

WASHINGTON STATE TRANSPORTATION COMMISSION
Special Meeting Summary
April 22, 2015

Alaskan Way Viaduct Expert Review Panel Briefing
Gig Harbor Civic Center
3510 Grandview Street
Gig Harbor WA

Chairman Haley opened the meeting at 3:00 pm with introductions. She then asked Mr. John Rose and Mr. Robert Goodfellow, P.E. to present the April 7, 2015 Report from the Alaskan Way Viaduct Replacement Program Expert Review Panel (ERP). Dr. Patricia D. Galloway, P.E., Chair of the Panel, was unable to attend.

ALASKAN WAY VIADUCT EXPERT REVIEW PANEL BRIEFING

Mr. Goodfellow indicated that successes to date include the following:

- Swift resolution by WSDOT and Seattle Tunnel Partners (STP) of the Disadvantaged Business Enterprise (“DBE”) issues.
- The Holgate to King Stage 3 project completed on time and below budget.
- Significant progress achieved on the non-mining portion of STP’s design-build contract work.
- Formation of a WSDOT Restart Team to monitor STP’s work and risk and mitigation efforts throughout the planning for tunnel boring machine (TBM) repair and re-launch.
- Protection of Program contingency funds by avoiding scope increases and recouping savings.
- Controlled costs for non-tunnel projects resulting in on-budget status for those projects.

Looking ahead, the schedule will be delayed and anticipated completion cannot be known until the TBM resumes mining. The existing budget can be sufficient with assertive leadership. They believe the right steps are being taken to solve TBM problems and progress continues with schedule delay mitigating activities. The ERP notes that both WSDOT and STP think they know what went wrong with the TBM and how to fix it. The ERP is reasonably confident the TBM can be repaired and noted that almost all of the parts of the machine and operations are being changed to work better.

The ERP considers the AWV Replacement Program design-build contract to be a well thought through document that should assist WSDOT and STP to find shared solutions for complex issues that arise. It addresses how potential risk factors are handled administratively.

While the ERP finds WSDOT and STP have retained qualified personnel to execute the work, it notes that current management decision-making and authority levels of WSDOT and STP are not reflective of authorities and levels typically seen in megaproject construction. Responding to Commission questions, the ERP recommends that decisions involving \$1 to \$3 million dollar expenditures should be handled on site. The ERP emphasized that WSDOT and STP Joint Venture must remain united in goal to continue to build the tunnel project safely, efficiently and effectively.

Mr. Goodfellow noted that the risks identified are not abnormal for tunnel megaprojects. WSDOT and STP implemented previous ERP recommendation to jointly assess, mitigate, and track risks; this joint risk register process has been effective at identifying risks but less effective at mitigating risks or minimizing

consequences. Freer flow of information between STP and WSDOT is needed to provide increased confidence to WSDOT for risk mitigation.

The ERP considers relations between STP and WSDOT at the working project level to be good and credits continuity in both the WSDOT and STP project teams assisted in maintaining current working relationship. The dispute resolution process has not been effective as envisioned in settlement of disputes to date due to both parties' reluctance to acknowledge decisions made in the process. Achievement of timely resolution by WSDOT and STP of outstanding legal and commercial issues may be beneficial to maintaining positive working relationship.

As of April 2015, potential additional fund sources can cover and exceed potential worst case costs. Funds potentially are available to pay for increased costs, including program contingency funds within the budget, insurance policies, and post-tunnel project savings. The ERP urges that this is a good time to resolve schedule, money, and contractual issues and move forward.

Also, WSDOT and the City of Seattle should move quickly to complete a binding agreement regarding post-Tunnel projects (new Alaskan Way, viaduct demolition, BST decommission). There remains an urgent need for respective expectations, roles and responsibilities. For budgeting purposes, it is essential to know how much WSDOT will be contributing to the Alaskan Way surface street.

The ERP also recommends that the tolling discussion resume because tolling revenue will pay for post-tunnel activities. Specifically, it has asked how much money will be generated from the tolling recommendations by the Advisory Committee on Tolling and Traffic Management. The ERP suggests that the decision to not issue toll revenue bonds allows for projections with less precision than otherwise.

In summary, the ERP said it is not time to panic, but a very critical year lies ahead. 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 2015 mid-year update of the ERP 2015 report to assess:

- o status of TBM repair and restart of mining
- o likely impacts to cost and schedule
- o progress of City and State agreement and budgeted costs for Alaskan Way Surface Street
- o assessment of WSDOT organizational changes

[AWV Expert Review Panel Briefing](#)

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