

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**

**Item No.** 6f

**Date of Meeting** April 21, 2009

**DATE:** March 27, 2009

**TO:** Tay Yoshitani, Chief Executive Officer

**FROM:** Eric Hanson, Manager, Seaport Planning  
Christine Wolf, Regional Transportation Program Planner, Seaport

**SUBJECT:** Resolution 3615, Second Reading and Final Passage: Agreements with the Cities of Seattle and Kent, and a direct Port contribution to FAST Corridor Phase 2 projects in these Cities.

**ACTION REQUESTED:**

Request for the Port Commission to authorize the Chief Executive Officer to enter into Agreements with the Cities of Seattle and Kent, and make a direct Port contribution of \$1,690,000 plus Port staff and consulting resources to FAST Corridor Phase 2 projects in these Cities:

- Seattle's Duwamish Intelligent Transportation Systems (ITS) Phase 3 Project (\$500,000); and
- Kent's 228th Street Grade Separation Project (\$1,190,000).

**SYNOPSIS:**

**Project Descriptions**

**Duwamish ITS Phase 3—Seattle**

The Port's contribution to the Duwamish ITS Phase 3 Project would allow the Seattle Department of Transportation (SDOT) to complete installation of Intelligent Transportation System (ITS) improvements in the Duwamish Manufacturing Industrial Center, near the Port's major container terminals. This includes four Dynamic Message Signs (DMS) that can be used to provide traffic information to truckers traveling to and from Port terminals and six Closed Circuit Television (CCTV) traffic cameras. The Port would also help pay for a new interactive, web-based traffic flow map. It enables the freight community and the general public to access the traffic cameras and review traffic conditions throughout the City.

**South 228th Street Project—Kent**

The S. 228th Street Project provides road improvements along a three mile corridor, and grade separations at the BNSF Railway Company (BNSF) and Union Pacific (UP) rail lines.

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The City of Kent is requesting a Port contribution for the second stage of the Project, a grade separation at the BNSF, which is currently under construction, and the final stage of the Project, a grade separation at the Union Pacific, which will follow the BNSF work. The grade separations completing the S. 228th Street corridor are critical to address the impacts of increased rail traffic resulting from the reopening of Stampede Pass to freight traffic. They will benefit the Port by providing a seamless truck connection between the forty million square feet of warehouse and industrial space in the Kent Valley and the Port of Seattle and Sea-Tac Airport.

### **Cooperation with Partners**

The proposed Agreements are based on an over-arching, prior FAST Corridor agreement. Closing the final funding gap for Duwamish ITS and South 228th shows the Port's continued commitment to its partners to complete critical projects. The FAST Corridor partners include federal and state agencies, local cities and counties, private partners, and the Ports of Seattle, Tacoma and Everett. FAST projects extend along the rail corridor from Tacoma to Everett.

Executing these Agreements at the requested level of contribution would allow both projects to be completed. This will help keep the FAST Corridor Program alive and support future federal and state funding requests from the sponsors of the remaining projects. This approach would leave sufficient funds allocated to the FAST Corridor program to allow the Port to contribute to those projects that are getting close to implementation.

### **ENVIRONMENTAL SUSTAINABILITY/COMMUNITY BENEFITS**

Operation of Duwamish ITS will provide the following benefits:

- Seattle's traffic management system staff will be able to more effectively monitor conditions and adjust traffic signals in real time to address congestion and incidents in the Duwamish.
- Dynamic message signs located at strategic locations in the Duwamish will inform trucks and other traffic about traffic conditions and detours.
- Both the freight community and the general public will be able to access a web-based traffic flow map providing real time information on traffic conditions in the Duwamish, allowing them to check traffic and avoid congested areas when possible even before venturing out.
- These benefits will help reduce congestion and related safety problems and air emissions. They will be essential in managing traffic during SR-99 Viaduct replacement.

Completion of the S. 228<sup>th</sup> Project will capture these benefits:

- The grade-separated railroad crossings of BNSF and UP mainlines improve safety for truckers, motorists, bicyclists and pedestrians, as well as train operations.
- Vehicle travel times are reduced by eliminating wait times at the railroad crossings.
- The improved traffic flow will reduce vehicle idling times and improve air quality.

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### ALTERNATIVES CONSIDERED/RECOMMENDED ACTION

Two alternatives were considered:

1. Do Nothing: Should the Port not participate in the agreements, both projects would have insufficient funds to be completed on schedule.

For Duwamish ITS, it would mean that this ITS system would not be fully functional in advance of Alaskan Way Viaduct replacement.

Kent could not complete two grade separations across BNSF and UP lines.

2. Agreement: **This alternative supports the FAST Corridor program and is the recommended action.** The Cities of Seattle and Kent and the Port of Seattle would enter into agreements for the Port to provide a funding share of \$500,000 for Duwamish ITS in Seattle and \$1,190,000 for S. 228<sup>th</sup> St. in Kent.

### FINANCIAL ANALYSIS

#### Project Cost Breakdown

Seattle Duwamish ITS Phase 3	\$500,000
Kent S. 228 <sup>th</sup> Street Grade Separations	\$1,190,000
Port staff resources and expenses*	\$20,000
Total	\$1,710,000

Note\*: Resources will be provided by existing Port staff. Accordingly, there is no incremental cash outflow to the Port in connection with providing these services. However, limited consultant assistance may be required to support the staff effort.

#### Source of Funds

The 2009 Plan of Finance includes \$1,700,000 under committed CIP #C001786, FAST Corridor 2, for Seattle Duwamish ITS Phase 3 (\$500,000) and Kent S. 228<sup>th</sup> Corridor (\$1,200,000). The funding source for this agreement will be the tax levy.

#### Financial Analysis Summary

<b>CIP Category</b>	Regional Transportation
<b>Project Type</b>	Freight Mobility
<b>Risk adjusted discount rate</b>	NA
<b>Risk factors</b>	A potential risk factor is that the delivered projects do not provide the expected direct benefit to the Port. This risk has been mitigated by the fact that all decisions regarding the functionality of the projects have already been made. The Agreements require each City to collaborate with the Port on any design changes that affect the Port's anticipated benefit. If the Port's anticipated benefit is reduced by these changes, and the parties cannot agree on a resolution, the Port has the option to terminate the Agreement and would not be required to pay

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	for any construction work it has not approved and that has not been completed.
<b>Project cost for analysis</b>	NA
<b>Business Unit (BU)</b>	Seaport Planning
<b>Effect on business performance</b>	Spending on these projects will be expensed as incurred, as a non-operating expense over the two years of construction and/or implementation.
<b>IRR/NPV</b>	N/A

## **REQUESTED ACTION**

Resolution 3615, Second Reading and Final Passage.