

## **RESOLUTION NO. R2016-18**

### **Operations and Maintenance Satellite Facility Baseline Scope, Schedule and Budget, Phase Gates 5 & 6, and Facility Naming**

<b>MEETING:</b>	<b>DATE:</b>	<b>TYPE OF ACTION:</b>	<b>STAFF CONTACT:</b>
Capital	07/14/2016	Recommend to Board	Ahmad Fazel, DECM Executive Director Miles Haupt, Executive Project Director - OMSF
Board	07/28/2016	Final Action	<b>Jon Mihkels, Deputy Project Director - OMSF</b> <b>Sloan Dawson, Senior TOD Specialist</b>

### **PROPOSED ACTION**

(1) Adopts the Operations and Maintenance Satellite Facility baseline scope, schedule and budget by (a) establishing December 2020 as the project completion milestone, (b) establishing a baseline budget of \$449,220,000 for the project, and (c) decreasing the Adopted 2016 Annual Budget from \$49,853,439 to \$26,052,866; (2) approves passage through Gates 5 and 6 within Sound Transit's Phase Gate Process; (3) approves Link Operations & Maintenance Facility: East as the facility name

### **KEY FEATURES SUMMARY**

- This action would adopt the OMSF baseline scope, schedule and budget for the OMSF Project to design, and construct a light rail operations and maintenance facility in support of Link system expansion, which constitutes Board approval of Gates 5 and 6 within Sound Transit's Phase Gate process.
- The baseline budget of \$449.2M (YOES) will provide agency administration, design, acquisition of right of way, construction, construction services, MOU requirements and third-party activities.
- This action establishes a project completion milestone of December 2020.
- This action also approves passage through Gate 5 (Enter Final Design) and Gate 6 (Proceed to Construction) under the agency's Phase Gate process.
- This action approves Link Operations & Maintenance Facility: East (Link OMF East) as the facility name.

### **BACKGROUND**

The ST2 Plan included funding to locate, design, and construct additional operations and maintenance facility capacity to accommodate future Link light rail fleet requirements. Sound Transit currently owns and operates 62 light rail vehicles (LRV). Per the Final EIS, the ST2 light rail expansion will require a fleet of approximately 180 vehicles. Sound Transit's existing Operations and Maintenance Facility can serve up to 104 LRVs. The OMSF will be designed to accommodate the storage and maintenance of up to 96 additional LRVs.

The Link Light Rail OMSF Final EIS was issued under the State Environmental Policy Act (SEPA) by Sound Transit on September 25, 2015 and under the National Environmental Policy Act (NEPA) by the FTA on October 2, 2015. The Sound Transit Board selected the project to be built on October 22, 2015. The Federal Transit Administration (FTA) issued a Record of Decision on November 5th, 2015, completing the NEPA process.

The OMSF project will design and construct a light rail operations and maintenance facility in support of link system expansion. The OMSF site is approximately 28 acres located in the City of Bellevue, bounded by the Eastside Rail Corridor on the west and 120th Avenue NE on the east, SR 520 to the north and NE 12th Street to the south.

The OMSF project includes an operations and maintenance facility that that will maintain, store and deploy an expanded light rail fleet. The facility will include seven LRV service bays, a LRV wash facility and storage for up to 96 light rail vehicles. Additionally, the facility will include material storage areas, training spaces, and office space for administration and support staff. The site will provide parking areas for staff, visitors, and non-revenue vehicles; and Maintenance of Way provisions for storage of trackway maintenance elements and train systems infrastructure for traction power substations, train signal bungalows, and overhead traction power.

Sound Transit convened a contract packaging and delivery method evaluation team in June 2015. A Design Build contract was recommended as it provides the least schedule risk and the best opportunity to integrate civil, track work, facilities, systems and TOD considerations under a single-point of responsibility. A single design build contract is also best suited to provide the functioning facility in 2020 for Light Rail Vehicle maintenance and storage.

The Design Build Request for Qualifications (RFQ) was issued on April 13, 2016, Statements of Qualifications were received May 17, 2016. The Request for Proposals (RFP) will be issued to the shortlisted teams upon adoption of this Resolution.

#### Amended and Restated Memorandum of Understanding (MOU) commitments

The Amended and Restated Memorandum of Understanding (MOU) between Sound Transit and the City of Bellevue provides that a number of design elements will be included in the OMSF project scope. These design elements include, among others, an interim bike and pedestrian trail network connecting 120th Street NE, the future East Side Rail Corridor, the future Wilburton Station to the south and interim bike trails to the north and along the NE 120th street frontage on the east.

