

## Motion No. M2025-10

### Increase Contingency Funds for Certain Federal Way Link Extension Agreements and Contracts

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee Board	02/13/2025 02/27/2025	Recommend to Board Final action	Terri Mestas, Deputy CEO, Capital Delivery Michael Morgan, Executive Director, Capital Delivery <b>Linneth Riley-Hall, Executive Project Director, Federal Way Link Extension</b>

### Proposed action

Authorizes the chief executive officer to increase certain Federal Way Link Extension contract and/or agreement amounts as necessary, for a total authorized cumulative increase not to exceed \$60,000,000, all within the Federal Way Link Extension approved baseline budget.

### Key features summary

- Sound Transit's experience with the Initial Segment, University Link Extension, Northgate Link Extension, and Lynnwood Link Extension projects indicates that opening a new light rail line can require significant unanticipated work and the agency must be in a state of readiness to meet jurisdictional and operational requirements that arise during the final stages of the project and through closeout.
- This action would authorize the use of Board-approved baseline budget funds not to exceed a total of \$60,000,000, as needed, to add contingencies to and increase the authorized amounts of certain active contracts and intergovernmental agreements related to the Federal Way Link Extension to facilitate the project's opening.
- This authorization will be applied to contracts and agreements within the design, construction services, third party, and construction phases of the Federal Way 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.
- This action will allow for funds to be allocated to individual contracts or agreements such that the amounts used will not exceed \$60,000,000 in cumulative increases.
- Staff will report to the Board no later than the third quarter of 2026 to provide a full accounting of contingency used and the reconciliation of any contracts and any agreements to which these funds were applied.

### Background

The Federal Way Link Extension adds approximately 7.8 miles of light rail from the Angle Lake light rail

station at South 200th Street in the City of SeaTac to the City Center area in Federal Way. The extension generally parallels State Route 99 and Interstate 5, with stations in Kent/Des Moines, Star Lake in Kent, and Federal Way Downtown. New parking structures will be constructed at each of the three stations. On September 27, 2018, the Sound Transit Board approved the Project Baseline Scope, Schedule, and Budget in Resolution No. R2018-30. The FWLE F200 Design-Build contract with Kiewit was executed on May 30, 2019.

The Board has previously authorized the funds and the funds are available within the Federal Way Link baseline budget. This action would authorize the use of baseline budget funds not to exceed a total of \$60,000,000, as needed, to increase the authorized amounts and add contingencies to certain active contracts and intergovernmental agreements related to the Federal Way Link Extension, including the following:

Within Third Party Phase:

- Construction Services Task Order with the Washington State Department of Transportation.
- Construction and Permitting support agreements with the City of SeaTac, City of Kent, City of Des Moines, and City of Federal Way.

Within the Construction Services Phase:

- Design build project management (DBPM) consultant, South County Transit Partners, supporting Sound Transit with oversight of design and construction of civil and systems work.

Within the Construction Phase:

- Design Build contract with Kiewit Infrastructure West Co. for Federal Way Link Extension.
- Design Bid Build contract with Stacy & Witbeck, Inc. for Traffic Mitigation.

Within the Design Phase:

- Design contract with David Evans and Associates for Design of FWLE Traffic Mitigation project

To facilitate timely opening of the extension, this action will authorize the chief executive officer to allocate funds within the Federal Way Link budget to intergovernmental agreements, design build contract, design build project management contract, increasing contract and agreement contingencies and authorized amounts as necessary, within the cumulative total increase of \$60,000,000.

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: 2Q 2026

Project scope, schedule and budget summary are located on the [Sound Transit website](#).

Fiscal Information

The baseline budget for the Federal Way Link Extension project is \$2,451,535,000. The proposed action does not commit any new funds but will allow for contract contingency and agreement amounts to be increased as necessary, using funds from existing budgetary line items, of up to \$60,000,000.

## Federal Way Link Extension

(in thousands)

Project Phase	Baseline Budget	Board Approvals*	This Action	Total Commitment Plus Action	Uncommitted / (Shortfall)
Agency Administration	\$111,480	\$68,056	\$0	\$68,056	\$43,424
Preliminary Engineering	46,131	46,117	-	46,117	14
Final Design	7,237	5,132	-	5,132	2,105
Third Party	43,982	32,199	3,000	35,199	8,783
Right of Way	287,723	241,790	-	241,790	45,933
Construction	1,790,750	1,639,971	45,000	1,684,971	105,778
Construction Services	164,232	139,582	12,000	151,582	12,651
<b>Total Current Budget</b>	<b>\$2,451,535</b>	<b>\$2,172,846</b>	<b>\$60,000</b>	<b>\$2,232,846</b>	<b>\$218,689</b>

### Notes:

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

For detailed project information, see page 130 of the 2025 Proposed Budget & Financial Plan.

\* Board Approvals = Commitment and PO Contingency Remaining as of 12/31/2024.

## 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:

AE 0008-17 – Design Build Project Management Contract – South County Transit Partners		
Small business goal: 12%	Small business commitment: 13.3%	Small business attainment: 28.8%
DBE goal: 7%	DBE commitment: 10.45%	DBE attainment: 15.9%

CN 0009-17 – Design Built Contract – Kiewit Infrastructure West Co.		
Small business goal: 15%	Small business commitment: 15%	Small business attainment: 13.19%
DBE goal: 5%	DBE commitment: 5%	DBE attainment: 7.47%

AE 0011-21 – Traffic Mitigation Design Contract – David Evans & Associates		
Small business goal: 16%	Small business commitment: 16%	Small business attainment: 22.2%
DBE goal: 15.5%	DBE commitment: 15.5%	DBE attainment: 22.2%

CN 0015-24 – Traffic Mitigation Construction Contract – Stacy & Witbeck, Inc.		
Small business goal: 8%	Small business commitment: 9.2%	Small business attainment: 0%
DBE goal: 8%	DBE commitment: 9.2%	DBE attainment: 0%

## Public involvement

Not applicable to this action.

## Time constraints

A one-month delay would not create a significant impact to the project schedule.

## Prior Board/Committee actions

Motion No. M2024-36: Authorized the chief executive officer to execute a contract with Stacy & Witbeck, Inc. to provide construction services for the Federal Way Link Extension project for traffic mitigation in the amount of \$11,648,140, with a 20 percent contingency of \$2,329,628, for a total authorized contract amount not to exceed \$13,977,768.

Motion No. M2023-79: Authorized the chief executive officer to amend Task Order 2 under the City Services Agreement between the City of Federal Way and Sound Transit for additional design review, permitting, and construction services for the Federal Way Link Extension Project in the amount of \$2,060,000, plus a 10 percent contingency of \$206,000, totaling 2,266,000, for a new total authorized agreement amount not to exceed \$7,810,705.

Motion No. M2023-78: Authorized the chief executive officer to amend Task Order 2 under the City Services Agreement between the City of Kent and Sound Transit for additional design review, permitting, and construction services for the Federal Way Link Extension project in the amount of \$1,750,000, plus a 10 percent contingency of \$175,000, totaling \$1,925,000, for a total authorized agreement amount not to exceed \$8,941,800.

Motion No. M2023-43: Authorized the chief executive officer to increase the contract contingency for the Federal Way Link Extension Design-Build Project Management Services contract with South County Transit Partners to cover an extended duration of services and for additional quality oversight in the amount of \$33,000,000 for a new total authorized contract amount not to exceed \$139,433,313.

Motion No. M2023-42: Authorized the chief executive officer to increase the contract contingency for the Federal Way Link Extension F200 Design-Build contract with Kiewit Infrastructure West Co. for Structure C as part of a global resolution change order in the amount of \$110,000,000 for a new total authorized contract amount not to exceed \$1,643,497,519.

Motion No. M2018-125: Authorized the chief executive officer to execute a Funding Agreement with the City of Des Moines to reimburse Sound Transit to design and construct the College Way Connection Project as part of the Sound Transit Federal Way Link Extension design-build contract in the amount of \$1,400,000.

Resolution No. R2018-30: Adopts the Federal Way Link Extension baseline schedule and budget by (a) increasing the authorized project allocation to date by \$2,038,910,000 from \$412,625,000 to \$2,451,535,000 (b) lowering the 2018 annual budget by \$52,612,337 from \$116,533,002 to \$63,920,665; and (c) establishing a project revenue service date of December 31, 2024.

Motion No. M2017-52: Authorized the chief executive officer to execute a task order with the Washington State Department of Transportation for engineering review services for the Federal Way Link Extension in the amount of \$1,177,593, with a 10% contingency of \$117,759, for a total authorized amount not to exceed \$1,295,352.

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**Environmental review** – KH 1/27/25

**Legal review** – JSA 2/7/25

## **Motion No. M2025-10**

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to increase certain Federal Way Link Extension contract and/or agreement amounts as necessary, for a total authorized cumulative increase not to exceed \$60,000,000, all within the Federal Way Link Extension approved baseline budget.

### **Background**

The Federal Way Link Extension adds approximately 7.8 miles of light rail from the Angle Lake light rail station at South 200th Street in the City of SeaTac to the City Center area in Federal Way. The extension generally parallels State Route 99 and Interstate 5, with stations in Kent/Des Moines, Star Lake in Kent, and Federal Way Downtown. New parking structures will be constructed at each of the three stations. On September 27, 2018, the Sound Transit Board approved the Project Baseline Scope, Schedule, and Budget in Resolution No. R2018-30. The FWLE F200 Design-Build contract with Kiewit was executed on May 30, 2019.

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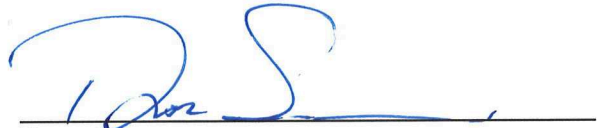
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Staff will report to the Board no later than the third quarter of 2026 to provide a full accounting of contingency used and the reconciliation of any contracts and any agreements to which these funds were applied.

## **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 Federal Way Link Extension contract and/or agreement amounts as necessary, for a total authorized cumulative increase not to exceed \$60,000,000, all within the Federal Way Link Extension approved baseline budget.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 27, 2025.

  
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Dave Somers  
Board Chair

## **Attest:**

  
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Kathryn Flores  
Board Administrator