

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2008-52

Contract Amendment for Systems Design Services for University Link Project

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	5/15/08	Discussion/Possible Action to Recommend Board Approval	Ahmad Fazel, Link Executive Director	(206) 398-5389
Board	5/22/08	Action	John Harrison, U-Link Project Director George Hodges, Link Civil/Systems Integration Manager	(206) 398-5309 (206) 398-5473

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

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

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with LTK Engineering Services to complete systems design and contract documents to the Issue-for-Bid level (100%) for the University Link project in the amount of \$844,357, with a 10% contingency of \$84,436 totaling \$928,793, for a new total authorized contract amount not to exceed \$8,185,373.

KEY FEATURES of PROPOSED ACTION

- On May 10, 2007, the Board authorized a contract execution with LTK Engineering Services, Inc. for systems final design services through Motion No. M2007-51. The contract was divided into two phases: Phase 1 – civil/systems design support and systems final design from 30% to 90% design, and Phase 2 – complete final design from 90% to 100% design and bid support services. Both the Phase 1 and Phase 2 scopes of work were included in the contract but Phase 2 was not funded at that time.
- Recently, Sound Transit has reconsidered this approach and concluded that it would be preferable to complete the 100% systems design in Phase 1, instead of waiting until Phase 2. The benefit of such an approach would be that the final design would be signed and sealed before the design team demobilized for the 2 ½ years before their services for Phase 2 would be required. This approach would ensure continuity of key design staff on the design. Since Phase 1 would now include the 100% final systems design, Phase 2 would include only the remainder bid support services.

- Modification of systems design services contract Phase 1 scope of work is needed to include completion of systems design and contract documents to Issue-for-Bid level (100%). Under the proposed amendment, funding of Phase 2 for bid support services would still require future Board action.
- Extension of the term of the contract from 2 years (from June 13, 2007 to June 12, 2009) to 2.5 years (from June 13, 2007 to December 31, 2009) will allow LTK the additional time required for the added scope of work in Phase 1.

BUDGET IMPACT SUMMARY

Current Project Phase: Final Design

Projected Completion Date: September 2016 (Revenue Service Start Date)

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

The Adopted 2008 Lifetime Capital Budget for University Link is \$1.614 billion. Within that amount, \$9,788,888 has been set aside for Systems Final Design in the final design phase. When added to current commitments of \$7,256,580, the proposed action would increase this amount by \$928,793 to a revised total commitment of \$8,185,373 for this budget line item, and leave a remaining balance of \$1,602,627. This amount will be more than sufficient to cover bid support services.

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: LTK Engineering Services (complete systems design and contract documents to 100% issue-for-bid level 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	14,630		14,630	100,599
Preliminary Engineering	24,388	24,412		24,412	(24)
Final Design	77,944	57,739	929	58,668	19,276
Right of Way	157,332	79,247		79,247	78,085
Construction	1,046,946	11,630		11,630	1,035,316
Construction Services	68,526	64,704		64,704	3,822
Third Party Agreements	19,733	9,303		9,303	10,430
Vehicles	103,909	-		-	103,909
Total Current Budget	1,614,007	261,666	929	262,595	1,351,412

Final Design Phase Budget Detail

Systems Final Design	9,788	7,257	929	8,185	1,603
Other Final Design and DSDC	68,156	50,483		50,483	17,673
Total Phase	77,944	57,739	929	58,668	19,276

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	6,597	6,597	844	7,441	7,441
Contingency	660	660	84	744	744
Total	7,257	7,257	929	8,185	8,185
Percent Contingency	10%	10%	10%	10%	10%

(B) COMMITTED TO DATE amounts are from Agency WBS Report as of March 2008 + approved and pending board actions not recorded as of 3/31/08, or submitted after that date.

SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

Originally, LTK committed to 18% Small Business participation. To date, LTK has achieved 14.6% participation on this contract.

The Small Business participation for this contract amendment is 12.7%. LTK is projecting to complete this contract with 14.4% small business participation.

Utilization Breakdown Table

Subconsultant/Subcontractor	Business Type	% of Work	Dollar Value
Bolima Drafting & Design, Inc.	MBE/DBE	3.1%	\$26,586
Eskilsson Architecture	WBE/DBE	3.0%	\$25,350
Hatfield & Dawson Consulting Engineers	Small Business	1.2%	\$10,124
F. Ross Holmstrom, Ph.D.	Small Business	4.9%	\$41,608
Pacific Communications Consultants, Inc.	MWBE	0.4%	\$3,426
Total		12.7%	\$107,094

EEO Commitment

LTK Engineering Services' workforce demographics are 22% women and 14% minorities. LTK 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 the Pine Street Stub Tunnel in downtown Seattle and two new cut-and-cover stations at Capitol Hill and the University of Washington. The construction work has been divided into 10 construction contract packages. The first construction contract is scheduled to start in the fourth quarter of 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 the final design phase. On November 9, 2007, the Board authorized a contract execution with Northlink Transit Partners to provide civil engineering and architectural final design services through Motion No. M2006-78, subject to Federal Transit Administration (FTA) final design approval. Shortly after, the permission to enter final design from the FTA was received on December 11, 2006. On May 10, 2007, the Board authorized a contract execution with LTK Engineering for systems final design services through Motion No. M2007-51.

The extended period of civil and tunneling construction on University Link project forced the systems installation to start no earlier than the fall of 2012. When the systems final design services for University Link were negotiated, Sound Transit and the consultants came up with a contracting strategy to optimize the budget, while at the same time balancing the needs between having the systems design consultants on-board early to coordinate design with the civil design consultants, and allowing the systems design to progress but allowing the opportunity to incorporate changes in systems technology into the design just prior to bid. The scope of the LTK contract, therefore, was divided into two phases: civil design support and start of final design (Phase 1), and complete final design and bid support (Phase 2).

Phase 1 began right after the contract was executed. It was contemplated that once the systems design reaches 90% complete, the consultant would demobilize for 2 ½ years between Phases 1 and 2. Phase 2 of the contract would commence in the third quarter of 2011, approximately one year prior to the scheduled contract award date of the system construction contract. The consultant would update and complete the systems design and provide support during bid in Phase 2. The Phase 2 scope of work was included in the contract but was not funded at that time, and will require future Board action to authorize the funding for additional services.

Recently, Sound Transit has reconsidered this approach and concluded that it would be preferable to complete the 100% systems design where the design would be signed and sealed before demobilizing the LTK team to ensure continuity of key design staff. Phase 2 would only have bid support services. When LTK is re-mobilized in Phase 2 to provide bid support services, LTK can review the 100% design for any adjustments needed prior to advertising the systems installation contract. The remobilized staff will be a smaller group. If some of the original LTK

staff are no longer available, it will be less detrimental because the design will already be completed.

The current proposed approach is better for Sound Transit because it allows more complete integration between civil and systems design elements before the civil construction is advanced, reduces the effect of potential loss of continuity of design staff upon remobilization, and produces cost savings from reduced labor rate escalation.

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.
M2007-51 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 in the amount of \$6,596,891 with a 10% contingency of \$659,989, for a total authorized contract amount not to exceed \$7,256,580.

CONSEQUENCES of DELAY

A significant delay in approval of this contract amendment will delay the completion of final design effort for the University Link project.

PUBLIC INVOLVEMENT

Not applicable for this action.

ENVIRONMENTAL COMPLIANCE

JI 5/2/08

LEGAL REVIEW

JW 5/8/08

SOUND TRANSIT

MOTION NO. M2008-52

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with LTK Engineering Services to complete systems design and contract documents to the Issue-for-Bid level (100%) for the University Link project in the amount of \$844,357, with a 10% contingency of \$84,436 totaling \$928,793, for a new total authorized contract amount not to exceed \$8,185,373.

Background:

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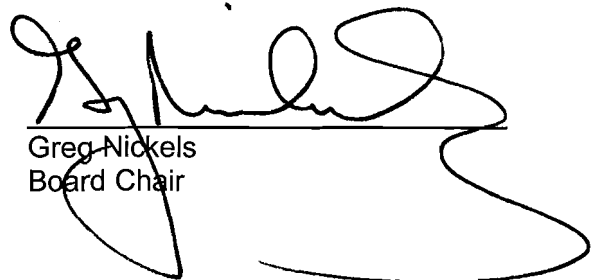
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Motion:


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 amendment with LTK Engineering Services to complete systems design and contract documents to the Issue-for-Bid level (100%) for the University Link project in the amount of \$844,357, with a 10% contingency of \$84,436 totaling \$928,793, for a new total authorized contract amount not to exceed \$8,185,373.

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