

**SOUND TRANSIT  
STAFF REPORT**

**MOTION NO. M2007-11**

**Contract Amendment for Airport Link Communications Systems**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	1/18/07	Discussion/Possible Action to Recommend Board Approval Action	Ahmad Fazel, Link Director	(206) 398-5389
Board	1/25/07		<b>Ron Lewis, Airport Link Project Manager</b> <b>Steve Procter, Deputy Systems Construction Manager</b>	(206) 689-4905 (206) 370-5509

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

**PROJECT NAME**

Airport Link and Central Link Light Rail Initial Segment

**PROPOSED ACTION**

Authorizes the chief executive officer to execute a contract amendment with GE Transportation Systems Global Signaling, LLC to provide the communication systems for Airport Link and to complete the communications system for the Central Link Light Rail Initial Segment in the amount of \$6,450,001, with a contingency of \$346,930, for a new total authorized contract amount not to exceed \$38,793,889.

**KEY FEATURES of PROPOSED ACTION**

Airport Link

- The purpose of this action is to contract for implementation of a complete communications system for the Airport Link that is fully compatible and integrated with the Central Link Initial Segment signal system and supports the operational requirements of the combined system.
- The amendment defines a scope of work to perform all design, engineering, procurement, manufacturing, installation and testing necessary to provide a complete and working communications system for the Airport Link extension to the Central Link light rail line.
- The C803 Communication Systems procurement for the Initial Segment provided that the Sound Transit Board may, at its sole discretion, exercise an option to add to the scope of the contract, the design and construction of the communication systems for all or any portion of the light rail extension for Airport Link.

## Initial Segment

- This action will make up time lost to delays in the Downtown Seattle Transit Tunnel (DSTT) access for the C803 Contractor, GE Transportation Systems Global Signaling Advance Communication Systems. It will assure completion of the work, mitigate for civil delays, and allow re-opening of the DSTT to buses in September 2007, for the negotiated amount of \$1,493,858 for a new total amount not to exceed \$33,490,816 for the Initial Segment.
- Communications equipment installation in the DSTT was originally scheduled to start in May 2006 and continue through January 2007, when testing was to start. However, because of access delays installation did not start until December 2006. With a maximum tunnel shutdown duration of two years, installation has to be completed by the beginning of May 2007 for testing to begin and meet the September 2007 tunnel opening date. The delays have reduced the available installation time from nine months to five.
- In order to meet the deadline, additional installation crews, equipment, and supervision are required, as well as additional design, test, and administrative support. The additional crews and continued coordination with the civil contractor result in added inefficiencies, increasing the number of hours and cost required for the installation.

## **BUDGET IMPACT SUMMARY**

Current Project Phase: Construction  
Projected Completion Date: December 2009

<b>Action Outside of Adopted Budget:</b>	<b>✓</b>	<b>Comments on Checked Items</b>
This Project		
This Phase		
This Task	✓	Proposed action requires funding from construction phase unallocated contingency
Budget Amendment Required		

<b>Key Financial Indicators:</b>	<b>✓</b>	<b>Comments on Checked Items</b>
Contingency Funds Required		
Funding required from other parties (other than what is 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 GE Transportation Systems Global Signaling, LLC (C843, C803) in the amount of \$6,450,001, with a contingency of \$346,930, for a new total authorized contract amount not to exceed \$38,793,889:

- To provide the communications system for Airport Link in the amount of \$4,956,143, with a contingency of 7% totaling \$346,930, for an amount not to exceed \$5,303,073 for Airport Link; and
- The action will make up lost time due to delays in Downtown Street Transit Tunnel (DSTT) access for the C803 Contractor GE Transportation Systems Global Signaling

Advance Communication Systems. It will assure completion of the work, mitigate for civil delays, and allow re-opening of the DSTT to buses in September 2007, for the negotiated amount of \$1,493,858 for a new total amount not to exceed \$33,490,816 for the Initial Segment.

The Adopted 2007 Budget for Airport Link is \$243.6 million. Within that amount, \$12,176,151 has been set aside for negotiated procurements in the construction phase. When added to current commitments and pending board motions for the train signal systems and the traction electrification system, the proposed action would increase the commitment for this budget line item to \$15,812,881 and result in a budget shortfall of \$3,636,730, which would be funded from unallocated contingency within the construction phase. Should the proposed action be approved, the Airport Link construction phase unallocated contingency would have a remaining balance of \$1,306,744.

The Adopted 2007 Budget for the Initial Segment is \$2.07 billion. Within that amount, \$32,500,000 has been set aside for Communications Systems Construction (C803) in the construction phase. When added to current commitments, the proposed action would increase the commitment for this budget line item to \$33,553,430 and result in a budget shortfall of \$1,053,430, which would be funded from unallocated contingency within the construction phase. Should the proposed action be approved, the Initial Segment construction phase unallocated contingency would have a remaining balance of \$41,023,760.

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 Signaling, LLC (provide the communications system (C843) for Airport Link; and accelerate communications system construction (C803) within the Initial Segment to allow for reopening of the DSTT to buses by September 2007)

(Year of Expenditure \$000)

<b>Airport Link</b>		Adopted 2007 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1	Agency Administration	5,000	2,555		2,555	2,445
2	Preliminary Engineering	5,073	4,726		4,726	347
3	Final Design	15,405	13,528		13,528	1,877
4	Right of Way	20,000	12,414		12,414	7,586
5	Construction	163,522	102,038	5,303	107,341	56,181
6	Construction Services	10,500	6,413		6,413	4,087
7	Third Party Agreements	2,600	1,635		1,635	965
8	Vehicles	15,500	14,587		14,587	913
9	Contingency	6,000	-		-	6,000
10	<b>Total Current Budget</b>	<b>243,600</b>	<b>157,896</b>	<b>5,303</b>	<b>163,199</b>	<b>80,401</b>
<b>Construction Phase Detail</b>						
11	Negotiated Procurements	12,176	10,510	5,303	15,813	(3,637)
12	Other Construction	146,402	91,528		91,528	54,875
13	Construction Unallocated Contingency	4,943	-		-	4,943
14	<b>Total Phase</b>	<b>163,522</b>	<b>102,038</b>	<b>5,303</b>	<b>107,341</b>	<b>56,181</b>
<b>Initial Segment</b>						
		Adopted 2007 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
15	Agency Administration	214,780	119,077		119,077	95,703
16	Preliminary Engineering	33,357	33,310		33,310	46
17	Final Design	147,167	145,078		145,078	2,088
18	Right of Way	217,516	198,444		198,444	19,072
19	Construction	1,174,572	1,065,190	1,494	1,066,684	107,888
20	Construction Services	90,037	88,472		88,472	1,566
21	Third Party Agreements	60,264	59,531		59,531	733
22	Vehicles	132,307	131,799		131,799	508
23	<b>Total Current Budget</b>	<b>2,070,000</b>	<b>1,840,900</b>	<b>1,494</b>	<b>1,842,394</b>	<b>227,606</b>
<b>Construction Phase Detail</b>						
24	Communications System C803	32,500	32,060	1,494	33,553	(1,053)
25	Other Construction	1,099,995	1,033,131		1,033,131	66,865
26	Construction Unallocated Contingency	42,077	-		-	42,077
27	<b>Total Phase</b>	<b>1,174,572</b>	<b>1,065,190</b>	<b>1,494</b>	<b>1,066,684</b>	<b>107,888</b>
<b>Contract Amount</b>						
		Board Approvals to Date (F)	Current Approved Contract Value (G)	Proposed Action (H)	Proposed Total for Board Approval (I)	Proposed Contract Value (J)
28	Contract Amount - Airport Link	-	-	4,956	4,956	4,956
29	Contract Amount - Initial Segment	29,088	30,254	1,494	30,582	31,748
30	<b>Contract Amount</b>	<b>29,088</b>	<b>30,254</b>	<b>6,450</b>	<b>35,538</b>	<b>36,704</b>
31	Contingency - Airport Link	-	-	347	347	347
32	Contingency - Initial Segment	2,909	1,743	-	2,909	1,743
33	<b>Contingency</b>	<b>2,909</b>	<b>1,743</b>	<b>347</b>	<b>3,256</b>	<b>2,090</b>
34	Total Contract - Airport Link	-	-	5,303	5,303	5,303
35	Total Contract - Initial Segment	31,997	31,997	1,494	33,491	33,491
36	<b>Total Contract</b>	<b>31,997</b>	<b>31,997</b>	<b>6,797</b>	<b>38,794</b>	<b>38,794</b>
37	Percent Contingency	0%	0%	5%	9%	6%
<b>Budget Shortfall</b>						
Task Level	\$Shortfall (K)	Potential Resources (L)	Source (M)			
38	Airport Link - Negotiated Procurements	3,637	4,943	Construction phase unallocated contingency		
39	Initial Segment - Communications C803	1,053	42,077	Construction phase unallocated contingency		

Notes:

(B) COMMITTED TO DATE amounts are from the Agency WBS Report as of November 2006 + approved and pending board actions not recorded as of 11/30/06.

11(B) COMMITTED TO DATE includes pending board motions for procurement of systems contracts C842 and C847.

## **M/W/DBE – SMALL BUSINESS PARTICIPATION**

### Prime Consultant/Contractor

General Electric Transportation Systems Global Signaling, LLC (GETS) is the prime contractor for this contract. GETS is committed to a 12% Small Business goal with 8% M/W/DBE participation. To date, GETS has achieved 2% Small Business participation, with 2.2% M/W/DBE participation. With the amended contract amount, the projected overall participation percentages are 12% Small Business with 8% M/W/DBE.

### Utilization Breakdown Table

The contractor is committed to using one or more of the following firms to achieve the Small Business and M/W/DBE goals.

<b>Subconsultant</b>	<b>Business Type</b>	<b>% of Work</b>	<b>Dollar Value</b>
Integrity Wire, Inc.	WBE		
Alindeska	DBE		
OMA Construction, Inc.	DBE		
Mobile Electric	WBE		
Fiber Guys	DBE/WBE		
Top Tempo	DBE		
<b>Total</b>		12%	\$594,737

### EEO Commitment

GETS workforce demographics are 10.6% women and 18.7% people of color.

### Apprentice Utilization Commitment

GETS has committed to using the PLA and their contract included the customary \$.05 per hr contribution to the apprentice program in that agreement. GETS has committed to 20% apprentice utilization and has achieved 17.1% utilization to date.

## **PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION**

On February 19, 2004, Sound Transit issued a Request for Technical Proposals (RFTP) for the Link light rail communications systems for the Initial Segment of the Central Link Light Rail Project. After the proposals were reviewed on October 28, 2004, the Sound Transit Board authorized the chief executive officer to execute a contract with GE Transportation Systems Global Signaling, LLC (GETS).

The original competitively bid contract documents contained provisions identifying the Airport scope in a general context and alerting all bidders to the possibility that the work would be the subject of a future amendment. This amendment allows for the same equipment and design to be used for Airport Link as was used for the Initial Segment. This amendment is being brought to the Board in order to integrate design and manufacturing activities for Airport Link with similar activities that are ongoing for the Initial Segment. By executing the amendment now, the contractor will be able to sequence design and manufacturing of equipment and systems to provide for continuous, uninterrupted work tasks utilizing the same personnel and suppliers that are currently working on the Initial Segment.

On July 14, 2006, the Sound Transit Board selected the Airport Link project to be constructed and operated as part of Central Link light rail. Airport Link will extend the Initial Segment from South 154<sup>th</sup> Street to light rail station at the main terminal of SeaTac International Airport. The 1.7 mile Airport Link extension will be fully integrated into the Initial Segment and is planned to be completed by the end of 2009.

From an original cost proposal of \$7,900,000 the negotiated cost of \$4,956,143 still exceeds both the budget and the independent cost estimate amounts. This can be attributed to underestimated contractor overhead costs to support the field installation team and the rapid increase in base metal costs, both copper and steel. Although the cost exceeds the budgeted amount, an amendment to this contract provides Sound Transit with the best solution for the Airport extension by insuring full system compatibility between the Airport extension and the Initial Segment.

Taking this contract to bid could have resulted in substantially different hardware and software in this segment, which would have had serious impacts on the interface between the Airport extension and the Initial Segment.

Pursuant to the National Environmental Policy Act (NEPA) and the State Environmental Policy Act (SEPA), Sound Transit, the Port of Seattle and the Federal Transit Administration (FTA) issued the Airport Link Environmental Assessment/SEPA Addendum (EA) on May 26, 2005. The EA is an update to the Central Link Final Environmental Impact Statement (EIS) issued in November 1999 and the Tukwila Freeway Route Supplemental EIS issued in November 2001 and discusses the environmental effects of Airport Link. The Federal Transit Administration (FTA) issued a Record of Decision on the airport Link project on September 13, 2005.

The Airport Link project includes a new light rail station adjacent to the SeaTac Airport parking structure, the extension of the light rail guideway and track from Tukwila International Boulevard Station, and the systems infrastructure to operate.

This amendment to the GETS contract will provide the communications system necessary for the airport extension.

**Prior Board/Committee Actions on this Project**

<b>Motion/Resolution Number and Date</b>	<b>Summary of Action</b>
R2005-16 06/14/05	Selected the Airport Link alignment and station locations and selected the portion of Airport Link to be constructed and operated as part of the Central Link Light Rail Project by the end of 2009; increased the Airport Link lifetime Adopted 2005 Budget; increased the Airport Link annual Adopted 2005 Budget; and for planning purposed reducing the minimum debt service coverage ratio for south King County subarea to 1.15x for the Airport Link Finance Plan.
M2004-103 10/28/04	Executed 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.
R2001-16 11/29/01	Selected the Initial Segment of the Central Link Light Rail Project to be constructed and operated by 2009.

## **CONSEQUENCES of DELAY**

### **Airport**

This amendment is being brought to the Board in order to integrate design and manufacturing activities for Airport Link with similar ongoing activities for the Initial Segment. By executing the amendment now, the contractor will be able to sequence design and manufacturing of equipment and systems to provide for continuous, uninterrupted work tasks utilizing the same personnel and suppliers that are currently working on the Initial Segment.

A delay would jeopardize the contractor's ability to fully integrate the Airport Link scope, thereby losing some efficiency including the concurrent manufacturing of equipment and procurement of long lead items.

### **Initial Segment**

This amendment is brought to the board in order to mitigate the delays that have occurred in the civil schedule of the DSTT and insure that the DSTT is available for re-opening to buses in September 2007.

## **PUBLIC INVOLVEMENT**

Not applicable to this action.

## **ENVIRONMENTAL COMPLIANCE**

JI 12/13/06

## **LEGAL REVIEW**

DLB 1/2/07

## **SOUND TRANSIT**

### **MOTION NO. M2007-11**

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with GE Transportation Systems Global Signaling, LLC to provide the communication systems for Airport Link and to complete the communications system for the Central Link Light Rail Initial Segment in the amount of \$6,450,001, with a contingency of \$346,930, for a new total authorized contract amount not to exceed \$38,793,889.

#### **Background:**

On February 19, 2004, Sound Transit issued a Request for Technical Proposals (RFTP) for the Link light rail communications systems for the Initial Segment of the Central Link Light Rail Project. After the proposals were reviewed on October 28, 2004, the Sound Transit Board authorized the chief executive officer to execute a contract with GE Transportation Systems Global Signaling, LLC (GETS).

The original competitively bid contract documents contained provisions identifying the Airport scope in a general context and alerting all bidders to the possibility that the work would be the subject of a future amendment. This amendment allows for the same equipment and design to be used for Airport Link as was used for the Initial Segment. This amendment is being brought to the Board in order to integrate design and manufacturing activities for the Airport Link with similar activities that are ongoing for the Initial Segment. By executing the amendment now, the contractor will be able to sequence design and manufacturing of equipment and systems to provide for continuous, uninterrupted work tasks utilizing the same personnel and suppliers that are currently working on the Initial Segment.

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Taking this contract to bid could have resulted in substantially different hardware and software in this segment, which would have had serious impacts on the interface between the Airport extension and the Initial Segment.



Pursuant to the National Environmental Policy Act (NEPA) and the State Environmental Policy Act (SEPA), Sound Transit, the Port of Seattle and the Federal Transit Administration (FTA) issued the Airport Link Environmental Assessment/SEPA Addendum (EA) on May 26, 2005. The EA is an update to the Central Link Final Environmental Impact Statement (EIS) issued in November 1999 and the Tukwila Freeway Route Supplemental EIS issued in November 2001 and discusses the environmental effects of Airport Link. The Federal Transit Administration (FTA) issued a Record of Decision on the airport Link project on September 13, 2005.


The Airport Link project includes a new light rail station adjacent to the SeaTac Airport parking structure, the extension of the light rail guideway and track from Tukwila International Boulevard Station, and the systems infrastructure to operate.

This amendment to the GETS contact will provide the communications system necessary for the airport extension.

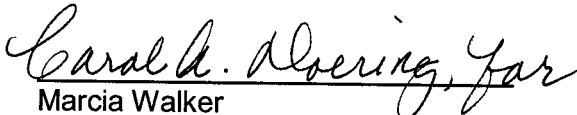
**Motion:**

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 GE Transportation Systems Global Signaling, LLC to provide the communication systems for Airport Link and to complete the communications system for the Central Link Light Rail Initial Segment in the amount of \$6,450,001, with a contingency of \$346,930, for a new total authorized contract amount not to exceed \$38,793,889.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 25 2007.

  
John W. Ladenburg  
Board Chair

ATTEST:

  
Marcia Walker  
Board Administrator