

**Pierce Transit Administration Building
3701 96th ST SW, Lakewood, WA
Grand Conference Room**



**Executive Finance Committee
September 27, 2018
3:00 p.m.**

AGENDA

CALL TO ORDER

APPROVAL OF MINUTES – August 23, 2018 Meeting Minutes

ACTION AGENDA:

1. FS 2018-082, Authority to Execute a Master Contract with Kidder Mathews to Provide Commercial Real Estate Broker Services as Needed Janine Robinson
Senior Planner
2. FS 2018-083, Authority to Execute a Contract with Parametrix for General Contractor/Construction Manager Advisor Services for the Base Master Plan Implementation Phase I Projects Brett Freshwaters
Executive Director of Finance
3. FS 2018-084, Authority to Execute a Contract with Hultz/BHU to Provide Architecture and Engineering Services for the Commerce Street Bus Turnaround Improvements Design Doug Dickinson
Sr. Construction Project Manager

DISCUSSION/UPDATE:

1. Analysis of Life Cycle Costs for Maintenance Skip Huck
E.D. of Maintenance and Facilities
2. Board Expectation Document Chair Nancy Henderson
3. Compensation for Boards of Special Purpose Districts Deanne Jacobson
Clerk of the Board

COMMISSIONER COMMENTS

EXECUTIVE SESSION

ADJOURNMENT

**PIERCE TRANSIT
EXECUTIVE FINANCE COMMITTEE MEETING
3701 96th STREET SW, LAKEWOOD, WA
ALDER CONFERENCE ROOM**

August 23, 2018

MINUTES

CALL TO ORDER

Vice Chair Eidinger called the meeting to order at 3:01 p.m.

ATTENDANCE

Executive Finance Committee Commissioners present:

Daryl Eidinger, Vice Chair, City of Edgewood Mayor

(representing Edgewood, Fife and Milton)

Nancy Henderson, Town of Steilacoom Councilmember

(representing Auburn/Gig Harbor/Fircrest/Pacific/Ruston/Steilacoom)

Don Anderson, City of Lakewood Mayor

Executive Finance Committee Commissioners absent:

Rick Talbert, Chair, Pierce County Councilmember

Staff present:

Sue Dreier, Chief Executive Officer

Deanne Jacobson, Assistant to the CEO/Clerk of the Board

Dana Henderson, General Counsel

APPROVAL OF MINUTES

Commissioners Henderson and Anderson **moved** and seconded to approve the July 26, 2018, meeting minutes as presented.

Motion **carried**, 3-0.

ACTION AGENDA

- 1. FS 2018-068, Authority to Execute a Contract with Betschart Electric Co., Inc., to Install a Fire Sprinkler and Alarm System at Building 6**

Senior Construction Project Manager Clint Steele presented on the item. He noted that Pierce Transit received one bid for this project and the bid came in over budget. A lengthy discussion ensued about what the anticipated costs will be for the full project and the current construction climate that results in bids coming in higher.

Executive Director of Finance Bret Freshwaters reported that staff will be bringing a budget amendment for the project to the full Board in September and noted that Pierce Transit is anticipating Sound Transit to contribute approximately \$920,000 towards the purchase and improvements of the building.

Commissioners Anderson and Henderson **moved** and seconded to authorize the CEO to enter into and execute a contract with Betschart Electric Co., Inc., to install a fire sprinkler and alarm system at Building 6 in an amount not to exceed \$376,627.

Motion **carried**, 3-0.

CEO Dreier noted that Building 6 will provide much needed space for the overall space needs of the Base Plan.

DISCUSSION/UPDATE

1. Consideration to Partner with Intercity Transit for the Olympia Express Service

CEO Dreier noted that this item was before the Executive Finance Committee earlier this year in April and noted that staff would like direction on whether Pierce Transit should form a partnership with Intercity Transit for the Olympia Express Service.

Service Planning Assistant Manager Peter Stackpole noted that Intercity Transit's comprehensive service study recommended that this route be removed from their service and also noted that Pierce Transit eliminated this service in 2011 because it was inefficient. He noted that ridership of this routes appears to be about a 50/50 split between Intercity Transit customers and Pierce Transit customers, with most of the origination boardings and alightings being from Thurston County and the Tacoma Dome Station.

Staff informed the Committee that statistics do not show this is a productive route and that Intercity Transit has a different fare media than Pierce Transit's fare that could also create inherent obstacles.

At the end of the discussion, the Committee decided to not move forward with partnering with Intercity Transit for the Olympia Express Service. The Committee encouraged the promotion of the vanpool program.

2. Proposal to Move to a Paid Time Off System

Leave Administrator Tara Schaak presented a proposal that would move non-represented employees with less than 22 years of service from a Sick Leave/Vacation Leave Plan to a Paid Time Off (PTO) Plan. She noted that this new Plan would help retain employees by providing more flexibility and will help Pierce Transit be more competitive in the job market.

The Committee received an overview on the terms of the Plan and reviewed comparables of plans from other local municipalities. It was noted that non-represented employees with 22 years or more of service would be grandfathered in under the old plan.

At the end of the discussion, the Committee recommended that staff bring the PTO Plan proposal to the full Board for consideration.

COMMISSIONER COMMENTS

None.

EXECUTIVE SESSION

None.

ADJOURNMENT

There being no further business, the meeting was adjourned at 4:07 p.m.

Deanne Jacobson
Clerk of the Board

Daryl Eiding, Vice Chair
Executive Finance Committee

TITLE: Authority to Execute a Master Contract with Kidder Mathews to Provide On-Call Commercial Real Estate Broker Services

DIVISION: Planning & Community Development

SUBMITTED BY: Janine Robinson, Senior Planner

RELATED ACTION: N/A

ATTACHMENTS: None

RELATION TO STRATEGIC PLAN: Financial

BUDGET INFORMATION

Is it Budgeted? Yes / No

Project Name or Number: N/A

Operating Budget

Capital Budget

FUNDING SOURCE:		EXPLANATION:
Local Amount	\$ 275,000	All work will be administered under task order.
Grant/Other Amounts	\$	
Total Expenditure	\$ 275,000	

BACKGROUND:

Pierce Transit leases, purchases and sells real estate based on short and long-range plans and circumstances. We do not have the in-house expertise or capacity in this area and our current contract for commercial real estate broker services expired. A new contract will enable Pierce Transit to obtain professional real estate services as needed on short notice.

A Request for Proposals (RFP) was solicited on May 17, 2018 for Commercial Real Estate Broker Services, with six (6) firms responding. The Evaluation Committee interviewed the top two (2) ranking firms. Based on the scoring criteria, the Evaluation Committee chose Kidder Mathews as the most qualified firm to provide Commercial Real Estate Broker Services. Based on experience, expertise and previous contract work and comparable rates for the type of services provided, staff has found the rates to be fair and reasonable.

Although the exact utilization of the Contract is currently unknown, staff estimates the Agency should not exceed \$275,000 over the five-year period. All work under this Contract will be administered by Task Orders. The Agency's real estate needs could apply to properties for office space, parking, maintenance, vacant land, or joint use of existing facilities.

STAFF RECOMMENDATION:

Staff recommends that a Master Contract with Kidder Mathews be authorized to provide commercial real estate services for a not to exceed amount of \$275,000 over the life of the Contract. All work will be administered through Task Orders.

ALTERNATIVES:

Do not enter into a Master Contract with Kidder Matthews and solicit another RFP process. This is not recommended for it would take additional time and staff resources. The initial RFP process was conducted fairly, solicited six proposals and the Evaluation Committee chose the most qualified firm.

PROPOSED MOTION:

Authorize the Chief Executive Officer to enter into and execute a five-year master contract with Kidder Mathews to provide Commercial Real Estate Broker Services in amount not to exceed \$275,000 on an as needed basis.

TITLE: Authorization to Execute a Contract with Parametrix for General Contractor/Construction Manager (GC/CM) Advisor Services for the Base Master Plan Implementation Phase 1 Projects

DIVISION: Finance

SUBMITTED BY: Brett Freshwaters, Executive Director of Finance

RELATED ACTION:

FS 2018-066, Authorization to Execute a Master Contract with Huitt-Zollars, Inc., for Architectural and Engineering Design and Construction Support Services for the Base Master Plan Implementation Phase 1 Projects

Resolution No. 16-033, Cost Sharing Agreement with Sound Transit for Pierce Transit’s Base Master Plan Update

FS 16-033, Authority to Execute a Master Contract and Task Order No. 1 with Schacht Aslani Architects for Consulting Services for the Pierce Transit Base Master Plan Update

ATTACHMENTS: None

RELATION TO STRATEGIC PLAN: Customer

BUDGET INFORMATION

Is it Budgeted? Yes / No

Project Name or Number: #0525 Base Master Plan Implementation Phase 1

Operating Budget

Capital Budget

FUNDING SOURCE:		EXPLANATION:
Local Amount	\$ 332,806	The total amount reflects potential expenditures through the end of the five-year Phase I construction period.
Grant/Other Amounts	\$	
Total Expenditure	\$ 332,806	

BACKGROUND:

A Base Master Plan Update was completed in early 2018. Out of that plan several recommendations were made to improve efficiencies, update aging infrastructure and plan for growth and changing fleet composition for buses and other service and support vehicles. From that list of recommendations, several projects were identified as “Phase 1” priorities, including parking lot expansions, building expansions or renovations, and new adjacent facility construction. These projects are intended to improve safety, transit vehicle circulation, increase efficiency and capacity for maintenance and operation of all vehicle types.

Due to the need for continued operations throughout the construction period, our Base Master Plan consultants recommended that the Agency use General Contractor/Construction Manager (GC/CM) as the desired method of project delivery. To use the GC/CM method of project delivery, Pierce Transit must obtain approval through an application process with the state. Since Pierce Transit has little recent experience with the GC/CM process, several knowledgeable resources, including Sound Transit staff who have used the GC/CM process, recommend that Pierce Transit hire a GC/CM consultant to ensure successful application with the state, as well as to facilitate the process through construction. Beyond leading the application process, the consultant will help draft the GC/CM RFP, provide potential respondent outreach and help with the selection process, help negotiate the contract, facilitate design review meetings, and help negotiate the final construction contract and fees, among other tasks.

An RFP was issued for an Advisory consultant to assist with the state application process and provide advisory services during the project. One proposal was received, and the selection team interviewed Parametrix and scored their proposal. Parametrix staff has extensive experience with GC/CM projects and knows the application process and requirements well. The team negotiated a fee not to exceed \$332,806 for the Base Master Plan Phase 1 scope of work through a five-year period. The initial contract issuance with Parametrix will provide for work through the construction contract award. Additional work will be awarded as needed through contract amendments. Based on experience and comparable rates for the scope of work and estimated value of consulting services, staff submits that the fee is fair and reasonable.

STAFF RECOMMENDATION:

Staff recommends that the EFC authorize staff to execute a contract with Parametrix for a not to exceed amount of \$332,806, including potential future amendments, for Base Master Plan Implementation Phase 1 projects.

ALTERNATIVES:

Do not approve entering into a contract with Parametrix. This is not recommended as the Base must remain fully operational throughout the multi-year update. A GC/CM procurement method is therefore the best option, and Pierce Transit desires an Advisor to ensure getting approved with the State for this procurement method, as well as provide services throughout the project to maximize the GC/CM benefits.

PROPOSED MOTION:

Authorize the CEO to enter into and execute a contract with Parametrix for GC/CM Advisory services for the Base Master Plan Implementation Phase 1 for an amount not to exceed \$332,806, including any amendments.

TITLE: Authority to Execute a Master Contract with Hultz/BHU to Provide Architecture and Engineering Services for the Commerce Street Bus Turnaround Improvements Design

DIVISION: Finance
 SUBMITTED BY: Douglas Dickinson, Sr. Construction Project Manager

RELATED ACTION:

Resolution 17-033 August 14, 2017 Increase 2017 Budget to Include \$275,000.00 for Commerce Street Turnaround Improvements.

Resolution 17-0249 December 11, 2017 Adopt 2018 Budget to Include \$1,010,000.00 for Commerce Street Turnaround Improvements.

ATTACHMENTS: N/A

RELATION TO STRATEGIC PLAN: Customer

BUDGET INFORMATION

Is it Budgeted? Yes / No

Project Name or Number: Project 524 Commerce Tunnel Refurb 2017

Operating Budget

Capital Budget

FUNDING SOURCE:		EXPLANATION:
Local Amount	\$ 277,373.02	Funds for design and engineering are part of the total budget amount of \$1,285,000 for the Commerce Street Turnaround Improvements Project.
Grant/Other Amounts	\$ 0	
Total Expenditure	\$ 277,373.02	

BACKGROUND:

The Commerce Street Tunnel facility is 25 years old with several deferred maintenance needs. Conditions include: inefficient tunnel lighting; a failing central HVAC system; outdated and degraded operator lounge area; issues with water infiltration in lighting electrical panel; structural and/or mechanical leaks in tunnel; drainage issues on the plaza level; and bird control issues.

A Request for Qualification (RFQ) was solicited on June 14, 2018 for engineering services to complete a comprehensive non-destructive condition assessment and report, develop and design a refurbishment bid packet, and bid and construction support for Commerce Street Turnaround Facility and its systems. Two (2) firms responded. The evaluation committee interviewed both firms. Based on the scoring criteria, the Evaluation Committee recommends Hultz/BHU

Engineering, Inc., as the most qualified firm to provide these Architectural and Engineering (A&E) services based on experience and expertise with previous work of this type. Staff compared rates for the type of services requested and finds the rates to be fair and reasonable.

The A&E contract issued under this contract will be a Master Contract with work for each of the three stages issued by separate task order. The Master Agreement will be issued in an amount not to exceed \$277,373.02.

STAFF RECOMMENDATION:

Staff recommends that an A&E Master Agreement Contract with Hultz/BHU Engineering, Inc. be authorized for a not to exceed amount of \$277,373.02.

ALTERNATIVES:

1. Do not refurbish this facility. This is not recommended as this location is key to Pierce Transit's services and is in need of maintenance. There are no other locations identified as good alternatives for a turnaround and layover facility in the downtown core.
2. Postpone refurbishment. This alternative is also not recommended, as the facility is 25 years old and in need of critical maintenance and repairs to bring it back to a state of good repair.

PROPOSED MOTION:

Authorize the CEO to enter into and execute a Master Contract with Hultz/BHU to provide architecture and engineering services for the Commerce Street Bus Turnaround Improvements Design in an amount not to exceed \$277,373.02.