



## Motion No. M2023-102

### Increase Contract Contingency for Follow-on Package 1 Contract for the East Link Extension Project

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee	11/9/2023	Final action	Brooke Belman, Chief Expansion Delivery Officer Joe Gildner, Acting DECM Executive Director <b>Jon Lebo, Executive Project Director, East Link</b>

### Proposed action

Authorizes the chief executive officer to increase the contingency for the Follow-On Package 1 contract with Balfour Beatty Construction LLC dba Howard S. Wright for the East Link Extension project to perform additional follow-on and closeout work, including additional tile repair work, in the amount of \$10,000,000 for a new total authorized contract amount not to exceed \$16,010,460.

### Key features summary

- South Bellevue Station was constructed by Shimmick-Parsons Joint Venture (SPJV), and substantial completion was achieved in August 2022. Major defects were subsequently identified with the platform tile installation at the South Bellevue Station. Tile replacement is required. SPJV has refused to complete these repairs despite a demand to do so.
- Sound Transit entered into a construction contract with Balfour Beatty Construction LLC dba Howard S. Wright in February 2023, to complete miscellaneous follow-on construction work at the ten stations along the East Link Extension. This contract included fare paid zone implementation and miscellaneous platform tile work at the stations. An additional \$3M in contingency was added to this contract in September 2023 (Motion No. M2023-81) to complete the tile replacement at South Bellevue Station.
- Additional defects were identified at South Bellevue Station once the tile was removed. These unanticipated, latent defects are resulting in increased costs for the tile replacement at South Bellevue Station.
- In October 2023, tile defects were also discovered at Spring District Station.
- This added contingency is needed to address the additional tile defects at South Bellevue Station and the newly discovered defects at the Spring District Station. Sound Transit will track the cost of platform tile replacement and seek reimbursement from the original contractors for this work.
- The platform tile replacement needs to be expedited to avoid impacting the start of revenue service for the East Link Starter Line in Spring 2024.

### Background

East Link extends light rail 14 miles, with 10 stations from Seattle's International District to Judkins Park, across I-90 to Mercer Island and South Bellevue, through downtown Bellevue and the Bel-Red area to

Redmond Technology Station. Revenue service for the East Link Extension is anticipated to begin in 2025, and revenue service for the East Link Starter Line is planned for Spring 2024.

Sound Transit entered into a construction contract with Balfour Beatty Construction LLC dba Howard S. Wright in February 2023, to complete miscellaneous follow-on construction work at the ten stations in the East Link Extension. This contract includes fare paid zone implementation and miscellaneous platform tile work at various stations.

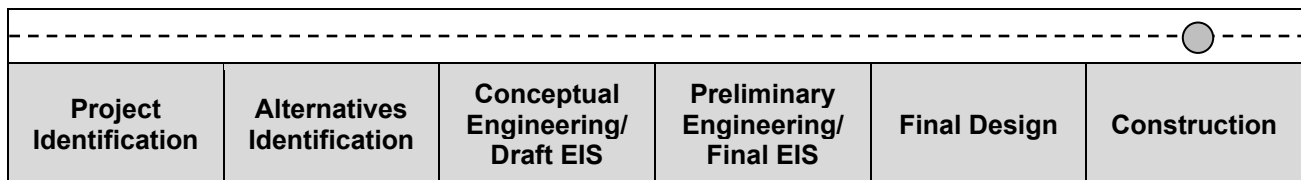
During the process of completing the work, the Contractor Balfour Beatty dba Howard S Wright discovered construction deficiencies in the platform tile installation at the South Bellevue Station, constructed by SPJV. After further investigation, Sound Transit determined that all the platform tiles and supporting mortar bed need to be replaced on the platform and mezzanine areas at the South Bellevue Station.

Howard S. Wright started demolition of the South Bellevue Station tile at the end of September. Once the tile assembly was removed, it was revealed that the platform edge angle was rusting and would need to be coated with a new surface coating. In addition, the team identified that the elevations of the topping and structural slabs were too high to allow for an unbonded tile assembly per the plans. The topping slab needs to be removed, and a thinner bonded tile assembly needs to be installed. These unanticipated repairs are resulting in added costs for the South Bellevue Station Tile repairs.

In October, further investigation is underway in connection with the tiles and ledger angle installations at other East Link station platforms. This continuing investigation involves the propriety of the tile installation, the tiles themselves, and ledger angles coating systems. If it is determined that the tile at the other East Link stations doesn't provide a high enough level of slip resistance in that particular environment, or that they were improperly installed, Sound Transit staff will investigate options to mitigate this issue, including but not limited to replacement of the existing tiles at any affected station.

SPJV disagrees with Sound Transit's determination that its work was defective and has so far refused to complete the necessary repairs. To expedite the platform tile replacement work and avoid delay to the East Link Starter Line revenue service, Sound Transit intends to execute the work using Howard S Wright. Sound Transit will seek reimbursement from SPJV for the cost of platform tile reconstruction work at South Bellevue Station. In the event that the investigation at the other stations reveals defective tile installation or inappropriate tile or ledger angle installation issues, Sound Transit will seek reimbursement from the responsible contractors.

