



Motion No. M2020-46

Construction Staging Commercial Lease with the Shoreline School District for the Lynnwood Link Extension

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee	8/13/2020	Final action	Ron Lewis, DECM Executive Director Joseph Gray, Director, Real Property Jonathan Gabelein, Principal Construction Manager

Proposed action

Authorizes the chief executive officer to execute a commercial lease agreement for 32 months with two six-month options to extend with the Shoreline School District to provide a construction staging area for the NE 200th Street to Lynnwood Transit Center contract within the Lynnwood Link Extension for a total authorized amount not to exceed \$1,552,720.

Key features summary

- This action will authorize leasing approximately 703,787 square feet of Shoreline School District property located at 2545 NE 200th Street in Lynnwood, WA (the Aldercrest Campus property) for use as construction staging for the Lynnwood Link Extension construction contract with Skanska Constructors for a term of 32 months.
- The staging area is necessary because the L300 portion of the alignment is very constricted and provides insufficient space to support staging for construction equipment, material storage, and fabrication activities.
- Sound Transit is required to complete a Phase 1 Environmental Site Assessment and will be reimbursed for the approximate cost of \$7,500. A Phase 1 Environmental Assessment was required because Shoreline School District did not have a baseline environmental condition report from which to measure the condition of the property at the termination of the lease.
- The lease provides Sound Transit with the option to extend for two additional six-month periods. This action provides funds for extensions should they be required.
- The Shoreline School Board approved this lease at its meeting on July 20, 2020 after conducting a community meeting requesting input on the agreement.

Background

The Lynnwood Link Extension is an 8.5 mile light rail extension from Northgate to Lynnwood with service to the Cities of Shoreline, Mountlake Terrace, and Lynnwood. The alignment travels primarily along I-5 and will include four stations at NE 145th Street, NE 185th Street, Mountlake Terrace Transit Center, and Lynnwood Transit Center. New parking structures will be provided at NE 145th Street, NE 185th Street, and Lynnwood Transit Center. Revenue service is anticipated to begin in 2024.

The NE 200th Street to Lynnwood Transit Center (L300) is one of three Heavy Civil GC/CM construction contracts for the Lynnwood Link Extension. The contract includes construction of elevated guideway, at-grade retained cut/fill guideway, a station at Mountlake Terrace, a station and parking garage at Lynnwood Transit Center, track work, and civil/system infrastructure. The L300 construction contract is being constructed by Skanska Constructors L300.

The staging area at 2545 NE 200th Street in Lynnwood, WA is necessary because it serves as needed construction staging for the L300 construction contract. The alignment is very constricted and is insufficient to support construction staging for construction equipment, material storage, and fabrication activities.

During Maximum Allowable Construction Cost (MACC) negotiations with Skanska, it was noted that by removing the procurement of supplemental staging area from the MACC, substantial markups by the GC/CM contractor could be avoided. It was agreed that Sound Transit would lease the Aldercrest property directly from the Shoreline School District and provide it to Skanska for construction staging.

Project status

Project Identification	Project Refinements	Conceptual Engineering/ Environmental Review	Preliminary Engineering	Final Design	Construction
-------------------------------	----------------------------	---	--------------------------------	---------------------	---------------------

Projected completion date for Construction Phase: Q3 2024

Project scope, schedule and budget summary are located on page 33 of the May 2020 Agency Progress Report.

Fiscal information

This action is within the baseline budget and sufficient monies remain after approval of this action to fund the remaining work in the construction phase.

The baseline budget for the Lynnwood Link Extension project is \$2,771,622,000. Within the Construction phase, \$16,488,000 has been allocated to the budget line item for Construction Miscellaneous. The proposed action would commit \$1,552,720 to this phase and leave a budget balance of \$13,139,290.

Lynnwood Link Extension

(in thousands)

Project Phase	Baseline Budget	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Administration	\$98,164	\$40,476	\$	\$40,476	\$57,688
Preliminary Engineering	39,054	39,053		39,053	1
Final Design	164,162	145,372		145,372	18,790
Third Party Agreements	14,600	11,159		11,159	3,441
Right of Way	235,660	179,853		179,853	55,807
Construction	2,091,553	1,803,211	1,553	1,804,764	286,789
Construction Services	128,429	98,023		98,023	30,406
Vehicles					
Project Contingency					
Total Current Budget	\$2,771,622	\$2,317,148	\$1,553	\$2,318,700	\$452,922
Phase Detail					
Construction					
Construction Miscellaneous	\$16,448	\$1,756	\$1,553	\$3,309	\$13,139
Other Construction	2,075,105	1,801,455		1,801,455	273,650
Total Phase	\$2,091,553	\$1,803,211	\$1,553	\$1,804,764	\$286,789

Agreement Detail	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Shoreline Public SD				
Contract Amount			\$1,553	\$1,553
Contingency				
Total	\$	\$	\$1,553	\$1,553

Notes:

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

* Board Approvals = Commitment and PO Contingency Remaining as of 6/30/20.

For detailed project information, see page 102 of the 2020 Financial Plan & Adopted Budget.

Disadvantaged and Small Business Participation

Not applicable to this action.

Public involvement

The City of Shoreline, in conjunction with Shoreline School District, conducted a community meeting with the surrounding neighborhoods adjacent to the Aldercrest property regarding the proposed lease agreement on July 9, 2020.

Time constraints

Action on the proposed lease has been delayed due to COVID-19 related impacts on school district operations, delaying the school district's ability to review and endorse the lease agreement. Timely action is thus needed, as further delays might require compensation of the Contractor for additional storage fees and material re-handling.

Environmental review – KH 7/21/20

Legal review – PWM 8/07/20



Motion No. M2020-46

A motion of the System Expansion Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a commercial lease agreement for 32 months with two six-month options to extend with the Shoreline School District to provide a construction staging area for the NE 200th Street to Lynnwood Transit Center contract within the Lynnwood Link Extension for a total authorized amount not to exceed \$1,552,720.

Background

The Lynnwood Link Extension is an 8.5 mile light rail extension from Northgate to Lynnwood with service to the Cities of Shoreline, Mountlake Terrace, and Lynnwood. The alignment travels primarily along I-5 and will include four stations at NE 145th Street, NE 185th Street, Mountlake Terrace Transit Center, and Lynnwood Transit Center. New parking structures will be provided at NE 145th Street, NE 185th Street, and Lynnwood Transit Center. Revenue service is anticipated to begin in 2024.

The NE 200th Street to Lynnwood Transit Center (L300) is one of three Heavy Civil GC/CM construction contracts for the Lynnwood Link Extension. The contract includes construction of elevated guideway, at-grade retained cut/fill guideway, a station at Mountlake Terrace, a station and parking garage at Lynnwood Transit Center, track work, and civil/system infrastructure. The L300 construction contract is being constructed by Skanska Constructors L300.

The staging area at 2545 NE 200th Street in Lynnwood, WA is necessary because it serves as needed construction staging for the L300 construction contract. The alignment is very constricted and is insufficient to support construction staging for construction equipment, material storage, and fabrication activities.

This action will authorize leasing approximately 703,787 square feet of Shoreline School District property located at 2545 NE 200th Street in Lynnwood, WA (the Aldercrest Campus property) for use as construction staging for the Lynnwood Link Extension construction contract with Skanska Constructors for a term of 32 months.

During Maximum Allowable Construction Cost (MACC) negotiations with Skanska, it was noted that by removing the procurement of supplemental staging area from the MACC, substantial markups by the GC/CM contractor could be avoided. It was agreed that Sound Transit would lease the Aldercrest property directly from the Shoreline School District and provide it to Skanska for construction staging.

Sound Transit is required to complete a Phase 1 Environmental Site Assessment and will be reimbursed for the approximate cost of \$7,500. A Phase 1 Environmental Assessment was required because Shoreline School District did not have a baseline environmental condition report from which to measure the condition of the property at the termination of the lease.

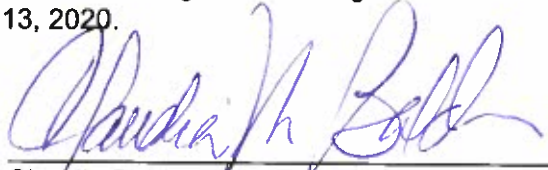
The lease provides Sound Transit with the option to extend for two additional six-month periods. This action provides funds for extensions should they be required.

The Shoreline School Board approved this lease at its meeting on July 20, 2020 after conducting a community meeting requesting input on the agreement.

Motion

It is hereby moved by the System Expansion Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a commercial lease agreement for 32 months with two six-month options to extend with the Shoreline School District to provide a construction staging area for the NE 200th Street to Lynnwood Transit Center contract within the Lynnwood Link Extension for a total authorized amount not to exceed \$1,552,720.

APPROVED by the System Expansion Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on August 13, 2020.



Claudia Balducci
System Expansion Committee Chair

Attest:



Kathryn Flores
Board Administrator