

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2002-84

**Contract with Bechtel Infrastructure for Link Construction Management Services for
Contracts P650/C600/C700/C810**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	6/27/02	Discussion/Possible Action to Recommend Board Approval	Ahmad Fazel, Link Director Henry Cody, Link Deputy Construction Manager	(206) 398-5389 (206) 398-5377
Board	7/11/02	Action		

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

- To execute a contract for construction management services for Central Link, Contracts P650, C600, C700 and C810.

ACTION

- Authorizes the Executive Director to execute a 3-year contract with Bechtel Infrastructure to provide construction management services for Central Link contracts P650, C600, C700 and C810 in the amount of \$7,438,000 plus a 10% contingency of \$743,800 for a total amount not to exceed \$8,181,800.

KEY FEATURES

- Covers construction management for the following areas:
 - P650 - procurement contract for the Seattle City Light poles being relocated on the E-3 busway.
 - C600 - environmental abatement, cleanup and demolition of 17 existing buildings.
 - C700 - construction of 1.4 miles of at-grade and elevated light rail guideway, and the construction of the Lander Street station.
 - C810 - construction of the Central Link Operations and Maintenance Facility.
- Includes scope providing resident engineering, office engineering, inspection (civil, structural, electrical, track, mechanical, utilities), estimating, change order administration, safety inspection, clerical work, quality assurance materials testing, quality assurance management, and diversity and PLA administration. The total value of construction to be administered under this contract is between \$110,000,000 and \$130,000,000.
- Funds for this contract are available within the Central Link Light Rail budget.

- Final execution of this contract for the total amount authorized is subject to execution of the FFGA. Partial execution of this contract with a limited notice to proceed for construction management services for P650 and C600 is contingent on receipt of the Letter of No Prejudice for final design from FTA.

BUDGET IMPACT SUMMARY

Project Description: Central Link: Contracts P650, C600, C700, C810

Current Status: P650: Pending Board authorization; C600: Pending Board authorization; C700: Advertises 6/5/02; C810: Final Design (90%)

Projected Construction Completion Date: 07/05

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 budget for the Central Link Initial Segment from CPS to South 154th is \$2.07 billion. Within that project budget, the activity contemplated within this motion is identified within the Construction Services phase.

This activity was included within the cost estimate and there are sufficient funds for work identified in this motion. The budget for Construction Management services for Initial Segment construction contracts P650, C600, C700 and C810 is \$8,575,154. With this action, the remaining budget for these Construction Management services for these civil construction contracts will be \$393,354. 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: Bechtel

Initial Segment	Current Board		This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
	Adopted Budget (A)	Committed To Date (B)			
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	6,041		6,041	1,169,051
6 Construction Services	77,500	550	8,182	8,732	68,768
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	186,469	8,182	194,651	1,875,349

Phase Budget Detail

11 Civil CM (C600, C650, C700 & C810)	8,575	0	8,182	8,182	393
12 Systems CM	27,150	0	0	0	27,150
13 Other Construction Services	41,775	550	0	550	41,225
14 Total Phase	77,500	550	8,182	8,732	68,768

Contract Budget

	Current Approved Contract Value (F)	Spent to Date (G)	Proposed Action (H)	Proposed Total Contract Value (I)
15 Bechtel	0	0	7,438	7,438
16 Contingency	0	0	744	744
17 Total	0	0	8,182	8,182
18 Percent Contingency	0%	0%	10%	10%

- A Provisional budget based on estimates of historic costs to be allocated between the Initial Segment and Capitol 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

For this contract, Bechtel commits that 19.7% of the contract will be performed by DBE/WBE/MBEs.

The following firms and associated scopes have been included in the contract:

TEC Management Consultants (MBE) - quality control management
 KBA Inc./Kristen Betty and Associates (DBE/WBE) - inspection
 Otto Rosenau & Associates (WBE) - materials testing
 Hydro Geosciences, Inc. (DBE) - geotechnical field work

In addition, J. L. Patterson, a woman-owned business and a former DBE/WBE that has graduated from the program by exceeding the size standard, is also performing track inspection tasks.

HISTORY OF CONTRACT

On January 5, 2002, Sound Transit requested proposals for construction management services for contracts P650, C600, C700 and C810. On January 16, 2002, a pre-proposal meeting was held. On January 31, 2002 Sound Transit received six written proposals. A selection panel evaluated the written proposals and three firms were selected for interviews. Following the interviews, the firm of Bechtel infrastructure was determined by the panel to be the most qualified. Following cost/price analyses, legal and risk analyses, and negotiations, Sound Transit staff and Bechtel Infrastructure reached an agreement. The term of this contract is for three years with options to extend for an additional two years.

The scope of work is to provide resident engineering, office engineering, inspection (civil, structural, electrical, track, mechanical, utilities), estimating, change order administration, safety inspection, clerical work, quality assurance materials testing, quality assurance management, and diversity and PLA administration.

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

Resolution or Motion Number	Summary of Action	Date of Action
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

Construction on the C600 demolition contract is expected to start in summer 2002. Delay in approving this action would delay the mobilization of the construction management staff. In that event Sound Transit staff is prepared to temporarily fulfill the construction management role.

REGIONAL PARTNERSHIP AND COOPERATION

Sound Transit has worked cooperatively with the City of Seattle, King County/Metro, WSDOT, the Department of Ecology, and local businesses and interest groups on the Central Link Light Rail Project.

PUBLIC INVOLVEMENT

Sound Transit staff continues to keep local and area residents informed about the status of the project and the impact of construction on the affected neighborhoods.

LEGAL REVIEW

JDW 5/30/02

SOUND TRANSIT

MOTION NO. M2002-84

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a three-year contract with Bechtel Infrastructure to provide construction management services for Central Link contracts P650, C600, C700 and C810 in the amount of \$7,438,000 plus a 10% contingency of \$743,800 for a total authorized amount not to exceed \$8,181,800.

Background:

On January 5, 2002, Sound Transit requested proposals for construction management services for contracts P650, C600, C700 and C810. On January 16, 2002, a pre-proposal meeting was held. On January 31, 2002, Sound Transit received six written proposals. A selection panel evaluated the written proposals and three firms were selected for interviews. Following the interviews, the firm of Bechtel infrastructure was determined by the panel to be the most qualified. Following cost/price analyses, legal and risk analyses, and negotiations, Sound Transit staff and Bechtel Infrastructure reached an agreement. The contract term is for three years with options to extend for an additional two years.

The scope of work is to provide resident engineering, office engineering, inspection (civil, structural, electrical, track, mechanical, utilities), estimating, change order administration, safety inspection, clerical work, quality assurance materials testing, quality assurance management, and diversity and PLA administration. The total value of construction to be administered under this contract is between \$110,000,000 and \$130,000,000.

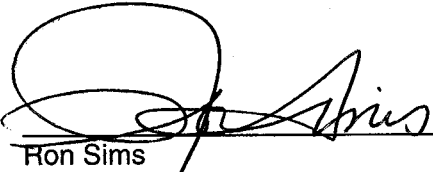
The scope covers construction management for the following contracts:

- P650 - procurement contract for the Seattle City Light poles being relocated on the E-3 busway.
- C600 - environmental abatement, cleanup and demolition of 17 existing buildings.
- C700 - construction of 1.4 miles of at-grade and elevated light rail guideway, and the construction of the Lander Street station.
- C810 - construction of the Central Link Operations and Maintenance Facility.

Motion:

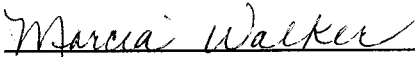
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a three-year contract with Bechtel Infrastructure to provide construction management services for Central Link contracts P650, C600, C700 and C810 in the amount of \$7,438,000 plus a 10% contingency of \$743,800, for a total authorized amount not to exceed \$8,181,800.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 11, 2002.



Ron Sims
Board Chair

ATTEST:



Marcia Walker
Board Administrator