

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2008-49

Award of Construction Management Consultants Contract for University Link Project

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	5/1/08	Discussion/Possible Action to Recommend Board Approval	Ahmad Fazel, Link Executive Director	(206) 398-5389
Board	5/8/08	Postponed	John Harrison, U-Link Project Director	(206) 398-5309
Board	5/22/08	Action	Ben Emam, U-Link Construction Manager	(206) 398-5394

Contract/Agreement Type:	<input checked="" type="checkbox"/>	Requested Action:	<input checked="" type="checkbox"/>
Competitive Procurement	<input checked="" type="checkbox"/>	Execute New Contract/Agreement	<input checked="" type="checkbox"/>
Sole Source	<input type="checkbox"/>	Amend Existing Contract/Agreement	<input 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

University Link – Pine Street Stub Tunnel (PSST) to University of Washington (UW) Station

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract with Seattle Tunnel And Rail Team, Joint Venture to provide construction management services for the University Link project in the amount of \$61,361,000, with a 8.7% contingency of \$5,343,000, for a total authorized contract amount not to exceed \$66,704,000.

KEY FEATURES of PROPOSED ACTION

- The Construction Management Consultants (CMC) will provide support to the University Link Construction Manager and Deputy Construction Managers in managing all construction elements of University Link project.
- CMC scope of work includes the following construction management and support functions, but is not limited to: program management; resident engineering; office engineering; technical support and inspection; construction estimating; contract change management; scheduling; construction safety and security; QA/QC activities; diversity/small business/project labor agreement, and construction management at-risk services.
- CMC functions also include the following pre-construction services: combining design reviews, constructability, bidability, and value engineering reviews; bid evaluations and bid analyses.
- As part of the construction management at-risk services task, CMC will provide small contracting on project elements of limited scope (anticipated up to \$100,000 each) not

included in the general contractors' scope of work. The initial contracting budget limit for at-risk services is a total of \$2,000,000.

- The contract provides for a nine-year term with an additional one-year option to extend. Sound Transit will authorize work in three-year terms. The requested contract amount is for the entire nine years of the contract.
- The total amount for this contract was developed to reflect the total costs associated with construction management of University Link with a higher degree of certainty on the level of efforts and resources required to manage the first three years of construction than the subsequent six years. The level of efforts and hence the costs associated with the last six years of the contract were forecast based upon the best level of information available at this time and may require some adjustments to the scope and the allocation of resources as we better define the management requirements for the construction phase of the project. This effort includes evaluating the availability of additional Sound Transit Link in-house staff as they complete other assignments to be integrated into construction management of the project.
- This action is needed because final design work for University Link has progressed past the 60% design milestone. Before construction contract documents are finalized for bid, comprehensive design, constructability, and bidability reviews by CMC is crucial to ensure design, specifications, and other construction contract documents are well developed in order to contractor competition during the bid process.

BUDGET IMPACT SUMMARY

Current Project Phase: Final Design
 Projected Completion Date: September 2016 (Revenue Service Start Date)

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
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 Adopted 2008 Lifetime Capital Budget for University Link is \$1.614 billion. Within that amount:

- \$64,941,000 has been set aside for Construction Services in the construction services phase. Approval of the proposed action would commit \$64,704,000 of this amount, leaving a remaining balance of \$237,000 for this budget line item. In addition to this, the construction services phase has a budget of \$3,585,000 for unallocated contingency.

Should the proposed action be approved, the remaining budget balance for the total construction services phase would be \$3,822,000.

- \$3,220,000 has been set aside for Miscellaneous Construction within the construction phase. The proposed action would commit \$2,000,000 of this amount to provide small contracting on project elements not included in the general construction contractors' scope of work, leaving a remaining balance of \$1,220,000 for this budget line item.

The proposed action is consistent within the current adopted budget, and is affordable within the agency's long-term financial plan and subarea financial capacity. The action will have no new revenue impact on Sound Transit.

BUDGET TABLE

Action Item: Seattle Tunnel and Rail Team (START), Joint Venture (provide construction management services, including small contracting not included in the general construction contractors' scope of work, for the University Link project)

(Year of Expenditure \$000)

University Link	Adopted 2008 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
Agency Administration	115,229	8,847		8,847	106,382
Preliminary Engineering	24,388	24,414		24,414	(26)
Final Design	77,944	57,739		57,739	20,205
Right of Way	157,332	75,782		75,782	81,550
Construction	1,046,946	9,630	2,000	11,630	1,035,316
Construction Services	68,526	-	64,704	64,704	3,822
Third Party Agreements	19,733	9,297		9,297	10,436
Vehicles	103,909	-		-	103,909
Total Current Budget	1,614,007	185,710	66,704	252,414	1,361,593

Construction Phase Budget Detail

Construction Miscellaneous	3,220	-	2,000	2,000	1,220
Other Construction	1,043,726	9,630		9,630	1,034,096
Total Phase	1,046,946	9,630	2,000	11,630	1,035,316

Construction Services Phase Budget Detail

CS Construction Services	64,941	-	64,704	64,704	237
CS Unallocated Contingency	3,585	-	-	-	3,585
Total Phase	68,526	-	64,704	64,704	3,822

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)
Contract Amount	-	-	61,361	61,361	61,361
Contingency	-	-	5,343	5,343	5,343
Total	-	-	66,704	66,704	66,704
Percent Contingency	0%	0%	9%	9%	9%

(B) COMMITTED TO DATE amounts are from Agency WBS Report as of February 2008 + approved and pending board actions not recorded as of 2/28/08, or submitted after that date.

SMALL BUSINESS PARTICIPATION

Seattle Tunnel And Rail Team (START), a joint-venture of CH2M-Hill and Jacobs Field Services North America, is the prime consultant for this contract. START commits to a 20% Small Business Participation goal to be achieved over the 9 year term of the contract. START has committed to work with Sound Transit to continuously identify subcontracting opportunities throughout the life of the project.

Utilization Breakdown Table

Subconsultant/Subcontractor	Business Type	% of Work	Dollar Value
Urban Forestry Services, Inc.	Small Business	0.10%	\$62,547
Mel Dodd	Small Business	0.48%	\$284,734
Griffin, Hill & Associates	M/DBE	0.73%	\$433,122
JAD & Associates, LLC	M/DBE	0.94%	\$561,130
JTS Management Services	M/W/DBE	4.17%	\$2,492,141
KBA, Inc.	W/DBE	10.24%	\$6,115,543
Total		16.66%	\$9,949,217

EEO Commitment

The combined JV prime workforce demographics are 34% women and 16% minorities. START has committed to uphold and enforce all applicable state and federal EEO rules and regulations.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

The University Link project is a north-extension to the Initial Segment light rail transit system. The project consists of a 3.15-mile underground double-track between the east end of Pine Street Stub Tunnel in downtown Seattle and two new cut-and-cover stations at Capitol Hill and the University of Washington. The project has received the highest-possible rating from the Federal Transit Administration (FTA) in the competitive federal New Starts funding process. The construction work has been divided into 10 construction contract packages. The first construction contract is scheduled to start in fourth quarter 2008, subject to the award of the Full Funding Grant Agreement (FFGA) by the FTA.

University Link is expected to generate high ridership by connecting the three major population and employment centers of downtown Seattle, Capitol Hill, and the University District; adding 70,000 daily riders to the system for a total system daily boarding of 114,000 in operating year 2030.

Currently, the project is in final design phase. Final design began on December 11, 2006 after the permission to enter final design from the FTA was received. The Board authorized a contract execution with Northlink Transit Partners to provide civil engineering and architectural final design services through Motion No. M2006-78. The Board also authorized a contract execution with LTK Engineering for systems final design services through Motion No. M2007-51. The final design has now advanced past 60% complete overall. The design is at the critical stage where input is essential.

The Request for Proposal for CMC services was advertised on October 31, 2007. A number of proposals were received and evaluated. A short list of qualified teams were selected for interviews. On February 25, 2008, it was determined that START could offer Sound Transit the

best resources and expertise. START has people with local and international experience in deep transit tunneling and station construction management, a record of safety and recognized construction management project delivery, and proven project controls and processes to successfully deliver the project.

