Capital Cost Savings Opportunities: Projects in Planning

May 27, 2021
Board of Directors
Why are we here?

No decisions today

• Due to COVID-19 recession and increased capital cost estimates, Sound Transit is using a 3-category framework to address affordability gap
• With completed third-party review of current estimates, now we can identify capital cost savings opportunities
• 3-category framework are for non-baselined projects in planning
3-Category Framework

**Category 1**
Explore improvements to cost estimating process
Timeline: Ongoing with completion by 4th quarter 2021

**Category 2**
Explore improvements to project management controls
Timeline: Ongoing with completion by 4th quarter 2021

**Category 3**
Identify capital cost savings
Timeline: Ongoing; tied to specific project schedules
Category 1

Explore improvements to cost estimating process

- Explore changes to ST’s cost estimating methodology for construction and right-of-way estimates
- Use Triunity’s work and lessons learned from regional partner agencies
- Answer why estimates increased from 2019 to 2020
- Provide a range for estimates consistent with level of design
- Identify application to future projects
- Draft report complete from TriUnity
**Category 2**

*Explore improvements to project management controls*

- Examine staff level controls and project management
- Explore potential enhancements to transparency, oversight and staffing
- Enhance our processes to daylight sooner the potential changes that substantively impact scope, schedule, and/or budget
- Builds on Triunity’s work scheduled for summer 2021
- Timeline: Ongoing with completion by 4th quarter 2021
Category 3

Identify capital cost savings

- Develop actionable options that identify capital cost estimate reductions from the current project estimates
- Projects: West Seattle and Ballard Link Extension, Tacoma Dome Link Extension, Operations and Maintenance Facility South, Bus Rapid Transit program, and NE 130th infill station
- Provide options within 3 focus areas:
  - Project design and construction efficiencies
  - Programmatic review of agency requirements
  - Major project definition changes for Board consideration
Project design and construction efficiencies
Examine guideway, bridge structures, and drainage options

Programmatic review of agency requirements
Review station design guidance and standards; calibrate system requirements

Major project definition changes for Board consideration
Possible examples: alignment changes, scope consolidation, deferral, surface options, or removal of parking; largest opportunity for cost savings

Timeline: Ongoing; tied to specific project schedule

Independent review by Triunity
Category 3: Important elements to consider

• Engage ST Board regularly throughout the process
• Incorporate ST values, with focus on passengers' needs, safety and equity
• Ensure stakeholder and community input is incorporated as planning advances
• All ideas should be evaluated for cost savings
• Year-long effort; no decisions will be made before July 2021 realignment
• Establish a strategy to support durable and consistent commitments with third parties and authorities with jurisdiction
Next Steps

• Timeline under development for Board review and direction
• Ongoing coordination with regional partners
• Public and stakeholder involvement will inform changes to project definitions which require Board approval
Independent Cost Estimate Review: Estimating Methodologies

Presentation from TriUnity

Category 1
Explore improvements to cost estimating process
Timeline: Ongoing with completion by 4th quarter 2021