**Project status**



Projected completion date for East Link Extension Construction: Q2 2025

Project scope, schedule and budget summary are located on page 32 of the September Agency Progress Report.

**Procurement information**

This contract was procured in accordance with Washington State requirements for procurements and Sound Transit procedures. An Invitation for Bids (IFB) was issued on November 30, 2022. A pre-bid meeting was conducted via Microsoft Teams on December 6, 2022. A public bid opening was conducted via Microsoft Teams on December 23, 2022.

The Contract was recommended for award by the Concurrence Review Application (CoRA) committee on February 8, 2023. The effective date of Notice-to-Proceed (NTP) was March 13, 2023.

## Fiscal information

This action is funded by the current approved project budget, and there are projected sufficient amounts in the budget remaining to fund the remaining work. The current project budget is included in the existing Long Range Financial Plan.

The baseline budget for the East Link Extension project is \$3,677,150,000. Within that amount, \$2,518,224,000 has been set aside for the construction phase. Within the construction phase, \$20,474,388 has been allocated to the budget line item for Construction Miscellaneous. The action would commit an additional \$10,000,000 to this line item to provide construction services and leave a budget balance of \$487,145.

### East Link Extension (in thousands)

(in thousands)	Total Baseline Budget	Board Approvals*	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Operations and Maintenance	\$7,106	\$7,106		\$7,106	0
Administration	183,174	139,103		139,103	44,071
Preliminary Engineering	50,874	50,874		50,874	0
Final Design	268,888	256,340		256,340	12,548
Third Parties	49,473	40,097		40,097	9,376
Right of Way	288,516	280,464		280,464	8,052
Construction	2,518,224	2,370,750	10,000	2,380,750	137,474
Construction Services	277,177	257,260		257,260	19,917
System Testing-Start Up	33,718	23,992		23,992	9,726
<b>Total Current Budget</b>	<b>\$3,677,150</b>	<b>\$3,425,985</b>	<b>\$10,000</b>	<b>\$3,435,985</b>	<b>\$241,165</b>

Phase Detail - Construction					
Const. Misc. / Follow-on (S Bellevue to SR-520)	\$20,474	\$9,987	\$10,000	\$19,987	\$487
Other Construction	2,497,750	2,360,762	0	2,360,762	136,987
<b>Total Phase</b>	<b>\$2,518,224</b>	<b>\$2,370,750</b>	<b>\$10,000</b>	<b>\$2,380,750</b>	<b>\$137,474</b>

Balfour Beatty Construction LLC	Board Approvals to Date		Proposed Action	Proposed Total for Board Approval	Current Approved Contract Status
	Contract Amount	\$2,618	\$	\$	\$2,618
Contract Contingency	3,393	10,000		13,393	\$3,393
<b>Total Contract Amount</b>	<b>\$6,010</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$16,010</b>	<b>\$6,010</b>
Percent Contingency	130%	100%		512%	130%

**Notes:**

Amounts are expressed in Year of Expenditure \$000s.

For detailed project information, see page 116 of 210 of the 2023 Financial Plan & Proposed Budget.

\* Board Approvals = Commitment and PO Contingency Remaining as of 9/30/2023.

## Disadvantaged and small business participation

### Participation by small businesses and disadvantaged business enterprises (DBEs)

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 established, and the successful Bidder/Proposer has committed to the following small business/DBE participation:

<b>Small business and disadvantaged business enterprise (DBE) goals</b>	
Sound Transit Small business goal: 0 %	DBE goal: 7 %
Small business commitment: 0%	DBE commitment: 14.53%
Current Small Business Participation: 0%	Current DBE Participation: 7.18%

**Public involvement**

Not applicable to this action.

**Time constraints**

To support the timely execution of the platform tile replacement work at South Bellevue Station and Spring District Station to avoid impacting the East Link Starter Line revenue service date, approval of this action is needed in the month of November.

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**Environmental review** – KH 10/27/23

**Legal review** – JEN 11/03/23



## Motion No. M2023-102

A motion of the System Expansion Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to increase the contingency for the Follow-On Package 1 contract with Balfour Beatty Construction LLC dba Howard S. Wright for the East Link Extension project to perform additional follow-on and closeout work, including additional tile repair work, in the amount of \$10,000,000 for a new total authorized contract amount not to exceed \$16,010,460.

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## Motion

It is hereby moved by the System Expansion Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to increase the contingency for the Follow-On Package 1 contract with Balfour Beatty Construction LLC dba Howard S. Wright for the East Link Extension project to perform additional follow-on and closeout work, including additional tile repair work, in the amount of \$10,000,000 for a new total authorized contract amount not to exceed \$16,010,460.

APPROVED by the System Expansion Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on November 9, 2023.

  
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Claudia Balducci  
System Expansion Committee Chair

**Attest:**

  
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Kathryn Flores  
Board Administrator