

Motion No. M2024-24

Increase contingency for Design Services during construction with WSP USA, Inc. for the East Link Extension Seattle to South Bellevue Segment

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee	5/9/2024	Recommend to Board	Terri Mestas, Deputy CEO, Chief Mega Capital Programs Officer
Board	5/23/2024	Final action	Ron Lewis, DECM Executive Director Tracy Reed, DECM Deputy Executive Director Jon Lebo, Executive Project Director, East Link

Proposed action

Authorizes the chief executive officer to increase the contingency for the design service contract with WSP USA, Inc (formerly Parsons Brinkerhoff, Inc.) for design services during construction for the International District Station to South Bellevue segment of the East Link Extension, in the amount of \$4,000,000 for a new total authorized contract amount not to exceed \$73,039,782, contingent upon approval of Resolution No. R2024-13.

Key features summary

- WSP USA, Inc (formerly Parsons Brinkerhoff, Inc.) completed the final design for the International District Station to South Bellevue (I-90 segment) of the East Link Extension and is providing design services during construction (DSDC) for the E130 contract (I-90 construction).
- The DSDC scope of work includes engineering and technical support to respond to contractor questions, submittal review, civil / systems design coordination, third-party coordination, and design changes during construction.
- This added contingency is needed to provide design services to address the ongoing civil contractor delays and defective work, such as responding to a large number of questions from the contractor for the track plinth reconstruction and extensive months-long engineering analyses of the contractor rebar and post-tensioned strikes found in the original track plinth construction and other defective construction.
- Additional engineering analyses were performed to consider various repair options for retention of defective track work, including concrete track slabs to support the track plinths. The broad extent of the defects led to the direct fixation track plinths being replaced, among other things. This resulted in added DSDC costs to cover the engineering support and for weekly meetings, engineering analysis, and site visits to investigate field issues and review the reconstructed work. The civil construction contract was originally planned to be completed in fall 2020 and is now forecast to be substantially complete in Fall 2024. Design support services are on-going and necessary to have in place through achievement of this schedule milestone.

- To the extent that the extended durations and additional costs such as those referenced here are the result of the actions or inactions of East Link contractors, designers and/or construction management consultants, Sound Transit will aggressively pursue reimbursement of the costs.

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 East Link Extension is anticipated to begin in 2025, and revenue service for the East Link Starter Line is planned for Spring 2024.

In October 2012, the Board authorized a contract with Parsons Brinckerhoff, Inc. (now WSP USA, Inc.) for final design services for civil and architectural elements necessary to construct the International District Station to South Bellevue segment of the East Link Extension. Work began in November 2012 and the design was completed in February 2017 with production of Issued for Construction Plans and Specifications.

In July 2013, the Board authorized an amendment to provide funding for final design services associated with the turn-back track facility at the International District Station. In October 2013, the Board authorized additional contingency to provide final design services associated with the track attachment program, design refinements and testing. In October 2014, the Board authorized additional contingency for final design services associated with anticipated additions and changes at Sound Transit's direction and third-party input. In July 2015, contingency was authorized by the Board to address remaining additions and refinements including design changes, additional efforts, and third-party input and requirements. In July 2017, the Board authorized a contract amendment for WSP to provide DSDC support.

This added contingency is needed to provide design services to address the ongoing civil contractor delays and defective work. Additional engineering analysis was performed to consider various repair options for retention of defective track work including concrete track slabs to support the track plinths. The civil construction project was originally planned to be completed in fall 2020 and is now forecast to be substantially complete 4 years later in fall 2024. Reconstruction of the civil track work is approximately 80% complete at this time. Due to the ongoing construction challenges and extended durations on the I-90 segment, WSP's authorized budget is projected to be depleted by September 2024. This additional funding should be sufficient, barring any unforeseen issues not yet identified, to provide the necessary DSDC support for the E130 contract through project closeout at the end of 2025.

Project status

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

Projected revenue service: 2025

Project scope, schedule and budget summary are located on page 33 of the February 2024 Agency Progress Report.

Procurement information

A request for qualifications (RFQ) was advertised on May 1, 2012, for Seattle to South Bellevue Final Design in accordance with requirements for Architect/Engineer contracts. Statements of Qualifications

(SOQ) were due June 11, 2012. Sound Transit received three proposals. On July 16, 2012, after the completion of the evaluation process, Parsons Brinckerhoff, now WSP USA, Inc., was determined to be the highest qualified firm. A letter was sent to Parsons Brinckerhoff notifying them of the results and the start of negotiations.

Contract negotiations were held during which a cost analysis was performed that evaluated each cost element with profit as its own element. The costs were also evaluated against the ICE that had been prepared prior to the receipt of the cost proposal. The negotiated price for this cost-plus-fixed-fee (CPFF) contract was determined to be fair and reasonable by the Contract Specialist in conjunction with the project team and moved forward for recommendation to award by the Capital Committee on October 11, 2012, and by the Board on October 25, 2012. The contract was executed on October 31, 2012, with a Notice to Proceed effective November 5, 2012.

Fiscal information

This is a concurrent action with following Board motions and resolution:

1. M2024-25: Contract Modification with Mass Electric Construction Company for the East Link Extensions Systems Construction Contract,
2. M2024-26: Contract Modification with Northwest Transit Systems Partners for the East Link Extensions Systems Construction Management Consultant Services
3. M2024-27: Contract Modification with Kiewit-Hoffman, East Link Constructors, for the East Link Extension Seattle to South Bellevue Segment,
4. M2024-28: Contract Modification with Jacobs Project Management Company for Construction Management Services for the East Link Extension Seattle to South Bellevue Segment, and
5. Contingent upon Board approval of the phase budget transfer outlined in Resolution No. R2024-13.

This action is within the baseline budget and sufficient monies remain after approval of this action to fund the remaining work in the Final Design phase. The current 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, \$264,468,148 has been set aside in the final design phase. Within the final design phase, \$18,961,000 has been allocated to the budget line item for civil design support during construction (DSDC) from Seattle to South Bellevue. The action would commit \$4,000,000 to this line item and leave a budget balance of \$310,790.

East Link Extension
(in thousands)

Project Phase	Total Baseline Budget	Board Approvals*	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Administration	\$176,100	\$151,023	\$0	\$151,023	\$25,077
Preliminary Engineering	54,776	54,776	-	54,776	-
Final Design	264,468	258,268	4,000	262,268	2,201
Third Parties	46,650	41,717	-	41,717	4,933
Right of Way	283,516	281,150	-	281,150	2,367
Construction	2,557,942	2,500,346	-	2,500,346	57,596
Construction Services	293,697	291,985	-	291,985	1,713
Total Current Budget	\$3,677,150	\$3,579,264	\$4,000	\$3,583,264	\$93,886

Phase Detail - Final Design					
Civil DSDC - SEA to SB (PB)	\$18,961	\$14,650	\$4,000	\$18,650	\$311
Other Final Design	245,507	243,617	-	243,617	1,890
Total Phase	\$264,468	\$258,268	\$4,000	\$262,268	\$2,201

WSP USA, Inc. (formerly Parsons Brinckerhoff, Inc.)	Board Approvals to Date	Proposed Action	Proposed Total for Board Approval	Current Contract Spend Status
Contract Amount	\$40,641	\$0	\$40,641	\$67,610
Contract Contingency	28,399	4,000	32,399	0
Total Contract Amount	\$69,040	\$4,000	\$73,040	\$67,610
Percent Contingency	70%		80%	0%

Notes:

Amounts are expressed in Year of Expenditure \$000s.
 For detailed project information, see page 115 of 224 of the 2024 Financial Plan & Adopted Budget.
 * Board Approvals = Commitment and PO Contingency Remaining as of 3/31/2024.

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). Small business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract/agreement and the number of small businesses/DBEs available to perform such subcontracting work.

For this specific contract, the following DBE/Small Business goals were established, and the successful Bidder/Proposer committed to the following small business participation:

DBE and Small Business Participation AE 0073-12 ST East Link Final Design	
Sound Transit Contract DBE Goal: 6%	Sound Transit Contract Small Business Goal: 12%
DBE Commitment: 9%	Small Business Commitment: 16%
Current DBE Attainment: 8.96%	Current Small Business Attainment: 16.19%

Public involvement

Not applicable to this action.

Time constraints

To secure design support during construction services efficiently, approval of this action is desired in May. A one-month delay would not have a significant impact on the project.

Prior Board/Committee actions

Motion No. M2017-87: Authorized the chief executive officer to execute a contract amendment with WSP USA, Inc. (formerly Parsons Brinckerhoff, Inc.), to provide design services during construction for the International District Station to the South Bellevue segment of the East Link Extension in the amount of \$12,000,000, with a 10% contingency of \$1,200,000 totaling \$13,200,000, for a new total authorized contract amount not to exceed \$69,039,782.

Motion No. M2015-64: Authorized the chief executive officer to add contract contingency for the contract with Parsons Brinckerhoff, Inc., to provide final design services for the International District Station to South Bellevue segment of the East Link Extension in the amount of \$20,000,000, for a total authorized contract amount not to exceed \$55,839,782.

Motion No. M2014-80: Authorized the chief executive officer to add contract contingency for the contract with Parsons Brinckerhoff, Inc., to provide final design services for the International District Station to South Bellevue segment of the East Link Extension in the amount of \$5,498,903, for a total authorized contract amount not to exceed \$35,839,782.

Motion No. M2013-91: Authorized the chief executive officer to add contract contingency for the contract with Parsons Brinckerhoff, Inc., to provide final design services for the International District Station to South Bellevue segment of the East Link Extension in the amount of \$1,700,000, for a new total authorized contract amount not to exceed \$30,340,879.

Motion No. M2013-48: Authorized the chief executive officer to execute a contract amendment with Parsons Brinckerhoff, Inc., to provide final design services for the East Link Extension civil design to include a turn-back track facility at the International District Station in the amount of \$755,879, for a total authorized contract amount not to exceed \$28,640,879.

Motion No. M2012-75: Authorized the chief executive officer to execute a contract with Parsons Brinckerhoff, Inc., to provide final design services for the International District Station to South Bellevue segment of the East Link Extension for a total authorized contract amount not to exceed \$27,885,000.

Environmental review – KH 4/22/24

Legal review – JEN 05/02/24

Motion No. M2024-24

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to increase the contingency for the design service contract with WSP USA, Inc (formerly Parsons Brinkerhoff, Inc.) for design services during construction for the International District Station to South Bellevue segment of the East Link Extension, in the amount of \$4,000,000 for a new total authorized contract amount not to exceed \$73,039,782, contingent upon approval of Resolution No. R2024-13.

Background

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the track plinth reconstruction and extensive months-long engineering analyses of the contractor rebar and post-tensioned strikes found in the original track plinth construction and other defective construction.

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To the extent that the extended durations and additional costs such as those referenced here are the result of the actions or inactions of East Link contractors, designers and/or construction management consultants, Sound Transit will aggressively pursue reimbursement of the costs.

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 contract contingency with Mass Electric Construction Company for the East Link Systems Construction contract in the amount of \$5,000,000 for a new total authorized contract amount not to exceed \$438,450,000, with \$326,556,534 allocated from the East Link Extension project, all within the Board approved project budget.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on _____.

Dow Constantine
Board Chair

Attest:

Kathryn Flores
Board Administrator