



Motion No. M2023-80

Contract Modification of Post Acceptance to Revenue Maintenance Program with CBRE for the East Link Extension project

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee	9/14/2023	Final action	Brooke Belman, Chief Expansion Delivery Officer Tracy Reed, Acting DECM Executive Director Jon Lebo, Executive Project Director, East Link Chad Brown, Deputy Executive Project Director, East Link

Proposed action

Authorizes the chief executive officer to execute a sole-source contract modification with CBRE to continue to provide preventative maintenance and other services for East Link facilities for an additional 27 months through December 2025 in the amount of \$3,387,280, for a new total authorized contract amount not to exceed \$6,272,172, plus applicable taxes.

Key features summary

- CBRE has been performing preventative maintenance on the newly constructed East Link facilities since September 2021, as authorized by Motion No. M2021-50.
- The forecasted revenue service date for the East Link Extension has been delayed until 2025, and the existing preventative maintenance contract is set to expire in September 2023. Extending the current preventative maintenance contract is necessary to allow more time for East Link construction to be completed prior to transitioning the facilities over to Sound Transit Operations. This extension is considered a sole source modification because the contract did not include options to extend for additional time.
- This contract extension will continue to provide the following services to help ensure the new facilities remain in a good state of repair:
 - Preventative Maintenance of equipment and assets;
 - Regular cleaning of facilities (including deep cleaning of facilities prior to opening);
 - Pest control;
 - Training for Sound Transit maintenance personnel; and
 - Vandalism repair.
- The contract includes monthly prices for services and includes terms that allow Sound Transit to reduce the scope of work when the East Link Starter Line enters operation before the rest of the East Link Extension.
- Applicable taxes for this contract are currently estimated to be \$642,962.

Background

East Link extends light rail 14 miles, with 10 stations from Seattle's International District to Judkins Park, across I-90 to Mercer Island and South Bellevue, through downtown Bellevue and the Bel-Red area to Redmond Technology Station. Revenue service is anticipated to begin in 2025.

Extension of this contract is necessary to help ensure the new facilities remain in a good state of repair until they are turned over to Sound Transit Operations.

Project status

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Project Identification	Alternatives Identification	Conceptual Engineering/ Draft EIS	Preliminary Engineering/ Final EIS	Final Design	Construction

Projected completion date for East Link Extension Construction: Q2 2025

Project scope, schedule and budget summary are located on page 30 of the July 2023 Agency Progress Report.

Procurement information

Prior to issuing the solicitation for these services, Sound Transit considered the project scope, the determining factors for contract award, and the need for proposal discussions and revisions, and determined that a Request for Proposals was the most advantageous procurement method.

Sound Transit advertised Request for Proposals No. RTA/RP 0031-21 on May 17, 2021. One firm submitted a proposal. The proposal was evaluated based on the advertised evaluation criteria including knowledge, experience, and technical competencies of key individuals; capacity, project approach and organization; price; commitment to DBEs and other small businesses and good faith efforts; and compliance with equal opportunity employment law. Based upon the team's proposal review, a list of weaknesses and deficiencies were established. An interview was conducted, and CBRE as determined to be the firm that best met the evaluation criteria, offered the best value to Sound Transit and is in the best interest to Sound Transit.

This contract is federally funded. The contract did not include options to extend for additional time periods. As a result, this modification is considered a sole source modification action.

Sound Transit recommends this contract modification with CBRE based upon the determination that services provided by CBRE-MSI has been satisfactory; CBRE-MSI's negotiated price is fair and reasonable; and this contract modification is in the best interest to Sound Transit to maintain a good state of repair for our facilities.

Fiscal information

This is a concurrent action with Increase Contract Contingency for Follow-on Package 1 Contract. Motion M2023-82.

This action is within the baseline budget and sufficient monies remain after approval of this action to fund the remaining work. This action does not impact the affordability of any other system expansion project.

The baseline budget for the East Link Extension project is \$3,677,150,000. Within that amount, \$33,718,000 has been set aside for the start-up and testing phase. Within the start-up and testing

phase, \$24,890,000 has been allocated to the budget line item for Start-up & Testing. The proposed action would commit an additional \$3,734,476 (including estimated taxes) to this line item and leave remaining budget of \$5,092,820 in Start-up & Testing line item.

The total estimated taxes for this contract including this contract modification are \$642,962.

East Link Extension

(in thousands)	Total Baseline Budget	Board Approvals*	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Operations and Maintenance	\$7,106	\$7,106		\$7,106	\$
Administration	183,174	137,260		137,260	45,914
Preliminary Engineering	50,874	50,874		50,874	0
Final Design	268,888	256,296		256,296	12,593
Third Parties	49,473	40,097		40,097	9,376
Right of Way	288,516	280,462		280,462	8,054
Construction	2,518,224	2,361,692		2,361,692	156,532
Construction Services	277,177	257,272		257,272	19,905
System Testing-Start Up	33,718	24,890	3,734	28,625	5,093
Total Current Budget	\$3,677,150	\$3,415,949	\$3,734	\$3,419,683	\$257,467

Phase Detail - Start Up and Testing					
System Start Up & Test	\$33,718	\$24,890	\$3,734	\$28,625	\$5,093
Total Phase	\$33,718	\$24,890	\$3,734	\$28,625	\$5,093

Contract Detail - CBRE	Board Approvals to Date	Proposed Action	Proposed Total for Board Approval	Current Approved Contract Status
East Link Contract Amount	\$2,405	\$3,387	\$5,792	\$2,405
East Link Contingency	481		481	481
Total Contract Amount	\$2,886	\$3,387	\$6,273	\$2,886
Percent Contingency	10%	0%	8%	20%
Estimated Taxes	\$296	\$347	\$643	\$296
Total contract plus Taxes	\$3,181	\$3,734	\$6,916	\$3,181

Notes:

Amounts are expressed in Year of Expenditure \$000s.
 For detailed project information, see page 78 of 176 of the 2023 Financial Plan & Proposed Budget.
 * Board Approvals = Commitment and PO Contingency Remaining as of 8/30/2023.

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 contract, the following goals were established, 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:	15%	DBE goal:	10%
Small business commitment:	17.3%	DBE commitment:	13.37%
Current Small Business Participation:	0%	Current DBE Participation:	0%

Public involvement

Not applicable to this action.

Time constraints

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

Prior Board/Committee actions

Motion No. M2021-50: Authorized the chief executive officer to execute a two-year contract with CBRE to provide preventative maintenance and other services for facilities along the East Link Extension in the amount of \$2,404,602, with a 20 percent contingency of \$480,920 for a total authorized contract amount not to exceed \$2,885,522, plus applicable taxes.

Environmental review – KH 7/20/23

Legal review – JEN 9/8/23



Motion No. M2023-80

A motion of the System Expansion Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a sole-source contract modification with CBRE to continue to provide preventative maintenance and other services for East Link facilities for an additional 27 months through December 2025 in the amount of \$3,387,280, for a new total authorized contract amount not to exceed \$6,272,172, plus applicable taxes.

Background

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The forecasted revenue service date for the East Link Extension has been delayed until 2025, and the existing preventative maintenance contract is set to expire in September 2023. Extending the current preventative maintenance contract is necessary to allow more time for East Link construction to be completed prior to transitioning the facilities over to Sound Transit Operations. This extension is considered a sole source modification because the contract did not include options to extend for additional time.

This contract extension will continue to provide the following services to help ensure the new facilities remain in a good state of repair:

- Preventative Maintenance of equipment and assets;
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Applicable taxes for this contract are currently estimated to be \$642,962.

Motion

It is hereby moved by the System Expansion Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a sole-source contract modification with CBRE to continue to provide preventative maintenance and other services for East Link facilities for an additional 27 months through December 2025 in the amount of \$3,387,280, for a new total authorized contract amount not to exceed \$6,272,172, plus applicable taxes.

APPROVED by the System Expansion Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 14, 2023.



Claudia Balducci
System Expansion Committee Chair

Attest:



Kathryn Flores
Board Administrator