

MOTION NO. M2014-75
Design-Build Stipend Agreements for the SR 520 to the Overlake Transit Center Segment of the East Link Extension

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	10/09/2014	Final Action	Ahmad Fazel, DECM Ron Lewis, East Link Executive Project Director Tony Raben, Principal Construction Manager

PROPOSED ACTION

Authorizes the chief executive officer to execute up to four stipend agreements with contractors selected to submit proposals for a design-build contract for the SR 520 to the Overlake Transit Center segment of the East Link Extension in the amount of \$500,000 for each stipend agreement, for a total authorized amount not to exceed \$2,000,000.

KEY FEATURES SUMMARY

- State statute RCW 39.10.330 requires honorarium payments, in the form of stipends, to finalists submitting responsive proposals that are not awarded the design-build contract. Honorarium payments shall be sufficient to generate meaningful competition among potential proposers on design-build projects.
- This action provides for execution of up to four stipend agreements with the finalists for the preparation of detailed design-build proposals for the SR 520 to the Overlake Transit Center segment (E360 segment) of the East Link Extension.
- An honorarium would be paid to any finalist that agrees to the stipend agreement, submits a responsive proposal, and is ultimately not awarded a contract under this procurement.
- The selection of the preferred design-build contractor will be based on a “best value” formula that includes technical factors and price. A stipend will not be paid to the finalist that is awarded the design-build contract.
- The East Link Extension is currently in the Final Design phase. Baseline of the project is anticipated for the first quarter of 2015. Though the advertisement of the E360 segment design-build project has occurred before baseline, the Board action requesting approval of the contract is planned for the third quarter of 2015, after baseline of the project.

BACKGROUND

East Link extends light rail 14 miles from downtown Seattle to downtown Bellevue and the Overlake area of Redmond via I-90, with stations serving Rainier Avenue/I-90, Mercer Island, South Bellevue, Downtown Bellevue, Overlake Hospital, the Bel-Red Corridor, Overlake Village, and the Overlake Transit Center. The East Link project route, profiles, and station locations, including the tunnel route in downtown Bellevue, were selected by the Sound Transit Board on July 28, 2011, and amended on April 25, 2013. Light rail service between Seattle and the Overlake Transit Center is forecasted to begin in 2023.

The E360 segment contract includes 1.8 miles of light rail transit infrastructure along the south edge of SR 520 from 136th Place NE at NE 20th Street to Overlake Transit Center. Guideway types include aerial, at-grade and retained cut. The contract includes two at-grade stations – Overlake Village near 152nd Avenue NE, and Overlake Transit Center (terminus station) which will

include a 320-stall parking garage and reconstruction of the existing Overlake Transit Center facilities.

A request for qualifications (RFQ) was issued on August 26, 2014. Interested design-build teams are to submit their statements of qualifications (SOQ) by October 13, 2014. A shortlist of three to four firms will be selected to submit a proposal. In November 2014, a draft Request for Proposal (RFP) will be issued to the shortlisted teams for their review and comment. The scope of work included in the RFP, includes aerial, retained cut/fill and at-grade guideway, two stations, two pedestrian bridges (funded by other organizations), transit facilities and a parking garage. The final RFP is scheduled to be issued in the first quarter of 2015, and final proposals are scheduled to be due in the second quarter of 2015.

Sound Transit has complied with state statute for design-build procurements by stating in the E360 segment RFQ that Sound Transit will pay a stipend (honorarium) in the amount of \$400,000 to 500,000 to each firm that executes the stipend agreement, submits a responsive proposal, and is ultimately not awarded a contract under this procurement. A stipend will not be paid to the finalist that is awarded the design-build contract.

The amount of \$500,000 for each stipend is consistent with the industry standard typically paid by public transportation agencies. The stipend amount is usually one-third to one-half of the estimated proposal development cost. A total authorization of \$2,000,000 is recommended to allow for the potential event that all four finalists meet the requirements for receipt of a stipend, with Sound Transit determining not to award a contract under this procurement.

PROJECT STATUS in SOUND TRANSIT’S PHASE/GATE PROCESS

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Phase I: Project Identification	Phase II: Alternatives Identification	Phase III: Conceptual Engineering	Phase IV: Preliminary Engineering	Phase V: Final Design	Phase VI: Construction

Completion Date for Final Design: 1Q 2017
 Project scope, schedule and budget summary located on page 41 of the July 2014 Agency Progress Report.

FISCAL INFORMATION

The 2014 Lifetime Adopted Budget for East Link Extension project is \$798,346,894. Within that amount, \$11,000,000 has been set aside for the Construction Services Phase. Out of that amount \$ 3,790,000 has been committed.

The proposed action would increase commitments for this line item by \$2,000,000 to the revised total of \$5,790,000, leaving a remaining uncommitted balance of \$ 5,210,000 in the Construction Services phase.

This action is within the Adopted Budget and sufficient funds remain after approval of this action to fund the remaining work in the Construction Services Phase as contained in the current cost estimates.

East Link Extension	2014 TIP	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Agency Administration	68,119	27,694	0	27,694	40,424
Preliminary Engineering	56,594	55,123	0	55,123	1,471
Final Design	232,621	162,743	0	162,743	69,878
Third Party Agreements	40,605	6,435	0	6,435	34,170
Right of Way	365,408	47,338	0	47,338	318,070
Construction	24,000	13,832	0	13,832	10,168
Construction Services	11,000	3,790	2,000	5,790	5,210
Vehicles	0	0	0	0	0
Total Current Budget	798,347	316,955	2,000	318,955	479,392

Phase Detail - Construction Services

Honoraria	11,000	3,790	2,000	5,790	5,210
Other Phase Work	0	0	0	0	0
Total Phase	11,000	3,790	2,000	5,790	5,210

Contract Details

Contractors Selected to Submit Proposals	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Contract Amount	0	0	2,000	2,000
Contingency	0	0	0	0
Total Contract Amount	0	0	2,000	2,000
Percent Contingency	0%	0%	0%	0%

Notes:

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

Board Approvals to Date includes amounts through August 31st, 2014 plus any pending Board Actions.

Project Budget is located on page 31 of the 2014 Transit Improvement Plan (TIP) plus any pending Board Action.

Board Approvals = Committed to-date + Contingency.

SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

Not applicable to this action.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

Board approval in October 2014 is consistent with the current project schedule. While a one month delay could be accommodated, consideration in October 2014 will avoid possible modifications to the contract documents.

PRIOR BOARD/COMMITTEE ACTIONS

Not applicable to this action.

ENVIRONMENTAL REVIEW

Jl 9/12/2014

LEGAL REVIEW

LA 3 Oct 2014

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MOTION:

It is hereby moved by the Capital Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute up to four stipend agreements with contractors selected to submit proposals for a design-build contract for the SR 520 to the Overlake Transit Center segment of the East Link Extension — in the amount of \$500,000 for each stipend agreement, for a total authorized amount not to exceed \$2,000,000.

APPROVED by the Capital Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 9, 2014.



Fred Butler
Capital Committee Chair

ATTEST:



Marcia Walker
Board Administrator