

## Motion No. M2025-20

### Contract Modification for Construction Services for Stride Bus Rapid Transit Station Shelters, Furnishings, and Systems

| Meeting:                   | Date:    | Type of action:    | Staff contact:   |
|----------------------------|----------|--------------------|--|
| System Expansion Committee | 04/10/25 | Recommend to Board | Terri Mestas, Deputy CEO, Capital Delivery   |
| Board                      | 04/24/25 | Final action       | Manan Garg, Executive Director, Capital Delivery<br>Rick Capka, Acting Stride BRT Program Executive<br><b>Cynthia Padilla, Acting Deputy Program Executive, BRT Delivery</b> |

### Proposed action

Authorizes the chief executive officer to execute a contract modification to the construction contract with Hoffman Construction Company to provide General Contractor/Construction Manager services for Stride Bus Rapid Transit station shelters, furnishings, and systems in the amount of \$77,386,451, with a 12 percent contingency of \$9,286,374 totaling \$86,672,825 for a new total authorized contract amount not to exceed \$87,892,729.

### Key features summary

- The General Contractor/Construction Manager (GCCM) contracting method, as allowed under RCW 39.10, was selected based on certain characteristics for the work related to Stride Bus Rapid Transit Station Shelters, Furnishings, and Systems.
- Hoffman Construction Company (HCC) was selected to be the General Contractor/Construction Manager (GCCM) for the construction contract to fabricate, install and commission station shelters, communication systems, and furnishings for all 25 Stride station locations, and to install the battery electric bus inductive charging infrastructure at six locations across the three Stride service lines.
- After the selection in 2023, HCC began Preconstruction Services under the CEO's delegated authority, to support the development and completion of the modular station design, with constructability expertise provided by both the future station shelter fabricator and electrical subcontractor.
- In 2024, Sound Transit executed an Early Works GCCM Construction contract in the amount of the Maximum Allowable Construction Cost (MACC) amount of \$1,108,923 under the CEO's delegated authority to begin schedule critical work, including a shelter and pylon mock-up and long lead-time procurement of electrical switchgear for the battery electric bus charging infrastructure, for a total contract amount of \$1,219,904 including contingency.
- In accordance with the GCCM statute, Sound Transit and HCC negotiated the MACC for the full scope of the full construction contract, and this action would authorize the award of that remaining scope of work.

## Background

The Stride Bus Rapid Transit (BRT) program connects communities along the north, east, and south sides of Lake Washington with high-capacity transit along the I-405 and SR 522 corridors connecting to light rail in four locations. The Stride program is comprised of several overlapping construction contracts with schedules that must be coordinated to ensure on-time delivery of the three service lines of the program.

In 2023 Sound Transit procured and executed a contract with Hoffman Construction Company of Washington under CEO delegated authority, to provide GCCM Preconstruction Services for the Stations, Shelters, Furnishings and Systems for Stride BRT in the not to exceed amount of \$1,391,958 with a 10 percent contingency of \$139,196, for a total authorized contract amount not to exceed \$1,531,154.

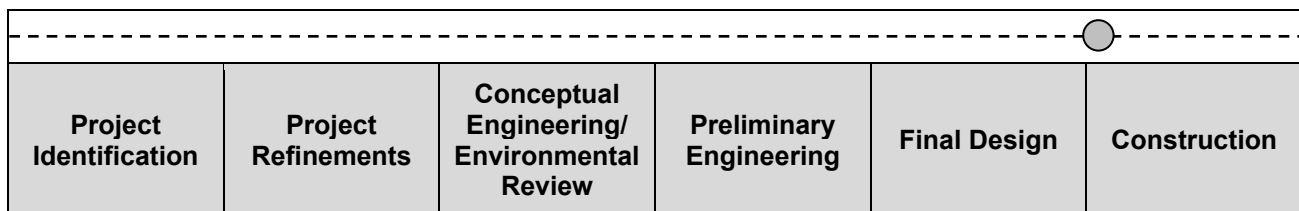
In 2024, Sound Transit executed an Early Works GCCM Construction contract in the amount not to exceed the Maximum Allowable Construction Cost (MACC) amount of \$1,108,923 under the CEO's delegated authority to begin schedule critical work, including a shelter and pylon mock-up and long lead-time procurement of electrical switchgear for the battery electric bus charging infrastructure, for a total authorized amount for the contract of \$1,219,904.

This construction contract is to fabricate, install and commission station shelters, communication systems, and furnishings for all 25 Stride station locations, and to install the battery electric bus inductive charging infrastructure at six locations across the three Stride service lines. Examples of platform elements include shelters for weather protection, pylons that identify Stride stations, real time arrival signage, fare vending equipment, benches, trash receptacles, and lighting.

Station concrete platforms, foundations, conduits, and other work below the surface of the platforms are being constructed or are planned for construction by various other civil contracts. Some of these contracts are managed by third party partners (e.g. WSDOT), and some contracts are managed by Sound Transit Stride BRT staff. Under the Preconstruction Services portion of the GCCM contract, HCC has provided scheduling services to assist Stride BRT staff with contract document development and coordination for other BRT contracts.

HCC is in the process of completing preconstruction services, and they are continuing work that is in the Early Works scope. The amount authorized for the Contract with this action is for the remaining work under the GCCM Contract that is anticipated to end in 2028.

## Project status



Projected completion date for Construction: Q4 2028

Current project status, performance metrics, and additional information are located on page 20 of the February 2025 System Expansion Monthly Status Report.

## Procurement information

The General Contractor Construction Manager (GCCM) contracting method is an alternative method allowed under Chapter 39.10 of the Revised Code of Washington. The Project Review Committee of the

State's Capital Project Advisory Review Board most recently recertified Sound Transit to use the GCCM procurement method in March 2024.

GCCM contract delivery was determined to be the most advantageous to Sound Transit for this contract based on the following characteristics for the Work:

- implementation of the work involves complex scheduling, phasing or coordination;
- the work involves construction at multiple facilities with small footprints, some at occupied facilities which must continue to operate during construction;
- the involvement of a General Contractor/Construction Manager during the design stage is critical to the success of the project; and
- the elements encompass a complex or technical work environment.

In 2023, Hoffman Construction Company (HCC) was selected through a combined qualification and price-based evaluation process. An initial preconstruction services contract was awarded to HCC with an opportunity for Sound Transit to negotiate a Maximum Allowable Construction Cost (MACC) and award a construction contract with that same successful Proposer when nearing completion of design.

The following is the procurement timeline:

- Q2 2023: Qualifications evaluation, interviews, price proposals, selection of higher ranked proposer
- Q3 2023: Pre-construction services contract execution in the amount of \$1,391,958.
- Q4 2024: Early Works GCCM construction contract awarded in the amount of \$1,108,923 with additional contingency of \$110,981.

The approval of this motion authorizes Sound Transit to execute a contract modification of \$77,386,451 that will result in a total GCCM Construction contract amount of \$78,495,374, with an additional 12 percent contingency of \$9,286,374. The total contingency for the contract will be \$9,397,355, which is the sum of the previously awarded Construction contract contingency, \$110,981, plus the 12 percent contingency authorized through this motion, \$9,286,374. The total construction contract amount plus the total contingency shall not exceed \$87,892,729.

This action authorizes the MACC for the remaining construction. The difference between the estimated MACC at the time of procurement in 2023, which was \$40,000,000, and the final MACC amount, \$63,252,000, is due a variety of factors, as listed below.

- Progression of design to final design of the project
- The Independent Cost Estimate at the release of RFQ in 2023 did not accurately reflect escalation as it had actually occurred
- Increased construction allowances to mitigate construction schedule risks and other construction coordination within the Stride BRT Program
- More construction work for a full platform at the 44th Station
- More construction work at the Bellevue Layover
- Supplementary passenger experience improvements at the Bellevue Transit Center.

When comparing the final independent cost estimate (ICE) with the final total cost of construction for this contract modification, the total cost of construction for this contract modification is twelve percent higher than the ICE. After several cost negotiation sessions with Hoffman to reconcile unit costs, project quantities, subcontract bid amounts, and allowances, Procurement with input from the project team has determined that the total cost of construction is fair and reasonable. Additionally, as a legal requirement,

when using the GCCM delivery method, subcontractor construction work must be competitively publicly procured. For this contract, six subcontractor construction trade packages were competitively procured and awarded to the lowest bidders. It has been determined that no federal funds will be involved in this contract, and that federal clauses that were included at the time of procurement and execution of Preconstruction Services portion of the GCCM contract related to federal funding are no longer necessary.

## Fiscal information

The cost and budget of this contract modification – totaling \$86,672,825 – is distributed across three projects based on scope of work:

- **Bus Base North:** \$16,467,836 for bus storing and charging functions, including layover site and on-route charging.
- **I-405 BRT:** \$39,869,500 for station-related work along the I-405 corridor, including the Bothell Transit Center.
- **SR522/NE 145<sup>th</sup> BRT:** \$30,335,489 for station-related work along the SR 522 and NE 145<sup>th</sup> corridor.

