

MOTION NO. M2015-17

**Contract for On-Call Audit Preparation Services**

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	02/12/2015	Final Action	Ahmad Fazel, DECM Executive Director <b>Joe Gildner, Executive Project Director – University Link</b> <b>Margo Williams, Sr. Project Coordinator</b>

PROPOSED ACTION

Authorizes the chief executive officer to execute a four year contract with four one-year options to extend with Maus-Wagner, LLC to provide audit preparation services in support of the General Contractor/Construction Manager construction contracts for a total authorized contract amount not to exceed \$500,000.

KEY FEATURES SUMMARY

- The proposed on-call contract includes audit preparation services for the General Contractor/Construction Manager (GC/CM) contracts and the electrical and mechanical subcontracts (EC/CM and MC/CM) for the University Link, Northgate Link, and East Link Extensions.
- The proposed contract will be utilized to support Sound Transit Construction Management teams in the planning and preparations ahead of the independent audit required by RCW 39.10.385(11) of GC/CM subcontractors.
- The scope of work will confirm adherence to contract terms and conditions by reviewing the contractor’s cost representations and verifying the incurred costs of the EC/CM and MC/CM.
- The proposed contract may also be utilized by the Northgate Link and East Link Extensions during the pre-construction phase to prepare a financial strategy while negotiating the Maximum Allowable Construction Cost (MACC) as well as to perform cost and financial review of the EC/CM and MC/CM proposals.
- Work under this contract will be assigned using Task Orders based on existing projects budgets. An independent cost estimate will be prepared for each Task Order. The total requested authorized amount is estimated to be sufficient to fund the initial four-year contract and all options to extend.
- This is one of two on-call audit preparation services contract, the other contract is being sought under Motion No. M2015-18. Two separate contracts will be utilized to alleviate potential conflicts of interest.

BACKGROUND

Sound Transit uses the GC/CM construction delivery method for portions of the University Link, Northgate Link, and East Link Extensions. Under RCW 39.10.385(11), use of this delivery method requires an independent audit be performed on each EC/CM and MC/CM subcontract under the prime GC/CM. This contract would support Sound Transit in preparing the GC/CM as well as their electrical and mechanical subcontractors for the independent audit. Sound Transit may also utilize this contract during pre-construction of GC/CM contracts to assist in negotiating the MACC.

Sound Transit issued a Request for Proposals (RFP) in October 2014 for this project and nine proposals were received in November 2014. Following review and evaluation, it was determined that Maus-Wagner, LLC is one of two firms to offer the best value for Sound Transit.

## FISCAL INFORMATION

This on-call contract will be used for University Link, Northgate Link and East Link Extensions. Funding associated with this contract will come from the Agency Administration phase within capital project lifetime budgets. The services described in the proposed action will be assigned on a task order basis after available budget is verified. Since the proposed services will be assigned on an as-needed basis, the distribution of costs will be determined as project schedules and budgets are established.

## SMALL BUSINESS/DBE PARTICIPATION

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Small Business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of Small Businesses/DBEs available to perform such subcontracting work.

Sound Transit determined that Small Business and DBE subcontracting opportunities are infeasible or improbable based upon the work described in this contract, so Small Business/DBE goals were not established or required.

## TIME CONSTRAINTS

A one month delay would not create a significant impact to the project schedule.

## PRIOR BOARD/COMMITTEE ACTIONS

Not applicable to this action.

## ENVIRONMENTAL REVIEW

JI 1/21/2015

## LEGAL REVIEW

LA 5 February 2015

## **MOTION NO. M2015-17**

A motion of the Capital Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a four year contract with four one-year options to extend with Maus-Wagner, LLC to provide audit preparation services in support of the General Contractor/Construction Manager construction contracts for a total authorized contract amount not to exceed \$500,000.

### **BACKGROUND:**

Sound Transit uses the GC/CM construction delivery method for portions of the University Link, Northgate Link, and East Link Extensions. Under RCW 39.10.385(11), use of this delivery method requires an independent audit be performed on each EC/CM and MC/CM subcontract under the prime GC/CM. The proposed contract will be utilized to support Sound Transit Construction Management teams in the planning and preparations ahead of the independent audit required by RCW 39.10.385(11) of GC/CM subcontractors.

Sound Transit issued a Request for Proposals (RFP) in October 2014 for this project and nine proposals were received in November 2014. Following review and evaluation, it was determined that Maus-Wagner, LLC is one of two firms to offer the best value for Sound Transit. Two separate contracts will be utilized to alleviate potential conflicts of interest. This is one of two on-call audit preparation services contract, the other contract is being sought under Motion No. M2015-18.

The proposed on-call contract includes audit preparation services for the General Contractor/Construction Manager (GC/CM) contracts and the electrical and mechanical subcontracts (EC/CM and MC/CM) for the University Link, Northgate Link, and East Link Extensions. The proposed contract may also be utilized by the Northgate Link and East Link Extensions during the pre-construction phase to prepare a financial strategy while negotiating the Maximum Allowable Construction Cost (MACC) as well as to perform cost and financial review of the EC/CM and MC/CM proposals. The scope of work will confirm adherence to contract terms and conditions by reviewing the contractor's cost representations and verifying the incurred costs of the EC/CM and MC/CM.

Work under this contract will be assigned using Task Orders based on existing projects budgets. An independent cost estimate will be prepared for each Task Order. The total requested authorized amount is estimated to be sufficient to fund the initial four-year contract and all options to extend.

**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 a four year contract with four one-year options to extend with Maus-Wagner, LLC to provide audit preparation services in support of the General Contractor/Construction Manager construction contracts for a total authorized contract amount not to exceed \$500,000.

APPROVED by the Capital Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 12, 2015.



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Fred Butler  
Capital Committee Chair

ATTEST:



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Kathryn Flores  
Acting Board Administrator