

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2003-75

Contract award for Girder Rail, subject to the execution of the FFGA

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	7/17/03	Discussion/Possible Action	Ahmad Fazel, Link Director Joe Gildner, Link Deputy Director, Technical Services Phil Harrison, E-3/O&M Line Section Manager	(206) 398-5389 (206) 689-3350 (206) 398-5232

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

3Applicable to proposed transaction.

OBJECTIVE OF ACTION

To procure girder rail as owner furnished material, for future installation in the downtown Seattle transit tunnel retrofit.

ACTION

Authorizes the Chief Executive Officer to execute a contract with M. F. Wirth Rail Corporation to provide girder rail, in the amount of \$1,200,394, with a 10% contingency of \$120,040, for a total authorized contract amount not to exceed \$1,320,434, subject to the execution of the FFGA.

KEY FEATURES

- Provides for the acquisition of owner furnished material, to be used in the retrofit of the Downtown Seattle Transit Tunnel (DSTT). The contractor selected for the DSTT construction will install the girder rail. Advance acquisition is necessary for this long lead item to provide schedule flexibility.
- Procurement includes a waiver by the Federal Transit Administration of the Buy America requirement, since the girder rail is manufactured in Austria. The waiver was granted on June 5, 2003.
- Award of this procurement contract is subject to the execution of the Federal Full Funding Grant Agreement.
- Identifies M. F. Wirth Rail Corporation as the lowest responsive and responsible bidder.

BUDGET IMPACT SUMMARY

There are no budget impacts for this action.

BUDGET DISCUSSION

The proposed action is to authorize execution of a contract with M.F. Wirth Rail Corporation in the amount not to exceed \$1,320,434 for the provision of girder rail to be used in the retrofit of the Downtown Seattle Transit Tunnel (DSTT).

The total adopted capital budget for the Initial Segment is \$2.07 billion. Within that budget, \$3,838,000 has been set aside in the construction phase for the procurement of girder rail (Contract P660). Should the proposed action be approved, this budget line item will have a remaining balance of \$2,517,565.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The proposed action is covered by the current 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

Action Item: M.F. Wirth Rail Corp. (New contract for manufacture and delivery of Ri 52N Girder Rail (P660) to be used in the construction of the Downtown Seattle Transit Tunnel (DSTT))

(Year of Expenditure \$000)

Initial Segment	Current Board Adopted Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	226,780	107,397		107,397	119,383
2 Preliminary Engineering	35,000	33,392		33,392	1,608
3 Final Design	123,000	111,173		111,173	11,827
4 Right of Way	233,016	102,115		102,115	130,901
5 Construction	1,172,633	112,686	1,320	114,006	1,058,627
6 Construction Services	82,464	3,110		3,110	79,354
7 Third Party Agreements	58,800	16,264		16,264	42,536
8 Vehicles	138,307	-		-	138,307
9 Contingency	-	-		-	-
10 Total Current Budget	2,070,000	486,136	1,320	487,457	1,582,543
Phase Budget Detail					
11 P660 Girder Rail	3,838	-	1,320	1,320	2,518
12 Other Segments	1,168,795	112,686	-	112,686	1,056,109
13 Total Phase	1,172,633	112,686	1,320	114,006	1,058,627
Contract Budget					
	Current Approved Contract Value (F)	Spent to Date (G)	Proposed Action (H)	Proposed Total Contract Value (I)	
14 Contract Amount	-	-	1,200	1,200	
15 Contingency	-	-	120	120	
16 Total	-	-	1,320	1,320	
17 Percent Contingency	0%	0%	10%	10%	

(B) Committed to Date amounts are from the Link *Program Cost Summary Report* (HQ Reports) for May 2003.

(B)5 Construction phase Committed to Date amount includes pending board motions:

Commitments through May 2003	8,177,860
Other board motions - pending	104,507,967
Total Construction phase commitments	112,685,827

M/W/DBE – SMALL BUSINESS PARTICIPATION

The Sound Transit Diversity Programs Office determined that no goals for small business or M/W/DBE participation would be established for the girder rail procurement because subcontracting was infeasible or improbable. In addition no solicitation was made to such firms because of the lack of availability of firms to perform the requisite scope of work. There will be no installation or construction provided with this procurement contract, but this might be an area where M/W/DBE firms may participate on a separately procured contract for construction services to install owner-furnished materials such as the girder rail.

HISTORY OF PROJECT

Girder rail was chosen as the type of rail required for the retrofit of the DSTT, due to the profile of the existing pavement section and platform areas. Girder rail has a shallower cross section than more standard “T” rail, thereby allowing its use in the DSTT without completely rebuilding existing platform areas.

Girder rail is a long lead time item. Unlike standard “T” rail, girder rail is not manufactured in the United States. The primary manufacturer of girder rail is in Austria. The manufacturer typically waits until enough orders come in, then gears the steel manufacturing facility to run a large batch of girder rail, no more than once per year. To ensure that the girder rail is available for the DSTT retrofit, a decision was made to procure the rail as owner furnished material. To ensure that Sound Transit can furnish girder rail in a timely manner, it is necessary to execute the procurement in 2003.

The girder rail procurement contractor will guarantee manufacture and delivery of the rail to Sound Transit, in advance of the milestone date for when it must be available for the DSTT construction. Sound Transit will store and hold the rail, until the contractor is under contract. The contractor will then pick up the rail for use in construction of the DSTT retrofit.

CONSEQUENCES OF DELAY

Delaying by more than a month or not approving this procurement would risk not being able to provide the girder rail to the contractor in time for use in the retrofit of the DSTT. A significant delay to the contractor could create delay in completion of the tunnel retrofit.

REGIONAL PARTNERSHIP AND COOPERATION

Not applicable to this action.

PUBLIC INVOLVEMENT

Not applicable to this action.

LEGAL REVIEW

MB 6/25/03

SOUND TRANSIT

MOTION NO. M2003-75

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute a contract with M. F. Wirth Rail Corporation to provide girder rail, in the amount of \$1,200,394, with a 10% contingency of \$120,040, for a total authorized contract amount not to exceed \$1,320,434, subject to the execution of the Full Funding Grant Agreement.

Background:

Girder rail was chosen as the type of rail required for the retrofit of the DSTT, due to the profile of the existing pavement section and platform areas. Girder rail has a shallower cross section than more standard "T" rail, thereby allowing its use in the DSTT without completely rebuilding existing platform areas.

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Motion:

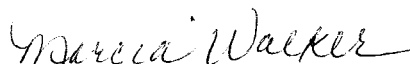
It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute a contract with M. F. Wirth Rail Corporation to provide girder rail, in the amount of \$1,200,394, with a 10% contingency of \$120,040, for a total authorized contract amount not to exceed \$1,320,434, subject to the execution of the Full Funding Grant Agreement.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 17, 2003.



Kevin Phelps
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator