

MOTION NO. M2018-07

**Betterment Reimbursement Amendment to the Utility Relocation Agreement with King County for the Operations & Maintenance Facility: East Project**

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	01/11/2018	Final Action	Ahmad Fazel, DECM Executive Director Tracy Reed, Executive Project Director – OMF East/LRV <b>Jon Mihkels, Deputy Project Director – Facility Design</b>

**PROPOSED ACTION**

Authorizes the chief executive officer to execute an amendment to the Utility Relocation Agreement with King County Wastewater Treatment Division for wastewater betterment work, for a cost estimated to be \$1,800,000.

**KEY FEATURES SUMMARY**

- A Utility Relocation Agreement was executed July 14, 2017, between King County and Sound Transit to replace the existing 54” pipe underneath the Link Operations & Maintenance: East (OMF East) project site as part of the base scope of the OMF East project.
- King County has requested a change to the pipe material to increase corrosion resistance and an increase in the diameter of the pipe crossing the area of the OMF East project site from the existing 54” to 66”. The pipe diameters at the existing east and west structures will remain at 54”, while the portion of pipe beneath the OMF East project site will be upsized.
- Based on the betterment design work conducted by Sound Transit’s contractor Hensel Phelps Construction Co., an amendment to the Utility Relocation Agreement has been developed for King County to reimburse Sound Transit for the actual cost of the betterment work based upon an estimated \$1,800,000 for additional design and construction costs above the base scope. The amount also includes Sound Transit overhead costs as required under the Board’s Scope Control Policy.
- The King County Wastewater Treatment Division’s Project Work Request Committee authorized execution of this Amendment No 1 to the Utility Relocation Agreement on December 18, 2017.
- If the Board approves this betterment reimbursement agreement, staff will seek Board authorization to increase the consultant contract with Hensel Phelps Construction Co. through a separate action, Motion No. M2018-08.

**BACKGROUND**

Sound Transit is building an operations and maintenance facility that is needed for the expansion of the region’s light rail system. By 2023, the system will grow to include Northgate Link and East Link; and the existing light rail fleet will grow in size from 62 to 214 vehicles. The current operations and maintenance facility in Seattle, which can store and maintain up to 104 light rail vehicles, will reach full capacity by 2020. The new maintenance facility in the City of Bellevue will maintain, store and deploy the expanded fleet and support the efficient light rail operations approved and funded by voters in 2008. The facility is roughly rectangular in shape and up to 28 acres.

The OMF East project site is bifurcated by an easement for the King County Lake Hills Interceptor, a system of utility piping located under the project site. The base project scope includes the

replacement of this existing 54" line with the intent that this work will align the useable lifespans of the two capital assets and minimize potential future impacts to either facility. The pipe replacement and relocation allows the King County facility and easement to avoid the footprint of the future Sound Transit operations and maintenance facility. This replace-in-kind scope was included in the Sound Transit baseline cost of the project and the design build contract with Hensel Phelps.

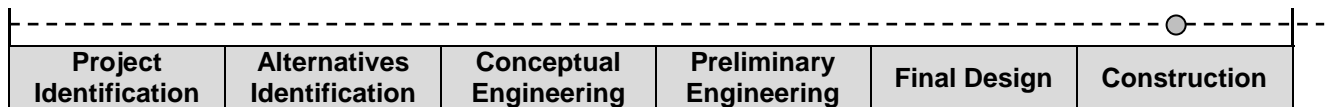
A Utility Relocation Agreement was executed July 14, 2017, between King County and Sound Transit to replace the existing 54" pipe underneath the Link Operations & Maintenance: East (OMF East) project site as part of the base scope of the OMF East project. The agreement was executed within the CEO's authority as the work was already included in the baseline scope of the project and didn't represent an additional financial obligation.

In July 2017, King County requested the replacement pipe be increased in diameter from 54" to 66" and the pipe material be changed from concrete to fiberglass to provide more corrosion resistance and service life. King County acknowledged this request was a betterment and has worked with Sound Transit and Hensel Phelps Construction Co. during August and September to advance the design sufficiently for contractor pricing.

