

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2004-61

Contract Amendment with Puget Sound Transit Consultants

| Meeting: | Date: | Type of Action: | Staff Contact: | Phone: |
|----------|---------|------------------------------------|---|----------------------------------|
| Finance | 6/17/04 | Discussion/Possible Action to | Ahmad Fazel, Link Director | (206) 398-5389 |
| Board | 6/24/04 | Recommend Board Approval Action | Joe Gildner, Link Deputy Director Robert Parsons, Link Civil Engineering Manager | (206) 689-3350 (206) 398-5150 |

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

✓ Applicable to proposed transaction.

OBJECTIVE OF ACTION

Amend the professional services contract with Puget Sound Transit Consultants (PSTC) to support construction of the Central Link Light Rail Initial Segment and complete preliminary engineering for North Link.

ACTION

Authorize the Chief Executive Officer to execute a contract amendment with Puget Sound Transit Consultants to continue professional services in support of the Central Link Light Rail Initial Segment and North Link projects in the amount of \$16,316,881, for a new total authorized expenditure not to exceed \$87,558,758.

KEY FEATURES

- The proposed contract amendment would provide engineering and project control services required to support the construction of the Initial Segment and complete preliminary engineering for North Link. The proposed contract amendment is affordable and consistent with the adopted budgets for the Initial Segment and the North Link Alignment Study.
- During the past several years, in addition to engineering and support services, PSTC staff has been assigned Initial Segment project duties to address needs created by key Sound Transit staff vacancies. The interim assignment of these tasks to consultants addressed pressing project needs during the staff recruitment process. These assignments resulted in increased costs for the PSTC contract that were in part offset by reduced Sound Transit staff costs. The budget implication associated with the shift in resources was addressed through the transfer of \$8 million from the Administration Phase to the Final Design Phase of the Initial Segment as part of Resolution No. R2004-05, adopted by the Sound Transit Board in April 2004. The contract amendment proposed under this action is consistent with the Amended 2004 budget for the Initial Segment.

- Initial Segment services account for \$14,206,881 of the total proposed contract amendment. The Initial Segment scope of work includes essential civil engineering, design support during construction, and project control functions, including:
 - Project management, engineering, technical, and support services to complete final design of selected facilities and utility relocations in the vicinity of the South 154th Street Station;
 - Engineering, technical, and support services required to complete right of way certifications, prepare contract documents, and administer third party agreements;
 - Engineering and technical services to provide design support during construction;
 - Scheduling and cost estimating support and oversight during construction; and
 - Document control services in construction field offices.
- North Link services account for \$2,110,000 of the total proposed contract amendment. The North Link scope of work includes essential civil engineering and project control functions associated with the completion of preliminary engineering, including:
 - Project management, civil engineering, technical, and support services to complete preliminary engineering for the alignment between downtown Seattle and Northgate, including two alignment options through the Roosevelt District;
 - Technical services to support specific environmental analyses and to identify and develop appropriate mitigation measures;
 - Project control services to complete risk assessments, cost estimates, construction schedules, and constructability analyses; and
 - Technical services to develop graphics and video simulations for public presentations.

BUDGET IMPACT SUMMARY

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

BUDGET DISCUSSION

This action would authorize execution of a contract amendment with PSTC to continue support of the Initial Segment and North Link projects in the amount of \$16,316,881, for a revised total authorized amount not to exceed \$87,558,758. The proposed contract amendment is consistent with the two affected project budgets:

- The Initial Segment capital budget of \$2.07 billion, as amended by Resolution R2004-05, includes \$143,523,270 in the Final Design phase. Within this phase, \$25,307,932 has been set aside for design services during construction (DSDC). The proposed action would authorize expenditures in the amount of \$14,206,881 within this line item, leaving remaining uncommitted funds for this line item in the amount of \$3,093,371.
- The North Link capital budget of \$110 million includes a budget of \$20,780,000 for the study of North Link alignments and preliminary engineering (i.e., Alignment Study budget). The proposed action would authorize expenditures in the amount of \$2,110,000 within the Preliminary Engineering phase of the Alignment Study budget, leaving remaining uncommitted funds for this phase in the amount of \$3,628,245.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The proposed action is consistent with the current Board-adopted budget and is affordable within Sound Transit's current long-term financial plan and regional fund financial capacity. The action will have no new revenue impacts on Sound Transit.

BUDGET TABLE

Action Item: Puget Sound Transit Consultants (Work Order #4 to provide professional staff to support the Central Link Initial Segment and North Link projects)

(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 | 109,259 | | 109,259 | 109,521 |
| 2 Preliminary Engineering | 35,000 | 33,639 | | 33,639 | 1,361 |
| 3 Final Design | 143,523 | 123,725 | 14,207 | 137,932 | 5,591 |
| 4 Right of Way | 233,016 | 147,514 | | 147,514 | 85,502 |
| 5 Construction | 1,159,837 | 277,901 | | 277,901 | 881,935 |
| 6 Construction Services | 82,737 | 63,823 | | 63,823 | 18,914 |
| 7 Third Party Agreements | 58,800 | 52,469 | | 52,469 | 6,331 |
| 8 Vehicles | 138,307 | 131,799 | | 131,799 | 6,508 |
| 10 Total Current Budget | 2,070,000 | 940,130 | 14,207 | 954,337 | 1,115,663 |
| Final Design Phase Budget Detail | | | | | |
| 11 DSDC | 25,308 | 8,008 | 14,207 | 22,215 | 3,093 |
| 12 Other Final Design | 118,215 | 115,717 | | 115,717 | 2,498 |
| 13 Total Phase | 143,523 | 123,725 | 14,207 | 137,932 | 5,591 |

(A) AMENDED 2004 BUDGET reflects Board Resolution R2004-05 for Initial Segment Phase Budget Transfer, adopted by the ST Board at their 4/22/04 meeting.

| North Link projects | FY2004 Budget (F) | Committed To Date (G) | This Action (H) | Total Committed & Action (I) | Uncommitted (Shortfall) (J) |
|------------------------------------|----------------------------------|--------------------------------------|----------------------------|---|--|
| 14 Alignment Study | | | | | |
| 15 Administration | 5,810 | 4,226 | | 4,226 | 1,584 |
| 16 Preliminary Engineering | 13,240 | 7,502 | 2,110 | 9,612 | 3,628 |
| 17 Third Party Agreements | 1,730 | 438 | | 438 | 1,292 |
| 18 Subtotal Alignment Study | 20,780 | 12,165 | 2,110 | 14,275 | 6,505 |
| 19 Other North Link | 89,220 | 75,411 | | 75,411 | 13,809 |
| 20 Total Current Budget | 110,000 | 87,576 | 2,110 | 89,686 | 20,314 |

Preliminary Engineering Phase Budget Detail (Alignment Study only)

| | | | | | |
|------------------------------------|---------------|--------------|--------------|--------------|--------------|
| 21 PE North Link Northgate to 45th | 3,295 | 1,865 | 443 | 2,308 | 987 |
| 22 PE North Link 45th to CPS | 9,945 | 5,637 | 1,667 | 7,304 | 2,641 |
| 23 Total Phase | 13,240 | 7,502 | 2,110 | 9,612 | 3,628 |

(F) FY 2004 BUDGET reflects the combined total for both North Link projects: North Link 1 - Northgate to 45th + North Link 2 - 45th to CPS. Values for the two separate projects are provided only at the PE phase budget detail.

| 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) |
|------------------------|--|--|------------------------------------|--|--|
| 24 Contract Amount | 62,772 | 70,773 | 16,317 | 79,089 | 87,090 |
| 25 Contingency | 8,470 | 469 | - | 8,470 | 469 |
| 26 Total | 71,242 | 71,242 | 16,317 | 87,559 | 87,559 |
| 27 Percent Contingency | 13% | 1% | 0% | 11% | 1% |

M/W/DBE – SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

For this amendment, PSTC has committed to 17.5% M/W/DBE and Small Business participation. Included are nine firms that have been working with the PSTC team, providing significant support for the contract. PSTC is negotiating an agreement with another M/W/DBE firm for a subcontract valued at approximately \$625,000. Once that agreement is signed, M/W/DBE participation for this amendment would increase to 20.3%.

PSTC is currently ahead of its goal of 20%, having achieved 21.1% M/W/DBE and Small Business participation to date.

Utilization Breakdown Table

| Subconsultant | Business Type | Type of Work | % of Work | Dollar Value |
|----------------------------|----------------------|---------------------------|------------------|---------------------|
| Bolima Design & Drafting | MBE/DBE | CADD Support | 6.5% | \$1,426,000 |
| Entech Northwest | MWBE/DBE | Document Control | 1.6% | \$357,000 |
| LKG-CMC | WBE/DBE | Document Control | 4.3% | \$939,000 |
| Lin & Associates | MBE/DBE | Surveying | 0.5% | \$100,000 |
| Manuel Padron & Associates | MBE/DBE | Operations Analysis | 0.1% | \$20,000 |
| Michael Minor Consulting | MBE/DBE | Noise Consultants | 0.2% | \$40,000 |
| Moniz Associates | CBE/DBE | Architects | 2.6% | \$575,000 |
| Moore Engineering | MBE/DBE | Civil Engineering Support | 1.4% | \$300,000 |
| Nakano Associates | MBE/DBE | Landscape/Urban Design | 0.3% | \$75,000 |
| Total | | | 17.5% | \$3,832,000 |

Note: Percentage is based on a total estimated contract balance of \$21,955,836, which is the proposed \$16,317,000 amendment plus an estimated carryover from Work Order #3 of \$5,638,836.

EEO Commitment

PSTC's workforce demographics are 27% minorities and 30% women.

HISTORY OF PROJECT

In December 1997, Sound Transit issued a limited notice to proceed for the Joint Venture Partnership composed of Parsons Brinkerhoff Quade & Douglas, Inc., Earth Tech (formerly ICF Kaiser Engineers, Inc.), and URS Corporation (formerly BRW, Inc.) doing business as Puget Sound Transit Consultants to perform engineering/architecture services for both the Tacoma and Central Link Light Rail Projects. In January 1998, the Sound Transit Board authorized a contract with PSTC for conceptual and preliminary engineering for the Central Link Light Rail Project. The base contract amount was \$22,989,057, with a contingency of \$4,600,000, for a total contract amount of \$27,589,057.

In March 2000, the Board authorized a contract amendment with PSTC to provide additional engineering services and to support the development of a revised scope, schedule, and budget for Central Link, for a new total authorized contract amount of \$56,249,413. In January 2001, the Sound Transit Board adopted a six-month work plan focused on reducing project costs of the northern portion of the Central Link alignment. The PSTC contract was adjusted to focus project management and engineering/architectural resources on the key deliverables in the work plan.

In October 2001, engineering and architectural assignments were established for all three Central Link projects (i.e., North Link, Initial Segment, and Airport Link) and the PSTC contract was amended to continue project management and engineering services, including expanded responsibilities for project control. In March 2002, the Board approved the continuation of project control and engineering services and authorized a new total contract amount not to exceed \$71,242,877.

Prior Board or Committee Actions and Relevant Board Policies

| Motion or Resolution | Summary of Action | Date of Action |
|----------------------|--|----------------|
| R2004-05 | Amended the Adopted 2004 Budget by transferring the surplus lifetime capital budget of \$8 million from the Administration Phase and \$12 million from the Construction Phase of the Central Link Light Rail Initial Segment Project to the Final Design Phase of the project. | 4/22/04 |
| M2002-27 | Authorized a contract amendment with Puget Sound Transit Consultants to continue project control support of Link through 2003 and engineering and architectural design support services for Central Link construction through 2008, in the amount of \$13,728,020 plus a contingency of \$696,545 for a total of \$14,424,565 and for a new total authorized contract amount not to exceed \$71,241,877. | 3/14/02 |
| M2000-18 | Authorized a contract amendment with Puget Sound Transit Consultants, for design management and oversight services for the final design of all civil facilities associated with the Link Light Rail Project, for \$26,054,869 and a 10% contingency of \$2,605,487 for a total of \$28,660,356. The total contract amount is revised to \$56,249,413. | 3/9/00 |
| R98-3 | Awarded a Civil Facilities Consulting contract for conceptual and preliminary engineering in the amount of \$22,989,057 to a Joint Venture Partnership composed of Parsons Brinkerhoff Quade & Douglas, Inc., ICF Kaiser Engineers Inc., and BRW Inc. d.b.a. Puget Sound Transit Consultants, with an additional \$4,600,000 as contingency. | 1/22/98 |

CONSEQUENCES OF DELAY

Significant delay in Board action would delay the provision of key services required to support Link’s Project Control Division, complete final design for selected facilities, assist in the preparation of right of way certification documents, administer key third party agreements, provide design support during construction, and provide document control support. This would directly affect the administration and schedule of deliverables for the Initial Segment. Such a delay would eventually delay critical project activities and could result in a delay the start of revenue service for the Initial Segment.

PUBLIC INVOLVEMENT

Not applicable to this action.

LEGAL REVIEW

JW 6/4/04

SOUND TRANSIT

MOTION NO. M2004-61

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute a contract amendment with Puget Sound Transit Consultants to continue professional services in support of the Central Link Light Rail Initial Segment and North Link Projects in the amount of \$16,316,881, for a new total authorized contract amount not to exceed \$87,558,758.

Background:

The proposed contract amendment with Puget Sound Transit Consultants (PSTC) would provide engineering and project control services required to support the construction of the Central Link Light Rail Initial Segment and to complete preliminary engineering for North Link. The proposed contract amendment is affordable and consistent with the adopted budgets for the Initial Segment and the North Link Alignment Study.

The Initial Segment scope of work includes civil engineering, design support during construction, and project control functions required to complete final design of selected facilities, complete right of way certifications, administer third party agreements, provide scheduling and cost estimating, and provide document control services.

The North Link scope of work includes civil engineering and project control functions necessary for the completion of preliminary engineering for the Link alignment between downtown Seattle and Northgate, including two alignment options through the Roosevelt District. Services include support of environmental analyses, identification of mitigation measures, advancement of construction risk assessments, and development of cost estimates and construction schedules.

Approval of this action would amend the existing contract with PSTC that was initially authorized by the Sound Transit Board in January 1998. At that time, the Board authorized a contract amount not to exceed \$27,589,057 to provide civil facilities engineering services for numerous alignment alternatives for Central Link and Tacoma Link.

In March 2000, the Board authorized a contract amendment with PSTC to provide additional engineering services and to support the development of a revised scope, schedule, and budget for Central Link, for a new total authorized contract amount of \$56,249,413. In January 2001, the Sound Transit Board adopted a six-month work plan focused on reducing project costs of the northern portion of the Central Link alignment. The PSTC contract was adjusted to focus project management and engineering/architectural resources on the key deliverables in the work plan.

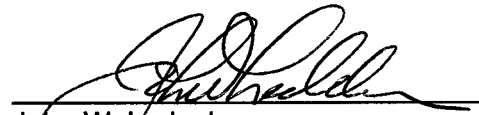
In October 2001, engineering and architectural assignments were established for all three Central Link projects (i.e., North Link, Initial Segment, and Airport Link) and the PSTC contract was amended to continue project management and engineering services, including expanded responsibilities for project control. In March 2002, the Board approved the continuation of project control and engineering services and authorized a new total contract amount not to exceed \$71,242,877.

During the past several years, in addition to engineering and support services, PSTC staff has been assigned Initial Segment project duties to address needs created by key Sound Transit staff vacancies. The interim assignment of these tasks to consultants addressed pressing project needs during the staff recruitment process. These assignments resulted in increased costs for the PSTC contract that were in part offset by reduced Sound Transit staff costs. The budget implication associated with the shift in resources was addressed through the transfer of \$8 million from the Administration Phase to the Final Design Phase of the Initial Segment as part of Resolution No. R2004-05, adopted by the Sound Transit Board in April 2004. This action is consistent with the Amended 2004 budget for the Initial Segment.

Motion:

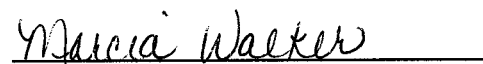
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute a contract amendment with Puget Sound Transit Consultants to continue professional services in support of the Central Link Light Rail Initial Segment and North Link Projects in the amount of \$16,316,881, for a new total authorized contract amount not to exceed \$87,558,758.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 24, 2004.



John W. Ladenburg
Board Chair

ATTEST:



Marcia Walker
Board Administrator