

MOTION NO. M2017-30

Contract Amendment for Seattle to South Bellevue Construction within the East Link Extension

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	03/09/2017	Recommend to Board	Ahmad Fazel, DECM Executive Director
Board	03/23/2017	Final Action	Ron Lewis, Executive Project Director - East Link Extension Sepehr Sobhani, Construction Manager, East Link Extension

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with Kiewit-Hoffman, A Joint Venture to provide Heavy Civil General Contractor/Construction Manager construction services for the Seattle to South Bellevue construction within the East Link Extension in the amount of \$661,315,300, plus a 7% contingency of \$46,292,071, totaling \$707,607,371, for a new total authorized contract amount not to exceed \$711,660,541. Further authorizes Sound Transit to issue a notice-to-proceed under the executed contract when appropriate.

KEY FEATURES SUMMARY

- This contract amendment includes the construction of approximately seven miles of double track alignment, two stations, traction power substations, tunnel mechanical and electrical retrofits, and all civil work in the Seattle to South Bellevue portion of the East Link Extension.
- The scope of work also includes:
 - Seismic modifications to WSDOT bridges;
 - Modifications to existing utilities along the alignment;
 - Post-tensioning of the Homer M. Hadley Floating Bridge;
 - Lighting, signals, Intelligent Transportation Systems, and signage along the alignment;
 - Cathodic protection of the Homer M. Hadley Floating Bridge and Lacy V. Murrow Floating Bridge;
 - Construction of four traction power substation housings;
 - Installation of track bridges; and
 - Conversion of the International District Station to accommodate East Link service.
- This amendment supplements the Board's action in February 2017, which authorized the construction contract for early submittals and post-tensioning steel procurement.
- The proposed action would implement the construction phase of the GC/CM process, with a notice-to-proceed to be issued by Sound Transit when appropriate, with active construction to begin in June 2017. The work is expected to take approximately 44 months, including provisions that maintain the contractor's involvement through commencement of pre-revenue service.

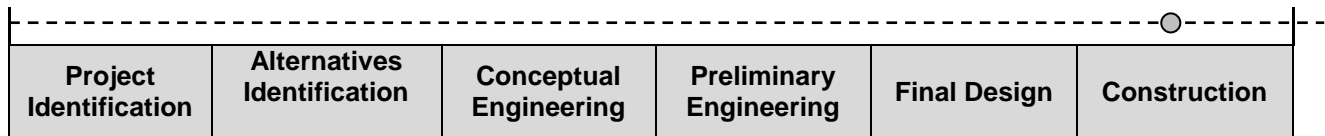
BACKGROUND

East Link extends light rail 14 miles from downtown Seattle to downtown Bellevue and the Overlake area of Redmond via I-90, with stations serving Rainier Avenue/I-90, Mercer Island, South Bellevue, Downtown Bellevue, Overlake Hospital, the Bel-Red Corridor, Overlake Village, and the Overlake Transit Center. The East Link project route, profiles, and station locations were selected by the Sound Transit Board on July 28, 2011, and amended on April 25, 2013. Light rail service between Seattle and the Overlake Transit Center is forecasted to begin in 2023.

The Seattle to South Bellevue construction contract includes two stations, Judkins Park and Mercer Island. The project includes elevated and at grade track, including one mile of track on the Homer M. Hadley floating bridge, post-tensioning of the Homer M. Hadley floating bridge, special track work, conversion of the International District Station to serve East Link, and civil/system infrastructure.

The Sound Transit Board authorized a contract with Kiewit-Hoffman, A Joint Venture (AJV) for Heavy Civil General Contractor/Construction Manager construction services on February 9, 2017. Sound Transit negotiated the MACC for the full construction contract with Kiewit-Hoffman AJV in February 2017. Consistent with the Heavy Civil GC/CM process and RCW 39.10, the MACC included costs relating to the procurement of subcontracts advertised to the public as 30 Invitations to Bid, work to be performed by Kiewit Hoffman AJV, negotiated support services, MACC risk contingency and provisional sums. The costs included in this action are consistent with the independent cost estimate and are considered fair and reasonable.

PROJECT STATUS



Projected Completion Date for Construction Phase: 2Q 2023
 Project scope, schedule and budget summary are located on page 43 of the December 2016 Agency Progress Report.

FISCAL INFORMATION

This action is within the baseline budget and sufficient funds remain after approval of this action to fund the remaining work in the construction phase as contained in the current cost estimates.

The baseline budget for the East Link Extension project is \$3,677,150,000. Within that amount, \$2,544,300,000 has been set aside for the construction phase. Of that amount \$1,126,400,218 has been previously committed. The proposed action would commit \$707,607,371 for construction of the Seattle to South Bellevue segment leaving a remaining uncommitted budget of \$710,292,411 in the construction phase.

The line item budget shortfall of \$225,239,541 will be funded by transferring \$245,239,541 from the construction phase unallocated contingency, which leaves a remaining balance of \$147,290,459 in unallocated contingency and a remaining budget of \$20,000,000 for other construction in the I-90 Corridor.

