

## Motion No. M2022-55

### Contract Modification with Skanska Constructors L300 for Transit and Traffic Circulation Improvements within the Lynnwood Link Extension and to Resolve Disputes Related to the COVID-19 Pandemic and the Concrete Delivery Strike

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee	07/14/2022	Recommend to Board	Ron Lewis, DECM Executive Director
Board	07/28/2022	Final action	Randy Harlow, Executive Project Director, Lynnwood Link Extension <b>Josh Pategas, Deputy Executive Project Director, Lynnwood Link Extension</b>

### Proposed action

Authorizing the chief executive officer to execute a contract modification with Skanska Constructors L300, a Joint Venture between Skanska USA Civil West California District, Inc., and Skanska USA Building, Inc., for the NE 200th Street to Lynnwood Transit Center project to provide construction services for transit and traffic circulation improvements along the 200th Street SW corridor within the City of Lynnwood and to resolve disputes related to the COVID-19 pandemic and the concrete delivery strike, in the amount of \$37,800,000 for a new total authorized contract amount not to exceed \$915,688,048.

### Key features summary

- As part of the Record of Decision (ROD) issued by the Federal Transit Administration for the Lynnwood Link Extension in 2015, the Lynnwood Link Extension is required to mitigate traffic circulation at three intersections along the 200th Street SW corridor due to substantial increases in peak-hour bus routes served by Community Transit at the Lynnwood Transit Center, as well as rail patron traffic entering and exiting the parking garage being constructed at the Lynnwood Transit Center.
- The proposed action would incorporate the modifications to the 200th Street SW corridor within the City of Lynnwood into the NE 200th Street to Lynnwood Transit Center construction contract.
- The modifications include additional turning lanes for buses, adjustment and extension of high-occupancy vehicle lanes connecting to I-5, and construction of dedicated non-motorized access lanes connecting the 200th Street SW corridor to the Scriber Creek Trail in Lynnwood.
- The proposed action also encompasses and incorporates the negotiated resolution of all the Contractor's claims and requests for additional time and compensation arising from the COVID-19 pandemic, the concrete delivery strike, and all instances of severe weather through April 2022. All such claims and requests are resolved and released by the Contractor.

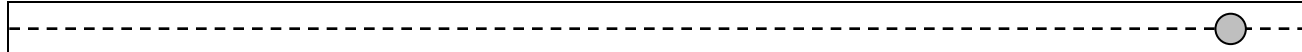
## Background

The Lynnwood Link Extension extends light rail 8.5 miles from Northgate Station in Seattle through Shoreline and Mountlake Terrace to the Lynnwood Transit Center in Lynnwood. The project is primarily along I-5, with stations at NE 145th Street, NE 185th Street, Mountlake Terrace Transit Center and Lynnwood Transit Center. The alignment includes elevated, and at-grade retained cut/fill portions. On November 19, 2015, through Resolution No. R2015-30, The Sound Transit Board authorized the chief executive officer to advance the Lynnwood Link Extension project to final design. In May 2018, the Sound Transit Board established the baseline budget and schedule for the project.

The Lynnwood Link Extension Final Environmental Impact Statement was issued in April 2015, in compliance with the State Environmental Policy Act (SEPA) and the National Environmental Policy Act (NEPA). The Sound Transit Board selected the project route, profile, and stations on April 23, 2015. The Federal Transit Administration issued a NEPA Record of Decision (ROD) for the project on July 10, 2015, and the Federal Highway Administration issued a ROD on August 31, 2015. Sound Transit issued a SEPA Addendum on May 3, 2018, which includes additional environmental information related to project refinements proposed since the Final EIS was issued.

The NE 200th Street to Lynnwood Transit Center contract is one of three major construction contracts for the Lynnwood Link Extension. The contract includes construction of approximately 2.3 miles of elevated guideway, 1.4 miles of at-grade retained cut/fill guideway, a station adjacent to the existing Mountlake Terrace Park-and-Ride, a station and garage at Lynnwood Transit Center, trackwork, and civil/system infrastructure.

## Project status



Project Identification	Alternatives Identification	Conceptual Engineering/ Draft EIS	Preliminary Engineering/ Final EIS	Final Design	Construction
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Projected completion date for Construction Phase: 3Q 2024

Project scope, schedule and budget summary are located on page 98 of the April 2022 Agency Progress Report.

## Procurement information

The NE 200th to Lynnwood Transit Center contract uses the GC/CM contracting method, an alternative method allowed under Chapter 39.10 of the Revised Code of Washington (RCW). The Project Review Committee of the State's Capital Project Advisory Review Board certified Sound Transit to use the GC/CM procurement method in March 2013 and recertified Sound Transit in January 2016. This project was procured under that certification.

A Request for Qualifications was issued in March 2016 and four Statements of Qualifications (SOQs) were received. Following review and evaluation, three firms were invited for interviews. Based on scoring of the SOQs and the interviews, two firms were asked to submit final proposals including price offers for specified work items. The price offers were opened publicly on July 20, 2016. Based on evaluation of SOQs, interviews, and price offers, Skanska was the highest ranked firm. Preconstruction Services commenced in October 2016.

Consistent with the Heavy Civil GC/CM process and Chapter 39.10 RCW, Sound Transit commenced negotiation of a Maximum Allowable Construction Cost (MACC) with Skanska in April of 2019 to expand the scope of the original early work construction contract to encompass remaining main package scopes. The MACC includes subcontract work that was competitively bid, work to be self-performed by Skanska, negotiated support services and risk contingency. The costs included in this action are consistent with the independent cost estimate and are considered fair and reasonable. In September 2016, the Board authorized a authorized a Heavy Civil GC/CM construction contract with Skanska for the NE 200th Street to Lynnwood Transit Center segment through Motion No. M2016-99. The scope of work included in the February action authorized pre-construction services.

In February 2019, the Board authorized a Heavy Civil GC/CM construction contract with Skanska for the NE 200th Street to Lynnwood Transit Center segment through Motion No. M2019-13. The scope of work included in the February action authorized early demolition, utility, and clearing activities.

In August 2019, the Board authorized an amendment to the contract with Skanska for the NE 200th Street to Lynnwood Transit Center segment through Motion No. M2019-93. The scope of work included in the August action authorized construction of guideways, track, stations, and the parking garage.

This action consists of work within the scope anticipated for the NE 200<sup>th</sup> Street to Lynnwood Transit Center contract.

## **Fiscal information**

This action is within the baseline budget and sufficient funds remain within the project after approval of this action to fund the remaining work in the construction phase as contained in the current cost estimates. This action does not have an impact on the affordability of the Agency's Finance Plan.

The baselined budget for the Lynnwood Link Extension project is \$2,771,622,000. Within that amount, \$2,094,553,000 has been set aside for the construction phase, of which \$915,688,048 has been set aside for the L300 (NE 200th to Lynnwood Station segment) contract. The proposed action would commit an additional \$37,800,000 for construction of the 200th Street SW widening work and to resolve disputes related to the COVID-19 pandemic and the concrete delivery strike, leaving no remaining uncommitted budget for the L300 contract and a remaining uncommitted budget of \$77,034,739 in the construction phase.

**Lynnwood Link Extension**  
(in thousands)

	Baseline Budget	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Administration	\$98,164	\$56,454	\$	\$56,454	\$41,710
Preliminary Engineering	39,054	39,053		39,053	1
Final Design	164,162	158,892		158,892	5,270
Third Party Agreements	17,600	13,431		13,431	4,169
Right of Way	219,053	180,381		180,381	38,672
Construction	2,094,553	1,979,718	37,800	2,017,518	77,035
Construction Services	139,036	136,986		136,986	2,049
Vehicles					
Project Contingency					
<b>Total Current Budget</b>	<b>\$2,771,622</b>	<b>\$2,564,915</b>	<b>\$37,800</b>	<b>\$2,602,715</b>	<b>\$168,907</b>
<b>Phase Detail</b>					
<b>Construction</b>					
L300 - NE 200th to Lynnwood Station	\$915,688	\$877,888	\$37,800	\$915,688	\$
Other Construction	1,178,865	1,101,830		1,101,830	77,035
<b>Total Phase</b>	<b>\$2,094,553</b>	<b>\$1,979,718</b>	<b>\$37,800</b>	<b>\$2,017,518</b>	<b>\$77,035</b>
<b>Contract Detail</b>					
L300 NE 200th to Lynnwood Skanska USA	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Revised Total for Board Approval	
<b>Contract Amount</b>	<b>835,000</b>	<b>855,422</b>	<b>37,800</b>	<b>893,222</b>	
Contract Contingency	42,888	22,466		22,466	
<b>Total Contract</b>	<b>877,888</b>	<b>877,888</b>	<b>37,800</b>	<b>915,688</b>	
Contract Percent Contingency	5%	3%	0%	3%	

Notes:

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

\* Board Approvals = Commitment and PO Contingency Remaining as of 5/31/22.

For detailed project information, see page 93 of the 2022 Financial Plan & 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:

<b>Small business and disadvantaged business enterprise (DBE) goals</b>	
Sound Transit small business goal: 12%	Small business commitment: 12.2%
DBE goal: 5%	DBE commitment: 9.4%

The commitments described above for the contract will be extended to include the scope of work described in this action.

## Apprentice utilization commitment

Apprentice utilization	
Apprentice utilization goal: 20%	Commitment: 20%

The commitments described above for the contract will be extended to include the scope of work described in this action.

## Public involvement

Sound Transit is committed to public involvement throughout the design for the Lynnwood Link Extension light rail project. Staff has met with communities, businesses, stakeholders, property owners, and other agencies to help shape the project by asking questions, talking with project staff, and providing ideas and comments as the project moved through planning, environmental review, and design. Public input for final design included six open houses with over 1,200 attendees and an online open house website with over 7,500 visits. Public outreach will continue through construction.

## Time constraints

A one-month delay would not create a significant impact to the project schedule; however, inflationary pressures may result in re-negotiation of the proposed contract amendment amount.

## Prior Board/Committee actions

Motion No. M2019-93: Authorized the chief executive officer to execute a contract modification with Skanska Constructors L300, a Joint Venture between Skanska USA Civil West California District, Inc., and Skanska USA Building, Inc., to provide construction services for the NE 200th Street to Lynnwood Transit Center segment within the Lynnwood Link Extension in the amount of \$778,113,669, with a 5 percent contingency of \$38,905,683 totaling \$817,019,353, for a new authorized contract amount not to exceed \$877,888,048.

Motion No. M2019-13: Authorized the chief executive officer to execute a construction contract with Skanska Constructors L300, a Joint Venture between Skanska USA Civil West California District, Inc., and Skanska USA Building, Inc., to provide Heavy Civil General Contractor/Construction Manager construction services for early work on the NE 200th Street to Lynnwood Transit Center segment early construction work within the Lynnwood Link Extension in the amount of \$56,886,631, with a 7% contingency of \$3,982,064, for a total authorized contract amount not to exceed \$60,868,695.

Motion No. M2016-99: Authorized the chief executive officer to execute a contract with Skanska Constructors L300, a Joint Venture between Skanska USA Civil West California District Inc. and Skanska USA Building, Inc., to provide pre-construction services for the NE 200th Street to Lynnwood Transit Center contract within the Lynnwood Link Extension in the amount of \$5,370,000, with a 10% contingency of \$537,000, for a total authorized contract amount not to exceed \$5,907,000.

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**Environmental review – KGF 6/30/22**

**Legal review – JEN 06/30/22**



## Motion No. M2022-55

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract modification with Skanska Constructors L300, a Joint Venture between Skanska USA Civil West California District, Inc., and Skanska USA Building, Inc., for the NE 200th Street to Lynnwood Transit Center project to provide construction services for transit and traffic circulation improvements along the 200th Street SW corridor within the City of Lynnwood and to resolve disputes related to the COVID-19 pandemic and the concrete delivery strike, in the amount of \$37,800,000 for a new total authorized contract amount not to exceed \$915,688,048.

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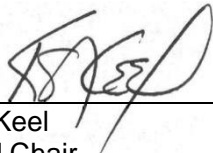
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**Motion**

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 Skanska Constructors L300, a Joint Venture between Skanska USA Civil West California District, Inc., and Skanska USA Building, Inc., for the NE 200th Street to Lynnwood Transit Center project to provide construction services for transit and traffic circulation improvements along the 200th Street SW corridor within the City of Lynnwood and to resolve disputes related to the COVID-19 pandemic and the concrete delivery strike, in the amount of \$37,800,000 for a new total authorized contract amount not to exceed \$915,688,048.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 28, 2022.

  
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Kent Keel  
Board Chair

**Attest:**

  
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Kathryn Flores  
Board Administrator