

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2002-54

**Contract with R.W. Rhine for Link Central Operations and Maintenance (O&M) Facility
Site Preparation**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	6/6/02	Discussion/Possible Action	Ahmad Fazel, Link Director Joe Gildner, Deputy Director for Technical Services Rod Kempkes, Track Engineer	(206) 398-5389 (206) 689-3350 (206) 398-5374

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

4 Applicable to proposed transaction.

OBJECTIVE OF ACTION

- The proposed site of the Central Operations and Maintenance (O&M) Facility for Central Link needs to be prepared in advance of facility construction through demolition and removal of existing building structures and remediation of existing hazardous and contaminated materials.

ACTION

- Authorize the Executive Director to execute a contract with R.W. Rhine for site preparation of the Central Operations and Maintenance (O&M) Facility for Central Link in the amount of \$4,336,821 plus a 15% contingency of \$650,523 for a total authorized amount not to exceed \$4,987,344.

KEY FEATURES

- Authorizes the Executive Director to execute a contract with R.W. Rhine for preparation of the Central O&M Facility site for the Central Link Light Rail Project.
- Authorizes a contract amount of \$4,336,821 plus a 15% contingency of \$650,523 for a total amount not to exceed \$4,987,344.
- Staff recommends a contingency of 15% (in lieu of the standard 10%) in order to address the uncertainties regarding the exact nature and extent of hazardous materials expected to be discovered.
- Contract will not be awarded until Sound Transit receives a Letter of No Prejudice from the FTA.

BUDGET IMPACT SUMMARY

Project Description: Initial Segment

Current Status: Construction

Projected Completion Date: 07/2009

Action Outside of Adopted Budget:	Y/N	Y	Requires Comment
This Line of Business	N		
This Project	N		
This Phase	N		
This Task	N		
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 capital budget for the Initial Segment from CPS to South 154th is \$2.07 billion. Within that budget, the activity contemplated within this motion is identified within the Construction phase. This activity was included within the cost estimate and there are sufficient funds identified for work identified in this motion. The budget for this activity is \$15,200,000. There is a remaining budget surplus of \$10,212,656 for this activity. With the award of this contract, 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 subarea 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: R. W. Rhine

Initial Segment	Current Board Adopted Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	226,200	8,373		8,373	217,827
2 Preliminary Engineering	37,992	36,600		36,600	1,392
3 Final Design	116,340	67,846		67,846	48,494
4 Right of Way	233,000	52,923		52,923	180,077
5 Construction	1,175,092	1,054	4,987	6,041	1,169,051
6 Construction Services	77,500			0	77,500
7 Third Party Agreements	58,800	14,136		14,136	44,664
8 Vehicles	145,076			0	145,076
9 Contingency				0	0
10 Total Current Budget	2,070,000	180,932	4,987	185,919	1,884,081

Phase Budget Detail

11 C 600 Maintenance Base Demolition	15,200	0	4,987	4,987	10,213
12 Other Civil Construction	891,221	1,054		1,054	890,167
13 Systems Construction	197,248				197,248
14 Testing & Startup	16,726				16,726
15 Other Construction	54,697	0	0	0	54,697
16 Total Phase	1,175,092	1,054	4,987	6,041	1,169,051

0

Contract Budget

	Current Approved Contract Value (F)	Spent to Date (G)	Proposed Action (H)	Proposed Total Contract Value (I)
17 C 600 Maintenance Base Demolition			4,337	4,337
18 Contingency			651	651
19 Total	0	0	4,987	4,987
20 Percent Contingency	0%	0%	15%	15%

A Provisional budget based on estimates of historic costs to be allocated between the Initial Segment and Capital Hill. Upon completion of recoding costs to the current project structure, a finalized phase-level budget will be presented to the Board.

B Commitments reflect total commitments for Central Link as estimated to be allocated between the Initial Segment and North Link 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.

M/W/DBE – SMALL BUSINESS PARTICIPATION

The W/M/DBE participation is 32%.

HISTORY OF PROJECT

Sound Transit issued an Invitation for Bids for Site Preparation for the Central O&M Facility, Contract C600. The scope of work involved in the Invitation for Bid included removal of hazardous materials from buildings, demolition and removal of building structures, installing security fencing, removal of underground storage tanks, and remediation of petroleum

contaminated soil and groundwater on the site. On April 4, 2002, Sound Transit received bids from six firms for the C600 contract and determined that R.W. Rhine was the lowest responsive and responsible bidder. The Engineer's estimate for the work in this contract was \$12,861,600, but did not consider cost savings associated with the salvage of recovered materials. Work on this contract will start in summer 2002 and be completed in February 2003.

**Prior Board or Committee Actions
and Relevant Board Policies**

Motion or Resolution Number	Summary of Action	Date of Action
R99-34	Selected the alignment alternatives and profiles, station locations, and vehicle maintenance base site alternative to be built for the Central Link Light Rail line	11/18/99
M2001-103	Identified the preferred initial segment to be constructed and operated for central Link Light Rail.	9/27/01
R2001-16	Selected the initial segment of the central Link Light Rail Project to be constructed and operated by 2009.	11/29/01

CONSEQUENCES OF DELAY

Delaying the award of this contract would delay the scheduled start dates for construction of the light rail line along the E-3 Busway/Forest Street and the Central O&M Facility. Construction of the Central O&M Facility for the Central Link project is scheduled to commence in March 2003 and to be completed in June 2005. Construction of the line segment from Royal Brougham Way to Airport Way South is scheduled to commence in November 2002 and to be completed in April 2005.

REGIONAL PARTNERSHIP AND COOPERATION

N/A

PUBLIC INVOLVEMENT

N/A

LEGAL REVIEW

JDW 4/11/02

SOUND TRANSIT

MOTION NO. M2002-54

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a contract with R.W. Rhine for site preparation of the Central Operations and Maintenance (O&M) Facility for the Central Link Light Rail Project in the amount of \$4,336,821 plus a 15% contingency of \$650,523 for a total authorized amount not to exceed \$4,987,344.

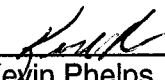
Background:

Sound Transit issued an Invitation for Bids for Site Preparation for the Central O&M Facility, Contract C600. The scope of work involved in the Invitation for Bid included removal of hazardous materials from buildings, demolition and removal of building structures, installing security fencing, removal of underground storage tanks, and remediation of petroleum contaminated soil and groundwater on the site. On April 4, 2002, Sound Transit received bids from six firms for the C600 contract and determined that R.W. Rhine was the lowest responsive and responsible bidder. The Engineer's estimate for the work in this contract was \$12,861,600, but did not consider cost savings associated with the salvage of recovered materials. Work on this contract will start in summer 2002 and be completed in February 2003.

Motion:

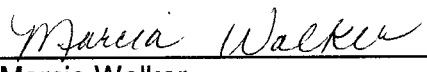
It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to execute a contract with R.W. Rhine for site preparation of the Central Operations and Maintenance (O&M) Facility for the Central Link Light Rail Project in the amount of \$4,336,821 plus a 15% contingency of \$650,523 for a total authorized amount not to exceed \$4,987,344.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 6, 2002.



Kevin Phelps
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator