

Operations and Maintenance Facility South

Project Update

System Expansion Committee

12/14/23



Why We're Here Today

- Update on the Operations and Maintenance Facility South (OMF South) project
- Report on the NEPA Draft EIS / SEPA Supplemental Draft EIS public comment period
- Provide an update on the opinion of probable cost

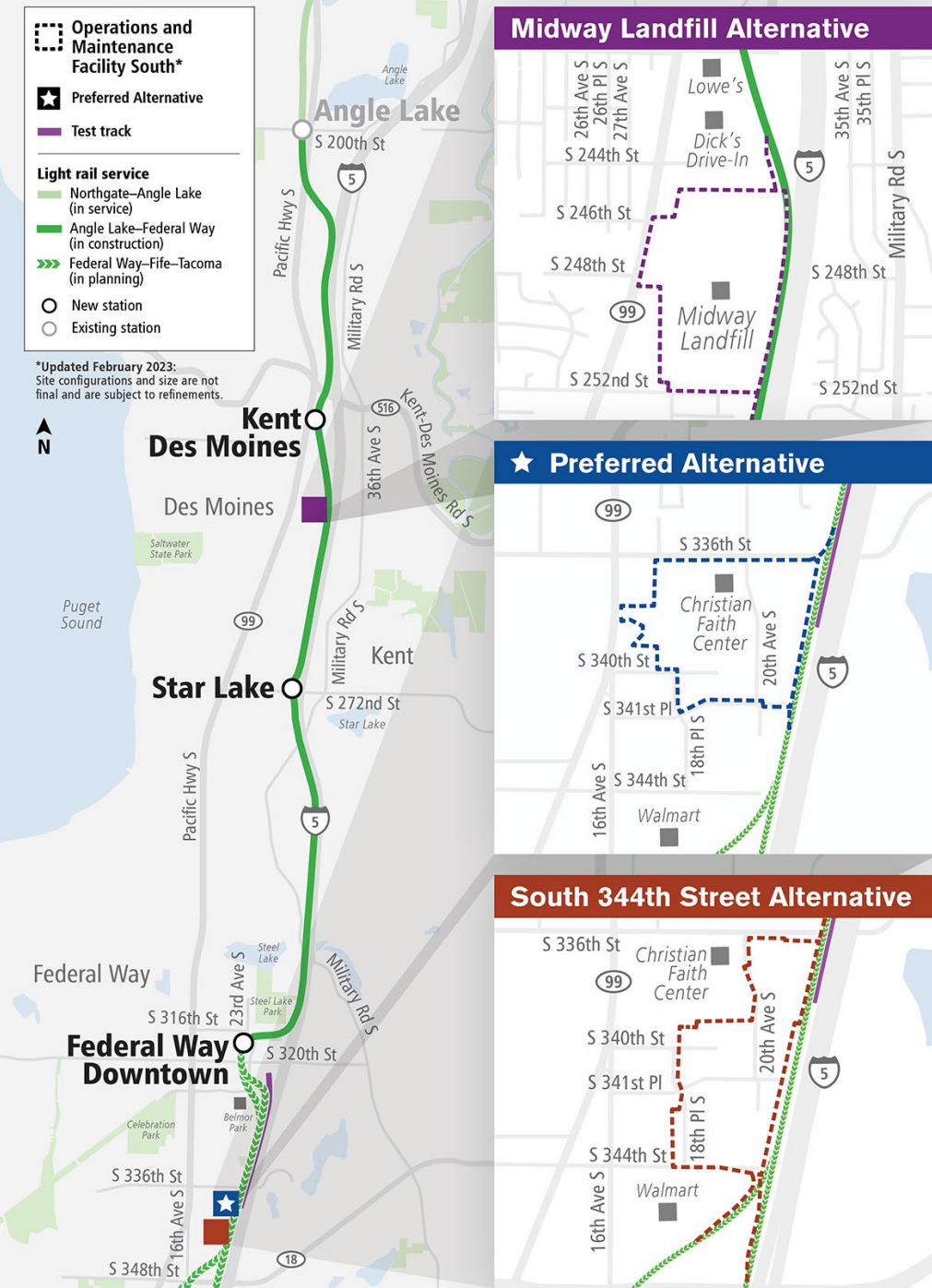
Operations & Maintenance Facility South

Three Alternative sites:

- Preferred Alternative: S. 336th St. (Federal Way)
- S. 344th St. (Federal Way)
- Midway Landfill (Kent)

Project Update

- NEPA DEIS/ SEPA SDEIS published & 45-day public comment period concluded
- Final EIS publication anticipated Mid-2024
- Project to be Built Board Action anticipated Mid-2024



OMF South October Project Performance Tracker Status



Cost Risks

- Scope growth, market conditions and escalation
- Street vacation and code deviations for PA require negotiation with city
- Unknown third-party requests/ requirements
- Environmental mitigation costs could increase
- Higher real estate costs
- Unidentified utility conflicts, contaminated soil discovered during construction


Schedule Risks


- Street vacation and code deviations for PA require negotiation with city
- Permitting challenges with permitting authorities
- Potential delays associated with real estate acquisition process.
- Negotiating and executing the Transit Way Agreement could add schedule to the project.

Draft EIS engagement by the numbers


Comment period: September 22 – November 6, 2023


 55 public communications received

 45+ attendees at 2 public meetings and hearings

 1,300+ participants in the online open house

 5,100+ mailers to the project corridor

 350+ clicks and engagements on Facebook

 4,800+ recipients received 4 project email updates

Comments on Draft EIS

We heard from:

- Suquamish Tribe
- U.S. EPA
- FHWA
- WSDOT
- City of Federal Way
- Garagetown
- General Public

Main Topics:

- Preferences expressed for Midway Landfill and Preferred alternatives
- Concern over noise and traffic impacts of OMF to adjacent properties
- Concern over business and residential displacements
- Comments on the Environmental Justice analysis
- Comments on the transportation analysis

Opinion of probable cost

Opinion of probable cost update

- All alternatives face upward cost pressure
- Drivers of cost estimate increase: labor and materials escalation, market conditions, scope changes
- For Preferred Alternative, design advanced & the cost estimating approach changed from a Unit Cost Library (UCL) methodology to a more detailed "Bottoms-Up" methodology
- TriUnity concluded:
 - Current estimate is within the expected range. ST's UCL methodology is "above standard" compared to peers
 - UCL accuracy is challenged post-pandemic due to large swings in "market" prices

Updated opinion of probable cost

Preferred Alternative

Finance Plan* (M 2023\$)	Opinion of Probable Cost Range** (M 2023\$, Oct)	Variance to Finance Plan
\$1,924	\$2,516 - \$2,990	\$592M - \$1,066M

- *Financial Plan value includes ~\$152M from Light Rail Support Facilities fund
- **Estimate includes site, mainline and test track.
- Range: -5% to +11%, based on Sound Transit QRA (2021). QRA will be updated in 2024.
- It is not affordable to pursue an OMFS project in this cost range within the current finance plan. We need to attempt to manage the project back to the Finance plan value of \$1.9B.

Managing Back to the Finance Plan

1. Optimize the scope

- ~\$200M in savings identified with minimal impact to operations
- Trade-off between cost savings and additional LRV storage

2. Structure Design Build procurement to incentivize innovation & cost efficiency

- Gain interest in RFQ through a Collaborative Design Build Contract with a Target Price structure
- RFP competition: proposers advance design further than typical, reducing future risk. Greater savings through innovation.
- Reduced risk resulting in reduced design allowance and soft costs
- Potential for an option to provide additional LRV storage capacity

Next steps

Date	Activity
Q1 2024	Issue RFQ (includes maximum affordable price)
Q1	QRA Results
Q2/Q3	Board Action: Project to be Built
Q2/Q3	Issue RFP
Q2 2025	Establish Baseline budget and schedule

Thank you.



 *soundtransit.org*

