



King County

**Metropolitan King County Council
Budget and Fiscal Management Committee**

AGENDA ITEM 7 **DATE:** September 5, 2012
PROPOSED No.: 2012-0247 **PREPARED BY:** Mike Reed

STAFF REPORT

SUBJECT: Providing for the procurement of contracts for design and construction of the Factoria Recycling and Transfer Station

SUMMARY:

Proposed Ordinance 2102-0247 recommends utilization of the "Competitive Negotiation" methodology authorized in state law for the procurement of a contract for the design and construction of the Factoria Recycling and Transfer Station, as part of the ongoing upgrade of the solid waste transfer station system, based on a 2007 Council-approved plan.

BACKGROUND:

The Factoria Transfer Station, located at 13800 SE 32nd St, Bellevue, provides a transfer opportunity for solid waste and recycling for the central east side of the service area. The station was included in the review of capital facilities conducted cooperatively by the Solid Waste Division, Metropolitan Solid Waste Advisory Committee and the Solid Waste Advisory Committee. The results of that review were reported in the Solid Waste Transfer and Waste Management Plan, adopted by the Council in 2007.

The central recommendation of the Plan was a system-wide upgrade of the transfer station network, recognizing that many of the stations had been built 40 or more years ago, and don't meet current system needs. The Plan recommended replacement of the Factoria Station at the same location, as part of a broader system wide upgrade.

The system upgrade is underway. Construction work on the first phase of the Bow Lake Recycling and Transfer Station has been completed, and the new station is open to the public for waste transfer services.

The Factoria Transfer Station has been identified by the Solid Waste Division as the next station for upgrade. A facility master plan for the project was completed and adopted by the Council in 2011. Next steps include contracting for detailed architectural design and facility construction and financing. The Executive has transmitted legislation seeking Council approval of an alternative procurement process, intended to

provide the Solid Waste Division with greater flexibility in identifying and qualifying prospective contractors for the design and construction work.

“Competitive Negotiation” process

The Executive is seeking authorization for a process referred to as “Competitive Negotiation”, as authorized in state law¹. The transmittal letter notes that, compared to the standard “Design/Bid/Build” process, the Competitive Negotiation approach “allows the County to select the general contractor that provides the best value to the County. This process also allows coordination between the general contractor, designer and the division prior to award of the construction contract, providing more cost certainty and less schedule risk”. RCW 36.58.090, notably, provides a key role for the legislative authority in the process. Key elements of that process are summarized below:

- Legislative Authority may contract with one or more vendors for one or more phase(s) of the design, construction or operation of “solid waste handling systems”.
- County publishes notice of requirements and criteria for selection of vendors, and requests submission of qualifications statements or proposals.
- Legislative authority may designate representative to evaluate vendors; Legislative authority or representative may request submission of qualifications statements, and may later request more detailed proposals from one or more vendors who have submitted qualifications statements, or representative may request detailed proposals.
 - Representative evaluates qualifications or proposals.
 - Discussions and interviews held; if two or more vendors submit qualifying proposals or qualifications, discussions to be held with at least two vendors.
 - Representative recommends vendor or vendors determined to be best qualified to legislative authority; Legislative authority selects one or more qualified vendors for design, construction and/or operation of facility.
 - Legislative authority or representative seeks to negotiate contract with selected vendors; before signing contract, legislative authority holds public hearing, makes written findings that it is in the public interest to enter into the contract, that the contract is financially sound, and that this contracting method is advantageous for the county.

Update from August 21 Committee Review

At the previous meeting of the committee, staff reviewed the Executive’s recommendation for utilization of the “Competitive Negotiation” method for selecting a contractor for the design and construction of the Factoria Recycling and Transfer Station. Several issues were discussed in that review, as follows:

- The Auditor’s recommendation for a systematic review of alternative procurement methods, and the Auditor’s summary that the Public-Private Partnership method has a positive history of concluding projects on time and on budget.
 - In its 2011 audit of Solid Waste Transfer Station Capital Projects, the Auditor said in Recommendation 4, in part: “SWD should provide county

¹ RCW 36.58.090 Contracts with vendors for solid waste handling systems, plants, sites, or facilities — Requirements — Vendor selection procedures.

policymakers systematic analysis of...which project financing and delivery method is most likely to result in lower capital costs.” In the 2008 “Alternative Capital Project Delivery Methods Study” the Auditor said, “While FMD has had consistently good results delivering projects using public-private partnerships, the performance of projects constructed by the three agencies using other delivery methods, including the traditional Design-Bid-Build method, varies”; and also, “While FMD has extensive experience using alternative capital project delivery methods, the other agencies participating in the study, Transit Division and Solid Waste Division, have no experience with alternatives to the Design-Bid-Build process. We believe FMD’s experience with alternative methods can be useful to other county agencies considering those approaches (*note: since 2008, Solid Waste has made significant progress on the Bow Lake project, which utilized the Competitive Negotiation alternative process*).

- The role of the legislative authority in the selection of contractors, including arriving at a finding that it is in the public interest to enter into the contract, that the contract is sound, and that it is advantageous to use this contracting method;
- Legal or policy concerns with the Council undertaking such role in the procurement process
- The adequacy of the review of alternative procurement methods undertaken by Solid Waste pursuant to Auditor recommendations

Review of alternatives

There are a number of alternative procurement methods authorized by state and local law, including Design/Bid/Build, Design/Build, General Contractor/Construction Manager, and Public-Private Partnership (63-20) methods. These were the subject of review in the Auditor’s 2008 Alternative Capital Projects Delivery Methods study. That study noted that the Facilities Management Division has made extensive use of Public Private Partnerships (63-20) to deliver capital projects, and that their performance regarding scope, schedule and budget has been favorable. Such “63-20” projects include the Chinook Building, the Pat Steel Building, and the Ninth and Jefferson Building Project. The Competitive Negotiation method proposed by the Executive for the Factoria project was not among those reviewed by the Auditor, in that it had never been used in county government experience at the time of the report, and has only been used once since then—for the Bow Lake project. The Auditor noted that agencies considering the use of alternative project delivery methods that don’t have a history with alternative procurement could benefit from FMD’s experience in the use of such methods.

In the 2011 Audit of the Transfer Station Capital Projects, the Auditor noted that “there are several project delivery options available, with varying opportunities and risks. SWD analyzed project delivery methods during planning for Shoreline and Bow Lake, but did not include all the viable options for project delivery, such as public private partnerships. Industry experts believe that the public private partnership financing and project delivery approach, also called 63-20, could be beneficial.” Among the audit recommendations was the following: “SWD should provide county policymakers systematic analysis

of...an assessment of which project financing and delivery method is most likely to result in lower capital costs.”

The Public-Private Partnership method utilizing 63-20 delivery provides a financing structure for public capital projects whereby private nonprofit corporations issue tax-exempt bonds to finance the project. The non-profit organization, using the bond-generated revenue, contracts for the development of the project through a private developer; the non-profit organization owns the building during the period of bond repayment. The Solid Waste Division would lease the structure, providing a revenue stream for repayment of bonds; at the end of the lease period, ownership would revert to the Division.

Cost-saving elements of this approach based on past county agency experience include potential to create contractor incentives; potential for quick start-up and simultaneous management of various tasks; accessing long-term relationships between the developer and construction communities; potential to utilize design/build approaches for major subcontracts; reduced administrative costs; insulation of the county from contractor claims; and other benefits. This tool also allows access to tax-exempt bond financing, combined with private-sector development benefits.

Consultant Review of Procurement Alternatives

It is noted that the Executive did undertake a review of alternative procurement methods through a consultant report in April 2012; that review recommended use of the Competitive Negotiation method. However, the review did not undertake a full assessment of several alternatives, including the Public/Private partnerships (63-20) method, noting that the facility design was 30% complete at the time of review, and that SWD has design and construction management teams under contract. The review concluded that, as a result, several project delivery methods are no longer suitable for the project—including the Public/Private Partnerships. Thus, based on the agency's preliminary facility design progress, county options for consideration of the range of procurement alternatives—as recommended by the Auditor—were precluded, according to the review. One means of identifying project costs for an alternative procurement method would be to initiate a Request for Proposals process under a selected alternative procurement method, to produce comparative information regarding project cost, schedule and availability of project developers.

Role of Legislative Authority

As noted, staff sought legal review from the PAO concerning the role of the legislative authority called for in the Competitive Negotiation process. The PAO's office indicated that, from a legal perspective, the involvement of the legislative authority in the procurement process would not limit the Council's oversight authority if the project went over budget or was late.

As a policy matter, the Council will note that the Competitive Negotiation process does require a finding by the legislative authority that it is in the public interest to enter the contract, that the contract is sound, and that it's advantageous to use the Competitive

Negotiation method. For the Bow Lake Recycling and Transfer Station project, the Council was asked by the Executive to make such findings. In light of Auditor recommendations for a systematic analysis of which project delivery method is most likely to result in lower capital costs, the Council may want to assure reasonable consideration of alternative procurement methods if it is expected to make such finding.

ANALYSIS

There are a number of elements the Council should consider in addressing the procurement of design and construction contract(s) for the Factoria Recycling and Transfer Station project. These include:

- Procurement is occurring in the context of interlocal agreements among participating cities that are scheduled to expire in 2028; while the parties have sought to extend the agreements, that has not yet happened, --with the result that bonds sold to support facility construction must be repaid by that date, pushing solid waste rates higher than they would otherwise be;
- The Executive is requesting a solid waste rate of \$121.75; assuming a repayment period through 2040, the rate would be proposed at \$119.50, so \$2.25 of that amount is attributed to the comparatively short bond repayment period needed given the early ILA expiration;
- The Auditor has noted that projected waste volumes have declined since the Factoria project was originally scoped, and that given that, projected per-ton capital costs for the project are comparatively high;
- The Auditor has encouraged a systematic review of alternative procurement options, and has recommended that agencies considering alternative procurement strategies that don't have pertinent experience—should make use of the experience gained by the Facilities Management Division in its procurement of capital projects;
- The review that was conducted for the Factoria project did not include full consideration of several alternative procurement options, including Public/Private Partnerships;
- Following the requirements of the Competitive Negotiation process, the Council will be asked to arrive at findings that that contracting method is the appropriate one to use.

Options for Council Consideration

Option 1: Approve the Executive's Recommendation for a "Competitive Negotiation" procurement process

Benefits:

- Moves the process forward upon approval of Proposed Ordinance 2012-0247; no delay for further review
- Potential contractors can participate in part of, or all of the design/build project, allowing the potential for greater coordination between the design process and the construction process;

- The Solid Waste Division has had experience with this process through the Bow Lake project, and reports a favorable experience.

Risks

- Does not provide for full review of alternatives beyond the HDR report
- Asks the Council to approve the Competitive Negotiations method in the absence of such review
- Limited information base regarding cost/schedule parameters of other procurement alternatives
- This appears to be a unique process in county government; other than the Bow Lake project, there is no history with the process, leaving limited ability to compare “Competitive Negotiation” with others that have a more extensive history;

Option 2: Provide for a solicitation for proposals utilizing the 63-20 process through the Facilities Management Division, in consultation with the Solid Waste Division

Benefits:

- Provides a broader information base for Council decision on procurement, and allows Council to meaningfully address requirement for arriving at Findings on the appropriate procurement method
- More effectively responds to Auditor recommendation for review of alternatives
- Tests the market to assess whether another procurement approach can result in savings in cost or time, or alternatively, confirm the appropriateness of the Executive-proposed approach

Risks

- Builds in a delay of several months to allow for solicitation of proposals
 - If turnaround is greater than three months, the favorable bond market/construction environment may degrade
- Potential loss of sunk costs for project design expenditures

Amendment

Staff has prepared an amendment to Proposed Ordinance 2012-0247 to require a process for reviewing the potential benefits of a Public/Private Partnership (63-20) procurement alternative, with the results to be returned to Council for review, prior to moving forward with a Competitive Negotiation methodology.

REASONABLENESS

The risks and benefits of the primary options available to the committee in response to the Executive's proposal are described above. Option 1 carries a risk regarding Council endorsement of a procurement alternative that doesn't appear fully vetted, while Option 2, results in a delay in the start of the project, and represents the potential for losing the expenditure on facility design that the Division has undertaken. The policy choice before the Council should be undertaken with these considerations.

ATTACHMENTS

1. Proposed Ordinance 2012-0247, with Attachments
 - a. Attachment A: Selection Criteria—Factoria Recycling and Transfer Station
2. Option 2 Amendment –Solicitation Process utilizing 63-20 mechanism
3. HDR Report
4. Transmittal Letter
5. Fiscal Note

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Signature Report

July 26, 2012

Ordinance

Proposed No. 2012-0247.1

Sponsors Hague

1 AN ORDINANCE authorizing the solid waste division of
2 the department of natural resources and parks, to use the
3 competitive negotiation procedures set forth in RCW
4 36.58.090 to procure vendors for construction of the new
5 Factoria Recycling and Transfer Station.

