

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
9	08/22/11	Open	Information	07/27/11

Subject: Green Line to the River District Update

ISSUE

Green Line to the River District Update

RECOMMENDED ACTION

Information

FISCAL IMPACT

None (Information only)

DISCUSSION

The Green Line to the River District (Project) will extend RT's Light Rail System 1.1 miles from the existing system at 7th/8th and H Streets to the Township 9 development at 7th Street and Richards Boulevard. The Project will also add two light rail stations: 8th and H Street/ County Center Station and 7th and Richards/Township 9 Station. The Project will bring light rail from downtown Sacramento through the future Railyards Development and the Richards Boulevard Redevelopment Area. The Project is the first phase of a 12.8-mile project planned to ultimately bring light rail from downtown Sacramento through the Natomas area to the Sacramento International Airport.

On February 2, 2009, RT began the procurement process for the Project, which resulted in a contract award to Stacy and Witbeck, Inc. (SWI) on September 14, 2009. The Notice to Proceed was not issued until November 30, 2009 due to a delay in securing Project funding. The original contract required completion of the Project within 16 months of the issuance of the Notice to Proceed. The new terminal station (7th and Richards/Township 9) is being constructed by Capitol Station 65 and is not currently expected to be complete before the end of December 2011. The delay in the completion of the 7th and Richards/Township 9 Station will likely delay revenue operations to early 2012.

The contract awarded to SWI is valued at \$36,324,888, with an overall project budget that includes design, construction and allowances to mitigate encounters with unknown conditions or subsurface materials (hazardous materials, cultural resources, unidentified utilities, fare vending equipment, and tree mitigation). The total project budget, including project development, project management/staff costs, procurement of owner-furnished equipment and contingency is \$43,880,882. The overall contingency for the project is \$1,000,000, representing only 2% of the overall cost of the project. Normally, projects of this scope and magnitude would have at least a 10% contingency.

Approved:

Presented:

Final 8/12/11

General Manager/CEO

AGM, Engineering and Construction

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One of the expected benefits of the Design-Build methodology of procurement was the ability to incrementally complete the design and begin construction while the remaining design was finalized. The designers were tasked with coordinating efforts with the affected utility companies and City of Sacramento Department of Transportation staff and other stakeholders. Unfortunately, the advancement of the Project design did not occur as expected.

In addition to the design delay, there were a number of coordination issues with the utility companies that required relocation of their facilities. While the utility companies tried to be cooperative, the time needed for design of the relocations, approval of plans and the relocation work all added to the challenge of advancing the construction of the light rail infrastructure. More recently, work required to connect the new track to the existing system exposed a fabrication error in the special trackwork. That error resulted in the need to demolish a portion of the new work to install new, re-fabricated parts. Other items adding to the delayed completion of the track infrastructure include: lack of access to the Union Pacific Railroad easement at the Track 150 crossing; lingering design issues dependent upon City of Sacramento and County of Sacramento staff reviews and approvals; and coordination required for the 7th and Richards/Township 9 Station construction.

SWI and RT staff began discussions on April 5th to determine an equitable division of responsibilities for the unresolved project issues that will influence the completion of the project. Staff is working to memorialize the apportionment of responsibilities related to each work activity and the associated costs in an agreement between SWI and RT. Costs associated with the agreement, additional staff time due to the extended Project schedule, and agreement with T-9 for station construction issues are currently estimated to be between \$2 and \$3 million. A separate issue paper will be presented to the RT Board for consideration at a later date.

SWI has revised its schedule for completion of the Project work and now anticipates the track infrastructure to be substantially complete by the end of September, with some required testing to be completed shortly thereafter. Due to the anticipated completion date for the 7th and Richards/Township 9 Station, actual revenue service will most likely not begin until early 2012.