SOUNDTRANSIT

Motion No. M2026-41

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

Meeting:	Date:	Type of action:
Systems Expansion Committee	10/08/2026	Recommend to Board
Board	10/22/2026	Final Action

Staff name:	Staff title:
Brad Owen	Acting Chief Capital Delivery Officer
Michael Morgan	Executive Director, Capital Delivery
Taylor Carroll	Deputy Executive Project Director

Proposed action

Authorizes the chief executive officer to increase the cumulative contingency amount authorized to increase certain Lynnwood Link Extension contract and/or agreement amounts as necessary, by an amount of $40,203,671, for a new total authorized cumulative contingency expenditure not to exceed $70,203,671, all within the existing Lynnwood Link Extension approved baseline budget.

Key features summary

- This action would authorize the additional use of Board-approved baseline budget funds not to exceed an additional total of $40,203,671, as needed, to add contingencies to and increase the authorized amounts of certain active contracts and intergovernmental agreements to fund work necessary to successfully complete and fund long-term closeout work associated with the Lynnwood Link Extension project.
- This action augments previous authority authorized by Motions No. M2024-16 and M2025-19 to allow additional funds within the Lynnwood Link Extension approved baseline budget to be available to be allocated to individual contracts or agreements such that amounts used will not exceed $70,203,671 in cumulative increases.
- 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.
- 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.
- Staff will report to the Board no later than the fourth quarter of 2027 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 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 was achieved 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.

Closing out the ST2 alignments has become a priority of the agency, and contracts with our LLE GCCM contracts are being extended to support the extended activities required for this process. The contingency authorization may also involve increases to the various task orders and other agreements that need to be funded to maintain the level of effort required to close out an 8.5-mile extension which runs through multiple jurisdictions including the Washington State Department of Transportation.

The agency is committed to a high state of readiness to address unanticipated work and to meet operational requirements that arise during the final stages of the project after revenue service and through closeout. This motion will address such needs and follow on scopes of work and long-term oversight beyond the project lifecycle.

Sound Transit's experience with this project as well as with other Light Rail Extensions 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 after opening and by going through closeout.

Previous Board actions (Motions No. M2024-16 and M2025-19) authorized a total amount of $30,000,000 of available project baseline-budget funds for these purposes. The additional amount requested would increase the total authorized amount to $70,203,671, which is available within the project's adopted Baseline Budget. This action would authorize the use of additional baseline budget funds not to exceed a total of $40,203,671, 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 closeout activities, final design, construction management, and construction contracts, and agreements:

- Civil, facilities and architectural preliminary and final design services by HNTB-Jacobs Trusted Design Partners (H-J)
- Extended Construction Services Task Order with the Washington State Department of Transportation for real estate/surplus property execution
- Long-Term Plant Establishment and Monitoring Agreement Task order budget support for WSDOT landscape oversight during establishment period
- Northgate Station to NE 200th Street Heavy Civil General Contractor/Construction Management contract by Stacy & Witbeck – Kiewit – Hoffman, a Joint Venture
- Long-Term Construction Services and Permit Review Agreements with the Cities of Seattle & Shoreline.
- Civil construction management consultant, PGH Wong Engineering, supporting Sound Transit's construction management team to manage all elements of civil facilities construction and closeout.
- Systems construction management consultant, Northwest Transit Systems Partners, supporting Sound Transit's construction management team to manage all elements of systems construction.
- Real Property, Environmental, and ROW Engineering consultants, CLS, David Evans and Associates, and Furtado to support all elements of real property transactions for closeout.

- Job Order contracts for scopes of work.

To ensure timely closeout of Lynnwood Link Extension, this action will authorize the chief executive officer to allocate funds within the approved 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 $70,203,671.

Project status

The project has been in Revenue Service since Aug 2024. Closeout process is currently active along with some follow-on scopes of construction work.

Fiscal information

The baseline budget for the Lynnwood Link Extension project is $2,767,734,000. 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 $40,203,671.

Lynnwood Link Extension
(in thousands)

Project Phase	Baseline Budget	Board Approvals*	This Action	Total Commitment Plus Action	Uncommitted / (Shortfall)
Agency Administration	$95,717	$89,068	$6,649	$95,717	$0
Preliminary Engineering	39,053	39,053	-	39,053	-
Final Design	171,823	167,349	4,474	171,823	-
Third Party	18,426	17,781	645	18,426	-
Right of Way	207,629	204,144	3,485	207,629	-
Construction	2,090,980	2,067,619	23,360	2,090,980	-
Construction Services	144,106	142,515	1,591	144,106	-
Total	**$2,767,734**	**$2,727,530**	**$40,204**	**$2,767,734**	**$**

Notes:
Amounts are expressed in Year of Expenditure $000s.
For detailed project information, see page 138 of the 2026 Adopted Budget & Financial Plan.
* Board Approvals = Commitment and PO Contingency Remaining as of 8/31/2026.

Disadvantaged and small business participation

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.

On October 3, 2025, U.S. Department of Transportation issued an Interim Final Rule (IFR) that removed race- and sex- based presumptions of social and economic disadvantage for purposes of Disadvantaged Business Enterprise (DBE) certification and implements new regulations in 49 CFR Part 26. The IFR temporarily prohibits the use of DBE goals in contracts receiving federal funding executed after October 3, 2025. Accordingly, DBE participation will not be counted toward a DBE goal at this time. Sound Transit promotes and encourages proposers to continue to solicit participation from, and honor commitments to, Small Businesses and firms that reflect all communities in the Sound Transit marketplace.

Public involvement

Not Applicable to this action.

Time constraints

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

Prior Board/Committee actions

Motion No. M2025-19: Authorized the chief executive officer to increase the cumulative contingency amount authorized to increase certain Lynnwood Link Extension contract and/or agreement amounts as necessary, by an amount of $15,000,000 for a new total authorized cumulative contingency expenditure not to exceed $30,000,000, all within the Lynnwood Link Extension approved baseline budget.

Motion No. M2024-16: Authorized 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.

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. 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. 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. 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. 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. 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. 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. 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.

Environmental review – KH 9/24/26

Legal review – JSA 10/2/26

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A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to increase the cumulative contingency amount authorized to increase certain Lynnwood Link Extension contract and/or agreement amounts as necessary, by an amount of $40,203,671, for a new total authorized cumulative contingency expenditure not to exceed $70,203,671, all within the existing Lynnwood Link Extension approved baseline budget.

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This action augments previous authority authorized by Motions No. M2024-16 and M2025-19 to allow additional funds within the Lynnwood Link Extension approved baseline budget to be available to be allocated to individual contracts or agreements such that amounts used will not exceed $70,203,671 in cumulative increases.

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.

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.

Staff will report to the Board no later than the fourth quarter of 2027 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 the cumulative contingency amount authorized to increase certain Lynnwood Link Extension contract and/or agreement amounts as necessary, by an amount of $40,203,671, for a new total authorized cumulative contingency expenditure not to exceed $70,203,671, all within the existing Lynnwood Link Extension approved baseline budget.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 22, 2026.

Ryan Mello
Board Vice Chair

Attest:

Kathryn Flores
Board Administrator