

Motion No. M2023-70

Authorizes use of existing funds for the Cumulative Expenditure limit on use of the Alternative Concept Allowance for the Design-Build Contract for the Downtown Redmond Link Extension

| Meeting: | Date: | Type of action: | Staff contact: |
|----------------------------------|--------------------------|------------------------------------|---|
| System Expansion Committee Board | 08/10/2023 08/24/2023 | Recommend to Board Final action | Brooke Belman, Deputy CEO, Chief Expansion Delivery Officer Ron Lewis, DECM Executive Director Tony Raben, Executive Project Director – Downtown Redmond Link Extension |

Proposed action

Authorizes use of existing funds from \$20,000,000 to \$40,000,000 within the Alternative Concept Allowance authorized to fund additional substantial added value improvements to the design-build contract with Stacey and Witbeck/Kuney, a Joint Venture, for completion of the Downtown Redmond Link Extension, all within the project baseline budget.

Key features summary

- Board Motion No. M2019-74 established an alternative concept allowance (ACA) for the contract of \$50,000,000 to be used to fund items that substantially add value to the project with the requirement to bring all items to the Board, regardless of the amount, once the cumulative expenditures of this allowance exceed \$20 million.
- The ACA has been used to fund added value items with an actual cumulative expenditure to-date of \$19.9M.
- This action authorizes the cumulative expenditure limit of the existing ACA be modified by \$20 million to \$40 million, all within the baseline budget. This will improve transactional timing and decision-making efficiency.
- This action would not affect the \$5 million dollar threshold for any individual improvement requiring Board consideration, nor would it allocate additional funds to the contract.
- The ACA has been utilized for enhancements to safety, security, operations, maintenance, and engineering; and to help minimize the schedule delays from the extraordinary impacts caused by the pandemic and concrete strike.
- Future expenditures may arise from lessons learned, review of safety and security conditions identified from as-built conditions, enhancements and optimization identified by operations and maintenance, and other changes requested by Sound Transit.
- The Downtown Redmond Link Extension is 73% complete and has utilized \$19.9M (40%) of the ACA with a remaining ACA balance of \$30.1M.

Background

The Downtown Redmond Link Extension is a 3.4-mile light rail extension from the future Redmond Technology Center station at NE 40th Street in Redmond to the East Corridor terminus station at 166th Ave. NE in Downtown Redmond. The project includes two stations and a 1400-space parking garage.

The project was baselined in October 2018 and the Notice to Proceed for the design-build contract was issued in September 2019. The project is currently scheduled to be ready for pre-revenue service in 4Q 2024.

The project has utilized \$19.9M of the alternative concept allowance on items that add value to the project including enhancements to safety, security, operations, maintenance, engineering and schedule.

Project status

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

Projected completion date for final design and construction: 4Q 2024

Project scope, schedule and budget summary are located on page 20 of the June 2023 Agency Progress Report.

Procurement information

Not applicable

Fiscal information

No action required.

Motion 2019-74 committed \$50M toward Alternative Concepts Allowance. The cumulative spending limit requires the project to bring items to the Board for approval for all uses of the Alternative Concept Allowance once \$20M has been expended. This action meets that requirement. No additional commitment is being authorized.

Disadvantaged and small business participation

Participation by small businesses and disadvantaged business enterprises (DBEs)

| CN 0148-18 (Design Services): R200 Downtown Redmond Design-Build (Design) | | | |
|---|--------|-----------------|-------|
| Small Business Goal: | 10% | DBE Goal: | 5% |
| Small Business Commitment: | 13.07% | DBE Commitment: | 6% |
| Current Small Business Attainment: | 18.46% | DBE Attainment: | 8.69% |

CN 0148-18 (Construction Services): R200 Downtown Redmond Design-Build (Construction)

| | |
|--|------------------------------|
| Small Business Goal: 10% | DBE Goal: 5% |
| Small Business Commitment: 12% | DBE Commitment: 6% |
| Current Small Business Attainment: 9.3% | DBE Attainment: 5.93% |

The contract is 73% complete (27% remaining to be completed) and the construction phase attainment of both the SBE and DBE are expected to surpass the commitment based on the subcontracts that have been awarded.

Apprentice utilization commitment

| Apprentice utilization | |
|------------------------------------|-----------------|
| Apprentice utilization goal: 17.9% | Commitment: 20% |

The Design-Builder apprenticeship use trend is positive over the last three months. Sound Transit will continue to work with the Design-Builder to help identify opportunities to improve their goal attainment.

Public involvement

Not applicable

Time constraints

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

Prior Board/Committee actions

Motion M2019-74: Authorized the chief executive officer to execute a design-build contract with Stacy and Witbeck/Kuney, a Joint Venture to complete final design and construction of the Downtown Redmond Link Extension in the amount of \$729,266,000, with a \$75,256,600 base contingency, and authorized an alternative concept allowance not to exceed \$50,000,000 to fund the maximum cost of any additional substantial added value improvements, for a total authorized contract amount not to exceed \$854,522,600.

Environmental review – KH 7/25/23

Legal review – JSA 8/4/23



Motion No. M2023-70

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing use of existing funds from \$20,000,000 to \$40,000,000 within the Alternative Concept Allowance authorized to fund additional substantial added value improvements to the design-build contract with Stacey and Witbeck/Kuney, a Joint Venture, for completion of the Downtown Redmond Link Extension, all within the project baseline budget.

Background

The Downtown Redmond Link Extension is a 3.4-mile light rail extension from the future Redmond Technology Center station at NE 40th Street in Redmond to the East Corridor terminus station at 166th Ave. NE in Downtown Redmond. The project includes two stations and a 1400-space parking garage.

The project was baselined in October 2018 and the Notice to Proceed for the design-build contract was issued in September 2019. The project is currently scheduled to be ready for pre-revenue service in 4Q 2024.

The project has utilized \$19.9M of the alternative concept allowance on items that add value to the project including enhancements to safety, security, operations, maintenance, engineering and schedule.

Board Motion No. M2019-74 established an alternative concept allowance (ACA) for the contract of \$50,000,000 to be used to fund items that substantially add value to the project with the requirement to bring all items to the Board, regardless of the amount, once the cumulative expenditures of this allowance exceed \$20 million.

The ACA has been used to fund added value items with an actual cumulative expenditure to-date of \$19.9M.

This action authorizes the cumulative expenditure limit of the existing ACA be modified by \$20 million to \$40 million, all within the baseline budget. This will improve transactional timing and decision-making efficiency.

This action would not affect the \$5 million dollar threshold for any individual improvement requiring Board consideration, nor would it allocate additional funds to the contract.

The ACA has been utilized for enhancements to safety, security, operations, maintenance, and engineering; and to help minimize the schedule delays from the extraordinary impacts caused by the pandemic and concrete strike.

Future expenditures may arise from lessons learned, review of safety and security conditions identified from as-built conditions, enhancements and optimization identified by operations and maintenance, and other changes requested by Sound Transit.

The Downtown Redmond Link Extension is 73% complete and has utilized \$19.9M (40%) of the ACA with a remaining ACA balance of \$30.1M.

Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that use of existing funds from \$20,000,000 to \$40,000,000 within the Alternative Concept Allowance authorized to fund additional substantial added value improvements to the design-build contract with Stacey and Witbeck/Kuney, a Joint Venture, for completion of the Downtown Redmond Link Extension, all within the project baseline budget is authorized.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on August 24, 2023.


Dow Constantine
Board Chair

Attest:


Kathryn Flores
Board Administrator