

## STAFF REPORT

### SOUND TRANSIT MOTION NO. M2001-31

#### Contract Amendment with O'Brien Kreitzberg for Construction Management Services for Sounder Commuter Rail Stations

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	4/5/01	Deferred	Paul Price, Director	(206) 389-5111
Finance Committee	4/19/01	Discussion/Possible Action	Robert Sundin, Construction Program Manager	(206) 389-5118

#### **PROPOSED ACTION**

The proposed action authorizes the Executive Director to execute a contract amendment to Contract Number RTA/CR 08-99 for professional services with O'Brien Kreitzberg, Inc. for construction management services for the Sounder Tacoma-to-Seattle segment commuter rail stations increasing the original authorized contract amount of \$2,156,255 by \$2,253,191, plus a 5% contingency of \$112,660 for a new total authorized contract amount not to exceed \$4,522,106. A transfer from the operating budget of the 2001 Adopted Budget for Commuter Rail to the construction line items of the respective station projects is authorized by this action.

#### **KEY FEATURES**

##### **Highlights of Proposed Action:**

- ◆ Authorizes the Executive Director to execute a contract amendment to Contract Number RTA/CR 08-99 for professional services with O'Brien Kreitzberg, Inc. for construction management services for the Sounder Tacoma-to-Seattle segment commuter rail stations increasing the original authorized contract amount of \$2,156,255 by \$2,253,191, plus a 5% contingency of \$112,660 for a new total authorized contract amount not to exceed \$4,522,106. A transfer from the operating budget of the 2001 Adopted Budget for Commuter Rail to the construction line items of the respective station projects is authorized by this action.
- ◆ Amends the existing professional service contract with O'Brien Kreitzberg, Inc. to complete the construction management for the Tukwila, Auburn, Kent, Sumner, Puyallup and Tacoma Stations, currently nearing contract completion.
- ◆ Increases the scope of the original contract to include Phase 2 construction contracts at the Auburn, Kent and Sumner station sites
- ◆ Approval of this motion will create a line-item shortfall for the station projects referenced in the budget section that follows. This shortfall is covered in the Cost-to-Complete discussion before the Board, where cost savings are identified in the operating budget for transfer to capital projects. The overall Sounder-approved Budget for the year 2001 will not be exceeded as a result of this action.

## DISCUSSION

By Motion M99-20 dated April 22, 1999, the Board authorized contract No. RTA/CR 08-99 with O'Brien Kreitzberg Inc., to provide construction management services for the initial construction of the Seattle to Tacoma commuter rail stations.

The amendment is required to perform additional construction management services due to extended station construction schedules. The amendment also increases the scope of the original contract to cover construction management for the Kent and Auburn design-build garages, Phase 2 Kent and Auburn station construction, and the temporary stations at Tukwila and Tacoma Dome.

The action would amend the existing professional service contract with O'Brien Kreitzberg, Inc. to complete the construction management for the Tukwila, Auburn, Kent, Sumner, Puyallup and Tacoma Stations, currently nearing contract completion. These stations have extended construction periods due to delays associated with the BNSF/ST Operating Agreement and building permits as discussed in previous Board Motion No. M2000-60 and Motion No. M2000-75.

The action also increases the scope of the original contract to include Phase 2 construction contracts at the Auburn, Kent and Sumner station sites. The second stage construction management service was not incorporated into the original Construction Management contract because the work was not approved in March 1999 when the current contract was awarded.

The work performed to date includes providing extra services to assist Sound Transit during the design completion and property and permit acquisition. The management of the construction phase of the projects was impacted by the delays of the BNSF construction agreement, building permit delays and I-695 related redesign efforts at Auburn station with the elimination of WSDOT funding associated with the third mainline track. The current station status and construction contracts costs are as follows:

- Auburn Commuter Rail Station – The station opened for commuter rail services on September 18, 2000. Construction completed 12/01/2000 at \$5,459,706.
- Kent Commuter Rail Station – The station is complete and opened February 5, 2001. Contract amount is \$4,200,000.
- Sumner Commuter Rail Station – The station opened for commuter rail services with partial service started September 18, 2000, and full service on February 5, 2001. Contract was completed in March 2001. Contract amount is \$3,938,770.
- Puyallup Commuter Rail Station – The station is under construction with partial service that started February 5, 2001, and construction completion in May 2001. Contract amount is \$3,693,235. (Pending Board Motion – would increase to \$5,693,235.
- Tacoma Temporary Station – The temporary station opened for service September 18, 2000, contract completion in December 2000. Contract amount was \$197,375.

The proposed action will allow Sound Transit to continue to utilize the services of O'Brien Kreitzberg to provide construction management of the ongoing construction through the closeout phase of the contracts. Authorization to increase the budget for this contract is needed to complete the work on the initial construction contracts to account for the actual versus

planned duration of construction, and for the management of projects that were not included in the original contract authorization for construction management services.

The following is a list of projects included in the increased scope of the contract for construction management services:

• Tukwila Temporary station construction -	\$645,535
• Tacoma Dome Temporary station construction	\$197,375
• Kent garage site building demolition -	\$108,000
• Kent garage site fuel storage tank removal and cleanup -	\$40,000
• Kent garage design-build contract -	\$7,993,445
• Kent Pedestrian bridge and street improvements contract -	\$2,300,000
• Auburn garage design-build contract -	\$8,148,830
• Auburn pedestrian bridge, plaza and passenger drop-off zone -	<u>\$2,200,000</u>
Total	<u>\$21,633,185</u>

This is a total increase of more than \$21 million of construction to be managed under the provisions of the current contract.

**Table 1 - Impact of Action on O'Brien Kreitzberg Contract**

Current Contract Value Not to Exceed <sup>1</sup>	Proposed Action Cost for Amendment (including 5% contingency)	Proposed Total Contract Value - Not to Exceed
(A)	(B)	(C) = (A+B)
\$ 2,156,255	\$ 2,365,851	\$ 4,522,106

<sup>1</sup> See Motion M99-20 of 4/22/99.

**BUDGET**

Funding for this contract change order corresponds to budget in the construction phases of the respective stations in the Seattle-to-Tacoma corridor, as shown in the adopted 2001 Budget, on pages 94-99. Committing these funds impacts other project elements that are to be funded out of the respective phases. The "Cost-to-Complete" discussion addresses these impacts.

Approval of this motion will create a line-item shortfall for the station projects referenced in the budget section that follows. This shortfall is covered in the Cost-to-Complete discussion before the Board, where cost savings are identified in the operating budget for transfer to capital projects. The overall Sounder-approved Budget for the year 2001 will not be exceeded as a result of this action. Specific line items in the capital budget will be adjusted upon board approval of a budget amendment following the Cost-to-Complete discussion to reconcile specific budget line items.

The shortfall for this effort is directly related to additional construction related work scope environmental work required in this corridor as mentioned in the previous section. As is evident in the table below, there is a budget shortfall for the Sumner, Puyallup and Auburn stations; this shortfall is addressed by the budget amendment associated with the proposed motion Cost-to-Complete discussion paper currently before the Board. The following table reflects budget

currently available and how it compares with the corresponding expenditures, commitments and this action, by station.

**Table 2 – Impact of Motion on Seattle-Tacoma Station Construction Budgets**

Station	Total Station Construction Budget <sup>1</sup> (A)	Expenditures thru 2/28/01 (B)	Commitments thru 2/28/01 (C)	Total Amount Requested (D)	Shortfall* or Surplus (E)=(A-B-C-D)
Tukwila-#235	\$ 5,500,000	\$ 1,367,682	\$ 883,939	\$ 119,627	\$ 3,128,752
Kent - #237	\$ 17,051,000	\$ 6,839,392	\$ 8,138,634	\$ 775,545	\$ 1,297,429
Auburn-#239	\$ 15,990,000	\$ 8,422,076	\$ 7,334,742	\$ 571,273	(\$ 338,091) <sup>2</sup>
Sumner-#241	\$ 5,194,000	\$ 4,892,020	\$ 574,657	\$ 367,785	(\$ 640,462) <sup>2</sup>
Puyallup#243	\$ 5,123,000	\$ 3,804,930	\$ 1,058,690	\$ 334,794 <sup>3</sup>	(\$ 75,413) <sup>2</sup>
TacomaDome #245	\$ 9,685,000	\$ 1,047,863	\$ 944,890	\$ 104,168	\$ 7,588,079
Seattle-Tacoma Total	\$ 58,543,000	\$ 26,373,962	\$18,935,552	\$ 2,365,851	N/A
	<b>*Amount of Shortfall</b>	<b>Funding Sources/Potential Revenue</b>			
	\$ 1,053,966 <sup>2</sup>	This shortfall is covered in detail in the Cost-to-Complete discussion. Some line items in the Tacoma to Seattle station budgets may be exceeded with this action, but the <u>overall</u> Sounder –approved 2001 Capital budget will not be exceeded. Specific line items in the capital budget will be adjusted with a budget amendment following the Cost-to-Complete discussion to reconcile specific budget line items.			

