

Motion No. M2021-05

Contract Contingency Increase with Stacy Witbeck/ Atkinson, Joint Venture for the East Link Extension

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee	01/14/2021	Recommend to Board	Ron Lewis, DECM Executive Director
Board	01/28/2021	Final action	Mike Bell, Sr. Exec. Project Director – East Link Extension

Proposed action

Authorizes the chief executive officer to increase the contingency for the contract with Stacy and Witbeck/Atkinson, a Joint Venture for construction of the Downtown Bellevue to Spring District Segment (E335) within the East Link Extension, in the amount of \$10,000,000, for a new total authorized contract amount not to exceed \$423,488,121, all within the Board approved project budget.

Key features summary

- This action provides additional contingency to address unanticipated scope additions, unforeseen changes due to permitting requirements, modifications to key track features, materialized risk items, and civil/systems interface issues at Bellevue Downtown Station.
- This action addresses the current risk profile and projected costs associated with executing the original scope of work. The additional contingency does not include any impacts associated with the pre/post COVID-19 30-day shutdown, or claims relating to contract performance or time.
- The additional construction contingency is needed to complete the base scope of the project and to ensure a timely turnover to the follow-on Systems contractor.
- This action does not increase the Board adopted baseline budget for the Project.

Background

East Link Extension extends light rail 14 miles from downtown Seattle to downtown Bellevue and the Overlake area of Redmond via I-90, with stations serving Rainier Avenue/I-90, Mercer Island, South Bellevue, Downtown Bellevue, Overlake Hospital, the Bel-Red Corridor, Overlake Village, and the Overlake Transit Center. The East Link project route, profiles, and station locations were selected by the Sound Transit Board on July 28, 2011, and amended on April 25, 2013. In April 2015, the Sound Transit Board established the baseline budget and schedule for the project. Revenue service between Seattle and the Overlake Transit Center is forecasted for 2Q 2023.

In February 2017, Sound Transit entered into a construction contract with Stacy and Witbeck/Atkinson, a Joint Venture, to provide Heavy Civil General Contractor/Construction Manager (GC/CM) construction services for the Downtown Bellevue to Spring District (E335) segment of the East Link Extension to initiate the complex scheduling and phasing requirements and extensive interface with other contractors. The contract scope of work includes the following: approximately 2.3 miles of dual-track at-grade, underground, elevated, and retained cut guideway and construction of both ballasted and direct-fixation trackwork; direct-fixation trackwork and tunnel finishes through the Downtown Bellevue Tunnel;

approximately 1,400 linear feet of retained cut trench; elevated guideway crossing over Interstate 405, cast-in place trestle, and a variety of retaining walls; demolition of and site grading at existing structures in the alignment of the guideway; construction of sound walls and use of high-resilience fasteners at direct-fixation track; wetland/stream mitigation at Sturtevant Creek; permanent traffic signals, roadway illumination, signing and pavement striping. This initial phase excludes the stations packages.

In January 2018, Sound Transit amended the E335 construction contract with Stacy and Witbeck/Atkinson to include construction of four stations ion the Downtown Bellevue to Spring District segment.

Stations include East Main Station, an at-grade Station near 112th Ave SE and Main Street; Bellevue Downtown Station, adjacent to Bellevue City Hall; Wilburton Station, an elevated station north of NE 8th Street; and Spring District / 120th Station, a retained cut station north of Spring Boulevard near 120th Ave NE. This work also includes vertical transportation elements (elevators and escalators), mechanical and electrical equipment, fire protection and emergency ventilation systems, surface features and landscaping. The elevators and escalators work for all stations will be performed by a single subcontractor for consistency across the Downtown Bellevue to Spring District segment.

E335 is 90 percent complete. The E335 Heavy Civil GC/CM construction contingency was established at 5 percent. This is less than the 10 percent often approved for design-bid-build contracts. With the increased construction contingency authorization, the new rate will be 8 percent of the base contract value.

E335 encountered differing site conditions soft soils at the Kirkland Wye that had to be replaced with structural fill. This area is underlain with peat from the much larger bog area surrounding Lake Bellevue. There was also a change needed to replace the designed fixed frogs to movable point frogs. The issues at the Kirkland Wye area totaled more than \$1,500,000.

Other significant changes include higher costs for several administrative changes and governmental regulations. Compliance with an Agreed Order from the Department of Ecology for contaminated water resulted in a \$2.6 million hit to contingency. A sales tax increase and changes to meet permit conditions added over \$600,000.

