

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2006-08

PHAROS Corporation Contract

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	1/19/06	Discussion/Possible Action	Phil O'Dell, Director, Project Delivery Support Services Joan Coumou, Property Manager	(206) 398-5013 (206) 689-4938

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

PROJECT NAME

Real Estate property management contract.

PROPOSED ACTION

Authorizes the Chief Executive Officer to execute a contract with PHAROS Corporation to provide ongoing property management services for properties acquired for Sound Transit projects for an authorized contract amount not to exceed \$537,280.

KEY FEATURES of PROPOSED ACTION

- The existing property management contract is expiring and Sound Transit distributed a request for proposal for property management services. PHAROS Corporation submitted a proposal and was awarded the property management contract.
- This property management contract is for a period of one year with two one-year extensions in an amount not to exceed \$537,280.
- This contract will provide property management (site monitoring, coordinating site maintenance services, oversight of contractor work), leasing and administrative support services to properties prior to demolition and construction, property management oversight of properties under construction to ensure that Sound Transit staff and contractors are maintaining a good level-of-care and to resolve problems. Additionally, it will provide a cost-effective means for a safe, secure and habitable environment for tenants, including after-hour response to emergency situations.
- Leasing consultant services provided by, PHAROS subcontractor, Egis Real Estate Services will assist in negotiating, drafting and finalizing leases, licenses and permits.

BUDGET IMPACT SUMMARY

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan.

BUDGET and FINANCIAL PLAN DISCUSSION

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.

Expenditures for this contract are charged to two different areas; work on properties prior to construction is charged to Non-Capital Costs, and work on properties under construction is charged to the specific capital project. Budget for the proposed action is included in the Adopted 2006 Budget within the various agency capital projects in the right of way (ROW) phase in proportion to the specific project’s ROW needs. Some of the projects are not yet under construction; work on properties associated with those projects will be charged to the 2006 Non-Capital Costs budget.

BUDGET TABLE

Summary for Board Action (Year of Expenditure \$000)

Action Item: Property Management Services

	(A) Current Approved Contract Value	(B) Spent to Date	(C) Proposed Action	(D) Proposed Total Contract Value
Contract Budget:				
Property Management Services			537	537
Contingency	0	-		-
Total	-	-	537	537
Percent Contingency	0%		0%	0%

Direct Charge Budget	Adopted 2006 Budget	Spent to Date	This Action	Surplus
Adopted Lifetime ROW budget:				
Link Light Rail	284,796	215,540	174	69,082
Regional Express	61,725	42,990	20	18,714
Sounder Commuter Rail	355,022	236,901	94	118,026
Total:	701,543	495,432	288	205,823
Adopted Non-Capital costs Budget For 2006				
Non-Capital Costs budget	1,483		249	1,235
TOTAL BUDGETS:	703,026	495,432	537	207,057

Notes:

Budget for this amendment is included in the Adopted 2006 Budget in the ROW and acquisition phase, plus amendments on; page 70, 85, and 118 for Link, Sounder, and REX respectively. The Non-Capital Costs Budget is on page 165.

M/W/DBE – SMALL BUSINESS PARTICIPATION

Prime Contractor

PHAROS Corporation is a Women-Owned and Disadvantaged Business Enterprise (M/W/DBE). 100% of the work will be performed by M/W/DBE and small business participation.

Utilization Breakdown Table

Prime Contractor	Business Type	% of Work	Dollar Value
PHAROS Corporation	M/W/DBE	75%	\$402,960
Sub-Total			\$402,960

Subconsultant	Business Type	% of Work	Dollar Value
Egis Real Estate Services (Leasing)	Small Business	25%	\$134,320
Sub-Total			\$134,320
Total			\$537,280

EEO Commitment

PHAROS Corporation workforce demographics are 48% women and 9% minorities. Egis Real Estate Services workforce demographics are 30% women and 16% minorities.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

Sound Transit Property Management provides property management services for Sound Transit properties from the time the properties are acquired until construction begins, in some cases during construction, and after construction has been completed.

Sound Transit Property Management also contracts with several other companies to provide the services needed to maintain our properties in good condition. PHAROS Corporation will provide oversight and direction to these companies to provide site maintenance services, fencing, boarding and other services needed to maintain the properties in a safe and secure manner.

Disclosure: The spouse of Sound Transit's Real Property Manager was recently hired by PHAROS Corporation as a right-of-way agent for non-Sound Transit projects. The spouse's employment does not, in and of itself, violate Sound Transit's Code of Ethics. Nonetheless, this places Sound Transit's Real Property Manager in the position of supervising the performance of a company that employs his spouse. Sound Transit's Code of Ethics requires ST employees to devote their best attention to being independent and impartial in the exercise of their duties and avoiding actions that create even the appearance of impartiality. Further, the Code of Ethics prohibits a Sound Transit employee from performing functions requiring the exercise of discretion on behalf of Sound Transit with regard to contracts where they have a direct or indirect pecuniary interest. While this interest may be remote, in consideration of the overriding purpose of the Code of Ethics to instill public confidence in decision making and operations at Sound Transit, Sound Transit's Real Property Manager will not supervise work performed under any PHAROS Corporation contracts. Further, PHAROS will ensure that the Real Property Manager's spouse will not perform work on any Sound Transit project and will not be compensated from funds received from Sound Transit for work provided by PHAROS Corporation.

Prior Board/Committee Actions on this Project and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
	No previous actions	

CONSEQUENCES of DELAY

A delay beyond January 19, 2006 will not have serious consequences.

PUBLIC INVOLVEMENT

Not applicable for this action.

ENVIRONMENTAL COMPLIANCE

Not applicable for this action.

LEGAL REVIEW

JDW 1/13/06

SOUND TRANSIT

MOTION NO. M2006-08

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute a contract with PHAROS Corporation to provide ongoing property management services for properties acquired for Sound Transit projects for an authorized contract amount not to exceed \$537,280.

Background:

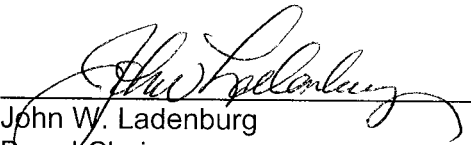
Sound Transit Property Management provides property management services for Sound Transit properties from the time the properties are acquired until construction begins, in some cases during construction and after construction has been completed.

Sound Transit Property Management also contracts with several other companies to provide the services needed to maintain our properties in good condition. PHAROS Corporation will provide oversight and direction to these companies to provide site maintenance services, fencing, boarding and other services needed to maintain the properties in a safe and secure manner.

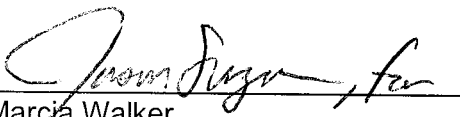
Motion:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute a contract with PHAROS Corporation to provide ongoing property management services for properties acquired for Sound Transit projects for an authorized contract amount not to exceed \$537,280.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 26, 2006.


John W. Ladenburg
Board Chair

ATTEST:


Marcia Walker
Board Administrator