



## Motion No. M2024-12

### Contract Award for Construction Services for the East Link Extension Traffic Mitigation Project in the City of Mercer Island with Titan Earthwork, LLC

| Meeting:                   | Date:     | Type of action: | Staff contact:  |
|----------------------------|-----------|-----------------|---|
| System Expansion Committee | 3/14/2024 | Final Action    | Ron Lewis, DECM Executive Director<br><b>Jon Lebo, Executive Project Director – East Link Extension</b> |

### Proposed action

Authorizes the chief executive officer to execute a contract with Titan Earthwork, LLC to construct the East Link Extension Mitigation in the City of Mercer Island at 76<sup>th</sup> Ave SE and 80<sup>th</sup> Ave SE project in the amount of \$3,070,644, with a 15 percent contingency of \$460,597, for a total authorized contract amount not to exceed \$3,531,241.

### Key features summary

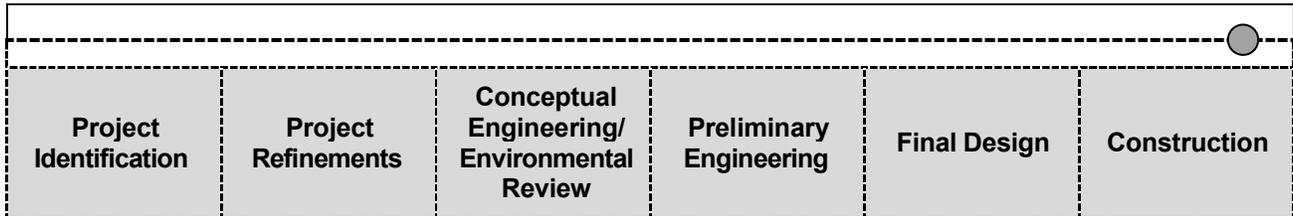
- The project scope includes installation of new traffic signals at 76th Ave SE & N Mercer Way and 80th Ave SE & SE 27th Street and modifications to street, curb and gutter at 77th Ave SW & N Mercer Way in the City of Mercer Island, along with the corresponding pavement, landscaping, and other infrastructure modifications to support this work.
- These improvements were identified as mitigation measures in the East Link Extension Record of Decision (ROD) and must be completed before the new Mercer Island Station opens.
- All bids received were more than 20% higher than Sound Transit's Independent Cost Estimate (ICE).
- Sound Transit Board approval of construction contracts is required when the bid price is 20 percent or more than the Independent Cost Estimate, in accordance with Resolution No. R2023-30, the Board's Procurement, Agreements and Delegated Authority Policy. Approval of this contract is within the System Expansion Committee's authority.
- Factors that contributed most to the variance between the ICE and low bid were 1) increases in costs for the signal poles, 2) more extensive traffic control elements than originally estimated, and 3) higher material costs for asphalt and concrete paving for the small quantities needed. After review, Sound Transit has determined that the price for this contract is fair and reasonable.

### 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 I-90 segment of the East Link Extension is anticipated to begin in 2025, and revenue service for the East Link Starter Line is planned for Spring 2024.

Environmental review for East Link was completed with the Final EIS in July 2011. FTA issued its Record of Decision in November 2011. The ROD, and subsequent review in 2017, identified mitigation needed to address adverse traffic impacts on Mercer Island. In coordination with WSDOT and the City of Mercer Island, traffic circulation and design at these intersections were finalized. The signal improvements were identified as mitigation measures that must be implemented before I-90 segment of the East Link Extension opens.

**Project status**



Anticipated Revenue Service: 2025 East Link I-90 Segment

Project scope, schedule and budget summary are located on page 35 of the January 2024 Agency Progress Report.

**Procurement information**

On November 7, 2023, Sound Transit advertised IFB RTA/CN 0174-22 for the East Link Extension Mitigation at 76<sup>th</sup> Ave SE and 80<sup>th</sup> Ave SE Project. The award of the contract is based upon the lowest Total Bid Price as submitted in a responsive bid, by a responsible bidder.

Sound Transit received four timely bids on December 15, 2023. The four bids were opened at a public bid opening. The four bids received were for Total Bid Prices of \$3,070,644, \$3,159,649, \$3,611,057, and \$3,741,000, which are inclusive of taxes.

All bids were higher than the Independent Cost Estimate (ICE) amount of \$1,851,854, resulting in a low bid that was significantly higher than Sound Transit’s ICE.

Through internal analysis of the ICE, cost and price analysis, and meeting with the low bidder, Sound Transit identified that the following areas contributed most to the variance between the ICE and low bidder: 1) increases in material costs for the signal poles, 2) more extensive traffic control elements than originally estimated, and 3) higher material costs for asphalt and concrete paving for the small quantities needed. Taking into consideration that three of the four bidders were in a competitive price range from \$3.07M and \$3.74M, and after further and price analysis, Sound Transit Procurement and Contracts determined that the price for this contract, at \$3,070,644, is fair and reasonable.

**Fiscal information**

This action is within the baseline budget and sufficient monies remain after approval of this action to fund the remaining work in the Construction Services phase. The baseline project budget is included in the existing Long Range Financial Plan.

The baseline budget for the East Link project is \$3,677,150,000. Within that amount, \$2,557,942,014 has been set aside in the Construction phase. Within the Construction phase, \$11,350,000 has been allocated to the budget line item for E135 transit integration. The action would commit \$3,531,241 to this line item and leave a budget balance of \$57,337.

**East Link Extension**

(in thousands)

| (in thousands)              | Total Baseline Budget | Board Approvals*   | This Action    | Board Approved Plus Action | Uncommitted / (Shortfall) |
|-----------------------------|-----------------------|--------------------|----------------|----------------------------|---------------------------|
| Administration              | \$179,700             | \$147,780          | \$0            | \$147,780                  | \$31,920                  |
| Preliminary Engineering     | 54,776                | 54,776             | -              | 54,776                     | -                         |
| Final Design                | 260,868               | 259,128            | -              | 259,128                    | 1,739,988                 |
| Third Parties               | 46,650                | 41,701             | -              | 41,701                     | 4,949                     |
| Right of Way                | 283,516               | 281,147            | -              | 281,147                    | 2,369                     |
| Construction                | 2,557,942             | 2,498,946          | 3,531          | 2,502,477                  | 55,465                    |
| Construction Services       | 293,697               | 274,984            |                | 274,984                    | 18,713                    |
| <b>Total Current Budget</b> | <b>\$3,677,150</b>    | <b>\$3,558,462</b> | <b>\$3,531</b> | <b>\$3,561,994</b>         | <b>\$115,156</b>          |

| Phase Detail - Construction |                    |                    |                |                    |                 |
|-----------------------------|--------------------|--------------------|----------------|--------------------|-----------------|
| E135 Transit Integration    | \$11,350           | \$7,761            | \$3,531        | \$11,293           | \$57            |
| Other Construction          | 2,546,592          | 2,491,184          | -              | 2,491,184          | 55,408          |
| <b>Total Phase</b>          | <b>\$2,557,942</b> | <b>\$2,498,946</b> | <b>\$3,531</b> | <b>\$2,502,477</b> | <b>\$55,465</b> |

| Titan Earthwork LLC          | Board Approvals to Date | Proposed Action | Proposed Total for Board Approval | Current Contract Spend Status |
|------------------------------|-------------------------|-----------------|-----------------------------------|-------------------------------|
| Contract Amount              | \$0                     | \$3,071         | \$3,071                           | \$4,797                       |
| Contract Contingency         | 0                       | 461             | 461                               | 0                             |
| <b>Total Contract Amount</b> | <b>\$0</b>              | <b>\$3,531</b>  | <b>\$3,531</b>                    | <b>\$4,797</b>                |
| Percent Contingency          |                         | 15%             | 15%                               | 0%                            |

**Notes:**

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

For detailed project information, see page 85 of 194 of the Proposed 2024 Financial Plan & Proposed Budget.

\* Board Approvals = Commitment and PO Contingency Remaining as of 1/31/2024.

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

| Small business and disadvantaged business enterprise (DBE) goals |                                   |
|--|-----------------------------------|
| Contract DBE goal: 12%   | Respondent DBE commitment: 12.13% |

**Apprentice utilization commitment**

| Apprentice utilization           |                   |
|----------------------------------|-------------------|
| Apprentice utilization goal: 20% | Commitment: 22.6% |

## **Public involvement**

Not Applicable to this action.

## **Time constraints**

Delays in approving this action by 1 month could have cost impacts as the bid is guaranteed until April 2024.

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**Environmental review** – KH 2/26/24

**Legal review** – JSA 3/6/24

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A motion of the System Expansion Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract with Titan Earthwork, LLC to construct the East Link Extension Mitigation in the City of Mercer Island at 76th Ave SE and 80th Ave SE project in the amount of \$3,070,644, with a 15 percent contingency of \$460,597, for a total authorized contract amount not to exceed \$3,531,241.

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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 execute a contract with Titan Earthwork, LLC to construct the East Link Extension Mitigation in the City of Mercer Island at 76th Ave SE and 80th Ave SE project in the amount of \$3,070,644, with a 15% percent contingency of \$460,597, for a total authorized contract amount not to exceed \$3,531,241.

APPROVED by the System Expansion Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on March 14, 2024.



Claudia Balducci  
System Expansion Committee Chair

**Attest:**



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Kathryn Flores  
Board Administrator