

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2004-103

Contract for Central Link Light Rail Initial Segment Communications Systems

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	10/21/04	Discussion/Possible Action to Recommend	Ahmad Fazel, Link Director	(206) 398-5389
Board	10/28/04	Board Approval Action	Steve Procter, Link Systems Engineering Manager	(206) 370-5509

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		Amend Existing Contract/Agreement	
Interagency Agreement		Contingency Funds (Budget) Required	
Purchase/Sale Agreement		Budget Amendment Required	

✓ Applicable to proposed transaction.

ACTION

Authorize the Chief Executive Officer to execute a contract with GE Transportation Systems Global Signaling LLC to engineer, manufacture, furnish, install, and test the communications systems for the Central Link Light Rail Initial Segment in the amount of \$29,088,144, with a 10% contingency of \$2,908,814, for a total authorized contract amount not to exceed \$31,996,958.

KEY FEATURES

- This contract includes the engineering, manufacturing, furnishing, installation, and testing of the communication systems associated with the Initial Segment of the Link Light Rail, including:
 - Central Control System
 - Public Address System
 - Light Rail Tunnel Operations Radio
 - Bus Tunnel Operations Radio
 - Phone Systems
 - Access Control Network
 - Fiber Communications Backbone
 - Variable Message Systems
 - Emergency Services Radio
 - Closed Circuit TV
 - Emergency Management Panels
- Sound Transit adopted a qualifications-based procurement process for this contract. Nine contractors submitted technical proposals in response to Sound Transit's Request for Technical Proposals issued in February 2004.
- The range of bids received for this contract was broad and the low bid from GETS was considerably below the engineer's estimate. The variable pricing for this contract is in part attributable to the technology-intensive scope of work, which includes extensive software and programming efforts. Contractor pricing for this type of work can vary considerably based on varying levels of applicable prior designs and differing expectations about changes to technology costs. The current economic climate in the communications industry likely contributed to the spread between bid prices.

- Staff is recommending application of a 10% contingency for this contract as an allowance for changes encountered during performance of this work.
- In anticipation of the possibility that the deferred Royal Brougham station could be added to the scope of the Initial Segment, this contract includes the communication systems for this potential additional station, including the public address system, electronic signage, closed circuit TV, and telephones. This work is included in the base contract amount. Sound Transit will inform the contractor to not perform work related to the Royal Brougham station unless and until such time that the Sound Transit Board modifies the scope of the Initial Segment to include the Royal Brougham station in accordance with its scope control policies.

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 other parties other than what is already assumed in the financial plan.

BUDGET DISCUSSION

Authorize the execution of a contract with GETS to engineer, manufacture, furnish, install, and test the communication system for the Central Link Light Rail Initial Segment for a total authorized amount not to exceed \$31,996,958.

The adopted capital budget for the Central Link Light Rail Initial Segment is \$2.07 billion. Within that budget, \$43,147,000 has been set aside for the communications systems contract (C803) in the construction phase. Should the proposed action be approved, a balance of \$11,150,042 will remain for this budget line item.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The proposed action is consistent with 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 impact on Sound Transit.

BUDGET TABLE

Action Item: GE Transportation Systems Global Signalling, LLC (engineer, manufacture, furnish, install and test a communications system (C803) for the Central Link Initial Segment)

(Year of Expenditure \$000)

Initial Segment	Amended FY2004 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	218,780	110,652		110,652	108,128
2 Preliminary Engineering	35,000	33,585		33,585	1,415
3 Final Design	143,523	138,057		138,057	5,466
4 Right of Way	233,016	158,989		158,989	74,027
5 Construction	1,159,837	742,194	31,997	774,191	385,646
6 Construction Services	82,737	80,586	-	80,586	2,152
7 Third Party Agreements	58,800	52,474		52,474	6,326
8 Vehicles	138,307	132,244		132,244	6,063
9 Total Current Budget	2,070,000	1,448,781	31,997	1,480,778	589,222

Construction Phase Detail

10 Communications (C803)	43,147	-	31,997	31,997	11,150
11 Other Systems Construction	94,028	71,295		71,295	22,733
12 Other Construction Segments	1,022,662	670,899		670,899	351,763
13 Total Phase	1,159,837	742,194	31,997	774,191	385,646

(A) AMENDED 2004 BUDGET reflects Board Resolution R2004-05 for Initial Segment phase budget transfer, adopted by the ST Board on 4/22/04.

(B) COMMITTED TO DATE amounts are from the Link Program Cost Summary Report (HQ Reports) for August 2004 + Board motions not yet included in the report.

Contract Budget	Board Approvals to Date (F)	Current Approved Contract Value (G)	Proposed Action (H)	Proposed Total for Board Approval (I)	Proposed Contract Value (J)
14 Consultant Contract Amount	-	-	29,088	29,088	29,088
15 Contingency	-	-	2,909	2,909	2,909
16 Total	-	-	31,997	31,997	31,997
17 Percent Contingency	0%	0%	10%	10%	10%

M/W/DBE – SMALL BUSINESS PARTICIPATION

Prime Contractor

Sound Transit established the following goals for this contract in the Invitation for Bid (IFB): 12% of the total Contract price for Small Business participation, to be accomplished utilizing M/W/DBE participation of at least 8%. At time of bid, the Contractor was required to list M/W/DBE and Small Business participation equal to at least one-half of the overall goal of 6% Small Business with at least 4% M/W/DBE. The remaining portion of M/W/DBE and Small Business participation is to be achieved over the duration of the contract. GETS' bid included Small Business and M/W/DBE participation of 6.21% and 4.51% respectively.

GETS has committed to work with Sound Transit and use good faith efforts to meet or exceed the overall Small Business and M/W/DBE Participation Goals of 12% and 8% respectively.

Initial Utilization Breakdown Table

Subconsultant	Business Type	% of Work	Dollar Value
Monterrey Electric	MBE/DBE	4.1%	\$1,200,000
Mobile Electric Distributors Inc	WBE/DBE	.41%	\$120,000
Midvale Electric, Inc.	Small Business	1.7%	\$500,000
Total		6.21%	\$1,820,000

EEO Commitment

The GETS workforce demographics are 18.39% women and 5.75% people of color.

Apprentice Utilization Commitment

GETS has committed to meet the 20% Apprentice Utilization Goal stated in the IFB documents and has provided a draft plan and signed commitment. Sound Transit will work with GETS during the pre-construction phase to further develop a program for apprentice utilization.

HISTORY OF PROJECT

Prior Board or Committee Actions and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
R2001-16	Selected the Initial Segment of the Central Link Light Rail Project to be constructed and operated by 2009.	11/29/01

A two-step procedure was used for this procurement. A Request for Technical Proposals (RFTP) was issued on February 19, 2004. Staff evaluated technical proposals submitted by nine firms and determined four technical proposals to be acceptable. The Invitation for Bid was issued on July 27, 2004 to the four qualified firms. On September 17, 2004, Sound Transit received bids from four firms. GETS submitted the apparent low bid in the amount of \$29,088,144. Sound Transit's engineer's estimate was equal to \$40,829,737. Staff evaluated the bids, which included an evaluation conference with GETS, and determined GETS to be responsive and responsible.

All required environmental compliance to support the Board's approval of this contract has been completed.

CONSEQUENCES OF DELAY

Timely award of this contract is required to ensure that phase 1 of the communications contract is installed and tested in order to reopen the Downtown Seattle Transit Tunnel to bus service on schedule. The C803 work scope is on the critical path for this reopening.

PUBLIC INVOLVEMENT

Not applicable to this action.

LEGAL REVIEW

JW 10/6/04

SOUND TRANSIT

MOTION NO. M2004-103

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute a contract with GE Transportation Systems Global Signaling LLC to engineer, manufacture, furnish, install, and test the communications systems for the Central Link Light Rail Initial Segment in the amount of \$29,088,144, with a 10% contingency of \$2,908,814 for a total authorized contract amount not to exceed \$31,996,958.

Background:

This contract includes the engineering, manufacturing, furnishing, installation, and testing of the communication systems associated with the Initial Segment of Link Light Rail, including: central control system, fiber communications backbone, public address system, variable message systems, light rail tunnel operations radio, emergency services radio, bus tunnel operations radio, closed circuit tv, phone systems, emergency management panels, and access control network.

Sound Transit adopted a qualifications-based procurement process for this contract. Nine contractors submitted technical proposals in response to Sound Transit's Request for Technical Proposals issued in February 2004.

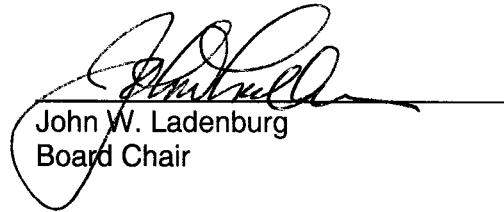
The range of bids received for this contract was broad and the low bid from GETS was considerably below the engineer's estimate. The variable pricing for this contract is in part attributable to the technology-intensive scope of work, which includes extensive software and programming efforts. Contractor pricing for this type of work can vary considerably based on varying levels of applicable prior designs and differing expectations about changes to technology costs. The current economic climate in the communications industry likely contributed to the spread between bid prices.

In anticipation of the possibility that the deferred Royal Brougham station could be added to the scope of the Initial Segment, this contract includes the communication systems for this potential additional station, including the public address system, electronic signage, closed circuit TV, and telephones. This work is included in the base contract amount. Sound Transit will inform the contractor to not perform work related to the Royal Brougham station unless and until such time that the Sound Transit Board modifies the scope of the Initial Segment to include the Royal Brougham station in accordance with its scope control policies.

Motion:

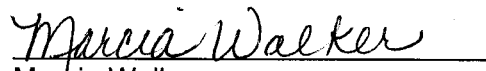
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute a contract with GE Transportation Systems Global Signaling LLC to engineer, manufacture, furnish, install, and test the communications systems for the Central Link Light Rail Initial Segment in the amount of \$29,088,144, with a 10% contingency of \$2,908,814 for a total authorized contract amount not to exceed \$31,996,958.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 28, 2004.



John W. Ladenburg
Board Chair

ATTEST:



Marcia Walker
Board Administrator