

***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



# Category 3: Focus Areas

## *Identify project capital cost savings*

- **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