This action is funded by the current project budgets, and there is sufficient budget projected to fund the remaining work. The current project budgets are included in the existing Long Range Financial Plan.

The baseline budget for the **Bus Base North** project is \$499,500,000. Within the \$365,627,100 construction phase, \$17,000,000 has been allocated to the BT014 Stations Fit Up line item. The proposed action would commit \$16,467,836 to this line item and leave a balance of \$532,164.

### Bus Base North

(in thousands)

| Project Phase               | Total Baseline Budget | Board Approvals* | This Action     | Board Approved Plus Action | Uncommitted / (Shortfall) |
|-----------------------------|-----------------------|------------------|-----------------|----------------------------|---------------------------|
| Agency Administration       | \$42,045              | \$13,242         | \$0             | \$13,242                   | \$28,803                  |
| Preliminary Engineering     | 1,740                 | 1,617            | -               | 1,617                      | 123                       |
| Final Design                | 24,805                | 20,103           | -               | 20,103                     | 4,702                     |
| Third Party                 | 3,390                 | 127              | -               | 127                        | 3,263                     |
| Right of Way                | 39,180                | 36,433           | -               | 36,433                     | 2,747                     |
| Construction                | 365,627               | 6,152            | 16,468          | 22,620                     | 343,007                   |
| Construction Services       | 22,713                | 388              | -               | 388                        | 22,325                    |
| <b>Total Current Budget</b> | <b>\$499,500</b>      | <b>\$78,063</b>  | <b>\$16,468</b> | <b>\$94,531</b>            | <b>\$404,969</b>          |

### Phase Detail - Construction

|                       |                  |                |                 |                 |                  |
|-----------------------|------------------|----------------|-----------------|-----------------|------------------|
| BT014 Stations Fit Up | \$17,000         | \$             | \$16,468        | \$16,468        | \$532            |
| Other Construction    | 348,627          | 6,152          | -               | 6,152           | 342,475          |
| <b>Total Phase</b>    | <b>\$365,627</b> | <b>\$6,152</b> | <b>\$16,468</b> | <b>\$22,620</b> | <b>\$343,007</b> |

### Notes:

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

For detailed project information, see page 172 of the 2025 Adopted Budget & Financial Plan.

\* Board Approvals = Commitment and PO Contingency Remaining as of 12/31/2024.

The baseline budget for the **I-405 BRT** project is \$1,269,000,000. Within the \$973,522,646 construction phase, \$43,000,000 has been allocated to the BT014 Stations Fit Up line item. The proposed action would commit \$39,869,500 to this line item and leave a balance of \$3,130,500.

### I-405 Bus Rapid Transit

(in thousands)

| Project Phase               | Total Baseline Budget | Board Approvals* | This Action     | Board Approved Plus Action | Uncommitted / (Shortfall) |
|-----------------------------|-----------------------|------------------|-----------------|----------------------------|---------------------------|
| Agency Administration       | \$59,324              | \$28,189         | \$0             | \$28,189                   | \$31,135                  |
| Preliminary Engineering     | 43,013                | 42,892           | -               | 42,892                     | 122                       |
| Final Design                | 31,322                | 26,148           | -               | 26,148                     | 5,174                     |
| Third Party                 | 5,670                 | 1,546            | -               | 1,546                      | 4,124                     |
| Right of Way                | 42,060                | 34,126           | -               | 34,126                     | 7,934                     |
| Construction                | 973,523               | 657,362          | 39,870          | 697,231                    | 276,292                   |
| Construction Services       | 27,468                | 2,366            | -               | 2,366                      | 25,101                    |
| Vehicles                    | 86,620                | 84,385           | -               | 84,385,048.00              | 2,235                     |
| <b>Total Current Budget</b> | <b>\$1,269,000</b>    | <b>\$877,014</b> | <b>\$39,870</b> | <b>\$832,498</b>           | <b>\$349,882</b>          |

#### Phase Detail - Construction

|                       |                  |                  |                 |                  |                  |
|-----------------------|------------------|------------------|-----------------|------------------|------------------|
| BT014 Stations Fit Up | \$43,000         | \$               | \$39,870        | \$39,870         | \$3,131          |
| Other Construction    | 930,523          | 657,362          | -               | 657,362          | 273,161          |
| <b>Total Phase</b>    | <b>\$973,523</b> | <b>\$657,362</b> | <b>\$39,870</b> | <b>\$697,231</b> | <b>\$276,292</b> |

#### Notes:

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

For detailed project information, see page 168 of the 2025 Adopted Budget & Financial Plan.

\* Board Approvals = Commitment and PO Contingency Remaining as of 12/31/2024.

The baseline budget for the **SR522/NE145th BRT** project is \$581,500,000. Within the \$322,404,658 construction phase, \$31,056,000 has been allocated to the BT014 Stations Fit Up line item. The proposed action would commit \$30,335,489 this line item and leave a balance of \$720,511.

### SR 522/NE 145th Bus Rapid Transit

(in thousands)

| Project Phase               | Total Baseline Budget | Board Approvals* | This Action     | Board Approved Plus Action | Uncommitted / (Shortfall) |
|-----------------------------|-----------------------|------------------|-----------------|----------------------------|---------------------------|
| Agency Administration       | \$50,915              | \$21,719         | \$0             | \$21,719                   | \$29,196                  |
| Preliminary Engineering     | 15,420                | 15,331           | -               | 15,331                     | 89                        |
| Final Design                | 45,655                | 39,680           | -               | 39,680                     | 5,975                     |
| Third Party                 | 6,560                 | 2,032            | -               | 2,032                      | 4,528                     |
| Right of Way                | 79,895                | 25,174           | -               | 25,174                     | 54,721                    |
| Construction                | 322,405               | 44,732           | 30,335          | 75,067                     | 247,337                   |
| Construction Services       | 26,920                | 388              | -               | 388                        | 26,532                    |
| Vehicles                    | 33,730                | 29,611           | -               | 29,610,952.00              | 4,119                     |
| <b>Total Current Budget</b> | <b>\$581,500</b>      | <b>\$178,668</b> | <b>\$30,335</b> | <b>\$179,393</b>           | <b>\$368,377</b>          |

#### Phase Detail - Construction

|                       |                  |                 |                 |                 |                  |
|-----------------------|------------------|-----------------|-----------------|-----------------|------------------|
| BT014 Stations Fit Up | \$31,056         | \$              | \$30,335        | \$30,335        | \$721            |
| Other Construction    | 291,349          | 44,732          | -               | 44,732          | 246,617          |
| <b>Total Phase</b>    | <b>\$322,405</b> | <b>\$44,732</b> | <b>\$30,335</b> | <b>\$75,067</b> | <b>\$247,337</b> |

#### Notes:

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

For detailed project information, see page 169 of the 2025 Adopted Budget & Financial Plan.

\* Board Approvals = Commitment and PO Contingency Remaining as of 12/31/2024.

## 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 construction contract, the following goals were set, and the successful Bidder/Proposer has committed to the following small business/DBE participation:

| Small business and disadvantaged business enterprise (DBE) goals |  |
|--|--|
| Sound Transit small business goal: 0%                            | Small business commitment: 0%  |
| DBE goal: 6%   | DBE commitment: 10.93%<br>*Contract has been defederalized. DBE commitment will be tracked toward small business inclusion |

## Apprentice utilization commitment

Sound Transit promotes and encourages utilization of apprentices registered with the Washington State Apprenticeship and Training Council. For this contract, the following goals were set, and Hoffman has committed to a 20% apprentice utilization rate as outlined for total Contract labor hours utilized on the contract.

| Apprentice utilization           |                 |
|----------------------------------|-----------------|
| Apprentice utilization goal: 20% | Commitment: 20% |

## Public involvement

The stakeholder outreach for the Stride stations contract has been closely aligned with the outreach for the respective Bus Base North, I-405 and SR 522/NE 145th BRT projects. The Stride team has provided stakeholders with ongoing information on the design and eventual construction of the station platforms along the project alignments throughout project development and final design. This information has included all work at the BRT stations.

The Stride team has engaged with businesses, residents, business development associations, City agency staff, interagency groups (IAG), elected leaders (ELGs, City Councils, and Board members), media representatives, attendees of fairs and festivals and workshops, and various other venues.

The Stride team will continue to communicate with communities and stakeholders along each of the project corridors to provide updates on construction activities and schedules.

## Time constraints

A one-month delay would not create a significant impact to the program schedule.

## Prior Board/Committee actions

Resolution No R2023-19: Adopted the SR522/NE 145th Street Stride Bus Rapid Transit project baseline schedule and budget by (a) increasing the authorized project allocation to-date by \$330,851,655 from \$250,648,345 to \$581,500,000, (b) decreasing the annual allocated budget by \$21,653,035 from \$82,341,035 to \$60,688,000, and (c) establishing the project open for service date of Q2 2028 for the S3 Line.

Resolution No R2023-18: Adopted the I-405 Stride Bus Rapid Transit project baseline schedule and budget by (a) increasing the authorized project allocation to-date by \$402,618,123 from \$866,381,877 to \$1,269,000,000, (b) decreasing the annual allocated budget by \$45,806,704 from \$167,827,704 to

\$122,021,000, and (c) establishing the project open for service dates of Q3 2028 for the S1 Line and Q2 2029 for the S2 Line.

Resolution No R2023-17: Adopted the Bus Base North Stride Bus Rapid Transit project baseline schedule and budget by (a) increasing the authorized project allocation to-date by \$216,463,500 from \$283,036,500 to \$499,500,000, (b) decreasing the annual allocated budget by \$2,593,000 from \$23,921,000 to \$21,328,000, and (c) establishing the project open for service date of Q4 2027.

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**Environmental review – KH 3/24/25**

**Legal review – JSA 4/4/25**

## **Motion No. M2025-20**

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract modification to the construction contract with Hoffman Construction Company to provide General Contractor/Construction Manager services for Stride Bus Rapid Transit station shelters, furnishings, and systems in the amount of \$77,386,451, with a 12 percent contingency of \$9,286,374 totaling \$86,672,825 for a new total authorized contract amount not to exceed \$87,892,729.

### **Background**

The Stride Bus Rapid Transit (BRT) program connects communities along the north, east, and south sides of Lake Washington with high-capacity transit along the I-405 and SR 522 corridors connecting to light rail in four locations. The Stride program is comprised of several overlapping construction contracts with schedules that must be coordinated to ensure on-time delivery of the three service lines of the program.

In 2023 Sound Transit procured and executed a contract with Hoffman Construction Company of Washington under CEO delegated authority, to provide GCCM Preconstruction Services for the Stations, Shelters, Furnishings and Systems for Stride BRT in the not to exceed amount of \$1,391,958 with a 10 percent contingency of \$139,196, for a total authorized contract amount not to exceed \$1,531,154.

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This construction contract is to fabricate, install and commission station shelters, communication systems, and furnishings for all 25 Stride station locations, and to install the battery electric bus inductive charging infrastructure at six locations across the three Stride service lines. Examples of platform elements include shelters for weather protection, pylons that identify Stride stations, real time arrival signage, fare vending equipment, benches, trash receptacles, and lighting.

Station concrete platforms, foundations, conduits, and other work below the surface of the platforms are being constructed or are planned for construction by various other civil contracts. Some of these contracts are managed by third party partners (e.g. WSDOT), and some contracts are managed by Sound Transit Stride BRT staff. Under the Preconstruction Services portion of the GCCM contract, HCC has provided scheduling services to assist Stride BRT staff with contract document development and coordination for other BRT contracts.

HCC is in the process of completing preconstruction services, and they are continuing work that is in the Early Works scope. The amount authorized for the Contract with this action is for the remaining work under the GCCM Contract that is anticipated to end in 2028.

The General Contractor/Construction Manager (GCCM) contracting method, as allowed under RCW 39.10, was selected based on certain characteristics for the work related to Stride Bus Rapid Transit Station Shelters, Furnishings, and Systems.

Hoffman Construction Company (HCC) was selected to be the General Contractor/Construction Manager (GCCM) for the construction contract to fabricate, install and commission station shelters,



communication systems, and furnishings for all 25 Stride station locations, and to install the battery electric bus inductive charging infrastructure at six locations across the three Stride service lines.

After the selection in 2023, HCC began Preconstruction Services under the CEO's delegated authority, to support the development and completion of the modular station design, with constructability expertise provided by both the future station shelter fabricator and electrical subcontractor.

In 2024, Sound Transit executed an Early Works GCCM Construction contract in the amount of the Maximum Allowable Construction Cost (MACC) amount of \$1,108,923 under the CEO's delegated authority to begin schedule critical work, including a shelter and pylon mock-up and long lead-time procurement of electrical switchgear for the battery electric bus charging infrastructure, for a total contract amount of \$1,219,904 including contingency.

In accordance with the GCCM statute, Sound Transit and HCC negotiated the MACC for the full scope of the full construction contract, and this action would authorize the award of that remaining scope of work.

**Motion**

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract modification to the construction contract with Hoffman Construction Company to provide General Contractor/Construction Manager services for Stride Bus Rapid Transit station shelters, furnishings, and systems in the amount of \$77,386,451, with a 12 percent contingency of \$9,286,374 totaling \$86,672,825 for a new total authorized contract amount not to exceed \$87,892,729.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on \_\_\_\_\_.

\_\_\_\_\_  
Dave Somers  
Board Chair

**Attest:**

\_\_\_\_\_  
Kathryn Flores  
Board Administrator