

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2009-60

University Link Construction Services Agreement between Sound Transit and the City of Seattle

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	7/2/09	Discussion/Possible Action to Recommend Board Approval	Ahmad Fazel, Link Executive Director	(206) 398-5389
Board	7/9/09	Action	John Harrison, University Link Project Director Ron Endlich, University Link Deputy Project Director	(206) 398-5309 (206) 398-5141

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

University Link – Pine Street Stub Tunnel to University of Washington Station

PROPOSED ACTION

Authorizes the chief executive officer to execute the University Link Construction Services Agreement with the City of Seattle to reimburse the City for project-related services in support of University Link construction work in the amount of \$5,451,569 with a 10% contingency of \$545,157, for a total authorized agreement amount not to exceed \$5,996,726.

KEY FEATURES of PROPOSED ACTION

- Under this agreement, Sound Transit would reimburse the City for certain project-related expenses associated with the University Link Project construction. The City will furnish services in support of the Project, as further described within each Task Order.
- The scope of this agreement covers services to be provided by the City in the following areas:
 1. Construction Assistance, including program management, construction submittal reviews, response to Requests for Information, and City design of City systems and facilities.
 2. Construction Services, consisting of City crew construction work, including quality assurance field inspection, construction engineering, and the management thereof. This also includes Fire Department tunnel rescue services. Seattle Fire Department will also provide station and tunnel inspections, including fire alarm systems, emergency management panel and systems controls, sprinkler and standpipe systems, emergency ventilation systems, and Opticom testing.
 3. Seattle Department of Transportation Program Management services include coordination of City departments, task order management, invoicing, and working with Sound Transit. The program management services also include a part-time construction coordinator to serve as the City's field representative.

4. Department of Planning and Development will provide one full-time equivalent noise monitor during the tunneling activities at the UW and Capitol Hill station sites.
 5. Other services that the Parties mutually agree upon in future Budget or Task Order amendments.
- Contingency amounts controlled by Sound Transit will be included in the applicable budget attached to each Task Order.
 - In addition to the services outlined above, the City may request that Sound Transit construct certain betterments to City facilities; however, the extent and cost of such betterments will be subject to negotiation between the Parties. The City will reimburse any betterment cost incurred by Sound Transit.
 - This agreement has also been structured in anticipation of future North Link and East Link construction work within the City of Seattle and can be amended by future Board action by adding new project scope, schedule, and budget exhibits without the need to renegotiate the underlying agreement.

BUDGET IMPACT SUMMARY

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from parties other than what is already assumed in the financial plan.

BUDGET and FINANCIAL PLAN DISCUSSION

The proposed action would authorize execution of the Construction Services Agreement with the City of Seattle for a total authorized amount not to exceed \$5,996,726, including \$4,430,000 for City of Seattle Construction Assistance, and \$1,556,726 for Construction Work by Others.

The Adopted 2009 Lifetime Capital Budget for University Link is \$1.756 billion.

- Within that amount, \$2,000,000 has been set aside for Work by Others in the construction phase. The proposed action would commit \$1,566,726 for this line item, and leave a remaining budget balance of \$433,274.
- Within that amount, \$5,000,000 has been set aside for City of Seattle Construction Assistance in the third party phase. Current commitments for this line item are \$570,000. The proposed action would increase this amount by \$4,430,000 to a revised total of commitment of \$5,000,000, and leave no remaining budget balance for this line item.

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

BUDGET TABLE

Action Item: City of Seattle (Construction Services Agreement to reimburse the City for project-related services in support of construction for the University Link project)

(Year of Expenditure \$000)

University Link	Adopted 2009 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
Agency Administration	115,229	36,886		36,886	78,343
Preliminary Engineering	24,388	24,329		24,329	59
Final Design	77,944	69,718		69,718	8,226
Right of Way	167,332	124,505		124,505	42,827
Construction	1,180,033	406,937	1,567	408,504	771,529
Construction Services	68,526	64,704		64,704	3,822
Third Party Agreements	18,646	9,101	4,430	13,531	5,115
Vehicles	103,909	99,185		99,185	4,724
Total Current Budget	1,756,007	835,364	5,997	841,361	914,646

Construction Phase Budget Detail

Work by Others	2,000	-	1,567	1,567	433
Other Construction	1,178,033	406,937		406,937	771,096
Total Phase	1,180,033	406,937	1,567	408,504	771,529

Third Party Phase Budget Detail

City of Seattle Construction Assistance	5,000	570	4,430	5,000	-
Other Third Party	13,646	8,531		8,531	5,115
Total Phase	18,646	9,101	4,430	13,531	5,115

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)
Contract Amount	-	-	5,452	5,452	5,452
Contingency	-	-	545	545	545
Total Contract	-	-	5,997	5,997	5,997
Percent Contingency	0%	0%	10%	10%	10%

(A) ADOPTED 2009 BUDGET amounts as adopted by resolution of the Sound Transit Board (R2008-14, approved 12/11/08).

(B) COMMITTED TO DATE amounts are from Agency WBS Report as of May 2009 + approved and pending board actions not recorded as of 5/31/09, or submitted after that date.

SMALL BUSINESS PARTICIPATION

City staff will perform the work tasks conducted under this agreement. Any procurement of services by the City will be done consistent with the City’s M/W/DBE – Small Business Participation Program.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

On April 20, 1998, the City and Sound Transit entered into a Memorandum of Agreement (MOA) for Intergovernmental Cooperation.

Since then, several supplements to that original agreement have been adopted by the Sound Transit Board and the City to cover project-related services performed by the City primarily covering design and construction activities for the Initial Segment. The University Link Construction Services Agreement continues the working relationship.

Preliminary Engineering for University Link was completed in spring 2006. The North Link Final SEIS was published on April 7, 2006, which informed the Board’s final decision on the North Link project to be built, including route, station locations, project phasing, and financing. On April 27, 2006, the Sound Transit Board adopted Resolution No. R2006-07 which selected the University Link project to be advanced to final design and property acquisition followed by construction and operation. The University Link project is a 3.15-mile extension of the Initial Segment of light rail in twin-bored tunnels with two cut-and-cover stations connecting downtown Seattle with Capitol Hill and the University of Washington campus.

Sound Transit transmitted a request for final design approval to the FTA in May 2006. The Record of Decision for North Link was issued by the FTA in June 2006, completing the environmental review process. The FTA gave final design approval for University Link in December 2006. A contract with Northlink Transit Partners, JV was executed for University Link final design in November 2006 and work began in December 2006.

Under the University Link Supplement to the City/Sound Transit MOA approved in March 2007, Sound Transit reimbursed the City for certain project-related expenses associated with University Link final design work managed by work tasks. Civil final design work for University Link was completed in May 2009, with initial construction activities beginning in early 2009.

The proposed University Link Construction Services Agreement covers services to be provided by five City departments: Seattle Department of Transportation, Seattle Public Utilities, Seattle City Light, Seattle Fire Department, and the Department of Planning and Development.

Under this Construction Services Agreement, Sound Transit will reimburse the City for construction services provided in accordance with Task Orders negotiated with each department for Construction Assistance (engineering and administrative support) and Construction Services (crew work, QA inspections and Tunnel Rescue services).

Prior Board/Committee Actions on this Project and Relevant Board Policies

Motion/Resolution Number and Date	Summary of Action
M2007-37 3/8/07	Executed the University Link Supplement to the Memorandum of Agreement with the City of Seattle to reimburse the City for project-related services in support of University Link final design work in the amount of \$1,979,401 with a 10% contingency of \$197,940, for a total authorized agreement amount not to exceed \$2,177,341.
R2006-07 4/27/06	(1) Selected the final route, profile, and station locations for the North Link Light Rail Project; (2) selected the University Link portion of North Link to be constructed and operated as part of the Central Link Light Rail Project, including authorizing the steps necessary to complete final design and implementation of the University Link Project including securing a federal Full Funding Grant Agreement; (3) increased the University Link lifetime Adopted 2006 Budget and revising the annual Adopted 2006 Budget; and (4) for planning purposes reduced the minimum debt service coverage for the North King County subarea to 1.15x for the University Link Finance Plan.
M98-15 3/12/98	Entered into a Memorandum of Agreement with the City of Seattle.

CONSEQUENCES of DELAY

This Agreement allows for timely assistance from City staff to support Sound Transit’s University Link construction effort. A short delay in the approval of this Agreement would not affect Sound Transit’s work progress. A longer delay could affect Sound Transit’s ability to complete the Project within its baseline schedule.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

Jl, 06/12/09

LEGAL REVIEW

LA 06/25/09