



Motion No. M2021-43

Contract modification with HNTB Corp. for West Seattle and Ballard Link Extensions

| Meeting: | Date: | Type of action: | Staff contact: |
|----------------------------------|--------------------------|------------------------------------|--|
| System Expansion Committee Board | 08/12/2021 08/26/2021 | Recommend to Board Final action | Don Billen, Executive Director, PEPD Cathal Ridge, Executive Corridor Director, PEPD |

Proposed action

Authorizes 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.

Key features summary

- This action modifies the consultant services contract with HNTB Corporation (HNTB) to fund the identification of capital cost savings opportunities and provide additional project contingency.
- This contract modification would support the upcoming efforts to identify capital cost estimate reductions and would include a review of project design and construction efficiencies as well as potential major project definition changes for Board consideration.
- This effort would be ongoing through the publication of the Draft Environmental Impact Statement (EIS) for the West Seattle and Ballard Link Extensions later this year and would involve ongoing engagement with the Board as well as the public, stakeholders and jurisdictional partners.
- Project development Phase 2 work has experienced approximately nine months of delay due to the pandemic's impacts on coordination with external parties and required document reviews. The contract contingency approved by the Board has been largely expended to accommodate ongoing project development during this period of delay.
- This contract modification would partly replenish the contract contingency and would, if the need arises, be available to support potential additional analysis, fieldwork or coordination and engagement needs through the remainder of Phase 2 of project development through Board confirmation or modification of the preferred alternative in early 2022.

Background

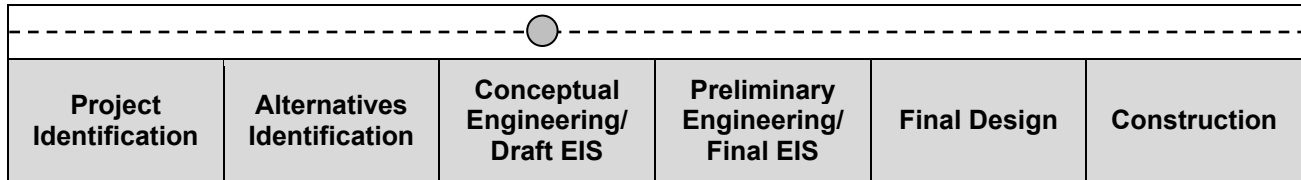
The West Seattle and Ballard Link Extensions project is a voter-approved project under the ST3 Plan. The project will provide fast, reliable light rail connections to dense residential and job centers throughout the region and add a new downtown Seattle light rail tunnel to provide efficient operating 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 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 includes the preparation of a Draft EIS and conceptual engineering of a preferred alternative(s) and other alternatives as identified through alternatives development. Phase 3 will include the preparation of

a Final EIS, including responses to public and agency comments on the Draft EIS, and preliminary engineering of the project to be built. To maintain eligibility for potential federal funding, the project will comply with the requirements of the National Environmental Policy Act (NEPA). As the public agency proposing the project, Sound Transit is required to comply with the State Environmental Policy Act (SEPA). Following the May 2019 Board actions identifying preferred alternatives and other alternatives for detailed study in the Draft EIS and modifying the contract with HNTB for Phase 2 Draft EIS and conceptual engineering, HNTB began preparation of the Draft EIS and conceptual engineering of alternative alignments and stations.

In January 2021, staff informed the Board regarding significant increases in cost estimates for a number of projects in the planning phase of project development, including the West Seattle and Ballard Link Extensions. Staff noted that continuing project development had identified challenges not accounted for in the initial planning level estimates developed as part of the ST3 system planning effort or the comparative estimates developed during the Phase 1 alternatives development effort. In response to this information, Sound Transit initiated an independent review to confirm the validity of the most recent estimates and explore improvements to cost estimating processes and project management controls. At the June 10, 2021 System Expansion Committee, staff also reviewed upcoming efforts to develop actionable options that identify capital cost estimate reductions from the current project estimates.

Project status



Projected Completion Date for Phase 2: Q1 2022

Project scope, schedule and budget summary are located on page 89 of the March 2021 Agency Progress Report.

Procurement information

A Request for Qualifications (RFQ) for three phases of the project development process (Alternatives Development, Draft EIS and Conceptual Engineering, Final EIS/ROD and Preliminary Engineering) was advertised on April 20, 2017. Sound Transit received two Statements of Qualifications (SOQs) on May 17, 2017. The SOQs were reviewed and evaluated per the criteria in the RFQ: Firm Experience and History, Knowledge and Experience of Key Individuals, Capacity and Project Organization, Project Understanding and Approach, Good Faith Efforts and Commitment to DBEs and other Small Business, and Equal Employment Opportunity (EEO) Commitment.

Based on these evaluations, both submitters were invited for interviews. 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 for the Phase 1 scope of work. In May 2019 the Board approved a contract modification to exercise a contract option for HNTB to perform Phase 2 for the conceptual engineering and Draft EIS; brought forward some work elements that would typically fall in Phase 3; and included design and engineering services needed to determine potential improvements to connect the existing DSTT Westlake Station to the Ballard Link Extension.

The current contract modification continues work authorized by the procurement for the West Seattle and Ballard Link Extensions under Phase 2 expanded scope. This action further amends the existing contract with HNTB to proceed with a new task within the approved Phase 2 scope. Procurement and

Contracts has determined that the scope of work for this action is within the general scope of work originally procured.

Fiscal Information

This action is within the authorized project allocation to date for the projects and sufficient monies remain after approval of this action to fund the remaining work in the preliminary engineering phase.

The authorized project allocation to date for the West Seattle and Ballard Link Extensions is \$285,896,000. Within the preliminary engineering phase, \$91,321,000 has been allocated to project development – HNTB to perform alternatives development, DEIS and Conceptual Engineering (CE). The action would commit an additional \$4,206,000 to project contingency some of which will be used for the identification of capital cost savings opportunities, leaving a budget balance of \$261,754.

The contract with HTNB Corporation spans three projects for a total contract value of \$91,951,971.

West Seattle & Ballard Link Extensions

(in thousands)

| Project Phase | Authorized Project Allocation to Date | Board Approvals | This Action | Board Approved Plus Action | Uncommitted / (Shortfall) |
|---|---------------------------------------|------------------|----------------|----------------------------|---------------------------|
| Agency Administration | \$63,080 | \$21,189 | \$ | \$21,189 | \$41,891 |
| Preliminary Engineering | 205,416 | 89,492 | 4,206 | 93,698 | 111,718 |
| Final Design | | | | | |
| Third Party | 11,400 | 3,336 | | 3,336 | 8,064 |
| Right of Way | 6,000 | 3,032 | | 3,032 | 2,968 |
| Construction | | | | | |
| Construction Services | | | | | |
| Vehicles | | | | | |
| Total Current Budget | \$285,896 | \$117,050 | \$4,206 | \$121,256 | \$164,640 |
| Phase Detail - Preliminary Engineering | | | | | |
| Project Development - HNTB | 91,321 | 86,853 | 4,206 | 91,059 | 262 |
| Other Preliminary Engineering | 114,095 | 2,639 | | 2,639 | 111,456 |
| Total Phase | \$205,416 | \$89,492 | \$4,206 | \$93,698 | \$111,718 |

| HNTB Corporation* Contract Detail | Board Approvals to Date | Current Approved Contract Status | Proposed Action | Proposed Total for Board Approval |
|------------------------------------|-------------------------|----------------------------------|-----------------|-----------------------------------|
| West Seattle & Ballard Contract | \$78,825 | \$86,564 | | \$86,564 |
| West Seattle & Ballard Contingency | 7,922 | 289 | 4,206 | 4,495 |
| Total DSTT Contract Amount | 400 | 398 | | 398 |
| Total RapidRide C and D Contract | 599 | 495 | | 495 |
| Total Percent Contingency | 10% | 0% | 100% | 5% |
| Total Contract Amount | \$87,746 | \$87,746 | \$4,206 | \$91,952 |

*In compliance with Agency's policy, \$104,451 of board approval was transferred from RapidRide C and D and \$1,823 from DSTT were transferred to West Seattle Ballard, represented in current approved contract status.

Notes:

- Amounts are expressed in Year of Expenditure \$000s.
- Board Approvals = Commitment and PO Contingency Remaining as of 7/30/2021.
- For detailed project information, see page 106 of the 2021 Finance Plan and Adopted 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.

For this specific contract, the following goals were set and the successful Bidder/Proposer has committed to the following small business/DBE participation for the entire contract, including phases 1, 2 and 3:

| Small business and disadvantaged business enterprise (DBE) goals | |
|---|--------------------------------|
| Sound Transit small business goal: 18% | Small business commitment: 19% |
| DBE goal: 11% | DBE commitment: 12% |

Performance currently meets these goals, with 19% small business and 13% DBE subcontracting to date.

Public involvement

Sound Transit is committed to actively seeking public feedback at all project stages for the West Seattle and Ballard Link Extensions with the overarching goal of fostering public trust through transparent communication, meaningful involvement and being responsive to concerns and issues. The project will continue reaching out to communities, businesses, stakeholders and agencies to shape the project by asking questions, holding conversations with project staff and seeking out ideas and comments.

The project budget supports online and in-person communications relating to the Draft EIS effort including consultation with jurisdictions and agencies, public meetings, briefings, public hearings and drop-in sessions.

Time constraints

This effort would be ongoing through the publication of the Draft EIS for the West Seattle and Ballard Link Extensions later this year. A one-month delay would not affect the project team’s ability to provide timely information for the Draft EIS.

Prior Board/Committee actions

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: Authorized the chief executive officer to execute 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 8/4/21

Legal review – JSA 8/4/21



Motion No. M2021-43

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 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.

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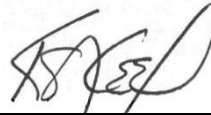
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Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to 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.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on August 26, 2021.



Kent Keel
Board Chair

Attest:



Kathryn Flores
Board Administrator