

CITY COUNCIL STUDY SESSION ITEM

SUBJECT:

East Link Operations and Maintenance Satellite Facility Update

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POLICY CONSIDERATION:

The general policy guidance below informs the City's work on this final design phase of the East Link Project.

Comprehensive Plan Policies:

The Comprehensive Plan contains a body of adopted policy, which emerged from the Light Rail Best Practices work, to frame the City's role in light rail project development, including advancing the City's land use and transportation objectives and minimizing neighborhood and environmental impacts.

MOU with Sound Transit:

The City and Sound Transit entered into an Amended and Restated Umbrella Memorandum of Understanding (MOU) in May 2015 that defines City contributions to a downtown light rail tunnel and includes terms for both agencies regarding the Operation and Maintenance Satellite Facility (OMSF); project coordination; 130th Avenue NE parcels; permitting, project certainty and mitigation; and, conveyance of property between the agencies.

Light Rail Overlay District:

In addition to collaborating with Sound Transit within the framework of the 2015 MOU, the City is the permitting agency for East Link within Bellevue. The Council-adopted Land Use Code (LUC) Part 20.25M defines development standards and design guidelines that shape staff's feedback on design issues. The LUC provisions also establish the permitting process for East Link utilizing the Light Rail Permitting Citizens' Advisory Committee (CAC).

DIRECTION NEEDED FROM COUNCIL:

<u> </u>	Action
<u> X </u>	Discussion
<u> X </u>	Information

Sound Transit staff will provide an update on the Market Feasibility Study prepared for the Operations and Maintenance Satellite Facility (OMSF), project procurement schedule, and overall project schedule.

City staff will provide an outline of next steps in light of Sound Transit's change to its project procurement schedule.

PROJECT UPDATES:

The 2015 MOU outlined a process and commitments with respect to the OMSF in the event the Sound Transit Board ultimately selected a site in Bellevue for this facility. On October 22, 2015, the Sound Transit Board formally selected the BNSF alternative location for the OMSF. Following selection of the Bellevue site and in accordance with the 2015 MOU, the City and Sound Transit commissioned a market analysis to consider future transit oriented development on property expected to become surplus to Sound Transit to the extent it is no longer needed to support the construction and operation of the OMSF.

Based on the outcome of the market analysis and concurrent with OMSF project baselining, the City and Sound Transit agreed to would work cooperatively and expeditiously to negotiate the form of a development agreement for this surplus property. The results of the market analysis are available which will be discussed with Council. However, the timing of the development agreement under the 2015 MOU was based on the OMSF procurement following a design-bid-build process, meaning project baselining would occur when final design was completed prior to advertisement for bids. Sound Transit determined they would utilize a design-build procurement process for the OMSF, which they felt could reduce the overall design and construction timeline which would aide in the OMSF being operational sooner, but sets baselining much earlier in the process. Use of a design-build process could also provide a more creative approach to the overall development of the OMSF and the future development.

Sound Transit uses a "Phase Gate" approach to management of their projects. With each Phase Gate representing a different phase of the project: Phase 1 being project development and Phase 8 being project closeout. As the project proceeds through each gate, certain project, environmental, federal or agency requirements must be met. Sound Transit needs to baseline the project prior to securing a design-build contractor, and is currently targeting a Board motion to baseline the OMSF on July 28, 2016.

Sound Transit and City staff have been in discussions about how changes in the procurement schedule and project baselining will affect the execution of a development agreement identified in the 2015 MOU.

Sound Transit staff will provide information on the current procurement schedule, the Market Feasibility Study and their overall project schedule. City staff will discuss the next steps and strategy to meet the intent of the 2015 MOU given the changes to the OMSF procurement process, and identify Council engagement throughout the process.

ATTACHMENTS:

N/A

AVAILABLE IN COUNCIL DOCUMENT LIBRARY:

OMSF TOD Feasibility Analysis (Draft)

OMSF Market Study (Draft)