6 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

7 SECTION 1. Findings.

8 A. The King County council adopted the Final 2001 Comprehensive Solid Waste
9 Management Plan ("the plan") by Ordinance 14236 on April 16, 2001. The plan set forth
10 goals and policies intended to guide the county in providing solid waste transfer and
11 recycling programs and services in that portion of King County for which the county has
12 solid waste planning authority. One of the recommendations in the plan was for the
13 county to take necessary steps to upgrade and expand the county's existing transfer
14 station system to continue to meet regional demands for efficiency, capacity and service.

15 B. Consistent with the plan, the King County council approved the 2010 Facility
16 Master Plan for the Factoria Transfer and Recycling Station ("FMP") by Motion 13455
17 on April 11, 2011. The FMP provided a blueprint for replacing the existing Factoria
18 Transfer Station ("existing station") with a new station at the same location to provide
19 increased capacity and enhanced solid waste handling and processing services for the

20 residents of King County. The new station, to be called the Factoria Recycling and
21 Transfer Station ("new station"), will shift the focus of the station's operation from solid
22 waste transfer facility only to a facility that will process, recycle and transfer waste and
23 recyclable materials.

24 C. Construction of the new station and deconstruction of the existing station
25 require complex construction, scheduling and contractor/subcontractor coordination and
26 staging activities. The division's goal is to keep the existing station open during
27 construction of the new station. Minimal contractor interference with, or interruption of,
28 operation of the existing station is a required element of this project.

29 D. The solid waste division and its consultants evaluated traditional and
30 alternative construction procurement processes and have concluded that it is in the public
31 interest to procure construction services for the new station using the competitive
32 negotiation procedures in RCW 36.58.090. The evaluation determined that procuring a
33 contracting team offering the best combination of qualifications, performance, experience
34 and price, rather than awarding a contract based solely on the low bid or cost in selecting
35 sources of supplies and services, will minimize construction risks and associated impacts
36 and risk of delays. This competitive negotiation procedure fosters scheduling and
37 coordination efficiencies by allowing opportunities for contractor input and discussion
38 with the county regarding design intent and constructability of the project before award
39 of a contract. These procedures, which have been used successfully in the past, will
40 allow the county to better achieve its goal of selecting a qualified team to construct the
41 new station on time and within budget.

42 E. RCW 36.58.090(10) authorizes counties to use the competitive negotiation
43 procedures for construction of publicly owned and operated solid waste transfer facilities
44 only where they are "an integral part of a solid waste processing facility located on the
45 same site." The new station will be an integrated processing and transfer facility. It will
46 provide for the handling of source-separated wastes, separation of commingled wastes,
47 volume reduction by compaction, baling or both, and transfer of recyclable materials and
48 solid waste to other facilities.

49 F. The county advertised within the contractor/subcontractor community in
50 August 2011 to explain the project and to solicit comments on its plan to use the
51 competitive negotiation procedures to construct the new station. No comments were
52 received regarding the county's proposed use of the competitive negotiation procedures
53 for this project.

54 SECTION 2. The King County council determines that construction of the new
55 station may be procured utilizing the competitive negotiation procedures in RCW
56 36.58.090. The King County executive, through the solid waste division of the
57 department of natural resources and parks, is authorized to evaluate the vendors based on
58 approved evaluation criteria. Upon completion of this evaluation process, the King
59 County executive will make a recommendation of the most qualified vendor or vendors
60 to the King County council.

61 SECTION 3. The King County council approves use of the evaluation criteria
62

63 included in Attachment A to this ordinance to be used for review of competitive
64 proposals to construct the new station.

65

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Larry Gossett, Chair

ATTEST:

Anne Noris, Clerk of the Council

APPROVED this ____ day of _____, _____.

Dow Constantine, County Executive

Attachments: A. Selection Criteria-Factoria Recycling & Transfer Station Construction Contract April 2012

SELECTION CRITERIA
Factoria Recycling & Transfer Station Construction Contract
April 2012

2012-247

A. Specialized Experience and Technical Competence

King County will evaluate the specialized experience of the proposer's project team members.

B. Record of past performance

King County will evaluate proposer's experience and record on projects of similar scope and complexity.

C. Financial Resources

King County will evaluate the proposer's financial abilities to perform the project.

D. Current and Projected Work Load for Proposer's Key Personnel

King County will evaluate the current and projected work load of the proposer's key personnel and its major subcontractor's key personnel, to demonstrate their ability to perform work on the project in a complete and timely manner.

E. Safety Program

King County will evaluate the proposer's ability to maintain a safe working environment for the project.

F. Environmental Protection and Mitigation

King County will evaluate the proposer's environmental protection and mitigation approach for the project.

G. Staging

The proposer must demonstrate how and where it will stage materials, equipment and employee parking for the project.

H. Approach to Quality Assurance and Quality Control (QA/QC)

King County will evaluate the proposer's approach to QA/QC with respect to the construction and post construction of the project.

I. Proposer's Approach to Construction

King County will evaluate the proposer's approach to construction and how the proposed approach meets requirements as described in the Request for Proposal (RFP).

J. Project Schedule

King County will evaluate the proposer's ability to construct and complete the project in a timely manner in accordance with the requirements set forth within the RFP documents.

K. Coordination of Activities During On-going Facility Operations

King County will evaluate the proposer's approach to coordination of construction activities with on-going transfer station operations.

L. Contract Closeout and Warranty Administration

King County will evaluate the proposer's approach to performing contract closeout and warranty administration.

M. Small Contractors and Suppliers (SCS) and Outreach Plan

Achievement of the SCS commitment revolves around the development and implementation of an effective subcontracting plan and community outreach/participation plan and a proactive approach to maximizing opportunities for certified SCS firms.

THE UNIVERSITY OF CHICAGO
DIVISION OF THE PHYSICAL SCIENCES
DEPARTMENT OF PHYSICS

REPORT OF THE
COMMISSION ON THE
FUTURE OF THE
PHYSICS DEPARTMENT
AT THE UNIVERSITY OF CHICAGO

CHICAGO, ILLINOIS
1962

The Commission on the Future of the Physics Department at the University of Chicago was organized in 1958 to study the department's present and future needs. It has held numerous public hearings and has received many suggestions from faculty, students, and the public. The Commission's report is based on these hearings and on its own extensive study of the department's history and present situation.

The Commission believes that the physics department at the University of Chicago should continue to be one of the leading departments in the world. It should maintain its high standards of excellence and should continue to attract the best faculty and students. The Commission recommends that the department be supported by the University and the public in a way that will enable it to continue its work at the highest level.

The Commission also recommends that the department be given the freedom to pursue its research in the areas of its greatest strength. It should be allowed to continue its work in the areas of elementary particle physics, astrophysics, and nuclear physics. It should also be allowed to expand its work in the areas of condensed matter physics and biophysics.

The Commission believes that the physics department at the University of Chicago is one of the great institutions of the world. It should be supported and encouraged in its work, and its future should be bright.

09/05/12

[MR]

Sponsor: _____

Proposed No.: 2012-0247

1 **AMENDMENT TO PROPOSED ORDINANCE 2012-0247, VERSION 1**

2 Beginning on page 2, line 29, strike all material through page 4, line 65, and insert:

3 “D. The county auditor has, in separate reviews, identified the importance of
4 review of alternative procurement methodologies for major capital projects, and has
5 identified the procurement method based on federal Internal Revenue Service Ruling
6 1963-20 as having demonstrated a positive record regarding meeting project
7 expectations.

8 E. Based on RCW 36.58.090 and the precedent of the Bow Lake Recycling and
9 Transfer Station project procurement process, the competitive negotiations procurement
10 process anticipates that the council will be asked to arrive at a finding confirming, among
11 other things, that it is advantageous for the county to use that competitive negotiations
12 procurement process for awarding contracts compared to other methods.

13 F. In light of recommendations of the county auditor, and the positive record
14 achieved using the IRS Ruling 63-20 method, it is prudent to assess the potential of the
15 IRS Ruling 63-20 method prior to arriving at a determination regarding the appropriate
16 procurement methodology for the selection of a contractor for the Factoria Recycling and
17 Transfer Station.

18 SECTION 2. The King County council determines that, in consultation with the
19 solid waste division, the facilities management division should undertake an appropriate
20 process for the solicitation of proposals for the design and construction of the Factoria
21 Recycling and Transfer Station, and review and evaluate responses and identify a
22 preferred project proposal. The process shall be based on the procurement method
23 authorized by IRS Ruling 63-20. In consultation with the solid waste division, the
24 facilities management division shall prepare a comparative evaluation of the preferred
25 proposal emerging from this process, in relationship to the anticipated cost, scheduling,
26 and project features of the project based on the competitive negotiations process
27 authorized by RCW 36.58.090.

28 By January 15, 2013, the executive shall report to the council on the results of that
29 process regarding anticipated costs, schedules and project features of the alternative
30 procurement approaches. A paper copy and electronic copy of the report shall be filed
31 with the clerk of the council, who shall distribute electronic copies to all
32 councilmembers."

33 Delete Attachment A, Selection Criteria-Factoria Recycling & Transfer Station
34 Construction Contract April 2012
35 **EFFECT: Requires that the Facilities Management Division, in consultation with**
36 **the Solid Waste Division, undertake a process to seek, receive and evaluate**
37 **proposals for the design and construction of the Factoria Recycling and Transfer**
38 **Station, utilizing the IRS-authorized 63-20 procurement method. Requires a report**
39 **back to the Council by January 15, 2013**

Technical Memorandum

HDR

To: Dwin Ugwoaba (King County) **Date:** April 19, 2012

From: Mary Shanks
Eric Mead **Project:** Factoria Recycling and Transfer Station

cc: Neil Fujii (King County)
Eric Richardt (King County)
Alan Abrams (King County)
Darren Chernick (King County) **Job No.:** 154267

Subject: Assessment of Project Delivery Methods for the Factoria Recycling and Transfer Station

INTRODUCTION

The King County Department of Natural Resources and Parks, Solid Waste Division (KCSWD) plans to replace the Factoria Transfer Station with a state of the art recycling, processing, and transfer facility. KCSWD has typically used the traditional design-bid-build (DBB) method for project delivery, but recently used the competitive negotiation method for selecting a contractor for construction of the Bow Lake Recycling and Transfer Station (RTS).

This technical memorandum (memo) presents the following regarding the project delivery methods available to KCSWD for the Factoria RTS:

- Descriptions of project delivery methods,
- General approach and criteria for selecting the preferred project delivery method,
- Evaluation of methods available for the Factoria RTS,
- Recommended method, and
- Implementation schedule.

PROJECT DELIVERY METHODS

The project delivery methods generally available to KCSWD for capital improvement projects are described below.

Traditional DBB. Chapters 36.52 and 39.04 of the Revised Code of Washington (RCW) detail the traditional DBB project delivery method commonly used for public works projects in the State of Washington. In the DBB method, KCSWD typically procures a team of consultants (the design team) to assist in the preparation of plans and specifications to meet project requirements. KCSWD inserts standard front-end documents (e.g., CSI Division 0) into the project specifications developed by the design team prior to soliciting bids from contractors. The bid price developed by the contractors can be based on lump sum (a single payment of money) or unit prices (cost per unit), or a combination of both.

A solicitation is made to the contracting community at large and any contractor able to provide a bond may bid on the project. KCSWD publishes a schedule for contractor response in the public notice issued to prospective bidders. Contractor bids are read aloud at a bid award meeting, and the lowest bid is assessed for math errors and compliance with the requirements defined in the instruction to bidders. The bidder with the lowest responsive and responsible bid is awarded the construction contract.

Competitive Negotiation: RCW 36.58.090 sets forth procedures for contracts with vendors for solid waste handling systems, plants, sites, or facilities and allows selection of a general contractor via a competitive negotiation process.

RCW 36.58.090 (10) specifically states the following:

“...the alternative selection process provided by this section may not be used in the selection of a person or entity to construct a publicly owned facility for the storage or transfer of solid waste or solid waste handling equipment unless the facility is either (a) privately operated pursuant to a contract greater than five years, or (b) an integral part of a solid waste processing facility located on the same site. Instead, the applicable provisions of RCW 36.32.250 and chapters 39.04 and 39.30 RCW shall be followed.”

Prior to using the competitive negotiation procurement process, it is necessary to demonstrate that a new facility is “an integral part of the existing solid waste processing facility”. While RCW 36.58.090 (10) does not provide a definition for a “solid waste processing facility”, the Washington Administrative Code (WAC) includes the following definitions:

- WAC 173-350-100 (Solid Waste Handling Standards – Definitions), processing means an operation to convert a material into a useful product or to prepare it for reuse, recycling, or disposal.
- WAC 173-304-100 (Minimum Functional Standards for Solid Waste Handling – Definitions), processing means an operation to convert a solid waste into a useful product or to prepare it for disposal.

