

MOTION NO. M2017-07

Construction Contract for the Bel-Red Segment of the East Link Extension Project

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	1/12/2017	Recommend to Board	Ahmad Fazel, DECM Executive Director
Board	1/26/2017	Final Action	Ron Lewis, Executive Project Director – East Link Extension Sean Duffett, Construction Manager

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract with Max J. Kuney Company to construct the Bel-Red contract within the East Link Extension in the amount of \$93,170,012, with a 10% contingency of \$9,317,000, for a total authorized contract amount not to exceed \$102,487,012.

KEY FEATURES SUMMARY

- This action will provide for the construction of the Bel-Red Station and Light Rail Guideway under the Bel-Red (E340) construction contract.
- The work includes construction of:
 - The Bel-Red Station;
 - Approximately one mile of elevated, retained cut and at-grade guideway;
 - At-grade section includes road widening and full reconstruction of roadway;
 - Site restoration, roadway and sidewalk improvements;
 - Landscaping and irrigation;
 - Traffic signalization;
 - Public and private utility work;
 - One signal bungalow; and
 - Close coordination with the City of Bellevue, adjacent property owners, and businesses.

BACKGROUND

East Link extends light rail 14 miles to East King County from downtown Seattle serving Mercer Island via I-90, Bellevue and the Overlake area of Redmond, with ten new light rail 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 were selected by the Sound Transit Board on July 28, 2011, and amended on April 25, 2013. In April 2015, the Sound Transit Board established the baseline budget and schedule for the project. Revenue service between Seattle and the Overlake Transit Center is forecasted for mid-2023.

Environmental compliance pursuant to the State Environmental Policy Act (SEPA) for East Link was completed with the East Link Project Final Environmental Impact Statement (EIS) issued on July 15, 2011, and East Link Extension 2013 SEPA Addendum issued March 26, 2013. The Federal Transit Administration and Federal Highway Administration issued a Record of Decision for the project on November 16, 2011, and November 17, 2011, respectively, completing the National Environmental Policy Act (NEPA) process.

The Bel-Red contract is one of seven major construction contracts for the East Link Extension. Under this contract, approximately 1.0 miles of elevated, retained cut and at-grade guideway, and other site improvements from 124th Avenue NE to NE 20th Street will be constructed. Sound Transit issued an Invitation for Bids (IFB) on October 10, 2016, and seven bids were received on December 6, 2016. The bids ranged from \$93,170,012 to \$110,951,000. Max J. Kuney Company is the lowest responsive and responsible bidder with a bid of \$93,170,012.

PROJECT STATUS

Project Identification	Alternatives Identification	Conceptual Engineering	Preliminary Engineering	Final Design	Construction
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Projected Completion Date for Civil Construction: 3Q 2020

Project scope, schedule, and budget summary located on page 43-57 of the October 2016 Link Progress Report.

FISCAL INFORMATION

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

East Link Extension	2017 TIP	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Agency Administration	186,200	51,674	0	51,674	134,526
Preliminary Engineering	55,900	54,839	0	54,839	1,061
Final Design	283,000	238,999	0	238,999	44,001
Third Parties	52,150	36,929	0	36,929	15,221
Right of Way	298,150	188,027	0	188,027	110,123
Construction	2,544,300	769,399	102,487	871,886	1,672,414
Construction Services	257,450	150,228	0	150,228	107,222
Vehicles	0	0	0	0	0
Total Current Budget	3,677,150	1,490,096	102,487	1,592,583	2,084,567

Phase Detail - Construction

E340-Bel-Red	130,612	0	102,487	102,487	28,125
Other Construction Phase Work	2,413,688	769,399	0	769,399	1,644,289
Total Phase	2,544,300	769,399	102,487	871,886	1,672,414

Max J. Kuney Company

Contract Detail	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Contract Amount	0	0	93,170	93,170
Contingency	0	0	9,317	9,317
Total Contract Amount	0	0	102,487	102,487
Percent Contingency	0%	0%	10%	10%

Notes:

Project budget is located on page 19 of the 2017 Proposed Transit Improvement Plan (TIP) plus any pending Board Actions. Amounts are expressed in Year of Expenditure \$000s.
Board Approvals to Date includes amounts through November 30, 2016 plus any pending Board Actions.
Board Approvals = Committed to-date + Contingency.

The 2017 Total Project Budget for East Link Extension project is \$3,677,150,000. Within that amount, \$2,544,300,000 has been set aside for the Construction Phase. Out of that amount \$769,399,382 has been committed for the Construction Phase.

The proposed action would commit \$102,487,012 to Max J. Kuney Company to construct the Bel-Red contract leaving the remaining uncommitted budget of \$1,672,413,606 in the Construction Phase.

SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

Participation by Small Businesses and Disadvantaged Business Enterprises (DBEs)

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Consistent with Sound Transit Policies and Federal Regulations, Sound Transit has established Small Business/DBE goals for this contract. These

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.

For this specific contract, the following goals were set and the Max J. Kuney Company has committed to the following Small Business/DBE Participation:

Small Business and Disadvantaged Business Enterprise Goals

Sound Transit Goal:

Small Business: 10%

DBE: 5%

Commitment:

Small Business: 10.96%

DBE: 5.14%

Subconsultant/Subcontractor	Business Type	% of Work	Amount
Liberty Electric, LLC	Small Business	5.82%	\$ 5,425,342
Terra Dynamics, Inc.	DBE	0.67%	\$ 623,250
1 Alliance Geomatics	DBE	0.90%	\$ 834,000
Belarde Company Inc.	DBE	2.39%	\$ 2,227,760
O'Neill Service Group	DBE	1.18%	\$ 1,100,000
TOTAL		10.96%	\$ 10,210,352

PUBLIC INVOLVEMENT

East Link’s community outreach program has been under way for over 10 years. Since 2006, Sound Transit has hosted more than 50 open houses and provided hundreds of stakeholder briefings. Sound Transit shares ongoing project updates through the East Link website, e-newsletters, social media and other outreach tools. In 2016, Sound Transit conducted over 250 individual door-to-door briefings with businesses in the Bel-Red area to share project information and answer questions. Staff provided businesses with Sound Transit’s Business Construction Toolkit, providing resources to help businesses plan for construction. Sound Transit, in partnership with the City of Bellevue, also hosted a Business Resource Forum in fall 2016 to share project information and connect businesses to local resources. Sound Transit provides a dedicated community outreach specialist to engage the community during construction.

TIME CONSTRAINTS

The schedule of this contract impacts one major follow-on contract package. A one month delay in issuing this contract would increase the risk of impacting the critical path of East Link.

PRIOR BOARD/COMMITTEE ACTIONS

Not applicable to this action.

ENVIRONMENTAL REVIEW

JI 12/27/2016

LEGAL REVIEW

JEN 01/06/2017

MOTION NO. M2017-07

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract with Max J. Kuney Company to construct the Bel-Red contract within the East Link Extension in the amount of \$93,170,012, with a 10% contingency of \$9,317,000, for a total authorized contract amount not to exceed \$102,487,012.

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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 Max J. Kune Company to construct the Bel-Red contract within the East Link Extension in the amount of \$93,170,012, with a 10% contingency of \$9,317,000, for a total authorized contract amount not to exceed \$102,487,012.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 26, 2017.



Dave Somers
Board Chair

ATTEST:



Kathryn Flores
Board Administrator