

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2005-108

Contract Amendment Environmental Support Services during Central Link Construction

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	10/06/05	Discussion/Possible Action	Ahmad Fazel, Director Mark Menard, Sr. Environmental Analyst, Richard Sage, Link Deputy Construction Manager	(206)398-5389 (206)398-5227 (206) 398-5226

Contract/Agreement Type:	<input checked="" type="checkbox"/>	Requested Action:	<input checked="" type="checkbox"/>
Competitive Procurement	<input checked="" type="checkbox"/>	Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	<input checked="" type="checkbox"/>
Agreement with Other Jurisdiction(s)		Budget Amendment	

PROJECT NAME

Central Link Initial Segment – Environmental Support Services

PROPOSED ACTION

Authorizes the Chief Executive Officer to execute a contract amendment with Camp, Dresser and McKee, Inc. to provide continuing on-call professional environmental oversight and engineering services in support of Construction Management services for the Central Link Initial Segment, in the amount of \$1,159,300 for a total authorized contract amount not to exceed \$2,825,817..

KEY FEATURES of PROPOSED ACTION

- Provides for continuation of environmental engineering, remediation, and abatement oversight and support services to the Link construction management during construction of the 14-mile Central Link Initial Segment project, between Convention Place Station in the existing Downtown Seattle Transit Tunnel and the new South 154th Station in Tukwila (excluding the Operations and Maintenance Facility and E-3 Busway/Forest Street).
- Scope of work includes field inspection of environmental remediation, monitoring of asbestos abatement, oversight of contaminated area remediation, collection and analysis of post-remediation confirmation samples, preparation of closure documentation, quality assurance clearance sampling, stormwater monitoring and preparation of ground water monitoring plans.
- The additional \$1,159,300 is required to provide for continuing environmental monitoring, oversight, and support for the construction of the Initial Segment of Link Light Rail. The following three major components of the work have had a significant impact on the cost of performing environmental support services. This includes approximately:

- \$600,000 to maintain compliance with the monitoring and inspection requirements of Link’s National Pollutant Discharge Elimination System (NPDES) permit;
- \$424,300 to provide oversight and documentation of remedial actions taken to address contamination encountered and remediation during construction; and
- \$135,000 to provide for the monitoring of contractor handling and disposal of construction wastes and spoils.

BUDGET IMPACT SUMMARY

Project Name: Central Link Initial Segment

Current Project Phase: Construction

Projected Completion Date: 2009

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Line of Business		
This Project		
This Phase		
This Task	✓	This action requires funding from unallocated contingency within the Construction Services phase.

Budget Amendment Required

Key Financial Indicators:	✓	Comments on Checked Items
Contingency Funds Required		
Funding required from other parties (other than what is assumed 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

The proposed action would authorize execution of a contract amendment with Camp, Dresser and McKee, Inc. to provide continuing on-call professional environmental oversight and engineering services in support of Link Construction Management services in the amount of \$1,159,300 for a total authorized contract amount not to exceed \$2,825,817.

The total adopted capital budget for the Initial Segment is \$2.07 billion. Within that budget, \$2,234,589 has been set aside for environmental CM services in the construction services phase. Approval of the proposed action would result in a budget shortfall of \$1,159,701 for this budget line item, which would be funded from unallocated contingency within the construction services phase. Should the proposed action be approved, there would be a remaining balance of \$143,856 in the construction services phase, the entire amount being unallocated contingency.

The proposed action is consistent with 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 impact on Sound Transit.

BUDGET TABLE

Note – The budget table reflects the contract amount, as revised.

Action Item: Camp, Dresser & McKee, Inc. (Provide on-call environmental services in support of construction management for the Central Link Initial Segment (excluding the Operations and Maintenance Facility and the E-3 Busway/Forest Street)

(Year of Expenditure \$000)

Initial Segment	Amended 2005 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	218,780	113,169		113,169	105,611
2 Preliminary Engineering	34,000	33,363		33,363	637
3 Final Design	143,523	140,493		140,493	3,030
4 Right of Way	225,516	186,054		186,054	39,462
5 Construction	1,172,066	1,040,523		1,040,523	131,542
6 Construction Services	83,892	82,589	1,159	83,748	144
7 Third Party Agreements	58,916	56,012		56,012	2,904
8 Vehicles	133,307	131,799		131,799	1,508
9 Total Current Budget	2,070,000	1,784,002	1,159	1,785,162	284,838

Construction Services Phase Detail

10 Environmental CM Support Services	2,235	2,235	1,159	3,394	(1,160)
11 Other CM/CS Support Services	80,212	80,212		80,212	-
Construction Svcs Unallocated					
12 Contingency	1,446	142		142	1,304
13 Total Phase	83,892	82,589	1,159	83,748	144

(A) AMENDED 2005 BUDGET reflects Board Resolution R2005-08 to transfer \$4 million to the Construction Phase from the ROW phase within the Initial Segment, approved by the ST Board 3/10/05.

