

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2001-122

Award of C925 Contract (Tacoma Link Systems Installation)

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	11/15/01	Discussion/ Possible Action	Ahmad Fazel, Acting Link Director Winston Simmonds, Acting Link Systems Engineering Manager Robert Boerwinkle, Signals Program Manager	206-689-5389 206-689-3326 206-689-3346

OBJECTIVE OF ACTION

- Award Contract C925 (Systems Installation) for Tacoma Link Light Rail.

ACTION

To authorize the executive director to execute a contract with Totem Electric to furnish, install and construct Tacoma Link systems equipment in the amount of \$4,444,500, plus a 10% contingency of \$444,450, for a total authorized amount not to exceed \$4,888,950.

KEY FEATURES

Highlights of Action:

- Authorizes the executive director to execute a contract with Totem Electric to furnish, install and construct Tacoma Link systems equipment in the amount of \$4,444,500, plus a 10% contingency of \$444,450, for a total authorized amount not to exceed \$4,888,950.
- Includes the installation of the owner-furnished traction power substations, and furnishing and installation of the overhead catenary system and signal systems for Tacoma Link Light Rail.
- Includes 18.1% total SBE participation on this contract.

BUDGET

The current Board-adopted budget for Tacoma Link capital construction is \$80,493,000. Within that amount, \$7,610,000 was budgeted for this activity. There are sufficient funds to award this contract including a 10% contingency for a total amount of \$4,888,950. With the award of this contract, there is sufficient budget remaining to complete the project.

Column A	Column B	Column C	Column D	Column E
Total Project Budget	Budget for this Task (B)	Obligated to Date (C)	Total Amount Requested (D)	Shortfall* or Surplus (B-[C+D])
\$80,493,000	\$ 7,610,000	\$0	\$ 4,888,950	\$ 2,721,050

*Amount of Shortfall	Potential Revenues	Funding Sources

FINANCIAL IMPACTS

Impact on Current Year Budget: N/A

Impact on Sound Move Budget: N/A

Impact on Cost-to-Complete: N/A

Impact on Subarea(s) Budget(s): N/A

HISTORY OF PROJECT

A two-step procedure was used for this procurement. First, a Request for Technical Proposals (RFTP) was issued on August 20, 2000. Staff evaluated the technical proposals submitted by four firms, and it was determined that all technical proposals were acceptable. Second, the Invitation for Bid was issued on August 8, 2001 to the four qualified firms. On September 21, 2001 Sound Transit received bids from three firms. One firm declined to submit a bid due to financial difficulties with its parent company. The three bids were Totem Electric: \$4,444,500; Kingston: \$4,548,000; Mass Electric: \$4,559,000. The engineer's estimate was \$3,225,715 in 2001 dollars. Staff evaluated the bids, which included an evaluation conference with each firm, and determined that Totem Electric was the lowest responsive and responsible bidder. Kingston has filed a protest, which is currently under evaluation.

The scope of work for this contract installation includes:

- Traction Electrification System – furnish and install control cables and power cables, install owner-furnished traction power mainline and maintenance facility substations, and furnish testing and support.
- Overhead Contact System (OCS) – design, furnish and install light rail OCS for the mainline and maintenance facility.
- Signal System – design, furnish and install light rail train-to-wayside control, and furnish connections to Burlington Northern Santa-Fe signal house.

The engineer's estimate for the C925 contract was \$3,225,715 in 2001 dollars. The difference between the engineer's estimate and bids received was investigated during evaluations of the bids. It is believed that the costs for project management, mobilization/demobilization, and the signal system equipment were a higher percentage of the cost than anticipated. There are only four signal equipment suppliers in North America. Three of the four pre-qualified firms listed two signal equipment suppliers, and the other pre-qualified firm listed only one. It is believed the high demand for signal equipment and the limited number of suppliers in the rail industry at the present time has caused price inflation. The work of this contract will be performed in 2002 and 2003. The Tacoma Link Systems Installation C925 is the last major construction contract to be awarded.

Prior Board or Committee Actions and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
Motion No. M99-28	Identifying the route and station locations for the northern portion of the Tacoma Link light rail line and determining a construction schedule.	7-8-99
Motion No. M99-64	Authorizing the Executive Director to execute a contract with Inekon Group for the procurement of vehicles for Tacoma Link light rail. The maximum authorized expenditure is \$8,986,254	10-14-99
Motion No. M2000-115	Authorizing the Executive Director to execute a contract with Berschauer Phillips Construction Company for the construction of the Tacoma Link Operations and Maintenance Facility authorizing a contract amount of \$3,982,961 plus a 10% contingency of \$398,296 for a total authorization not to exceed \$4,381,257	11-30-00
Motion No. M2000-114	Authorizing the Executive Director to execute a contract with Gary Merlino Construction for the construction of Tacoma Link Light Rail, Contract 910. The action authorizes a base contract amount of \$22,924,382, with Alternate A Streetscape Improvements and Alternate Street Lighting as an additional contract amount of \$473,266, and a 10% contingency of \$2,339,764 for a total authorized amount not to exceed \$25,737,413	2-8-01
Motion No. M2000-118	Authorizing the Executive Director to execute a contract with Impulse NC, Inc., for the purchase of Traction Power Substations for the Tacoma Link Light Rail Project for \$721,662, and a 10% contingency of \$72,166 for a total authorized amount not to exceed of \$793,828.	11-30-00

CONSEQUENCES OF DELAY

The C925 contract is the last of four major construction contracts to be bid. The other contracts for the maintenance facility, light rail vehicles, and line section all have been awarded and work is in progress. Due to sequencing of work under this contract any delays would impact planned coordination with the line section construction under the C910 Tacoma Line Section contract and could result in a delay to the start-up of passenger service in 2003.

REGIONAL PARTNERSHIP AND COOPERATION

Sound Transit has worked cooperatively with the city of Tacoma and has a Memorandum of Agreement with the City covering traffic and construction issues.

Agreement with other agencies for interfacing work has been reached as follows:

- Letter of agreement with Tacoma Public Utilities for \$100,394 to install two primary electric underground feeders to traction power substation.
- Developer Agreement with Washington State Department of Transportation for traction power substation installation under I705 bridge.
- FRA Waiver Petition approval for LRT/BNSF railroad crossing design.
- Agreement with Puget Sound Energy for relocation of gas mains.

PUBLIC INVOLVEMENT

N/A

ALTERNATIVES

- Reject all bids and re-advertise the contract. However, since the bid represents the lowest of the pre-qualified contractors and is competitive (less than 3 percent difference in the bids), there is no expectation of any advantage to Sound Transit to re-bid. This would have a negative impact on coordination efforts with the C910 Tacoma Line Section contract and delay start of revenue service.

LEGAL REVIEW

JDW 11/5/01

SOUND TRANSIT

MOTION NO. M2001-122

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a contract with Totem Electric to furnish, install and construct Tacoma Link systems equipment in the amount of \$4,444,500, plus a 10% contingency of \$444,450, for a total authorized amount not to exceed \$4,888,950.

Background:

A two-step procedure was used for this procurement. First, a Request for Technical Proposals (RFTP) was issued on August 20, 2000. Staff evaluated the technical proposals submitted by four firms, and it was determined that all technical proposals were acceptable. Second, the Invitation for Bid was issued on August 8, 2001 to the four qualified firms. On September 21, 2001 Sound Transit received bids from three firms. One firm declined to submit a bid due to financial difficulties with its parent company. The three bids were Totem Electric: \$4,444,500; Kingston: \$4,548,000; Mass Electric: \$4,559,000. The engineer's estimate was \$3,225,715 in 2001 dollars. Staff evaluated the bids, which included an evaluation conference with each firm, and determined that Totem Electric was the lowest responsive and responsible bidder. Kingston has filed a protest, which is currently under evaluation. A contract will not be executed nor will a notice to proceed be issued to the lowest responsive and responsible bidder until such time as the bid protest is fully resolved.

The scope of work for this contract installation includes:

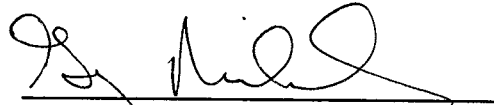
- Traction Electrification System – furnish and install control cables and power cables, install owner-furnished traction power mainline and maintenance facility substations, and furnish testing and support.
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The engineer's estimate for the C925 contract was \$3,225,715 in 2001 dollars. The difference between the engineer's estimate and bids received was investigated during evaluations of the bids. It is believed that the costs for project management, mobilization/demobilization, and the signal system equipment were a higher percentage of the cost than anticipated. There are only four signal equipment suppliers in North America. Three of the four pre-qualified firms listed two signal equipment suppliers, and the other pre-qualified firm listed only one. It is believed the high demand for signal equipment and the limited number of suppliers in the rail industry at the present time has caused price inflation. The work of this contract will be performed in 2002 and 2003. The Tacoma Link Systems Installation C925 is the last major construction contract to be awarded.

Motion:

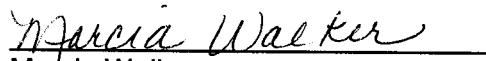
It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to execute a contract with Totem Electric to furnish, install and construct Tacoma Link systems equipment in the amount of \$4,444,500, plus a 10% contingency of \$444,450, for a total authorized amount not to exceed \$4,888,950.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on the 15th day of October 2001.



Greg Nickels
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator