



Motion No. M2024-05

Contract Modification with HNTB Corporation for West Seattle and Ballard Link Extensions

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee	02/08/2024	Recommend to Board	Don Billen, Executive Director, PEPD
Board	02/22/2024	Final action	Sandra Fann, Project Director, PEPD Kristin Hoffman, Joint Development Manager, PEPD

Proposed action

Authorizes the chief executive officer to execute a contract modification with HNTB Corporation for advancing the design of integrated transit-oriented development for stations along the alignments of the West Seattle and Ballard Link Extensions in the amount of \$6,798,391 for a new total authorized contract amount not to exceed \$326,492,144.

Key features summary

- This action would modify the consultant services contract with HNTB Corporation (HNTB) to fund the advancement of design for integrated transit-oriented development (TOD) during Phase 3 Preliminary Engineering at stations along the potential alignments for the West Seattle and Ballard Link Extensions.
- The design work includes conceptual and schematic designs, compatibility reviews, financial analyses, and reports to support Phase 3 Preliminary Engineering, including future decisions on station design, engineering, and the construction approach for integrated TOD.
- Advancing the integrated development designs now will inform future decisions on station design, engineering, and the construction approach for the integrated TOD, enabling the station design to consider modifications to accommodate future integrated development designs.
- These activities also support the development of deliverables related to the USDOT Build America Bureau (BAB) Regional Infrastructure Accelerator (RIA) grant that Sound Transit received in October 2023 for \$1,750,000. The value of the contract modification includes these funds.

Background

The West Seattle and Ballard Link Extension projects (WSLE and BLE, respectively) were approved for funding by voters under the ST3 Plan. The projects 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 the 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. Both extensions

include opportunities for transit-oriented development (TOD) and integrated TOD at and around the 13 stations.

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 Environmental Impact Statement (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. In this phase, the West Seattle and Ballard Link Extensions will each be evaluated in separate Final EIS documents. A new NEPA Draft EIS/SEPA Supplemental Draft EIS will be prepared for Ballard Link Extension.

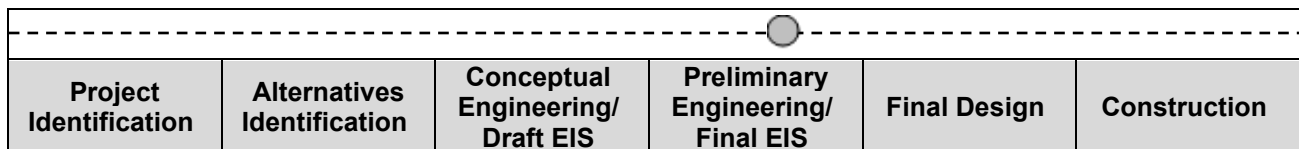
As part of the project development to date, Sound Transit has analyzed the TOD potential at and around the station sites. The conclusion is that the scale of TOD opportunities, and more specifically joint development opportunities, is significant on these two extensions. Integrated TOD includes both overbuilding the station structure air rights and structurally integrating the overbuild with the station.

To realize these potential integrated development opportunities, Sound Transit needs to advance the TOD design during Phase 3 Preliminary Engineering and progress the TOD design further than the agency has done in the past. Advancing the TOD design earlier enables the station design to consider modifications that would accommodate the TOD design, as appropriate, so that the two are compatible. Advancing the integrated development designs now will inform future decisions on station design, engineering, and the construction approach for the integrated TOD.

The work includes developing and documenting designs for integrated development of stations and headhouses with buildings containing non-transit uses. This work will result in schematic designs that enable the station designs to accommodate the TOD design. In October 2023, Sound Transit received a \$1,750,000 RIA BAB grant to help fund this work.

Project status

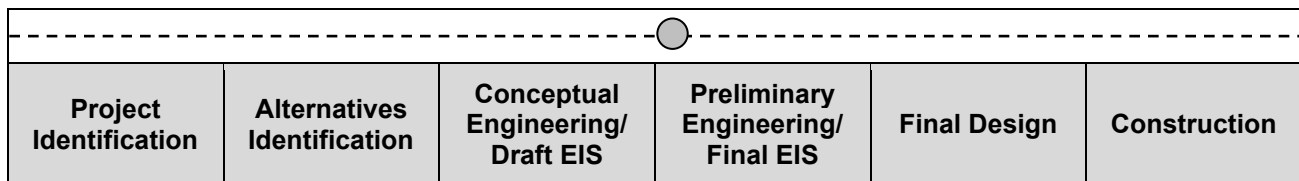
West Seattle Link Extension



Projected completion date for Preliminary Engineering/Final EIS: 2024

Project scope, schedule and budget summary are located on page 110 of the December 2023 Agency Progress Report.

Ballard Link Extension



Projected completion date for Preliminary Engineering/Final EIS: 2026

Project scope, schedule and budget summary are located on page 14 of the December 2023 Agency Progress Report.

Procurement information

A Request for Qualifications (RFQ), contract number RTA/AE 0036-17, West Seattle-Ballard Link Extension for three phases of the project development process (1. Alternatives Development, 2. Draft EIS and Conceptual Engineering, 3. Final EIS/ROD and Preliminary Engineering) was advertised on April 20, 2017. The HNTB Corporation team was determined to be the highest ranked firm based on qualifications and was invited to enter into negotiations. Sound Transit executed the contract with HNTB Corporation on October 15, 2017, in an amount not to exceed \$24,412,019 for Phase 1 work. A Phase 2 modification in the amount not to exceed \$60,293,750 was issued on May 23, 2019. HNTB has satisfactorily completed Phase 1 and 2 work and was invited to negotiate the scope of work and cost for Phase 3.

Four contract modifications have been issued to advance Phase 3, Final EIS and Preliminary Engineering of the Preferred Alternative. The fourth Phase 3 modification in the amount not to exceed \$851,048 was issued on December 21, 2023. The current contract value with HNTB Corporation is not to exceed \$308,305,700.

This current Action further amends the existing contract with HNTB Phase 3 to advance the design of integrated transit-oriented development for the West Seattle and Ballard Link Extensions.

Sound Transit prepared and submitted a draft scope of work to HNTB. After participating in negotiations, Sound Transit submitted a revised scope of work to HNTB. HNTB prepared and submitted a cost proposal that was accepted by Sound Transit. Based on the review of the scope of work level of effort and cost analysis, the Procurement and Contracts team has determined that the scope of work for this action is within the general scope of work originally procured and the price is fair and reasonable.

Fiscal information

This action is within the authorized project allocations of these projects and sufficient monies remain after approval of this action to fund the remaining work in the preliminary engineering phase. As the projects are pre-baselined, both the authorized project budget for project development work and a forecasted cost estimate for remaining project delivery and construction work are reasonably assumed in the existing Long Range Financial Plan.

The current cost estimate for the Ballard Link Extension project is \$11.2 billion in 2023\$ with an assumed in-service date of 2039. The current cost estimate for the West Seattle Link Extension project is \$4.0 billion in 2023\$ with an assumed in-service date of 2032. These costs represent the cost estimate updated at the time of Realignment and does not represent the preferred alternative (Motion Nos. M2023-18 and M2023-57).

The project allocation for the Ballard Link Extension project is \$729,862,314. Within the \$292,691,048 preliminary engineering phase, \$194,788,866 has been allocated for FEIS / PE (Phase 3). The action would commit an additional \$3,743,311 to this line item and leave an uncommitted line item balance of \$8,421,936.

Ballard Link Extension

(in thousands)

Project Phase	Authorized Allocation	Total Commitment to Date	This Action	Total Commitment Plus Action	Uncommitted / (Shortfall)
Agency Administration	\$52,907	\$35,046	\$0	\$35,046	\$17,861
Preliminary Engineering	292,691	253,228	3,743	256,971	35,720
Final Design	-	-	-	-	-
Third Parties	11,350	3,098	-	3,098	8,252
Right of Way	342,152	3,532	-	3,532	338,621
Construction	-	-	-	-	-
Construction Services	30,762	30,762	-	30,762	-
Vehicles	-	-	-	-	-
Total Current Budget	\$729,862	\$325,666	\$3,743	\$329,409	\$400,453
Phase Detail - Preliminary Engineering					
FEIS / PE (Phase 3)	\$194,789	\$182,624	\$3,743	\$186,367	\$8,422
Other Preliminary Engineering	97,902	70,605	-	70,605	27,298
Total Phase	\$292,691	\$253,228	\$3,743	\$256,971	\$35,720

Notes:

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

Total Commitment to Date = Commitment and PO Contingency Remaining as of 12/31/2023

The project allocation for the West Seattle Link Extension project is \$246,814,363. Within the \$84,160,000 preliminary engineering phase, \$48,331,270 has been allocated for FEIS / PE (Phase 3). The action would commit an additional \$941,865 to this line item and leave an uncommitted line item balance of \$13,326,898.

West Seattle Link Extension

(in thousands)

Project Phase	Authorized Allocation	Total Commitment to Date	This Action	Total Commitment Plus Action	Uncommitted / (Shortfall)
Agency Administration	\$14,473	\$5,462	\$0	\$5,462	\$9,011
Preliminary Engineering	84,160	60,179	942	61,121	23,039
Final Design	-	-	-	-	-
Third Parties	4,050	1,141	-	1,141	2,909
Right of Way	133,154	1,379	-	1,379	131,774
Construction	-	-	-	-	-
Construction Services	10,978	10,978	-	10,978	-
Vehicles	-	-	-	-	-
Total Current Budget	\$246,814	\$79,140	\$942	\$80,082	\$166,733
Phase Detail - Preliminary Engineering					
FEIS / Phase 3	\$48,331	\$34,063	\$942	\$35,004	\$13,327
Other Preliminary Engineering	35,829	26,117	-	26,117	9,712
Total Phase	\$84,160	\$60,179	\$942	\$61,121	\$23,039

Notes:

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

Total Commitment to Date = Commitment and PO Contingency Remaining as of 12/31/2023

For detailed project information, see page 72 of the 2024 Financial Plan & Proposed Budget.

The TOD Planning project will fund the remaining \$2,113,215 of the HNTB contract modification. The authorized allocation for the TOD Planning project is \$41,786,177. Within the \$2,113,215 preliminary engineering phase, \$2,113,215 has been allocated for PE Building Design. The action would commit \$2,113,215 to this line item and leave a remaining line item balance of \$0.

TOD Planning

(in thousands)

Project Phase	Authorized Allocation	Total Commitment to Date	This Action	Total Commitment Plus Action	Uncommitted / (Shortfall)
Agency Administration	\$34,730	\$12,608	\$0	\$12,608	\$22,122
Preliminary Engineering	2,113	-	2,113	2,113	-
Final Design	-	-	-	-	-
Third Parties	-	-	-	-	-
Right of Way	4,466	4,444	-	4,444	21
Construction	477	477	-	477	-
Construction Services	-	-	-	-	-
Vehicles	-	-	-	-	-
Total Current Budget	\$41,786	\$17,530	\$2,113	\$19,643	\$22,143
Phase Detail - Preliminary Engineering					
PE Building Design	\$2,113	\$0	\$2,113	\$2,113	\$0
Other Preliminary Engineering	-	-	-	-	-
Total Phase	\$2,113	\$0	\$2,113	\$2,113	\$

Notes:

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

Total Commitment to Date = Commitment and PO Contingency Remaining as of 12/31/2023

For detailed project information, see page 130 of the 2024 Financial Plan & Proposed Budget.

Agreement Detail

HNTB Corporation PE Agreement	Board Approvals to Date	Proposed Action	Proposed Total for Board Approval	Current Agreement Spend Status
Ballard Link Extension	\$253,910	\$3,743	\$257,654	\$60,971
West Seattle Link Extension	65,302	942	66,244	34,358
RapidRide C & D	481	-	481	481
TOD Planning	-	2,113	2,113	-
Total Agreement	\$319,694	\$6,798	\$326,492	\$95,809

Notes:

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

Board Approvals = Commitment and PO Contingency Remaining as of 12/31/2023

As noted in the July 2023 Board Motion (Motion No. 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\$). Modifying the preferred alternative has the potential to change or increase the variance to the cost estimate in the financial plan.

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. Together, they have identified up to \$400 million in additional potential funding for the West Seattle and Ballard Link extensions through various sources including publicly-owned property, value capture from increased development, and in-kind contributions. 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. Sound Transit will need to perform a detailed analysis of the \$400 million in potential funding sources in relation to the cost estimates in order to assess the efficacy of the proposal on the Financial Plan as well as partner with the City and County to identify additional funding sources.

Disadvantaged and small business participation

Participation by small businesses and disadvantaged business enterprises (DBEs)

Sound Transit promotes and encourages small business participation, which also includes disadvantaged business enterprises (DBEs). Consistent with Sound Transit Policies and federal regulations, Sound Transit has established small business/DBE goals for this contract. These goals are

based upon an examination of subcontracting opportunities contained in the work of this contract and the number of small businesses/DBEs available to perform such subcontracting work.

For this specific contract, the following goals were set and HNTB has committed to the following small business/DBE participation:

AE 0036-17: West Seattle-Ballard Link Extension			
Small business and disadvantaged business enterprise (DBE) goals			
Sound Transit small business goal:	18%	Sound Transit DBE goal:	11%
Prime Small business commitment:	19%	Prime DBE commitment:	12%
Current Small Business Attainment: 18.00%		Current DBE Attainment: 12.10%	

Public involvement

During Phase 1 Sound Transit involved the public in charrettes and stakeholder advisory groups to gather feedback related to TOD. During Phase 2 Sound Transit engaged the public for the publication of the Station Planning Progress Report. In Phase 3 Sound Transit held public forums in Fall 2023 focused on station planning, including TOD, for the West Seattle Link Extension and South Downtown. Continued public engagement on TOD will take place through technical panels and stakeholder forums throughout 2024 and early 2025.

Time constraints

A one-month delay could delay the advancement of design for the joint transit-oriented development.

Prior Board/Committee actions

Motion No. M2023-110: Authorized the chief executive officer to execute a contract modification with HNTB Corporation to prepare a feasibility assessment under the contract for project development for the West Seattle Ballard Link Extensions, in the amount of \$776,247, with a 10% contingency of \$74,801 totaling \$851,048, for a new total authorized contract amount not to exceed \$319,693,752, contingent upon approval of Motion No. M2023-109 and Resolution No. R2023-40.

Motion No. M2023-69: Authorized the chief executive officer to execute a contract modification with HNTB Corporation to provide project development services for the West Seattle and Ballard Link Extensions project in the amount of \$146,589,734, including contingency, for a new total authorized contract amount not to exceed \$318,842,705.

Motion No. M2022-73: Authorized the chief executive officer to execute a contract modification with HNTB Corporation to provide project development services for the West Seattle and Ballard Link Extensions project in the amount of \$71,858,568, including contingency, for a new total authorized contract amount not to exceed \$172,252,971.

Motion No. M2022-56: Authorized the chief executive officer to execute a contract modification with HNTB Corporation to provide project development services for the West Seattle and Ballard Link Extensions project in the amount of \$11,162,414, including contingency, for a new total authorized contract amount not to exceed \$100,394,403.

Motion No. M2021-43: Authorized the chief executive officer to execute a contract modification with HNTB Corporation to increase the contract contingency for the West Seattle and Ballard Link Extensions in the amount of \$4,206,000 for the identification of capital cost savings opportunities and to provide additional project contingency for a new total authorized contract amount not to exceed \$91,951,971.

Motion No. M2019-52: Authorized the chief executive officer to execute a contract modification with HNTB Corporation to provide project development services for the West Seattle and Ballard Link Extensions Project in the amount of \$54,812,500, with a ten percent contingency of \$5,481,250, for a new total authorized contract amount not to exceed \$87,745,971.

Motion No. M2018-101: Authorized the chief executive officer to execute a contract amendment with HNTB to provide a speed and reliability study for RapidRide C and D Improvements in the amount of \$599,000, for a new total authorized contract amount not to exceed \$27,452,221.

Motion No. M2017-119: Executed a contract with HNTB Corporation to provide project development services for the West Seattle and Ballard Link Extensions project in the amount of \$24,412,019, with a 10% contingency of \$2,441,202, for a total authorized contract amount not to exceed \$26,853,221.

Environmental review – KH 1/23/24

Legal review – JSA 2/1/24

Motion No. M2024-05

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract modification with HNTB Corporation for advancing the design of integrated transit-oriented development for stations along the alignments of the West Seattle and Ballard Link Extensions in the amount of \$6,798,391 for a new total authorized contract amount not to exceed \$326,492,144.

Background

The West Seattle and Ballard Link Extension projects (WSLE and BLE, respectively) were approved for funding by voters under the ST3 Plan. The projects 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 the 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. Both extensions include opportunities for transit-oriented development (TOD) and integrated TOD at and around the 13 stations.

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 Environmental Impact Statement (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. In this phase, the West Seattle and Ballard Link Extensions will each be evaluated in separate Final EIS documents. A new NEPA Draft EIS/SEPA Supplemental Draft EIS will be prepared for Ballard Link Extension.

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This action would modify the consultant services contract with HNTB Corporation (HNTB) to fund the advancement of design for integrated transit-oriented development (TOD) during Phase 3 Preliminary Engineering at stations along the potential alignments for the West Seattle and Ballard Link Extensions.

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Advancing the integrated development designs now will inform future decisions on station design, engineering, and the construction approach for the integrated TOD, enabling the station design to consider modifications to accommodate future integrated development designs.

These activities also support the development of deliverables related to the USDOT Build America Bureau (BAB) Regional Infrastructure Accelerator (RIA) grant that Sound Transit received in October 2023 for \$1,750,000. The value of the contract modification includes these funds.

Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract modification with HNTB Corporation for advancing the design of integrated transit-oriented development for stations along the alignments of the West Seattle and Ballard Link Extensions in the amount of \$6,798,391 for a new total authorized contract amount not to exceed \$326,492,144.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on _____.

Dow Constantine
Board Chair

Attest:

Kathryn Flores
Board Administrator