

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2008-30

**Award of Construction Management Services Contract for
Southcenter Boulevard Improvements and Airport Link Station**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	3/6/08	Discussion/Possible Action to Recommend Board Approval Action	Ahmad Fazel, Link Executive Director	(206) 398-5389
Board	3/13/08		Ron Lewis, Airport Link Project Director Gordon Wellwood, Link Construction Manager	(206) 689-4905 (206) 370-5512

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 and Airport Link

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract with KBA Inc. to provide construction management services for the Southcenter Boulevard Improvements construction contract for the Central Link Initial Segment Project and for the Airport Station construction contract for the Airport Link Project, in the amount of \$5,492,404 with a 10% contingency of \$549,241, for a total authorized contract amount not to exceed \$6,041,645, which includes costs reimbursable to Sound Transit from third parties for betterments.

KEY FEATURES of PROPOSED ACTION

- The proposed action covers construction management for the following areas:
 - Southcenter Boulevard improvements extending from 32nd Avenue South to 53rd Avenue South on 154th Street and Southcenter Boulevard, including a park-and-ride lot and upgrading drainage infrastructure and storm water detention facilities.
 - Airport Station Concrete and Trackwork contract, which includes approximately 1.2 miles of track.
 - Airport Station Finishes contract, including of the International Boulevard pedestrian bridge and plaza.
- The scope includes providing resident engineering, office engineering, inspection (civil, structural, electrical, track, mechanical and utilities), estimating, change order administration, and diversity and PLA administration. The total value of construction to be administered under this contract is estimated to be \$93.33M.

- The Initial Segment will be reimbursed approximately \$74,171 from the City of SeaTac as the contribution to the construction management services for betterments provided with the C759 Southcenter Boulevard improvements.
- The construction management contract is for a not-to-exceed amount of \$6,041,645, which includes: 1) \$1,816,056 plus a \$181,606 contingency totaling \$1,997,662 for the Initial Segment, including costs reimbursable to Sound Transit from third parties for betterments; and 2) \$3,676,348 plus a \$367,635 contingency totaling \$4,043,983 for Airport Link.

BUDGET IMPACT SUMMARY

Current Project Phase: Construction
 Projected Completion Date: 2009

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 Adopted 2008 Budget for the Initial Segment is \$2.07 million. Within that amount:

- \$2,000,000 has been set aside for Sound Transit's share of construction management for construction contract C759 Southcenter Boulevard improvements in the construction services phase. Should the proposed action be approved, \$1,923,491 of that amount would be committed, leaving a remaining balance of \$76,509 for this budget line item.

The Amended 2008 Budget for Airport Link is \$269.1 million. Within that amount:

- \$11,744,666 has been set aside for civil construction management in the construction services phase. When added to current commitments of \$6,411,157, the proposed action would increase this amount by \$4,043,983 to a revised total commitment of \$10,455,140, leaving a remaining balance of \$1,289,526 for this budget line item.

The proposed not-to-exceed value for the KBA Inc. construction management services contract includes betterment work for construction contract C759 Southcenter Boulevard improvements in the Initial Segment project for which Sound Transit will be reimbursed in an amount of approximately \$74,171, in accordance with the terms of the intergovernmental agreement with the City of SeaTac authorized by the Sound Transit Board (Motion No. M2008-13, adopted 1/24/08). Sound Transit's share of this contract is estimated not to exceed \$5,967,474.

The proposed action is consistent within the current adopted budget as amended by the Sound Transit Board (Resolution No. R2008-04, adopted 2/28/08) to increase the Airport Link lifetime project budget, and is affordable within the agency's long-term financial plan and subarea financial capacity as described in the budget amendment resolution. The action will have no new revenue impact on Sound Transit.

BUDGET TABLE

Action Item: KBA Inc. (provide construction management services for Southcenter Boulevard Improvements construction contract (C759) in the Central Link Initial Segment project, and for Airport Link project construction contracts for Airport Station Concrete and Trackwork, and Airport Station Finishes including Pedestrian Bridge and Plaza)

(Year of Expenditure \$000)

Initial Segment	Adopted 2008 Budget (A1)	Committed To Date (B1)	This Action (C1)	Total Committed & Action (D1)	Uncommitted (Shortfall) (E1)
Agency Administration	193,274	147,230		147,230	46,044
Preliminary Engineering	33,310	33,286		33,286	25
Final Design	147,213	146,440		146,440	773
Right of Way	208,396	205,828		205,828	2,568
Construction	1,191,768	1,152,075		1,152,075	39,693
Construction Services	100,317	96,944	1,923	98,868	1,449
Third Party Agreements	63,414	63,409		63,409	5
Vehicles	132,307	131,799		131,799	508
Total Current Budget	2,070,000	1,977,011	1,923	1,978,935	91,065

Construction Svcs Phase Detail

CM C759	2,000	-	1,923	1,923	77
Other Construction Services	97,317	96,209		96,209	1,108
Constr Svcs Unalloc Contingency	1,000	735		735	265
Total Phase	100,317	96,944	1,923	98,868	1,449

Airport Link	Amended 2008 Budget (A2)	Committed To Date (B2)	This Action (C2)	Total Committed & Action (D2)	Uncommitted (Shortfall) (E2)
Agency Administration	12,217	2,709		2,709	9,508
Preliminary Engineering	3,367	3,367		3,367	-
Final Design	16,081	15,815		15,815	266
Right of Way	12,843	11,546		11,546	1,297
Construction	191,094	182,360		182,360	8,734
Construction Services	15,380	9,217	4,044	13,261	2,119
Third Party Agreements	2,031	1,871		1,871	160
Vehicles	14,587	14,587		14,587	-
Contingency	1,500	-		-	1,500
Total Current Budget	269,100	241,472	4,044	245,516	23,584

Construction Svcs Phase Detail

Civil CM	11,745	6,411	4,044	10,455	1,290
Other Construction Services	3,235	2,546		2,546	689
Constr Svcs Unalloc Contingency	400	260		260	140
Total Phase	15,380	9,217	4,044	13,261	2,119

Contract Amount	Board Approvals to Date (I)	Current Approved Contract Value (J)	Proposed Action (K)	Proposed Total for Board Approval (L)	Proposed Contract Value (M)
Contract Amount	-	-	5,492	5,492	5,492
Contingency	-	-	549	549	549
Total Contract	-	-	6,042	6,042	6,042
Percent Contingency	0%	0%	10%	10%	10%
Less Betterments - Initial Segment	-	-	74	74	74
Total Sound Transit Share	-	-	5,967	5,967	5,967

(A2) AMENDED 2008 BUDGET reflects Board Resolution R2008-04, adopted by the Sound Transit Board on 2/28/08, to increase the Airport Link project lifetime budget for reconfiguration of construction for the Airport Link Station Finishes, and define the project as from South 154th Street to South 176th Street.

(B) COMMITTED TO DATE amounts are from Agency WBS Report as of January 2008 + approved and pending board actions not recorded as of 1/31/08, or submitted after that date.

SMALL BUSINESS PARTICIPATION

KBA Inc. is the prime consultant for this contract and is a WBE/DBE firm. KBA Inc. will perform 60% of the work for this contract. KBA Inc. is committed to an additional 30% in Small Business participation. 90% of the work for this contract will be performed by small businesses.

Utilization Breakdown Table

Subconsultant	Business Type	% of Work	Dollar Value
Walsh, Hedlund and Harlow Construction, LLC	Small Business	28%	\$1,537,797
Lin & Associates Inc.	MBE/DBE/SBE	2%	\$109,843
Total		30%	\$1,647,640

EEO Commitment

Workforce demographics for the project team are 27% women and 17% minorities. KBA Inc. has committed to uphold all applicable state and federal EEO rules and regulations.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

This construction management services contract will service both a portion of the Link Light Rail Initial Segment and a portion of Airport Link.

Initial Segment

In October 2003, Sound Transit submitted land use permit applications to the City of Tukwila to permit development of the portion of the Initial Segment of the Link Light Rail project within the City's jurisdiction, otherwise known as the Tukwila Freeway Route (TFR) Project. Subsequently, Sound Transit and City staff reached agreement on a Development and Transitway Agreement. The Development and Transitway Agreement, approved by the Sound Transit Board in October 2004 and executed in December 2004, requires that Sound Transit construct certain specific street improvements along Southcenter Boulevard between International Boulevard and 53rd Avenue South including curb, gutters, sidewalks, bike lanes, surface water drainage, street lighting, pedestrian lights, undergrounding of existing overhead utilities, and a raised, landscaped median.

In a separate action on July 1, 2004, the City's Director of Planning and Community Development issued an Administrative Parking Determination that established parking requirements and conditions for the TFR project. The parking determination required that Sound Transit provide 600 parking spaces upon opening the Tukwila/International Boulevard Station. A supplemental parking lot with 162 parking spaces at the Tukwila/International Boulevard Station to meet the City of Tukwila's requirements for a total of 600 parking spaces is included in the C759 project.

On January 24, 2008 the Sound Transit Board authorized the Chief Executive Officer to execute a contract with SCI Infrastructure to perform the C759 Southcenter Boulevard Improvement contract.

Airport Link

The Airport Station Contract (C430) was intended to be the last major construction contract for the Airport Link Project. Sound Transit advertised this contract on December 28, 2006. The scope as advertised included the SeaTac/Airport Station, two pedestrian bridges (one Sound Transit and one Port of Seattle), the International Boulevard Plaza, and 5,900-feet of light rail trackwork. On March 6, 2007, Sound Transit received a single bid of \$95,305,250 from Mowat Construction (Mowat) for the C430 Airport Link Station Project. Sound Transit's engineer's estimate was \$51,844,172. Immediately following the bid opening Sound Transit informed the Board; performed a cost analysis of the bid; reviewed the details of the bid relative to the

engineer's estimate and quantified the discrepancies. Sound Transit then converted the procurement to a negotiated procurement, which is permitted by applicable state law and is consistent with the FTA's Best Practices Procurement Manual upon receipt of a single bid.

The first package to be negotiated was the C430R Station Concrete and Trackwork. On July 26, 2007, the Sound Transit Board authorized the C430R contract, which includes the station structural concrete, guideway, and trackwork, to be executed with Mowat Construction. Sound Transit provided notice to proceed in August 2007. Mowat is fully engaged in the construction of the station structure, which is approximately 20% complete.

The C430R contract provides that Sound Transit may, at its sole discretion, add all or part of the station finishes, International Boulevard Plaza and pedestrian bridge, and the Airport parking garage pedestrian bridge as additional construction scope to the C430R Airport Station Concrete and Trackwork Contract. In August 2007, after the engineering documents for the redesigned station finishes elements advanced to the 30% level of design completion, Sound Transit initiated negotiations with Mowat regarding the remaining scope elements. Collaboration at this design stage provided Sound Transit the opportunity to achieve efficiencies through value engineering and consideration of alternative construction means and methods. The design team advanced the engineering documents to a level sufficient for Mowat to prepare a price proposal in November 2007. Negotiation of a fair and reasonable price and other terms were completed in February 2008.

Upon completion of the sole source justification, a cost analysis and negotiations, the Sound Transit Board authorized execution of an amendment to the C430R Contract with Mowat for the construction of station finishes elements of the SeaTac/Airport Station. With this action, all major contracts for completion of the SeaTac/Airport Station are awarded.

To fulfill the need for construction management services, Sound Transit published a Request for Proposal on November 9, 2007. Five submittals were received and reviewed. Three construction management firms were invited to participate in interviews. From that process KBA Inc. was selected to proceed into negotiations for the construction management services contract.

CONSEQUENCES OF DELAY

The SeaTac/Airport Station Project is currently in construction and the Southcenter Boulevard Improvement Project is pending Notice to Proceed. The interim staffing will not be able to maintain the work load for an extended period.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

JI 1/30/2008

LEGAL REVIEW

JW 2/29/08

SOUND TRANSIT

MOTION NO. M2008-30

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract with KBA Inc. to provide construction management services for the Southcenter Boulevard Improvements construction contract for the Central Link Initial Segment Project, and for the Airport Station construction contract for the Airport Link Project, in the amount of \$5,492,404 with a 10% contingency of \$549,241, for a total authorized contract amount not to exceed \$6,041,645, which includes costs reimbursable to Sound Transit from third parties for betterments.

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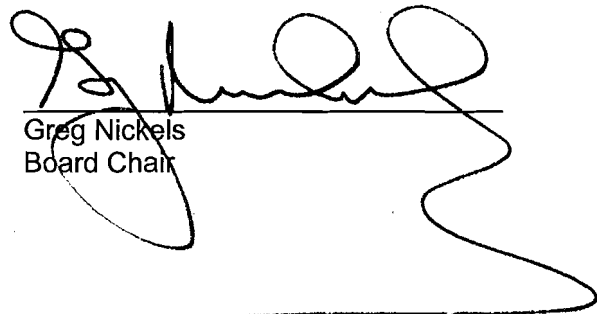
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Motion:


It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract with KBA Inc. to provide construction management services for the Southcenter Boulevard Improvements construction contract for the Central Link Initial Segment Project, and for the Airport Station construction contract for the Airport Link Project, in the amount of \$5,492,404 with a 10% contingency of \$549,241, for a total authorized contract amount not to exceed \$6,041,645, which includes costs reimbursable to Sound Transit from third parties for betterments.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on March 13, 2008.



Greg Nickels
Board Chair

ATTEST:



Marcia Walker
Board Administrator