The MOU contemplated that Sound Transit and the City would complete and execute a development agreement concurrent with the baselining of the OMSF. The development agreement is intended to set forth the provisions that would apply to potential Transit Oriented Development (TOD) on parcels that are required for construction of the OMSF but that are expected to become surplus to Sound Transit after construction of the OMSF is sufficiently complete. Because the OMSF project has now adopted a design build procurement method, project baselining is taking place earlier in the project timeline and in advance of the level design necessary to complete negotiations for a development agreement. To maintain certainty of outcome, Sound Transit and City staffs are currently negotiating an MOU Implementation Agreement for the Board's consideration at the time of OMSF project baselining, instead of the development agreement contemplated in the MOU. Authority to execute the MOU Implementation Agreement will be the subject of a separate Board action.

The MOU committed the agency to integrate and advance planning for TOD concurrent with the OMSF project design with the goal of ensuring timely development concurrent with, or as close in time as practicable with commencement of East Link operations. The OMSF project scope includes the TOD-supportive design elements listed in Section 20.2 of the MOU, including utilities to serve future development parcels, provisions to accommodate future TOD construction, planning for TOD street and pedestrian networks, and construction of an interim East Side Rail Corridor bicycle path. The OMSF project will design for an integrated TOD master plan supportive of the Bel-Red plan

and the 120th Street Spring District station area planning goals for TOD. Based upon the plans and potential surplus properties resulting from the OMSF design, additional improvements, if needed, enhancing the viability of timely TOD development will be identified for the Board to consider and baseline the scope, schedule and budget for such TOD enabling design elements in the future.

Identifying a Facility Name

Naming options were presented to the OMSF Stakeholder Committee on June 7, 2016. The consensus supported “Operations & Maintenance Facility: East”. This name was supported by stakeholders in a letter dated, June 13, 2016. Bellevue City Council was briefed on June 13, 2016. The City commented that the names lacked creativity, but they were supportive of the proposed permanent facility name.

Alternatives considered:

Link Vehicle Maintenance Facility: East	Abbreviation: (Link VMF: East)
Spring Blvd. Operations & Maintenance Facility	Abbreviation: (Spring Blvd. OMF)

The current Link OMF facility on Airport Way in Seattle is called the Link Operations & Maintenance Facility, and the ST3 draft plan includes two additional Link maintenance facilities which would likely require a geographic designation. These facilities, one in the north and one in the south, might be named “Link OMF: North” or “Link OMF: South”.

Temporary Working Facility Name	Proposed Permanent Facility Name
Operations and Maintenance Satellite Facility (OMSF)	Link Operations & Maintenance Facility: East (Link OMF East)

**PROJECT STATUS**

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Project Identification	Alternatives Identification	Conceptual Engineering	Preliminary Engineering	Final Design	Construction

Projected Completion Date for Substantial Completion: 2020.

Project scope, schedule and budget summary located on page 91 of the December 2015 Agency Progress Report.

**FISCAL INFORMATION**

Capital projects are implemented in phases through Sound Transit’s Phase Gate process. The Board acts to fund the next phase of work by adjusting the project budget, when a project moves from one phase to the next.

This action approves passing through phase gates 5 & 6 and establishes a baseline budget for the Link Operations and Maintenance Satellite Facility (OMSF) project. The budget is increased by \$315,592,469 to \$449,220,000 for the project and the Adopted 2016 Annual Budget is reduced by \$23,800,572 to \$26,052,866.

As the final design is completed, there may be the need to fund additional work to prepare the identified TOD sites for timely development in keeping with the MOU. Should such costs be needed, staff will return to the board at that future time to consider funding for such work.

**Operations and Maintenance Satellite Facility**

Phase	2016 Annual Budget			Project Budget		
	Adopted 2016 Annual Budget	Budget Transfer	Revised Project Budget	Adopted 2016 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	1,963	-1,263	700	3,237	14,336	17,573
Preliminary Engineering	3,886	-550	3,336	10,191	-655	9,536
Final Design					386	386
Third Party Agreements	1,060	-1,060		1,650	1,457	3,107
Right of Way	42,644	-22,644	20,000	117,950	16,579	134,529
Construction		2,000	2,000		264,753	264,753
Construction Services	300	-283	17	600	18,737	19,337
Vehicles						
Contingency						
<b>Total</b>	<b>49,853</b>	<b>-23,800</b>	<b>26,053</b>	<b>133,628</b>	<b>315,592</b>	<b>449,220</b>

Notes:

Amounts are expressed in Year of Expenditure \$000.

The project budget is located on page 16 of 140 of the Adopted 2016 Transit Improvement Plan (TIP).

The following table provides a progression comparison of the ST2 program cost estimate as it was adjusted to the preferred alternative and the the cost to build to the proposed baseline budget. The table is presented in year of expenditure dollars. (YOE)

	(YOE)
<b>ST2 Cost Estimate</b>	<b>\$ 292,800,000</b>
<b>July 2014 - Preferred Alternative</b>	<b>\$ 433,000,000</b>
<b>October 2015 - Project to be Built</b>	<b>\$ 445,600,000</b>
<b>Proposed Baseline Budget</b>	<b>\$ 449,220,000</b>

The ST2 cost estimate for the OMSF was \$292.8M (YOE) based on a facility in a South King County location. In July 2014, staff briefed the Board on the updated cost estimate of \$433M (YOE) for the preferred alternative. In October 2015 the Board was again provided an updated cost to build estimated at \$445.6M (YOE). The increased estimate was due to higher right of way costs at the Bellevue location, larger size facility and complex site access issues.

At that point, additional funds were set aside in the agency financial plan to fund the anticipated higher project costs. The proposed baseline project budget of \$449.2M (YOE) is fully affordable within the financial plan.

**SMALL BUSINESS PARTICIPATION**

Not applicable for this action.

**PUBLIC INVOLVEMENT**

Sound Transit and City of Bellevue staff have coordinated on a number of public outreach activities including stakeholder meetings and the environmental outreach process. Since 2012, Sound Transit has hosted public meetings, stakeholder briefings, and facility tours. In addition, the agency coordinated with the cities of Lynnwood and Bellevue to provide project information for distribution through local newsletters and social media outlets, sent emails to related notification subscription lists, and created and mailed a tri-fold project update folio to addresses adjacent to all four sites evaluated in the EIS. Other activities included:

- Work with social service providers to provide project information to traditionally underrepresented populations in Bellevue and Lynnwood.
- Inclusion of an OMSF resource table and staff at East Link Extension final design public meetings (8 total).

## **TIME CONSTRAINTS**

A one month delay would delay the issuance of the RFP and therefore the entire design build procurement, and likely delay the ability to receive, maintain and store LRVs in 2020.

## **PRIOR BOARD/COMMITTEE ACTIONS**

Resolution No. R2015-35: Authorizing the chief executive officer to acquire or lease certain real property interests, including acquisition by condemnation to the extent authorized by law, and to reimburse eligible relocation and reestablishment expenses incurred by affected owners and tenants as necessary for the Operations and Maintenance Satellite Facility Project.

Resolution No. R2015-34: (1) Amending the 2015 Adopted Budget by (a) increasing the lifetime capital budget for the Operations and Maintenance Satellite Facility Project by \$96,799,895 from \$36,828,105 to \$133,628,000 (b) decreasing the 2015 Annual budget by \$2,182,397 from \$6,672,645 to \$4,490,248; and (2) authorizes the project to advance through Gate 4 within Sound Transit's Phase Gate Process.

Resolution No. R2015-26: Selects the project to be built for the Link Light Rail Operations and Maintenance Satellite Facility.

Motion No. M2014-51: (1) Identified the preferred site for the Link Operations Maintenance Satellite Facility as the BNSF Site, and (2) approved Gate 3 within Sound Transit's Phase Gate process.

## **ENVIRONMENTAL REVIEW**

JI 7/7/2016

## **LEGAL REVIEW**

SS 07/11/2016

**RESOLUTION NO. R2016-18**

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority (1) Adopting the Operations and Maintenance Satellite Facility baseline scope, schedule and budget by (a) establishing December 2020 as the project completion milestone, (b) establishing a baseline budget of \$449,220,000 for the project, and (c) decreasing the Adopted 2016 Annual Budget from \$49,853,439 to \$26,052,866; (2) approving passage through Gates 5 and 6 within Sound Transit's Phase Gate Process; (3) approving Link Operations & Maintenance Facility: East as the facility name.

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 ST2 light rail expansion will require a fleet of approximately 180 light rail vehicles (LRVs) and Sound Transit's existing Operations and Maintenance Facility can serve only 104 LRVs; and

WHEREAS, the OMSF will be designed to accommodate the additional LRVs needed for ST2 as well as any further extensions within the corridor in which it is located; and

WHEREAS, on July 14, 2014 the Sound Transit Board identified the BNSF site in Bellevue as the Preferred Alternative for the Final EIS. The Board directed staff to prioritize and incorporate Agency and Community Transit Oriented Development (TOD) during preliminary engineering consistent with the Sound Transit TOD Policy; and

WHEREAS, the OMSF site is approximately 28 acres located in the City of Bellevue, bounded by the Eastside Rail Corridor on the west and 120th Avenue NE on the east, SR 520 to the north and NE 12th Street to the south; and

WHEREAS, the Final Environmental Impact Statement was issued in September 2015, the Sound Transit Board selected the project to build in October 2015, and the FTA Record of Decision was received in November 2015; and

WHEREAS, the OMSF project includes a 160,000 square foot operations and maintenance facility that that will maintain, store and deploy and expanded light rail fleet, including seven LRV service bays, a LRV wash facility and storage for up to 96 light rail vehicles. Additionally, the facility will include material storage areas, training spaces, and office space for administration and support staff. The site will provide parking areas for staff, visitors, and non-revenue vehicles as well as

storage of trackway maintenance elements and train systems infrastructure for traction power substations, train signal bungalows, and overhead traction power; and

WHEREAS, a Design Build contract will be utilized to provide the least schedule risk and the best opportunity to integrate civil, track work, facilities, systems and TOD considerations under a single-point of responsibility. A single design build contract is also best suited to provide the functioning track yard storage facility in 2020 for Light Rail Vehicle storage; and

WHEREAS, the Amended and Restated Memorandum of Understanding (MOU) between Sound Transit and the City of Bellevue provides that a number of design elements will be included in the OMSF project scope. These design elements include, among others, an interim bike and pedestrian trail network connecting 120th Street NE, the future East Side Rail Corridor, the future Wilburton Station to the south and interim bike trails to the north and along the NE 120th street frontage on the east; and

WHEREAS, the MOU contemplated that Sound Transit and the City would complete and execute a development agreement concurrent with the baselining of the OMSF. The development agreement is intended to set forth the provisions that would apply to potential Transit Oriented Development (TOD) on parcels that are required for construction of the OMSF but that are expected to become surplus to Sound Transit after construction of the OMSF is sufficiently complete. Because the OMSF project has now adopted a design build procurement method, project baselining is taking place earlier in the project timeline and in advance of the level design necessary to complete negotiations for a development agreement; and

WHEREAS, to maintain certainty of outcome, Sound Transit and City staffs are currently negotiating a MOU Implementation Agreement for the Board's consideration at the time of OMSF project baselining, instead of the development agreement contemplated in the MOU. Authority to execute the MOU Implementation Agreement will be the subject of a separate Board action; and

WHEREAS, the MOU committed the agency to integrate and advance planning for TOD concurrent with the OMSF project design with the goal of ensuring timely development concurrent with, or as close in time as practicable with commencement of East Link operations; and

WHEREAS, the OMSF baseline project scope includes the TOD-supportive design elements included in the MOU and the OMSF project will design for an integrated TOD master plan supportive of the Bel-Red plan and the 120th Street Spring District station area planning goals for TOD; and

WHEREAS, based upon the plans and potential surplus properties resulting from the OMSF design, additional improvements, if needed, enhancing the viability of timely TOD development, will be identified for the Board to consider as an adjustment to the baseline project budget and scope in the future; and

WHEREAS, Sound Transit presented potential permanent facility names to the OMSF Stakeholder committee, the Bellevue City Council and Bellevue staff; and

WHEREAS, the proposed permanent facility name, Link Operations & Maintenance Facility: East, would allow for similar names throughout both the current system and any potential future facility expansion.

WHEREAS, in accordance with Sound Transit's Phase Gate process, all requirements necessary to pass through Gate 5, establish project baseline schedule and budget, and Gate 6, Proceed to Construction, have been met.

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

Section 1. The Operations and Maintenance Satellite Facility baseline scope, schedule and budget is adopted by (a) establishing December 2020 as the project completion milestone, (b) establishing a baseline budget of \$449,220,000 for the project, and (c) decreasing the Adopted 2016 Annual Budget from \$49,853,439 to \$26,052,866;

Section 2. Passage through Gates 5 and 6 within Sound Transit's Phase Gate Process is approved;

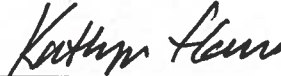
Section 3. Link Operations & Maintenance Facility: East is approved as the facility name.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 28, 2016.



Pat McCarthy  
Board Chair Pro Tem

ATTEST:



Kathryn Flores  
Board Administrator