

SOUND TRANSIT

MOTION NO. M2000-23

Sounder Puyallup Commuter Rail Station Construction Contract Award BACKGROUND AND COMMENTS

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	3/2/00	Discussion/Possible Action	Paul W. Price John L. Hubbard	(206) 398-5111 (253) 581-8137

ACTION:

Approval of Motion No. M2000-23 would authorize the Executive Director to execute a contract for construction of the Sounder Puyallup commuter rail station. The requested authorization is for a contract awarded to Lugo Construction, Inc., the apparent lowest responsive and responsible bidder, in the amount of \$3,357,486 plus a contingency amount of 10% (\$335,749) for a total amount not to exceed \$3,693,235.

BACKGROUND:

The Puyallup Commuter Rail Station is one of seven initial stations to be built for the Tacoma-to-Seattle line. The station is projected to serve up to 400 daily boardings by 2010. The station will also serve as a transit station for Pierce Transit and Sound Transit bus service.

Sounder commuter rail service in the Tacoma-to Seattle corridor is planned to start in September 2000. Design of the Puyallup station was completed on November 17, 1999 by the station design team led by Merritt + Pardini of Tacoma, Washington. The construction documents were advertised for bid on December 27, 1999. Fourteen bids were received. Bids were opened on February 22, 2000. Lugo Construction, Inc. is the apparent lowest responsive bidder.

Construction management services will be 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:

- ◆ Resolution No. R98-41, authorizing contract for preliminary design of the Puyallup 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. R99-33, adopting the fiscal year 2000 budget, providing \$12.074M for the implementation of the Puyallup commuter rail station of which \$5,247,494 is available for construction and \$146,000 is available for contingencies (November 18, 1999)
- ◆ 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 this contract is not to exceed \$3,357,486. The Finance Committee's authorization will also make a maximum 10% contingency fund available, for a total authorization of \$3,693,235.

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 (\$335,749). If expenditures beyond the 10% contingency limit are required, that matter will be brought before the Finance Committee for additional approval.

FUNDING:

Funding for this contract is included in Sound Move Plan and in the Sounder station budgets, as reflected in the approved 2000 Budget (see Resolution No. R99-33, November 18, 1999). The construction amount budgeted for Sounder's Puyallup Commuter Rail station is \$5,950,000, as shown on page 93 of the budget document. Thus, as shown in the table below, the amount of this requested authorization is within current available funding. Committing these funds does not endanger any other project elements that are to be funded out of the construction phase.

SOUNDER COMMUTER RAIL – PUYALLUP STATION
CONSTRUCTION BUDGETS, EXPENDITURES AND COMMITMENTS

Sounder Commuter Rail Station/Project #	2000 Approved Ten-Year Construction Budget ¹	Life-to-Date Expenditures and Outstanding Commitments ²	Pending Board and Finance Committee Decisions	Budget Available (A-B-C)	Proposed Board Action ³
	A	B	C	D	E
Puyallup Sta.#243	\$ 5,950,000	\$ 702,506	\$ 0	\$ 5,247,494	\$ 3,693,235

¹Resolution R99-33 approved the 2000 Budget on November 18, 1999

²Actuals are as of November 30, 1999

³Including Contingency of 10%

The maximum amount of this requested authorization (\$3,693,235) represents 70 % of the total current available funding for Puyallup station construction (\$5,247,494).

EXECUTIVE SUMMARY:

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

Scope of work:

Perform construction of the Puyallup Station in accordance with the bid documents (designs, specifications) and contract. Major components of the Puyallup Station include an open-air depot like structure, two 600" platforms with canopies, parking lots on the north and south sides of the tracks, shelters, wheelchair accessible platforms, ticket vending machines, landscaping, passenger safety and security, lighting and transfer areas to access Pierce Transit and Sound Transit buses.

Procurement process:

Construction services were solicited by Sound Transit via an invitation for bid (IFB) issued December 27, 1999. IFB No. RTAKR 68-99 interested firms submitted bids, and these were opened on February 22, 2000. The Engineer's Estimate for the project is \$4,241,000. 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 list of bidders, their bid price, and ranking is attached to this background and comments. Lugo Construction, Inc., the low bidder, was determined to be responsive and responsible.

Project Labor Agreement:

This is the first commuter rail station bid by this agency under the new project labor agreement.

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.

Lugo Construction, Inc.'s stated small business goal for this contract is 25.4%, which exceeds Sound Transit's goal. The certified Small Businesses listed on the Bid Form include concrete, demolition, steel fabrication and rebar supply and installation.

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 the Engineer's estimate for the job.
2. Reject the bid, and repackage Sound Transit's work at Puyallup Station.
3. Take no action at this time.

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

CONSEQUENCES OF DELAY:

Because Lugo Construction, Inc. is the low responsive and responsible bidder, there are no obvious alternatives at this time to awarding this contract. Delay would likely increase costs due to inflation.

LEGAL REVIEW:

MBL 2/23/00.

SOUND TRANSIT

MOTION NO. M2000-23

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a contract for construction of the Sounder Puyallup commuter rail station with Lugo Construction, Inc., in the amount of \$3,357,486, plus a contingency amount of 10% (\$335,749) for a total amount not to exceed \$3,693,235.

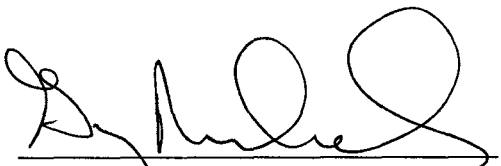
Background:

Sounder commuter rail service in the Tacoma-to Seattle corridor is planned to start in September 2000. Design of the Puyallup Station was completed on November 17, 1999. The construction documents were advertised for bid on December 27, 1999. Bids were opened on February 16, 2000. Lugo Construction, Inc. was determined to be the lowest responsive and responsible bidder.

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 Lugo Construction, Inc., for construction of the Puyallup station in an amount of \$3,357,486, plus a 10% contingency for a total amount not to exceed \$3,693,235.

Approved by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof on the 2nd day of March, 2000.



Greg Nickels
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator