

Memo

March 25, 2025

To:	Sound Transit Board of Directors
From:	Josh Pategas, Lynnwood Link Extension Executive Project Director
Subject:	Accounting of contingency applied under authority granted in Motion No. M2024-16

Under the provisions of Motion No. M2024-16, the Lynnwood Link Extension (LLE) staff committed to provide the Board with “... *a full accounting of contingency [not to exceed \$15,000,000] used and the reconciliation of any contracts and agreements to which these [contingency] funds were applied*”.

LLE Staff were able to manage much of the work needed to achieve the timely opening of the project within approved contract and agreement not-to-exceed amounts including the authorization granted in Motion No. M2024-16 in March 2024. Of the \$15,000,000 cumulative contingency increase authorized by the Board, the project has used \$9,185,886 in contingency funds to support opening for revenue service and part of the closeout phase. See the summary table below of the LLE contracts and agreements that the funds were applied to.

Item	Previous NTE	Authorized Contingency for Modifications	New NTE	Comments
		\$15,000,000		
Civil CMC – PGH Wong	\$116,989,971	\$490,401	\$117,480,372	Extending Civil CMC staffing
CSA with Mountlake Terrace	\$2,820,612	\$803,800	\$3,624,412	Reimbursing for costs related to permits, inspections, document review, etc.
CSA with Lynnwood	\$4,006,903	\$250,000	\$4,256,903	Reimbursing for costs related to permits, inspections, document review, etc.
Civil FD/DSDC – HNTB Jacobs	\$160,543,308	\$6,147,885	\$166,691,193	Extending Design Services During Construction staffing
Wheel Flat Detection - IEM	\$12,106,554	\$981,750	\$13,088,304	Adding LLE to the contract
WSDOT CSA	\$5,440,352	\$492,050	\$5,932,402	Task order extension
Total authorized change		\$9,165,886		
Remaining authorization		\$5,834,114		

Memo

As the LLE project works to complete closeout responsibilities which can span several years after the beginning of Revenue Service, staff will continue to track the usage of the contingency authorized. Future updates can be provided upon request. A copy of Motion No. M2024-16 is attached for your reference.

Please contact LLE staff with any questions.

Best Regards,

Josh Pategas, CCM

Executive Project Director – Lynnwood Link Extension and Pinehurst Infill Station projects
Capital Delivery Department

Motion No. M2024-16

Allocate Contingency Funds to Certain Lynnwood Link Extension Agreements and/or Contracts

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee Board	03/14/2024 03/28/2024	Recommend to Board Final Action	Ron Lewis, DECM Executive Director Randy Harlow, Executive Project Director – Lynnwood Link Joe Gildner, DECM Deputy Executive Director – Project Management

Proposed action

Authorizes the chief executive officer to increase certain Lynnwood Link Extension contract contingencies and existing intergovernmental agreement amounts as necessary using contingency available within the Lynnwood Link Extension Baseline budget, for a total authorized cumulative contingency expenditure not to exceed \$15,000,000.

Key features summary

- Lessons learned from Sound Transit's experience with the Initial Segment, University Link Extension, and Northgate Link Extension projects is that the agency must remain nimble and in a high state of readiness to address unanticipated work and to meet operational requirements that arise during the final stages of the project leading to revenue service.
- The proposed action authorizing the chief executive officer to increase contract contingency amounts for open Lynnwood Link contracts, using funds previously authorized and available within the Lynnwood Link Extension approved baseline budget, to fund work necessary to achieve the timely opening of the Lynnwood Link Extension by the fall of 2024 will reduce schedule risk.
- This action also authorizes chief executive officer to increase authorized amounts of certain intergovernmental agreements related to the Lynnwood Link Extension, using funds available within the Lynnwood Link Extension approved baseline budget.
- The work will be within the approved scope of the contracts or agreements and may include but not be limited to safety certification, agency requested changes, and changes required by Authorities having jurisdiction (e.g., South Snohomish County Fire and Rescue Regional Fire Authority, Shoreline Building Department, Washington State Department of Labor and Industries).
- This action will allow for contingency funds available within the Lynnwood Link Extension approved baseline budget to be allocated to individual contracts or agreements such that a total amount used for all contracts or agreements will not exceed \$15,000,000.
- Staff will report to the Board no later than the first quarter of 2025 to provide a full accounting of contingency used and the reconciliation of any contracts and any agreements to which these funds were applied.

- This authorization will be applied to contracts and agreements within the final design, construction services, third party, and construction phases of the Lynnwood Link Extension approved baseline budget.

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 travels primarily along I-5 and includes four stations: Shoreline South / 148th Street, Shoreline North / 185th Street, Mountlake Terrace Transit Center, and Lynnwood City Center. Revenue service is anticipated in 2024. The Lynnwood City Center Station will be an interim terminus for Link light rail service until the Everett Link Extension is operational, currently scheduled for 2037.

The Board has previously authorized the funds and the funds are available within the Lynnwood Link baseline budget. This action would authorize the use of baseline budget funds not to exceed a total of \$15,000,000, as needed, to add contingency to existing contracts and intergovernmental agreements related to Lynnwood Link Extension. This action authorizes contingency increases, to be used as needed, within the following final design, construction management, and construction contracts, and existing agreements:

Within the Final Design phase:

- Civil facilities and architectural final design services by HNTB-Jacobs Trusted Design Partners (H-J)
- Systems engineering final design services by Hatch (formerly LTK Engineering) for systems elements (communications, signals, track work, and traction power)

Within the Third Party Agreements phase:

- Construction Services Task Order with the Washington State Department of Transportation
- First responder training agreements with fire and police departments in the Lynnwood Link extension

Within the Construction phase:

- Northgate Station to NE 200th Street Heavy Civil General Contractor/Construction Management contract by Stacy & Witbeck – Kiewit – Hoffman, a Joint Venture
- NE 200th Street to Lynnwood Transit Center Heavy Civil General Contractor/Construction Management contract by Skanska Constructors L300 Joint Venture
- Systems Construction Heavy Civil General Contractor/Construction Management contract by Mass Electric Construction Company
- Wheel Flat Detection and Monitoring by International Electronic Machines.
- Construction Services and Permit Review Agreements with the Cities of Seattle, Shoreline, Mountlake Terrace, and Lynnwood

Within the Construction Services phase:

- Civil construction management consultant, PGH Wong Engineering, supporting Sound Transit's construction management team to manage all elements of civil facilities construction.
- Systems construction management consultant, Northwest Transit Systems Partners, supporting Sound Transit's construction management team to manage all elements of systems construction.

Lessons learned from the Initial Segment, University Link Extension, and Northgate Link Extension projects is that the agency must remain nimble and in a high state of readiness to address unanticipated

work and to meet operational requirements that arise during the final stages of the project, leading to revenue service. With limited time remaining to get resources to address such needs, this approach will help to reduce remaining schedule risk.

To ensure timely opening of the extension, this action will authorize the chief executive officer to allocate funds within the approved Lynnwood Link budget to inter-governmental agreements, construction contracts, design contracts, and construction management consultant contracts, increasing contractual not-to-exceed amounts as necessary, within the cumulative total amount of \$15,000,000.

Authorization for the increases in existing contract and agreement amounts will mitigate schedule risks associated with safety certification, civil/systems interfaces and civil/systems integrated testing and commissioning, code compliance adjustment directed by governing authorities such as the South Snohomish County Fire and Rescue Regional Fire Authority, Washington State Department of Labor and Industries, City of Shoreline Building Department, and others for work critical to start-up of revenue operations. The increases will not be used to fund new betterments.

In first quarter 2025, staff will return to the Board to provide a full accounting of contingency used and reconciliation of any contracts or agreements to which contingency was allocated under this action.

Project status

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Project Identification	Alternatives Identification	Conceptual Engineering/ Draft EIS	Preliminary Engineering/ Final EIS	Final Design	Construction

Projected completion date for Construction: 3Q 2024

Project scope, schedule and budget summary are located on page 74 of the January 2024 Agency Progress Report.

Fiscal information

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

The baseline budget for the Lynnwood Link Extension project is \$2,771,622,000. The proposed action does not commit any new funds but will allow for contract contingencies and agreement amounts to be increased as necessary, using funds from existing budgetary line items, of up to \$15,000,000, of which there is sufficient budget to fund.

Lynnwood Link Extension

(in thousands)

	Authorized Project Allocation	Board Approvals*	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Administration	\$94,682	\$72,477	\$0	\$72,477	\$22,205
Preliminary Engineering	39,053	39,053	-	39,053	-
Final Design	165,263	159,204	5,400	164,604	659
Third Party Agreements	17,315	17,185	100	17,285	30
Right of Way	204,053	187,646	-	187,646	16,407
Construction	2,110,949	2,034,112	9,200	2,043,312	67,637
Construction Services	140,307	137,383	300	137,683	2,624
Total Current Budget	\$2,771,622	\$2,647,060	\$15,000	\$2,662,060	\$109,562

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

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

For detailed project information, see page 81 of 194 in the Proposed 2024 Financial Plan & Proposed Book.

Certain columns and rows may not add due to rounding

Disadvantaged and small business participation

Participation by small businesses and disadvantaged business enterprises (DBEs)

Below is the current DBE and Small Business performance on the associated contracts:

RTA/CN 0079-15C			
DBE Goal: 4%		Small Business Goal: 12%	
DBE Commitment: 5.12%		Small Business Commitment: 12.04	
Current DBE Attainment: 8.27%		Current Small Business Attainment: 16.34%	

RTA/CN 0010-16C			
DBE Goal: 5%		Small Business Goal: 12%	
DBE Commitment: 5%		Small Business Commitment: 12%	
Current DBE Attainment: 7.72%		Current Small Business Attainment: 13.05%	

RTA/CN 0115-14C			
DBE Goal: 3%		Small Business Goal: 6%	
DBE Commitment: 3%		Small Business Commitment: 6%	
Current DBE Attainment: 5.72%		Current Small Business Attainment: 6.69%	

AE 0039-15			
DBE Goal: 6%		Small Business Goal: 12%	
DBE Commitment: 7.1%		Small Business Commitment: 14.1%	
Current DBE Attainment: 20.28%		Current Small Business Attainment: 27.08%	

AE 0010-15			
DBE Goal: 7%		Small Business Goal: 14%	
DBE Commitment: 10%		Small Business Commitment: 16.5%	
Current DBE Attainment: 9.63%		Current Small Business Attainment: 17.5%	

AE 0040-15B			
DBE Goal:		4.5%	Small Business Goal: 9.5%
DBE Commitment:		6%	Small Business Commitment: 11%
Current DBE Attainment:		7.68%	Current Small Business Attainment: 14.38%

AE 0003-15			
DBE Goal:		2%	Small Business Goal: 6%
DBE Commitment:		28.74%	Small Business Commitment: 30.59%
Current DBE Attainment:		30.14%	Current Small Business Attainment: 31.65%

Public involvement

Not applicable to this action.

Time constraints

Due to limited remaining schedule float, a one-month delay may impact the ability to provide schedule-critical scopes of work to support the opening of revenue service.

Prior Board/Committee actions

Motion No. M2020-58: Authorized the chief executive officer to execute an amendment to the Construction Services Agreement between Sound Transit and the City of Seattle to provide construction assistance and construction services for the Lynnwood Link Extension in the amount of \$5,529,279 with a 10% contingency of \$552,928, totaling \$6,082,207 for a new total authorized agreement amount not to exceed \$37,509,266.

Motion No. M2023-20: Authorized the chief executive officer to execute an amendment to the Expedited Permitting, Reimbursement, and Construction Services Agreement with the City of Shoreline to support the design review, permitting, and approval of permit conditions for the Lynnwood Link Extension, adding scope and increasing the agreement amount by \$1,775,321, with a 10 percent contingency of \$177,532, totaling \$1,952,853, for a total authorized agreement amount not to exceed \$8,052,568, all within the Board approved project budget.

Motion No. M2018-152: Authorized the chief executive officer to execute an amendment to the Permitting and Reimbursement Agreement with the City of Mountlake Terrace to add continued design review and construction support services for the Lynnwood Link Extension in the amount of \$2,131,287, with a 7% contingency of \$139,400, for a new total authorized agreement amount not to exceed \$3,125,232.

Motion No. M2018-165: Authorized the chief executive officer to execute an amendment to the Permit and Project Review Reimbursement Agreement with the City of Lynnwood to add construction support services in the amount of \$2,344,655, with a 7% contingency of \$164,126, totaling \$2,508,781, for a new total authorized agreement amount not to exceed \$4,006,903.

Motion No. M2022-77: Authorized the chief executive officer to execute an amendment to Task Order B-13 under Agreement GCA 3361 with the Washington State Department of Transportation to provide construction administration and construction oversight services for the Lynnwood Link Extension in the amount of \$2,260,120, with a contingency of \$226,012 totaling \$2,486,132, for a new total authorized amount not to exceed \$5,440,352.

Motion No. M2023-39: Authorized the chief executive officer to execute an agreement with South Snohomish County Fire and Rescue Regional Fire Authority for Sound Transit to pay an agreed amount

of \$601,575 with a 10 percent contingency of \$60,158 for a total not-to-exceed amount of \$661,733 for emergency responder training and equipment needed for the startup and operation of the Lynnwood Link Extension.

Motion No. M2022-23: Authorized the chief executive officer to increase the contract contingency for the Lynnwood Link Extension project with HNTB Jacobs Trusted Design Partners (a Joint Venture of HNTB Corporation and Jacobs Engineering Group, Inc.), HNTB Corporation, and Jacobs Engineering Group, Inc., for civil design services during construction in the amount of \$13,374,239, for a new total authorized contract amount not to exceed \$154,243,967, all within the previously-approved baseline budget of \$2,771,622,000 for the Lynnwood Link Extension.

Motion No. M2019-46: Authorized the chief executive officer to execute a contract modification with LTK Engineering Services, LLC to provide systems design support during construction services for the Lynnwood Link Extension in the amount of \$4,310,560 with a 10% contingency of \$431,060 totaling \$4,741,620, for a new total authorized contract amount not to exceed \$14,685,862.

Motion No. M2022-22: Authorized the chief executive officer to increase the contract contingency for the Lynnwood Link Extension project with PGH Wong Engineering, Inc. to provide construction management services for the construction phase in the amount of \$19,934,226, for a new total authorized contract amount not to exceed \$104,755,361, all within the previously-approved baseline budget of \$2,771,622,000 for the Lynnwood Link Extension.

Motion No. M2020-43: Authorized the chief executive officer to execute a contract modification with Northwest Transit Systems Partners Joint Venture, Mott MacDonald, LLC, and STV Incorporated, to exercise an option to provide systems construction management services for the Lynnwood Link Extension in the amount of \$18,462,307 with a 7 percent contingency of \$1,292,362 totaling \$19,754,669, for a new total authorized contract amount not to exceed \$63,861,124.

Motion No. M2021-17: Authorized the chief executive officer to increase the contract contingency for the Northgate Station to NE 200th Street construction contract with Stacy and Witbeck, Inc. / Kiewit Infrastructure West Co. / Hoffman Construction Company of Washington, a Joint Venture to allow for the implementation of a betterment with the City of Shoreline, in the amount of \$649,000, for a new total authorized contract amount not to exceed \$890,200,003.

Motion No. M2022-55: Authorized the chief executive officer to execute a contract modification with Skanska Constructors L300, a Joint Venture between Skanska USA Civil West California District, Inc., and Skanska USA Building, Inc., for the NE 200th Street to Lynnwood Transit Center project to provide construction services for transit and traffic circulation improvements along the 200th Street SW corridor within the City of Lynnwood and to resolve disputes related to the COVID-19 pandemic and the concrete delivery strike, in the amount of \$37,800,000 for a new total authorized contract amount not to exceed \$915,688,048.

Motion No. M2020-42: Authorized the chief executive officer to execute a contract modification with Mass Electric Construction Company to exercise an option provide heavy civil general contractor/construction manager services for the Lynnwood Link Extension systems construction in the amount of \$148,000,000 with a 7 percent contingency of \$10,360,000 totaling \$158,360,000, for a new total authorized contract amount not to exceed \$536,810,000.

Environmental review – KH 1/11/24

Legal review – JSA 3/11/24

Motion No. M2024-16

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to increase certain Lynnwood Link Extension contract contingencies and existing intergovernmental agreement amounts as necessary using contingency available within the Lynnwood Link Extension Baseline budget, for a total authorized cumulative contingency expenditure not to exceed \$15,000,000.

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 travels primarily along I-5 and includes four stations: Shoreline South / 148th Street, Shoreline North / 185th Street, Mountlake Terrace Transit Center, and Lynnwood City Center. Revenue service is anticipated in 2024. The Lynnwood City Center Station will be an interim terminus for Link light rail service until the Everett Link Extension is operational, currently scheduled for 2037.

