

MOTION NO. M2018-85

**Contract Amendment for Civil Final Design Services for the Lynnwood Link Extension**

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	07/12/2018	Recommend to Board	Ron Lewis, Acting Executive Director, DECM
Board	07/26/2018	Final Action	Joe Gildner, Deputy Executive Director, Project Management <b>Rod Kempkes, Executive Project Director, Lynnwood Link Extension</b>

**PROPOSED ACTION:**

Authorizes the chief executive officer to execute a contract amendment with HNTB Jacobs Trusted Design Partners (a Joint Venture of HNTB Corporation and Jacobs Engineering Group, Inc.), HNTB Corporation, and Jacobs Engineering Group, Inc., to provide civil final design services for the Lynnwood Link Extension in the amount of \$27,878,273, with a contingency of \$2,100,000, totaling \$29,978,273, for a new total authorized contract amount not to exceed \$103,747,349.

**KEY FEATURES SUMMARY**

- This action requests additional funds to: a) complete the final design of the civil facilities for the Lynnwood Link Extension; b) provide continued support with jurisdictional partners and stakeholders to secure outstanding permits and property acquisitions; c) provide continued support in cost estimate reviews and participate in negotiations for the Maximum Allowable Construction Costs (MACC); and d) provide continued support in risk assessments tied to the pending MACC negotiations and on-going work to secure a Full Funding Grant Agreement with the Federal Transit Administration;
- This action and remaining scope of work listed above ties directly to the intensive efforts by staff, this consultant team and other professional service consultants (e.g. systems final design and construction management consultants), our general contractor/construction manager (GC/CM) teams, and our jurisdictional partners to incorporate approximately 100 design refinements into the contract documents to mitigate unforeseen cost pressures on the project. The design refinement effort that has been incorporated into the contract documents is anticipated to save approximately \$200 million in construction costs.
- This action is consistent with the underlying expectations for the Final Design phase as outlined in project baseline budget adopted by the Board in May 2018.
- Final design is scheduled for completion in July 2019.

**BACKGROUND**

The Lynnwood Link Extension is an 8.5 mile light rail extension from Northgate to Lynnwood with service to the cities of Shoreline, Mountlake Terrace, and Lynnwood. The extension will travel primarily along I-5 and include four stations at NE 145th Street, NE 185th Street, Mountlake Terrace Transit Center, and Lynnwood Transit Center. New parking structures will be provided at NE 145th Street, NE 185th Street, and Lynnwood Transit Center. The project began Final Design in 2016 and is scheduled to open for revenue service in 2024.

In March 2017, 60 percent design level plans, prepared by HNTB Jacobs Trusted Design Partners (the Consultant), were submitted to Sound Transit for review and cost estimating by an independent cost estimating (ICE) firm and the two civil GC/CM contractors that are providing pre-

construction services for Lynnwood Link to Sound Transit under separate contracts. Cost estimates based on the 60 percent design plans were submitted to Sound Transit in June 2017, and following review of these cost estimates, staff informed the Board in August 2017 that the Lynnwood Link project was trending over \$500 million higher than the ST2 estimate. The primary causes of this increase were unforeseen and extraordinary market conditions affecting both construction costs and right of way costs, as well as significant changes in project requirements from third parties. Staff also informed the Board at that time that a major effort would be undertaken to reduce the overall cost of the project through intensive design refinement efforts, without eliminating any major scope elements such as stations or parking garages. Through the fall of 2017, cost reduction ideas were developed by the Consultant and discussed and assessed with the third parties and agency staff. By the end of 2017, direction was provided to the Consultant on which cost reduction ideas were to be incorporated into the design. A revised submittal reflecting these design changes was provided to Sound Transit in April 2018.

Funding of this major cost reduction effort and the associated revisions to the 60 percent design has been accomplished to date within the existing total authorized contract amount. However, this effort has depleted the remaining authorized contract amount resulting in insufficient funds to complete final design. Additional funding is needed to extend the contract services through July 2019 in order to complete the civil final design and permitting. This contract amendment will provide additional funds to complete the civil final design, but does not include design support services during construction, which will be negotiated separately with the Consultant under a separate contract amendment.

Sound Transit completed environmental and preliminary engineering work for the Lynnwood Link Extension in 2015. 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.

The Federal Highway Administration, as a cooperating agency under NEPA, issued a Record of Decision in August of 2015. On November 19, 2015, through Resolution No. R2015-30, the Sound Transit Board authorized the chief executive officer to advance the Lynnwood Link project into final design.

Changes to the Lynnwood Link Extension project resulting from the value engineering effort described above were addressed in the SEPA Addendum issued in May 2018.

The Lynnwood Link Extension will be seeking a Full Funding Grant Agreement (FFGA) from the Federal Transit Administration (FTA) for up to 50 percent of the project cost. Under MAP-21 guidelines, Sound Transit has received approval from FTA for the Lynnwood Link Extension to enter the New Starts Engineering phase of the Capital Investment Grant Program which provides pre-award authority to incur costs for Engineering activities, demolition, and other non-construction activities in advance of an FFGA.

## PROJECT STATUS

Project Identification	Alternatives Identification	Conceptual Engineering	Preliminary Engineering	Final Design	Construction
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Projected Completion Date for Final Design: 3Q 2019

Project scope, schedule and budget summary located on pages 33 of the April 2018 Link Light Rail Program Progress Report.

## PROCUREMENT INFORMATION

- Sound Transit procured an A&E contract for civil final design of the Lynnwood Link Extension in March 2015.
- A Request for Qualifications (RFQ) for the A&E contract for civil design was issued on September 6, 2015. Four Statements of Qualifications (SOQs) were received on October 10, 2015. All SOQs were deemed responsive to the RFQ.
- Following Review and Evaluation, the three highest ranking firms were invited to interview. Based on the evaluation of the SOQs and the interviews, HNTB/Jacobs Engineering was determined to be the highest ranked firm to provide civil final design services for the Lynnwood Link Extension project.

## FISCAL INFORMATION

The authorized project allocation to date for the Lynnwood Link Extension project is \$2,771,622,000. Within that amount \$164,162,000 has been allocated to the Final Design Phase. Of this amount, \$105,341,000 is allocated to the Civil Final Design work. Within the Civil Final Design, \$73,769,076 has already been committed. This proposed action would commit \$29,978,273 to this line item, leaving a remaining uncommitted budget balance of \$1,593,651. \$73,769,076 has already been committed to the contract with HNTB Jacobs. This action will increase the committed amount to \$103,747,349.

Civil Design Services During Construction (DSDC) is budgeted as a separate line item, and is not impacted by this action.

This action is within the adopted budget and sufficient funds remain after approval of this action to fund the remaining work in the Final Design Phase as contained in the current cost estimates.

**Lynnwood Link Extension**  
(in thousands)

	Authorized Project Allocation to Date	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Agency Administration	\$98,164	\$23,111	\$	\$23,111	\$75,053
Preliminary Engineering	39,054	39,054		39,054	
Final Design	164,162	84,860	29,978	114,838	49,324
Right of Way	235,660	98,651		98,651	137,009
Construction	1,921,391	14,446		14,446	1,906,945
Construction Services	128,429	22,596		22,596	105,833
Third Party	14,600	10,875		10,875	3,725
Vehicles					
Contingency	170,162				170,162
<b>Total Current Budget</b>	<b>\$2,771,622</b>	<b>\$293,593</b>	<b>\$29,978</b>	<b>\$323,571</b>	<b>\$2,448,051</b>

**Phase Detail**  
**Final Design**

Civil FD	\$105,341	\$73,769	\$29,978	\$103,747	\$1,594
Remaining Final Design Phase	58,821	11,090		11,090	47,731
<b>Total Phase</b>	<b>\$164,162</b>	<b>\$84,860</b>	<b>\$29,978</b>	<b>\$114,838</b>	<b>\$49,324</b>

Contract Detail	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
<b>HNTB Jacobs Design Partners</b>				
Agreement Amount	\$72,286	\$72,286	\$27,878	\$100,165
Contingency	1,483	1,483	2,100	3,583
<b>Total</b>	<b>\$73,769</b>	<b>\$73,769</b>	<b>\$29,978</b>	<b>\$103,747</b>
Percent Contingency	2%	2%	8%	4%
<b>Total Lynnwood Link Extension</b>	<b>\$73,769</b>	<b>\$73,769</b>	<b>\$29,978</b>	<b>\$103,747</b>

Notes:

Amounts are expressed in Year of Expenditure

Board Approvals = Committed To-Date + Contingency as of May 2018 and includes pending Board actions.

