

## SOUND TRANSIT

### MOTION NO. M99-47

#### *Souder* Auburn Commuter Rail Station Construction Contract Award BACKGROUND AND COMMENTS

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	7/15/99	Action	Paul Price Val Batey	206 398-5111 206 398-5117

#### **ACTION:**

To authorize the Executive Director to execute a contract for construction of the Souder Auburn commuter rail station. The requested authorization is for a contract award to Magnolia Contractors, Inc., the lowest responsive and responsible bidder, in the amount of \$4,274,950 plus a contingency amount of 15% (\$641,242), for a total amount not to exceed \$4,916,192.

#### **BACKGROUND:**

The Auburn Commuter Rail Station is one of the seven initial stations to be built for the Tacoma-to-Seattle line. The station is projected to serve up to 900 daily boardings by 2010. The station will also serve as the designated Transit Hub for King County Metro bus service in south King County. King County Metro staff has been consulted throughout the design process, and has reviewed and approved the design for the station. King County Metro has committed \$1.5 million from the Transit Hub budget (\$600,000 of which is a grant from the Transportation Improvement Board) to the construction of the facility. The commitment of these funds will be formalized through a three party agreement (Sound Transit, King County Metro, and City of Auburn) to come before the Finance Committee in August.

Design of the Auburn Station was completed in May 1999 by the station design team led by Anil Verma Associates of Kirkland, Washington. The construction documents were advertised for bid on May 20, 1999. Nine bids were received. Bids were opened on June 29, 1999. Magnolia Contractors, Inc. was determined to be the lowest responsive and responsible bidder.

Construction management services will be separately provided by O'Brien-Kreitzberg, Inc., under a separate contract approved by the Board on April 22, 1999 (Motion No. M99-20).

#### **RELEVANT BOARD POLICIES AND PREVIOUS ACTIONS TAKEN:**

- ◆ Adoption of Sound Move, the Ten-Year Regional Transit System Plan (May 31, 1996)  
Sound Move calls for the implementation of Commuter rail service within 2 to 4 years of voter approval.
- ◆ Resolution No. R98-41, authorizing contract for design of the Auburn commuter rail station (July 23, 1998)

- ◆ Motion No. M98-81 of the Finance Committee, approving award of final design contracts for the Tacoma to Seattle Commuter Rail Stations (November 5, 1998)
- ◆ Resolution No. R98-49, adopting the fiscal year 1999 budget, providing \$10.5M for the implementation of the Auburn commuter rail station of which \$3.066M is available for construction and \$1.699M is available for construction contingencies (November 12, 1998)
- ◆ Motion No. M99-20, authorizing a contract with O'Brien-Kreitzberg for construction management services at commuter rail stations (April 22, 1999)

**COST:**

The amount of the contract to be awarded is \$4,274,950. The Board's authorization will also make a maximum 15% contingency fund available (\$641,242), for a total authorization of \$4,916,192.

The 15% contingency is requested because the construction contract scope covers removal of hazardous materials as part of the demolition of existing structures on the station site. Staff have endeavored to estimate as accurately as possible, through environmental site audits, the extent of the hazardous materials to be removed from the site. However, because of the age of the structures and the lack of complete records on the improvements made to the structures and activities over the years on these sites, staff feel that there is some degree of uncertainty remaining as to the extent and type of all the hazardous materials that will be encountered in the demolition and site work required to build the Auburn station.

With Finance Committee approval, staff will have authority to approve expenditures above the contract award through change orders or contract modifications, up to the maximum contingency amount (\$641,242). If expenditures beyond the 15% contingency limit are required, that matter will be brought before the Finance Committee for additional approval.

**FUNDING:**

<b>Auburn Station</b>	<b>Construction Contract</b>	<b>Contingency for Construction</b>	<b>Total</b>	<b>Percent of Total</b>
King Co. Metro contribution	\$1.500M			
Approved ST 1999 Budget	+ \$3.066M			
Budget incl. King Co. \$	\$4.566M	\$1.699M	\$6.265M	100%
<b>Proposed in this Motion (M99-47)</b>	<b>- \$4.275M</b>	<b>- \$0.642M</b>	<b>- \$4.916M</b>	<b>78%</b>
Remainder	\$0.291M	\$1.057M	\$1.348M	22%

The approved 1999 Sound Transit Budget includes funding for this construction contract. The overall Auburn Station budget approved by the Board of Directors is \$10.5M (1999 Sound Transit Budget, page 67). Of that total approved budget, \$3.066M is available for station construction. This amount will be supplemented by a commitment of \$1.5 M from King County Metro for the transit hub element of the station, for a total construction budget of \$4,566,000. The total available contingency in the Auburn Station budget is \$1.699M resulting in a total available funding for construction and contingency for construction of \$6.265M.

The maximum amount of this requested authorization (\$4,916,192) represents 78% of the total current available funding for Auburn station construction (\$6,265,000).

If the amount King County Metro has committed to the project for a transit hub facility was not transferred to Sound Transit for the construction of this project, Sound Transit would have an approved construction budget of \$3.066M. A change order would have to be issued to delete the transit hub portion from the commuter rail station project. The deletion of the transit hub facility (a bus-only street, bus patron shelters, signage, lighting, benches, landscaping, etc.) would allow the remainder of the commuter rail station facility to be built within the approved \$3.066M construction budget.

**EXECUTIVE SUMMARY:**

The award of this contract provides for the lowest responsive and responsible bidder to construct the Auburn Station on the Tacoma-to Seattle commuter rail line.

**SCOPE OF WORK:**

Perform construction of the Auburn Station in accordance with the bid documents (designs, specifications) and contract. Major components of the Auburn Station include two platforms, wheelchair accessible platforms, canopies for weather protection, a clock tower, an exclusive bus lane with canopy shelters adjacent to the train platform, bicycle lockers and racks, lighting for convenience, safety and security, landscaping, surface parking, and various street and pedestrian improvements to improve and enhance access to the station. King County Metro has designated Auburn as a Transit Hub for south King County bus service. King County Metro has committed \$1.5M to the Auburn Station budget in order that the required facilities for such a hub are incorporated into the Auburn Station design.

**PROCUREMENT PROCESS:**

Construction services were solicited by Sound Transit via an invitation for bid (IFB) issued on May 20, 1999. Nine interested firms submitted bids, and these were opened on June 29, 1999. The Engineer's Estimate for the project is \$4,297,763. The Engineer's Estimate is the Sound Transit estimate of the expected construction cost, based on the final design of the station. The estimate draws on a variety of resources including prevailing wages, regional prices for materials, sales tax information, schedules, estimating manuals, and recent local experience on similar work.

The bidders listed in order of bid price, from lowest to highest, are listed in the table below:

<b>Bidder</b>	<b>Bid Price</b>
Magnolia Contractors, Inc.	\$4,274,950
Lugo Construction	\$4,325,789
Lumpkin General Contractor	\$4,371,639
Gary Merlino Construction Co.	\$4,375,000
Harbor Pacific Construction	\$4,390,000
Robinson Construction Inc.	\$4,439,000
Cree Construction Co.	\$4,457,750
Mid-Mountain Construction	\$4,496,722
C.A. Carey	\$4,830,000

Magnolia Contractors, Inc., the low bidder, was determined to be responsive and responsible.

### **SMALL BUSINESS PARTICIPATION:**

Sound Transit promotes and encourages small business participation, which may include minority and women-owned businesses, disadvantaged business enterprises and businesses owned by persons with disabilities. Sound Transit is interested in bids that involve the use of small businesses as prime contractors, joint venture partners, subcontractors and suppliers serving commercially useful functions.

The following goal has been established by Sound Transit's Diversity Program for small business participation: 25% of total bid price.

Magnolia Contractors, Inc. is a certified Small Business and a certified Minority Business Enterprise (MBE). Magnolia Contractors, Inc.'s stated small business goal for this contract is 25.6%, which exceeds Sound Transit's goal. The certified Small Businesses listed on the Bid Form include landscaping, pipeline boring, fencing, and steel structures.

### **ALTERNATIVES:**

At least three alternative actions exist:

- 1) Request new bids on this project in hopes of a better bid price, although the lowest bid came in under Sound Transit's estimate for the job.
- 2) Reject the bid, and repackage Sound Transit's work at Auburn Station to delete the King County Metro transit hub portion for a separate bid process. The transit hub portion of the station could be added as a change order at a later date, after an agreement has been formalized with King County.
- 3) Take no action at this time.

It is not the recommendation of staff to request new bids for this work.

Re-packaging the request for bids as a separate project without the transit hub facility is possible. It would require additional design costs to separate the transit facility from the commuter rail portion of the station. There is an economy of scale achieved by bidding one comprehensive design for a combined transit hub and rail station that would be lost if the transit hub were to be segregated out.

### **LEGAL REVIEW:**

The Legal Department has reviewed and approved the Background and Comments and Motion.

**SOUND TRANSIT**

**MOTION NO. M99-47**

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a contract with Magnolia Contractors, Inc., for construction of the Sounder Auburn commuter rail station in the amount of \$4,274,950 plus a contingency amount of 15% (\$641,242) for a total amount not to exceed \$4,916,192.

**Background:**

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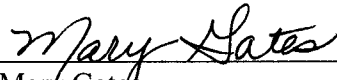
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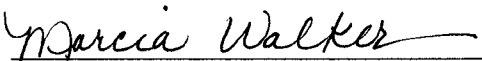
**Motion:**

It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to execute a contract with Magnolia Contractors, Inc. for construction of the Auburn station in the amount of \$4,274,950, plus a 15% contingency for a total amount not to exceed \$4,916,192.

Approved by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof on the 15th day of July, 1999.

  
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Mary Gates  
Finance Committee Vice Chair

ATTEST:

  
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Marcia Walker  
Board Administrator