

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2007-109

Contract Amendment for On-Call Construction and Repair Services

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	10/18/07	Discussion/Possible Action	Ahmad Fazel, Link Executive Director Joe Gildner, Link Deputy Executive Director Ben Emam, Link Construction Manager	(206) 398-5389 (206) 689-3350 (206) 398-5394

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement	✓	Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	✓
Agreement with Other Jurisdiction(s)		Budget Amendment	
Real Estate		Property Acquisition	

PROJECT NAME

Central Link Light Rail Initial Segment

PROPOSED ACTION

Authorizes the chief executive officer to exercise the first of two one-year options with Leajak Concrete Construction, Inc. to provide on-call construction and repair services for the Central Link Light Rail Initial Segment project and amend the contract in the amount of \$442,000 for a revised total authorized contract amount not to exceed \$942,000.

KEY FEATURES of PROPOSED ACTION

- The purpose of this action is to authorize Sound Transit to extend the contract with Leajak Concrete Construction, Inc. to complete required on-call construction and repair services work along the Initial Segment. Provisions for rate increases beyond 2007 will be covered per (Article 7-Escalation) as stated in the original contract RTA/LR 0152-06.
- Leajak Concrete Construction, Inc. has been providing on-call construction services for construction/repair projects for all Initial Segment project locations.
- This action is needed because the Link Construction Management division will require the continued services of a construction contractor in order to complete a number of small projects recently identified by the Link Operations Division and/or remaining punchlist items in dispute with general contractors. Many of these tasks will be outside the scope of work of the general contractors who were responsible for the major construction of the Central Link light rail Initial Segment contracts.
- The contract defines a scope of work, which includes asking the contractor to perform services such as project/construction management of various construction/repair projects in

order to meet the requirements of the Link Construction Management division to complete construction for various segments and support business mitigation. The project may include but not be limited to: general labor, carpentry, asphalt repair and installation, concrete repair and installation, electrical repair, repair and installation of fencing, landscape repair, basic plumbing, welding of damaged steel structures, site clean-up, and management of general contract requirements.

BUDGET IMPACT SUMMARY

Current Project Phase: Construction
 Projected Completion Date: 2009

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
This Task	✓	Proposed action requires funding from unallocated contingency within the construction phase.
Budget Amendment Required		

Key Financial Indicators:	✓	Comments on Checked Items
Contingency Funds Required		
Funding required from other parties (other than what is in financial plan)		

Not checked = action is assumed in current Board-adopted budget. No budget action or adjustment to financial plan required.

BUDGET and FINANCIAL PLAN DISCUSSION

The on-call construction and repair services described in the proposed action would be assigned on a task order basis. Leajak Concrete Construction, Inc. will provide general miscellaneous construction support for various segments within the construction phase for a new proposed total authorized amount not to exceed \$942,000 (\$442,000 proposed for this action + \$500,000 previously authorized by Motion No. M2007-06, approved 1/04/07). This will be funded from the budget line item Other Miscellaneous Construction.

The Adopted 2007 Budget for the Central Link Initial Segment is \$2.07 billion. Within that amount, \$1.0 million has been set aside for Other Miscellaneous Construction within the construction phase. The proposed action would increase current commitments of \$1,258,775 by an additional \$442,000 to \$1,700,775, and result in a total budget shortfall of \$700,775 for this budget line item, which will be funded from unallocated contingency within the construction phase.

The unallocated contingency within the construction phase of the Initial Segment has a current remaining balance of \$7,667,361 (\$7,926,136 less \$258,775 shortfall and drawdown of unallocated contingency authorized by prior Motion No. M2007-81, approved 7/26/07). Approval of this action will reduce this amount by \$442,000, and leave a remaining balance of \$7,225,361 for construction phase unallocated contingency.

A second on-call services contract was advertised in August 2007, but Sound Transit did not receive any bids for the work. Some of the funds allocated for that action will be used for the extension to the Leajak Construction contract, and the remaining budget available will be packaged and re-bid at the beginning of 2008.

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

BUDGET TABLE

Action Item: Leajak Concrete Construction, Inc. (Extend the option to provide on-call construction and repair services within the Initial Segment project)

(Year of Expenditure \$000)

Initial Segment	Adopted 2007 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	214,780	140,711		140,711	74,069
2 Preliminary Engineering	33,357	33,310		33,310	46
3 Final Design	147,167	146,498		146,498	669
4 Right of Way	217,516	203,200		203,200	14,316
5 Construction	1,174,572	1,128,077	442	1,128,519	46,054
6 Construction Services	90,037	92,403		92,403	(2,366)
7 Third Party Agreements	60,264	62,543		62,543	(2,279)
8 Vehicles	132,307	131,799		131,799	508
9 Total Current Budget	2,070,000	1,938,541	442	1,938,983	131,017

Construction Phase Detail					
10 Other Miscellaneous Construction	1,000	1,259	442	1,701	(701)
11 Other Construction	1,131,495	1,092,667	-	1,092,667	38,828
12 Construction Unalloc Contingency	42,077	34,151	-	34,151	7,926
13 Total Phase	1,174,572	1,128,077	442	1,128,519	46,054

Contract Amount (TBA)	Board Approvals to Date (F)	Current Approved Contract Value (G)	Proposed Action (H)	Proposed Total for Board Approval (I)	Proposed Contract Value (J)
14 Contract Amount	500	382	442	942	824
15 Contingency	-	118	-	-	118
16 Total Contract	500	500	442	942	942
17 Percent Contingency	0%	31%	0%	0%	14%

(B) COMMITTED TO DATE amounts are from Agency WBS Report as of August 2007 + approved and pending board actions not recorded as of 8/31/07, or submitted after that date.

16(H) PROPOSED ACTION reflects the proposed limit for this task order contract with Leajak Concrete Construction, Inc.

Budget Shortfall	\$ (K)	Potential Resources (L)	Source (M)
18 Other Miscellaneous Construction	701	7,926	Unallocated contingency within the construction phase
19 Prior Action Other Misc Const	259	259	
20 THIS ACTION Other Misc Const	442	7,667	

(K) BUDGET SHORTFALL for the Other Miscellaneous Construction budget line item includes the drawdown of construction phase unallocated contingency authorized by prior Board Motion M2007-81 for Balfour Beatty, approved 7/26/07. The remaining budget shortfall of \$422,000 is for the current proposed action.

SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

Leajak Concrete Construction, Inc. is an MBE/DBE firm and committed to a 40% Small Business participation goal. Small Business participation to date on the contract is 60.78%.

EEO Commitment

Leajak Concrete Construction Inc.'s workforce demographics are 10.53% women and 47.37% minority.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

The on-call construction and repair services contract will continue to provide on-going support for these services along the Initial Segment alignment. All requests for services will be by task order for specific services and locations as specified within the task order request. The services of the on-call contractor will be shared by the Link Construction Management and Community Outreach divisions based on the budget contributions from each division as stated in the contract. The proposed action would exercise the first of two one-year options to extend the contract with Leajak Concrete Construction, Inc.

This contract is required to complete smaller construction and maintenance projects along the Initial Segment alignment that are not covered under the major construction contracts for each of the six portions of the Initial Segment. These projects may be required anywhere along the length of the Initial Segment and may take place on either Sound Transit owned or private property. Each of the on-call projects will be initiated by task order with the general contractor. The general contractor will be required to use a competitive bid process for subcontracted work by soliciting quotations from the subcontractors. Sound Transit reserves the right to approve or reject a proposed subcontractor on a specific task order.

Prior Board/Committee Actions

Motion/Resolution Number and Date	Summary of Action
M2007-06 01/04/07	Authorized the chief executive officer to execute a contract for one year with two one-year options to extend with Leajak Concrete Construction, Inc. to provide on-call construction and repair services for the Central Link Light Rail Initial Segment for a total authorized contract amount not to exceed \$500,000

CONSEQUENCES of DELAY

A delay beyond October 2007 on this action may require that a competitive bid process be used for several of the small works projects that are waiting to be started under this on-call services contract. This could substantially delay the completion of these projects.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

JI, 09/28/07

LEGAL REVIEW

JW 10/12/07

SOUND TRANSIT

MOTION NO. M2007-109

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to exercise the first of two one-year options with Leajak Concrete Construction, Inc. to provide on-call construction and repair services for the Central Link Light Rail Initial Segment project and amend the contract in the amount of \$442,000 for a revised total authorized contract amount not to exceed \$942,000.

Background:

The on-call construction and repair services contract will continue to provide on-going support for these services along the Initial Segment alignment. All requests for services will be by task order for specific services and locations as specified within the task order request. The services of the on-call contractor will be shared by the Link Construction Management and Community Outreach divisions based on the budget contributions from each division as stated in the contract. The proposed action would exercise the first of two one-year options to extend the contract with Leajak Concrete Construction, Inc.

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Motion:


It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to exercise the first of two one-year options with Leajak Concrete Construction, Inc. to provide on-call construction and repair services for the Central Link Light Rail Initial Segment project and amend the contract in the amount of \$442,000 for a revised total authorized contract amount not to exceed \$942,000.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 18, 2007.



Fred Butler
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator