

RESOLUTION NO. R2015-25

Amend the Northgate Link Extension Baseline Budget

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	10/08/2015	Recommend to Board	Ahmad Fazel, DECM Executive Director
Board	10/22/2015	Final Action	Don Davis, Executive Project Director – Northgate Link Extension Kate Lichtenstein, Project Manager

PROPOSED ACTION

Amends the Northgate Link Extension baseline budget by \$5,255,500 for design and construction of U District Station to accommodate the revised transit-oriented development concept requested by the University of Washington by (a) amending the project Lifetime Budget from \$1,894,500,000 to \$1,899,755,500, and (b) amending the project 2015 Annual Budget from \$207,765,302 to \$208,389,032.

KEY FEATURES SUMMARY

- This action amends the baseline budget by \$5,255,500 to reflect reimbursement by the University of Washington to Sound Transit under a Project Implementation Agreement for design and construction of the U District Station within the Northgate Link Extension to accommodate the University's revised transit-oriented development concept.
- A separate action is being brought concurrently (Motion No. M2015-91) that authorizes the execution of the Project Implementation Agreement between Sound Transit and the University, which commits the University to reimburse Sound Transit for the resulting design, construction and administrative costs at a fixed payment amount of \$5,255,500, including escalation and contingency, to be paid incrementally upon achievement of certain milestones.

BACKGROUND

The Northgate Link Extension extends light rail 4.3-miles from the University of Washington Station north under the campus via twin bored tunnels to an underground U District Station along Brooklyn Avenue NE between NE 43rd and NE 45th Streets, and underground Roosevelt Station along 12th Avenue NE between NE 65th Street and NE 67th Street, and continuing to an elevated station in Northgate along 1st Avenue NE spanning NE 103rd Street. The Northgate Link Extension is scheduled to be completed in September 2021 and will provide an interim terminus for Link at Northgate until the Lynnwood Link Extension is in service, currently anticipated in 2023. On June 28, 2012, the Sound Transit Board baselined the Northgate Link Extension's schedule and budget.

Sound Transit and the University of Washington entered into a Property Exchange and Development Agreement (Motion No. M2012-93) whereby Sound Transit sold the air rights above the U District Station to the University and agreed to design and construct the U District Station to allow subsequent construction of a University-led and funded transit-oriented development (TOD) project above the station. The proposed Project Implementation Agreement (Motion No. M2015-91) establishes a reimbursement amount of \$5,255,500 to Sound Transit for changes requested by the University to allow the U District Station to accommodate a revised TOD concept proposed by the University.

PROJECT STATUS

Project Identification	Alternatives Identification	Conceptual Engineering	Preliminary Engineering	Final Design	Construction
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Projected Completion Date for Construction: 4Q 2020

Project scope, schedule and budget summary located on page 23 of the July 2015 Agency Progress Report.

FISCAL INFORMATION

The proposed resolution amends the 2015 Lifetime Budget (TIP) and the annual Adopted 2015 Budget for the Northgate Link Extension. The project Lifetime Budget will be increased by \$5,255,500 from \$1,894,500,000 to \$1,899,755,500, and the project 2015 Annual Budget will be increased by \$623,730 from \$207,765,302 to \$208,389,032, for design and construction of U District Station to accommodate the revised transit-oriented development concept requested by the University of Washington.-

Sound Transit will be reimbursed by the University per the terms of a Project Implementation Agreement concurrently being presented to the Board for approval under a separate action (Motion No. M2015-91).

BUDGET AMENDMENT

Northgate Link Extension	2015 Annual Budget			Lifetime Budget		
	Adopted 2015 Project Budget	Budget Transfer	Revised Project Budget	Adopted 2015 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$8,220	\$75	\$8,295	\$147,500	\$379	\$147,879
Preliminary Engr / Environmental Review	\$0	\$0	\$0	\$15,077	\$0	\$15,077
Final Design / Specifications	\$13,510	\$549	\$14,058	\$128,523	\$644	\$129,167
Third Party	\$1,929	\$0	\$1,929	\$11,800	\$0	\$11,800
ROW Acquisition and Permits	\$15,883	\$0	\$15,883	\$127,300	\$0	\$127,300
Construction	\$150,580	\$0	\$150,580	\$1,311,270	\$3,823	\$1,315,093
Construction Services	\$17,644	\$0	\$17,644	\$117,900	\$410	\$118,310
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Testing and Start-up	\$0	\$0	\$0	\$12,930	\$0	\$12,930
Contingency	\$0	\$0	\$0	\$22,200	\$0	\$22,200
Total	\$207,765	\$624	\$208,389	\$1,894,500	\$5,256	\$1,899,756

Notes:

Amounts are expressed in Year of Expenditure \$000s.

Adopted 2015 Project Budget = the 2015 Transit Improvement Plan (TIP) (page 38) as amended by resolution of the ST Board in September 2015 (R2015-23 adopted 9/24/15).

