



Motion No. M2022-30

Contract Modification with Hensel Phelps Construction Co. Contract on the Puyallup Station Parking and Access Improvements Project

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee	04/14/2022	Recommend to Board	Ron Lewis, DECM Executive Director
Board	04/28/2022	Final action	Jon Mihkels, Director – New and Existing Facilities, DECM Rick Sarkany, Construction Manager

Proposed action

Authorizes the chief executive officer to increase the contract contingency for the Puyallup Station Parking and Access Improvements project construction contract with Hensel Phelps Construction Co. in the amount of \$2,200,000 for a new total authorized contract amount not to exceed \$52,800,000, contingent upon Board approval of the Proposed 2022 Budget Amendment for Puyallup through Resolution No. R2022-10.

Key features summary

- This action increases the contract contingency with Hensel Phelps, the Design Build contractor, on the Puyallup Station Parking and Access Project. The increase is contained within the Proposed 2022 Budget Amendment Resolution No. R2022-10.
- Additional contingency funding is required to complete the project scope and maintain an appropriate level of project contingency through the open for service of the Puyallup Station Parking and Access Project, which is anticipated for Q4 2022.
- Construction on the Puyallup Station Parking and Access Improvement is approximately 92 percent complete, with the garage and other on-site portions anticipated to be complete by May 2022, and transferred to Sound Transit Operations.
- Remaining work includes completion of off-site intersection signalization, interconnection with the BNSF railroad crossing signals, pedestrian crossing improvements, and the testing and commissioning of the improvements by the City of Puyallup.
- Additional contingency is requested to allow resolution of outstanding change requests for extended period of performance and for changes that have been required for BNSF road crossings at 5th and 7th Streets; traffic intersection signalization at 4th and 7th Streets; and supply chain issues in obtaining signal and street light materials.

Background

The voter-approved ST2 Plan included funding for access improvements to the Puyallup Sounder Station. During the process of refining the projects included in the ST2 plan, the Sound Transit Board responded to community concerns by calling for a Sounder Access and Demand Study. The study evaluated potential access improvements to eight existing Sounder stations including Puyallup. The

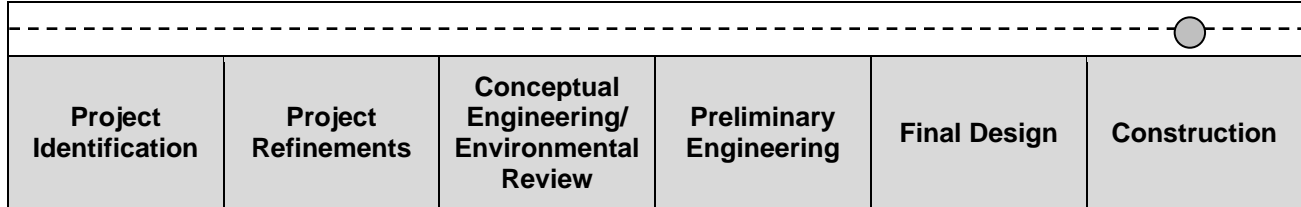
study provided a range of potential access improvement projects that Sound Transit could implement in full or in part, that would allow riders to use alternative modes of travel to the Puyallup Station.

The Puyallup project consists of two primary scopes of work:

1. The “on-site” improvements consist of the new parking garage, surface parking lot and pedestrian bridge. On-site improvements and Transfer to Sound Transit for care and custody of the facility is anticipated for May 2022.
2. The “off-site” improvements consist of new traffic intersection signalization, dedicated turn pockets and various sidewalk and pedestrian improvements and are all owned by the City of Puyallup. Elements of these off-site improvements are mitigations for the increased parking identified during environmental review. There are also train crossing improvements paid for by Sound Transit being implemented by the BNSF under a three-party agreement between Sound Transit, the BNSF and the City of Puyallup that interconnect with the traffic scope. Off-site improvements are anticipated to be completed by the fourth quarter of 2022.

The final permitting and design of the off-site traffic improvements was impacted by both an increase in scope during the rail crossing safety diagnostic process and extended permitting timeline. The extended design and permitting timeline delayed the ordering of required materials which have subsequently been impacted by supply chain issues. Current long lead elements include traffic signal cabinets and traffic signal heads. These impacts have resulted in a projected substantial completion date of May 2022, allowing for the turn-over of the garage, parking lot and pedestrian bridge to ST Operations, while the schedule for completing the off-site work is currently projected as Q4 2022, and remains highly dynamic.

Project status



Projected completion date for Construction: Q4 2022.

Project scope, schedule and budget summary are located on page 139 of the February 2022 Agency Progress Report.

Procurement information

The Design Build contract for Puyallup Station Parking and Access Improvements project was procured in accordance with Sound Transit design build process and state requirements. The Request for Qualifications received four responses. These responses were evaluated and resulted in a shortlist of three teams. A Request for Proposals (RFP) was issued in May 2019 to the shortlisted teams and proposals were submitted in August 2019. The highest ranked team was selected in September 2019 and negotiations were concluded in October 2019. The Design Build contract DB 0612-18 was awarded in December 2019 in the amount of \$45,994,000, and Notice to Proceed was issued March 2020 to Hensel Phelps Construction Co.

The parties have entered into negotiations related to changes, and additional contingency is requested to allow fair and reasonable final resolution of changes on this Contract.

Fiscal information

Upon Board approval of the budget amendment through Resolution No. R2022-10, the authorized project allocation for the Puyallup Station Parking and Access Improvements Project is \$82,350,000. This action will increase the construction phase, contingent on approval of the budget amendment.

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

Within the project allocation the construction phase is allocated \$61,789,500, within the construction phase, \$52,739,000 has been allocated to Design-Build Parking Garage, the action would commit an additional \$2,200,000 of contract contingency with Hensel Phelps Construction Co. for civil and systems construction activities and leave a budget balance of \$830.

Puyallup Station Access Improvements

(in thousands)

Project Phase	Authorized Project Allocation	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Agency Administration	\$5,517	\$4,341	\$	\$4,341	\$1,175
Preliminary Engineering	2,629	2,621		2,621	8
Final Design					
Third Party	37	37		37	
Right of Way	6,681	\$6,630		6,630	51
Construction	61,790	58,902	2,200	61,102	687
Construction Services	5,698	5,677		5,677	21
Vehicles					
Total Current Budget	\$82,350	\$78,207	\$2,200	\$80,407	\$1,943
Phase Detail - Construction					
DB Parking Garage	\$52,739	\$50,538	\$2,200	\$52,738	\$1
Other Construction	9,051				9,051
Total Phase	\$61,790	\$50,538	\$2,200	\$52,738	\$9,051
Contract Detail					
Hensel Phelps	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval	
Contract Amount	\$45,994	\$45,994		\$45,994	
Contingency	4,606	4,606	2,200	6,806	
Total Contract	50,600	50,600	2,200	52,800	
Percent Contingency	10%	10%	100%	15%	

Notes:

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

Board Approvals = Committed and PO Contingency Remaining as of 4/1/2022.

For detailed project information, see page 137 of the 2022 Adopted Financial Plan and Budget.

This action will not have an impact on the agency's ability to maintain the Affordable Schedule established by Resolution No. R2021-05 and does not impact the affordability of any other system expansion project.

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:

Disadvantaged business enterprise (DBE) / Small Business (SB) goals, commitments, and participation to-date: Design Services for DB 0612-18		
	DBE	SB
Sound Transit Goal	5%	12%
Prime Commitment	10%	25.3%
Participation to-date	10.8%	16.1%

Disadvantaged business enterprise (DBE) / Small Business (SB) goals, commitments, and participation to-date: Construction Services for DB 0612-18		
	DBE	SB
Sound Transit Goal	5%	12%
Prime Commitment	9.4%	15.6%
Participation to-date	16.1%	27%

Apprentice utilization commitment

Apprentice utilization	
Apprentice utilization goal: 20.0%	Commitment: 20.0%

Public involvement

DBPM and DB are collaborating with Sound Transit to communicate with the Public to provide construction updates in a timely manner. Communication with public has been through direct communication, flyers and a construction hotline.

Time constraints

A one-month delay would not create a significant impact to the project but could impact ongoing construction contract administration efforts.

Board/Committee actions

Motion No. M2019-110: Authorized the chief executive officer to execute a contract with Hensel Phelps Construction Co. to provide design-build services for the Puyallup Station Parking and Access Improvements project in the amount of \$45,994,000, with a 10 percent contingency of \$4,606,000, for a total authorized contract amount not to exceed \$50,600,000.

Resolution No. R2016-07: Selected the bicycle, pedestrian, and parking access improvements to be

built for the Puyallup Access Improvement Project.

Environmental review – KH 4/4/22

Legal review – JSA 4/11/22



Motion No. M2022-30

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to increase the contract contingency for the Puyallup Station Parking and Access Improvements project construction contract with Hensel Phelps Construction Co. in the amount of \$2,200,000 for a new total authorized contract amount not to exceed \$52,800,000, contingent upon Board approval of the Proposed 2022 Budget Amendment for Puyallup through Resolution No. R2022-10.

Background

The voter-approved ST2 Plan included funding for access improvements to the Puyallup Sounder Station. During the process of refining the projects included in the ST2 plan, the Sound Transit Board responded to community concerns by calling for a Sounder Access and Demand Study. The study evaluated potential access improvements to eight existing Sounder stations including Puyallup. The study provided a range of potential access improvement projects that Sound Transit could implement in full or in part, that would allow riders to use alternative modes of travel to the Puyallup Station.

The Puyallup project consists of two primary scopes of work:

1. The “on-site” improvements consist of the new parking garage, surface parking lot and pedestrian bridge. On-site improvements and Transfer to Sound Transit for care and custody of the facility is anticipated for May 2022.
2. The “off-site” improvements consist of new traffic intersection signalization, dedicated turn pockets and various sidewalk and pedestrian improvements and are all owned by the City of Puyallup. Elements of these off-site improvements are mitigations for the increased parking identified during environmental review. There are also train crossing improvements paid for by Sound Transit being implemented by the BNSF under a three-party agreement between Sound Transit, the BNSF and the City of Puyallup that interconnect with the traffic scope. Off-site improvements are anticipated to be completed by the fourth quarter of 2022.

The final permitting and design of the off-site traffic improvements was impacted by both an increase in scope during the rail crossing safety diagnostic process and extended permitting timeline. The extended design and permitting timeline delayed the ordering of required materials which have subsequently been impacted by supply chain issues. Current long lead elements include traffic signal cabinets and traffic signal heads. These impacts have resulted in a projected substantial completion date of May 2022, allowing for the turn-over of the garage, parking lot and pedestrian bridge to ST Operations, while the schedule for completing the off-site work is currently projected as Q4 2022, and remains highly dynamic.

This action increases the contract contingency with Hensel Phelps, the Design Build contractor, on the Puyallup Station Parking and Access Project. The increase is contained within the Proposed 2022 Budget Amendment Resolution No. R2022-10. Additional contingency funding is required to complete the project scope and maintain an appropriate level of project contingency through the open for service of the Puyallup Station Parking and Access Project, which is anticipated for Q4 2022.

Construction on the Puyallup Station Parking and Access Improvement is approximately 92 percent complete, with the garage and other on-site portions anticipated to be complete by May 2022, and transferred to Sound Transit Operations. Remaining work includes completion of off-site intersection signalization, interconnection with the BNSF railroad crossing signals, pedestrian crossing improvements, and the testing and commissioning of the improvements by the City of Puyallup.

Additional contingency is requested to allow resolution of outstanding change requests for extended period of performance and for changes that have been required for BNSF road crossings at 5th and 7th Streets; traffic intersection signalization at 4th and 7th Streets; and supply chain issues in obtaining signal and street light materials.

Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to increase the contract contingency for the Puyallup Station Parking and Access Improvements project construction contract with Hensel Phelps Construction Co. in the amount of \$2,200,000 for a new total authorized contract amount not to exceed \$52,800,000, contingent upon Board approval of the Proposed 2022 Budget Amendment for Puyallup through Resolution No. R2022-10.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on April 28, 2022.



Kent Keel
Board Chair

Attest:



Kathryn Flores
Board Administrator