

**MOTION NO. M2011-35**
**Increase Contract Contingency for the D Street to M Street Track and Signal Project**

<b>MEETING:</b>	<b>DATE:</b>	<b>TYPE OF ACTION:</b>	<b>STAFF CONTACT:</b>	<b>PHONE:</b>
Capital Committee	05/12/11	Recommendation to Board	Ahmad Fazel, DECM Executive Director	(206) 398-5389
Board	05/26/11	Final Action	<b>Eric Beckman, Project Director</b>	(206) 398-5251

**PROPOSED ACTION**

Authorizes the chief executive officer to increase the contingency for the contract with Mid Mountain Contractors, Inc. for the construction of the D Street to M Street Track and Signal project in the amount of \$10,950,000, for a new total authorized contract amount not to exceed \$55,855,509.

**KEY FEATURES**

- An increase in the contract contingency is needed to cover additional work and increased costs due to risk associated with deep excavations.
- Contingency will be used to remove and dispose of contaminated soils categorized as “dangerous.” This level of contamination was not found during any of the design level exploratory work. Contaminated soils categorized as dangerous carry more stringent and expensive requirements for removal and disposal.
- The additional contingency will also be used to install the telecommunications backbone for the centralized traffic control and to build a sound wall to mitigate train noise impacts at the Tacoma Rescue Mission. This work was not specified in the original contract.
- This contract includes portions of the scope of work for centralized traffic control system, fiber optic distribution system, and maintenance of railroad signals for the M-Lakewood project. The centralized traffic control system spans the entire Lakewood to Tacoma segment - D Street to M Street and M to Lakewood projects.

**PROJECT DESCRIPTION**

The D Street to M Street Track and Signal project will construct a rail connection between the existing Tacoma Dome Station and Sound Transit’s Lakeview Subdivision railroad line. The project includes 1.4 miles of track work, a rail bridge over Pacific Avenue, roadway reconstruction, utility relocation and installation of a centralized traffic control system over the entire Lakewood to Tacoma segment.

## FISCAL INFORMATION

### Budget Table

D Street - M Street Track & Signal	2011 TIP	Committed to Date	This Action	Committed Plus Action	Uncommitted / (Shortfall)
Agency Administration	8,907	8,907	-	8,907	-
Preliminary Engineering	1,744	1,744	-	1,744	0
Final Design	13,460	13,373	-	13,373	87
3rd Party	-	-	-	-	-
Right of Way	45,545	40,420	-	40,420	5,125
Construction	56,861	52,970	10,950	63,920	(7,059)
Construction Management	-	-	-	-	-
Vehicles	8,953	8,953	-	8,953	-
Contingency	25,811	-	-	-	25,811
<b>Total Project Budget</b>	<b>161,281</b>	<b>126,368</b>	<b>-</b>	<b>137,318</b>	<b>23,963</b>

### Phase Detail

#### Construction

MidMountain Contractors, Inc	39,528	39,541	10,950	50,491	(10,963)
Other Construction Activity	17,333	13,430	-	13,430	3,904
<b>Total Phase</b>	<b>56,861</b>	<b>52,970</b>	<b>10,950</b>	<b>63,920</b>	<b>(7,059)</b>

### Contract Amount

	Board Approvals to Date	Current Approved Contract Value	Proposed Action	Proposed Total for Board Approval
<b>MidMountain Contractors, Inc.</b>				
Contract Amount - D St - M St Track & Signal	35,458	39,407	-	35,458
Contract Amount - M St to Lakewood	5,365	5,365	-	5,365
<b>Total Contract Amount</b>	<b>40,823</b>	<b>44,772</b>	<b>-</b>	<b>40,823</b>
Contingency - D St - M St Track & Signal	4,082	134	10,950	15,032
Contingency - M St to Lakewood	-	-	-	-
<b>Total Contingency</b>	<b>4,082</b>	<b>134</b>	<b>10,950</b>	<b>15,032</b>
Total Contract - D St - M St Track & Signal	39,541	39,541	10,950	50,491
Total Contract - M St to Lakewood	5,365	5,365	-	5,365
<b>Total Contract</b>	<b>44,906</b>	<b>44,906</b>	<b>10,950</b>	<b>55,856</b>
Percent Contingency	10%	0%	100%	37%

<b>Budget Shortfall</b>	\$ 10,963
Project Contingency	\$ 10,963
<b>Total Funding</b>	<b>\$ 10,963</b>

### Notes:

Amounts are expressed in Year of Expenditure \$000.

Committed to Date includes amounts through March 31, 2011.

Project budget is located on page 77 of the 2011 Transit Improvement Plan.

## SMALL BUSINESS PARTICIPATION

### Sound Transit Goal:

Small Business: 15%

DBE: 6%

### Commitment:

Small Business: 21.7%

DBE: 6.3%

Subconsultant/Subcontractor	Business Type	% of Work	Dollar Value
MidVale Electric	Small Business	15.4%	\$6,300,000
Amaya Electric Co.	DBE	4.9%	\$2,000,000
Silverstreak Trucking	DBE	0.8%	\$335,000
American Pride	DBE	0.4%	\$165,000
KT Contracting Co., Inc	DBE	0.2%	\$70,000
<b>Total</b>		<b>21.7%</b>	<b>\$8,870,000</b>

## **APPRENTICE UTILIZATION COMMITMENT**

Apprentice utilization goal: 20%

## **EQUAL EMPLOYMENT WORKFORCE PROFILE**

112 employees; 14% women; 17% minorities.

## **BACKGROUND**

The D Street to M Street Track and Signal project will build new railroad tracks between East D and South M Streets and install train signaling systems between Tacoma and Lakewood. The project will connect the Tacoma Dome Station with Sound Transit's existing rail right-of-way at Tacoma Avenue South and extend track and signal improvements westward to join the improvements of the M Street to Lakewood Track and Signal project. The project will receive funds from the FRA, FTA, Surface Transportation Program (STP), Congestion Mitigation/Air Quality (CMAQ), and WSDOT Regional Mobility programs.

Construction began with a limited notice to proceed in October 2010. A full notice to proceed was issued in November 2010. The initial phase of construction included relocation/reconstruction of a 60-inch storm line and a 48-inch sanitary sewer to allow Pacific Avenue to be lowered.

During the final design of the project, Sound Transit and BNSF began developing an agreement for Sound Transit to pay BNSF to design and install the telecommunications portion of the Centralized Traffic Control signaling system (CTC). However, prior to completing negotiations, BNSF made a corporate decision to cease providing third parties with design or installation services, which required Sound Transit to separately procure the telecommunications portion of the CTC. The CTC telecommunications system interfaces with proprietary equipment and software developed by BNSF at its Fort Worth, Texas train dispatching center. Sound Transit has contracted with a BNSF-recommended engineering firm for the design and Mid Mountain and their subcontractors will install the telecommunications backbone.

At the time Sound Transit solicited bids to construct the project, mitigation for noise impacts on certain portions of Tacoma Rescue Mission's facilities had not yet been defined. Sound Transit has now determined that a sound wall will be added to the construction contract by change order.

During excavation for the installation of certain sections of storm and sewer piping, dangerous material was discovered. Fill was used to build up South Tacoma Way from a ravine to the current elevation. There is potential for additional dangerous waste in the ravine, which may require proper disposal. Sound Transit's geotechnical consultant is taking additional samples to provide greater characterization of the soil contamination so it can be segregated easily during excavation.

The existing contract contingency has been allocated to several large change orders that occurred in the first few months of construction, including the storm and sanitary bypass and handling of sump water.

## **ENVIRONMENTAL COMPLIANCE**

SSK 5-6-11

## **PRIOR BOARD/COMMITTEE ACTIONS**

Motion No. M2010-81 - Authorized the chief executive officer to execute a contract with MidMountain Contractors, Inc, for the construction of the D Street to M Street Track and Signal project in the amount of \$40,823,190, with a 10% contingency of \$4,082,319, for a total authorized contract amount not to exceed \$44,905,509.

**TIME CONSTRAINTS**

A delay in approval of this action will likely impact the overall time of construction.

**LEGAL REVIEW**

LA 5/6/11

**MOTION NO. M2011-35**

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to increase the contingency for the contract with Mid Mountain Contractors, Inc. for the construction of the D Street to M Street Track and Signal project in the amount of \$10,950,000, for a new total authorized contract amount not to exceed \$55,855,509.

**BACKGROUND:**

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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 the contract with Mid Mountain Contractors, Inc. for the construction of the D Street to M Street Track and Signal project in the amount of \$10,950,000, for a new total authorized contract amount not to exceed \$55,855,509.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 26, 2011.



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Aaron Reardon  
Board Chair

ATTEST:



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Marcia Walker  
Board Administrator