For detailed project information, see page 22 of the Adopted 2018 Transit Improvement Plan, as amended by resolution of the ST Board in May 2018 (R2018-16, adopted 05/24/18).

**SMALL BUSINESS/DBE PARTICIPATION**

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 HNTB Jacobs Trusted Design Partners has committed to the following Small Business/DBE Participation:

Sound Transit Goal:

- Small Business: 14%
- DBE: 7%

Consultant Commitment:

- Small Business: 16.5%
- DBE: 10%

HNTB Jacobs Trusted Design Partners has achieved 5.68 percent small business participation and 12.63 percent in DBE participation on work to date. Under this amendment, Sound Transit continues to promote and encourage small business participation. Small Business/DBE subcontracting opportunities will be identified as work is developed.

## PUBLIC INVOLVEMENT

The Lynnwood Link project staff has been actively engaged with stakeholders at all levels throughout the project area. The neighboring communities have had numerous opportunities to meet with staff, learn about the project, and provide Sound Transit with comments and questions. The final design has been a collaborative effort between Sound Transit and project stakeholders, including the local community, the Cities of Seattle, Shoreline, Mountlake Terrace, and Lynnwood; the Washington State Department of Transportation, King County Transit providers, and emergency service providers.

## TIME CONSTRAINTS

A one-month delay of this action would exhaust the current contract authorization and result in a delay of the completion of final design and start of construction.

## PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2018-16 (1) Adopted the Lynnwood Link Extension baseline schedule and budget by (a) increasing the authorized project allocation to date from \$667,337,500 to \$2,771,622,000, which includes a project contingency of \$170,162,000 requiring board approval for use of this contingency; (b) lowering the 2018 annual budget from \$251,679,968 to \$229,256,177; and (c) establishing a project revenue service date of July 17, 2024; and (2) changed the location of the 185th Station parking garage from the west side of I-5 to Sound Transit-owned property on the east side of I-5 adjacent to the station, eliminating the requirement to improve pedestrian connections on or adjacent to the existing NE 185th Street bridge over I-5.

Motion No. M2016-29: Authorized the chief executive officer to execute a contract with HNTB Jacobs Trusted Design Partners (a Joint Venture of HNTB Corporation and Jacobs Engineering Group, Inc.), HNTB Corporation, and Jacobs Engineering Group, Inc., to provide civil final design services for the Lynnwood Link Extension in the amount of \$70,256,263, with a 5% contingency of \$3,512,813, for a total authorized contract amount not to exceed \$73,769,076.

## ENVIRONMENTAL REVIEW

KH 7/3/2018

## LEGAL REVIEW

AJP 7/6/2018



## MOTION NO. M2018-85

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with HNTB Jacobs Trusted Design Partners (a Joint Venture of HNTB Corporation and Jacobs Engineering Group, Inc.), HNTB Corporation, and Jacobs Engineering Group, Inc., to provide civil final design services for the Lynnwood Link Extension in the amount of \$27,878,273, with a contingency of \$2,100,000, totaling \$29,978,273, for a new total authorized contract amount not to exceed \$103,747,349.

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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 to execute a contract amendment with HNTB Jacobs Trusted Design Partners (a Joint Venture of HNTB Corporation and Jacobs Engineering Group, Inc.), HNTB Corporation, and Jacobs Engineering Group, Inc., to provide civil final design services for the Lynnwood Link Extension in the amount of \$27,878,273, with a contingency of \$2,100,000, totaling \$29,978,273, for a new total authorized contract amount not to exceed \$103,747,349.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 26, 2018.



Dave Somers  
Board Chair

ATTEST:



Kathryn Flores  
Board Administrator