

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2009-35

Increase Authorized Contract Amount and Extend Contract Time for Environmental Due Diligence/Remediation Oversight for University Link

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	4/16/09	Postponed	Ahmad Fazel, Link Executive Director	(206)398-5389
Finance Committee	5/7/09	Discussion/Possible Action	Mark Menard, Sr. Environmental Analyst, Legal Department Roger Hansen, Real Property Manager, Link	(206)398-5227 (206) 689-3366

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement	✓	Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	✓
Agreement with Other Jurisdiction(s)		Budget Amendment	
Real Estate		Property Acquisition	

PROJECT NAME

Central Link Initial Segment, Airport Link, and North Link projects

PROPOSED ACTION

Authorizes the chief executive officer to increase the authorized amount of the contract with Camp, Dresser & McKee, Inc. for additional work in the area of environmental due diligence, remediation, and oversight for properties acquired for various Link light rail projects in the amount \$870,000 for a new total authorized contract amount not to exceed \$3,330,615 and to extend the term until December 31, 2012 or completion of the work, whichever is earlier.

KEY FEATURES of PROPOSED ACTION

- The proposed action will increase the amount of the authorized contract with Camp, Dresser & McKee, Inc. (CDM) by \$870,000 for additional work related to environmental remediation oversight at the Capitol Hill Station and staging area in support of the University Link Advanced Utility Relocation (U210), Demolition and Environmental Remediation (U211), and Capitol Hill Station Excavation and Tunnel Boring to Pine Street Stub Tunnel, and (U230) for station box excavation.
- The contract scope of work provides field inspection of environmental remediation, monitoring of asbestos abatement, oversight of contaminated area remediation, collection and analysis of post-remediation confirmation samples, preparation of closure documentation, quality assurance clearance sampling, stormwater monitoring, and preparation of ground water monitoring plans.
- The current contract would expire in August 2009. This amendment also extends the duration of the contract until completion of the work or December 31, 2012, whichever is earlier, for completion of the work covered by the original scope of work and this amendment.

BUDGET IMPACT SUMMARY

Current Project Phase: (University Link) Final Design / Construction

Projected Completion Date: 2016

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
This Task	✓	Proposed action requires funding from surplus budget within the right of way phase of the University Link project.
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 contract with Camp, Dresser & McKee is for ongoing environmental due diligence services for Link light rail projects that are assigned by task order within each project. Budget is to be identified and committed prior to a task order being approved to ensure that the total contract amount does not exceed the amount authorized by the Sound Transit Board.

It is assumed for this action that the proposed services would be primarily required for University Link. Since the proposed services will be assigned on an as-needed basis, estimated costs are currently unknown and therefore not shown as assigned to other projects. When the current contract with Camp, Dresser & McKee was approved (Resolution No. R2006-61, adopted 8/03/06), it was assumed that the entire authorized amount of \$2,460,615 would be assigned to University Link. However, \$606,000 of this amount was utilized for services provided to Airport Link.

The Adopted 2009 Lifetime Capital Budget for Central Link projects is a combined total budget of \$60.5 million identified for right of way administration. Of this amount, \$19,960,115 has been set aside for administration within the right of way phase of University Link. To date, \$19,215,584 has been committed to this budget line item. Approval of the proposed action would increase this amount to \$20,085,584, and result in a budget shortfall of \$125,469 for this line item, which would be funded from surplus budget within the right of way phase.

The proposed action is consistent with the Adopted 2009 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: Camp, Dresser & McKee, Inc. (Increase authorized contract amount for additional environmental due diligence, remediation and oversight for properties acquired for various Link light rail projects.)

(Year of Expenditure \$000)

Contract Amount	Board Approvals to Date (A)	Current Approved Contract Value (B)	Proposed Action for Board Approval (C)	Proposed Total for Board Approval (D)	Proposed Contract Value (E)
Contract Amount	2,237	2,188	870	3,107	3,058
Contingency	224	272	-	224	272
Total	2,461	2,461	870	3,331	3,331
Percent Contingency	10%	12%	0%	7%	9%

Central Link Right of Way Phase Budget	Adopted 2009 Budget (F)	Committed To Date (G)	This Action (H)	Total Committed & Action (I)	Uncommitted (Shortfall) (J)
North Link-Northgate to 45th Street	10,150	10,097	-	10,097	53
Right of Way Administration	150	97	-	97	53
University Link	167,332	123,493	870	124,363	42,969
Right of Way Administration	19,960	19,216	870	20,086	(125)
North Link-UW Station to Brooklyn Station	2,133	2,133	-	2,133	-
Right of Way Administration	296	296	-	296	-
Initial Segment	207,171	203,929	-	203,929	3,242
Right of Way Administration	39,333	39,124	-	39,124	209
Airport Link	12,450	12,241	-	12,241	209
Right of Way Administration	793	1,140	-	1,140	(348)
Total Central Link Right of Way Phase	399,236	351,893	870	352,763	46,473
Total Right of Way Administration	60,532	59,873	870	60,743	(211)

Notes:

(F) ADOPTED 2009 BUDGET amounts as adopted by resolution of the Sound Transit Board (R2008-14, approved 12/11/08).

(B) COMMITTED TO DATE amounts are from preliminary Agency WBS Report as of March 2009 + approved and pending board actions not recorded as of 3/31/09, or submitted after that date.

SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

CDM is the prime consultant for the initial contract and expected to perform 65% of the work on that contract. CDM committed to 35% small business participation in the initial contract. The subconsultants shown in the following table comprised the firms that were to be utilized to meet the 35% small business and M/W/DBE commitment on this contract.

To date, CDM has achieved 32.2% small business and M/W/DBE participation. CDM made a number of assumptions about the type of work that would be required under the contract resulting in the contract cost and the allocation to their small and MWDBE partner firms in their initial proposal. The actual mix of work CDM was requested to complete was not exactly what they had assumed in the initial contract negotiations, resulting in a different percentage of the work being done by their team members than initially assumed. CDM remains firm to their commitment to use their small and MWDBE partner firms as proposed.

Because of the nature of the remaining work, it is anticipated that the consultant will be able to achieve a 35% small business and M/W/DBE participation rate for the added work. CDM will be strongly encouraged to provide as much work as possible to their small business partners and to consider seeking out other small businesses to assist with the remaining work in order to demonstrate a bona fide "good faith effort" to achieve their original commitment of 35% small business participation.

Utilization Breakdown Table from Original Proposal

Subconsultant	Business Type	% of Work	Dollar Value
Med-Tox Northwest	WBE	9%	\$221,455
On-Site Environmental	MBE/DBE	3%	\$73,818
NVL Laboratories	MBE/DBE	1%	\$24,606
Informa, LLC	WBE	1%	\$24,606
Constellation Services	Small Business	2%	\$49,212
Tacoma Pump & Drilling Co.	Small Business	4%	\$98,425
Environmental Partners, Inc.	Small Business/SBA	15%	\$369,092
Total		35%	\$861,214

EEO Commitment

CDM's project team workforce demographic is 11% people of color and 32% women.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

CDM provides environmental due diligence services for Sound Transit property acquisition projects. The existing environmental due diligence contract was awarded through a competitive process and Camp, Dresser and McKee, Inc. was selected as the environmental due diligence consultant.

The contract scope of work anticipated some work on Link projects other than University Link however U-Link was expected to constitute most of the contract work. The contract was used for environmental due diligence/remediation for Airport Link in the amount of \$606,000 and for remediation and tank closure near Convention Place Station for U-Link in the amount of \$106,500. While these activities were within the scope of work for the contract, neither was known nor anticipated at the time the original scope of work was defined, accounting for \$712,500 of the total contract expenditures to date.

CDM performed the environmental due diligence studies at Capitol Hill Station and staging area including Phase I and II environmental site assessments, remediation costs estimates, clean up action plans and hazardous material surveys for building demolition. The results of these estimates and plans were used in determining the fair market value of properties to be acquired for the project. These estimates and plans were then incorporated into bid documents for the Capitol Hill demolition and tunnel box excavation contracts. The scope of work in the original contract also provided for the consultant to provide regulatory compliance and agency coordination support services if required.

Under the terms of the contract CDM may be required to provide the additional related services such as providing regulatory compliance and agency coordination support services. If approved, CDM will be requested to provide hazardous material remediation oversight for building demolition and station box excavation for the Capitol Station and staging area to ensure compliance with the appropriate regulatory agencies. As the consultant who performed all the initial investigative work, CDM is very knowledgeable about environmental conditions at the Capitol Hill site and is a prudent choice to perform this work. Initial oversight by CDM for building demolition is currently underway under terms of the current contract. This action seeks Finance Committee approval to add this additional oversight work to the existing contract.

The terms of the current CDM contract further provide that, "Sound Transit may, at any time,...make other changes within the general scope of the services or work performed under this Agreement. If such changes cause an increase or decrease in the Consultant's cost of, or time required for performance of any services under this Agreement, an equitable cost and/or completion time adjustment shall be made and this Agreement shall be modified in writing accordingly." The time to complete this work would be extended to December 31, 2012 or completion of the work, whichever is earlier.

CDM has submitted a cost estimate to perform the additional work of \$870,000 under the same terms and conditions as their current contract. This amount is consistent with Sound Transit's Independent Cost Estimate for this work.

Prior Board/Committee Actions on this Project

Motion/Resolution Number and Date	Summary of Action
M2006-61 8/03/06	Authorized the Chief Executive Officer to execute a contract with Camp, Dresser & McKee, Inc. to provide ongoing environmental due diligence services for properties acquired or to be acquired for various Link light rail projects in the amount of \$2,236,923, with a 10% contingency of \$223,692, for a total authorized contract amount not to exceed \$2,460,615.

CONSEQUENCES of DELAY

A short delay would not adversely affect activities performed by this contract.

PUBLIC INVOLVEMENT

Not applicable for this action.

ENVIRONMENTAL COMPLIANCE

JI, 04/06/09

LEGAL REVIEW

JN 4/10/09

SOUND TRANSIT

MOTION NO. M2009-35

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to increase the authorized amount of the contract with Camp, Dresser & McKee, Inc. for additional work in the area of environmental due diligence, remediation, and oversight for properties acquired for various Link light rail projects in the amount \$870,000 for a new total authorized contract amount not to exceed \$3,330,615 and to extend the term until December 31, 2012 or completion of the work, whichever is earlier.

Background:

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CDM has submitted a cost estimate to perform the additional work of \$870,000 under the same terms and conditions as their current contract. This amount is consistent with Sound Transit's Independent Cost Estimate for this work.

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 increase the authorized amount of the contract with Camp, Dresser & McKee, Inc. for additional work in the area of environmental due diligence, remediation, and oversight for properties acquired for various Link light rail projects in the amount \$870,000 for a new total authorized contract amount not to exceed \$3,330,615 and to extend the term until December 31, 2012 or completion of the work, whichever is earlier.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 7, 2009.



Aaron Reardon
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator