

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2009-43

Contract Amendment for Construction of Airport Link Station

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	5/21/09	Discussion/Possible Action to Recommend Board Approval Action	Ahmad Fazel, Link Executive Director	(206) 398-5389
Board	5/28/09		Ron Lewis, Airport Link Project Director	(206) 689-4905

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

PROJECT NAME

Airport Link – 154th Street to 176th Street

PROPOSED ACTION

Authorizes the chief executive officer to increase the contingency for an existing negotiated sole source contract with Mowat Construction Company for construction of the SeaTac/Airport Station in the amount of \$1,500,000, for a total authorized contract amount not to exceed \$75,526,000.

KEY FEATURES of PROPOSED ACTION

- The current C430R SeaTac/Airport Station contract amount with Mowat Construction Company is \$72,026,000 plus \$2,000,000 of contingency. The proposed action represents an increase in the contract contingency from 2.8% to 4.9% of the contract amount.
- The C430R SeaTac/Airport Station contract work is now 80% complete and is on schedule for passenger service by the end of 2009. Currently \$1.26M in change order work has been executed. Among other elements, these change orders addressed mechanical and electrical components of the station; including conduits for systems and fire protection piping. There are additional trend items recorded which may require additional contingency; including components of the station finishes, such as modifications to windscreens, railings, roof drains, and additional fire/life safety elements. A complete and current trend log is maintained and monitored by Sound Transit's construction management team. All executed change orders and trend items are necessary to complete construction of the SeaTac/Airport station for passenger service.
- The proposed action also includes an allowance to address additional required or Sound Transit directed changes not identified at this time. One item currently under consideration is the addition of a section of windscreen on the west side of the station mezzanine. This allowance will be used to address future required changes in a timely manner and help facilitate the completion of the station and contract in the required timeframe.
- At this time there are no outstanding claims or notices of intent to claim on this contract.

BUDGET IMPACT SUMMARY

Current Project Phase: Construction
Projected Completion Date: 2009

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
This Task	✓	Proposed action requires funding from unallocated contingency within the construction phase of the Airport 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 Adopted 2009 Lifetime Capital Budget for the Airport Link project is \$269.1 million. Within that amount, \$75.1 million has been set aside for C430R SeaTac/Airport Station in the construction phase. Current commitments for this line item are \$74,026,000. The proposed action would increase that amount by \$1,500,000 to a revised total commitment of \$75,526,000, and result in a budget shortfall of \$426,000, which will be funded from construction unallocated contingency.

Within the construction phase, \$5,823,329 is set aside for unallocated contingency. Should the proposed action be approved, that amount would be reduced by \$426,000, leaving a remaining budget balance of \$5,397,329 for unallocated contingency in the construction phase.

The proposed action is consistent with 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: Mowat Construction Company (amend the existing contract for construction of the SeaTac/Airport Station within the Airport Link project)

(Year of Expenditure \$000)

Airport Link	Adopted 2009 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
Agency Administration	12,187	8,288		8,288	3,899
Preliminary Engineering	3,691	3,691		3,691	0
Final Design	15,765	15,626		15,626	139
Right of Way	12,450	12,241		12,241	209
Construction	193,270	184,257	1,500	185,757	7,513
Construction Services	15,421	14,820		14,820	601
Third Party Agreements	1,729	1,600		1,600	129
Vehicles	14,587	14,587		14,587	-
Contingency	-	-		-	-
Total Current Budget	269,100	255,109	1,500	256,609	12,491

Construction Phase Detail

C430R SeaTac/Airport Station	75,100	74,026	1,500	75,526	(426)
Other Construction	112,347	110,231		110,231	2,116
Unallocated Contingency	5,823	-		-	5,823
Total Phase	193,270	184,257	1,500	185,757	7,513

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	72,026	72,725	1,500	73,526	74,225
Contingency	2,000	1,301	-	2,000	1,301
Total Contract - Airport Link	74,026	74,026	1,500	75,526	75,526
Percent Contingency	3%	2%	0%	3%	2%

Budget Shortfall Task Level	\$Shortfall (K)	Potential Resources (L)	Source (M)
C430R SeaTac/Airport Station	426	5,823	Unallocated contingency within the construction phase

(A) 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 Agency WBS Report as of March 2009 + approved and pending board actions not recorded as of 3/31/09, or submitted after that date, and include allocated contingencies.

SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

Mowat Construction Company is the prime contractor. A small business participation goal of 15% was established for this contract. Mowat has agreed to develop, implement, and maintain a small business participation plan having an 18.33% small business participation and has committed to the utilization of small business throughout the duration of the project. To date, Mowat has achieved small business participation of 14.86%. Much of the Small Business work (station finishes) is occurring now towards the end of the contract. It is anticipated by contract end, Small Business participation will increase. Mowat will continue to work diligently with Sound Transit to explore and identify additional opportunities for Small Business participation throughout the balance of the project.

Utilization Breakdown Table

Subconsultant/Subcontractor	Business Type	% of Work**	Dollar Value
Alpine Concrete Construction	Small Business	0.42%	\$300,000
Corona Steel	MBE	0.94%	\$675,958
Emerald City Weatherproofers, Inc	MBE/DBE	0.25%	\$180,000
Jesse Engineering Company	Small Business	4.13%	\$2,975,000
JP Francis & Assoc, Inc.	MBE	1.40%	\$1,005,076
Leajak Construction	MBE/DBE	0.56%	\$400,000
Marshbank Construction Inc.	MBE/DBE	1.01%	\$730,000
Pile Contractors, Inc.	Small Business	0.08%	\$59,600
Rainier Steel, Inc.	MBE/DBE	5.21%	\$3,755,000
Salinas Concrete Construction	MBE	0.76%	\$550,000
SeaTac Sweeping	MBE/DBE	0.14%	\$100,000
Stephens Enterprises, Inc.	MBE/WBE	3.43%	\$2,470,823
Total		18.33%	\$13,201,457

Equal Employment Workforce Profile (% Women/People of Color)

Mowat Construction Company workforce demographics are 22% women and 36.3% people of color.

Apprentice Utilization Commitment

Mowat Construction Company has committed to meet the 20% Apprentice Utilization goal as contained in the contract documents. Under the terms of the contract, people of color and women are to comprise at least 50% of all first-year apprentice hours, and 33% of all apprentice hours worked. Apprentice utilization to date is 25.06% people of color and 33.4% women for all apprentice hours worked.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

The Airport Link project consists of 1.7 miles of aerial and at-grade guideway, trackwork, the SeaTac/Airport light rail station, and the International Boulevard pedestrian bridge and plaza.

Airport Link construction activities commenced with the award of a contract amendment to PCL Construction for aerial and at-grade guideway and trackwork construction from the Tukwila International Boulevard Station south to South 160th Street. The civil work of this project has achieved substantial completion; systems contract work is now underway.

The second major civil contract package was included in a Port of Seattle contract to construct the aerial and at-grade guideway section between South 160th Street and the Airport Station. The civil work for this project has achieved beneficial occupancy (substantial completion); systems contract work is now underway.

The third major civil contract package is the C430R SeaTac/Airport Station, trackwork on the guideway constructed in the second contract and the guideway through the station, and the International Boulevard pedestrian bridge (IB bridge) and plaza (IB plaza).

The C430R SeaTac/Airport Station civil work is now approximately 80% complete and is on schedule for passenger service by the end of 2009. Sound Transit continues to benefit from its partnership with the Port of Seattle and the City of SeaTac during this construction phase of the project.

The completed work includes all trackwork, the station and International Blvd. bridge concrete and structural steel work. Civil work in progress includes station finishes items (concrete finishing, drywall, wall paneling, painting, glazing, fire protection piping, mezzanine ceiling, escalator installation, platform roofing, and station ground plane utilities and grading), station emergency area utilities, electrical rough-in, IB bridge roofing, IB plaza ancillary building, and IB plaza elevator and stair tower structural steel

installation. The remaining C430R SeaTac/Airport Station contract work includes the platform and IB bridge ceilings, mezzanine and platform flooring, station and IB plaza elevators, lighting, fire control system, station emergency area grading and paving, station ground plane paving, art installation, landscaping, and other miscellaneous items.

Remaining contract milestones for the “station” contract include completion of the electrical rough-in by May 30, 2009; station finishes complete by September 2; station electrical and mechanical equipment testing and commissioning by September 22; station substantial completion by October 22, and beneficial occupancy by December 15.

The fourth contract is the C431 contract (TPSS and signal foundation and TPSS site development including paving and landscaping). The civil work of this project has been accepted; systems contract work is now underway.

Prior Board/Committee Actions

Motion/Resolution Number and Date	Summary of Action
M2008-27 02/28/2008	Authorized the chief executive officer to execute an amendment to an existing and previously authorized negotiated sole source contract with Mowat Construction Company for the construction of station finishes elements of the SeaTac/Airport Station in the amount of \$37,226,000, with a contingency of \$1,000,000, for a total authorized contract amount not to exceed \$74,026,000.
R2008-04 02/28/2008	Amended the Adopted 2008 Budget to (a) revise the Airport Link lifetime budget to \$269.1 million; (b) add a project for the light rail segment from South 176 th to South 200 th with a budget of \$3.767 million; and (c) treat as property for resale and record separately from the Airport Link project budget the previously authorized \$4.1 million acquisition costs for the “kiss-and-ride” facility at the Airport Link Station.
M2007-79 07/29/07	Authorized the chief executive officer to execute a contract with Mowat Construction Company for the construction of selected elements of the SeaTac/Airport Station and trackwork in the amount of \$34,800,000, with a contract contingency of \$1,000,000, for a total authorized contract amount not to exceed \$35,800,000.
M2006-18 04/13/06	Authorized execution of a Memorandum of Agreement with the Port of Seattle (Port) specifying the terms and conditions for the development of the Airport Link Project on Port property, allowing the use of Port right-of-way, and defining the integrated delivery strategy for Airport Link light rail and related Port roadway projects; and to execute all other subsequent agreements as may be necessary to implement this Agreement in an amount not to exceed \$12,690,521.
M2006-12 01/26/06	Authorized execution of a Development and Transitway Agreement with the City of SeaTac specifying the terms and conditions for development of the Airport Link Project and to execute necessary subsequent agreements with the City of SeaTac for a total authorized expenditure not to exceed \$7,416,808.

CONSEQUENCES of DELAY

The construction of the SeaTac/Airport Station is the last major civil element of the Airport Link project, and is on schedule for completion and opening for passenger service by the end of this year. This proposed contract amendment requires timely action to ensure there are no delays to achieving the remaining construction milestones. However, a delay of up to 30 days can be accommodated with no adverse impact the project.

PUBLIC INVOLVEMENT

During the design phase of the Airport Link project, public input was sought and incorporated into the station design. During the construction phase, the public has been kept informed about project progress through numerous means including written materials, web updates, and community meetings. There was no specific public involvement related to this proposed action.

ENVIRONMENTAL COMPLIANCE

JI, 5/4/09

LEGAL REVIEW

JW 5/14/09

SOUND TRANSIT

MOTION NO. M2009-43

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to increase the contingency for an existing negotiated sole source contract with Mowat Construction Company for construction of the SeaTac/Airport Station in the amount of \$1,500,000, for a total authorized contract amount not to exceed \$75,526,000.

Background:

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The C430R SeaTac/Airport Station civil work is now approximately 80% complete and is on schedule for passenger service by the end of 2009. Sound Transit continues to benefit from its partnership with the Port of Seattle and the City of SeaTac during this construction phase of the project.

The completed work includes all trackwork, the station and International Blvd. bridge concrete and structural steel work. Civil work in progress includes station finishes items (concrete finishing, drywall, wall paneling, painting, glazing, fire protection piping, mezzanine ceiling, escalator installation, platform roofing, and station ground plane utilities and grading), station emergency area utilities, electrical rough-in, IB bridge roofing, IB plaza ancillary building, and IB plaza elevator and stair tower structural steel installation. The remaining C430R SeaTac/Airport Station contract work includes the platform and IB bridge ceilings, mezzanine and platform flooring, station and IB plaza elevators, lighting, fire control system, station emergency area grading and paving, station ground plane paving, art installation, landscaping, and other miscellaneous items.

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Motion:

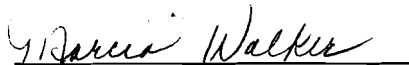
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to increase the contingency for an existing negotiated sole source contract with Mowat Construction Company for construction of the SeaTac/Airport Station in the amount of \$1,500,000, for a total authorized contract amount not to exceed \$75,526,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 28, 2009.



Claudia Thomas
Board Vice Chair

ATTEST:



Marcia Walker
Board Administrator