

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2007-28

**Contract Amendment for Design Services during Construction
for C735 Rainier Valley Segment**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	2/15/07	Discussion/Possible Action to Recommend	Ahmad Fazel, Link Executive Director	(206) 398-5389
Board	2/22/07	Board Approval Action	Joe Gildner, Link Deputy Executive Director John Sleavin, 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.

PROJECT NAME

Central Link Light Rail Initial Segment

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with CH2M Hill to provide additional civil engineering design services during construction of the Central Link Light Rail Initial Segment – Rainier Valley Segment in the amount of \$1,100,000, for a new total authorized contract amount not to exceed \$12,847,990.

KEY FEATURES of PROPOSED ACTION

- The purpose of this action is to increase the contract amount for civil engineering design services during construction (DSDC). During construction of the Rainier Valley Segment, the number of submittals, requests for information, requests for design changes from the contractor and third party developers, and the extended construction schedule have increased the level of engineering support required by CH2M Hill.
- Factors driving increased DSDC costs include increased hazardous material, on-going private and public development requiring interface modifications and increased level of engineering support services required, and design changes requested by the contractor, including as-built conditions.
- DSDC services include, but are not limited to: reviewing submittals; QA/QC surveying; responding to requests for information from the contractor; preparing design modifications as requested from the contractor and third party developers; providing design change management; and contract close-out and as-built drawings.

- DSDC will continue to be provided by CH2M Hill on an on-call basis as determined necessary by Sound Transit staff. The consultant budget for DSDC services will be managed by the Civil Engineering Design Manager supported by Link project controls staff.

BUDGET IMPACT SUMMARY

Current Project Phase: Construction
Projected Completion Date: 2009

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 and FINANCIAL PLAN DISCUSSION

This action would authorize execution of a contract amendment with CH2M Hill to provide civil engineering design services during construction for the Rainier Valley Segment (C735) in the Initial Segment project in the amount of \$1,100,000 for a new total authorized contract amount not to exceed \$12,847,990.

The Adopted 2007 Budget for the Central Link Initial Segment is \$2.07 billion. Within that budget, \$3,025,000 has been set aside in the final design phase for Sound Transit's share of design services during construction (DSDC) for the Rainier Valley Segment (C735). Should the proposed action be approved, there will be no funds remaining for this budget line item.

The current authorized contract with CH2M Hill includes scope for betterment work, which is being reimbursed to Sound Transit by third parties in the amount of \$1,102,149, including \$365,418 for Seattle Housing Authority (SHA) betterments. In October 2006, the CH2M Hill contract was amended by change order (by authority of Motion No. M2004-111, adopted November 18, 2004) to include the SHA betterments, for a new contract amount not to exceed \$11,747,990. Should the action be approved, Sound Transit's share of the proposed authorization would increase from \$10,645,841 to \$11,745,841.

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

(Year of Expenditure \$000)

Initial Segment	Adopted 2007 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	214,780	119,208		119,208	95,572
2 Preliminary Engineering	33,357	33,310		33,310	46
3 Final Design	147,167	145,454	1,100	146,554	613
4 Right of Way	217,516	198,899		198,899	18,617
5 Construction	1,174,572	1,065,187		1,065,187	109,386
6 Construction Services	90,037	88,472		88,472	1,566
7 Third Party Agreements	60,264	58,731		58,731	1,533
8 Vehicles	132,307	131,799		131,799	508
9 Total Current Budget	2,070,000	1,841,059	1,100	1,842,159	227,841
Final Design Phase Detail					
10 DSDC C735	3,025	1,925	1,100	3,025	-
11 Other Design Support	31,633	31,681		31,681	(48)
12 Other Final Design	111,922	111,848		111,848	74
13 FD Unallocated Contingency	587	-		-	587
14 Total Phase	147,167	145,454	1,100	146,554	613
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)
15 Contract Amount	11,101	11,748	1,100	12,201	12,848
16 Contingency	647	-	-	647	-
17 Total	11,748	11,748	1,100	12,848	12,848
18 Percent Contingency	6%	0%	0%	5%	0%
19 Betterments	1,102	1,102	-	1,102	1,102
20 Total ST Share	10,646	10,646	1,100	11,746	11,746

(B) COMMITTED TO DATE amounts are from Agency WBS Report as of December 2006 + approved and pending board actions not recorded as of 12/31/06, or submitted after that date.

SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

CH2M Hill is the prime civil facilities design consultant for the C735 contract. During construction, the need to engage the designer of record is driven by the scope of a change or review, and the timeliness of the response required. Actual Small Business utilization will vary depending on these needs.

The CH2M Hill Small Business commitment for this contract was 22%. Performance to date on this contract has achieved 25.05% Small Business participation. The Small Business participation estimate for CH2M Hill's additional design services during construction is 15.04% for this amendment, which reflects the expected greater utilization of prime consultant staff during this phase. When the project is complete, the resulting Small Business participation for the overall contract is estimated to be approximately 24.22%.

The following Small Business subconsultants may be utilized for this contract amendment:

Civil Tech	MBE/DBE
Streeter & Associates Architects	MBE/DBE

EEO Commitment

CH2M Hill workforce demographics are 37.7% women and 13% minorities.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

A contract with CH2M Hill was executed on August 14, 2000, for final design of the civil facilities associated with the Central Link light rail project at-grade segments in the Rainier Valley along MLK Jr. Way South from South Walden Street to South Boeing Access Road. The scope includes the Columbia City, Othello, and Rainier Beach Stations. The contract was later amended in March 2002 to provide additional civil engineering final design services.