<sup>1</sup> See Adopted 2001 Budget R2000-17, 12/14/00

<sup>2</sup> These are the shortfall amounts at each station

<sup>3</sup> There is a Puyallup Construction Contract Contingency motion concurrent with this Construction Management motion.

## **ALTERNATIVES**

The alternative to taking this action is to not amend the contract with O'Brien Kreitzberg to complete the construction management for the second stage construction contracts. The time involved in packaging and advertising the project, selecting and negotiating a new consultant, as well as bringing a new construction management team up to speed would delay completion of the project and Sound Transit's ability to meet contract completion dates.

## **CONSEQUENCES OF DELAY**

A significant delay in action on this amendment to O'Brien Kreitzberg, Inc. will result in the possible loss of construction management services on the on-going commuter rail station for both the initial construction and second stage projects. The construction management team has been cooperative in resolving the amendment.

Insignificant delays to this action – such as a few weeks, should the Finance Committee members desiring additional information or time to consider the action recommended by staff – are unlikely to have any serious cost and other negative consequences on the Sounder construction program.

## **REGIONAL PARTNERSHIP AND COOPERATION**

Sound Transit staff have been working closely with all of the local jurisdictions to plan the scope of work and schedule for implementation of the commuter rail stations in Tukwila, Kent, Auburn, Sumner, Puyallup and Tacoma. All of the design work has been coordinated with the technical advisory committee (TAC) in each community. Sound Transit has developed the construction work packages to include the scope of work needed to secure permits from the local jurisdictions and to increase the commuter rail service. Station service opened at the Tukwila, Kent and Puyallup stations in March and February. New street improvements and parking will be provided at Kent, Auburn, and Sumner.

## **LEGAL REVIEW**

MBL – 3/22/01

**SOUND TRANSIT**

**MOTION NO. M2001-31**

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a contract amendment to Contract Number RTA/CR 08-99 for professional services with O'Brien Kreitzberg, Inc. for construction management services for the Sounder Tacoma-to-Seattle segment commuter rail stations, increasing the original authorized contract amount of \$2,156,255 by \$2,253,191, plus a 5% contingency of \$112,660 for a new total authorized contract amount not to exceed \$4,522,106. A transfer from the operating budget of the 2001 Adopted Budget for Commuter Rail to the construction line items of the respective station projects is authorized by this action.

**Background:**

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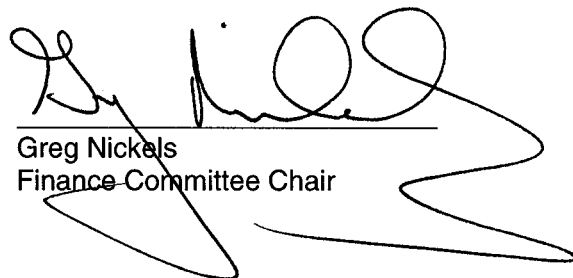
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**Motion:**

It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Executive Director be authorized to execute a contract amendment to Contract Number RTA/CR 08-99 for professional services with O'Brien Kreitzberg, Inc. for construction management services for the Sounder Tacoma-to-Seattle segment commuter rail stations increasing the original authorized contract amount of \$2,156,255 by \$2,253,191, plus a 5% contingency of \$112,660 for a new total authorized contract amount not to exceed \$4,522,106.


A transfer from the operating budget of the 2001 Adopted Budget for Commuter Rail to the construction line items of the respective station projects is authorized by this action.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on the 19th day of April, 2001.



Greg Nickels  
Finance Committee Chair

ATTEST:



Marcia Walker  
Board Administrator