

Motion No. M2023-89

Design-Build Contract Award for the Kent Station Parking and Access Improvement Project

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee	10/12/2023	Recommend to Board	Brooke Belman, Chief Expansion Delivery Officer
Board	10/26/2023	Final action	Tracy Reed, Acting DECM Executive Director Victoria Morris, Project Director, DECM

Proposed action

1) Authorizes the chief executive officer to execute a design-build contract with Absher Construction Co. for the Kent Station Parking and Access Improvement Project in the amount of \$62,500,000, with an 15 percent contingency of \$9,375,000; totaling 71,875,000, 2) authorizes modification of that contract to exercise a contract option for betterment work related to bus layover facilities for King County Metro in the amount of \$9,000,000, with a 38 percent contingency of \$3,475,949, totaling \$12,475,949, contingent upon approval of Motion No. M2023-88; and 3) authorizes an alternative concept allowance not to exceed \$5,000,000 to fund potential cost of added value improvements for the Kent Station Parking and Access Improvements Project; all for a total authorized contract amount not to exceed \$89,350,949.

Key features summary

- The Design-Build contract with Absher Construction Co. includes all work necessary to complete the design, permitting and construction of a new structured parking facility and additional surface parking for the Kent Sound Station, adding over 400 new parking stalls.
- The scope includes the design changes since the Board approved the project-to-be-built in 2020, including not relocating Railroad Avenue North and instead adding three stories to the parking garage.
- The contract contingency includes 15% (\$9,375,000) of the base contract amount of \$62,500,000 and is in alignment with similar scale projects, which often require higher percentage contingencies relative to their budgets. Contingency will be used for unanticipated conditions and events that may occur during the project.
- The Design-Build contract with Absher Construction Co. includes a contract option associated with the Betterment Agreement with King County Metro (KCM) for a Bus Layover being considered for approval in Motion No. M2023-88, for all Betterment work necessary to complete the design, permitting and construction for a KCM bus layover facility.
- Exercise of the contract option with a contract modification in the amount of \$9,000,000 with \$3,475,949 in contingency, for the King County Metro betterment is contingent on Board approval of Motion No. M2023-88, Agreement with King County Metro for a Bus Layover for the Kent Station Parking and Access Improvements Project.

- This action includes an amount of \$5,000,000 within the authorized contract allocation to allow use of a program wide alternative concept allowance to fund alternative design elements that provide added value but may increase the cost of the design build contract for the Kent Station Parking and Access Improvement project, such as innovative ideas coming from the owner or design builder during the development of the design or during construction. Use of the alternative concept allowance would be at the sole discretion of Sound Transit.
- This award will support the baseline schedule open for service milestone date of Q2 2027.

Background

In November 2008, voters approved access improvements to the Puyallup, Sumner, Kent, and Auburn Sounder Stations as part of the ST2 ballot measure to expand mass transit throughout the region. Subsequently, the Sounder Station Access Study was conducted to identify potential access improvements at Sounder stations. The August 2021 re-alignment action identified the Sumner, Kent and Auburn projects as Tier 1 projects to proceed to implementation.

The Kent project includes design and construction of an additional structured parking facility, surface parking stalls, pedestrian, bicycle, and transit amenities, and associated utility, roadway, stormwater, lighting, landscape and hardscape improvements. During final design, these amenities would be finalized in collaboration with City of Kent as part of the permitting and approval process. Also included is a contract option for all Betterment work necessary to complete the design, permitting and construction for a King County Bus layover facility.

In fall 2018, Sound Transit, King County Metro, and the City of Kent committed to pursue the potential for bus layover through the Kent Station Parking and Access Improvement project. In early 2020, Sound Transit and King County Metro signed a letter of concurrence establishing King County Metro's intent to contribute funding in support of final design and construction of this bus layover. After project development resumed following the Sound Transit Board's realignment process, an alternate site to locate the layover was identified and the parties have coordinated closely to create a betterment agreement, develop project requirements, and participate in the procurement process.

