

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2002-97

Contract Amendment with CH2M Hill

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	8/15/02	Discussion/Possible Action to Recommend Board Approval	Ahmad Fazel, Link Light Rail Director	(206) 398-5389
Board	8/22/02	Meeting Cancelled	Joe Gildner, Deputy for Link Light Rail Technical Services	(206) 689-3350
Executive Committee	9/5/02	Action		
Board	9/12/02	Ratification		Tony Raben, Link Light Rail Project Manager

Contract/Agreement Type:		Requested Action:	
Competitive Procurement	3	Execute New Contract/Agreement	3
Sole Source		Amend Existing Contract/Agreement	3
Memorandum of Agreement		Contingency Funds Required	
Purchase/Sale Agreement		Budget Amendment Required	

4 Applicable to proposed transaction.

OBJECTIVE OF ACTION

- To provide additional design funds for the C730/C740 Civil Final Design contract to design and coordinate underground utilities along Martin Luther King Jr. Way South (MLK).

ACTION

- Authorize the Executive Director to execute a contract amendment with CH2M Hill to incorporate underground utilities into the Final Design of MLK in the amount of \$1,220,000 with a 3.3% contingency of \$40,000 totaling \$1,260,000 and for a new total authorized contract amount not to exceed \$9,457,572.

KEY FEATURES

- Sound Transit Board Motion No. M2002-57 authorized "staff to immediately begin modifying designs to include undergrounding utilities with the understanding and recognition of the City of Seattle's intent to share the costs of implementing undergrounding."
- Defines a scope of work, including design and coordination with Seattle City Light, private utility companies (Qwest and AT&T Broadband), the City of Seattle Department of Information Technology, Seattle Public Utilities, King County Metro, and the Seattle Department of Transportation. The scope also includes the redesign of street utilities to accommodate the undergrounding, cross street transitions from the underground configuration to overhead configuration, property owner underground utility services, third party developers along the corridor, and internal design teams (Architects, Urban Designers, Systems, Traffic and Art).

- This scope includes modifications to the 90% and 100% submittal dates by adding approximately 2.5 months. The costs associated with this time shift are included in the requested design funds.

BUDGET IMPACT SUMMARY.

Project Description: Final Design Services for Link Line Sections C730 and C740.

Current Status: Working towards the 90% submittals due in the 4th quarter 2002.

Projected Completion Date: April 25, 2003

Action Outside of Adopted Budget:	Y/N	Y Requires Comment
This Line of Business	N	
This Project	N	
This Phase	Y	The budget identified for undergrounding is contained within the construction phase.
This Task	Y	Undergrounding utility decision came after 60% work was complete
Budget amendment required	Y	Undergrounding utility decision came after 60% work was complete
Key Financial Indicators:	Y/N	Y Requires Comment
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 total budget for the Initial Segment from CPS to South 154th Street is \$2.07 billion. Within that budget, the total lump-sum budget for underground utilities within the Rainier Valley, including design and construction is not to exceed \$10,000,000 and was located within the Construction phase. The design costs were included within that amount and estimated to be in the range of \$1.0 to \$1.3 million as outlined in the Staff Report for Motion No. M2002-57.

This activity was included within the cost estimate and there are sufficient funds identified for work identified in this motion. Within the current budget, the budget for this design is located within the construction phase while the contract and expenditures will be applied to the final design phase. Staff will report this variance in keeping with the board-adopted budget policy (Resolution No. R2002-08). The detailed budget will be adjusted to be reflected in final design in the 2003 Proposed Budget.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The City of Seattle adopted a resolution in April of 2002 to contribute a maximum dollar amount of \$19.8 million towards undergrounding utilities on MLK. Sound Transit, likewise, has outlined a Link budget item to fund a maximum dollar amount towards undergrounding utility work. The design fees outlined here are part of that work.

This amount is included within the board-adopted budget and is affordable within the agency's current long-term financial plan and subarea financial capacity. The action will have no new revenue impacts on Sound Transit.

