



Motion No. M2024-26

Contract Modification with Northwest Transit Systems Partners for the East Link Extensions Systems Construction Management Consultant Services

| Meeting: | Date: | Type of action: | Staff contact: |
|----------------------------|------------|--------------------|---|
| System Expansion Committee | 05/09/2024 | Recommend to Board | Terri Mestas, Deputy CEO, Chief Mega Capital Programs Officer |
| Board | 05/23/2024 | 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 contract contingency for the East Link Systems Construction Management Consultant Services contract with Northwest Transit Systems Partners in the amount of \$5,000,000 for a new authorized contract amount not to exceed \$77,661,124, with \$41,721,160 allocated from the East Link Extension project, all within the Board approved project budget.

Key features summary

- On August 15, 2016, Sound Transit and Northwest Transit Systems Partners (NTSP) entered into an agreement for systems construction management consultant (CMC) pre-construction services for the Northgate and Eastlink Extension projects. In May 2017, the Board authorized a contract amendment with NTSP to provide CMC services for the Northgate Link and East Link systems construction phase, and the preconstruction phase of the Lynnwood Link systems construction.
- Delays from the civil contracts have delayed the completion of the systems work. The original planned substantial completion for the systems work was December 31, 2021.
- In March 2023, the Board authorized M2023-23 providing additional funding to support the construction administration services anticipating that CMC Support Services work would be complete by the end of 2025.
- Additional delays of the civil work on the I-90 segment since the last funding authorization is preventing the systems contractor from completing its work, including project closeout, on that schedule. The civil delay is expected to add 4-6 months to the duration of this contract.
- This additional \$5 million will support NTSP's efforts during the extended duration of the work. Lessons learned from other projects and more recently from the East Link Starter Line indicate that there will likely be additional construction changes to implement Sound Transit and third-party requests for additional features, such as security upgrades, installation of which will require additional oversight.
- This request provides necessary funding to extend NTSP's services to mid-2026 in connection with construction, pre-revenue activities, and closeout management and documentation. While there is in

the requested amount a limited contingency for additional civil delays of perhaps two months, any more significant delays will require additional funding beyond that requested here.

- To the extent that the extended durations and additional costs such as those referenced above 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

In February 2013, Sound Transit made the decision to combine the Systems construction contract for the Northgate Link and East Link extensions into one construction package based on a Value Engineering recommendation. The Systems Construction Contract Package includes installation of signals, traction electrification, traction power substations, overhead catenary systems (OCS), communications, and SCADA (supervisory control and data acquisition) systems across the combined Northgate and East Link extensions, covering 18 miles of the light rail system.

Northgate Link and East Link extensions are complex projects requiring close coordination of work and access between the civil contractors and the systems contractor. In April 2015, Sound Transit authorized Phase 1, pre-construction, and Phase 2, construction services for the Systems CMC for both Northgate and East Link extensions to provide continuity in CMC services in-line with the contracting approach.

Sound Transit has found NTSP to be a valuable partner in administering the delivery of the ELE systems work. Coordination between Mass Electric Construction (MEC) Company and the civil contracts through the delays has allowed MEC to complete and commission elements of its work while civil delay issues are resolved. It is critically important that NTSP continue its work through the completion of the East Link systems construction, testing and commissioning.

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

Sound Transit issued a Request for Qualifications for systems construction management services for the Northgate Link and East Link Extensions, which included an option for the Lynnwood Link Extension, in November 2015. Sound Transit received three Statements of Qualifications. On December 23, 2015, after the completion of the evaluation process, Northwest Transit Systems Partners was determined to be the highest qualified firm pursuant to the criteria in the RFQ.

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 Independent Cost Estimate that had been prepared prior to the receipt of the cost proposal. The final price was determined to be fair and reasonable by the Contract Specialist in conjunction with the project team. The contract type is cost plus fixed fee.

In August 2016, contract RTA/AE 0040-15 was executed to provide construction management services during the preconstruction phase of the Northgate Link and East Link Extensions systems construction. With Board approval in May 2017, the contract was modified to exercise the option for construction management services for the construction phase of Northgate and East Link Extensions and the preconstruction phase of Lynnwood Link Extension systems construction.