A request for proposal was issued to Hensel Phelps Construction Co. on October 12, 2017, and the contractor has provided a lump sum proposal for additional design and construction costs above the base scope for increasing the diameter and changing the material. This proposal has been reviewed by King County and Sound Transit. After value engineering and revised pricing, a final scope and budget for the betterment was provided by Hensel Phelps Construction Co. on December 13, 2017. After approval of this motion, a change order will be executed to the design build contract with Hensel Phelps Construction Co. to execute the design and construction of the betterment work.

The work of the betterment will be completed in 2018. The cost of the betterment includes the contractor's lump sum proposal plus early redesign fees, bonding costs, and a 10 percent Sound Transit administration cost mark-up. A betterment contingency of 12 percent is shared with King County.

**PROJECT STATUS**



Projected Completion Date for Construction is 4Q 2020.  
 Project scope, schedule, and budget summary located on page 75 of the September 2017 Agency Progress Report.

**FISCAL INFORMATION**

The proposed action would authorize an agreement with King County Wastewater Treatment Division to reimburse Sound Transit to increase the size of the Eastside Interceptor replacement pipe under the OMF-East site, the estimated cost of which is \$1,800,000.

Neither the costs nor the funding for this scope of work has been included in the agency's long term financial plan. Since the costs will be reimbursed to Sound Transit, this action should not

impact either the agency's long-term financial plan or subarea financial capacity. If the total cost to perform this work exceeds the estimated reimbursement amount, the agreement will be amended by a future action.

#### SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

Not applicable for this action

#### TIME CONSTRAINTS

A one-month delay would create a corresponding delay to the project schedule.

#### PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2016-18: (1) Adopted the Operations and Maintenance Satellite Facility baseline scope, schedule and budget by (a) establishing December 2020 as the project completion milestone, (b) establishing a baseline budget of \$449,220,000 for the project, and (c) decreasing the Adopted 2016 Annual Budget from \$49,853,439 to \$26,052,866; (2) approved passage through Gates 5 and 6 within Sound Transit's Phase Gate Process; (3) approved Link Operations & Maintenance Facility: East as the facility name.

#### ENVIRONMENTAL REVIEW

KH 1/2/2018

#### LEGAL REVIEW

JW 1/4/18



## MOTION NO. M2018-07

A motion of the Capital Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute an amendment to the Utility Relocation Agreement with King County Wastewater Treatment Division for wastewater betterment work, for a cost estimated to be \$1,800,000.

## BACKGROUND:

Sound Transit is building an operations and maintenance facility that is needed for the expansion of the region's light rail system. By 2023, the system will grow to include Northgate Link and East Link; and the existing light rail fleet will grow in size from 62 to 214 vehicles. The current operations and maintenance facility in Seattle, which can store and maintain up to 104 light rail vehicles, will reach full capacity by 2020. The new maintenance facility in the City of Bellevue will maintain, store and deploy the expanded fleet and support the efficient light rail operations approved and funded by voters in 2008. The facility is roughly rectangular in shape and up to 28 acres.

The OMF East project site is bifurcated by an easement for the King County Lake Hills Interceptor, a system of utility piping located under the project site. The base project scope includes the replacement of this existing 54" line with the intent that this work will align the useable lifespans of the two capital assets and minimize potential future impacts to either facility. The pipe replacement and relocation allows the King County facility and easement to avoid the footprint of the future Sound Transit operations and maintenance facility. This replace-in-kind scope was included in the Sound Transit baseline cost of the project and the design build contract with Hensel Phelps.

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**MOTION:**

It is hereby moved by the Capital Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute an amendment to the Utility Relocation Agreement with King County Wastewater Treatment Division for wastewater betterment work, for a cost estimated to be \$1,800,000.

APPROVED by the Capital Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 11, 2018.

  
Dave Earling  
Executive Committee Chair Pro Tem

ATTEST:

  
Kathryn Flores  
Board Administrator