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 determined that Small Business and DBE subcontracting opportunities are infeasible or improbable based upon the work described in this contract, so Small Business/DBE goals were not established or required.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A delay in Sound Transit Board consideration may impact final execution of the agreement and thus impact the schedule for design and construction of the U District Station.

PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2012-13: (1) Revised the alignment that was selected by the Board in 2006 for the North Link – UW Station to Northgate Project (currently known as the Northgate Link Extension); (2) adopted the Northgate Link Extension baseline schedule and budget, which constitutes Board approval of Gate 5 within Sound Transit’s Phase Gate System by (a) amending the project Lifetime Budget from \$465,500,000 to \$2,131,400,000, and (b) amending the project 2012 Annual Budget from \$76,248,584 to \$47,247,600; (3) established a Northgate Link Extension Project Reserve with a Lifetime Budget of \$50,000,000 and an Annual Budget of \$0; and (4) amended the Initial Segment Project Reserve by reducing the Lifetime Budget from \$58,495,000 to \$8,495,000.

Resolution No. R2015-23: Amended the Northgate Link Extension baseline budget to reflect the transfer of \$236,900,000 by (a) amending the project Lifetime Budget from \$2,131,400,000 to \$1,894,500,000, and (b) amending the project 2015 Annual Budget from \$208,165,302 to \$207,765,302.

Motion No. M2015-91: ~~Authorizing~~ Authorized the chief executive officer to execute a Project Implementation Agreement with the University of Washington which will reimburse Sound Transit for design and construction of the U District Station within the Northgate Link Extension to accommodate a revised transit-oriented development concept in the amount of \$5,255,500.

ENVIRONMENTAL REVIEW

JI 10/2/2015

LEGAL REVIEW

JV 10/02/2015

RESOLUTION NO. R2015-25

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority amending the Northgate Link Extension baseline budget by \$5,255,500 for design and construction of U District Station to accommodate the revised transit-oriented development concept requested by the University of Washington by (a) amending the project Lifetime Budget from \$1,894,500,000 to \$1,899,755,500, and (b) amending the project 2015 Annual Budget from \$207,765,302 to \$208,389,032.

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, Resolution No. R2006-07, adopted by the Sound Transit Board on April 27, 2006, selected the alignment and station locations for North Link as an extension of the Central Link Light Rail project; and

WHEREAS, by Resolution No. R2012-13, adopted by the Sound Transit Board on June 28, 2012, the Board revised the alignment selected by the Board in 2006 for the Northgate Link Extension, and adopted the baseline schedule and budget;

WHEREAS, by Motion No. M2012-93, adopted by the Sound Transit Board on December 20, 2013, Sound Transit and the University of Washington entered into a Property Exchange and Development Agreement, which conveyed certain property interests, committed Sound Transit to

design and construct the University District Station to allow subsequent development of a University-led and funded transit-oriented development project, and allowed University-requested project changes upon University payment to Sound Transit for related costs; and

WHEREAS, in 2015 the University requested changes to the design of University District Station to allow for future development of a revised transit-oriented development concept, resulting in design, construction and administrative costs to be reimbursed by the University to Sound Transit; and

WHEREAS, a separate action is being brought concurrently (Motion No. M2015-91) that authorizes the chief executive officer to execute a Project Implementation Agreement with the University of Washington which will reimburse Sound Transit for design and construction of the U District Station within the Northgate Link Extension to accommodate a revised transit-oriented development concept in the amount of \$5,255,500; and

WHEREAS, the proposed resolution amends the 2015 Lifetime Budget (TIP) and the annual Adopted 2015 Budget for the Northgate Link Extension to account for the reimbursement amount of \$5,255,500, which will be reimbursed incrementally to Sound Transit upon achievement of certain milestones as specified in the agreement; and

WHEREAS, the project Lifetime Budget will be increased by \$5,255,500 from \$1,894,500,000 to \$1,899,755,500; and

WHEREAS, the project 2015 Annual Budget will be increased by \$623,730 from \$207,765,302 to \$208,389,032; and

WHEREAS, by Resolution No. R2014-36, the Sound Transit Board adopted the 2015 Budget on December 18, 2014; and

WHEREAS, a two-thirds affirmative vote of the entire membership of the Sound Transit Board is required to amend the Adopted 2015 Budget.

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

Section 1. The Northgate Link Extension baseline budget is amended to reflect the reimbursement amount of \$5,255,500 for design and construction of U District Station to accommodate the revised transit-oriented development concept requested by the University of Washington by (a) amending the project Lifetime Budget from \$1,894,500,000 to \$1,899,755,500, and (b) amending the project 2015 Annual Budget from \$207,765,302 to \$208,389,032.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 22, 2015.


Dow Constantine
Board Chair

ATTEST:


Kathryn Flores
Board Administrator