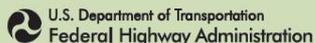


Alaskan Way Viaduct Replacement Program Expert Review Panel Updated Report

Dr. Patricia D. Galloway, P.E., Chair
Mr. John Rose
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Alaskan Way Viaduct Replacement Program



Expert Review Panel Charge

- **Previous reports completed in 2012 and 2013**
- **New authorization from 2013 Legislature**
 - Update previous reports
 - “Ensure that an appropriate and viable financial plan is created and regularly reviewed”
- **The 2014 Report was current as of its date of publication**

Summary of Findings

Successes to Date

- **Strong success in completing early contracts in Program**
- **Strong likelihood of successful completion of non-tunnel projects**
- **Good basis for successful tunnel project**
 - Good contract
 - Experienced contractor
 - Good (and improving) risk management practices
- **Successful negotiation of binding agreement with Port of Seattle**

Summary of Findings

Looking Ahead

- **Schedule likely to be delayed**
- **Existing budget can be sufficient**
 - Current budget should not be diverted to expand scope of Program at this time
- **Right steps are being taken to solve TBM problems**
- **Relations with tunnel contractor are a threat to successful completion**

Today's Topics

- **Tunnel Boring Machine**
- **Schedule**
- **Project Management**
- **Risk Management**
- **Relations with Tunnel Contractor**
- **Budget**
- **Funding Sources**
- **Stakeholder Communications**

Tunnel Boring Machine

- **Initial launch and operation were successful**
- **Right steps are being taken to diagnose and solve TBM problems**
- **ERP has a high degree of confidence that TBM problems will be solved and tunnel completed**

Schedule

- **Contract completion date is November 2016**
- **Current information predicts opening date of tunnel in mid-2016**
- **TBM delay can be partially offset by acceleration of other items**
- **TBM stoppage has eased Seawall coordination issues**

Project Management

- **ERP made recommendations to improve communications between WSDOT and STP**
 - Transfer of STAT reports and formal technical meetings
 - Joint risk discussions
 - Single point of contact and signature for all written correspondence
- **WSDOT should seek to minimize further turnover in project staff**

Risk Management

- **The Risk Management Plan meets or exceeds industry standards**
- **WSDOT and STP have accepted ERP recommendation to jointly assess and mitigate risks**
- **Contingency plans in response to high risk events are not clear**

Relations with Tunnel Contractor

- **Design/Build contract requires collaboration to achieve success**
- **Relations are strained**
- **ERP urges quick resolution of DBE conflict**
- **“Partnering” efforts should continue with full participation by both WSDOT and STP leadership**
- **Open communication with the public should not involve positioning for pending disputes**

Budget

- **Current information indicates that the existing budget can be sufficient**
- **Completed and future non-tunnel projects are within budget**
- **Contract terms likely limit WSDOT liability for TBM stoppage**
- **Current budget cannot be diverted to expand scope of program**
 - **System-wide tolling costs?**
 - **Transit mitigation?**
 - **Post-Tunnel projects?**

Post-Tunnel Projects

- **WSDOT and City should move quickly to complete a binding agreement regarding post-Tunnel projects (new Alaskan Way, viaduct demolition, BST decommission)**
- **Actual costs may be significantly less than the budgeted \$290 million**
- **Roles and responsibilities are understood in principle at project staff level**
- **Any remaining funds from the \$290M State allocation must be placed in the Program contingency fund at this time**

Contingency Funds

- **Anticipated expenses will use up all remaining contingency funds**
- **Future savings should be retained in Project contingency fund**
- **Scope creep should not be allowed until there is more certainty or a budget increase**
- **The first priority must be successful completion of the construction projects**

Funding Sources

Tolling

- **ACTT report is a useful start to tolling analysis**
- **Policy direction is needed as to:**
 - **Acceptable diversion levels**
 - **Debt structures that will be used to convert future tolls into current capital dollars**
 - **Priorities for use of toll revenues**
- **Tolls may be able to produce more than \$200M for the capital projects**

Funding Sources

Port Contract

- **Successful negotiation is a major success**
- **Accelerated payment gives more time for tolling decisions**

Stakeholder Communications

- **Governor's creation of Executive Leadership Group is an important and positive step (and addition of JTC Chairs should be considered)**
- **WSDOT should improve communications with key stakeholders**
- **Communication with the Press must be timely, factual and consistent**

ERP Recommendation

- **Because of the number of significant action items and critical milestones over the next six months, the ERP strongly recommends the Governor and Legislature consider a three-month and six-month ERP review to assess:**
 - **WSDOT/STP relations**
 - **TBM progress**
 - **Likely impacts to cost and schedule**

Questions



Questions?