East Link Extension

(in thousands)

	Baseline Budget	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Agency Administration	\$186,200	\$54,847	\$	\$54,847	\$131,353
Preliminary Engineering	55,900	54,839		54,839	1,061
Final Design	283,000	239,036		239,036	43,964
Third Parties	52,150	36,951		36,951	15,199
Right of Way	298,150	206,714		206,714	91,436
Construction	2,544,300	1,126,400	707,607	1,834,008	710,292
Construction Services	257,450	150,421		150,421	107,029
Vehicles					
Total Current Budget	\$3,677,150	\$1,869,209	\$707,607	\$2,576,816	\$1,100,334

Phase Detail - Construction

E130 Seattle to So. Bellevue	\$486,421	\$4,053	\$707,607	\$711,661	(\$225,240)
Other Construction Phase Work	1,665,349	1,122,347		1,122,347	543,002
Construction Unallocated Contingency	392,530				392,530
Total Phase	\$2,544,300	\$1,126,400	\$707,607	\$1,834,008	\$710,292

Kiewit-Hoffman East Link

Constructors, JV

Contract Detail	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Contract Amount	\$3,685	\$3,685	\$661,315	\$665,000
Contingency	368	368	46,292	46,661
Total Contract Amount	\$4,053	\$4,053	\$707,607	\$711,661
Percent Contingency	10%	10%	7%	7%

Budget Shortfall Funding

Construction Unallocated Contingency	392,530
Budget Shortfall Funding	(225,240)
Other I-90 Corridor Scope	(20,000)
Remaining Unallocated Contingency	\$147,290

Notes:

Amounts are expressed in Year of Expenditure.

Board Approvals = Committed To-Date + Contingency as of January 2017 includes pending Board actions.

For detailed project information, see page 19 of the Proposed 2017 Transit Improvement Plan (TIP).

SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

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 the construction 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 each subcontract package, Kiewit-Hoffman, AJV has included specific small and disadvantaged business goals. These goals were established based on the type of work and the availability of small and disadvantaged businesses to perform that particular work.

The overall Small Business/DBE participation goals established for this contract are:

Small Business: 10%
DBE: 5%

Kiewit-Hoffman, AJV has committed to the following participation levels for this contract amendment:

Small Business: 10%
DBE: 5%

PUBLIC INVOLVEMENT

The East Link project staff has been actively engaged with stakeholders at all levels throughout the project area. The neighboring communities have had numerous opportunities to meet with staff, learn about the project and provide Sound Transit with comments and questions. The final design has been a collaborative effort between Sound Transit and project stakeholders, including the local community, the City of Bellevue, the City of Mercer Island, the Washington State Department of Transportation, King County Transit providers and Emergency service providers.

TIME CONSTRAINTS

A one month delay would create a significant impact to the project schedule.

PRIOR BOARD/COMMITTEE ACTIONS

Motion No. M2017-17: Authorized the chief executive officer to execute a construction contract with Kiewit-Hoffman, A Joint Venture to provide early work as part of the Heavy Civil General Contractor/Construction Manager construction services for the Seattle to South Bellevue segment within the East Link Extension in the amount of \$3,684,700, plus a 10% contingency of \$368,470 for a total authorized contract amount not to exceed \$4,053,170.

Motion No. M2015-98: Authorized the chief executive officer to execute a contract with the Joint Venture of Kiewit-Hoffman, to provide pre-construction services for the Seattle to South Bellevue segment within the East Link Extension in the amount of \$4,792,156, with a 10% contingency of \$479,216, for a total authorized contract amount not to exceed \$5,271,372.

ENVIRONMENTAL REVIEW

JI 3/3/2017

LEGAL REVIEW

JEN 02/28/17

MOTION NO. M2017-30

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with Kiewit-Hoffman, A Joint Venture to provide Heavy Civil General Contractor/Construction Manager construction services for the Seattle to South Bellevue construction within the East Link Extension in the amount of \$661,315,300, plus a 7% contingency of \$46,292,071, totaling \$707,607,371, for a new total authorized contract amount not to exceed \$711,660,541. Further authorizes Sound Transit to issue a notice-to-proceed under the executed contract when appropriate.

BACKGROUND:

East Link extends light rail 14 miles from downtown Seattle to downtown Bellevue and the Overlake area of Redmond via I-90, with stations serving Rainier Avenue/I-90, Mercer Island, South Bellevue, Downtown Bellevue, Overlake Hospital, the Bel-Red Corridor, Overlake Village, and the Overlake Transit Center. The East Link project route, profiles, and station locations were selected by the Sound Transit Board on July 28, 2011, and amended on April 25, 2013. Light rail service between Seattle and the Overlake Transit Center is forecasted to begin in 2023.

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MOTION:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with Kiewit-Hoffman, A Joint Venture to provide Heavy Civil General Contractor/Construction Manager construction services for the Seattle to South Bellevue construction within the East Link Extension in the amount of \$661,315,300, plus a 7% contingency of \$46,292,071, totaling \$707,607,371, for a new total authorized contract amount not to exceed \$711,660,541. Further authorizes Sound Transit to issue a notice-to-proceed under the executed contract when appropriate.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on March 23, 2017.



Dave Somers
Board Chair

ATTEST:



Kathryn Flores
Board Administrator