In April 2002, the City of Seattle passed a resolution stating its intent to relocate the existing overhead utilities underground along the light rail corridor in Rainier Valley. Later that month, the Sound Transit Board authorized staff to seek an agreement with the City of Seattle concerning the undergrounding of utilities and to proceed with final design assuming the relocations of utilities underground. Design costs were considered as part of the overall estimate for the work. The CH2M Hill contract was then amended in August 2002 to provide final design services to incorporate the undergrounding of utilities along the majority of the MLK Jr. Way South corridor.

In April 2004, the CH2M Hill contract was amended to provide design services during construction under the direction of Sound Transit for the Rainier Valley Construction Contract. This included participation in the pre-construction services phase and the construction services phase.

The budget for C735 DSDC services was last modified in November 2005 by Motion No. M2005-11 based on "redesigning of retaining walls, SHA Rainier Vista interfaces, driveway relocations and unanticipated utility relocations." Link light rail Change Control Board action on this same amendment states the assumption that "DSDC for the Rainier Valley construction project will be complete by the third quarter of 2006." The revised DSDC budget is based on contract completion by December 2007, with DSDC services phased out by March 2008.

In October 2006, by authority of Motion No. M2004-111, the chief executive officer executed a change order to increase the contract amount with CH2M Hill to provide design services during construction for betterments of the Seattle Housing Authority (SHA) facilities in the amount of \$368,418, for a new total authorized contract amount not to exceed \$11,747,990.

As of December 31, 2006, construction of light rail in the MLK Jr. Way South corridor is nearing 57% completion.

Prior Board/Committee Actions on this Project

Motion/Resolution Number & Date	Summary of Action
M2006-70 10/5/06	Authorized the Chief Executive Officer to execute an agreement with Seattle Housing Authority to reimburse Sound Transit for the betterments of Seattle Housing Authority facilities and environmental remediation costs as part of the light rail construction along Martin Luther King Jr. Way South, estimated at \$2,212,317.
M2005-11 2/10/05	Authorized the Chief Executive Officer to execute a contract amendment with CH2M Hill to provide additional design services during construction of light rail in the Rainier Valley in the amount of \$1,000,000, for a new total authorized contract amount not to exceed \$11,382,572.
M2004-111 11/15/04	Authorized the Chief Executive Officer to increase the total authorized expenditure amount for a given contract without explicit Sound Transit Board action in order to include public works betterments requested and fully funded by public agencies in the scope of Link Light Rail and Regional Express/Sounder Capital Projects professional services and construction contracts, provided that no individual contract amendment for betterment work exceeds \$500,000 and that incorporation of such betterment work has no adverse impact on Sound Transit project work.
M2004-32 4/8/04	Executed a contract amendment with CH2M Hill to provide design services during construction of light rail in Rainier Valley in the amount of \$925,000 with zero contingency, for a new total authorized contract amount not to exceed \$10,382,572.
M2002-97 8/22/02	Executed a contract amendment with CH2M Hill to incorporate underground utilities into the final design of MLK Jr. Way S. in the amount of \$1,220,000 with a 3.3% contingency of \$1,260,000, and for a new total authorized contract amount not to exceed \$9,457,572.
M2002-26 3/14/02	Executed a contract amendment with CH2M Hill to provide additional civil engineering final design services for the MLK Jr. Way S. light rail segment in the amount of \$1,751,152 for a total authorized contract amount not to exceed \$8,423,697.
M2000-80 9/14/00	Executed a contract with CH2M Hill for civil engineering final design services associated with the Central Link light rail project at-grade segments in the Rainier Valley along MLK Jr. Way S. from South Walden Street to South Boeing Access Road. Establish a contract amount of \$6,065,949 with a 10% contingency of \$606,595 for a total authorized amount not to exceed \$6,672,544.

CONSEQUENCES OF DELAY

Significant delay in Board action could result in delayed responses to the contractors' submittals and requests for information, which could delay the construction schedule.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

JI 1/10/07

LEGAL REVIEW

JW 2/9/07

SOUND TRANSIT

MOTION NO. M2007-28

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with CH2M Hill to provide additional civil engineering design services during construction for the Rainier Valley Segment of the Central Link Light Rail Initial Segment project in the amount of \$1,100,000, for a new total authorized contract amount not to exceed \$12,847,990.

Background:

A contract with CH2M Hill was executed on August 14, 2000, for final design of the civil facilities associated with the Central Link light rail project at-grade segments in the Rainier Valley along MLK Jr. Way South from South Walden Street to South Boeing Access Road. The scope includes the Columbia City, Othello, and Rainier Beach Stations. The contract was later amended in March 2002 to provide additional civil engineering final design services.

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As of December 31, 2006, construction of light rail in the MLK Jr. Way South corridor is nearing 57% completion.

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 CH2M Hill to provide additional civil engineering design services during construction for the Rainier Valley Segment of the Central Link Light Rail Initial Segment project in the amount of \$1,100,000, for a new total authorized contract amount not to exceed \$12,847,990.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 22, 2007.



John W. Ladenburg
Board Chair

ATTEST:



Marcia Walker
Board Administrator