

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No. 4e
Date of Meeting January 6, 2015

DATE: December 29, 2014
TO: Ted Fick, Chief Executive Officer
FROM: Michael Ehl, Director Aviation Operations
SUBJECT: Six-Month Extension of Sound Transit Operations and Maintenance Agreement for Light Rail

ACTION REQUESTED

Request Commission authorization for the Chief Executive Officer to extend the existing Operations and Maintenance Agreement with Sound Transit for a period not to exceed six months to allow the renegotiation of the agreement to encompass the physical extension of the Sound Transit Light Rail system to South 200th Street.

SYNOPSIS

Sound Transit's Link Light Rail expanded to Seattle-Tacoma International Airport in December 2009. Provisions covering various operational and maintenance issues coordinated between the Airport and Sound Transit are in place in the existing agreement to support the light rail station and guide way, which provide system access. The existing Operations and Maintenance agreement provides clarity for expenses and reimbursements, primarily related to landscape maintenance and trash pick-up. This authorization extends the existing agreement for a period up to six months while the new agreement is finalized to incorporate the new elements of the extended light rail line.

BACKGROUND

On April 11, 2006, the Commission approved the second reading and final passage of Resolution No. 3559, to execute an interlocal agreement with Sound Transit to establish the real property, financial, and construction arrangements for the Airport Link Project. Operations and maintenance impacts related to the rail extension constructed on and over Port of Seattle property are identified in the existing five-year Operations and Maintenance Agreement that was completed on December 18, 2009.

Sound Transit is now proceeding with a physical extension of Link Light Rail to South 200th Street, which is expected to open in 2016. The extension of the Operations and Maintenance Agreement accommodates the physical extension of Light Rail and maintains the current terms and conditions of the previously approved agreement, assigning the Port of Seattle financial

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responsibility for Port of Seattle assets, while Sound Transit will have financial responsibility for operations and maintenance of Sound Transit assets.

Specifically, the two elements identified for continued applicability are Port of Seattle-provided reimbursable landscape maintenance services within their easement, and Sound Transit-provided electrical service to the Airport's pedestrian bridge, connecting the Light Rail Station and the Airport terminal. Both of these items will be reimbursed in actual costs, and will be identified in annual operating budgets.

PROJECT JUSTIFICATION AND DETAILS

Project Objectives

Allow the existing agreement to remain in place while representatives from the Port of Seattle and Sound Transit validate the elements necessary for an updated agreement that will include the yet-to-be completed extension from the Airport station to South 200th Street.

FINANCIAL IMPLICATIONS

The estimated annual reimbursable landscape maintenance expenses are \$12,000, including a 15% administrative fee. Electrical expenses for the Airport are estimated at \$3,000 per year. Anticipated Airport expenses for the six-month extension are \$7,500, of which \$6,000 would be reimbursed. These costs are reimbursements and are included in the 2015 operating budget.

STRATEGIES AND OBJECTIVES

This Operations and Maintenance Agreement extension supports the Port of Seattle partnership with Sound Transit as a "Catalyst for Regional Transportation Solutions." It also supports the Century Agenda Strategy of advancing this region as a leading tourism destination and business gateway.

TRIPLE BOTTOM LINE

Economic Development

Cooperation between the Port of Seattle and Sound Transit in the Operations and Maintenance agreement provides the economic benefit of efficient use of resources and the prospects of further development as a result of new transportation services.

Environmental Responsibility

A consistent application of landscape standards and of maintenance services mitigates environmental impacts.

Community Benefits

Consolidating the landscape maintenance contract is within the previously negotiated responsibilities of the Port of Seattle and a reasonable consideration for efficient use of resources.

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ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1) – Update complete Airport Station Operations and Maintenance Agreement originally produced in 2009 to support the Link Light Rail extension from the Airport Station to South 200th Street. This alternative assumes operating conditions and variables that remain uncertain due to the incomplete nature of the project and current construction activity. This is not the recommended alternative.

Alternative 2) – Extend existing Operations and Maintenance Agreement for up to six months. **This is the recommended alternative.**

ATTACHMENTS TO THIS REQUEST

- Airport Station Operations and Maintenance Agreement – December 2009

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- November 30, 2009 – Port of Seattle Commission provided authorization for the Chief Executive Officer to execute the Operations and Maintenance Agreement with Sound Transit.
- April 11, 2006 – Port of Seattle Commission approved second reading and final passage of Resolution No. 3559, as amended.
- January 24, 2006 – Port of Seattle Commission approved first reading of Resolution No. 3559 authorizing the Chief Executive Officer to execute an interlocal agreement with Sound Transit for the Airport Link Project.