

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2007-49

**Contract Amendment for
Environmental Support Services during Construction**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	5/3/07	Discussion/Possible Action	Ahmad Fazel, Link Executive Director Joe Gildner, Link Deputy Executive Director Mark Menard, Sr. Environmental Analyst, Richard Sage, Link Construction Manager	(206) 398-5389 (206) 689-3350 (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	
Real Estate		Property Acquisition	

PROJECT NAME

Central Link Initial Segment and Airport Link

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 and Airport Link in the amount of \$1,246,268, for a new total authorized contract amount not to exceed \$4,072,085.

KEY FEATURES of PROPOSED ACTION

- The proposed action will provide for continuation of environmental engineering, remediation, and abatement oversight and support services to Link construction management during construction of the Central Link Initial Segment project (excluding the Operations and Maintenance Facility and E-3 Busway/Forest Street) in the amount of \$1,202,468 and Airport Link in the amount of \$44,000.
- Additional funds are required due to:
 - Increased stormwater monitoring requirements associated with the National Pollutant Discharge Elimination System (NPDES) permit
 - Increased duration of several of the civil construction contracts
- This is an out of scope change with regard to the Airport Link work only in the amount of \$44,000. Justification for this change has been approved by the chief executive officer.

BUDGET IMPACT SUMMARY

Current Project Phase: Construction
Projected Completion Date: 2009

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase	✓	Proposed action requires funding from construction services phase unallocated contingency and surplus budget within other phases of the Initial Segment project
This Task		
Budget Amendment Required		

Key Financial Indicators:	✓	Comments on Checked Items
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 Camp, Dresser and McKee, Inc. to provide continuing on-call professional environmental oversight and engineering services in support of construction management for the Central Link Initial Segment and Airport Link projects in the amount of \$1,246,268 for a new total authorized contract amount not to exceed \$4,072,085.

The Adopted 2007 Budget for the Central Link Initial Segment is \$2.07 billion. Within that budget, \$3,444,890 has been set aside for environmental construction support services in the construction services phase. Since this amount is fully committed, approval of the proposed action would result in a budget shortfall of \$1,202,268 for this line item. There are currently other board actions pending that, when added to the proposed action, would use the entire \$1,000,000 construction services phase unallocated contingency and result in a budget shortfall of \$1,792,581 for the phase. This would be funded from surplus budget from other phases within the Initial Segment project.

The Adopted 2007 Budget for Airport Link is \$243.6 million. Within that budget, \$100,000 has been set aside for environmental construction support services in the construction services phase. The proposed action includes \$44,000 for Airport Link. If approved, there would be a remaining balance of \$56,000 for this budget line item.

The proposed action, when considered with other pending board actions, would exceed the construction services phase budget for the Initial Segment, and require a transfer of budget funds from other phases within the project during the next budget update. It is otherwise 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: Camp, Dresser & McKee, Inc. (provide on-call professional environmental oversight and engineering services in support of construction management services for the Central Link Initial Segment and Airport Link)

(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	119,850		119,850	94,930
2	Preliminary Engineering	33,357	33,310		33,310	46
3	Final Design	147,167	146,496		146,496	671
4	Right of Way	217,516	200,294		200,294	17,222
5	Construction	1,174,572	1,083,732		1,083,732	90,841
6	Construction Services	90,037	90,627	1,202	91,830	(1,792)
7	Third Party Agreements	60,264	59,533		59,533	731
8	Vehicles	132,307	131,799		131,799	508
9	Total Current Budget	2,070,000	1,865,641	1,202	1,866,843	203,157
Construction Services Phase Detail						
10	Environmental CS	3,445	3,445	1,202	4,647	(1,202)
11	Other Construction Services	85,592	87,182		87,182	(1,590)
12	CS Unallocated Contingency	1,000	-		-	1,000
13	Total Phase	90,037	90,627	1,202	91,830	(1,792)
Airport Link						
Airport Link		Adopted 2007 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
14	Agency Administration	5,000	2,729		2,729	2,271
15	Preliminary Engineering	5,073	4,726		4,726	347
16	Final Design	15,405	13,500		13,500	1,905
17	Right of Way	20,000	11,573		11,573	8,427
18	Construction	163,522	107,378		107,378	56,144
19	Construction Services	10,500	6,413	44	6,457	4,043
20	Third Party Agreements	2,600	1,810		1,810	790
21	Vehicles	15,500	14,587		14,587	913
22	Contingency	6,000	-		-	6,000
23	Total Current Budget	243,600	162,716	44	162,760	80,840
Construction Services Phase Detail						
24	Environmental CS	100	-	44	44	56
25	Other Construction Services	9,800	6,413		6,413	3,387
26	CS Unallocated Contingency	600	-		-	600
27	Total Phase	10,500	6,413	44	6,457	4,043
Contract Amount						
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)	
28	Contract Amount - Initial Segment	2,674	2,642	1,202	3,877	3,844
29	Contract Amount - Airport Link	-	-	44	44	44
30	Contract Amount	2,674	2,642	1,246	3,921	3,888
31	Contingency - Initial Segment	152	184	-	152	184
32	Contingency - Airport Link	-	-	-	-	-
33	Contingency	152	184	-	152	184
34	Total Contract - Initial Segment	2,826	2,826	1,202	4,028	4,028
35	Total Contract - Airport Link	-	-	44	44	44
36	Total Contract	2,826	2,826	1,246	4,072	4,072
37	Percent Contingency	6%	7%	0%	4%	5%
Budget Shortfall						
Task Level	\$Shortfall (K)	Potential Resources (L)	Source (M)			
38	Initial Segment - Environmental	1,202	1,000	Construction services phase unallocated contingency, and surplus budget from other phases in the Initial Segment		

(B) COMMITTED TO DATE amounts are from Agency WBS Report as of March 2007 + approved and pending board actions not recorded as of 3/31/07, or submitted after that date.

SMALL BUSINESS PARTICIPATION

Camp, Dresser and McKee, Inc. (CDM) is the prime contractor and has committed to 30% small business participation. CDM's small business participation to date performance is 20%.

The 30% small business participation goal was developed during contract negotiations using information and estimates of the scope of work provided by Sound Transit. CDM met the 30% participation goal through utilization of identified teaming partners for the first phase of work. Subsequent to the first phase of work, certain scopes of work related to stormwater management increased significantly. The small business firms on the team had expertise in areas unrelated to stormwater management. As a result, the participation of these small businesses was limited. Most of the remaining work on this contract will be stormwater related, with the exception of some limited remediation support.

Herrera Environmental Consultants, Inc., a minority-owned firm, which graduated from the small business category shortly before this contract started, is one of CDM's subconsultants. CDM has utilized Herrera for approximately \$216,000, or 8.6% of the contract to date. CDM expects to continue to utilize Herrera through the remainder of the work for this contract, as Herrera's expertise will continue to be needed in the performance of stormwater related work.

Utilization Breakdown Table

For the contract including this amendment, the contractor anticipates the following small business utilization:

Subconsultant	Business Type	% of Work	Dollar Value
Med-Tox NW	WBE	4.5%	\$187,489
On-Site Environmental	MBE/DBE	8.4%	\$352,138
NVL Laboratories, Inc	MBE/DBE	0.2%	\$8,956
Total		13.1%	\$548,583

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. (CDM) 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), 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. The contract was later amended in October 2005.

Sound Transit currently has construction operations being performed throughout the Initial Segment. These construction activities are anticipated to continue until late 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 stormwater discharge, oversight and documentation of remedial actions taken to address previously unidentified contamination encountered and remediation during construction, and an increase in the duration of construction for several civil contracts.

Under the terms of the National Pollutant Discharge Elimination System 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. Meeting the standards established within the monitoring plans has required a greater level of effort by our consultant, resulting in an additional expenditure of budget.

The construction duration of several of the civil construction contracts is taking longer than originally anticipated. Consequently, there is approximately a six-month increase in environmental oversight monitoring duration.

Prior Board/Committee Actions on this Project

Motion/Resolution Number & Date	Summary of Action
M2005-108 10/6/05	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 Link Construction Management services for the Central Link Initial Segment (excluding the Operations and Maintenance Facility and E-3 Busway/Forest Street), in the amount of \$1,159,000 and a total authorized contract expenditure amount not to exceed \$2,825,817.
M2003-104 10/2/03	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.

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.

ENVIRONMENTAL COMPLIANCE

JI, 04/09/07

LEGAL REVIEW

JW 4/26/07

SOUND TRANSIT

MOTION NO. M2007-49

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 and Airport Link in the amount of \$1,246,268, for a new total authorized contract amount not to exceed \$4,072,085.

Background:

On October 2, 2003 the Board authorized the chief executive officer to execute a contract with Camp, Dresser and McKee, Inc. (CDM) 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), 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. The contract was later amended in October 2005.

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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 stormwater discharge, oversight and documentation of remedial actions taken to address previously unidentified contamination encountered and remediation during construction, and an increase in the duration of construction for several civil contracts.

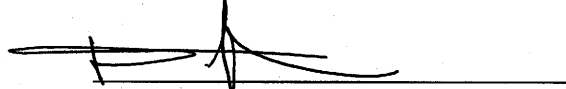
Under the terms of the National Pollutant Discharge Elimination System permit, weekly inspections of all active contract areas are required, along with periodic monitoring of stormwater discharged during rain events in these active areas of disturbed soil. Meeting the standards established within the monitoring plans has required a greater level of effort by our consultant, resulting in an additional expenditure of budget.

The construction duration of several of the civil construction contracts is taking longer than originally anticipated. Consequently, there is approximately a six-month increase in environmental oversight monitoring duration.

Motion:

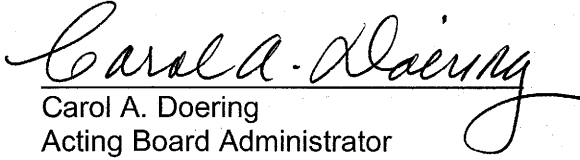
It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with Camp, Dresser and McKee, Inc. to provide continuing on-call professional environmental oversight and engineering services in support of construction management services for the Central Link Initial Segment and Airport Link in the amount of \$1,246,268, for a new total authorized contract amount not to exceed \$4,072,085.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 3, 2007.



Fred Butler
Finance Committee Chair

ATTEST:



Carol A. Doering
Acting Board Administrator