

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2002-52

Amendment to Existing Contract with URS for Tacoma Link Construction Management

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	5/2/02	Discussion/Possible Action	Ahmad Fazel, Link Director Henry Cody, Deputy Construction Manager	(206) 398-5389 (206) 398-5377

Contract/Agreement Type:	3	Requested Action:	3
Competitive Procurement	3	Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	3
Memorandum of Agreement		Contingency Funds Required	
Purchase/Sale Agreement		Budget Amendment Required	

4 Applicable to proposed transaction.

OBJECTIVE OF ACTION

Amends Contract RTA/LR08-00, Sound Transit Civil Construction Management Services Contract (Tacoma Link) with URS Construction Services.

ACTION

Authorizes the Executive Director to execute a contract amendment with URS, Inc. to extend the term of the contract from May 1, 2002 to December 31, 2003 for construction management services for Tacoma Link Light Rail in the amount of \$998,717 for a new total authorized amount not to exceed \$2,583,900.

KEY FEATURES

- Authorizes the Executive Director to execute a contract amendment with URS, Inc. to provide construction management services for Tacoma Link Light Rail in the amount of \$998,717 for a new total authorized amount not to exceed \$2,583,900.
- Extends the term of the contract from May 1, 2002 to December 31, 2003.
- Includes scope for extension of construction management staff services to the end of the construction phase.

BUDGET IMPACT SUMMARY

Project Description: Tacoma Link
Current Status: Under Construction
Projected Completion Date: 09/03

Action Outside of Adopted Budget:	Y/N	Y Requires Comment
This Line of Business	N	
This Project	N	
This Phase	N	
This Task	Y	Requires a transfer from uncommitted funds within the construction phase.
Budget amendment required	N	
Key Financial Indicators:	Y/N	Y Requires Comment
Contingency funds required	N	
Subarea impacts	N	
Funding required from other parties other than what is already assumed in financial plan	N	

N = Action is assumed in current Board-adopted budget. Requires no budget action or adjustment to financial plan

BUDGET DISCUSSION

The total adopted budget for Tacoma Link, as amended is \$80.4 million. Within that budget, the activity contemplated within this motion is identified within the construction phase. This activity was included within the cost estimate. The budget for this construction management contract is \$2,385,183. For this task, there is a budget deficit of \$198,717. Within the construction phase, there are sufficient uncommitted funds available for this action. With the approval of this contract amendment, there is sufficient budget remaining to complete the project.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The proposed action is consistent with the current board adopted budget and is affordable within the agency's current long-term financial plan and sub-area financial capacity. The action will have no new revenue impacts on Sound Transit.

SUMMARY FOR BOARD ACTION

Summary for Board Action (Year of Expenditure \$000)

Action Item: URS Inc.

Tacoma Link	Current Board Adopted Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	4,552	2,145		2,145	2,406
2 Preliminary Engineering	6,242	6,566		6,566	(324)
3 Final Design	6,007	6,511		6,511	(504)
4 Right of Way	2,944	1,654		1,654	1,290
5 Construction	49,498	41,986	999	42,985	6,513
6 Vehicles	9,485	7,980		7,980	1,504
7 System Testing and Startup	760	-		-	760
8 Contingency	928	-		-	928
9 Total Current Budget	80,416	66,843	999	67,842	12,574

Phase Budget Detail

10 Construction Management	2,385	1,585	999	2,584	(199)
11 Other Construction	47,113	40,401		40,401	6,712
12 Total Phase	49,498	41,986	999	42,985	6,513

Contract Budget	Current Approved Contract Value (F)	Spent to Date (G)	Proposed Action (H)	Proposed Total Contract Value (I)
13 Construction Management	1,510	1,024	999	2,508
14 Contingency	75			75
15 Total	1,585	1,024	999	2,584
16 Percent Contingency	5%	0%	0%	3%

- B Contains current commitments together with all commitments currently under consideration by the Board. This provides a more conservative measure of uncommitted budget authority. Should all proposed actions not be exercised, then the uncommitted amount (column D) would be higher.

SBE-M/W/DBE – SMALL BUSINESS PARTICIPATION

Current Contract Commitment: 19.918.6%
 Performance to Date: 11.813%
 Commitment of this Amendment: 12.528.4%
 Estimated performance at contract completion: 1417.8%

The total participation by small businesses on this contract has declined from the original commitment due to reallocations made between various tasks to adjust the contract to the changing needs of the project. In addition Sound Transit staff has also picked up some of the functions originally included in this contract. In an effort to recapture some of the decline in M/W/DBE and small business participation, work tasks have been assigned to firms for a total amount of 28% in participation on this Amendment such that at least 17.8% participation is to be achieved.

HISTORY OF CONTRACT

On February 8, 2000, Sound Transit advertised and issued a Request for Proposals for Tacoma Link civil construction management services. On the basis of written qualifications and oral interviews, the firm of O'Brien Kreitzberg was selected. The Link civil team with the support of Sound Transit Contracts, Finance and Administration, and Legal departments negotiated a contract. Subsequently the firm of O'Brien Kreitzberg was purchased by the firm of URS, Inc.

The scope of the original contract included project management, resident engineering, office engineering, field inspection, scheduling, change order management, field engineering, safety engineering, and PLA and outreach program support for Tacoma Link.

The Tacoma Link Light Rail project is now in the construction phase and is 40% complete. Schedule delays due to bid protests, right-of-way (railroad), and failure of private utilities to relocate in a timely manner have resulted in project time extensions, and thus the need to extend field staff. Sound Transit is in litigation with private utilities for recovery of Sound Transit costs associated with the utilities' delays. Negotiations with the railroad are ongoing. The original URS contract was for a duration of 18 months. The delays outlined above have resulted in the need to extend the project and staff an additional 20 months.

This contract amendment would add \$998,717 to the contract for extension of construction management staff services to the end of the construction phase.

Prior Board or Committee Actions and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
M2000-50	Authorized the Executive Director to execute a contract with O'Brien Kreitzberg for civil construction management services associated with the Tacoma Link Light Rail project. The action authorizes a contract amount of \$1,509,698 with a 5% contingency of \$75,485 for a total authorized amount not to exceed \$1,585,183.	6/15/00

CONSEQUENCES OF DELAY

Delay in approving this amendment could result in a need to demobilize construction management staff in the field at the midpoint of construction with serious consequences for the project budget and schedule. The construction is currently at its peak with a monthly cash flow of approximately \$1,300,000 per month.

REGIONAL PARTNERSHIP AND COOPERATION

N/A

PUBLIC INVOLVEMENT

N/A

LEGAL REVIEW

JDW 4/11/02

SOUND TRANSIT

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A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a contract amendment with URS, Inc. to extend the term of the contract from May 1, 2002 to December 31, 2003 for construction management services for Tacoma Link Light Rail in the amount of \$998,717 for a new total authorized amount not to exceed \$2,583,900.

Background:

On February 8, 2000, Sound Transit advertised and issued a Request for Proposals for Tacoma Link civil construction management services. On the basis of written qualifications and oral interviews, the firm of O'Brien Kreitzberg was selected. The Link civil team with the support of Sound Transit Contracts, Finance and Administration, and Legal departments negotiated a contract. Subsequently the firm of O'Brien Kreitzberg was purchased by the firm of URS, Inc.

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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 amendment with URS, Inc. to extend the term of the contract from May 1, 2002 to December 31, 2003 for construction management services for Tacoma Link Light Rail in the amount of \$998,717 for a new total authorized amount not to exceed \$2,583,900.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 2, 2002.



Kevin Phelps
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator