

MOTION NO. M2014-12
Contract for Final Design and Construction Services for the South 200th Link Extension Parking Garage

| MEETING: | DATE: | TYPE OF ACTION: | STAFF CONTACT: | PHONE: |
|-------------------|--------------|-------------------------|--|------------------------------|
| Capital Committee | 02/13/14 | Recommendation to Board | Ahmad Fazel, DECM Executive Director | 206-398-5389 |
| Board | 02/27/14 | Final Action | Miles Haupt, Project Director Mark Johnson, Sr. Project Manager | 206-370-5501 206-398-5192 |

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract with Harbor Pacific/Graham, a Joint Venture, to design and construct a parking garage and plaza next to the Angle Lake Station within the South 200th Link Extension in the amount of \$29,978,000, with an 8% contingency of \$2,398,240, for a total authorized contract amount not to exceed \$32,376,240.

KEY FEATURES SUMMARY

Under this design-build contract, the Harbor Pacific/Graham joint venture (HPG) will furnish the following scope elements:

- 1,050-stall parking garage.
- Plaza/drop-off area.
- Retail space structure for future lease, with associated restrooms and parking as required by the project's development agreement with the City of SeaTac.
- Approximately 35,000 square feet of the project site to be held for future transit-oriented development (TOD).

HPG was determined to be the highest-ranked firm whose proposal and experience best met the design-build contracting goals, consisting of:

- Maximizing the number of parking stalls within the available budget.
- Meeting the program requirements for plaza, retail and site improvements.
- Meeting or exceeding the level of quality of Sound Transit's recently constructed parking facilities.
- Maximizing the potential for successful future transit-oriented development.
- Maximizing aesthetics, sustainability, small business/DBE participation, positive labor relations, safety and quality.

BACKGROUND

The South 200th Link Extension will extend light rail on approximately 1.6 miles of elevated guideway from the SeaTac/Airport Station to a new, elevated station spanning South 200th Street. The new Angle Lake Station will be served by park-and-ride facilities, and roadways and pedestrian/bicycle improvements in the station area. The project is being accelerated to provide light rail service in 2016 by using the design-build project delivery method for the two main contracts: one for the guideway and station and another for the parking garage. The station area roadway improvements will be delivered using the traditional design-bid-build method.

The park-and-ride facilities to be provided at the Angle Lake Station are required to have a minimum long-term capacity of 700 structured parking stalls in accordance with the project's development agreement with the City of SeaTac. To meet interim parking demand while Angle Lake Station is the southern terminus, an additional 350 stalls are required.

These stalls are designed to be available to the adjacent future TOD opportunity if they are no longer required for transit use when the system is extended southward.

In February 2013, after analyzing several alternative project delivery methods, Sound Transit determined that design-build contracting would be used to deliver the parking garage. The design-build procurement method was selected based upon several factors, including:

- The project will be designed by the same team that will be building it, ensuring that construction methods will be considered during design, minimizing the potential for defective design claims.
- Sound Transit will be able to carefully evaluate each proposing contractor's performance history, expertise, and ability to successfully perform the work.
- The best-value selection process used for this procurement reviews several aspects of each proposal, including price, quality, parking capacity and other technical factors, to be scored in identifying the highest-ranked proposer.

In April 2013, Sound Transit received authorization from the Washington State Capital Projects Advisory Review Board's "Project Review Committee" (PRC) to utilize design-build contracting for the South 200th Link Extension Parking Garage. Sound Transit utilized a competitive, two-step best value procurement process in accordance with RCW 39.10, consisting of a Request for Qualifications (RFQ) and a Request for Proposal (RFP) to determine the highest ranked proposing team to design and construct the facility.

A request for qualifications (RFQ) was issued on May 23, 2013. On June 25, 2013, eight statements of qualifications (SOQ) were submitted by interested design-build teams. The SOQs were evaluated in accordance with the criteria stated in the RFQ. Four teams were invited for interviews held on August 1, 2013, and three finalists were selected to receive the request for proposals (RFP), issued August 9, 2013. Sound Transit held a series of confidential one-on-one meetings with each proposer to present their design concepts and receive input from Sound Transit and City of SeaTac staff prior to formally submitting their proposals.

On October 25, 2013, Sound Transit received technical and price proposals from each of the three finalists. HPG was evaluated by the selection panel to be the highest ranking proposer. HPG's price of \$29,978,000 is below Sound Transit's published maximum price of \$30 million and is within the budget established for the South 200th Link Extension Parking Garage. The contract price includes provisional sums to address potential unidentified risks related to utilities, obstructions, hazardous materials, and third-party requirements. An 8% contract contingency has been assigned to provide authority for future change orders to deal with unanticipated technical or permitting complexities, and other risks associated with this type of work.

In June 2013, the Board authorized the payment of stipends in the amount of \$100,000 to each of the two firms that executed the stipend agreement, submitted a responsive proposal, and were not awarded a contract under this procurement; and a single \$200,000 stipend to the highest ranked proposer who also delivered an approved concept validation submittal and was not subsequently awarded a contract under this procurement. This was done in accordance with RCW 39.10.330, requiring public bodies using the design-build contracting to provide appropriate honorarium payments (stipends) to finalists submitting responsive proposals that are not awarded a design-

build contract. Stipend payments to the two unsuccessful proposers will be processed after the design-build contract is awarded; and, with the award of this contract, no stipend payment is made to HPG. Stipend payments are not included in this requested action.

All outstanding property acquisitions are on track to be completed in advance of construction access requirements. In addition, Sound Transit has obtained key project agreements with the City of SeaTac. Conditions included in the agreements with the City of SeaTac have been incorporated into this design-build contract.

Environmental compliance pursuant to the National Environmental Policy Act (NEPA) and the State Environmental Policy Act (SEPA) for the South 200th Link Extension was completed with the Central Link Final Environmental Impact Statement (EIS) issued in November 1999, the Airport Link Environmental Assessment/SEPA Addendum (EA) on May 26, 2005, and the South Link SEPA Addendum to the Environmental Assessment (July 2011). The Federal Transit Administration issued a Record of Decision for Airport Link (which included the South 200th Link Extension) on September 13, 2005.

FISCAL IMPACT

The 2014 TIP for the South 200th Link Extension is \$383.2 million. Within that amount:

- \$29,797,787 has been set aside for the Design-Build Parking Garage (S445) in the Construction phase. The proposed action would result in a budget shortfall of \$2,578,453 for this line item, which will be funded from Construction phase unallocated contingency.
- \$14,015,506 has been set aside in the Construction phase for unallocated contingency. Should the proposed action be approved, this amount will be reduced by \$2,578,453, leaving a remaining balance of \$11,437,053.

This action is within the adopted budget and sufficient monies remain after approval of this action to fund the remaining work in the Construction phase as contained in the current cost estimates.

| S 200th Link Extension | 2014 TIP | Board | | Board | Uncommitted / |
|-----------------------------|----------------|----------------|---------------|----------------------|---------------|
| | | Approvals | This Action | Approved Plus Action | (Shortfall) |
| Agency Administration | 15,864 | 7,043 | | 7,043 | 8,821 |
| Preliminary Engineering | 5,702 | 5,698 | | 5,698 | 4 |
| Final Design | 9,902 | 8,748 | | 8,748 | 1,154 |
| Right of Way | 43,549 | 39,484 | | 39,484 | 4,065 |
| Construction | 283,818 | 192,864 | 32,376 | 225,240 | 58,578 |
| Construction Services | 17,322 | 16,443 | | 16,443 | 879 |
| Third Party Agreements | 7,085 | 5,604 | | 5,604 | 1,481 |
| Vehicles | - | - | | - | - |
| Total Current Budget | 383,241 | 275,883 | 32,376 | 308,260 | 74,981 |

Phase Detail - Construction

| | | | | | |
|--------------------------------|----------------|----------------|---------------|----------------|---------------|
| S445 DB Parking Garage | 29,798 | - | 32,376 | 32,376 | (2,578) |
| Other Construction | 240,005 | 192,864 | | 192,864 | 47,141 |
| Constr Unallocated Contingency | 14,016 | - | | - | 14,016 |
| Total Phase | 283,818 | 192,864 | 32,376 | 225,240 | 58,578 |

| Contract Detail | Board Approvals to Date | Current Approved Contract Status | Proposed Action | Proposed Total for Board Approval |
|--|-------------------------|----------------------------------|-----------------|-----------------------------------|
| Harbor Pacific/Graham, a Joint Venture (HPG) | | | | |
| Contract Amount | - | - | 29,978 | 29,978 |
| Contingency | - | - | 2,398 | 2,398 |
| Total | - | - | 32,376 | 32,376 |
| Percent Contingency | 0% | 0% | 8% | 8% |

| | |
|--------------------------------|--------------|
| Budget Shortfall | 2,578 |
| Constr Unallocated Contingency | 2,578 |
| Total Funding | 2,578 |

Notes:

Amounts are expressed in Year of Expenditure \$000s.

Board Approvals = Committed To-Date + Contingency, and includes pending Board actions.

2014 TIP = Project budget located on page 37 of the Proposed 2014 Transit Improvement Plan (TIP) as amended in Board Resolution R2013.33 adopted by the ST Board 12/19/13.

SMALL BUSINESS PARTICIPATION

Sound Transit Goal: (Design) Small Business: 16% DBE: 5%
 (Construction) Small Business: 16% DBE: 5%

Commitment: (Design) Small Business: 38.6% DBE: 5.5%
 (Construction) Small Business: 40.6% DBE: 6.8%

| Subconsultant/Subcontractor (Design) | Business Type | % of Work | Amount |
|--------------------------------------|----------------|--------------|--------|
| Brooks + Scarpa Architects | Small Business | 35.2% | |
| Rich & Associates | Small Business | 1.7 | |
| Sazan Group, Inc. | Small Business | 1.7 | |
| System Consulting, Inc. | DBE | 5.5 | |
| Total | | 44.1% | |

| Subconsultant/Subcontractor (Const) | Business Type | % of Work | Amount |
|-------------------------------------|----------------|--------------|--------|
| Harbor Pacific/Graham JV | Small Business | 20.3% | |
| Burke Electric | Small Business | 11.1 | |
| Fire Suppression (TBD) | Small Business | 2.4 | |
| JP Francis & Associates | DBE | 3.2 | |
| Marshbank Construction | DBE | 2.5 | |
| Terra-Dynamics | DBE | 1.1 | |
| Total | | 40.6% | |

EQUAL EMPLOYMENT WORKFORCE PROFILE

211 employees; 8.5% women; 16.6% people of color.

APPRENTICE UTILIZATION COMMITMENT

Apprentice utilization goal: 20%

PUBLIC INVOLVEMENT

Throughout the development of the South 200th Link Extension, Sound Transit has conducted an extensive public involvement program including mailings, community open houses, and meetings with more than 350 individuals, and 18 neighborhood and stakeholder groups. An open house is planned for late Spring 2014 to update the community on station and parking garage design progress.

TIME CONSTRAINTS

A one month delay would not have a significant impact on the project.

PRIOR BOARD/COMMITTEE ACTIONS

Motion No. M2013-39: Authorized the chief executive officer to execute up to two stipend agreements in the amount of \$100,000 with the contractors selected to submit proposals for a design-build contract to provide the park-and-ride element of the South 200th Link Extension project but who are not awarded the contract, and a single stipend agreement in the amount of \$200,000 for the highest ranked proposer should a contract not be awarded under this procurement after submittal of an approved concept validation submittal, for a total authorized amount not to exceed \$400,000.

Resolution No. R2011-05: Accelerated the South Link – Airport to South 200th Street Project and establishing a project completion schedule milestone of September 2016; (2) Approved Gates 4 and 5 within Sound Transit's Phase Gate system; (3) Amended the Project Lifetime Budget to increase it by \$341,849,600, from \$41,391,400 to \$383,241,000; and (4) amended the Adopted 2011 Annual Project Budget to increase it by \$500,829, from \$11,338,347 to \$11,839,175.

ENVIRONMENTAL REVIEW

JI 2/7/2014

LEGAL REVIEW

LA 7 Feb 2014

MOTION NO. M2014-12

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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 Harbor Pacific/Graham, a Joint Venture, to design and construct a parking garage and plaza next to the Angle Lake Station within the South 200th Link Extension in the amount of \$29,978,000, with an 8% contingency of \$2,398,240, for a total authorized contract amount not to exceed \$32,376,240.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 27, 2014.



Dow Constantine
Board Chair

ATTEST:



Marcia Walker
Board Administrator