/8/2014

RESOLUTION NO. R2014-15

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority (1) Amending the Adopted 2014 Lifetime Budget for the Tacoma Trestle Track and Signal project from \$11,454,520 to \$34,554,000 by increasing the budget by \$23,099,480, and (2) amending the Adopted 2014 Annual Budget from \$10,674,000 to \$16,579,000, and (3) approving Gate 4: Enter Final Design within Sound Transit's Phase Gate Process.

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, the 2013 Transit Improvement Plan established a lifetime budget for the Reservation Junction Track and Signal project and approved Gate 1: Enter Project Development within Sound Transit's Phase Gate process; and

WHEREAS, by Resolution No. R2013-07, the Board amended the Adopted 2013 Lifetime and Annual Budgets to fund the purchase of a 1.3 mile rail corridor owned by the City of Tacoma; and

WHEREAS, in July 2013 the project name was changed to the Tacoma Trestle Track and Signal project; and

WHEREAS, the Tacoma Trestle Track and Signal project will replace the 100-year old wooden single track railroad trestle with a new double-track trestle structure and upgrade the track and signals in Tacoma, Washington; and

WHEREAS, the Tacoma Trestle improvements are needed to provide increased capacity and improved reliability for Sounder and Amtrak passenger train trips, as well as Tacoma Rail freight movements; and

WHEREAS, by Resolution No. R2014-02 the Board amended the 2014 Lifetime and Annual budgets for the Tacoma Trestle Track and Signal Project to provide funds to complete preliminary engineering and right-of-way acquisition; and

WHEREAS, this action amends the Tacoma Trestle Track and Signal Project 2014 Annual and Lifetime budgets to provide funding for the preliminary engineering, final design, right of way and construction services phases as well as approves Gate 4: Enter Final Design within Sound Transit's Phase Gate process.

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

1. The Adopted 2014 Lifetime Budget for the Tacoma Trestle Track and Signal project is amended from \$11,454,520 to \$34,554,000 by increasing the budget by \$23,099,480.
2. The Adopted 2014 Annual Budget for the Tacoma Trestle Track and Signal project is amended from \$10,674,000 to \$16,579,000.
3. Gate 4: Enter Final Design within Sound Transit's Phase Gate process is approved for the Tacoma Trestle Track and Signal project.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on August 28, 2014.



Dow Constantine
Board Chair

ATTEST:



Marcia Walker
Board Administrator

PHASE GATE ACTION
Tacoma Trestle Project

MEETING	DATE	STAFF CONTACT
Board	8/28/14	Ahmad Fazel, DECM Executive Director Eric Beckman, Deputy Executive Director - Business & Construction Services Melissa Saxe, DECM Project Manager

GATE 1	GATE 2	GATE 3	GATE 4	GATE 5	GATE 6	GATE 7	GATE 8
Enter Project Development	Identify Alternatives	ID Preferred Alternative	Enter Final Design	Establish Baseline	Proceed to Construction	Transition to Operations	Close Out Project

ACTION REQUESTED

Approve Phase Gate 4 to enter Final Design phase for the Tacoma Trestle Project.

PROJECT BUDGET

Final Design Budget: \$10,374,000
Estimated Final Project Cost: \$59,000,000

PROJECT SCHEDULE

Baseline Schedule: February 2015
Project Completion: Fall 2017

PROJECT DESCRIPTION

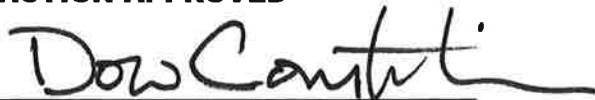
The Board authorized preliminary engineering in March 2014. Staff is now seeking board approval to enter final design for the project.

The Tacoma Trestle Project covers the complete re-construction of track and structure upgrades along a 0.65-mile section from East C Street to East M Street in Tacoma. The project includes the replacement of the 100-year old single-track wooden trestle and steel girder bridge with a new double-track structure. Replacement of the trestle includes demolition and track removal of the existing bridge and trestle, upgrades to the embankment along the trestle, construction of new tracks and crossovers, construction of a new concrete viaduct, signal upgrades and erosion control. Service in the corridor will remain active throughout construction.

The Tacoma Trestle Project is included in the ST2 plan and is scheduled for completion in 2017. Sound Transit received a TIGER Grant in the amount of \$10M to advance the final design and construction phases of the project by 2017 to increase track capacity to accommodate the additional passenger and freight train operations.

Environmental review for the Tacoma Trestle project was completed with the State Environmental Policy Act (SEPA) Checklist and Determination of Non-Significance (DNS) issued July 16, 2014 and the Federal Transit Administration approved a National Environmental Policy Act (NEPA) Documented Categorical Exclusion (DCE) on April 14, 2014.

ACTION APPROVED



Dow Constantine
Board Chair

August 28, 2014
Date