Fiscal information

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

1. M2024-24: Increase contingency for Design Services during construction with WSP USA, Inc. for the East Link Extension,
2. M2024-25: Contract Modification with Mass Electric Construction Company for the East Link Extensions Systems Construction Contract,
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. R2024-13: East Link Extension Phase Budget Transfer.

This action is within the baseline budget and sufficient monies remain after approval of this action to fund the remaining work in the construction services 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, \$293,697,256 has been set aside in the construction services phase. Within the construction services phase, \$42,000,000 has been allocated to the budget line item for E750 Systems CMC. The action would commit \$5,000,000 to this line item and leave a budget balance of \$33,766.

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 | 262,268 | - | 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 | 286,985 | 5,000 | 291,985 | 1,713 |
| Total Current Budget | \$3,677,150 | \$3,578,264 | \$5,000 | \$3,583,264 | \$93,886 |

| Phase Detail - Construction Services | | | | | |
|--------------------------------------|------------------|------------------|----------------|------------------|----------------|
| E750 Systems CMC | \$42,000 | \$36,966 | \$5,000 | \$41,966 | \$34 |
| Other Construction Services | 251,697 | 250,018 | - | 250,018 | 1,679 |
| Total Phase | \$293,697 | \$286,985 | \$5,000 | \$291,985 | \$1,713 |

| Northwest Transit Systems Partners | Board Approvals to Date | Proposed Action | Proposed Total for Board Approval | Current Contract Spend Status |
|------------------------------------|-------------------------|-----------------|-----------------------------------|-------------------------------|
| East Link Contract Amount | \$25,456 | | \$25,456 | \$34,496 |
| East Link Contingency | 11,254 | 5,000 | 16,254 | 0 |
| Northgate Link Contract Amount | 13,283 | | 13,283 | 13,283 |
| Northgate Contingency | 1,237 | | 1,237 | 0 |
| Lynnwood Link Contract Amount | 20,059 | | 20,059 | 20,059 |
| Lynnwood Contingency | 1,372 | | 1,372 | 0 |
| Total Contract Amount | 72,661 | \$5,000 | \$77,661 | 67,838 |
| Percent Contingency | 24% | | 32% | |

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). 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.

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

| Small business and disadvantaged business enterprise (DBE) goals | |
|--|---------------------------------|
| AE 0040-15A: Construction Management Services for Eastlink/Northlink Systems Project | |
| Small business goal: 9.5% | DBE goal 4.5% |
| Small business commitment: 11% | DBE commitment 6.0% |
| SBE Participation do Date: 18.01% | DBE Participation to Date 7.70% |

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. M2023-23: Authorized the chief executive officer to increase the contract contingency with Northwest Transit Systems Partners for Construction Management Consultant services for the East Link Extension's Systems in the amount of \$8,800,000 for a new total authorized contract amount not to exceed \$72,661,124, with \$36,721,160 allocated to the East Link Extension, all within the Board approved project budget.

Motion No. M2017-74: Authorized the chief executive officer to execute a contract amendment with Northwest Transit Systems Partners to provide construction management consultant services for the Northgate Link and East Link systems construction phase, and the preconstruction phase of the Lynnwood Link systems construction in the amount of \$36,680,922, with a contingency of \$3,588,242, totaling \$40,269,163, for a new total authorized contract amount not to exceed \$44,106,455.

Motion No. M2016-27: Authorized the chief executive officer to execute a contract with Northwest Transit Systems Partners to provide systems construction management consultant services for the preconstruction phase of the Northgate Link and East Link extensions systems construction in the amount of \$3,654,564, with a 5% contingency of \$182,728, for a total authorized contract amount not to exceed \$3,837,292.

Environmental review – KH 4/22/24

Legal review – JEN 05/02/24

Motion No. M2024-26

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to increase the contract contingency for the East Link Systems Construction Management Consultant Services contract with Northwest Transit Systems Partners in the amount of \$5,000,000 for a new authorized contract amount not to exceed \$77,661,124, with \$41,721,160 allocated from the East Link Extension project, all within the Board approved project budget.

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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 increase the contract contingency for the East Link Systems Construction Management Consultant Services contract with Northwest Transit Systems Partners in the amount of \$5,000,000 for a new authorized contract amount not to exceed \$77,661,124, with \$41,721,160 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 May 23, 2024.



Dow Constantine
Board Chair

Attest:



Kathryn Flores
Board Administrator