

## Resolution No. R2023-25

### Budget Amendment for the Ballard Link Extension project

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee Board	08/10/2023 08/24/2023	Recommend to Board Final action	Brooke Belman, Deputy CEO, Chief Expansion Delivery Officer Don Billen, Executive Director, PEPD <b>Sandra Fann, Project Director, PEPD</b>

### Proposed action

Amends the Adopted 2023 Budget for the Ballard Link Extension project by increasing the total authorized project allocation by \$32,771,172 from \$630,636,160 to \$663,407,332 to accommodate additional scope and activities required to complete environmental review and Preliminary Engineering.

### Key features summary

- In March and July 2023, Board Motion Nos. M2023-18 and M2023-57 identified the preferred alternative light rail route and station locations for the Ballard Link Extension for additional environmental review, including preparation of a Final Environmental Impact Statement (EIS), and to advance Preliminary Engineering for the project.
- The West Seattle Link Extension and Ballard Link Extension projects were initially on the same environmental review timeline. However, given additional environmental review needed to study additional alternatives and project refinements for the Ballard Link Extension, environmental review for the two extensions will proceed on different timelines. A new Draft EIS will be completed for the Ballard Link Extension to include analysis of the preferred alternative, as well as other refinements and alternatives identified in the March and July 2023 Board Motions.
- This action would provide the required budget increase to complete the environmental review and Preliminary Engineering for the Ballard Link Extension project. The resulting adjusted 2023 Preliminary Engineering budget for the Ballard Link Extension is within the project cost estimate in the realigned financial plan in the 2023 Transportation Improvement Plan (TIP).
- A separate action, Motion No. M2023-70, would authorize the chief executive officer to execute a contract modification with HNTB Corporation to provide project development services, including completion of environmental review and Preliminary Engineering, for the West Seattle and Ballard Link Extensions projects.

### Background

The West Seattle and Ballard Link Extension projects were approved for funding by voters under the ST3 Plan. The Project will provide fast, reliable light rail connections to dense residential and job centers throughout the region and add a new downtown Seattle light rail tunnel to provide efficient operating capacity for the entire regional system. It consists of two separate Link light rail extensions: one to West Seattle and the other to Ballard. The extension to West Seattle will operate from downtown Seattle to West Seattle's Alaska Junction neighborhood with four stations and will eventually connect to Everett

Link Extension. The Ballard extension will operate from downtown Seattle to Ballard’s Market Street area with nine stations and will include a new rail-only tunnel from the Chinatown/International District to South Lake Union and Seattle Center/Uptown. It will eventually connect with the Tacoma Dome Link Extension.

The project development process has three phases. Phase 1 included alternatives development, environmental scoping and identification of a preferred alternative(s) and other alternatives. Phase 2 included the preparation of a Draft EIS and conceptual engineering of a preferred alternative(s) and other alternatives as identified through alternatives development. Phase 3 includes the preparation of a Final EIS, including responses to public and agency comments on the Draft EIS, and Preliminary Engineering of the Preferred Alternative. As a result of Board Motion No. M2022-57, Phase 3 also included continued planning, conceptual design, and external engagement to support a future Board Action to confirm or modify remaining elements of the Preferred Alternative for the Ballard Link Extension before the start of Preliminary Engineering.

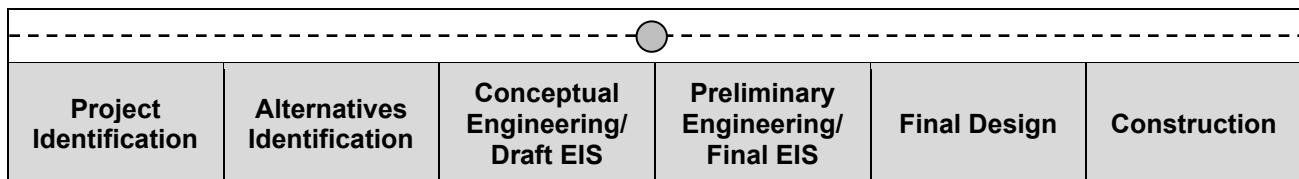
To maintain eligibility for potential federal funding, the project will comply with the requirements of the National Environmental Policy Act (NEPA). As the public agency proposing the project, Sound Transit is required to comply with the State Environmental Policy Act (SEPA). A Draft EIS for both West Seattle and Ballard Link Extensions was issued on January 28, 2022. The Board adopted Motion No. M2022-57 in July 2022 to confirm or modify a preferred alternative(s) for the Final EIS for the West Seattle Link Extension. The Board adopted Motion No. M2023-18 in March 2023 to identify a preferred alternative(s) for the Ballard Link Extension EIS. The Board subsequently adopted Motion No. M2023-57 in July 2023 to modify the preferred station location for the Denny Station for the Ballard Link Extension EIS.

