

MOTION NO. M2015-24

Agreement between Sound Transit and Bellefield Office Park Realty LLC

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	03/12/2015	Final Action	Ahmad Fazel, DECM Executive Director Ron Lewis, East Link Executive Project Director Paul Cornish, Sr. Project Manager

PROPOSED ACTION

Authorizes the chief executive officer to execute an agreement with Bellefield Office Park Realty LLC to reimburse Sound Transit in the amount of \$1,600,000 to add a traffic signal and other improvements at the intersection of 112th Avenue SE and SE 15th Street, as part of the East Link Extension.

KEY FEATURES SUMMARY

- Bellefield Office Park Realty LLC will fund the entire \$1,600,000 cost of both the design and construction of the new traffic signal and attendant roadway modifications to maintain full access via 112th Ave SE after completion of the East Link Extension construction.
- The agreement is a fixed reimbursement of \$1,600,000 based on Sound Transit’s estimate of design and construction costs.
- The agreement allows, but does not require, Bellefield Office Park Realty LLC to transfer property on 112th Ave SE to Sound Transit that is needed for the East Link Extension, as well as lease space to Sound Transit at Bellefield Office Park for construction field offices to offset part of the \$1,600,000 commitment.
- The agreement identifies when reimbursement will be provided by Bellefield Office Park Realty LLC:
 - Design costs will be reimbursed within 30 days of signing the Agreement.
 - Construction costs will be reimbursed in four semi-annual payments beginning 30 days after construction starts.
- The work contemplated under the agreement will be included in planned work for the East Link Extension.
- This agreement complies with the Board’s Scope Control Policy.

BACKGROUND

East Link extends light rail 14 miles from downtown Seattle to downtown Bellevue and the Overlake area of Redmond via I-90, with stations serving Rainier Avenue/I-90, Mercer Island, South Bellevue, Downtown Bellevue, Overlake Hospital, the Bel-Red Corridor, Overlake Village, and the Overlake Transit Center. The East Link project route, profiles, and station locations, including the tunnel route in downtown Bellevue, were selected by the Sound Transit Board on July 28, 2011, and amended on April 25, 2013. Light rail service between Seattle and the Overlake Transit Center is forecasted to begin in 2023.

Bellefield Park Realty LLC property has full access, left and right turns in and left and right turns out from 112th Ave SE via SE 15th Street. Upon completion, the East Link Extension would limit access to right turn-in, right turn-out along 112th Ave SE. Bellefield Office Park Realty LLC approached Sound Transit and requested the project reestablish full access to the office park off of 112th Ave SE. Meeting this request requires installation of a traffic signal and other intersection improvements

installed to allow both left and right turns in and out of the office park. Sound Transit engineers working with City of Bellevue staff developed a plan on how full access could be restored. Bellefield Office Park Realty LLC approved the new plan and has agreed to pay the associated costs. The East Link team estimated the project costs to be \$1.6 million using Sound Transit standard cost estimating methods.

The East Link Extension also requires property acquisition of a portion of the Bellefield Office Park fronting 112th Ave SE. The agreement would allow, but does not require, Bellefield Office Park Realty LLC to offset some of the \$1.6 million commitment via the property rights needed for the project or potentially apply the lease of construction management space to Sound Transit to their commitment. Any offsets for the property rights needed for the East Link Extension or temporary leases for construction management will be based on the appraised value.

This agreement complies with the Board's Scope Control Policy adopted by the Board under Resolution No. R2009-24.

This work will not require future operations and maintenance costs for Sound Transit or affect the project schedule.

FISCAL INFORMATION

The 2015 Lifetime Adopted Budget for East Link Extension project of \$798,346,894 does not include the budget of \$1,600,000 for the proposed funding agreement. The cost is included in the proposed Baseline Cost Estimate (BCE). The proposed Base Line Budget will be presented to the Board later in 2015.

The capital contribution of \$1,600,000 will be reimbursed to Sound Transit by Bellefield Office Park Realty LLC in the form of Revenue. The total reimbursement may be decreased by the cost of property acquisition fee and temporary construction easements. Also the total reimbursement to Sound Transit might be offset by cost of leasing office space and other accommodations in the vicinity of Bellefield office park for the supported personnel during construction.

SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Small Business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of Small Businesses/DBEs available to perform such subcontracting work.

Sound Transit anticipates establishing Small Business and DBE subcontracting goals for the contract that will perform this scope of work.

PUBLIC INVOLVEMENT

The East Link project staff has been actively engaged with stakeholders at all levels throughout the project area. The neighboring communities have had numerous opportunities to meet with staff, learn about the project and provide Sound Transit with comments and questions. The final design has been a collaborative effort between Sound Transit and project stakeholders, including the local community, the City of Bellevue, and the City of Bellevue Citizens Advisory Committee. To date 18 Open Houses and over 40 stakeholders briefings have been held South Bellevue.

TIME CONSTRAINTS

A one month delay would not significantly impact this project.

PRIOR BOARD/COMMITTEE ACTIONS

Not applicable to this action.

ENVIRONMENTAL REVIEW

JI 3/4/2015

LEGAL REVIEW

JB 3/10/2015

MOTION NO. M2015-24

A motion of the Capital Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute an agreement with Bellefield Office Park Realty LLC to reimburse Sound Transit in the amount of \$1,600,000 to add a traffic signal and other improvements at the intersection of 112th Avenue SE and SE 15th Street, as part of the East Link Extension.

BACKGROUND:

East Link extends light rail 14 miles from downtown Seattle to downtown Bellevue and the Overlake area of Redmond via I-90, with stations serving Rainier Avenue/I-90, Mercer Island, South Bellevue, Downtown Bellevue, Overlake Hospital, the Bel-Red Corridor, Overlake Village, and the Overlake Transit Center. The East Link project route, profiles, and station locations, including the tunnel route in downtown Bellevue, were selected by the Sound Transit Board on July 28, 2011, and amended on April 25, 2013. Light rail service between Seattle and the Overlake Transit Center is forecasted to begin in 2023.

Bellefield Park Realty LLC property has full access, left and right turns in and left and right turns out from 112th Ave SE via SE 15th Street. Upon completion, the East Link Extension would limit access to right turn-in, right turn-out along 112th Ave SE. Bellefield Office Park Realty LLC approached Sound Transit and requested the project reestablish full access to the office park off of 112th Ave SE. Meeting this request requires installation of a traffic signal and other intersection improvements installed to allow both left and right turns in and out of the office park. Sound Transit engineers working with City of Bellevue staff developed a plan on how full access could be restored. Bellefield Office Park Realty LLC approved the new plan and has agreed to pay the associated costs. Bellefield Office Park Realty LLC will fund the entire \$1,600,000 cost of both the design and construction of the new traffic signal and attendant roadway modifications to maintain full access via 112th Ave SE after completion of the East Link Extension construction. The East Link team estimated the project costs to be \$1.6 million using Sound Transit standard cost estimating methods. The agreement is a fixed reimbursement of \$1,600,000 based on Sound Transit's estimate of design and construction costs.

The East Link Extension also requires property acquisition of a portion of the Bellefield Office Park fronting 112th Ave SE. The agreement would allow, but does not require, Bellefield Office Park Realty LLC to offset some of the \$1.6 million commitment via the property rights needed for the project or potentially apply the lease of construction management space to Sound Transit to their commitment. Any offsets for the property rights needed for the East Link Extension or temporary leases for construction management will be based on the appraised value.

This agreement complies with the Board's Scope Control Policy adopted by the Board under Resolution No. R2009-24. The agreement identifies when reimbursement will be provided by Bellefield Office Park Realty LLC:

- Design costs will be reimbursed within 30 days of signing the Agreement.
- Construction costs will be reimbursed in four semi-annual payments beginning 30 days after construction starts.

The work contemplated under the agreement will be included in planned work for the East Link Extension. This work will not require future operations and maintenance costs for Sound Transit or affect the project schedule.

MOTION:

It is hereby moved by the Capital Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute an agreement with Bellefield Office Park Realty LLC to reimburse Sound Transit in the amount of \$1,600,000 to add a traffic signal and other improvements at the intersection of 112th Avenue SE and SE 15th Street, as part of the East Link Extension.

APPROVED by the Capital Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on March 12, 2015.



Fred Butler
Capital Committee Chair

ATTEST:



Kathryn Flores
Acting Board Administrator