

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2007-39

Construction Task Order for the Totem Lake Freeway Station/NE 128th Project

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	3/15/07	Discussion/Possible Action to Recommend Board Approval	Jim Edwards, Acting Director, Capital Projects	(206) 398-5436
Board	3/22/07	Action	Christine Engler, Construction Manager, Capital Projects	(206) 398-5056

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

PROJECT NAME

Totem Lake Freeway Station/NE 128th

PROPOSED ACTION

Authorizes the chief executive officer to (1) increase the contingency for GCA 3361 Task Order Agreement A-5 with the Washington State Department of Transportation for the Totem Lake Freeway Station/NE 128th project in the amount of \$2,178,519, for the purpose of funding corrective work required because of design errors, for a new total authorized agreement amount not to exceed \$57,221,094, and (2) seek reimbursement of the repair costs through the established contractual process in accord with Federal Transit Administration grant requirements.

KEY FEATURES OF PROPOSED ACTION

- In the middle of December 2006, the Totem Lake Freeway Station contractor discovered settlement of the bus stop areas overhanging the freeway and long cracks in the concrete paving a portion of the direct access ramps to and from the north on I-405.
- The WSDOT Bridge and Structures Office was the designer of the ramps and determined that the cracking and settlement were due to a design error, which underestimated the steel reinforcing required in the concrete slabs.
- Demolition and replacement of these portions of the ramps is likely to take an estimated five to six months and to cost up to \$4 million.
- Since this situation developed as a result of a design error, Sound Transit has requested that WSDOT bear the cost of rectifying it. However, WSDOT has indicated that there is no immediate source of funds for this issue.

- To minimize the cost and schedule impacts to the public, staff is recommending that design and construction of required demolition and replacement proceed immediately and that Sound Transit bear the initial cost. This Board action would amend the construction task order agreement with WSDOT to increase the contingency by an amount sufficient to make up to \$4 million available to WSDOT to rectify this issue.
- Sound Transit and WSDOT staff are currently engaged in dialogue regarding WSDOT's full reimbursement of all of Sound Transit's costs related to this issue and will seek reimbursement of the costs through the established contractual process for resolving this issue and as required by the Federal Transit Administration, which provided grant funding for the project.

BUDGET IMPACT SUMMARY

Current Project Phase: Construction
 Projected Completion Date: 2007

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase	✓	This action will leave a construction phase level shortfall of \$2,179M.
This Task		
Budget Amendment Required		

Key Financial Indicators:	✓	Comments on Checked Items
Contingency Funds Required	✓	Sufficient unallocated project contingency exists to fund this phase-level shortfall.
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 Adopted 2007 Budget for this project is \$76,262,591, with a construction phase budget of \$55,317,287. The proposed action is to increase the contingency for WSDOT GCA 3361 Task Order by \$2,178,519, this action will result in a construction phase shortfall of \$2,178,519. The project contingency phase budget is \$3,723,965; this action would reduce the balance to \$1,545,446 after covering the construction phase shortfall. The project balance will be \$2,088,749.

There are sufficient funds to complete this action. Committing these funds will not endanger any other project elements that are to be funded out of the overall project.

BUDGET TABLE

Summary for Board Action (Year of Expenditure \$000)

Project: 140 - Totem Lake Freeway Station/NE 128th

	2007 Adopted Budget ¹ (A)	Committed To Date ² (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	\$ 4,154	\$ 4,154	\$ -	\$ 4,154	\$ -
2 Preliminary Engineering	\$ 6,283	\$ 6,227	-	\$ 6,227	56
3 Final Design	\$ 4,695	\$ 4,789	-	\$ 4,789	(94)
4 Right of Way	\$ 2,089	\$ 1,507	-	\$ 1,507	582
5 Construction	\$ 55,317	\$ 55,317	2,179	\$ 57,496	(2,179)
6 Contingency	\$ 3,724	\$ -	-	\$ -	3,724
7 Total Current Budget	\$ 76,263	\$ 71,995	\$ 2,179	\$ 74,174	\$ 2,089

Phase Budget Detail

8 Construction	\$ 55,317	\$ 55,317	\$ 2,179	\$ 57,496	(2,179)
9 Misc. Activity					-
10 Total Phase	\$ 55,317	\$ 55,317	\$ 2,179	\$ 57,496	(2,179)

Contract Budget	Current Approved Contract Value (F)	Spent to Date (G)	Proposed Action (H)	Proposed Total Contract Value (I)
11 WSDOT Task Order GCA 3361	\$ 51,477	\$ 42,882	\$ -	\$ 51,477
12 Contingency	3,566	-	2,179	\$ 5,745
13 Total	55,043	42,882	2,179	57,221
14 Percent Contingency	7%		4%	11%

Budget Shortfall³

Level	Shortfall Amt (J)	Potential Funds (K)	Funding Source (L)
15 Construction	\$ (2,179)	\$ 3,724	Project Contingency
16 Total	\$ (2,179)	\$ 3,724	

Notes:

¹ Project budget is located on page 137 of the Proposed 2007 Budget book. The Adopted 2007 Budget was approved by the Board on December 14, 2006.

² Committed to date amount includes actual outlays and commitments through February 28, 2007.

³ Consistent with Sound Transit Board budget policies, the phase level shortfall will be covered by reallocating project contingency funds to the Construction phase to align phase budget amounts with project phase activity.

SMALL BUSINESS PARTICIPATION

Not applicable for this action.

PROJECT DESCRIPTION AND BACKGROUND FOR PROPOSED ACTION

The Totem Lake Freeway Station Project will connect NE 128th Street across I-405 and provide direct access to the Totem Lake area of Kirkland from the north and southbound HOV lanes on I-405, including the Kingsgate Park-and-Ride lot and the Totem Lake Transit Center to be located on the Evergreen Hospital campus. The project is funded by Sound Transit and a grant from the Federal Transit Administration. The Washington State Department of Transportation performed the engineering design work and is the construction manager for the project. The project will provide fast, reliable connections to ST Express and Metro buses. The project also

includes a pedestrian walkway connecting the Kingsgate Park-and-Ride lot with new freeway transit stations located on the direct access ramps to and from the north.

An Environmental Assessment (EA) was prepared for the Totem Lake Freeway Station and Totem Lake Transit Center projects in compliance with the National Environmental Policy Act. The EA was issued in May 2002 and the Federal Highway Administration and Federal Transit Administration issued a Finding of No Significant Impact (FONSI) on November 13, 2002. The EA and FONSI were adopted under the Washington State Environmental Policy Act and the Determination of Non-Significant Impact was issued on November 13, 2002.

Construction of the project has been underway since June 2005 by Max J. Kuney Company. In December 2006, the contractor removed the forms and temporary structures supporting the concrete direct access ramps to and from the north on I-405. Both the contractor and construction inspectors discovered long cracks in the concrete paving and settlement of the concrete paving in the bus stop areas of the ramps overhanging the freeway. The WSDOT Bridge and Structures Office was the designer of the concrete paving for the ramps and performed an investigation that determined the cracking and settlement were due to design errors. During the course of alternatives development, independent review, and discussions with the contractor, the Bridge and Structures Office and Sound Transit jointly determined that the only real option to ensure long-term performance, durability, and safety of the ramps structure was to remove and replace the defective portions of the concrete.

Demolition and replacement of these portions of the ramps is likely to take an estimated five to six months and to cost up to \$4 million. Opening of the ramps to the north and their bus stops to service will be delayed, as may completion of the entire project. Completion of the entire project was anticipated for summer 2007.

In accord with Board direction, we have requested that WSDOT agree to reimburse Sound Transit for the costs associated with the design error. WSDOT has indicated a willingness to discuss the reimbursement issue but has not yet agreed to reimburse the cost of the repairs. Sound Transit will continue to work with WSDOT and will follow the established contractual process for resolving the reimbursement issue. Because the Federal Transit Administration provided over \$12 million in grant funding for the project, Sound Transit is required to seek reimbursement for these costs.

Prior Board/Committee Actions on this Project

Motion/Resolution Number and Date	Summary of Action
M2005-35 4/28/05	Authorized the Chief Executive Officer to execute Agreement GCA 3361 Task Order #5 with the Washington State Department of Transportation to provide construction and construction management of the Totem Lake Freeway Station Project in the amount of \$52,421,500, with a 5% contingency of \$2,621,075, for a total authorized Task Order amount not to exceed \$55,042,575.
M2002-134 12/5/02	Executed a project level agreement with the Washington State Department of Transportation for the completion of final design and preparation of plans, specifications, and estimates for the Kirkland HOV Direct Access Ramp Project.
M2002-72 6/13/02	Negotiated and executed an umbrella agreement with WSDOT for construction administration of Sound Transit projects to be constructed on WSDOT right-of-ways ("Umbrella Agreement") in accordance with key provisions set out in this report.

CONSEQUENCES OF DELAY

Time is of the essence. Any delay in obtaining the authority needed to undertake the proposed construction may increase the cost of the work and further delay project completion.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

SSK 3-1-07

LEGAL REVIEW

JW 3/7/07

DB 3/14/07

SOUND TRANSIT

MOTION NO. M2007-39

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to (1) increase the contingency for GCA 3361 Task Order Agreement A-5 with the Washington State Department of Transportation for the Totem Lake Freeway Station/NE 128th project in the amount of \$2,178,519, for the purpose of funding corrective work required because of design errors, for a new total authorized agreement amount not to exceed \$57,221,094, and (2) seek reimbursement of the repair costs through the established contractual process in accord with Federal Transit Administration grant requirements.

Background:

The Totem Lake Freeway Station Project will connect NE 128th Street across I-405 and provide direct access to the Totem Lake area of Kirkland from the north and southbound HOV lanes on I-405, including the Kingsgate Park-and-Ride lot and the Totem Lake Transit Center to be located on the Evergreen Hospital campus. The project is funded by Sound Transit and a grant from the Federal Transit Administration. The Washington State Department of Transportation performed the engineering design work and is the construction manager for the project. The project will provide fast, reliable connections to ST Express and Metro buses. The project also includes a pedestrian walkway connecting the Kingsgate Park-and-Ride lot with new freeway transit stations located on the direct access ramps to and from the north.

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Demolition and replacement of these portions of the ramps is likely to take an estimated five to six months and to cost up to \$4 million. Opening of the ramps to the north and their bus stops to service will be delayed, as may completion of the entire project. Completion of the entire project was anticipated for summer 2007.

The additional amount approved is for the purpose of funding corrective work required as a result of the design errors and shall not be considered as additional work requested by Sound Transit under the contract between Sound Transit and WDDOT. Sound Transit should seek reimbursement for the costs incurred for the corrective work through the established contractual process and in accord with Federal Transit Administration grant requirements.

Motion:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to (1) increase the contingency for GCA 3361 Task Order Agreement A-5 with the Washington State Department of Transportation for the Totem Lake Freeway Station/NE 128th project in the amount of \$2,178,519, for the purpose of funding corrective work required because of design errors, for a new total authorized agreement amount not to exceed \$57,221,094, and (2) seek reimbursement of the repair costs through the established contractual process in accord with Federal Transit Administration grant requirements.

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



Mark Olson
Board Vice Chair

ATTEST:



Marcia Walker
Board Administrator