The E335 contract has been affected by numerous design related issues. The contract has attributed over \$4,000,000 specifically to design modifications, corrections or enhancements. As an example, there are currently nine changes to the Building Management System for \$797,000 and fifteen changes to fire systems for \$734,000. The Bellevue Downtown Station (BDS) has been the most challenging, with approximately 200 total changes identified by the contractor. While many of the issues raised by the contractor do not have merit, Sound Transit has executed over \$2 million in changes at the Bellevue Downtown Station.

Project status

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

Projected completion date for Revenue Service: 2Q 2023

Project scope, schedule and budget summary are located on page 49-74 of the November 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 East Link project is \$3,677,150,000. Within the construction phase, \$428,067,121 has been allocated to the budget line item for the E335 Downtown Bellevue to Spring District Construction. The action would commit \$10,000,000 to this line item and leave a budget balance of \$1,590,229.

East Link Extension

(in thousands)	Total Baseline Budget	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Administration	\$186,200	\$102,326	\$	\$102,326	\$83,874
Preliminary Engineering	55,900	54,776		54,776	1,124
Final Design	283,000	257,186		257,186	25,814
Third Parties	52,150	39,282		39,282	12,868
Right of Way	298,150	277,070		277,070	21,080
Construction	2,510,582	2,329,675	10,000	2,339,675	170,907
Construction Services	257,450	214,912		214,912	42,538
System Testing and Startup	33,718				
Total Current Budget	\$3,677,150	\$3,275,227	\$10,000	\$3,285,227	\$358,205

Phase Detail - Construction

E335 Dwntrwn Bllv. to Spring Di	\$428,067	\$416,477	\$10,000	\$426,477	\$1,590
Other Construction Phase Work	2,082,515	1,913,198		1,913,198	169,317
Total Phase	\$2,510,582	\$2,329,675	\$10,000	\$2,339,675	\$170,907

Stacy and Witbeck/Atkinson	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Contract Amount	\$393,798	\$408,622	\$	\$393,798
Contingency	19,690	4,866	10,000	29,690
Total Contract Amount	\$413,488	\$413,488	\$10,000	\$423,488
Percent Contingency	5%	1%	100%	8%

Notes:

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

* Board Approvals = Commitment and PO Contingency Remaining as of 11/30/20.

For detailed project information, see page 98 of the 2021 Financial Plan & Proposed Budget.

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.

Disadvantaged business enterprise (DBE) / Small Business goals, commitments, and participation to-date		
	DBE	Small Business
Sound Transit Goal	7%	14%
Prime Commitment	7%	14%
Participation to-date	7.95%	12.54%

Public involvement

Not applicable to this action.

Time constraints

To support the most efficient completion of the work, approval of this action is needed in the month of January 2021.

Prior Board/Committee actions

Motion No. M2018-09: Authorized the chief executive officer to amend the Heavy Civil General Contractor/Construction Manager contract with Stacy and Witbeck/Atkinson, a Joint Venture, to construct four stations for the Downtown Bellevue to Spring District segment within the East Link Extension in the amount of \$165,400,000, with a 5% contingency of \$8,270,000 totaling \$173,670,000, for a new total authorized contract amount not to exceed \$413,488,121.

Motion No. M2017-18: Authorized the chief executive officer to execute a construction contract with Stacy and Witbeck/Atkinson, a Joint Venture, to provide Heavy Civil General Contractor/Construction Manager construction services for the Downtown Bellevue to Spring District segment within the East Link Extension in the amount of \$228,398,210, with a 5% contingency of \$11,419,911 for a total authorized contract amount not to exceed \$239,818,121.

Environmental review – KH 1/6/21

Legal review – JSA 1/11/21



Motion No. M2021-05

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to increase the contingency for the contract with Stacy and Witbeck/Atkinson, a Joint Venture for construction of the Downtown Bellevue to Spring District Segment (E335) within the East Link Extension, in the amount of \$10,000,000, for a new total authorized contract amount not to exceed \$423,488,121, all within the Board approved project budget.

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Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to increase the contingency for the contract with Stacy and Witbeck/Atkinson, a Joint Venture for construction of the Downtown Bellevue to Spring District Segment (E335) within the East Link Extension, in the amount of \$10,000,000, for a new total authorized contract amount not to exceed \$423,488,121, all within the Board approved project budget.

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

Kent Keel
Board Chair

Attest:

Kathryn Flores
Board Administrator