

**SOUND TRANSIT  
STAFF REPORT**

**MOTION NO. M2009-97**

**Increase Contingency for Procurement and Installation of Central Link Switch Heaters**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	11/5/09	Discussion/Possible Action to Recommend Board Approval	Ahmad Fazel, Link Executive Director	(206) 398-5389
Board	11/12/09	Action	<b>Joe Gildner, University Link Project Director</b> George Hodges, Civil/Systems Integration Manager	(206) 689-3350 (206) 398-5473

<b>Contract/Agreement Type:</b>	✓	<b>Requested Action:</b>	✓
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 Switch Heaters

**PROPOSED ACTION**

Authorizes the chief executive officer to increase the contingency for the contract with Railworks Track Systems, Inc. to procure and install rail and track switch heater assemblies and control equipment for Central Link, in the amount of \$2,409,281, for a total authorized contract amount not to exceed \$14,674,281.

**KEY FEATURES of PROPOSED ACTION**

- The proposed action will increase the authorized amount of the Light Rail Vehicle Storage Yard Expansion contract (U820) with Railworks Track Systems, Inc. for proposed negotiated changes in two phases. The first proposed negotiated change will procure rail web heaters, switch rod heaters, switch heater cases, and controllers from a switch heater manufacturer. The second proposed negotiated change will provide for the procurement of ancillary equipment and material; and will provide for installation of the switch heaters.
- The proposed action will install 50 sets of switch heater layout equipment in the light rail vehicle storage yard, ten sets of switch heater layout equipment in the light rail vehicle storage yard entrance, and four sets of switch heater layout equipment at the SeaTac/Airport Station.

**BUDGET IMPACT SUMMARY**

Current Project Phase: Final Design / Construction  
 Projected Completion Date: 2009

<b>Action Outside of Adopted Budget:</b>	✓	<b>Comments on Checked Items</b>
This Project		
This Phase		
This Task		
Budget Amendment Required		
<b>Key Financial Indicators:</b>	✓	<b>Comments on Checked Items</b>
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**

Central Link Switch Heaters is a new project created by Resolution No. R2009-19 (Amendment of the Adopted 2009 Budget), adopted by the Sound Transit Board on September 24, 2009. The adopted 2009 lifetime capital budget for Central Link Switch Heaters is \$3,252,530. Within that amount \$2,409,281 has been set aside for procurement and installation of switch heaters in the construction phase.

Approval of this action would commit the entire \$2,409,281 amount for this budget line item, leaving no remaining balance.

The current authorized not to exceed value for the Railworks Track Systems, Inc. contract is \$12,265,000 and includes: North Link – Northgate to 45<sup>th</sup> Street project in the amount of \$1,255,605; University Link project in the amount of \$4,507,477; and North Link – UW Station to Brooklyn Station project in the amount of \$6,501,918. The proposed action would increase this amount by \$2,409,281 to a revised total amount of \$14,674,281.

The proposed action is consistent with the current adopted lifetime 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:** Railworks Track Systems, Inc. (Increase contingency to procure and install rail and track switch heater assemblies and and control equipment to form a complete snow/ice melting system for Central Link)

(Year of Expenditure \$000)

<b>Central Link Switch Heaters</b>	Adopted 2009 Budget (Amended) (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
Agency Administration	120	-	-	-	120
Preliminary Engineering	-	-	-	-	-
Final Design	361	-	-	-	361
Right of Way	-	-	-	-	-
Construction	2,409	-	2,409	2,409	-
Construction Services	241	-	-	-	241
Third Party Agreements	120	-	-	-	120
Vehicles	-	-	-	-	-
<b>Total Current Budget</b>	<b>3,253</b>	<b>-</b>	<b>2,409</b>	<b>2,409</b>	<b>843</b>

### **Construction Phase Budget Detail**

Switch Heaters	2,409	-	2,409	2,409	-
Other Construction	-	-	-	-	-
<b>Total Phase</b>	<b>2,409</b>	<b>-</b>	<b>2,409</b>	<b>2,409</b>	<b>-</b>

<b>Contract Amount</b>	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	11,150	11,150	-	11,150	11,150
Contingency	1,115	1,115	2,409	3,524	3,524
<b>Total Contract</b>	<b>12,265</b>	<b>12,265</b>	<b>2,409</b>	<b>14,674</b>	<b>14,674</b>
Percent Contingency	10%	10%	100%	32%	32%
Less North Link - Northgate to 45th St	1,256	1,256	-	1,256	1,256
Less University Link	4,507	4,507	-	4,507	4,507
Less North Link - UW Station to Brooklyn Station	6,502	6,502	-	6,502	6,502
<b>Total Central Link Switch Heaters</b>	<b>-</b>	<b>-</b>	<b>2,409</b>	<b>2,409</b>	<b>2,409</b>

(A) ADOPTED 2009 BUDGET (AMENDED): New project budget created by Board Resolution R2009-19 Amendment of the Adopted 2009 Budget, adopted by the Sound Transit Board on September 24, 2009.

(B) COMMITTED TO DATE amounts are from Agency WBS Report as of August 2009 + approved and pending board actions not recorded as of 8/30/09, or submitted after that date.

## **SMALL BUSINESS PARTICIPATION**

### Prime Contractor

Railworks Track Systems, Inc. is the prime contractor for this contract. Railworks Track Systems, Inc. has committed to a 16.47% Small Business Commitment with 15.34% DBE participation. Sound Transit's Small Business Goal is 12%, with a DBE Goal of 10%.

### Utilization Breakdown Table

<b>Subconsultant/Subcontractor</b>	<b>Business Type</b>	<b>% of Work</b>	<b>Dollar Value</b>
EIR Electric, Inc.	DBE	8.07%	\$900,000
B&B Diversified Materials	DBE	7.05%	\$786,277
Kulchin Foundation Drilling	Small Business	.98%	\$109,000
Otto Rosenau & Associates	Small Business	.16%	\$17,500
Best Surveying	DBE	.22%	\$24,000
<b>Total</b>		<b>16.47%</b>	<b>\$1,836,777</b>

### Equal Employment Workforce Profile (% Women/People of Color)

Railworks Track Systems, Inc. workforce demographics are 3.54% women and 55% people of color.

### Apprentice Utilization Commitment

Railworks Track Systems, Inc. has committed to hiring apprentices for 20.57% of all labor hours.

**PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION**

Following the severe snowstorms of December 2008, the decision was made to procure and install switch heaters for the light rail vehicle storage yard at the Operations and Maintenance Facility (OMF) and at the SeaTac/Airport Station crossovers in order to help prevent disruption of light rail operations due to freezing of the switches in future cold weather events. An amendment to the 2009 Budget to add a new Central Link Switch Heaters project was adopted by the Sound Transit Board in September 2009. The design firm LTK Engineering completed their preliminary design of the switch heaters and associated utilities by the end of September 2009. In early October 2009, the decision was made to request authorization to proceed with the procurement and subsequent installation of the switch heaters.

Railworks Track Systems, Inc. was awarded the Light Rail Vehicle Storage Yard Expansion contract (U820) on August 25, 2009. The U820 contract was awarded to increase the OMF storage yard capacity to accommodate additional light rail vehicles and expand utilities to maximize operations and maintenance. Incorporation of switch heaters at the OMF is within the general intent of the contract. Currently, the contract documents specify the installation of conduits for electrical power for such switch heaters. It is estimated that the cost to furnish and install switch heaters at the Airport Station crossovers is not significant, approximately six percent of the total amount. Local funds (no federal funds) shall be utilized to purchase and install all switch heaters.

The U820 contract is currently on-going and Railworks Track Systems, Inc. is in the process of mobilizing their workforce and performing early construction activities.

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

<b>Motion/Resolution Number and Date</b>	<b>Summary of Action</b>
R2009-19 9/24/09	Approved amendment of the Adopted 2009 Budget.
M2009-67 8/13/09	Authorized the chief executive officer to execute a contract with Railworks Track Systems, Inc. to provide construction services to expand the vehicle storage yard at the Link light rail Operations and Maintenance Facility for North Link and University Link projects in the amount of \$11,150,000, with a contingency of \$1,115,000 for a total authorized contract amount not to exceed \$12,265,000.

**CONSEQUENCES of DELAY**

Delay in increasing this contract contingency and executing the change orders to procure and install the switch heaters could potentially hamper the ability to conduct light rail operations in severe weather conditions involving snow and/or icing.

**PUBLIC INVOLVEMENT**

Not applicable to this action.

**ENVIRONMENTAL COMPLIANCE**

Jl 10/23/09

**LEGAL REVIEW**

JN 10/30/09