SUMMARY FOR BOARD ACTION

Summary for Board Action (Year of Expenditure \$000)

Action Item: CH2M Hill

Initial Segment	Current Board Adopted Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	226,200	8,373		8,373	217,827
2 Preliminary Engineering	37,992	36,600		36,600	1,392
3 Final Design	116,340	68,653	1,260	69,913	46,427
4 Right of Way	233,000	52,923		52,923	180,077
5 Construction	1,175,092	6,041		6,041	1,169,051
6 Construction Services	77,500	8,732		8,732	68,768
7 Third Party Agreements	58,800	14,136		14,136	44,664
8 Vehicles	145,076			0	145,076
9 Contingency				0	0
10 Total Current Budget	2,070,000	195,457	1,260	196,717	1,873,283

Phase Budget Detail

11 Final Design (D730 & D740)	9,971	8,198	1,260	9,458	513
15 Other Final Design	106,369	60,455	0	60,455	45,914
16 Total Phase	116,340	68,653	1,260	69,913	46,427

Contract Budget

	Current Approved Contract Value (F)	Spent to Date (G)	Proposed Action (H)	Proposed Total Contract Value (I)
17 CH2M Hill	7,591	5,362	1,220	8,811
18 Contingency	607		40	647
19 Total	8,198	5,362	1,260	9,458
20 Percent Contingency	8%	0%	3%	7%

A Provisional budget based on estimates of historic costs to be allocated between the Initial Segment and Capital Hill. Upon completion of recoding costs to the current project structure, a finalized phase-level budget will be presented to the Board.

B Commitments reflect total commitments for Central Link as estimated to be allocated between the Initial Segment and North Link together with all commitments currently under consideration by the Board. This provides a more conservative measure of uncommitted budget authority. Should all proposed actions not be exercised, then the uncommitted amount (column D) would be higher.

The current approved contract value reflects the actual negotiated value for the amendment as negotiated earlier in 2002.

17 This amount is \$226,124 lower than the amount authorized by Board action.

M/W/DBE – SMALL BUSINESS PARTICIPATION

The original CH2M Hill DBE commitment for their contract was 37%. The CH2M Hill team's work is allocated based on the type of design work to be performed (utilities, demolition, road design, track design, etc.). As work has been added the assignments remained per the original allocations. In September 2001, Symonds, a significant DBE participant for the CH2M Hill team was purchased by PACE and graduated out of the DBE status. In January 2002, the remaining contract work was re-priced to accommodate changes to the design and schedule. With the January amendment and as originally defined, the work was assigned based on type. The re-

priced contract committed 25.8% DBE participation (33.3% with PACE). This proposed change allocates 6.1% (18% with PACE) to DBE firms bringing the total new DBE participation to 23.2% (31.3% with PACE).

HISTORY OF PROJECT

An Agreement for Professional Services RTA/LR 39-00 with CH2M Hill was executed on August 14, 2000 for final design of the civil facilities along MLK in Rainier Valley from South Walden Street to South Boeing Access Road.

In April 2002, the City of Seattle passed Resolution 30459 stating the City's intent to relocate the existing overhead utilities underground along the light rail corridor from South McClellan Street to South Barton Street and capping their contribution to \$19.8 million. The Sound Transit Board passed Motion No. M2002-57 authorizing Sound Transit to seek an agreement with the City of Seattle concerning the undergrounding of utilities and to proceed with final design assuming the relocations of utilities underground. Design costs were considered as part of the overall estimate for the work. Per the Sound Transit Motion No. M2002-57, "Staff will bring design contract amendments to the Board for necessary approval and track additional costs as a result of this change."

Board action is required to authorize the additional funds required to complete civil facilities design regarding the undergrounding of utilities along MLK for the fully complete and operational civil system to allow a construction Notice-to-Proceed in early 2004.

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

Motion or Resolution Number	Summary of Action	Date of Action
M2002-57	Authorized the Executive Director to: (1) Initiate the final design for undergrounding utilities on MLK. (from approximately the McClellan Station to South Barton Street) in conjunction with completion of final design for the Link Light Rail Project and to develop a cost estimate and identify impacts of undergrounding utilities. (2) Based upon a refined cost estimate and identification of impacts, negotiate an agreement with the City of Seattle to define terms and conditions for undergrounding utilities on MLK.	4/25/02
M2002-26	Execute a contract amendment with CH2M Hill (Contract RTA/LR 39-00) to provide additional Civil Engineering Final Design Services for the MLK light rail segment in the amount of \$1,751,152 for a total authorized contract amount not to exceed \$8,423,697.	3/14/02
M2001-103	Sound Transit will continue to pursue funding opportunities with other partners for undergrounding utilities on MLK. Funds dedicated to undergrounding in the light rail budget will not be increased above current levels, but can be used to leverage other funds.	9/27/01
R2001-16	Selected the initial segment of the Central Link Light Rail Project to be constructed and operated by 2009. The work necessary to place the utilities underground will be performed only if the cost to Sound Transit	11/29/01

M2000-80	<p>shall not exceed \$13.5 million and the other elements included within the project scope to underground the utilities can be completed for an amount that does not allow Sound Transit's expenditures to exceed the \$2,070 million project budget.</p> <p>Authorized the Executive Director to execute a contract with CH2M HILL for civil engineering final design services associated with the Central Link light rail project at-grade segments in the Rainier Valley along MLK from South Walden Street to South Boeing Access Road. The action establishes a contract amount of \$6,065,949 with a 10% contingency of \$606,595 for a total authorized amount not to exceed \$6,672,544.</p>	9/14/00
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CONSEQUENCES OF DELAY

Approval of this contract amendment will provide funds to modify the design work to meet the schedule. Approval past August 2002 will affect the ability for Sound Transit to pay for consultant services needed to coordinate with on going design work.

REGIONAL PARTNERSHIP AND COOPERATION

The City of Seattle and departments of Seattle City Light, Seattle Public Utilities and Seattle Department of Transportation and the Seattle Department of Information Technology are coordinating with Sound Transit on the design of the underground utilities along MLK. Partnering funds have been established with the City of Seattle to allow this work to happen. The City of Seattle and Sound Transit are currently developing a Memorandum of Agreement (MOA) for this work. In August, an in-progress (60%) cost estimate for the undergrounding will be available and the final decision towards undergrounding the overhead utilities will be decided. Sound Transit is also working with private utility companies towards developing agreements allowing their facilities to be included in the undergrounding project.

PUBLIC INVOLVEMENT

The community in the Rainier Valley has been supportive of undergrounding utilities for some time. The Sound Transit Board and Seattle City Council actions in April 2002 stating their intent to underground utilities was well received. Community meetings during June 2002 again reinforced the neighborhood's desire for underground utilities. The design team and Sound Transit staff will continue to provide outreach during the design and construction of this segment.

LEGAL REVIEW

JDW 8/2/02

SOUND TRANSIT

MOTION NO. M2002-97

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a contract amendment with CH2M Hill to incorporate underground utilities into the final design of Martin Luther King Jr. Way South in the amount of \$1,220,000 plus a 3.3% contingency of \$40,000 totaling \$1,260,000 and for a new total authorized contract amount not to exceed \$9,457,572.

Background:

An Agreement for Professional Services RTA/LR 39-00 with CH2M Hill was executed on August 14, 2000, for final design of the civil facilities along Martin Luther King Jr. Way South (MLK) in the Rainier Valley from South Walden Street to South Boeing Access Road.

In April 2002, the City of Seattle passed Resolution 30459 stating the City of Seattle's intent to relocate the existing overhead utilities underground along the light rail corridor from South McClellan Street to South Barton Street and capping their contribution to \$19.8 million. The Sound Transit Board passed Motion No. M2002-57 authorizing Sound Transit to seek an agreement with the City of Seattle concerning the undergrounding of utilities and to proceed with final design assuming the relocations of utilities underground. Design costs were considered as part of the overall estimate for the work. Per the Sound Transit Motion No. M2002-57, "Staff will bring design contract amendments to the Board for necessary approval and track additional costs as a result of this change."

Board action is required to authorize the additional funds required to complete civil facilities design regarding the undergrounding of utilities along MLK for the fully complete and operational civil system to allow a construction Notice-to-Proceed in early 2004.

Motion:

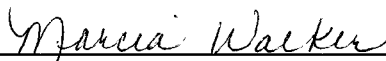
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to execute a contract amendment with CH2M Hill to incorporate underground utilities into the final design of Martin Luther King Jr. Way South (MLK) in the amount of \$1,220,000 plus a 3.3% contingency of \$40,000 totaling \$1,260,000 and for a new total authorized contract amount not to exceed \$9,457,572.

ADOPTED by the Executive Committee on September 5, 2002 and ratified by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 12, 2002.



Ron Sims
Board Chair

ATTEST:



Marcia Walker
Board Administrator