The Factoria RTS meets the above WAC definitions for a solid waste processing facility based on the multiple waste processing operations planned for the facility. The waste processing operations include compaction of waste into containers to increase trailer payloads and reduce compaction efforts at the Cedar Hills Regional Landfill, recyclables management (receiving, sorting, processing and consolidating) and a household hazardous waste (HHW) facility. The HHW facility at the Factoria RTS will be used to collect and consolidate materials for customer reuse or offsite disposal.

Design Build (DB): RCW 39.10.300 governs selection of a DB team through a competitive selection process. In the DB project delivery method, the owner contracts with a single contractor for design and construction of the project.

General Contractor/Construction Manager (GC/CM): RCW 39.10.340 governs selection of a GC/CM through a competitive selection process. In the GC/CM project delivery method, the owner selects a separate design team and GC/CM. The GC/CM is selected early in the design phase to allow the contractor to collaborate on the design, management, and construction process. Overall, the GC/CM project delivery method can be effective in helping the owner achieve scheduling, cost, and quality criteria established for the project.

Design Build Operate Maintain (DBOM): The DBOM process is similar to the DB process, but includes an operations element that provides KCSWD with a single contract for design, construction, operation, and maintenance of the facility. In this approach, the development and operations of the project are left to the selected contractor, reducing the responsibility of the KCSWD.

Design Build Own Operate Transfer (DBOOT): This method involves a public-private partnership and is allowed by the Internal Revenue Code (IRC) 63-20. The method is similar to DBOM, however at the end of predefined contract term (i.e., after 20 years) the facility ownership would be transferred to KCSWD.

Service Agreement. For this method, KCSWD contracts for services at a facility owned/operated by the selected contractor. Selection would be based on qualifications to meet contract terms. The cost for the facility would be recovered through rates paid by the end users. This team would likely be led by a waste management firm with an existing facility having adequate capacity or the ability to site and construct a new facility.

APPROACH FOR SELECTION OF A PROJECT DELIVERY METHOD

The general approach to select a project delivery method consists of the following steps:

1. Identify Project Delivery Methods (step completed above)
2. Selection of Screening Method
3. Broad Screening of Project Delivery Methods
 - a. Develop initial screening criteria
 - b. Perform initial screening (shortlist to 2 to 3 methods)
4. Detailed Screening of Shortlisted Project Delivery Methods
5. Provide Recommendation for project delivery method and identify/select best option

STEP 2 – IDENTIFY SCREENING APPROACH

The *Guidelines for Selecting a Capital Project Delivery Method* describes three options for screening the project delivery methods described above, as follows: 1) Pros and Cons List, 2) Weighted Matrix, and 3) Risk Based Decision Making. For the Factoria RTS project, a pros and cons list will be used for initial screening. A weighted matrix approach will be utilized for detailed screening of the shortlisted options.

STEP 3 - INITIAL SCREENING OF PROJECT DELIVERY METHODS

The following general criteria were used for the initial screening of project delivery methods for the Factoria RTS:

- Schedule
- Owner (KSCWD) Experience and Availability
- Cost
- Contractor Interest
- Owner (KCSWD) Involvement during Design/Construction
- Facility Operation
- Risk Management
- King County Approvals
- Capital Projects Advisory Review Board (CPARB)

The applicability of the above criteria to the project delivery methods identified in Step 1 is discussed below:

Schedule: The Factoria RTS design is approximately 30% complete and KCSWD has design and construction management (CM) teams under contract. Therefore, the DB, DBOM, DBOOT, and GC/CM project delivery methods are no longer suitable for the Factoria RTS project.

Owner (KSCWD) Experience and Availability: The KCSWD project management team has experience with DBB, GC/CM, and competitive negotiation procurement methods. The KSCWD team has also determined they can commit the time required to manage an alternative project delivery.

Cost: The interaction of the designer, KCSWD, and Contractor before contract documents are finalized may lead to a better understanding of the project and fewer change orders. Additional cost to the procurement process may result from the selection of an alternative delivery method. The construction savings realized due to earlier contractor involvement may result in an overall cost comparable to other delivery approaches.

Contractor Interest: It is anticipated that several qualified contractors will be interested in this project. However, alternative delivery processes can add costs to the contractors proposing on the project unless an honorarium is offered to proposers.

Owner (KCSWD) Involvement during Design/Construction: An alternative delivery process will allow for the contractor to be fully aware of community issues, such as addressing parking for neighboring sites, prior to submitting a cost for construction. For the Factoria RTS project, the level of KCSWD involvement and community sensitivity will be higher than the level of effort applied to the Bow Lake RTS project.

Facility Operation: Multiple delivery methods previously described require a party other than KCSWD operate the facility. These options should not be considered for existing and replacement facilities since KCSWD unions are required to operate these facilities.

Risk Management: DBB procurements tend to allocate a larger amount of risk towards KCSWD, whereas alternative delivery approaches attempt to share risk between parties.

King County Approvals: The King County Executive and Council will need to approve the use of the DB, GC/CM, or competitive negotiated procurement project delivery method. The current implementation schedule (shown in Attachment A) indicates that there is adequate time available to obtain these approvals prior to the issuance of building permits.

Capital Projects Advisory Review Board (CPARB): After approval from King County Council (and Executive), KCSWD will need to present its request to CPARB for approval for DB type deliveries and GC/CM. The current implementation schedule (shown in Attachment A) indicates that there is adequate time available to obtain these approvals prior to the issuance of building permits.

The project schedule and owner involvement during design and construction are considered priority criteria for the Factoria RTS. Schedule is an important consideration in selecting the project delivery method for the Factoria RTS because the design and CM teams are already under contract with KCSWD and design documents up to 30% complete. The anticipated delivery dates for the design deliverables precludes the use of GC/CM for this project.

Owner (KCSWD) involvement during design/construction is important since the existing Factoria Transfer Station will remain in operation during construction of the new Factoria RTS. KCSWD engineering and operations staff will need a cooperative relationship with the contractor to assist with construction phasing decisions. Also, KCSWD engineering staff and operations staff are active participants in the design process.

Project delivery methods considered for the Factoria RTS are presented in Table 1 along with the reasoning for whether or not to move the option forward for detailed screening.

Table 1. Broad Screening of Procurement Methods for the Factoria RTS

Procurement Method	Pros	Cons
DBB (RCW 36.32 and 39.04)	<ul style="list-style-type: none"> • Quick bid review since evaluation based on comparison of prices. • Most widely used practice for public works projects. • Least cost to contractors interested in preparing a bid. • Familiar to KCSWD staff. ▪ Relatively short time for procurement. 	<ul style="list-style-type: none"> ▪ Limited time for contractors to fully comprehend everything there is to know about the project. ▪ Limited opportunity for interaction between contractors and KCSWD to determine if the contractor understands the issues required to successfully complete the project. ▪ Reduced collaborative environment between contractor and KCSWD since price is determining factor in selection. ▪ Potential delays in awarding the project as KCSWD will typically not award the project without first having obtained building permits. ▪ May leads to contractors taking risks during bid preparation (to lower price and improve their win probability), resulting in missed or underestimated items which the contractors may attempt to recover costs for through change orders and claims during the project.
Competitive Negotiation (RCW 36.58.090)	<ul style="list-style-type: none"> • Allows emphasis on contractor qualifications as part of the selection criteria which may provide best overall value. • Allows KCSWD to review contractor's approach to construction which will be important since Factoria RTS will remain open during construction. • Improves bidder understating of design intent because allows for interaction between KCSWD and interested contractors. • Provides opportunities for contractor input regarding constructability and scheduling 	<ul style="list-style-type: none"> • Higher costs to contractors (compared to DBB) which may reduce number of contractors interested in bidding unless an honorarium is provided to offset costs. • Contractors may pass along a premium to recover their additional time/investment to win the project. • Higher costs to KCSWD to develop the solicitation documents, review proposals, and reimburse responding contractors with an honorarium. • Process normally takes longer than the DBB method because formal approvals by legislative

Procurement Method	Pros	Cons
	<p>prior to final contract documents which can help identify errors or conflicts.</p> <ul style="list-style-type: none"> • Provides a more refined price and cost certainty (compared to DBB) based on contractor's improved understanding of project via interaction with KCSWD and design team. • Higher level of shared risk of costs overruns, schedule slippage and performance between contractor and KCSWD. • Lesser risk of change orders than a DBB approach. 	<p>entities are required.</p>
DB (RCW 39.10.300)	Not evaluated, see Cons.	A separate design team is under contract so this method is not feasible.
GC/CM (RCW 39.10.340)	Not evaluated, see Cons.	Not practical since design team will soon be to 60% and third party approvals would delay using this method until too late to be effective.
DBOM	Not evaluated, see Cons.	Not viable because KCSWD will operate the facility.
DBOOT (IRC 63-20)	Not evaluated, see Cons.	Not possible because KCSWD will finance and operate the facility.
Service Agreement	Not evaluated, see Cons.	Not possible because KCSWD will own and operate the facility.

As shown in Table 1, the DBB and competitive negotiation project delivery methods were determined as most viable and will be further evaluated for Factoria RTS.

STEP 4 - DETAILED SCREENING OF DBB AND COMPETITIVE NEGOTIATION PROJECT DELIVERY METHODS

Several factors were used in the weighted matrix to further evaluate the DBB and competitive negotiation project delivery methods for the Factoria RTS and are discussed below.

Procurement Process:

- **Flexibility**. A competitive negotiation project delivery method allows for the most flexibility because the contractor is selected based on qualifications and certain price factors. In addition, the designer and contractor are selected separately, so KCSWD is not constrained to pick a team. DBB requires KCSWD to select the lowest responsive and responsible bidder and so offers the least flexibility in achieving cost-effectiveness of the completed approach.
- **Objectivity**. The DBB process provides increased objectivity to selection of the contractor since lowest, responsive bidder is selected.
- **Responsibility**. A single point of contact is responsible for all services such as with a DB and related approaches and a service agreement method is sometimes preferable. This factor is not a determining factor for Factoria RTS because the design and CM teams are already under contract and a separate construction contractor will be selected.
- **Applicability of labor agreements to avoid site staff labor dispute risk**. Union protests are not likely to be an issue for the project delivery method used for Factoria RTS since methods that involve a third party operator were screened out above.
- **Cost certainty**. Competitive negotiated procurement will establish the price near the end of the design phase and so offers a more reliable cost certainty. Construction costs are not certain for DBB; while first costs on bid day may be low, the final costs after changes and claims could be higher. There is no incentive in a DBB approach for the Contractor to work collaboratively with KCSWD, the CM or design team.

Project Development:

- **Schedule and coordination**. Competitive negotiation procurement offers the most potential for the project to be completed on a quicker timeline because the contractor will have the opportunity to provide a constructability review prior to final contract document preparation.
- **Design innovation**. This will not be a determining factor for this project since the contractor is involved late in the design for both DBB and competitive negotiation procurement.
- **Sustainability**. KCSWD can specify the sustainable design requirements for DBB and competitive negotiation procurement and therefore is not a determining factor for this project.
- **Design and operations system integration**. DBB and competitive negotiation procurement can both provide for integration if requirements are provided in the contract documents, therefore it is not a determining factor for this project.
- **Construction innovation**. Competitive negotiation procurement allows for some input by the contractor before the design is complete, but potential for innovation is limited late in the design.

- **Quality and durability of equipment and materials.** DBB and competitive negotiation procurement methods allow for KCSWD to specify equipment and materials of construction and therefore is not a determining factor for this project.

Project Operation:

- **Short-term flexibility.** DBB and competitive negotiation procurement allow for KCSWD to share resources between different facilities and therefore is not a determining factor for this project.
- **Long-term flexibility.** DBB and competitive negotiation procurement limit the flexibility for KCSWD to change operations without new design and construction contracts and therefore is not a determining factor for this project.
- **Safety of work environment.** DBB and competitive negotiation procurement methods can both prioritize safety as part of the process and therefore is not a determining factor for this project.

Community Impacts:

- **Construction.** DBB and competitive negotiation procurement methods allow for KCSWD to have direct control over impacts to the community and therefore is not a determining factor for this project.
- **Operations.** DBB and competitive negotiation procurement methods allow for KCSWD to have direct feedback from the surrounding community and therefore is not a determining factor for this project.

Customer Service: The DBB and competitive negotiation project delivery methods allow for KCSWD to specify minimum performance standards such as queuing time and storage capacity and therefore is not a determining factor for the Factoria RTS project.

Table 2 presents a weighted matrix for comparison of the detailed screening criteria for the DBB and Competitive Negotiation project delivery methods. Criteria and factors that were determined above to not be a determining factor between the methods are not included in the table. Following are the weighting factors and assign the associated meaning used for the analysis:

<u>Weight</u>	<u>Meaning</u>
1	Not important
2	Low importance
3	Medium importance
4	High importance
5	Very high importance

Each criterion is evaluated below according to how well DBB and Competitive Negotiation project delivery methods meet that criterion. The scoring factors used were assigning the following meanings:

<u>Score</u>	<u>Meaning</u>
1	Somewhat suitable

- 2 Substantially suitable
- 3 Completely suitable

Table 2. Comparison of DBB and Competitive Negotiation Project Delivery Methods for the Factoria RTS.

Criterion Factor / Weight	DBB		Competitive Negotiation		Comments
	Score	Weighted Score	Score	Weighted Score	
Procurement Process Experience / 2	3	6	2	4	DBB is most widely used public works contracting method and so is most familiar to KCSWD staff
Procurement Process Flexibility / 3	1	3	3	9	Competitive Negotiation allows for consideration of qualifications of general contractor and major subcontractors
Procurement Process Objectivity / 2	3	6	1	2	DBB has increased objectivity to potential bidders since lowest, responsive bidder is selected
KCSWD Involvement during Design and Construction / 5	1	5	2	10	Competitive Negotiation allows for more involvement by general contractor and major subcontractors during proposal process
Project Development Coordination / 4	1	4	2	8	Competitive Negotiation allows for more coordination with general contractor and major subcontractors during proposal process
Cost Certainty / 5	1	5	3	15	Competitive Negotiation has more reliable cost certainty and less potential for change orders
King County Approvals / 3	3	9	1	3	DBB has no requirements for King County approvals to initiate procurement process and to execute contract
Risk Management / 5	1	5	2	10	Competitive Negotiation has more shared risk of costs overruns, schedule slippage and performance

Criterion Factor / Weight	DBB		Competitive Negotiation		Comments
	Score	Weighted Score	Score	Weighted Score	
Project Development Schedule / 3	1	3	3	9	Competitive Negotiation has lower risk since constructability review near end of design may provide opportunities to reduce schedule
Construction Innovation / 2	1	2	2	4	Competitive Negotiation allows for involvement late during design so offers some input by the general contractor
Total	16	48	21	74	Competitive Negotiation has the higher Score and Weighted Score

STEP 5 - RECOMMENDED PROJECT DELIVERY METHOD AND IMPLEMENTATION SCHEDULE FOR THE FACTORIA RTS

After considering many project delivery methods, the competitive negotiation project delivery method is recommended for the Factoria RTS project. The competitive negotiation project delivery method offers KCSWD advantages over DBB and are summarized as follows:

- More flexibility in selecting the general contractor providing the best value for the project since qualifications will be considered.
- The coordination between the general contractor, designer and KCSWD prior to award of the construction work will provide for more cost certainty and less schedule risk. The additional time and effort required by KCSWD for this delivery method is offset by the increased certainty of cost and reduction of risk.
- The procurement process will allow the general contractors to have a better understanding of the project prior to submitting pricing.

Risk to KCSWD will be limited since it will remain possible to revert from competitive negotiation project delivery to DBB late in the design process. Conversely, changing from DBB to a competitive negotiation project delivery later in the design process will not be possible without significant cost and schedule impacts.

For reference, the memorandum detailing the analysis for the selection of the project delivery method for the Bow Lake RTS project is included as Attachment B. The main points of this analysis are pertinent to the Factoria RTS project. King County has successfully used Competitive Negotiation project delivery method (best value method) to select a contractor for the Bow Lake RTS project. The King County Council approved the use of Negotiated Procurement process for the Bow Lake RTS project in 2008 via Ordinance #16247. Competitive Negotiation procurement approach has proven to be a successful method for hiring the most qualified contractor, made the Bow Lake RTS project costs more predictable and manageable, increased project understanding by

contractors before they submitted final bids, allowed for contractors' design input prior to contract execution, reduced the incidence of change orders and produced a higher quality Bow Lake RTS project.

The currently planned schedule includes the following milestones for the competitive negotiation project delivery method:

Advertise RFQ	August 2012
RFP to Shortlisted Contractors	November 2012
Start Onsite Construction	January 2014
Complete Construction	May 2016

The detailed implementation schedule for DBB and Competitive Negotiation project delivery methods are shown in the summary schedule included as Attachment A.

Attachment A
Summary Schedule

NOTHING IS TO BE DONE
FOR THE YEAR 2010

**Factoria Recycling & Transfer Station
PERMITTING-DESIGN-CONSTRUCTION
January 31, 2012**

Project Schedule

Project Schedule	2011												2012												2013														
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3
BOUNDARY LINE ADJUSTMENT (BLA)	[Shaded]																																						
ENVIRONMENTAL AND PERMITTING													MARCH 2011 - OCTOBER 2013																										
SEPA Process (Issue Feb 16, 2012)	[Shaded]												[Shaded]																										
City of Bellevue Conditional Use Permit (CUP) and Critical Areas Permit	[Shaded]												[Shaded]												[Shaded]														
Federal and State Agency Permits	[Shaded]												[Shaded]												[Shaded]														
Construction Permits (i.e., Building, Grading)	[Shaded]												[Shaded]												[Shaded]														
DESIGN													JANUARY 2011 - JULY 2013																										
Preliminary Design Development Documents (April 27, 2011)	[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]																											
Value Engineering Study/County Review of Prelim. Design Docs.				[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]	[Shaded]																											
County Select Final Building Option																																							
30% Design Development Documents (Issue January 25, 2012)																																							
County Review of 30% Design Documents (Comments Mar. 1, 2012)																																							
Complete Project Baseline																																							
60% Design Development Documents																																							
County Review of 60% Design Documents																																							
90% Design Development Documents																																							
County Review of 90% Design Documents																																							
Constructability Review																																							
Permit Ready Documents (95%)																																							
County review of 95% Permit Ready Documents																																							
100% (Bid Ready) Construction Documents																																							
BIDDING/CONTRACTOR PROCUREMENT/CONSTRUCTION																									SCHEDULE VARIES DEPEND														
Project Labor Decision and Agreement with Unions	[Shaded]												[Shaded]												[Shaded]														
Traditional Bid Process (Low Bid)	[Shaded]												[Shaded]												[Shaded]														
Advertisement of Construction Documents by PSCC	[Shaded]												[Shaded]												[Shaded]														
Notice of Intent to Award (Final selection of Contractor)	[Shaded]												[Shaded]												[Shaded]														
Construction Preparation Phase - 10 weeks based on BLRTS	[Shaded]												[Shaded]												[Shaded]														
Construction - Phase 1 (mob and demolition) 6 weeks	[Shaded]												[Shaded]												[Shaded]														
Construction - Phases 2 - 4 and Project Closeout for 27 months	[Shaded]												[Shaded]												[Shaded]														
Alternative Contractor Procurement Process RCW 36.58 (Best Value)													March 2012 - November 2013																										
Prep. Ordinance Authorizing Use of Alt Procurement - RCW 36.58	[Shaded]												[Shaded]												[Shaded]														
DNRP Review of Ordin. Document Prior to submission to Council	[Shaded]												[Shaded]												[Shaded]														
Council Review & Adoption of Ord. Prior to submission to County	[Shaded]												[Shaded]												[Shaded]														
County Executive Approval of Ordinance	[Shaded]												[Shaded]												[Shaded]														
Prepare Request for Qualifications (RFQ) by PSCC	[Shaded]												[Shaded]												[Shaded]														
RFQ Advertisement Period	[Shaded]												[Shaded]												[Shaded]														
Shortlist Contractors (Alt Procurement Process)	[Shaded]												[Shaded]												[Shaded]														

Attachment B
Bow Lake RTS Project Delivery Method Memorandum by RW Beck, Inc.

There is a
...
...
...



King County

Dow Constantine

King County Executive
401 Fifth Avenue, Suite 800
Seattle, WA 98104-1818

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TTY Relay: 711
www.kingcounty.gov

Attachment 4

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CLERK
KING COUNTY COUNCIL

2012-247

June 22, 2012

The Honorable Larry Gossett
Chair, King County Council
Room 1200
COURTHOUSE

Dear Councilmember Gossett:

This letter transmits an ordinance that will enable King County to maximize ratepayer value on the construction of the new Factoria Recycling and Transfer Station ("new station") in Bellevue by authorizing an alternative contractor selection process.

The Solid Waste Division of the Department of Natural Resource and Parks ("the division") is replacing the existing Factoria Transfer Station with a new station to be constructed on the existing site and adjacent property. RCW 36.58.090 authorizes use of an alternative vendor selection process that includes competitive negotiation with contractors for design, construction or operation of solid waste handling facilities.

The benefit of using of this contracting method for construction of the new station is that it allows the County to select the general contractor that provides the best value to the County. This process also allows coordination between the general contractor, designer and the division prior to award of the construction contract, providing more cost certainty and less schedule risk. Use of the alternative vendor selection process was approved by the King County Council for the Bow Lake Recycling and Transfer Station construction project by Ordinance 16247, and the new Bow Lake facility is on schedule and within budget.

Using the alternative vendor selection process for construction of the new station will meet King County's Strategic Plan goal of financial stewardship through the exercise of sound financial management. Ultimately, construction of the new station will assist in meeting goals to deliver services responsive to community needs, protect public health, and safeguard King County's natural resources and environment.

The existing Factoria Transfer Station, which was constructed in the mid-1960s, is at the end of its useful life. The new station will include construction of a 53,000-square-foot transfer and waste processing building, a household hazardous waste collection facility, administration offices, a trailer parking yard, concrete and asphalt paving and site utilities. The existing scale facility will be upgraded and other buildings on the property will be

The Honorable Larry Gossett
June 22, 2012
Page 2

deconstructed. The existing station will remain open to the public during construction of the new building.

A request for qualifications and proposals for this contract is scheduled to be advertised in September 2012. The construction cost for this project is estimated at \$45 million dollars. As with the recently constructed Shoreline Recycling and Transfer Station and the soon to be completed Bow Lake Recycling and Transfer Station, the division will seek Leadership in Energy and Environmental Design (LEED) certification for this new station.

Stakeholders, including the City of Bellevue, project neighbors, and commercial haulers have been involved in the planning and design stages of this project through periodic meetings, open houses and other community outreach efforts.

Thank you for your consideration of this ordinance. This important legislation will give King County the best opportunity to complete the project in a timely and cost-effective manner, and provide King County residents with the best value for the project.

If you have any questions, please feel free to contact Kevin Kiernan, Division Director of the Solid Waste Division of the Department of Natural Resources and Parks, at 206-296-4385.

Sincerely,



Dow Constantine
King County Executive

Enclosures

cc: King County Councilmembers
 ATTN: Michael Woywod, Chief of Staff
 Mark Melroy, Senior Principal Legislative Analyst, BFM Committee
 Anne Noris, Clerk of the Council
Carrie S. Cihak, Chief Advisor, Policy and Strategic Initiatives, King County
 Executive Office
Dwight Dively, Director, Office of Performance, Strategy and Budget
Christie True, Director, Department of Natural Resources and Parks (DNRP)
Kevin Kiernan, Division Director, Solid Waste Division, DNRP

Attachment 5

FISCAL NOTE

Ordinance/Motion No. 2012-XXXX
 Title: Factoria Recycling and Transfer Station Project: Alternative Vendor Selection Process
 Affected Agency and/or Agencies: Solid Waste Division, Department of Natural Resources and Parks
 Note Prepared By: Lisa Youngren, Business and Finance Officer III
 Note Reviewed By: Ann Berrysmith, Finance and Administration Manager

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

Revenue:

Fund/Agency	Fund Code	Revenue Source	2012	2013	2014	2015
SWD Construction (CIP)	3901		0	0	0	0
TOTAL			0	0	0	0

Expenditures:

Fund/Agency	Fund Code	Department Code	2012	2013	2014	2015
SWD Construction (CIP)	3901	C90101	81,599	163,198	0	0
TOTAL			81,599	163,198	0	0

Expenditures by Category

	2012	2013	2014	2015
Salaries & Benefits	81,599	163,198	0	0
Supplies and Services				
Capital Outlay				
Other				
TOTAL	81,599	163,198	0	0

Assumptions:

No additional budget authority is needed or requested. This proposal assumes the use of the alternative procurement process to select a contractor for the construction of the Factoria Recycling and Transfer Station. It assumes that the method outlined in RCW 30.58.090 will be utilized to procure the services of a construction contractor.

Revenues: No impact or change.

Expenditures: Estimates are based on hours required of three engineers.

