

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2006-10

Contract to Construct Mercer Island Park-and-Ride Lot

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	1/19/06	Discussion/Possible Action to Recommend Board Approval	Jim Edwards, Deputy Director, Capital Projects	(206) 398-5436
Board	1/26/06	Action	Christine Engler, Program Manager Dick Andrews , Construction Manager	(206) 398-5056 (206) 398-5472

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement	✓	Execute New Contract/Agreement	✓
Sole Source		Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)		Budget Amendment	
Real Estate		Property Acquisition	

PROJECT NAME

Mercer Island Park-and-Ride/North Mercer Way

PROPOSED ACTION

Authorizes the Chief Executive Officer to execute a contract with Howard S. Wright Enterprises to construct a 450-stall parking garage and related transit amenities at the Mercer Island Park-and-Ride Lot in the amount of \$8,160,000, with a 10% contingency of \$816,000, for a total authorized contract amount not to exceed \$8,976,000.

KEY FEATURES OF PROPOSED ACTION

- Authorizes construction of a two story cast-in-place, post-tensioned concrete parking garage, to be located on the site of the existing Mercer Island Park-and-Ride Lot on the north side of I-90, and bordered by 81st Ave SE on the east and SE 24th Street on the north. The garage will contain lighting, signing, fire sprinklers, CCTV, and be surrounded by significant irrigated landscaping.
- Authorizes construction of improvements to North Mercer Way to provide transit boarding areas in both directions.
- Five contractors submitted bids for the park-and-ride project and all were in excess of the Engineer's Estimate of \$7,020,300. The five bids are clustered, thus representing a consistent estimating strategy between contractors. The low bid is 16% higher than the engineer's estimate but is within the current available budget.

- During review of the bid results and in re-evaluating the Engineer's Estimate, discrepancies appear to be related to the relatively constrained site on which the contractor will be working, the escalating cost of raw materials, and the limited labor pool from which contractors will need to draw. The small size of the site, and the inability to stage large quantities of materials and equipment close by, decreases efficiencies and increases transportation costs. Increases in material and labor costs continue to affect all segments of the construction industry. Estimating based on historical data, as was done to develop the Engineer's Estimate, remains difficult during volatile times.

BUDGET IMPACT SUMMARY

Project Name: Mercer Island Park-and-Ride Lot
 Current Project Phase: Construction
 Projected Completion Date: February 2007

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase	✓	This contract would make the commitments exceed the phase budget by \$725K. Sufficient project contingency exists to fund this shortfall.
This Task		
Budget Amendment Required		

Key Financial Indicators:	✓	Comments on Checked Items
Contingency Funds Required	✓	Sufficient unallocated project contingency exists to fund this phase-level shortfall.
Funding required from other parties (other than what is in financial plan)		

Not checked = action is assumed in current Board-adopted budget. No budget action or adjustment to financial plan required.

BUDGET AND FINANCIAL PLAN DISCUSSION

The Adopted 2006 Budget for this project is \$14,309,882, with a Board-adopted construction phase budget of \$9,714,035. The proposed action would leave a remaining construction phase budget shortfall of \$725,339. The contingency phase has a budget of \$1,059,031. This action would reduce the uncommitted amount to \$333,692 after covering the shortfall in the construction phase. The remaining uncommitted balance for the project budget is \$546,598. Consistent with Sound Transit Board budget policies, this phase level shortfall will be depicted as a negative variance until the unallocated project contingency can be reallocated to the construction phase to align phase budget amounts with project phase activity.

There are sufficient funds to complete this action. Committing these funds will not endanger any other project elements that are to be funded out of the overall project.

BUDGET TABLE

Summary for Board Action (Year of Expenditure \$000)

Action Item: Approve a contract for the construction of a 450-stall parking garage for the Mercer Island Park-and-Ride project (#354)

	2006 Board Adopted Budget ¹ (A)	Committed To Date ² (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	\$ 919	\$ 869	\$ -	\$ 869	\$ 50
2 Preliminary Engineering	1,509	\$ 1,510	-	1,510	(1)
3 Final Design	923	\$ 761	-	761	162
4 Right of Way	186	\$ 184	-	184	2
5 Construction	9,714	\$ 1,463	8,976	10,439	(725)
7 Contingency	1,059	-	-	-	1,059
8 Total Current Budget	\$ 14,310	\$ 4,787	\$ 8,976	\$ 13,763	\$ 547

Phase Budget Detail

9 Parking Garage Construction	\$ 9,714	\$ 1,463	\$ 8,976	10,439	(725)
10 Total Phase	\$ 9,714	\$ 1,463	\$ 8,976	\$ 10,439	\$ (725)

Contract Budget	Current Approved Contract Value (F)	Spent to Date (G)	Proposed Action (H)	Proposed Total Contract Value (I)
11 Construction	\$ -	\$ -	\$ 8,160	\$ 8,160
12 Contingency	-	-	816	816
13 Total	-	-	8,976	8,976
14 Percent Contingency			10%	10%

Budget Shortfall³

Level	Shortfall Amt (J)	Potential Funds (K)	Funding Source (L)
15 Construction	\$ (725)	\$ 725	Project Contingency
Total	\$ (725)	\$ 725	

Notes:

¹ Project budget is located on page 142 of the proposed 2006 budget book. The budget was approved through Resolution R2005-26 on December 8, 2005.

² Committed to-date amount includes actual outlays and commitments through December 21, 2005.

³ Consistent with Sound Transit Board budget policies, this phase level shortfall will be depicted as a negative variance until the unallocated project contingency can be reallocated to the Construction phase to align phase budget amounts with project phase activity.

M/W/DBE – SMALL BUSINESS PARTICIPATION

Prime Contractor

Howard S. Wright Enterprises is the prime consultant for this contract.

The goals for this contract were 20% small business participation, to be met with a minimum of 12% M/W/DBE participation.

Howard S. Wright Enterprises is committed to a 21.87% Small Business goal, of which 12.34% will be performed by M/W/DBE firms, thus meeting the contract goals.

Utilization Breakdown Table

Subconsultant	Business Type	% of Work	Dollar Value
Rainer Steel Inc.	MBE	7.35%	\$600,000
Corona Steel	MBE	.59%	\$48,000
Stephens Enterprises Inc	MWBE	.72%	\$59,050
JP Francis and Associates	MBE	3.68%	\$300,000
Service Electric Inc.	SBE	9.53%	\$777,700
Total		21.87%	\$1,784,750

EEO Commitment

Howard S. Wright will comply with all EEO requirements specified in the Request for Proposal (RFP) and contract.

Apprentice Utilization Commitment

Howard S. Wright has committed to utilize apprentices on this project. A draft apprenticeship goal of 20% was established for this contract, and Howard S. Wright is to provide an apprenticeship utilization plan for the use of apprentices on this contract.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

The Mercer Island Park-and-Ride Lot Project will include a two-story parking garage and related passenger amenities at the existing Mercer Island Park-and-Ride Lot. The garage will provide 450 parking stalls on two levels, increasing the capacity of the existing lot by approximately 200 stalls. Improvement to the bus boarding areas along North Mercer Way will double its capacity, and provide new bus shelters, lighting, and signing. Additional project amenities include CCTV surveillance, landscaping, and public art.

During 2004, the Federal Transit Administration issued the Environmental Assessment (EA) and Finding of No Significant Impact (FONSI) under the National Environmental Policy Act (NEPA) and Sound Transit issued the Adoption of Existing Environmental Document and Determination of Nonsignificance (DNS) under the State Environmental Policy Act (SEPA) for the Mercer Island Park-and-Ride Lot Project. No appeals were received on the EA, or the Determination of Nonsignificance.

In May 2005, a Request for Qualifications was issued for construction management services on the Mercer Island Park-and-Ride Lot. Harris and Associates was determined to be the highest

qualified firm. A contract was executed with Harris and Associates in August 2005 to support this project during the construction phase.

Prior Board/Committee Actions on this Project and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
M2005-91	Executed a contract with Harris and Associates to provide construction management services for a parking garage at the Mercer Island Park-and-Ride Lot.	9/1/05
M2004-119	Executed a contract to provide final design services for the Mercer Island Park-and-Ride Lot/North Mercer Way Project.	12/2/04
M2003-107	Executed a contract amendment for the completion of the preliminary engineering and environmental documentation phase of the Mercer Island Park-and-Ride/North Mercer Way Project.	11/6/03

CONSEQUENCES of DELAY

A delay beyond January will have impacts to the cost of the parking stalls that were leased to accommodate users displaced by the project construction, as well as the cost of additional bus service to support those sites. The contracts for both the leased stalls and the service would need to be extended to cover the duration of construction, and thus would result in higher project costs.

PUBLIC INVOLVEMENT

Significant public involvement has occurred on this project during the preliminary engineering/ environmental documentation phase and the final design phase. Outreach has included open houses, direct mailings, council presentations and web site updates. An outreach effort is underway to notify users of the upcoming lot closure and to identify alternate parking locations and transit service options. Future outreach will include postings, flyers rider alerts and web site updates. This effort will start approximately one month before the lot closes to give patrons ample notification.

ENVIRONMENTAL COMPLIANCE

JK 12/22/05

LEGAL REVIEW

JW 1/11/06

SOUND TRANSIT

MOTION NO. M2006-10

A motion of the Board of the Central Puget Sound Regional Transit Authority Authorizing the Chief Executive Officer to execute a contract with Howard S. Wright Enterprises to construct a 450-stall parking garage and related transit amenities at the Mercer Island Park-and-Ride Lot in the amount of \$8,160,000, with a 10% contingency of \$816,000, for a total authorized contract amount not to exceed \$8,976,000.

Background:

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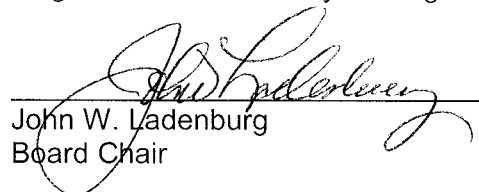
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Motion:

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 with Howard S. Wright Enterprises to construct a 450-stall parking garage and related transit amenities at the Mercer Island Park-and-Ride Lot in the amount of \$8,160,000, with a 10% contingency of \$816,000, for a total authorized contract amount not to exceed \$8,976,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 26, 2006.


John W. Ladenburg
Board Chair

ATTEST:


Marcia Walker
Board Administrator