

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2003-41

**Authorize additional scope and budget for the Fourth
Supplement to MOA with City of Seattle**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	4/17/03	Discussion/Possible Action to Recommend Board Approval Action	Ahmad Fazel, Link Director	(206) 398-5389
Board	4/24/03		Ron Lewis, Link Deputy Director	(206) 689-4905

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

4 Applicable to proposed transaction.

OBJECTIVE OF ACTION

The purpose of this action is to authorize additional scope and budget for the Fourth Supplement to the MOA with the City of Seattle to support the Link Light Rail project.

ACTION

Authorize the Executive Director to execute an amendment to the Fourth Supplement to the Memorandum of Agreement (MOA) with the City of Seattle in the amount of \$1,901,120 with a contingency of \$237,817 for a total estimated amount of \$2,138,937, and a revised total MOA not to exceed \$13,752,684, effective May 1, 2003.

KEY FEATURES

- Authorize a supplement to the agreement between the City of Seattle (City) and Sound Transit reimbursing the City for certain Central Link Light Rail project-related expenses.
- Requires Sound Transit to reimburse the City for certain project-related expenses associated with public works, public safety and program management services to directly support the Link project as defined in the MOA.
- Reflects the progress of the project in achieving advanced stages of design, preconstruction activities and the initiation of construction.
- Authorizes an amount of \$954,100 for Seattle City Light design and construction services, with a 15% contingency of \$143,115, for a total estimated amount of \$1,097,215.
- Authorizes an amount of \$947,020 for the City of Seattle to perform other third party services, with a 10% contingency of \$94,702, for a total estimated amount of \$1,041,722.

- The scope of work includes the following activities:

Design Review

The City of Seattle will review Link design submittals. City activities supporting the final design effort include pre-submittal reviews, identifying and resolving conflicting City comments, and preparing and delivering one set of internally consistent City comments to Sound Transit. Permit costs for each construction contract within the street right of way is based on time and materials, which are reimbursed through this agreement and a final processing/filing fee of \$68.00 for each construction contract. The specific design submittals are listed below:

- ◆ C500 DSTT – 90% submittal
- ◆ C520 Pine Street Stub Tunnel – 60% submittal
- ◆ C710 Beacon Hill Tunnel – 90% submittal
- ◆ C720 Beacon Hill East Portal to Walden – 100% submittal
- ◆ C735 MLK – 100% submittal
- ◆ C755 Tukwila (Note: Seattle City Light has utilities in the City of Tukwila) – 60% submittal

Construction Assistance

The City provides construction assistance that includes activities such as field inspection, construction related traffic control, business and community assistance to property owners impacted by the project, tunnel rescue services for the Beacon Hill test shaft, and participation on the Fire/Life/Safety committee.

Design

The City provides design services for Seattle City Light utilities, and other selected project elements.

Construction

The City provides construction support for the utility relocation work currently underway in the vicinity of the maintenance facility, E3 busway, and South Forest Street. This support includes construction by City crews.

Project Management

The City provides coordination of City activities to help ensure services are provided in an efficient and effective manner in support of the project.

BUDGET DISCUSSION

The total adopted budget for the Initial Segment is \$2.07 billion. Within that budget, the Seattle City Light design and construction activities are included within the construction phase, and all other activities proposed by this action are included within the third parties phase.

The action considered by this motion would increase the MOA with the City of Seattle by \$2,138,937 (\$1,901,120 plus \$237,817 contingency) for a revised total MOA amount of \$13,752,684. Of this proposed amount, Seattle City Light design and construction activities amount to \$1,097,215 (\$954,100 plus 15% contingency of \$143,115), and the third parties phase activities total \$1,041,722 (\$947,020 plus 10% contingency of \$94,702).

It is anticipated that the current approved budget of \$11,613,747 for the Fourth Supplement to the MOA with the City of Seattle will be fully expended by the end of April 2003.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The proposed action is consistent with the Board-adopted 2003 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

Action Item: City of Seattle (Additional scope and budget for Fourth Supplement to MOA)

(Year of Expenditure \$000)

Initial Segment	Current Board Adopted Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	226,780	109,336		109,336	117,444
2 Preliminary Engineering	35,000	33,130		33,130	1,870
3 Final Design	123,000	107,590		107,590	15,410
4 Right of Way	233,016	95,444		95,444	137,572
5 Construction	1,172,633	8,656	1,097	9,753	1,162,880
6 Construction Services	82,464	3,117		3,117	79,347
7 Third-Party Agreements	58,800	16,364	1,042	17,406	41,394
8 Vehicles	138,307	-		-	138,307
9 Contingency	-	-		-	-
10 Total Current Budget	2,070,000	373,638	2,139	375,776	1,694,224

Construction Phase Budget Detail

11 Work by Seattle City Light	19,028	1,185	1,097	2,282	16,746
12 Other Civil Construction	1,004,685	7,471	-	7,471	997,214
13 Systems Construction	131,556	-	-	-	131,556
14 Testing & Start-up	17,364	-	-	-	17,364
16 Total Phase	1,172,633	8,656	1,097	9,753	1,162,880

Third Parties Phase Budget Detail

17 City of Seattle	21,277	10,365	1,042	11,407	9,870
18 Other Third Parties	37,523	6,000	-	6,000	31,524
20 Total Phase	58,800	16,364	1,042	17,406	41,394

(B) Committed to Date amounts are from the Link Program Cost Summary Report (HQ Reports) dated 3/20/03

5(C) and 11(C) Construction Phase This Action amounts = 24(H) + 15% contingency

7(C) and 17(C) Third Parties Phase This Action amounts = 25(H) + 10% contingency

Contract Budget	Current Approved Contract Value (F)	Spent to Date through 12/31/02 (G)	Proposed Action (H)	Proposed Total Contract Value (I)
24 Work by Seattle City Light	866	611	954	1,820
25 Third Party Agreements	10,698	9,380	947	11,645
26 North Link	50	12		50
27 Contingency	0		238	238
28 Total	11,614	10,003	2,139	13,753
29 Percent Contingency	0%	0%	12.5%	1.8%

(G) Spent to Date amounts are from the City of Seattle MOA invoice for 4th quarter 2002

26 Fourth Supplement to MOA with the City of Seattle includes \$50,000 for North Link. This action affects only the Initial Segment.

M/W/DBE – SMALL BUSINESS PARTICIPATION

In general, City staff will perform the work tasks conducted under this Agreement. Based on the proposed scope of work, the City may contract for up to approximately 10% of these services. Any procurement of services by the City will be done consistent with the City of Seattle's M/W/DBE - Small Business Participation Program.

HISTORY OF PROJECT

MOA/Supplement	Amount	Time Period	Services Delivered
Fourth Supplement	\$2,935,977 (including \$332,842 contingency)	April 2002- present	Design review, design development support, construction assistance, design and construction services, utility coordination and relocation, implementation coordination, construction plan review, permitting, public safety, fiscal management, business assistance
Third Supplement	\$1,590,792	May 2001 – April 2002	Design review, design development support, utility coordination and relocation, implementation coordination, construction plan review, permitting, public safety, fiscal management, business assistance
Second Supplement	Not executed	Not executed	Not executed
First Supplement	\$4,919,821	1999-2000	Design review, design development support, utility coordination, implementation coordination, mitigation identification and analysis
Original MOA	\$2,500,000	1998	GIS services, environmental review, station area planning, land use planning, design process input

On April 20, 1998, the City of Seattle and Sound Transit entered into a Memorandum of Agreement for Intergovernmental Cooperation in the amount of \$2,500,000, authorized by the Board on March 12, 1998.

The First Supplement to the Memorandum of Agreement for Intergovernmental Cooperation, adopted by the Sound Transit Board on July 8, 1999, covered project-related services performed by the City during 1999 and 2000. Unexpended resources from the agreement continued to fund project-related City activities through April 2001. The First Supplement included reimbursement to various City departments for services including design review, design development support, utility coordination, implementation coordination, mitigation identification, analysis, and developmental support in an estimated amount not to exceed \$4,919,821.

The City of Seattle and Sound Transit then negotiated the Second Supplement. That agreement was approved by the Seattle City Council but was never executed by the Sound Transit Board due to the recalibration of the project during the December 2000 and January 2001 timeframe.

The Third Supplement was adopted on May 10, 2001, and included services to be provided by the City in three major areas: Public Works, Public Safety, and Program Management and

Business and Community Assistance from May 2001 through December 2001. Resources from the Third Supplement continued to support these project-related activities during the first quarter of 2002.

The Fourth Supplement (adopted on April 11, 2002) covered services provided by the City in the areas of public works, public safety, business and community assistance and program management, for a total estimated amount not to exceed \$2,935,977 (which includes the amount of \$332,842 remaining from the First Supplement budgeted for contingency purposes under this Agreement) for the period from April 2002 through December 2002.

At the time the Fourth Supplement was adopted, staff anticipated execution of the FFGA and start of construction in late 2002. The Fourth Supplement was intended to support project-related services provided by the City through December of 2002. Staff also planned the execution of an Umbrella Construction Services Agreement and the Fifth Supplement to follow shortly after execution of the FFGA. (The Umbrella Construction Agreement will be the mechanism for authorizing all future project-related construction services provided by the City. The Fifth Supplement will continue to be the mechanism for authorizing non-construction project-related services such as the completion of final design review.)

Since the FFGA and initiation of construction have been delayed, the execution of these other agreements has also been delayed. Remaining Fourth Supplement funds and the Board-authorized contingency have been reallocated to provide continued funding of project-related services provided by the City. However, these funds are expected to be expended by the end of April 2003. Review of final design packages and pre-construction activities are increasing, resulting in the need for continued City of Seattle support. Staff proposes to amend the scope and budget of the Fourth Supplement to support project-related services until the FFGA is executed this summer, and the Construction Agreement and Fifth Supplement are executed.

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

Motion or Resolution Number	Summary of Action	Date of Action
M2002-41	Executed the Fourth Supplement to the Memorandum of Agreement with the City of Seattle reimbursing the City for project related services in support of the Central Link Light Rail project within the City of Seattle. These services shall be provided by the City in the areas of public works, public safety, and business and community assistance and program management, for a total estimated amount not to exceed \$2,935,977.	4/11/02
M2001-41	Executed a Third Supplement to the Memorandum of Agreement with the City of Seattle reimbursing the City for project related expenses for the Central Link Light Rail project within City of Seattle jurisdiction. These expenses are to be associated with public works, public safety, and program management and business and community assistance services for a total estimated amount not to exceed \$1,590,792.	5/10/01
M99-33	Executed a First Supplement to the April 20, 1998 Memorandum of Agreement between the City of Seattle and Sound Transit; and providing for reimbursement to City Departments for certain design and design review costs in connection with the Link Light Rail project during calendar years 1999 and 2000, for an estimated amount of \$4,919,821.	7/8/99
M98-15	Entering into a Memorandum of Agreement with the City of Seattle.	3/12/98

CONSEQUENCES OF DELAY

Funds within the Fourth Supplement are expected to be fully expended by the end of April 2003. The Umbrella Construction Services agreement and the companion Fifth Supplement to the MOA with the City of Seattle are not anticipated to be brought before the Board for consideration until summer 2003. Delay in approving this motion would prevent the timely authorization necessary to continue supporting City project-related services, and would affect our ability to maintain the project schedule.

REGIONAL PARTNERSHIP AND COOPERATION

Sound Transit and the City of Seattle have worked closely in developing the additional scope of work included in this amendment to ensure that the required services are performed consistent with the overall Link project schedule.

PUBLIC INVOLVEMENT

N/A

LEGAL REVIEW

MB 4/7/03

SOUND TRANSIT

MOTION NO. M2003-41

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute an amendment to the Fourth Supplement to the Memorandum of Agreement with the City of Seattle reimbursing the City for project-related services in support of the Central Link Light Rail project within City of Seattle's jurisdiction. These services will be provided by the City of Seattle in the areas of public works, public safety, and program management, for a total estimated amount not to exceed \$2,138,937, and a revised total Memorandum of Agreement not to exceed \$13,752,684. The effective date of this action will be May 1, 2003.

Background:

On April 20, 1998, the City of Seattle and Sound Transit entered into a Memorandum of Agreement (MOA) for Intergovernmental Cooperation in the amount of \$2,500,000 (Motion No. M98-15, March 12, 1998). The First Supplement to Memorandum of Agreement for Intergovernmental Cooperation, adopted by the Sound Transit Board on July 8, 1999, by Motion No. M99-33, covered project-related services performed by the City during 1999 and 2000. Unexpended resources from the agreement continued to fund project-related City activities through April 2001. The First Supplement included reimbursement to various City departments for services including design review, design development support, utility coordination, implementation coordination, mitigation identification, analysis, and developmental support in an estimated amount not to exceed \$4,919,821.

The City and Sound Transit then negotiated the Second Supplement. That agreement was approved by the Seattle City Council but was never executed by the Sound Transit Board due to the recalibration of the project during the December 2000 and January 2001 timeframe.

The Third Supplement was adopted on May 10, 2001, by Motion No. M2001-41 and included services to be provided by the City in three major areas: Public Works, Public Safety, and Program Management and Business and Community Assistance from May 2001 through December 2001. Resources from the Third Supplement continued to support these project-related activities during the first quarter of 2002.

The Fourth Supplement was adopted on April 11, 2002, by Motion No. M2002-41. The Fourth Supplement covered services provided by the City in the areas of public works, public safety, business and community assistance and program management, for a total estimated amount not to exceed \$2,935,977 (which includes the amount of \$332,842 remaining from the First Supplement budgeted for contingency purposes under this Agreement) for the period from April 2002 through December 2002.

At the time the Fourth Supplement was adopted in April 2002, staff anticipated execution of the FFGA and start of construction in late 2002. The Fourth Supplement was intended to support project-related services provided by the City through December of 2002. Staff also planned the execution of an Umbrella Construction Services Agreement and the Fifth Supplement to follow shortly after execution of the FFGA. The Umbrella construction Agreement will be the mechanism for authorizing all project-related construction services provided by the City. The

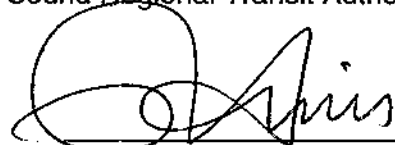
Fifth Supplement will continue to be the mechanism for authorizing non-construction project-related services such as the completion of final design review.

Since the FFGA and initiation of construction has been delayed, the execution of these other agreements has also been delayed. Remaining Fourth Supplement funds and the Board-authorized contingency have been reallocated to provide continued funding of project-related services provided by the City. However, these funds are expected to be expended by the end of April 2003. Review of final design packages and pre-construction activities are increasing resulting in the need for continued City of Seattle support. Staff proposes to amend the scope and budget of the Fourth Supplement to support project-related services until the FFGA is executed this summer, and the Construction Agreement and Fifth Supplement are executed.

Motion:

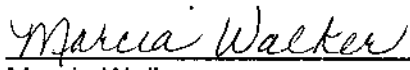
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to execute an amendment to the Fourth Supplement to the Memorandum of Agreement with the City of Seattle reimbursing the City for project-related services in support of the Central Link Light Rail project within City of Seattle's jurisdiction. These services will be provided by the City of Seattle in the areas of public works, public safety, and program management, for a total estimated amount not to exceed \$2,138,937. The effective date of this action is May 2003.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on April 24, 2003.



Ron Sims
Board Chair

ATTEST:



Marcia Walker
Board Administrator