

**SOUND TRANSIT
MOTION NO. M2001-62**

**Authorization to Repair Sound Transit Facilities Following the
Earthquake on February 28, 2001**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee Board	6/21/01 6/28/01	Discussion/Possible Action to Recommend Board Approval Action	Hugh Simpson, Finance and Administration Director Jeff Benoit, Security Chief	(206) 398-5082 (206) 398-5006

PROPOSED ACTION

The proposed action would authorize (1) a contract with Mike Werlech Construction for repairs to the Great Hall (already underway as emergency repairs) in an amount not to exceed \$207,026 that includes a contingency of \$18,820 equal to 10% of the base contract of \$188,205, and (2) a sole source contract with The Painters, Inc. for specialized paint finishes in the Great Hall in an amount not to exceed \$119,350 that includes a contingency of \$10,850 equal to 10% of the base contract of \$108,500.

KEY FEATURES

Highlights of Proposed Action:

- ◆ Authorizes a contract with Mike Werlech Construction for repairs to the Great Hall (already underway as emergency repairs) in an amount not to exceed \$207,026.
- ◆ Authorizes a sole source contract with The Painters, Inc. in an amount not to exceed \$119,350 for specialized paint finishes in the Great Hall.
- ◆ No specific funds have been budgeted for facility repairs, however a small amount of administrative facility repair funding was allocated to all business units as overhead. It is forecasted that additional funding may be identified through savings in other elements of the agency's 2001 staff operating budgets. Should the anticipated savings not materialize as expected, staff would seek a budget amendment before the end of 2001.
- ◆ The estimated grand total for earthquake repairs to Sound Transit properties is \$1,225,766. Of this amount, \$341,240 is expected to be reimbursed by the agency's earthquake insurance and there are discussions with FEMA that may result in a reimbursement from the federal government.

Discussion of Proposed Actions and Board Update:

Section 1: Total Catastrophic Damage and Coverage

Following the earthquake in February 2001, Sound Transit needed to obtain the immediate services of several contractors in order to secure the facilities. The Sounder facility at King Street Station required repair and cleanup up broken glass, along with an elevator inspection to insure passenger safety. Offices at Union Station and Opus East required cleanup and

replacement of damaged workspace equipment. The Great Hall at Union Station suffered extensive damage to its historic facades and finishes, as well as broken glass and fixtures. In March of this year, the Risk Manager informed the Board of the repair process. This proposed action and staff report are being presented as a follow up to that report. Additionally, the Finance Committee requested a full accounting of the damage, insurance reimbursement, and any potential FEMA participation. There are currently discussions with FEMA about possible participation.

An outline of the needed repairs is as follows:

- The Sounder facility at King Street Station was immediately repaired at a current cost of \$23,150. Additional costs may be incurred if further damage is discovered at King Street Station.
- A contract was established with Barrientos, Inc., for oversight and project management of the historic Union Station and the Great Hall. Barrientos, Inc. was Sound Transit’s consultant project manager during the initial renovation of Union Station. The Barrientos, Inc. contract has a not-to-exceed cost of \$45,000.
- Repairs to the Great Hall in Union Station are underway and include moving and storage for fixtures, scaffolding, repair to the damaged plaster, and painting. Total cost estimates for repairs to the Great Hall (including the two contracts seeking approval in this motion) are \$443,076.
- The repairs to the office spaces at Union Station and its exterior (estimated at \$346,038), and to the Opus East interior tenant improvements (\$368,002) will be advertised separately for competitive bids. Approval for award of these contracts will be brought back to the Finance Committee following receipt and review of bids.
- The estimated grand total for earthquake repairs to Sound Transit properties is \$1,225,766. Of this amount, \$341,240 is expected to be reimbursed by the agency’s earthquake insurance.

AREA	FOR	REPAIR ESTIMATE
King Street Station	Glass Cleanup & Repair Train Flaggers, Elevator Inspection	\$23,150+
Weller Bridge	Elevator Inspection	\$500
Union Station		
Union Station	Consultant Services	\$45,000
Union Station	Great Hall	\$443,076
Union Station	Office Building	\$346,038
Subtotal Union Station		\$834,114
Opus East	Leased Space	\$368,002
Total Repairs		\$1,225,766

A detailed estimate is attached.

Section 2: Contract with Mike Werlech Construction

- As part of the Executive Director's response to the repair needs for Union Station, a contract with Mike Werlech Construction has been negotiated to repair all finishes in the Great Hall and construction is underway. This contract is currently estimated to be \$188,205 with a 10% contingency, for a total of \$207,026. There is a possibility of additional work being required as a result of damage discovered once the work is underway. If this situation arises staff will request an amendment to the proposed contract for approval by the Finance Committee. (Note: This also includes all historic finishes throughout the main entrance.)

Section 3: Sole Source Contract with The Painters, Inc.

- The painting contract for the surfaces in the Great Hall is currently estimated to be \$108,500 plus a 10% contingency, for a total of \$119,350. The necessity of a sole source contract is due to the historic nature of the project and the specialized techniques required. The Painters, Inc. performed the work in the initial restoration in 1999. There is a possibility of additional painting being required once the work is underway. If this situation arises staff will request an amendment to the proposed contract for approval by the Finance Committee. (Note: This also includes all matching historic finishes throughout the main entrance.)

BUDGET

The agency has no specific funds budgeted for emergency facility repairs. However, a small amount of administrative facility repair funding was allocated to all business units as an overhead cost, and it is believed that additional funding may be identified through savings captured in other elements of the agency's 2001 staff operating budget. Because repair of these damages, by definition, will not extend the life or enhance the value of any agency asset, no capital funds may be directed to meet this need.

Should the anticipated savings not materialize as expected, staff would seek a budget amendment before the end of 2001.

Description	Budget for Facility Maint. Svcs. (A)	April 2001 YTD Obligations (B)	Yearend Projection (C=B*3)	Shortfall* or Surplus (A-C)	Notes
Adopted 2001 Budget	\$152,100	\$41,832	\$125,496	\$26,604	Budget for facility maint. services represents contingent funding—i.e., glass repair if needed; roof repair if needed etc.
This Action	0	0	1,225,766	1,225,766*	
Total	\$152,100	\$41,832	\$1,351,262	\$1,199,162	
*Est. Amount of Shortfall		Coverage of Shortfall		Notes	
(\$1,199,162)		\$341,240		Insurance reimbursement for Union Station damages only, less deductible (\$834,114 - \$492,874 = \$341,240)	
		857,922		Savings from other 2001 budget elements	
		\$1,199,162			

ALTERNATIVES

1. Request proposals for the repairs to the Great Hall in Union Station.

Not recommended because of the safety and potential damage to the building, the process has begun. The time for requesting proposals and evaluating them could significantly delay completion, and add to the safety issues.

2. Do not repair the Great Hall in Union Station.

Not recommended as there is a safety issue if the Great Hall is left unrepaired. Not repairing the Great Hall will require it to remain closed.

3. Do not repair the office spaces in Union Station or at Opus.

Not recommended because the repairs at Opus are required by Sound Transit's lease with Opus building management. If repairs are not performed at Union Station, another similar incident could turn into a more dangerous situation because of the previous damage.

CONSEQUENCES OF DELAY

Because of the situation following the earthquake, it is very difficult to obtain contractors who have the time and skill to repair the Great Hall in Union Station. The rest of the work will be competitively bid.

REGIONAL PARTNERSHIP AND COOPERATION

N/A

PUBLIC INVOLVEMENT

N/A

LEGAL REVIEW

MBL 5/31/01

SOUND TRANSIT

MOTION NO. M2001-62

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing (1) a contract with Mike Werlech Construction for repairs to the Great Hall (already underway as emergency repairs) in an amount not to exceed \$207,026 that includes a contingency of \$18,820 equal to 10% of the base contract of \$188,205, and (2) a sole source contract with The Painters, Inc. for specialized paint finishes in the Great Hall in an amount not to exceed \$119,350 that includes a contingency of \$10,850 equal to 10% of the base contract of \$108,500.

Background:

Following the earthquake in February 2001, Sound Transit needed to obtain the immediate services of several contractors in order to secure the facilities. The Sounder facility at King Street Station required repair and cleanup up broken glass, along with an elevator inspection to insure passenger safety. Offices at Union Station and Opus East required cleanup and replacement of damaged workspace equipment. The Great Hall at Union Station suffered extensive damage to its historic facades and finishes, as well as broken glass and fixtures. The Executive Director, as authorized under Resolution No. 78-1, Section 8: Emergency, executed several contracts for emergency repairs and now seeks authorization for associated contracts over \$100,000.

This motion:

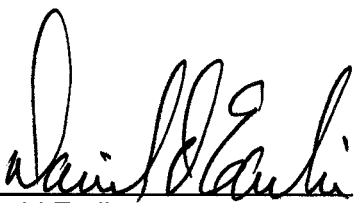
- Authorizes a contract with Mike Werlech Construction for repairs to the Great Hall in an amount not to exceed \$207,026.
- Authorizes a sole source contract with The Painters, Inc. in an amount not to exceed \$119,350 for specialized paint finishes in the Great Hall.

No specific funds have been budgeted for facility repairs, however a small amount of administrative facility repair funding was allocated to all business units as overhead. It is believed that additional funding may be identified through savings in other elements of the agency's 2001 staff operating budgets. Should the anticipated savings not materialize as expected, staff would seek a budget amendment before the end of 2001.


Motion:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority, as directed by Resolution No. 78-1, Section 8, to authorize (1) a contract with Mike Werlech Construction for repairs to the Great Hall (already underway as emergency repairs) in an amount not to exceed \$207,026 that includes a contingency of \$18,820 equal to 10% of the base contract of \$188,205, and (2) a sole source contract with The Painters, Inc. for specialized paint finishes in the Great Hall in an amount not to exceed \$119,350 that includes a contingency of \$10,850 equal to 10% of the base contract of \$108,500.

APPROVED by the Board of Directors of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on the 28th day of June, 2001.


David Earling
Board Chair

ATTEST:


Marcia Walker
Board Administrator

May 24, 2001 - Revised (**) >>> Please Discard any previous/out-dated copies <<<

EARTHQUAKE REPAIR COSTS - ST FACILITIES following 2/28/01 event

** The following are facility repair costs with more accurate "estimates", time duration's and contingencies: **

** See page 2 for additional information. **

King Street Station

Glass Cleanup	\$ 650.00	(Metropolitan Building Maintenance Inv. 4/12)
Glass Repair Work	\$ 22,000.00	(All New Glass Inc. possible increase here)
Train Flaggers	\$ 0.00	(cost unknown until repairs; BNSF/AmTrak)
Elevator Inspection	\$ 500.00	("estimate"...Cascade Elev. No bill yet)
	\$ 23,150.00 +	

Weller Bridge

Elevator Inspection	\$ 500.00	("estimate"...Cascade Elev. No bill yet)
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US - Consultant Services \$ 45,000.00 (Barrientos - US project consultant needed)

Union Station - Great Hall

Mover Costs & Storage	\$ 5,000.00	(move & store chairs, tables, light fixtures)
Plants Move, Care & Storage	\$ 1,275.00 **	(taken off-site, care/stor.+return est. 7mo.)
Floor Protection & Cleanup	\$ 15,025.00	(prep. for scaffold & final cleanup after)
Lighting Removal & Re-set	\$ 9,400.00	(removal of wall sconces & re-set after)
Scaffolding Install & Rental	\$ 86,000.00 **	(WACO install and 5 months Rental)
Prime Contractor for repairs	\$207,026.00 **	(Mike Werlech Constr'n, 4/25+ 10% conting.)
Painting Contractor	\$119,350.00 **	(The Painters Inc. 4/25+ 10% contingency)
	\$443,076.00 **	{ Some of these costs will add Sales Tax }

Union Station - Building

<u>General Contractor-IFB</u>	\$338,006.00 **	(Engr's Est.-RW & Assoc. rcvd 5/17 sltx=8.8)
Mover Costs	\$ 1,500.00	(Re-setting of furniture following quake)
HVAC System Repairs	\$ 2,000.00	("estimate" ... no bills yet related)
Roof Repairs Inspection	\$ 2,000.00	("estimate" ... no bills yet related)
Roll-up Doors Service	\$ 370.00	(Contractors Specialties; Fire Doors)
Elevator Inspection	\$ 500.00	("estimate"...Otis Elev. Co. ...no bill yet)
Glass Repair Exterior	\$ 1,206.00 **	(Herzog Glass; West Conc'rse etc.per invoices)
Computer Equipment	\$ 456.00	(1-monitors broken @ \$456.00 each)
	\$346,038.00 **	{ All costs shown here are "estimated" }

(**Union Station Total: \$834,114.00**) **

Opus East – Leased Space

Quote by Contractor	\$350,188.00 **	(Opus NW Mgmt., 4/19+ 10% Conting.)
Furniture Repair/Replace	\$ 9,474.08	(Quotes; FacRes rcvd 3/30, B&O rcvd 4/26)
Mover Costs	\$ 1,500.00	(Re-setting of furniture following quake)
Computer Equipment	\$ 6,840.00	(15-monitors broken @ \$456.00 each)
	\$368,002.08 **	

Grand Total Earthquake Repairs \$ 1,225,766.08 **

>>>Great Hall – REVENUE LOSS (12 Events thru August, 2001)... \$ 52,965.84 **

(Rental Fee/Event = \$4,500 less State B&O Tax @ 0.015 & City B&O Tax @ 0.00415 = Revenue \$4,413.82 Each Event)

Note:

The contracts being issued related to most costs shown above will be "time and materials";
Contractors are providing their costs as "not to exceed". **** Note: adding 10% Contingencies. ****

As changes occur from estimates to actual costs we will update this record.

AREAS FOR POTENTIAL COST INCREASES FROM ESTIMATED OR CONTRACTED:

KING STREET STATION

- Glass Repairs; could find more damage on closer review during replacement work.
- Train flaggers; no cost estimates yet provided.

US – CONSULTANT SERVICES

Their increased services may be required.

- The initial estimated term and hours may be exceeded because of the full time frame of repairs now potentially going through mid-August for the Great Hall, and remainder of Union Station repairs through mid-November, 2001.

UNION STATION – GREAT HALL **** Estimated completion date: September, 2001**

Because of increased time for repairs, monthly storage and/or rentals may increase.

- Mover Costs; storage time will be longer than originally estimated.
- Plants, Move, Care & Storage; time off site will be longer than expected.
- Scaffolding; initial need estimated at three months, will probably *need 5 months*; est. \$9K/month with a **total estimate of \$86,000**. ** (term may need to be extended on PO) **
- Prime Contractor; Contract is for \$188,205.00; with added Change Orders could exceed \$200K and need Finance Committee Approval; propose *advanced approval* if needed. Estimate adding a 10% Contingency for a **total estimate of \$207,026**.
- Painting Contractor; Contract is Sole Source at \$108,500.00; may exceed base on damages found once project underway. Estimate adding a 10% Contingency for a **total estimate of \$119,350**.

UNION STATION – BUILDING **** Estimated completion date: November, 2001**

- Prime Contractor; “Engineer’s Estimate” *updated 5/17/01* from RW & Associates is at \$338,006.00 with correction for sales tax @ 8.8%, and will require Finance Committee as well as Board Approval. With the IFB process, Final awarded bid may exceed this above dollar amount, and also any added Change Orders could cause change. The “Engineer’s Estimate” includes a “15% Contingency (primarily related to plaster work)” consequently the **total estimate should remain at \$338,006**. **

OPUS EAST – LEASED SPACE **** Estimated completion date: October, 2001**

- General Contractor is yet to be chosen due to constraints of our potential bid process requirements and potential that Insurance company will not move ahead with direct payment to Opus.
- The estimate/quote provided by Opus NW Management is \$318,352.00, which uses the original sub-contractors that built the building less than one year ago. Their time frame for completion of work is estimated at 6 weeks and they could begin within a few weeks following any “go ahead” with an estimated completion of the end of July, 2001.
- For this information, at this time, I will assume we will be using our bid process which can take approximately 60 days (through July), and then estimate completion within 60 days with estimated completion of end of September, 2001. I would also suggest again adding a 10% Contingency to the above Opus estimated costs because of any potential increase time for a **total estimate of \$350,188**. (we have NOT had an independent “Engineer’s Estimate” done on this property.)