(B) COMMITTED TO DATE assumes that a pending board motion for RSIP construction management (CM) and architectural and engineering (A&E) services, which is simultaneously under consideration by the ST Board, will be adopted.

Contract Amount	Board Approvals to Date (F)	Current Approved Contract Value (G)	Proposed Action (H)	Proposed Total for Board Approval (I)	Proposed Contract Value (J)
14 Contract Amount	1,515	1,515	1,159	2,674	2,674
15 Contingency	152	152	-	152	152
16 Total	1,667	1,667	1,159	2,826	2,826
17 Percent Contingency	10%	10%	0%	6%	6%

Budget Shortfall

Task Level	\$ (P)	Potential Resources (Q)	Source (R)
18 Environmental CM Support Services	1,160	1,304	Unallocated contingency in the Construction Services Phase

M/W/DBE – SMALL BUSINESS PARTICIPATION

Camp Dresser and McKee, Inc. is the prime contractor and has committed to 30% DBE and Small Business participation.

Utilization Breakdown Table

Subconsultant	Business Type	% of Work	Dollar Value
Med-Tox NW	WBE	6.89%	\$ 202,675
On-Site Environmental	MBE/DBE	23.31%	\$ 685,620
NVL Laboratories, Inc	MBE/DBE	0.33%	\$ 9,684
Total		30.53%	\$ 897,979

EEO Commitment

Camp, Dresser and McKee's workforce demographics are 31.63% women and 18.72% minorities.

Apprentice Utilization Commitment

There are no apprentice utilization requirements or agreements on this professional services contract.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

On October 2, 2003 the Board authorized the Chief Executive Officer to execute a contract with Camp, Dresser and McKee, Inc. to provide environmental oversight and engineering services for the Central Link Initial Segment (excluding the Operations and Maintenance Facility and E-3 Busway/Forest Street), in the amount of \$1,515,016 with a 10% contingency of \$151,501, for a total authorized contract amount not to exceed \$1,666,517, subject to execution of the Full Funding Grant Agreement by the Federal Transit Administration.

On December 19, 2003 Sound Transit executed Contract RTA/LR 102-03 with Camp, Dresser and McKee, Inc. for these services.

Sound Transit currently has construction operations being performed throughout the Initial Segment. These construction activities are anticipated to continue until mid-2008.

There have been three major components of the work that have had a significant impact on the cost of performing environmental support services. They include increased oversight for remediation of contaminated sites, increased oversight for stormwater discharge, and increased oversight and screening for disposal of high-pH materials due to Department of Ecology's interpretation of the requirements of the National Pollutant Discharge Elimination System (NPDES) permit.

The initial contract for environmental monitoring was awarded prior to completion of environmental due diligence investigations in the Rainier Valley and Tukwila contract segments. Significant quantities of contamination in a variety of locations were subsequently encountered during construction, which were not available for Sound Transit's inspection prior to bid award. The level of effort needed to provide oversight of remedial actions was based on an estimated number of contaminated sites requiring remedial actions. This estimate has proven to be inaccurate. Similarly, the amount of contamination encountered within City of Seattle right-of-way was unknown and underestimated at the time of contract award. Oversight, sampling, characterization, monitoring, and documentation of these remedial actions on both acquired parcels and on City of Seattle ROW were therefore under-funded.

Under the terms of the NPDES permit, weekly inspections of all active contract areas are required, along with periodic monitoring of stormwater discharged during rain events in these active areas of disturbed soil. The Stormwater Monitoring Plans which establish the number and location of monitoring points were not prepared and reviewed by Ecology until after award of the individual construction contracts, with input from construction contractors. Meeting the standards established within the monitoring plans has required a greater level of effort by our consultant, which has resulted in additional expenditure of budget.

Challenges have been presented by the offsite disposal of high pH construction spoils (slurry wall construction waste materials, jet grout waste materials and excavated soils which have a naturally high pH) from the Beacon Hill Station and Tunnel project. These challenges involved an interpretation of some of the NPDES permit terms by Ecology, which significantly increased the standard of care required for screening materials for disposal, and the subsequent need to

address areas where spoils have already been deposited. The oversight consultant has been engaged in meeting the standards imposed by Ecology, which are significantly greater than the level of effort originally estimated. This work has been performed under the threat of potential penalties to be levied by Ecology if terms of compliance were not met.

Prior Board or Committee Actions and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
M2003-104	Authorizes the Chief Executive Officer to execute a contract with Camp, Dresser and McKee, Inc. to provide environmental oversight and engineering services for the Central Link Initial Segment (excluding the Operations and Maintenance Facility and E-3 Busway/Forest Street), in the amount of \$1,515,016 with a 10% contingency of \$151,501, for a total authorized contract amount not to exceed \$1,666,517, subject to execution of the Full Funding Grant Agreement by the FTA	10/2/03

CONSEQUENCES of DELAY

If the change to the contract is not authorized, then there will be insufficient funds in the contract to perform the required environmental services and duties under the NPDES permit.

PUBLIC INVOLVEMENT

Sound Transit has worked cooperatively with the City of Seattle, King County/Metro, Washington State Department of Transportation, the Department of Ecology, and local businesses and interest groups on the Central Link Light Rail Project. Sound Transit staff continues to keep local and area residents informed about the status of the project and the impact of construction on the affected neighborhoods.

LEGAL REVIEW

JW 09/28/05

SOUND TRANSIT

MOTION NO. M2005-108

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute a contract amendment with Camp, Dresser and McKee, Inc. to provide continuing on-call professional environmental oversight and engineering services in support of Construction Management services for the Central Link Initial Segment, in the amount of \$1,159,300 for a total authorized contract amount not to exceed \$2,825,817.

Background:

On October 2, 2003 the Board authorized the Chief Executive Officer to execute a contract with Camp, Dresser and McKee, Inc. to provide environmental oversight and engineering services for the Central Link Initial Segment (excluding the Operations and Maintenance Facility and E-3 Busway/Forest Street), in the amount of \$1,515,016 with a 10% contingency of \$151,501, for a total authorized contract amount not to exceed \$1,666,517, subject to execution of the Full Funding Grant Agreement by the Federal Transit Administration.

On December 19, 2003 Sound Transit executed Contract RTA/LR 102-03 with CDM for these services.

Sound Transit currently has construction operations being performed throughout the Initial Segment. These construction activities are anticipated to continue until mid-2008.

There have been three major components of the work that have had a significant impact on the cost of performing environmental support services. They include increased oversight for remediation of contaminated sites, increased oversight for stormwater discharge, and increased oversight and screening for disposal of high-pH materials due to Department of Ecology's interpretation of the requirements of the National Pollutant Discharge Elimination System (NPDES) permit.

The initial contract for environmental monitoring was awarded prior to completion of environmental due diligence investigations in the Rainier Valley and Tukwila contract segments. Significant quantities of contamination in a variety of locations were subsequently encountered during construction, which were not available for Sound Transit's inspection prior to bid award. The level of effort needed to provide oversight of remedial actions was based on an estimated number of contaminated sites requiring remedial actions. This estimate has proven to be inaccurate. Similarly, the amount of contamination encountered within City of Seattle right-of-way was unknown and underestimated at the time of contract award. Oversight, sampling, characterization, monitoring, and documentation of these remedial actions on both acquired parcels and on City of Seattle ROW were therefore under-funded.

Under the terms of the NPDES permit, weekly inspections of all active contract areas are required, along with periodic monitoring of stormwater discharged during rain events in these active areas of disturbed soil. The Stormwater Monitoring Plans which establish the number and location of monitoring points were not prepared and reviewed by Ecology until after award of the individual construction contracts, with input from construction contractors. Meeting the

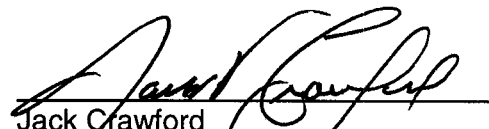
standards established within the monitoring plans has required a greater level of effort by our consultant, which has resulted in additional expenditure of budget.

Challenges have been presented by the offsite disposal of high pH construction spoils (slurry wall construction waste materials, jet grout waste materials and excavated soils which have a naturally high pH) from the Beacon Hill Station and Tunnel project. These challenges involved an interpretation of some of the NPDES permit terms by Ecology, which significantly increased the standard of care required for screening materials for disposal, and the subsequent need to address areas where spoils have already been deposited. Our oversight consultant has been engaged in meeting the standards imposed by Ecology, which are significantly greater than the level of effort originally estimated. This work has been performed under the threat of potential penalties to be levied by Ecology if terms of compliance were not met.


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 amendment with Camp, Dresser and McKee, Inc. to provide continuing on-call professional environmental oversight and engineering services in support of Construction Management services for the Central Link Initial Segment, in the amount of \$1,159,300 for a total authorized contract amount not to exceed \$2,825,817.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 6, 2005.


Jack Crawford
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator