

## Motion No. M2020-72

### Increase Contract Contingency for the Operations & Maintenance Facility Tenant Improvement project

Meeting:	Date:	Type of action:	Staff contact:
Rider Experience & Operations Committee	12/03/2020	Recommend to Board	Suraj Shetty, Executive Director, Operations <b>Bruce Polnicky, Director Operations Projects &amp; Asset Management</b> <b>Michael Zuniga, Senior Project Manager</b>

### Proposed action

Authorizes the chief executive officer to increase the contract contingency for the Operations Maintenance Facility Renovation project construction services contract with Western Ventures Construction Inc. adding contingency in the amount of \$100,000, for a new authorized contact amount not to exceed \$5,160,000 plus applicable taxes.

### Key features summary

- This action would increase the contract contingency for the contract with Western Ventures which may be needed for additional expenses which were not anticipated in the original contract.
  - The current project forecast suggests the project may exceed the approved contract value.
    - Authorized 97% of the contract value.
  - Changes to date are related to project schedule impacts due to COVID-19 restrictions and unforeseen hidden site conditions.
  - COVID-19 protocols and the effect thereof are reflected in the February 2020 project completion date.
  - The estimated sales tax for this request is \$10,100.
- The project scope of work remains unchanged.

### Background

In 2009 the Link Operations and Maintenance Facility (OMF) was opened for use with mostly King County staff and minimal Sound Transit oversight staff. Throughout the years, the King County staff has increased causing the Sound Transit oversight staff to increase. With the passage of ST3 the Link OMF will need to support the Central Link (West Seattle to Ballard) and the South Link (Angle Lake to Tacoma) until the South OMF opens in 2028.

In 2018, the Board established the Operations and Maintenance Facility (OMF) Renovations project to address this increase which intended to regroup departments and divisions, gain efficiencies for staff, provide security for the Link Control Center per Homeland Security requirements, and reduce long term operational costs. At this time, the project is 80% complete.

Western Ventures was brought on to complete the interior renovations of the OMF and approved by the Board through Motion No. M2019-83. The contract includes the remodel of the interior of the Central Operations and Maintenance Facility to increase space utilization. Existing oversized offices will be reconfigured into the agency standard sizes to create additional spaces and increase efficiency. Operators and dispatch will be relocated to the second floor to provide security for the Link Control Center per Homeland Security requirements, and increase efficiency by eliminating daily trips by the Operators to the fourth floor. LRV Fleet expansion increases the number of operators. Due to extremely high occupancy in the building, the project needs to be completed in four separate and distinct phases to free up space for the contractor to perform work.

**Project status**

<b>Project Identification</b>	<b>Project Refinements</b>	<b>Conceptual Engineering/ Environmental Review</b>	<b>Preliminary Engineering</b>	<b>Final Design</b>	<b>Construction</b>
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Projected completion date for Operations and Maintenance Facility Project is February 2020.

**Fiscal information**

This action is within the authorized project allocation and sufficient monies remain after approval of this action to fund the remaining work in the construction phase.

The authorized project allocation for the OMF Renovations project is \$11,104,957. Within that amount \$8,083,841 has been allocated to the construction phase. The action would commit an additional \$110,100 and leave a budget balance of \$2,059,817 in the construction phase.

## OMF Renovations

(in thousands)

Project Phase	Authorized Project Allocation	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Operation & Maintenance	\$	\$	\$	\$	\$
Agency Administration	981	379		379	602
Preliminary Engineering	1	14		14	(14)
Final Design	1,196	321		321	876
Right of Way					
Construction	8,084	5,914	110	6,024	2,060
Construction Services	843	977		977	(134)
Third Party Agreements					
Vehicles					
Contingency					
<b>Total Current Budget</b>	<b>\$11,105</b>	<b>\$7,604</b>	<b>\$110</b>	<b>\$7,714</b>	<b>\$3,391</b>
<b>Phase Detail - Construction</b>					
Construction	\$8,084	\$5,914	\$110	\$6,024	\$2,060
Other					
<b>Total Phase</b>	<b>\$8,084</b>	<b>\$5,914</b>	<b>\$110</b>	<b>\$6,024</b>	<b>\$2,060</b>

Contract Detail - Western Ventures Construction Inc.	Board Approvals to Date	Current Approved Agreement Status	Proposed Action	Proposed Total for Board Approval
Western Ventures	\$4,600	\$4,600	\$	\$4,600
Contingency	460	460	100	560
<b>Total</b>	<b>\$5,060</b>	<b>\$5,060</b>	<b>\$100</b>	<b>\$5,160</b>
Percent Contingency	10%	10%	0%	12%
Estimated Taxes	465	465	10	475
<b>Total with Estimated Taxes</b>	<b>\$5,525</b>	<b>\$5,525</b>	<b>\$110</b>	<b>\$5,635</b>

**Notes:**

Amounts are expressed in Year of Expenditure.

Board Approvals = Committed To-Date + Contract Remaining as of October 2020.

Project will request budget transfer (per R2020-24) of \$150,000 from Construction to \$15,000 Preliminary Engineering and \$135,000 Construction Services before the end of 2020.

## Disadvantaged and small business participation

### 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 successful Bidder/Proposer has committed to the following small business/DBE participation:

Small business goal	
Sound Transit goal: 20%	Commitment: XX%

Subconsultant/Subcontractor	Business Type	% of Work	Amount
TBD	Small business	20%	\$
<b>Total</b>		<b>20%</b>	<b>\$</b>

## Public involvement

Not applicable to this action.

## Time constraints

A one-month delay could possibly extend the substantial completion date by as much as six weeks

## Prior Board/Committee actions

Motion No. M2019-83: Authorized the chief executive officer to execute a contract with Western Ventures Construction Inc. to provide construction services for the Operations and Maintenance Facility – Renovations project in the amount of \$4,600,000 with a 10 percent contingency of \$460,000 for a total authorized contract amount not to exceed \$5,060,000 plus applicable taxes, contingent upon Board approval of Resolution No. R2019-19.

Resolution No. R2019-19: Amended the Adopted 2019 Budget for the Operations and Maintenance Facility – Renovations project by (a) increasing the total authorized project allocation to date by \$2,013,157, from \$5,325,000 to \$7,338,157, and (b) decreasing the project annual budget by \$1,708,257, from \$4,290,881 to \$2,582,624.

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**Environmental review** – KH 11/23/20

**Legal review** – JEN 11/25/2020



## **Motion No. M2020-72**

A motion of the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to increase the contract contingency for the Operations Maintenance Facility Renovation project construction services contract with Western Ventures Construction Inc. adding contingency in the amount of \$100,000, for a new authorized contact amount not to exceed \$5,160,000 plus applicable taxes.

### **Background**

In 2009 the Link Operations and Maintenance Facility (OMF) was opened for use with mostly King County staff and minimal Sound Transit oversight staff. Throughout the years, the King County staff has increased causing the Sound Transit oversight staff to increase. With the passage of ST3 the Link OMF will need to support the Central Link (West Seattle to Ballard) and the South Link (Angle Lake to Tacoma) until the South OMF opens in 2028.

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This action would increase the contract contingency for the contract with Western Ventures which may be needed for additional expenses which were not anticipated in the original contract. The current project forecast suggests the project may exceed the approved contract value. To date, 97 percent of the contract value has been authorized.

Changes to date are related to project schedule impacts due to COVID-19 restrictions and unforeseen hidden site conditions. COVID-19 protocols and the effect thereof are reflected in the February 2020 project completion date. The project scope of work remains unchanged.

## Motion

It is hereby moved by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to increase the contract contingency for the Operations Maintenance Facility Renovation project construction services contract with Western Ventures Construction Inc. adding contingency in the amount of \$100,000, for a new authorized contact amount not to exceed \$5,160,000 plus applicable taxes.

APPROVED by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on December 3, 2020.



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Paul Roberts  
Rider Experience and Operations Chair

### Attest:



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Kathryn Flores  
Board Administrator