

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2009-80

Contract for Civil Construction

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	9/17/09	Discussion/Possible Action	Ahmad Fazel, Link Executive Director Joe Gildner, Initial Segment Project Director John Sleavin, Link Civil Engineering Manager	(206) 398-5389 (206) 689-3350 (206) 398-5150

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

Central Link Initial Segment

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract with SCI Infrastructure, to provide construction services for civil small works within the Central Link Initial Segment project in the amount of \$616,000, with a contingency of \$61,600, for a total authorized contract amount not to exceed \$677,600.

KEY FEATURES of PROPOSED ACTION

- The scope of work in this contract is for the construction of small civil works located along approximately five miles of the Link aerial guideway alignment within the cities of Seattle, SeaTac, and Tukwila which includes several short retaining walls, chain link fencing, and gates; installation of aluminum hand railings, steel post, and cable pedestrian barriers; and low profile concrete pedestrian barriers.
- This action is needed due to unforeseen changes in project requirements during construction, these items were deferred to a follow-on contract.
- Staff recommends assignment of a 10% contingency for this contract, given the risks associated with this type of civil construction relative to the magnitude of the contract.
- Sound Transit has obtained all property access permissions required in connection with this contract.
- Sound Transit has obtained all key construction permits from the City of Tukwila, City of SeaTac, City of Seattle, and the Washington State Department of Transportation (WSDOT) and has incorporated permit conditions into the 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	✓	The proposed action requires funding from unallocated contingency within the construction phase of the Initial Segment 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 Central Link Initial Segment is \$2.07 billion. Within that amount \$4,850,000 has been set aside for Miscellaneous Construction in the construction phase.

Approval of this action would increase commitments for Miscellaneous Construction to \$6,993,872, and result in a net budget shortfall of \$2,143,872 for this line item. Current commitments of \$6,316,272 that exceed the budget by \$1,466,272 were approved in prior board actions, and will be funded by using surplus budget from other line items within construction phase. The proposed \$677,600 increase will be funded from construction phase unallocated contingency.

Within the construction phase, \$26,000,786 has been set aside for unallocated contingency, of which \$14,633,469 remains unutilized. Should the proposed action be approved, this amount would be reduced by \$677,600, leaving a remaining balance of \$13,955,869 for construction phase unallocated contingency.

The proposed action is within 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: SCI Infrastructure (provide construction services for small civil works located within the Central Link Initial Segment project.)

(Year of Expenditure \$000)

Initial Segment	Adopted 2009 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
Agency Administration	189,213	173,267		173,267	15,946
Preliminary Engineering	33,289	33,310		33,310	(21)
Final Design	147,208	146,901		146,901	307
Right of Way	207,171	203,982		203,982	3,189
Construction	1,194,991	1,170,429	678	1,171,106	23,885
Construction Services	102,960	103,426		103,426	(466)
Third Party Agreements	62,861	63,076		63,076	(215)
Vehicles	132,307	131,799		131,799	508
Total Current Budget	2,070,000	2,026,189	678	2,026,867	43,133

Construction Phase Detail					
Miscellaneous Construction	4,850	6,316	678	6,994	(2,144)
Other Construction	1,164,140	1,152,745		1,152,745	11,395
Construction Unallocated Contingency	26,001	11,367		11,367	14,633
Total Phase	1,194,991	1,170,429	678	1,171,106	23,885

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	-	-	616	616	616
Contingency	-	-	62	62	62
Total Contract	-	-	678	678	678
Percent Contingency	0%	0%	10%	10%	10%

Budget Shortfall	\$Shortfall (K)	Potential Resources (L)	Source (M)
Miscellaneous Construction - This Action	678	14,633	Unallocated contingency within the construction phase
Miscellaneous Construction - Prior Actions	1,466	-	Surplus budget from other line items within the construction phase
Total Misc. Construction Budget Shortfall	2,144		

(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 July 2009 + approved and pending board actions not recorded as of 7/31/09, or submitted after that date, and include allocated contingencies.

(1) "SHORTFALL" to the Adopted 2009 Budgets for Preliminary Engineering and Third Party phases: "Committed to Date" amounts shown here include contingencies allocated for preliminary engineering contracts and third party agreements that will not be used. Adjustments are in process.

(2) "SHORTFALL" to the Adopted 2009 Budget for the Construction Services phase reflects a board motion (M2009-94, adopted 7/25/09) for PB Americas, Inc. to provide continuing construction management services for Beacon Hill Station and Tunnel civil construction, which will be funded from surplus budget within other phases of the Initial Segment project.

SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

SCI Infrastructure is the prime contractor and committed to 25% Small Business participation.

Utilization Breakdown Table

Subconsultant/Subcontractor	Business Type	% of Work	Dollar Value
O'Neill Environmental	DBE	2.76%	\$17,000
Quality Fence	Small Business	20.29%	\$125,000
Total		23.05%	\$142,000

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

SCI Infrastructure has a workforce composed of 17% people of color and 10% women.

Apprentice Utilization Commitment

SCI Infrastructure committed to a 20% apprentice utilization goal.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

The Tukwila Freeway Route contract (C755) was awarded in 2005 for the construction of the light rail aerial guideway in Tukwila. The contract had several small elements of civil construction, which due to unforeseen changes in project requirements during construction, were elected to be deferred to a follow on contract because their functions were not critical to the operation of the light rail system. The elements of work in this contract that have been deferred include several short retaining walls, chain link fencing, and gates (rolling and swing) for three industrial properties fronting the west side of MLK Way, installation of aluminum hand railings at the Duwamish River Bridge to protect exposed Seattle City Light ductbanks originally installed by Sound Transit, steel post and cable pedestrian barriers along Southcenter Boulevard at the Tukwila International Boulevard Station, low profile concrete pedestrian barriers along International Blvd. at the Tukwila International Boulevard Station, and chain link fencing on top of two retaining walls along Southcenter Boulevard.

The changes in project requirements that led to the deferral of this work included ductbank protection designs which did not meet Seattle City Light requirements, conflicts with various utilities which required alternative design approaches that could not be accommodated within the project schedule, and objections that were raised by several property owners along MLK Way after they realized that their business operations needed to be modified because the street was widened significantly to make way for light rail.

This contract also includes several punch list items from the City of Tukwila Fire and Parks Departments which were not included in the C755 contract scope. These punch list items include a fire hydrant adjustment, a concrete driveway installation, and an asphalt driveway approach.

In order to receive signoff from the City of Tukwila to defer this outstanding required civil construction work until after the opening of the Initial Segment of Central Link on July 18, 2009, Sound Transit submitted an assurance letter to the City committing that this work would be completed by the end of the second quarter of 2010.

Sound Transit advertised this project in July 2009 as a competitive bid through local and regional publications and received six bids. The low responsive, responsible bid from SCI Infrastructure in the amount of \$616,000 was 17% below Link's engineer's estimate of \$737,900.

Work under this contract is scheduled to begin in October 2009 and to be completed in April 2010.

Prior Board/Committee Actions

Motion/Resolution Number & Date	Summary of Action
M2004-104 10/21/04	Executed a Development and Transitway Agreement with the City of Tukwila specifying the terms and conditions for development of the Tukwila Freeway Route (TFR) Project and to allow the use of City of Tukwila street right-of-way; and to execute all other subsequent agreements as may be necessary to implement this Agreement, subject to approval of the 2005 budget.

CONSEQUENCES of DELAY

A delay beyond September 2009 in approval of this action could cause a delay in completing the work as committed to the City of Tukwila by Sound Transit.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

JI, 08/28/09

LEGAL REVIEW

LA 9/11/09

SOUND TRANSIT

MOTION NO. M2009-80

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract with SCI Infrastructure, to provide construction services for civil small works within the Central Link Initial Segment project in the amount of \$616,000, with a contingency of \$61,600, for a total authorized contract amount not to exceed \$677,600.

Background:

The Tukwila Freeway Route contract (C755) was awarded in 2005 for the construction of the light rail aerial guideway in Tukwila. The contract had several small elements of civil construction, which due to unforeseen changes in project requirements during construction, were elected to be deferred to a follow on contract because their functions were not critical to the operation of the light rail system. The elements of work in this contract that have been deferred include several short retaining walls, chain link fencing, and gates (rolling and swing) for three industrial properties fronting the west side of MLK Way, installation of aluminum hand railings at the Duwamish River Bridge to protect exposed Seattle City Light ductbanks originally installed by Sound Transit, steel post and cable pedestrian barriers along Southcenter Boulevard at the Tukwila International Boulevard Station, low profile concrete pedestrian barriers along International Blvd. at the Tukwila International Boulevard Station, and chain link fencing on top of two retaining walls along Southcenter Boulevard.

The changes in project requirements that led to the deferral of this work included ductbank protection designs which did not meet Seattle City Light requirements, conflicts with various utilities which required alternative design approaches that could not be accommodated within the project schedule, and objections that were raised by several property owners along MLK Way after they realized that their business operations needed to be modified because the street was widened significantly to make way for light rail.

This contract also includes several punch list items from the City of Tukwila Fire and Parks Departments which were not included in the C755 contract scope. These punch list items include a fire hydrant adjustment, a concrete driveway installation, and an asphalt driveway approach.

In order to receive signoff from the City of Tukwila to defer this outstanding required civil construction work until after the opening of the Initial Segment of Central Link on July 18, 2009, Sound Transit submitted an assurance letter to the City committing that this work would be completed by the end of the second quarter of 2010.

Sound Transit advertised this project in July 2009 as a competitive bid through local and regional publications and received six bids. The low responsive, responsible bid from SCI Infrastructure in the amount of \$616,000 was 17% below Link's engineer's estimate of \$737,900.

Work under this contract is scheduled to begin in October 2009 and to be completed in April 2010.

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 with SCI Infrastructure, to provide construction services for civil small works within the Central Link Initial Segment project in the amount of \$616,000, with a contingency of \$61,600, for a total authorized contract amount not to exceed \$677,600.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 17, 2009.



Aaron Reardon
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator