



TRIUNITY



SOUND TRANSIT: ST3 COST ASSESSMENT TASK 2 DRAFT REPORT

May 27, 2021

TIMELINE OF REPORTS

Task 1: Review and Assessment of Past Cost Estimates and Trends

- » Draft Report – March 2021
- » Final Report – April 2021

Task 2: Estimating Methodology Review and Recommendations

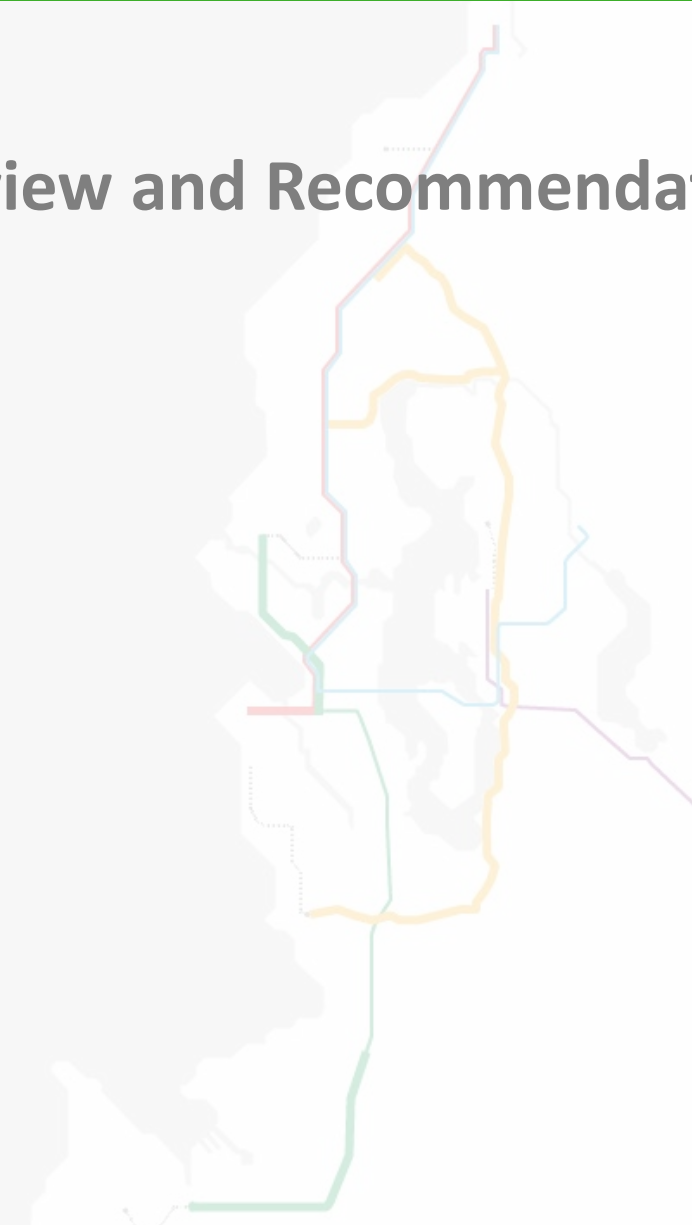
- » Draft Report – May 2021
- » Final Report – June 2021

Task 3: Management Methodology Review and Recommendations

- » Draft Report – July 2021
- » Final Report – After Receiving Board Comments

Task 2 Draft: Estimating Methodology Review and Recommendations

- » Why
- » Methodology
- » Recommendations
- » Next Steps



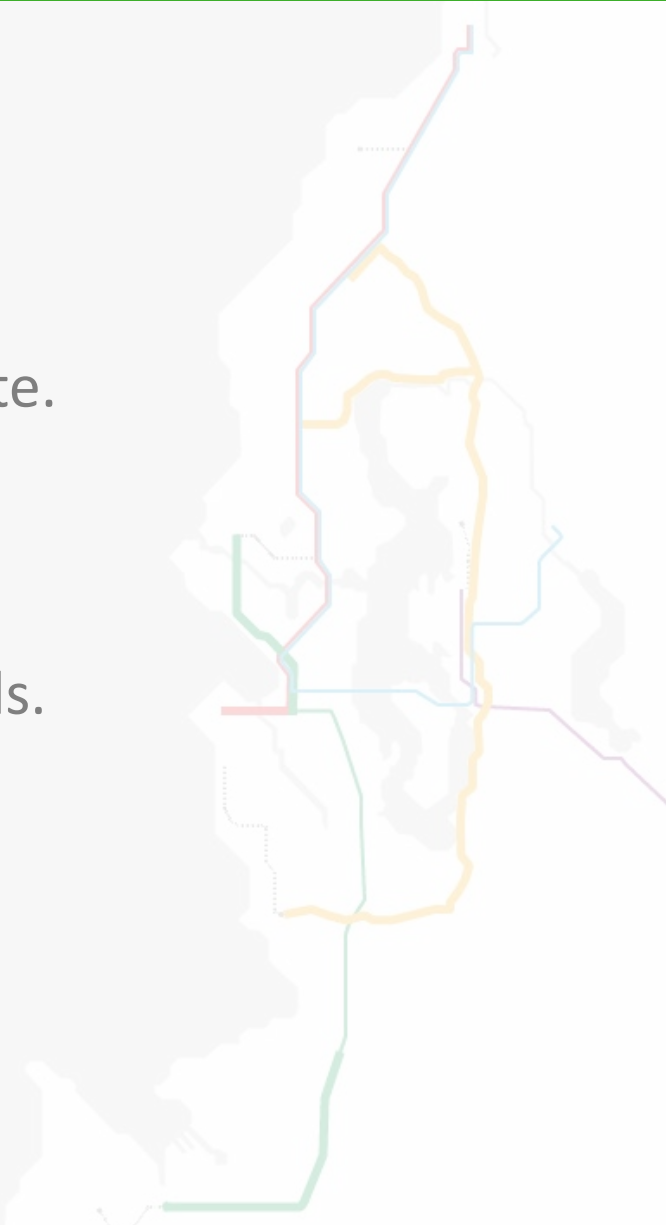
WHY

Construction cost estimating:

- » Prescriptive process with little flexibility.
- » Unit costs were updated.
- » Some original design assumptions were inaccurate.
- » Second opinions were not utilized.

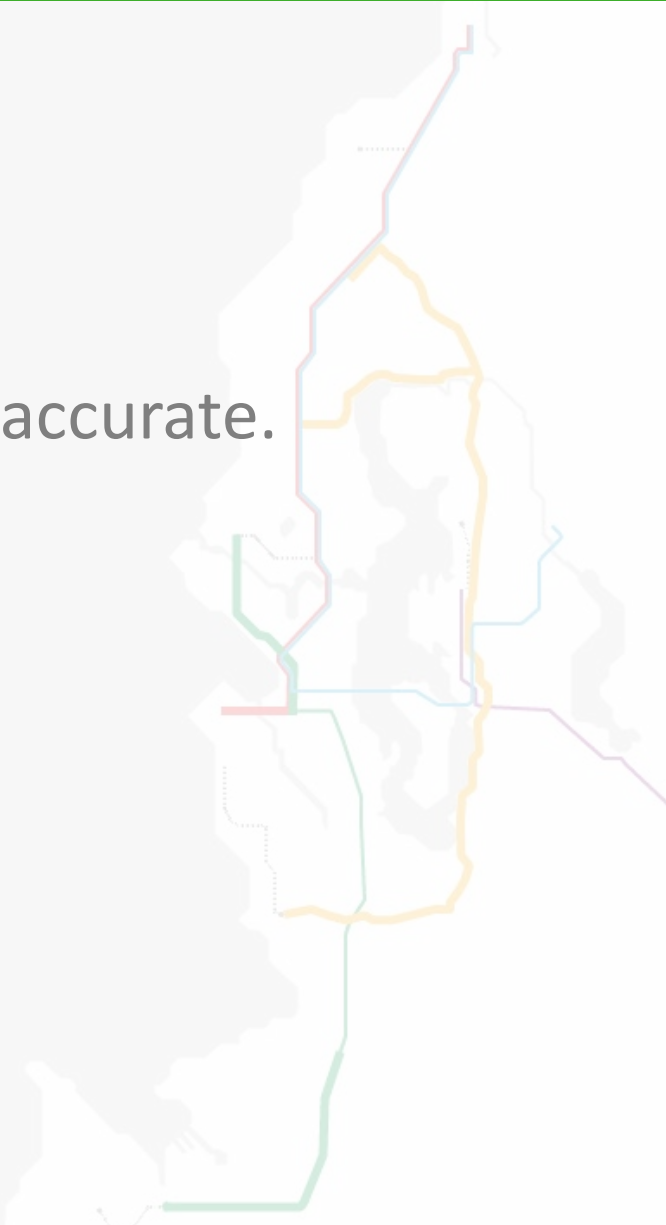
Right of Way cost estimating:

- » Buffer method underestimated right of way needs.
- » Changes to the formula approach.
- » Unpredictable market conditions.
- » Unclear ownership for early estimates.



METHODOLOGY – CONSTRUCTION COST ESTIMATING

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METHODOLOGY – RIGHT OF WAY COST ESTIMATING

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PROJECT RECOMMENDATIONS

» Communication

- » Conduct thorough Annual Program Evaluations.
- » Develop a standard reporting format for Annual Program Evaluations to communicate with leadership and program stakeholders.
- » Engage the Portfolio Services Office in program level design oversight.

» Update of Sound Transit Policies and Procedures:

- » Procuring an independent opinion to validate early cost estimates.
- » Active use of a Responsibility matrix.

PROGRAM RECOMMENDATIONS

- » Best Management Practices for large programs
 - » Use estimate ranges at the program level.
 - » Use estimate ranges as communication tool in early planning.
 - » Include a program level management reserve in addition to project level contingency.
- » Board Tools
 - » Annual Program Evaluation to share yearly project status with the Board.
 - » Dashboard for project status.
- » Communication
 - » Portfolio Services Office involvement in Program level process oversight.
 - » Involve SMEs early and often.

NEXT STEPS

» Final Cost Estimating Methodology Report the week of June 24th Board Meeting

- » Address Board Comments
- » Meeting with King County
- » WSDOT