A limited notice to proceed (LNTP) in the amount of \$50,000 was issued to START on March 11, 2008, to enable certain individuals of the joint venture to take part in the two-day University Link Constructability Workshop (March 19-20, 2008), which also included participation by the FTA's Project Management Oversight Consultants (PMOC).

Prior Board/Committee Actions on this Project

Motion/Resolution Number and Date	Summary of Action
R2007-20 9/27/07	Approval of the University Link Project capital Baseline Cost Estimate at \$1.614 billion; establish the baseline project completion schedule milestone as late September 2016; and authorize the chief executive officer to submit a Full Funding Grant Agreement application to the Federal Transit Administration for the University Link Project.
M2007-62 6/14/07	Authorizes the chief executive officer to execute a Master Implementation Agreement with the University of Washington establishing terms and conditions to acquire access to and use of University of Washington property for purposes of design, construction, operation, monitoring, and maintenance of Link light rail transit system.
M2007-51 5/10/07	Authorizes the chief executive officer to execute a contract with LTK Engineering Services, LLC to provide systems engineering final design services for the University Link Project.
M2006-78 11/9/06	Authorizes the chief executive officer to execute a contract with Northlink Transit Partners, Joint Venture to provide civil engineering and architectural final design services for the University Link Project with final design work subject to Federal Transit Administration final design approval.

CONSEQUENCES of DELAY

Before construction contract documents can be finalized for bid, a review of design, constructability and bidability reviews by CMC is crucial to ensure that the design, specifications, and other construction contract documents are well developed. Delay in awarding this contract would impact bid/award schedule of construction contract, project critical path, and ultimately the entire University Link project schedule.

The FTA and FTA's PMOC have stated in a number of occasions that Sound Transit had yet to conduct a thorough and comprehensive, end-to-end constructability review of the University Link project. Having the CMC on the project team, conducting pre-construction activities alongside Sound Transit staff and the design consultants, demonstrated to the FTA and PMOC that Sound Transit is committed to implementing the Constructability Program Plan. Delay in awarding this contract could cause the FTA to consider suspending the University Link FFGA application process.

PUBLIC INVOLVEMENT

On the Initial Segment, Sound Transit has an effective and dynamic community outreach program during construction that requires Sound Transit staff, construction management staff,

and contractors to work as an integrated team. The program includes a construction hotline, public meetings, open houses, construction site tours, and one-on-one visits with the impacted businesses and residents.

University Link will continue an active community outreach program as part of the construction management efforts. START has extensive transit tunnel construction experience in urban environments, and understands the importance of community outreach. It will provide resources to assist Sound Transit in outreach activities during construction.

ENVIRONMENTAL COMPLIANCE

JI 4/15/2008

LEGAL REVIEW

JW 4/24/08

SOUND TRANSIT

MOTION NO. M2008-49

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract with Seattle Tunnel And Rail Team, Joint Venture to provide construction management services for the University Link project in the amount of \$61,361,000, with a 8.7% contingency of \$5,343,000, for a total authorized contract amount not to exceed \$66,704,000.

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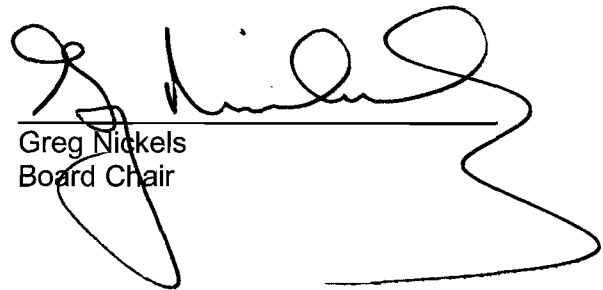
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Motion:

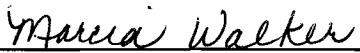
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract with Seattle Tunnel And Rail Team, Joint Venture to provide construction management services for the University Link project in the amount of \$61,361,000, with a 8.7% contingency of \$5,343,000, for a total authorized contract amount not to exceed \$66,704,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 22, 2008.



Greg Nickels
Board Chair

ATTEST:



Marcia Walker
Board Administrator