

SOUND TRANSIT

MOTION NO. M2004-02

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing an additional \$200,000 to be added to the approved contingency amount with Bayley Construction to provide construction services for the Lynnwood Transit Center and Park-and-Ride Lot Project for a new total contingency amount of \$1,536,568, and a new total authorized contract amount not to exceed \$10,672,248.

Background:

In 2002, the Board authorized the Chief Executive Officer to execute a contract for construction of the Lynnwood Transit Center and Park-and-Ride Lot Project with Bayley Construction Company in the amount of \$9,135,680 with a 10% contingency of \$913,568.

In June 2003, the Finance Committee and the Board authorized an additional contract contingency of \$423,000, for a new contingency of \$1,336,568, and a new total contract amount not to exceed \$10,472,248.

The new Lynnwood Transit Center was substantially complete and in operation on September 28, 2003. The park-and-ride lot is expected to be completed in February 2004. Overall, construction of the Lynnwood Transit Center and Park-and-Ride Lot project is 92% complete as of the end of November 2003.

Cost of the work remaining is about \$975,000 and includes re-paving of the old transit center footprint and construction of some work that can only be completed in 4th quarter of 2004 following completion of the Lynnwood HOV Direct Access project. Construction has been, and is still, proceeding on schedule. Staff expects savings in the total project budget of \$2.5 million.

Staff is seeking approval to increase construction contract contingency to support the remaining work. Remaining contract contingency for construction of the Lynnwood Transit Center and Park-and-Ride project is currently estimated at \$319,051. Additional contract contingency in the amount of \$200,000 will be required in order to pay the construction contractor for actual work in accordance with the terms of the contract.

In late April/early May of 2003, staff predicted overruns that would greatly exceed the normal variance assumed at award for this unit price, bid item contract. This work was associated with the need to remove and replace much poorer than expected soils at the project site.

The additional \$423,000 contract contingency provided a reserve of approximately \$100,000 for potentially poor soils at the site of the northwest storm vault (not yet under construction at that time) and provided a 5% contingency for about \$6,000,000 of work remaining at that time.

The poor soils have required the use of almost 95% of the originally authorized contract contingency and all other work has required a contingency of about 5%.

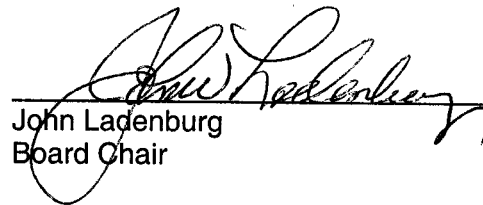
Estimated final contract cost at completion of the project is \$10,672,248, which exceeds the total authorized contract amount, including contingency, by \$200,000.

The estimated final contract cost at completion is comprised of the awarded contract amount (\$9,135,680), the total amount of executed change orders (\$1,017,517), and the total amount of projected unit price bid item cost overruns and under-runs (\$519,051).

Motion:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that an additional \$200,000 is authorized to be added to the approved contingency amount with Bayley Construction to provide construction services for the Lynnwood Transit Center and Park-and-Ride Lot Project for a new total contingency amount of \$1,536,568, and a new total authorized contract amount not to exceed \$10,672,2488.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 15, 2004.


John Ladenburg
Board Chair

ATTEST:



Marcia Walker
Board Administrator