Motion No. M2022-39

Contract for construction services for the Operations and Maintenance Facility Central Link Control Center HVAC Replacement with Western Ventures Construction Inc.

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<td>06/02/2022</td>
<td>Final action</td>
<td>Suraj Shetty, Executive Director of Operations</td>
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<td>Bruce Polnicky, Director, Operations Projects and Asset Management</td>
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<td>Tom McDonald, Deputy Director, Operations Project and Programs</td>
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Proposed action

Authorizes the chief executive officer to execute a contract with Western Ventures Construction, Inc. to provide construction services for the Operations and Maintenance Facility Central Link Control Center heating, ventilation, and air conditioning replacement in the amount of $3,200,000.

Key features summary

- The bid price for the work of this contract is 20.9 percent higher than the Sound Transit Independent Cost Estimate (ICE). Sound Transit Board approval of construction contracts is required when the bid price is 20 percent or more than the Independent Cost Estimate, in accordance with Resolution No. R2018-40, the Board’s Procurement, Agreements and Delegated Authority Policy. This matter is within the authority of this Board Committee.

- The Link Control Center (LCC) at the Operations and Maintenance Facility Central (OMFC) currently serves as the backup room for the main LCC which is located in the King County facility. The air conditioning system for the LCC room, server room, and adjoining office, operate independently from the remainder of the building.

- The scope of this contract consists of removing the existing air conditioning units inside the building within the LCC room and replacing this system with the new roof mounted heating, ventilation, and air conditioning (HVAC) system that will serve the LCC.

- If the HVAC system replacement is not performed in a timely manner, it will affect operations of the OMFC LCC and on the new expansion system starting in 2023.

- Upon review, the Sound Transit ICE did not take into account the schedule for contractor procurement of the equipment and construction in 181 days and the associated cost of risk, including liquidated damages if not completed within the schedule.

Background

This project consists of removing the existing air conditioning units (4 units total) located in the ceiling space above the LCC desk/computer consoles, and the Sound Transit server, and replacing these with a single HVAC unit with redundancy to be placed on the roof of the OMF Central Building. The existing
system is functionally obsolete, leaks and drips onto the desk below, and does not have the capacity to maintain the cooling in the LCC. The new HVAC system is designed for the proposed use of the room, and for expanded LCC room capacity in the future. The new system is designed such that maintenance of the system will not interfere with the operations inside the room because the mechanics of the system are maintained outside the room.

The Link expansion will require the King County facility to move to the OMFC facility as the main LCC, due to space and systems with current configuration.

The HVAC replacement is needed before King County Link light Rail operation moves from the existing LCC room to the OMFC LCC room by the end of 2022. This required an aggressive schedule for completion of the HVAC replacement at the OMFC LLC room.

**Procurement information**

The contract for OMFC LCC HVAC Replacement is the result of a publicly advertised Invitation for Bid (IFB). Two bids were received by Sound Transit; however, the initial apparent low bidder of $2,519,258.35 was declared non-responsive during the responsiveness and responsibility review. The apparent low bidder submitted a bid protest disagreeing with Sound Transit’s determination that it incorrectly completed the bid forms. After thorough review of the bid documents and solicitation, Sound Transit denied the bid protest. The award of this contract is recommended for the responsive and responsible low bidder, Western Ventures Construction, Inc. with a price of $3,200,000.

Sound Transit determined competition was adequate in this case because the price bid was not the basis of the nonresponsive bid determination. The lowest bid was rejected because the bidder failed to address the plumbing scope on its Subcontractor Listing Form, not based on price.

Even though the lowest responsive and responsible bid exceed the Independent Cost Estimate (ICE) by 20%, the price of the proposed award is considered fair and reasonable after consideration of competitive bids, consultation with the designer, and evaluation of the independent cost estimate. The estimate did not take into account the schedule required to for contractor to complete procurement of the equipment and construction in 181 days and the associated cost of risk, including liquidated damages considering the compressed schedule needed for end of year 2022 completion.

**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 OMFC LCC HVAC Replacement project is $4,203,602. Within that amount, $3,342,000 had been allocated to the construction phase for HVAC replacement. The action would commit an additional $3,200,000 to the construction phase and leave a project budget balance of $81,882. This action is affordable under the long-range plan.
**Disadvantaged and Small Business Participation**

**Participation by small businesses (SBEs) and disadvantaged business enterprises (DBEs)**

Sound Transit promotes and encourages small business participation, which also includes disadvantaged business enterprises (DBEs).

For this specific procurement, the goal of 16% SBE was set based on the availability of firms to perform the scopes of work noted in the ICE.

**Public involvement**

Not applicable to this action.

**Time constraints**

A one-month delay would not create a significant impact. The work is dependent on the LCC moved at the end of 2022 and any train testing startup on Eastlink or other Link facilities in 2023 and must be completed by December 2022.

**Environmental review** – KH 5/16/22

**Legal review** – JSA 5/27/22
Motion No. M2022-39

A motion of the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract with Western Ventures Construction, Inc. to provide construction services for the Operations and Maintenance Facility Central Link Control Center heating, ventilation, and air conditioning replacement in the amount of $3,200,000.

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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 execute a contract with Western Ventures Construction, Inc. to provide construction services for the Operations and Maintenance Facility Central Link Control Center heating, ventilation, and air conditioning replacement in the amount of $3,200,000.
APPROVED by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on ________________.

__________________________________________
Kristina Walker
Rider Experience and Operations Chair

Attest:

__________________________________________
Kathryn Flores
Board Administrator