

**SOUND TRANSIT  
STAFF REPORT**

**MOTION NO. M2009-14**

**Amend Appraisal, Acquisition, and Relocation Services Contract**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	1/22/09	Discussion/Possible Action to Recommend Board Approval	Ahmad Fazel, Link Executive Director	(206) 398-5389
Board	1/29/09	Action	<b>Roger Hansen, Real Property Manager, Link Light Rail</b>	(206) 689-3366

<b>Contract/Agreement Type:</b>	<input checked="" type="checkbox"/>	<b>Requested Action:</b>	<input checked="" type="checkbox"/>
Competitive Procurement		Execute New Contract/Agreement	
Sole Source	<input checked="" type="checkbox"/>	Amend Existing Contract/Agreement	<input checked="" type="checkbox"/>
Agreement with Other Jurisdiction(s)		Budget Amendment	
Real Estate		Property Acquisition	

**PROJECT NAME**

Regional Express and Sounder Commuter Rail Projects

**PROPOSED ACTION**

Authorizes the chief executive officer to execute a one-year sole source contract extension with HDR/Pharos Corporation (successor to Pharos Corporation) to provide appraisal, acquisition, and relocation services for the Sounder Commuter Rail and Regional Express projects yet to be completed under Sound Move, in the amount of \$1,219,500 for a new total authorized contract amount not to exceed \$7,385,385.

**KEY FEATURES of PROPOSED ACTION**

- The purpose of this action is to authorize an increase and a one-year sole source contract extension of a previously competitively bid contract. The requested amount is enough to cover a one-year extension.
- This action is needed because the existing contract will expire on February 12, 2009 and remaining funds in the existing contract will be expended within a similar timeframe. Extension of the existing contract is deemed to be the most time- and cost-effective method of accomplishing the remaining work.
- The original contract defines a scope of work, including providing appraisal, acquisition and relocation services for the Sounder Commuter Rail and Regional Express projects. The contract provides that the contractor be directed on a work order basis that defines the authorized work for each project and maximum dollar expenditure for each acquisition task.
- The original contract provided for a three-year term, with two one-year options to extend. These options were exercised and the contract was modified to extend the completion date of the contract from February 2008 to February of 2009 to allow the completion of existing work that was delayed beyond the Consultant's control. This action was within the authority of the chief executive officer as no additional funds were added to the contract and it was a continuation of work in progress (no new work was to be added).

**BUDGET IMPACT SUMMARY**

Current Project Phase:           On going  
Projected Completion Date:    On going

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**

This on-call contract will be used for Sounder Commuter Rail and Regional Express capital projects yet to be completed under Sound Move as needed. Costs associated with appraisal, acquisition and relocation services are budgeted in the right of way phase within the overall capital project budget. The services described in the proposed action would be assigned, available budget verified and expenditures tracked, on a task order basis by project.

The proposed action is consistent with the Adopted 2009 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.

**BUDGET TABLE**

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

Action Item: Execute a contract extension with HDR/Pharos Corporation

	(A) Current Approved Contract Value	(B) Spent to Date <sup>2</sup>	(C) Proposed Action	(D) Proposed Total Contract Value
Contract Budget:				
HDR/Pharos Corporation	\$6,166	\$5,979	\$1,220	\$7,385
Contingency	\$0	\$0	\$0	\$0
Total	\$6,166	\$5,979	\$1,220	\$7,385
Percent Contingency	0%	0%	0%	0%

	Adopted 2009 Budget <sup>1</sup>	Spent to Date <sup>2</sup>	This Action	Uncommitted
Lifetime Right of Way Budget:				
Regional Express	\$61,317	\$48,152	\$89	\$13,075
Sounder Commuter Rail	\$384,994	\$349,563	\$1,130	\$34,300
	\$446,310	\$397,715	\$1,220	\$47,375

Notes:

<sup>1</sup> Program budgets are located on pages 115 and 143 of the Proposed 2009 Budget book. The 2009 Budget was adopted by the Board on December 11, 2008.

<sup>2</sup> Spent to date amount includes actual outlays through October 31, 2008.

**SMALL BUSINESS PARTICIPATION**

Prime Consultant/Contractor

Pharos, as a small business, committed to a 40% small business participation goal. In October 2007, Pharos was acquired by HDR, which is not a small business. Despite HDR not being a small business, utilization of small businesses to date is 72%.

Equal Employment Workforce Profile (% Women/People of Color)

HDR/Pharos workforce demographics are 52% women and 15% minorities.

**PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION**

In September 2002, Sound Transit issued a Request for Proposal for real estate acquisition, appraisal, and relocation services. This procurement was placed on an accelerated basis to select a new contractor within a short period of time. Five firms responded and Pharos Corporation was selected.

**Sole Source Justification**

The existing contract expires on February 12, 2009. It is also anticipated that the full dollar amount of the contract will be expended as well by the above date. This proposal is to extend the current contract for another year, on a sole source basis, and increase the contract amount by \$1,219,500 to complete the work identified in the original scope of work. There is no change in the scope of work of this contract so competition for future Sound Transit work as a result of ST2 passage will not be affected.

The primary basis for recommending that this service be a sole source is that activities on all projects remaining under this contract are currently underway. In many cases, specific property acquisition negotiations are currently ongoing. The contractor has developed relationships with the property owners from whom we are acquiring properties and this is a critical aspect of successful acquisition practice. It would introduce time delays, and would not be cost effective to terminate these relations with HDR and re-commence them with a potentially new consultant. This could also have a negative budget and schedule impact on the various capital projects currently underway.

The current contractor possesses unique knowledge of the various projects contained in the original scope of work, resulting from their active involvement from the onset. This relates not only to property owners, but to other members of the project teams such as the project managers, outside designers, etc. New consultants could obtain this information over time, but it is not cost effective nor would it be expedient from a time perspective to do with the ongoing projects.

Sound Transit Real Estate and Contracts divisions are currently working together to issue an RFP for real estate services for ST2. The contract will be awarded after the Board amends the 2009 Budget for ST2, which is expected to occur sometime during the second quarter of 2009. A cost estimate has not yet been prepared for the real estate acquisition and relocation work to be reflected in this new contract.

**Prior Board/Committee Actions**

<b>Motion/Resolution Number and Date</b>	<b>Summary of Action</b>
M2003-15 2/13/2003	Authorized a three-year contract with Pharos Corp. to provide appraisal, acquisition and relocation services for Sounder and Regional Express projects yet to be completed under Sound Move, for a total amount not to exceed \$6,165,885, with two one-year options to extend the contract term.

**CONSEQUENCES of DELAY**

If this action is delayed, it is likely that we will have a period of time amounting to a number of weeks or months where we will have to cease real estate acquisition and relocation services, which in turn could delay ongoing construction projects.

**PUBLIC INVOLVEMENT**

Not applicable to this action.

**ENVIRONMENTAL COMPLIANCE**

SK 1/5/09

**LEGAL REVIEW**

LA 1/16/09

## SOUND TRANSIT

### MOTION NO. M2009-14

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a one-year sole source contract extension with HDR/Pharos Corporation (successor to Pharos Corporation) to provide appraisal, acquisition, and relocation services for the Sounder Commuter Rail and Regional Express projects yet to be completed under Sound Move, in the amount of \$1,219,500 for a new total authorized contract amount not to exceed \$7,385,385.

#### **Background:**

In September 2002, Sound Transit issued a Request for Proposal for real estate acquisition, appraisal, and relocation services. This procurement was placed on an accelerated basis to select a new contractor within a short period of time. Five firms responded and Pharos Corporation was selected.

#### Sole Source Justification

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The primary basis for recommending that this service be a sole source is that activities on all projects remaining under this contract are currently underway. In many cases, specific property acquisition negotiations are currently ongoing. The contractor has developed relationships with the property owners from whom we are acquiring properties and this is a critical aspect of successful acquisition practice. It would introduce time delays, and would not be cost effective to terminate these relations with HDR and re-commence them with a potentially new consultant. This could also have a negative budget and schedule impact on the various capital projects currently underway.

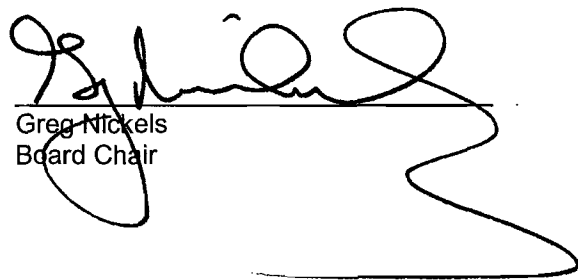
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#### **Motion:**


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 one-year sole source contract extension with HDR/Pharos Corporation (successor to Pharos Corporation) to provide appraisal, acquisition, and relocation services for the Sounder Commuter Rail and Regional Express projects yet to be completed under Sound Move, in the amount of \$1,219,500 for a new total authorized contract amount not to exceed \$7,385,385.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 29, 2009.



Greg Nickels  
Board Chair

ATTEST:



Marcia Walker  
Board Administrator