

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2007-69

Contract Amendment for Construction Management Services

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	7/5/07	Discussion/Possible Action to Recommend Board Approval Action	Ahmad Fazel, Link Executive Director	(206) 398-5389
Board	7/12/07		Joe Gildner, Link Deputy Executive Director	(206) 689-3350
			Stephanie Kirby, Link Deputy Construction Manager	(206) 370-5503

Contract/Agreement Type:	<input checked="" type="checkbox"/>	Requested Action:	<input checked="" type="checkbox"/>
Competitive Procurement	<input checked="" type="checkbox"/>	Execute New Contract/Agreement	<input checked="" type="checkbox"/>
Sole Source	<input type="checkbox"/>	Amend Existing Contract/Agreement	<input checked="" type="checkbox"/>
Agreement with Other Jurisdiction(s)	<input type="checkbox"/>	Budget Amendment	<input type="checkbox"/>
Real Estate	<input type="checkbox"/>	Property Acquisition	<input type="checkbox"/>

PROJECT NAME

Central Link light rail Initial Segment

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with URS Corporation to provide construction management services for the Downtown Seattle Transit Tunnel retrofit and tunnel expansion project in the amount of \$573,683, for a new total authorized contract amount not to exceed \$6,573,633.

KEY FEATURES of PROPOSED ACTION

- This contract amendment is necessary to provide additional funding for:
 - Key individuals to facilitate project closeout through December 2007
 - Support of integrated testing in the Downtown Seattle Transit Tunnel (DSTT)
 - Key individual support of systems/civil interface work within the DSTT in support of revenue service in the DSTT in September 2007

- The project had higher than expected costs primarily resulting from additional scope due to the complexity of the Downtown Seattle Transit Tunnel retrofit. Construction on the Pine Street restoration was to be finished by October 6, 2006, but was extended through May 15, 2007 due to the complexity of the cut and cover work in the downtown core, labor shortages, and a concrete workers strike.

BUDGET IMPACT SUMMARY

Current Project Phase: Construction
Projected Completion Date: 2009

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase	✓	Proposed action requires funding from surplus budget in other phases of the Initial Segment project
This Task		
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 Adopted 2007 Budget for the Central Link Initial Segment is \$2.07 billion. Within that budget, \$6,000,000 has been set aside for construction management services for the C510 Downtown Tunnels project in the construction services phase. Since all but \$50 of this amount is committed, approval of the proposed action would result in a budget shortfall of \$573,633 for this line item. No funds remain in the construction services phase unallocated contingency. Approval of the proposed action, when added to current commitments approved by the Sound Transit Board, would result in budget shortfall of \$2,409,928 for this phase. This would be funded from surplus budget in other phases within the Initial Segment project.

The proposed action would exceed the construction services phase budget for the Initial Segment and require a transfer of budget funds from other phases within the project during the next budget update. It is otherwise consistent with the current board-adopted Initial Segment budget and is affordable within the agency's current long-term financial plan and subarea financial capacity. The action will have no new revenue impact on Sound Transit.

BUDGET TABLE

Action Item: URS Corporation (provide construction management services for C510 Downtown Tunnels project within the Central Link Initial Segment)

(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	135,123		135,123	79,657
2	Preliminary Engineering	33,357	33,310		33,310	46
3	Final Design	147,167	146,496		146,496	671
4	Right of Way	217,516	202,693		202,693	14,823
5	Construction	1,174,572	1,105,640		1,105,640	68,933
6	Construction Services	90,037	91,874	574	92,447	(2,410)
7	Third Party Agreements	60,264	59,566		59,566	698
8	Vehicles	132,307	131,799		131,799	508
9	Total Current Budget	2,070,000	1,906,501	574	1,907,074	162,926

Construction Services Phase Detail

10	CM Services C510	6,000	6,000	574	6,574	(574)
11	Other Construction Services	83,037	84,874		84,874	(1,836)
12	CS Unallocated Contingency	1,000	1,000		1,000	-
13	Total Phase	90,037	91,874	574	92,447	(2,410)

Contract Amount	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	5,455	5,455	574	6,028	6,028
15	Contingency	545	545	-	545	545
16	Total Contract	6,000	6,000	574	6,574	6,574
17	Percent Contingency	10%	10%	0%	9%	9%

(B) COMMITTED TO DATE amounts are from Agency WBS Report as of May 2007 + approved and pending board actions not recorded as of 5/31/07, or submitted after that date.

Budget Shortfall	\$	Potential Resources	Source	
Task Level	(K)	(L)	(M)	
18	CM Services C510	574	162,926	Surplus budget from other phases of the Initial Segment

SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

URS Corporation is the prime consultant for this contract. URS committed to a 28.48% M/W/DBE and Small Business participation goal. Small Business participation to date is 48.02%.

Utilization Breakdown Table

Subconsultant	Business Type	% of Work	Dollar Value
Moniz Art + Architecture	CBE/DBE	9.5	\$ 54,511
ICC Electrical	Small Business	18.5	\$106,292
CS3W Associates	MBE/DBE	10.68	\$ 60,000
Total		38.68	\$220,804

EEO Commitment

URS Corporation has a workforce demographic of 37.5% women and 23.9% minorities

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

In November 2001, the Board selected the Central Link Light Rail Initial Segment to be constructed from downtown Seattle to South 154th Street in Tukwila. Construction of the Downtown Seattle Transit Tunnel (DSTT) retrofit and tunnel expansion included an 800-foot cut and cover tunnel under Pine Street, new vent shaft, replacing existing rail within the DSTT, and upgrading the fire life safety systems.

In March 2004, Sound Transit identified Frank Coluccio Construction Company as the most responsive and responsible bidder of the C530 contract – Pine Street Early Utility Work for early relocation of utilities along Pine Street with the baseline schedule completion of the work in August 2004.

In April 2004, Sound Transit issued a Notice to Proceed (NTP) to the URS contract for construction management services for the C530 project – Pine Street Early Utility Work for early relocation of utilities along Pine Street. Services include providing resident engineering, office engineering, inspection (civil, structural, electrical, track, mechanical, and utilities), change order administration, and diversity. The contract period initially ended in April 2007 and was extended by change order to end in April 2008.

In August 2004, Sound Transit identified Balfour Beatty Construction, Inc. as the most responsive and responsible bidder for the C510 project – DSTT Retrofit and Tunnel Expansion. Balfour Beatty's baseline schedule showed completion of the tunnel expansion under Pine Street to be completed by October 6, 2006 and the DSTT retrofit to be completed by June 4, 2007. Pine street restoration was not completed until May 15, 2007 and the DSTT was substantially complete by June 4, 2007.

The (C510) Downtown Seattle Transit Tunnel retrofit and tunnel expansion project had to address multiple unanticipated challenges during construction. The task of retrofitting the DSTT was significantly more complex than originally thought; some of these factors include inadequate as-builts of the existing mechanical and electrical systems and Link's own civil-system interfaces, especially the C803 Communications System. Delays in both the DSTT and tunnel expansion needed mitigation by the construction management staff to interface with the three systems contractors that all shared the DSTT at the same time with Balfour Beatty Construction, Inc.

These complexities and the demands of reopening the DSTT on time resulted in additional costs to the contract. Harry Sapporta (Security Consultant) was hired to address King County Metro's concerns regarding vehicle intrusion into the DSTT. EEI (Commissioning Agent) was hired to oversee commissioning activities for the DSTT. TLT Babcock, the original emergency fan manufacturer, was required to restart the existing emergency fans and Stantech was needed to program the programmable logic control for the new exhaust fans, which are to be synchronized with the old supply fans.

Prior Board/Committee Actions on this Project

Motion/Resolution Number and Date	Summary of Action
M2004-78 8/12/2004	Authorized the Chief Executive Officer to execute a contract with Balfour Beatty Construction Incorporated for the C510 Contract – Downtown Seattle Transit Tunnel Retrofit and Expansion in the amount of \$82,700,000 with a 10% contingency in the amount of \$8,270,000 for a total authorized contract not to exceed \$90,970,000.
M2004-33 4/8/04	Executed a contract with URS for construction management services for the Downtown Seattle Transit Tunnel Retrofit and Tunnel Expansion in the amount of \$5,454,500 with a contract contingency of \$545,450 for a total amount not to exceed \$5,999,950 for a three-year term with the option of two additional one-year extensions.
M2004-18 3/4/2004	Authorizing the Chief Executive Officer to execute a contract with Frank Coluccio Construction Co. for the C530 Contract – Pine Street Advanced Utility Relocation in the amount of \$883,835 with a 20% contingency of \$176,767 for a total authorized contract amount not to exceed \$1,060,602.

CONSEQUENCES of DELAY

Current authorized funds are forecasted to be exhausted by August 2007. A delay beyond this date will impact Link's ability to provide construction management services for the C510 contract close-out and support the integrated testing of the DSTT for re-opening in September 2007.

PUBLIC INVOLVEMENT

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

ENVIRONMENTAL COMPLIANCE

JI, 06/12/07

LEGAL REVIEW

JW 6/28/07

SOUND TRANSIT

MOTION NO. M2007-69

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with URS Corporation to provide construction management services for the Downtown Seattle Transit Tunnel retrofit and tunnel expansion project in the amount of \$573,683, for a new total authorized contract amount not to exceed \$6,573,633.

Background:

In November 2001, the Board selected the Central Link Light Rail Initial Segment to be constructed from downtown Seattle to South 154th Street in Tukwila. Construction of the Downtown Seattle Transit Tunnel (DSTT) retrofit and tunnel expansion included an 800-foot cut and cover tunnel under Pine Street, new vent shaft, replacing existing rail within the DSTT, and upgrading the fire life safety systems.

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Motion:

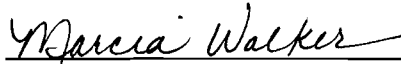
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with URS Corporation to provide construction management services for the Downtown Seattle Transit Tunnel retrofit and tunnel expansion project in the amount of \$573,683, for a new total authorized contract amount not to exceed \$6,573,633.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 12, 2007.



John W. Ladenburg
Board Chair

ATTEST:



Marcia Walker
Board Administrator