The Board has previously authorized the funds and the funds are available within the Lynnwood Link baseline budget. This action would authorize the use of baseline budget funds not to exceed a total of \$15,000,000, as needed, to add contingency to existing contracts and intergovernmental agreements related to Lynnwood Link Extension. This action authorizes contingency increases, to be used as needed, within the following final design, construction management, and construction contracts, and existing agreements:

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Within the Third Party Agreements phase:

- Construction Services Task Order with the Washington State Department of Transportation
- First responder training agreements with fire and police departments in the Lynnwood Link extension

Within the Construction phase:

- Northgate Station to NE 200th Street Heavy Civil General Contractor/Construction Management contract by Stacy & Witbeck – Kiewit – Hoffman, a Joint Venture
- NE 200th Street to Lynnwood Transit Center Heavy Civil General Contractor/Construction Management contract by Skanska Constructors L300 Joint Venture
- Systems Construction Heavy Civil General Contractor/Construction Management contract by Mass Electric Construction Company
- Wheel Flat Detection and Monitoring by International Electronic Machines.
- Construction Services and Permit Review Agreements with the Cities of Seattle, Shoreline, Mountlake Terrace, and Lynnwood

Within the Construction Services phase:

- Civil construction management consultant, PGH Wong Engineering, supporting Sound Transit's

construction management team to manage all elements of civil facilities construction.

- Systems construction management consultant, Northwest Transit Systems Partners, supporting Sound Transit's construction management team to manage all elements of systems construction.

Lessons learned from the Initial Segment, University Link Extension, and Northgate Link Extension projects is that the agency must remain nimble and in a high state of readiness to address unanticipated work and to meet operational requirements that arise during the final stages of the project, leading to revenue service. With limited time remaining to get resources to address such needs, this approach will help to reduce remaining schedule risk.

To ensure timely opening of the extension, this action will authorize the chief executive officer to allocate funds within the approved Lynnwood Link budget to inter-governmental agreements, construction contracts, design contracts, and construction management consultant contracts, increasing contractual not-to-exceed amounts as necessary, within the cumulative total amount of \$15,000,000.

Authorization for the increases in existing contract and agreement amounts will mitigate schedule risks associated with safety certification, civil/systems interfaces and civil/systems integrated testing and commissioning, code compliance adjustment directed by governing authorities such as the South Snohomish County Fire and Rescue Regional Fire Authority, Washington State Department of Labor and Industries, City of Shoreline Building Department, and others for work critical to start-up of revenue operations. The increases will not be used to fund new betterments.

In first quarter 2025, staff will return to the Board to provide a full accounting of contingency used and reconciliation of any contracts or agreements to which contingency was allocated under this action.

Lessons learned from Sound Transit's experience with the Initial Segment, University Link Extension, and Northgate Link Extension projects is that the agency must remain nimble and in a high state of readiness to address unanticipated work and to meet operational requirements that arise during the final stages of the project leading to revenue service.

The proposed action authorizing the chief executive officer to increase contract contingency amounts for open Lynnwood Link contracts, using funds previously authorized and available within the Lynnwood Link Extension approved baseline budget, to fund work necessary to achieve the timely opening of the Lynnwood Link Extension by the fall of 2024 will reduce schedule risk.

This action also authorizes chief executive officer to increase authorized amounts of certain intergovernmental agreements related to the Lynnwood Link Extension, using funds available within the Lynnwood Link Extension approved baseline budget.

The work will be within the approved scope of the contracts or agreements and may include but not be limited to safety certification, agency requested changes, and changes required by Authorities having jurisdiction (e.g., South Snohomish County Fire and Rescue Regional Fire Authority, Shoreline Building Department, Washington State Department of Labor and Industries).

This action will allow for contingency funds available within the Lynnwood Link Extension approved baseline budget to be allocated to individual contracts or agreements such that a total amount used for all contracts or agreements will not exceed \$15,000,000.

Staff will report to the Board no later than the first quarter of 2025 to provide a full accounting of contingency used and the reconciliation of any contracts and any agreements to which these funds were applied.

This authorization will be applied to contracts and agreements within the final design, construction services, third party, and construction phases of the Lynnwood Link Extension approved baseline budget.

Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to increase certain Lynnwood Link Extension contract contingencies and existing intergovernmental agreement amounts as necessary using contingency available within the Lynnwood Link Extension Baseline budget, for a total authorized cumulative contingency expenditure not to exceed \$15,000,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on March 28, 2024.



Dow Constantine
Board Chair

Attest:



Kathryn Flores
Board Administrator