

**SOUND TRANSIT  
STAFF REPORT**

**MOTION NO. M2005-55**

**Tukwila Freeway Route Contingency Increase  
for Advanced Utility Relocation, C757**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	5/19/05	Discussion/Possible Action to Recommend Board Approval Action	Ahmad Fazel, Link Director	(206) 398-5389
Board	5/26/05		<b>Joe Gildner, Link Deputy Director</b>	(206) 689-3350

<b>Contract/Agreement Type:</b>	✓	<b>Requested Action:</b>	✓
Competitive Procurement	✓	Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	✓
Interlocal Agreement		Contingency Funds (Budget) Required	✓
Purchase/Sale Agreement		Budget Amendment Required	

✓ *Applicable to proposed transaction.*

**ACTION**

Authorizes the Chief Executive Officer to increase the contract contingency for the contract with Frank Coluccio Construction Company for advanced utility relocations in Tukwila in the amount of \$420,000, for a new total authorized contract amount not to exceed \$7,062,547, which includes reimbursements to Sound Transit by third parties in the amount of \$198,812.

**KEY FEATURES**

- Sound Transit is relocating selected utilities in Tukwila and procuring utility poles in advance of main light rail construction in order to minimize utility coordination needs during the upcoming light rail guideway construction (contract C757). Advance utility relocation contracts have been an effective means for mitigating cost and schedule risks associated with utility conflicts.
- The construction that is currently being performed by the Frank Coluccio Construction Company as part of the C757 contract will reduce utility interfaces during the main light rail guideway and station contract (contract C755), when resolution of utility conflicts would be more costly and could pose greater schedule risks.
- The C757 original contract scope at the time of award includes the relocation of selected electrical and communications utilities from existing overhead lines to underground ductbanks in accordance with the City of Tukwila's ordinance. In addition, selected overhead electrical utilities require raising in order to allow construction of the elevated light rail guideway. The C757 contract includes betterments to public and private infrastructure for which third parties are reimbursing Sound Transit in the amount of \$198,812.
- Given the relatively higher construction risk associated with the relocation of underground utilities, the Sound Transit Board approved a 15% contract contingency in the amount of \$866,419 for the C757 contract at the time of award. This contingency amount is necessary to address modifications to the design and construction methods for the original contract scope.

- The proposed increase in the contract contingency is needed to fund construction elements added to this contract after the contract award. Scope increases include (a) design refinements made in conjunction with Seattle City Light (SCL) and the City of Tukwila that revise utility ductbank and vault configurations on Southcenter Boulevard and East Marginal Way; (b) design changes for retaining walls resulting from the reconfiguration of Southcenter Boulevard; and (c) revised ductbank and vault configurations to accommodate modifications to the light rail guideway column placement on 52<sup>nd</sup> Ave. South and Southcenter Boulevard.

**BUDGET IMPACT SUMMARY**

**Project Description:** Central Link Initial Segment

**Current Status:** Construction

**Projected Completion Date:** 2009

<b>Action Outside of Adopted Budget:</b>	<b>Y/N</b>	<b>Y Requires Comment</b>
This Line of Business	N	
This Project	N	
This Phase	N	
This Task	Y	Requires transfer from unallocated contingency within the construction phase
Budget amendment required	N	
<b>Key Financial Indicators:</b>	<b>Y/N</b>	<b>Y Requires Comment</b>
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 proposed action would authorize an increase to the contract contingency approved for the C757 contract for advanced utility relocation in Tukwila in the amount of \$420,000, increasing the not to exceed authorized contract amount for the C757 contract from \$6,642,547 to \$7,062,547, which includes betterment reimbursements totaling \$198,812. The Sound Transit share of the total authorized contract amount would increase from \$6,443,735 to \$6,863,735.

The total adopted capital budget for the Initial Segment is \$2.07 billion. Within this budget, \$6,490,000 has been set aside for C757 within the construction phase. Approval of the proposed action would result in a shortfall of \$373,735 for this budget line item, which would be funded through a transfer from unallocated contingency within the construction phase. Should the proposed action be approved, the balance remaining for the construction phase unallocated contingency would be \$43,538,572.

**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.

## BUDGET TABLE

**Action Item:** Frank Collucio Construction (increase contract contingency for C757 advanced utility relocation in Tukwila)

### (Year of Expenditure \$000)

Initial Segment	Amended 2005 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	218,780	112,554		112,554	106,226
2 Preliminary Engineering	34,000	33,643		33,643	357
3 Final Design	143,523	140,409		140,409	3,115
4 Right of Way	225,516	179,753		179,753	45,763
5 Construction	1,172,066	1,040,194	420	1,040,614	131,451
6 Construction Services	83,892	80,415		80,415	3,478
7 Third Party Agreements	58,916	53,672		53,672	5,244
8 Vehicles	133,307	131,799		131,799	1,508
9 <b>Total Current Budget</b>	<b>2,070,000</b>	<b>1,772,440</b>	<b>420</b>	<b>1,772,860</b>	<b>297,140</b>

### Construction Phase Detail

10 C757 Tukwila utility relocation	6,490	6,444	420	6,864	(374)
11 Other Construction Segments	1,118,563	1,030,650		1,030,650	87,913
12 Unallocated contingency	47,013	3,101		3,101	43,912
13 <b>Total Phase</b>	<b>1,172,066</b>	<b>1,040,194</b>	<b>420</b>	<b>1,040,614</b>	<b>131,451</b>

(A) AMENDED 2005 BUDGET reflects Board Resolution R2005-08 to transfer \$4 million to the Construction Phase from the ROW phase within the Initial Segment, approved by the ST Board 3/10/05.

Contract Amount	Board Approvals to Date (K)	Current Approved Contract Value (L)	Proposed Action (M)	Proposed Total for Board Approval (N)	Proposed Contract Value (O)
14 Contract Amount	5,677	5,687		5,677	5,687
15 Contingency	766	756	420	1,186	1,176
16 <b>Total Sound Transit</b>	<b>6,444</b>	<b>6,444</b>	<b>420</b>	<b>6,864</b>	<b>6,864</b>
17 Betterments	99	99		99	99
18 Contingency	100	100		100	100
19 <b>Total Betterments</b>	<b>199</b>	<b>199</b>	<b>-</b>	<b>199</b>	<b>199</b>
20 Total Contract Amount	5,776	5,786	-	5,776	5,786
21 Total Contingency	866	856	420	1,286	1,276
22 <b>TOTAL Including Betterments</b>	<b>6,643</b>	<b>6,643</b>	<b>420</b>	<b>7,063</b>	<b>7,063</b>
23 Percent Contingency	15%	15%	0%	22%	22%

### Budget Shortfall

Task Level	\$ (P)	Potential Resources (Q)	Source (R)
24 C757 Tukwila utility relocation	374	43,912	Construction phase unallocated contingency

## M/W/DBE – SMALL BUSINESS PARTICIPATION

The Small Business (SB) participation goal for this contract is 20%, with a 12% M/W/DBE goal. Based on the original scope of work, Frank Coluccio Construction Company submitted a small business participation plan with a SB commitment of 20.03% and an M/W/DBE goal of 14.14%. To date, the contractor has executed subcontracts that reflect 19.8% SB and 13.9% M/W/DBE participation.

To date, the contractor has billed Sound Transit approximately \$3 million. Out of this amount, \$173,000 or approximately 5.7% has been paid to SB and M/W/DBE subcontractors. The reasons the current level of utilization appear low relative to the percent complete on the contract scope include the following:

- 1) Much of the subcontracted work will be performed after the vaults and main duct runs are completed. This includes asphalt and concrete pavement, striping, landscaping, street lights and service runs for which subcontractors will play a key role;

- 2) To a lesser degree there is a lag time between the performance of work and billing by some of the subcontractors, which results in understating the SB and M/W/DBE participation levels; and
- 3) Various change orders have modified some of the work planned to be performed by SB and M/W/DBE subcontractors. In some cases, this resulted in a deletion or reassignment of work.

The contractor acknowledges that given the nature of this work it may be difficult to achieve the 20% goal. However, while acknowledging these challenges the contractor remains committed to make every effort, including substituting other M/W/DBE subcontractors, to meet the utilization goals.

Sound Transit will continue to monitor SB and M/W/DBE subcontractor participation to help ensure that a reasonable goal consistent with the original goal is aggressively pursued.

### EEO Commitment and Apprentice Utilization

The Frank Coluccio Construction Co. is a voluntary participant under the Project Labor Agreement, and has committed to EEO Goals of 21% People of Color and 12% Women, and to a 20% Apprenticeship Goal.

As of its February report, the total workforce has 28% People of Color and 15% Women. Although only 8% of the workforce is apprentices, 42% of the apprentices are People of Color and 56% are women.

### HISTORY OF PROJECT

Light rail construction in Tukwila will extend approximately 4.9 miles from South Boeing Access Road to South 154<sup>th</sup> Street. The alignment in this segment of the light rail system will be approximately 87% elevated, with the remainder of the alignment in a retained cut/fill configuration. Along certain sections of this alignment, existing Seattle City Light transmission and distribution facilities need to be relocated before the aerial guideway can be constructed.

In August 2003, Sound Transit completed a preliminary assessment of utility impacts and concluded that risks of schedule delay to the aerial guideway construction work would be significantly reduced by performing the critical utility work in advance. This included construction of the underground infrastructure necessary for the relocation of the existing distribution facilities and the procurement of two steel monopoles for raising the existing 230kV transmission facilities at South 112<sup>th</sup> Street. The procurement of these poles is a long-lead item. This utility relocation work was packaged as Advanced Utility Relocation, RTA/LR 10-04 or Contract C757.

Sound Transit staff determined that Contract C757 needed to be advertised for bid in May 2004 to be able to award the contract and issue Notice to Proceed in September 2004. This award date drove the design schedule and the design process. Instead of the typical 30%, 60%, 90% and 100% design submittals, each offering an opportunity for third party design reviews, it was decided to review the plans as they were being prepared in a series of six separate 60% "rolling submittal" packages of drawings.

The civil design team was able to meet this extremely aggressive design schedule. However, the 100% design submittal was completed less than 45 days after the 60% package, allowing

very little time for SCL and the City of Tukwila to comment on the 60% design submittal. Following the bid and award of this contract Sound Transit has continued to work with the City of Tukwila and Seattle City Light to address some necessary design modifications, including:

- Design refinements developed to revise ductbank and vault configurations on Southcenter Boulevard and East Marginal Way
- Design refinements to retaining walls resulting from the reconfiguration of Southcenter Boulevard.
- Revisions to construction of ductbanks and vaults on Southcenter Boulevard due to conflicts with existing and unidentified utilities.
- Design refinements to revise ductbanks and vault configurations resulting from the elimination of straddle bents on 52<sup>nd</sup> Ave. S. and Southcenter Boulevard.

To date, Sound Transit has used the allocated contingency to cover all of these unexpected costs in Contract C757. This allocated contingency was originally recommended by Sound Transit staff to address the risks associated with underground utility work. It was not developed to address the type of design refinements that have occurred. Sound Transit staff is therefore recommending that the contract contingency for contract C757 be increased through a transfer from unallocated contingency.

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

<b>Motion or Resolution Number</b>	<b>Summary of Action</b>	<b>Date of Action</b>
M2005-27	Authorized the Chief Executive Officer to execute a contract with PCL Construction Services, Inc. for the construction of the Central Link Light Rail Initial Segment light rail guideway between Boeing Access Road and South 154th Street in the City of Tukwila, including the Tukwila International Boulevard station and park-ride facility, in the amount of \$231,675,340, with a contract contingency of \$23,167,534 for a total authorized contract amount not to exceed \$254,842,874.	3/10/05
M2004-84	Authorized the Chief Executive Officer to execute a contract with Frank Coluccio construction company, for advance utility relocation work for Central Link from Boeing Access Road to South 154th Street station in the amount of \$5,776,128 with a 15% contingency of \$866,419, for a total authorized contract amount not to exceed \$6,642,547, which includes reimbursements to Sound Transit by Qwest, Comcast, and Seattle City Light for work in the amount of \$198,812.	9/9/04
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 of the C757 contract is approximately 40 percent complete. The proposed contingency increase will support resolution of the described design refinements at a lower cost than would be expected through incorporation of this work in other subsequent contracts. A tangible delay in the authorization of the additional contingency will impact the progress of the

work and may result in construction delay and further additional cost. Such delay will reduce the benefits of this advance utility work and the associated risk mitigation it provides for the follow-on contract.

### **REGIONAL PARTNERSHIP AND COOPERATION**

Sound Transit continues to work cooperatively with the City of Tukwila, Seattle City Light and the private utilities to complete the work of this contract.

### **PUBLIC INVOLVEMENT**

Not applicable for this action.

### **LEGAL REVIEW**

JW 5/5/05

## **SOUND TRANSIT**

### **MOTION NO. M2005-55**

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to increase the contract contingency for the contract with Frank Coluccio Construction Company for advanced utility relocations in Tukwila in the amount of \$420,000, for a new total authorized contract amount not to exceed \$7,062,547, which includes reimbursements to Sound Transit by third parties in the amount of \$198,812.

#### **Background:**

Sound Transit is relocating selected utilities in Tukwila and procuring utility poles in advance of main light rail construction in order to minimize utility coordination needs during the upcoming light rail guideway construction (contract C757). Advance utility relocation contracts have been an effective means for mitigating cost and schedule risks associated with utility conflicts.

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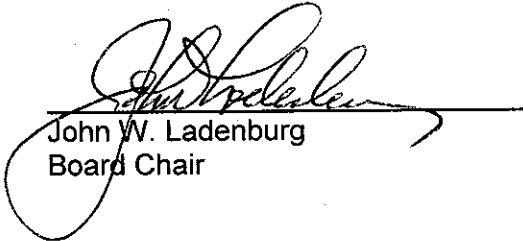
Given the relatively higher construction risk associated with the relocation of underground utilities, the Sound Transit Board approved a 15% contract contingency in the amount of 6,419 for the C757 contract at the time of award. This contingency amount is necessary to address modifications to the design and construction methods for the original contract scope.

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#### **Motion:**

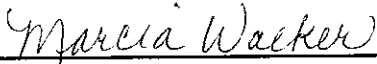
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to increase the contract contingency for the contract with Frank Coluccio Construction Company for advanced utility relocations in Tukwila in the amount of \$420,000, for a new total authorized contract amount not to exceed \$7,062,547, which includes reimbursements to Sound Transit by third parties in the amount of \$198,812.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 26, 2005.



John W. Ladenburg  
Board Chair

ATTEST:



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Marcia Walker  
Board Administrator