New bus layover at Kent Station will enable additional King County Metro service and increased local transit connections to high-capacity transit, supporting increased mobility, access, and ridership between Sounder, ST Express, and Metro bus service. In addition to bus layover, other betterment scope elements include zero emissions charging infrastructure and bus operator support facilities (e.g., comfort stations).

The Kent project was combined with the Auburn and Sumner projects as part of Resolution No. R2023-02 project baseline which the Board approved on January 26, 2023. A program wide alternative concept allowance was established as part of the baseline budget. System Expansion Committee approval is required for expenditures that exceed \$5,000,000, or changes not currently within the baselined budget or schedule, or not within the project definition approved by the Board or consistent with the voter approved projects. Sound Transit would be responsible for conducting any additional environmental review of any alternative concepts.

A SEPA Environmental Checklist and Determination of Non-significance was issued by Sound Transit on October 7, 2019. In coordination with the City of Kent and King County Metro, Sound Transit has proposed design refinements to the project. The proposed design changes include: 1) not relocating Railroad Ave N, which requires narrowing the garage footprint and increasing the number of structure levels (from three to six levels) to maintain similar number of parking spaces and 2) relocating the bus layover from 1st Ave N to Railroad Ave N. Staff has reviewed these changes and concluded that they do not result in new adverse environmental impacts requiring additional environmental review.

Project status

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Project Identification	Project Refinements	Conceptual Engineering/ Environmental Review	Preliminary Engineering	Final Design	Construction

Projected completion date for Open for Service: Q2 2027

Project scope, schedule and budget summary are located on page 166 of the August 2023 Agency Progress Report.

Procurement information

The Kent Station Parking and Access Improvements project is being delivered using a design-build contracting method. Design-build was selected for Puyallup, Sumner, Kent and Auburn Access Improvement projects. Each design-build procurement process allows for proposals focused on providing best value with the funds available within the finance plan for the projects.

The design-build procurement number RTA/DB 0070-22 is considered a fixed-price/variable scope selection method that requests proposers provide the maximum scope within the contract price with the intent to maximize project value for the fixed contract price of \$62.5M. The contract also includes the contract option for King County Metro bus layover for the fixed contract price of \$9M. The contract will be conducted with an open book approach to costs and budget.

Kent Station Parking and Access Improvement project Request for Qualifications (RFQ) was issued in September 2022 and received six responses. These responses were evaluated and resulted in a shortlist of three teams. A Request for Proposals (RFP) was issued in February 2023 to the shortlisted teams and five one-on-one meetings were held with each of the three teams.

The RFP evaluation criteria was based upon a best value with design, technical and management attributes, quantity of parking spaces and cost narrative, for a fixed price for Sound Transit work elements totaling \$62.5M and the contract option for KCM Bus Layover work elements totaling \$9M for a maximum total amount of \$71.5 million identified in the solicitation. Proposers were requested to specify additional scope that would add value to the project, using a ranked list of enhancements provided in the solicitation. The teams competed on proposing maximum value within the fixed price. Final proposals were submitted in July 2023.

The evaluation panel identified the Absher Construction Co. as the highest scoring proposer. Negotiations with the team concluded in September 2023.

Contingent upon Board approval of the King County Metro Bus Layover Betterment agreement, Sound Transit intends to issue a contract modification exercising the contract option in the amount of \$9 million for the King County Metro bus layover scope of work identified in the Request for Proposals.

Pursuant to RCW 39.10.330, a stipend in the amount of \$225,000 will be provided to each of the two shortlisted teams that submitted a responsive proposal and were not awarded the contract after awarding the design-build contract.

The bid protest filing period is still open, but no protest has been submitted at this time. Contract execution would be subject to the resolution of any protest in the event one is filed.

Fiscal information

This is a concurrent action with Motion No. M2023-87: Contract Modification for the Design-Build Project Management Services for the Kent Station Parking and Access Improvement Project and contingent upon Board approval of the phase budget transfer outlined in Resolution No. R2023-32.

This action is within the baseline budget and sufficient monies remain after approval of the action to fund the remaining work in the construction phase. This action does not impact the affordability of any other system expansion project.

The baseline budget for the combined Sumner, Kent, and Auburn Stations Parking and Access Improvements project is \$359,650,000. Within the \$258,161,000 construction phase, \$79,885,000 has been allocated to the Kent Station design-build (DB) contract. The proposed action would commit \$76,875,000 (including contingency and alternative concept allowance) for the Kent Station design-build contract and leave a phase budget balance of \$50,019,645.

This action also commits \$12,475,949 for the implementation of the betterment reimbursement agreement with King County Metro, contingent upon approval of Motion 2023-88, for a total contract amount of \$89,350,949.

Since the costs associated with the betterment will be reimbursed to Sound Transit, the cost of the betterment does not impact the agency's long term financial plan. If the total cost to perform this work exceeds the estimated reimbursement amount, the agreement will be amended by a future action.

Sumner, Kent, & Auburn Stations Parking and Access Improvements

(in thousands)	Total Baseline Budget	Board Approvals*	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Operations and Maintenance	\$49	\$49		\$49	\$
Administration	26,150	10,075		10,075	16,075
Preliminary Engineering	8,449	8,209		8,209	240
Final Design	1,019	0		0	1,019
Third Parties	8,161	7,901		7,901	260
Right of Way	25,656	11,110		11,110	14,546
Construction	258,161	131,266	76,875	208,141	50,020
Construction Services	32,005	30,493		30,493	1,512
Total Current Budget	\$359,650	\$199,103	\$76,875	\$275,978	\$83,672

Phase Detail					
Construction					
DB Contract - Kent	\$79,885	\$	\$76,875	\$76,875	\$3,010
Other Construction	178,276	131,266		131,266	47,010
Total Phase	\$258,161	\$131,266	\$76,875	\$208,141	\$50,020

Contract Detail Absher Construction Co.	Board Approvals to Date		Proposed Total for Board Approval		Current Contract Spend Status
		Proposed Action			
Contract Amount		62,500		62,500	\$
Contingency		9,375		9,375	
Alternative Concept Allowance		5,000		5,000	
Sound Transit Share		76,875		76,875	
Betterment Contract Option		9,000		9,000	
Betterment Contingency		3,476		3,476	
Total Contract Amount		89,351		89,351	0
Percent Contingency		18%		18%	0%

Notes:

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

* Board Approvals = Commitment and PO Contingency Remaining as of 8/31/2023.

For detailed project information, see page 126 in the 2023 Financial Plan & Adopted Budget.

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

Small business and disadvantaged business enterprise (DBE) goals for Design Services	
Sound Transit Small Business Goal: 15%	Small Business Commitment: 98.4%
Sound Transit Small DBE Goal: 0%	DBE Commitment: 2.7%

Small business and disadvantaged business enterprise (DBE) goals for Construction Services	
Sound Transit Small Business Goal: 15%	Small Business Commitment: 15.1%
Sound Transit Small DBE Goal: 0%	DBE Commitment: 12.5%

Apprentice utilization commitment

Apprentice utilization	
Apprentice utilization goal: 20%	Commitment: 20%

Public involvement

Public engagement during the conceptual engineering phase started with sharing conceptual designs with the public through an open house and online survey in November 2018 and then sharing environmental analysis documents in September of 2019. After the realignment pause, we gathered public input on visual design in April 2022 through an online open house and station drop-in session.

The project also hosts information booths at community events in Kent, including Cornucopia Days on July 16 and the Kent Farmers Market on August 19 this year. Moving forward during project delivery, our external engagement plans include keeping neighboring property owners and tenants updated; a pre-construction open house (online and in-person) to share final designs and what to expect during construction; and regular updates to the community during construction.

Time constraints

A one-month delay in award of the design-build contract would delay the issuance of Notice to Proceed.

Prior Board/Committee actions

Motion M2023-46: Authorized the chief executive officer to execute a design-build contract with Absher Construction Co. for the Auburn Station Parking and Access Improvement Project in the amount of \$60,000,000, with a 15 percent contingency of \$9,000,000 and authorizes an alternative concept allowance not to exceed \$2,000,000 to fund maximum cost of added value improvements for the Auburn Station Parking and Access Improvements Project for a total authorized contract amount not to exceed \$71,000,000.

Motion M2023-02: 1) Authorized the chief executive officer to execute a design-build contract with Harbor Pacific Contractors, Inc. for the Sumner Station Parking and Access Improvements Project in the amount of \$49,000,000, with a 12 percent base contingency of \$5,880,000, and 2) authorized an alternative concept allowance not to exceed \$5,000,000 to fund maximum cost of added value improvements for the Sumner Station Parking and Access Improvements Project for a total authorized contract amount not to exceed \$59,880,000.

Resolution No. R2023-02: Adopted the Sumner, Kent, and Auburn Stations Parking and Access Improvements Projects baseline schedule and budget by (a) combining the three project budgets into one project budget (b) increasing the authorized project allocation to date by \$299,119,865 from \$60,530,135 to \$359,650,000 (c) increasing the annual allocated budget by \$34,989,000 from \$16,516,000 to \$51,505,000. (d) establishing project open for service dates of Q1 2026 for Sumner, Q2 2027 for Kent and Q1 2027 Auburn.

Resolution R2020-02: Selected the non-motorized, transit and parking improvements to be constructed to improve access to the Kent Sounder Station as part of the Kent Station Parking and Access Improvements project.

Environmental review – KH 10/3/23

Legal review – JSA 10/6/23

Motion No. M2023-89

A motion of the Board of the Central Puget Sound Regional Transit Authority 1) Authorizing the chief executive officer to execute a design-build contract with Absher Construction Co. for the Kent Station Parking and Access Improvement Project in the amount of \$62,500,000, with an 15 percent contingency of \$9,375,000; totaling 71,875,000, 2) authorizing modification of that contract to exercise a contract option for betterment work related to bus layover facilities for King County Metro in the amount of \$9,000,000, with a 38 percent contingency of \$3,475,949, totaling \$12,475,949, contingent upon approval of Motion No. M2023-88; and 3) authorizing an alternative concept allowance not to exceed \$5,000,000 to fund potential cost of added value improvements for the Kent Station Parking and Access Improvements Project; all for a total authorized contract amount not to exceed \$89,350,949.

Background

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not relocating Railroad Ave N, which requires narrowing the garage footprint and increasing the number of structure levels (from three to six levels) to maintain similar number of parking spaces and 2) relocating the bus layover from 1st Ave N to Railroad Ave N. Staff has reviewed these changes and concluded that they do not result in new adverse environmental impacts requiring additional environmental review.

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The scope includes the design changes since the Board approved the project-to-be-built in 2020, including not relocating Railroad Avenue North and instead adding three stories to the parking garage.

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Exercise of the contract option with a contract modification in the amount of \$9,000,000 with \$3,475,949 in contingency, for the King County Metro betterment is contingent on Board approval of Motion No. M2023-88, Agreement with King County Metro for a Bus Layover for the Kent Station Parking and Access Improvements Project.

This action includes an amount of \$5,000,000 within the authorized contract allocation to allow use of a program wide alternative concept allowance to fund alternative design elements that provide added value but may increase the cost of the design build contract for the Kent Station Parking and Access Improvement project, such as innovative ideas coming from the owner or design builder during the development of the design tor during construction. Use of the alternative concept allowance would be at the sole discretion of Sound Transit.

This award will support the baseline schedule open for service milestone date of Q2 2027.

Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that 1) the chief executive officer is authorized to execute a design-build contract with Absher Construction Co. for the Kent Station Parking and Access Improvement Project in the amount of \$62,500,000, with an 15 percent contingency of \$9,375,000; totaling 71,875,000, 2) the chief executive officer is authorized to modify the contract by exercising a contract option for betterment work related to bus layover facilities for King County Metro in the amount of \$9,000,000, with a 38 percent contingency of \$3,475,949, totaling \$12,475,949, contingent upon approval of Motion No. M2023-88; and 3) an alternative concept allowance not to exceed \$5,000,000 to fund potential cost of added value improvements for the Kent Station Parking and Access Improvements Project is authorized; all for a total authorized contract amount not to exceed \$89,350,949.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 26, 2023.



Dow Constantine
Board Chair

Attest:


Kathryn Flores
Board Administrator