The preferred alternative for the Ballard Link Extension includes modifications to the Chinatown-International District, Midtown and Denny stations, and incorporates refinements to Westlake, South Lake Union, Seattle Center, Smith Cove, Interbay and Ballard stations. Staff were also directed to evaluate additional alternatives not previously evaluated in the West Seattle and Ballard Link Extensions Draft EIS.

A new Draft EIS will be completed for the Ballard Link Extension to include analysis of the preferred alternative, as well as other refinements and alternatives identified in the March and July 2023 Board Motions. The new Ballard Link Extension Draft EIS will build upon and incorporate the existing work to date on the WSBLE Draft EIS including all previous scoping comments, public outreach and feedback and environmental analysis. A Ballard Link Extension Final EIS will be prepared after completion of the Ballard Link Extension Draft EIS. A final decision on the project to be built will not occur until after environmental review is completed and the Final EIS is published.

## Project status

### Ballard Link Extension



Projected completion date for Preliminary Engineering/Final EIS: 2026

Project scope, schedule and budget summary are located on page 13 of the May 2023 Agency Progress Report.

## Fiscal information

During the 2023 Budget development process, the West Seattle Ballard Link Extension project was split into two standalone projects – West Seattle Link Extension and Ballard Link Extension – which were then adopted by the Board via Resolution No. R2022-35.

This action funds additional preliminary engineering and environmental review activities for the Ballard Link Extension project by increasing the authorized project allocation for the Preliminary Engineering phase by \$32,771,172, increasing the total Preliminary Engineering phase allocation from \$235,840,000 to \$268,611,172.

### Ballard Link Extension

(in thousands)

Project Phase	Annual Project Budget			Authorized Project Allocation		
	Adopted 2023 Annual Project Budget	Budget Revision	Revised 2023 Annual Project Budget	Authorized Project Allocation (Current)	Allocation Change	Authorized Project Allocation (New)
Agency Administration	\$7,059	\$	\$7,059	\$40,557	\$	\$40,557
Preliminary Engineering	55,975		55,975	235,840	32,771	268,611
Final Design						
Third Party Agreements	1,304		1,304	7,665		7,665
Right of Way	1,653		1,653	342,152		342,152
Construction						
Construction Services	1,106		1,106	4,422		4,422
Vehicles						
Contingency						
<b>Total</b>	<b>\$67,096</b>	<b>\$</b>	<b>\$67,096</b>	<b>\$630,636</b>	<b>\$32,771</b>	<b>\$663,407</b>

**Notes:**

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

For detailed project information, see page 105 of the 2023 Financial Plan and Adopted Budget.

The current total cost estimate for the Ballard Link Extension project is \$11.1 billion in 2023\$ and is affordable within the Agency’s Finance Plan by 2039. This represents the cost estimate updated at the time of Realignment and does not represent the preferred alternative (M2023-18 and M2023-57). This action does not impact the affordability of any other system expansion project.

As noted in the March and July 2023 Board Motions (Motion Nos. M2023-18 and M2023-57), based on current cost estimates and revenue projections, the preferred alternatives for the West Seattle and Ballard Link extensions are anticipated to exceed the assumptions in the financial plan (by \$510 million in 2019\$). Sound Transit, City of Seattle, and King County acknowledged there may be shared responsibility to address the additional cost of the delta between the final project to be built and the realigned financial plan through either additional funding or cost savings opportunities. The City of Seattle and King County provided letters on March 23, 2023, indicating their intent to work with Sound Transit to further analyze costs and funding sources over the next year and develop a funding agreement in advance of the Board actions to select projects to be built for the West Seattle and Ballard Link extensions

Related to this action, it is important to note that the additional scope included in the preferred alternatives increases both construction cost and professional services estimates, including preliminary engineering. This budget amendment fully utilizes the preliminary engineering phase cost estimate assumed in the Spring 2023 Financial Plan. Adding any additional alternatives or studies to the preliminary engineering phase would require additional funding. In general, a continued trend of higher costs than currently assumed in the Financial Plan will impair overall program timelines and affordability.

### Disadvantaged and small business participation

Not applicable to this action.

## **Public involvement**

No applicable to this action.

## **Time constraints**

A delay in approval of this action would delay the execution of the contract modification to perform Phase 3 work and result in an equivalent delay in the subsequent production and review of the Final EIS.

## **Prior Board/Committee actions**

Motion No. M2023-57: Confirmed or modified the preferred station location for the Denny Station for the Ballard Link Extension Environmental Impact Statement.

Motion No. M2023-18: Confirmed or modified the preferred alternative light rail route and station locations for the Ballard Link Extension, for evaluation in the Final Environmental Impact Statement along with other alternatives.

Resolution R2022-35: Adopted an annual budget for the period from January 1 through December 31, 2023 and adopted the 2023 Transit Improvement Plan.

Motion No. M2022-57: Confirmed or modified the preferred light rail route and station locations for the West Seattle and Ballard Link Extensions Final Environmental Impact Statement and requested further studies in some areas to inform potential additional future Board action to confirm or modify the Preferred Alternative.

Resolution R2017-32: Amended the Adopted 2017 Budget to create the West Seattle and Ballard Link Extensions Project by (1) establishing the Project Allocation to Date through the completion of the Preliminary Engineering Phase in the amount of \$285,896,000 and (b) establishing the 2017 Annual Budget in the amount of \$4,150,000; (2) authorized the project to advance through Gate 1 within Sound Transit's Phase Gate Process; and (3) established the name of the project as the West Seattle and Ballard Link Extensions Project.

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**Environmental review** – KH 7/20/23

**Legal review** – JSA 8/2/23



## Resolution No. R2023-25

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority amending the Adopted 2023 Budget for the Ballard Link Extension project by increasing the total authorized project allocation by \$32,771,172 from \$630,636,160 to \$663,407,332 to accommodate additional scope and activities required to complete environmental review and Preliminary Engineering.

WHEREAS, the Central Puget Sound Regional Transit Authority, commonly known as Sound Transit, was formed under chapters 81.104 and 81.112 of the Revised Code of Washington (RCW) 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 Sound Transit district on November 5, 1996, November 4, 2008, and November 8, 2016, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, in December 2022, the Board approved Resolution No. R2022-35, adopting an annual budget for the period from January 1 to December 31, 2023, and adopting the 2023 Transit Improvement Plan; and

WHEREAS, in March 2023, the Board approved Motion No. M2023-18, identifying and modifying the preferred alternative for the Ballard Link Extension project, prompting additional environmental review and continued engagement for newly identified alternatives; and

WHEREAS, in July 2023, the Board approved Motion No. M2023-57, modifying the preferred alternative for the Denny Station location for the Ballard Link Extension, necessitating additional environmental review for new identified alternatives; and

WHEREAS, the work to perform additional environmental review associated with the supplemental Draft Environmental Impact and the Final Environmental Impact Statement require additional funds to be allocated to the Preliminary Engineering phase of the Ballard Link Extension project.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that the Adopted 2023 Budget for the Ballard Link Extension project be amended by increasing the total authorized project allocation by \$32,771,172 from \$630,636,160 to \$663,407,332 to accommodate additional scope and activities required to complete environmental review and Preliminary Engineering.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on August 24, 2023.



Dow Constantine  
Board Chair

**Attest:**



Kathryn Flores  
Board Administrator