

**MOTION NO. M2011-70**
**Increase Contract Contingency for the D Street to M Street Track and Signal Project**

<b>MEETING:</b>	<b>DATE:</b>	<b>TYPE OF ACTION:</b>	<b>STAFF CONTACT:</b>
Capital Committee	9/8/11	Recommendation to Board	Ahmad Fazel, DECM Executive Director
Board	9/22/11	Final Action	<b>Tom Dean, Construction Project Manager</b>

**PROPOSED ACTION**

Authorizes the chief executive officer to increase the contract contingency with MidMountain Contractors, Inc. for the construction of the D Street to M Street Track and Signal project in the amount of \$8,000,000, for a new total authorized contract amount not to exceed \$63,855,509.

**KEY FEATURES**

- Additional contingencies are requested to cover increased costs associated with the excavation of more contaminated soil than previously estimated.
- In May, the Board approved an increase to the contract contingency to cover increased costs that were known. Staff informed the Board at that time that there was potential for discovery of additional contamination on the project.

**PROJECT DESCRIPTION**

The D Street to M Street Track and Signal Project will construct a rail connection between the existing Tacoma Dome Station and Sound Transit's Lakeview Subdivision railroad line. The project includes 1.4 miles of track work, a rail bridge over Pacific Avenue, roadway reconstruction, utility relocation and installation of a centralized traffic control system over the entire Lakewood to Tacoma segment.

## FISCAL INFORMATION

The contract with MidMountain Contractors, Inc. includes work on two ST projects, D Street to M Street Track and Signal and M Street to Lakewood Track and Signal projects. The Contract Detail section of the table below reflects the total contract with the two project portions itemized and totaled. The current action only affects the D Street to M Street Track and Signal project.

### Project Budget

D St. - M St. Track & Signal	2011 TIP	Board		Board	
		Approvals	This Action	Approved Plus Action	Uncommitted/ (Shortfall)
Agency Administration	8,907	8,907	-	8,907	-
Preliminary Engineering	1,744	1,744	-	1,744	0
Final Design	13,460	13,420	-	13,420	40
3rd Party	-	-	-	-	-
Right of Way	45,545	40,928	-	40,928	4,618
Construction	56,861	65,172	8,000	73,172	(16,311)
Construction Management	-	-	-	-	-
Vehicles	8,953	8,953	-	8,953	-
Contingency	25,811	-	-	-	25,811
<b>Total Project Budget</b>	<b>\$ 161,281</b>	<b>\$ 139,123</b>	<b>\$ 8,000</b>	<b>\$ 147,123</b>	<b>\$ 14,158</b>

### Phase Detail

#### Construction

Mid Mountain Contractors, Inc.	38,146	50,478	8,000	58,478	(20,331)
Other Phase Activity	18,714	14,694	-	14,694	4,020
<b>Total Phase</b>	<b>\$ 56,861</b>	<b>\$ 65,172</b>	<b>\$ 8,000</b>	<b>\$ 73,172</b>	<b>\$ (16,311)</b>

### Contract Detail

	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
<b>Mid Mountain Contractors, Inc.</b>				
Contract - D St - M St Track & Signal	35,458	39,474	-	39,474
Contingency - D St - M St Track & Signal	15,032	11,003	8,000	19,003
<b>Total D St - M St Contract Amount</b>	<b>50,491</b>	<b>50,478</b>	<b>8,000</b>	<b>58,478</b>
Contract - M St - Lakewood Track & Signal	5,365	5,378	-	5,378
Contingency - M St - Lakewood Track & Signal	-	-	-	-
<b>Total M St - Lakewood Contract Amount</b>	<b>5,365</b>	<b>5,378</b>	<b>-</b>	<b>5,378</b>
<b>Total Contract Amount</b>	<b>\$ 55,856</b>	<b>\$ 55,856</b>	<b>\$ 8,000</b>	<b>\$ 63,856</b>
Percent Contingency	37%	25%	100%	42%

### Budget Shortfall

Budget Shortfall	20,331	←
Contingency	20,331	←
<b>Total Funding</b>	<b>\$ 20,331</b>	

#### Notes:

Amounts are expressed in Year of Expenditure \$000.

Committed includes pending Board Actions.

Board Approvals = Committed to-date + Contingency

Project budget is located on page 77 of the 2011 Transit Improvement Plan.

## SMALL BUSINESS PARTICIPATION

Small Business Goal: 15% of which the Disadvantaged Business Goal: 6%  
MidMountain's Commitment: 21.7% of which the Disadvantaged Business is 6.3%

Subconsultant/Subcontractor	Business Type	% of Work	Dollar Value
MidVale Electric	Small Business	15.4%	\$6,300,000
Amaya Electric Co.	DBE	4.9%	\$2,000,000
Silverstreak Trucking	DBE	0.8%	\$335,000
American Pride	DBE	0.4%	\$165,000
KT Contracting Co., Inc	DBE	0.2%	\$70,000
<b>Total</b>		<b>21.7%</b>	<b>\$8,870,000</b>

## APPRENTICE UTILIZATION COMMITMENT

Apprentice utilization goal: 20%

## EQUAL EMPLOYMENT WORKFORCE PROFILE

112 employees; 14% women; 17% minorities.

## BACKGROUND

The D Street to M Street Track and Signal project will build new railroad tracks between East D and South M Streets and install train signaling systems between Tacoma and Lakewood. The project will connect the Tacoma Dome Station with Sound Transit's existing rail right-of-way at Tacoma Avenue South and extend track and signal improvements westward to join the improvements of the M Street to Lakewood Track and Signal project. The project will install a centralized traffic control (CTC) railroad signaling system over the Lakewood to Tacoma segment of the rail corridor. In December 2007, the Sound Transit Board selected an alignment that provides grade-separation over Pacific Avenue. The project will receive funds from the Federal Railroad Administration (FRA), Federal Transit Administration (FTA), Surface Transportation Program (STP), Congestion Mitigation/Air Quality (CMAQ), and WSDOT Regional Mobility programs.

Final design of the project began in July 2008. On June 29, 2010, Sound Transit received seven bids through the competitive bid process. Construction began in September 2010 and is anticipated to be substantially complete in mid- 2012.

Construction of the D Street to M Street Track and Signal project requires excavation and disposal of approximately 550,000 tons of material in this area. During excavation of the site for utility and roadway work, contaminated material was discovered in greater quantities than estimated during the design phase. Historically, unregulated fill was used to build up portions of South Tacoma Way and Pacific Avenue from a ravine to the current elevation and heavy metal contaminants are dispersed throughout the site. The original bid assumed mostly clean material in this area. This action will cover the costs associated with the removal and proper disposal of the contaminated soils but other risks still remain on the project including buried obstructions, ground water handling and undocumented utilities. The major site excavation is scheduled to be complete in the fall of this year at which time the remaining risks will be better quantified and a subsequent board action may be necessary to address those issues.

## **ENVIRONMENTAL COMPLIANCE**

SSK 8-29-11

## **PRIOR BOARD/COMMITTEE ACTIONS**

Motion No. M2011-35 - Authorized the chief executive officer to increase the contingency for the contract with MidMountain Contractors, Inc. for the D Street to M Street Track and Signal project, in the amount of \$10,950,000, for a new total authorized contract amount not to exceed \$55,855,509.

Motion No. M2010-81 - Authorized the chief executive officer to execute a contract with MidMountain Contractors, Inc, for the construction of the D Street to M Street Track and Signal project in the amount of \$40,823,190, with a 10% contingency of \$4,082,319, for a total authorized contract amount not to exceed \$44,905,509.

## **TIME CONSTRAINTS**

A delay in approval of this action could delay the completion of construction.

## **LEGAL REVIEW**

LA 8/2/11