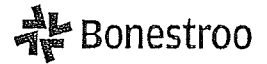


Memorandum



To: Lois Spear	Project: ICE for Additional Services Request by SRF	Date: June 22, 2009
From: Stuart Krahn	Client: MVTA	
Re: Independent Cost Estimate	File No: 002664-09005-0	

2335 Highway 36 W
St. Paul, MN 55113

Tel 651-636-4600
Fax 651-636-1311

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Dear Lois:

We have reviewed the materials provided in support of the Additional Services request for the Apple Valley Park and Ride Facility and the 140th/147th Station Stop and Facility. These include letters to MVTA from SRF dated July 10, 2008, March 23, 2009, April 9, 2009, and April 29, 2009, and the conformed construction drawings for the project incorporating changes made via addenda. The following represents our independent estimate of professional services costs.

The additional services request falls in five general areas.

1. Requests due to additional meetings. We estimate that meeting attendance, with travel time, would be billed at approximately \$450-\$600 per person.
 - a. The cost for design work sessions over six (6) was established in the July 10, 2008 letter at \$4,100 per session. Three sessions were documented for an additional fee of \$12,300. Based on the prior contractual agreement, assuming the meetings are correctly categorized, this amount is justified. It is likely higher than our \$450-\$600 per person/per meeting estimate due to more extensive meeting preparation time for design work sessions.
 - b. The additional \$1,000 for attending the last Planning Commission and final Council meeting (\$500 each) is also in line with our estimate, which ranges between \$900 and \$1200.
 - c. We estimate the additional Cedar Avenue TAC meeting attendance at between \$7,650 and \$10,200. The proposed \$10,200 is in line with the upper end of this range.

2. Request due to reduction of site size by 4 acres. We have reviewed the conformed construction drawings and estimated the impact of the changes at an average of 6 hours per sheet, for a total of 156 hours. Using an average hourly rate of \$120/hour, the total for revising 26 sheets would be \$18,720. This is close to the proposed amount of \$19,500. If one used an average hourly rate of \$125, the estimated and proposed amounts would be the same.

3. Request due to change from Deduct Alternate to Add Alternate. We have reviewed the conformed construction drawings and estimated the impacts of the changes at an average of 4 hours per sheet for redlines, drafting, and plotting, for a total of 276 hours for revising 69 sheets. Using an average hourly rate of \$120/hour, the total fee would be \$33,120. The design of the second supported level, and the contingency planning for it being constructed or not constructed, would have been completed whether the second supported level was bid as a deduct alternate or an add alternate. Therefore, the majority of the time is in revising annotations, plotting, and writing and issuing addenda, not in performing new calculations or design work. In addition, we estimated the time to revise the specifications, issue addenda, coordinate with the design team, and answer contractor questions related to the addenda at 40 hours. At an average hourly rate of \$160, this work would cost \$6,400. Thus our total estimate for this change is \$39,520. This compares with a proposed amount of \$78,950.
4. Request due to increase in structured parking from 300 to 487 spaces. We estimated the additional cost of these 187 parking stalls at approximately \$2,805,000 using a construction cost of \$15,000 per stall. Assuming that specifications writing, cost estimating, project management, and other overall costs were already accounted for in the base design fee, we estimate the fees to add this work at between 4% and 5% of construction, which would be between \$112,200 and \$140,250. The proposed amount of \$125,391 is approximately in the middle of this range.
5. Request due to overall project cost increase. The original project budget was \$15.5 million, including design fees. Of this, approximately \$5.9 million was allocated to the 140th/147th Station Stop and Facility and \$9.6 million was allocated to the Apple Valley Park and Ride Facility.
 - a. With the addition of the 187 structured parking stalls and associated fees mentioned above, the revised budget for the Apple Valley Park and Ride Facility would approximately \$2.9 million higher, or approximately \$12.5 million. The successful bid was \$12.5 million, not including design fees. Therefore, the difference between the original budgeted construction amount and the current cost is approximately the value of the original design fees for this facility, which was \$913,959.
 - b. The current construction estimate for the 140th/147th Station Stops is \$10.5M. When fees are added, this becomes approximately \$11.4 million, which is significantly higher than the original budget of \$5.9 million.

Unless MVTA directed scope changes, as in the case of the 187 additional structured parking stalls, or directed significant upgrades in features or materials that would increased design costs along with construction costs, the basic facilities as described in the RFP have not changed. Therefore, although

the original construction budget for the 140th/147th Station Stops may have been inadequate, the overall design of the facilities should have been captured in the original design fee as proposed. Therefore, we do not see a rationale for increasing the design fee based solely on a higher than anticipated construction cost. The additional cost could be due to design enhancements to the facilities that were not directed by the owner. If the consultant were to provide billing backup and/or a detailed explanation of changes in project scope that created additional cost, MVTA could consider that information in evaluating the additional fee request.


In summary, a comparison between our estimate and the proposed fee is as follows:

	<u>Estimate</u>	<u>Proposed Fee</u>
Item 1a	\$12,300	\$12,300
Item 1b	\$900-\$1,200	\$1,000
Item 1c	\$7,650 to \$10,200	\$10,200
Item 2	\$18,720	\$19,500
Item 3	\$39,520	\$78,950
Item 4	\$112,200 to \$140,250	\$125,391
Item 5	\$0, without scope change	\$44,659

Please feel free to call me at 651-604-4861 with any questions regarding this memo or to discuss in further detail.

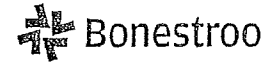
Sincerely,

BONESTROO



Stuart M. Krahn, RLA, LEED-AP
Agency Sector Leader

Memorandum



To: Lois Spear	Project: ICE for Amendment 5 Request by TKDA	Date: June 22, 2009
From: Stuart Krahn	Client: MVTA	
Re: Independent Cost Estimate	File No: 002664-09005-0	

2335 Highway 36 W
St. Paul, MN 55113

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Dear Lois:

We have reviewed the materials provided in support of the Amendment 5 request for the Cedar Grove Park and Ride Facility. These include the letter to MVTA from TKDA dated April 22, 2009, the original scope of work, and the two bid packages for the project. The following represents our independent estimate of additional professional services costs.

The additional services request is described in items A through J, and we have reflected that same itemization in our estimate.

- A. Project Management and Understanding. A minor accounting change was required, replacing the DBE form, which we would consider incidental. We estimate meeting attendance, with travel time, would be billed at approximately \$450-\$600 per person. One additional meeting was documented. The project duration has been extended by 10 months. We estimate the labor required for this extension at 8 hours per month for 8 months and 4 hours per month for 2 months for a total of 72 hours. At \$140/hour, this cost would be \$10,080. Thus, our total estimate for these services is between \$10,530 and \$10,680. The proposed addition is \$10,673.
- B. Design Schedule. The schedule was revised and resubmitted twice more than originally proposed. We estimate 8 hours at an average rate of \$120/hour, for a total of \$960 for schedule revisions. An additional meeting was also required, and we estimate that meeting attendance, with travel time, would be billed at approximately \$450-\$600 per person. Assuming one person at the meeting, our estimate for these services is between \$1,410 and \$1,560. The proposed addition is \$1,633.
- C. Soils Information. No proposed change.
- D. Government and Regulatory Reviews. Two additional City Council meetings and additional submittals are required due to land ownership and Metropolitan Council approval issues. We estimate that the time associated with clarifying the process and requirements and resubmitting materials would be 16 hours at an average rate of \$140/hour for a total of \$2,240. We estimate that

meeting attendance, with travel time, would be billed at approximately \$450-\$600 per person. Assuming one person at the meeting, our total estimate for these services is between \$3,140 and \$3,440. The proposed addition is \$2,907.

- E. Design Documents. The project was split into two separate bid packages, requiring additional effort to create two complete sets of bidding documents. We estimate the level of additional effort required to produce the second set of drawings and specifications at 108 hours (80 hours for drawings, 16 hours for specifications, and 12 hours for printing and coordination). At an average rate of \$120, we estimate the total additional services at \$12,960. The proposed addition is \$12,709.
- F. Construction Cost Estimates. We estimate the effort involved in preparing the separate cost estimate for the separate bid packages at 10 hours of effort and the 100% cost estimate at 4 hours of effort. At an average hourly rate of \$140, the total fee for the additional cost estimates would be \$1,960. This compares with a proposed amount of \$2,141.
- G. Pre-Bid and Bid Activities. Two separate bidding processes were required. We estimate the effort for providing the bidding for the Remediation and Rough Grading package at 48 hours at an average rate of \$140/hour for a total of \$6,720. The proposed amount was \$6,153.
- H. Construction Administration and Management. We estimate the effort for providing the construction administration and management for the separate Remediation and Rough Grading contract at 60 hours at an average hourly rate of \$120/hour for a total of \$7,200. The proposed amount was \$7,394.
- I. Construction Material and Testing. The consultant visited the site six times for weekly review related to the Remediation and Rough Grading construction. Using a billing rate of \$120/hour and four hours per visit, we estimate the cost of these visits at \$2,880. There were also four visits for rainfall events. If the project had been constructed according to schedule, the rainfall events would have occurred during the course of construction of the overall project, therefore we would consider these to be included in the original fee. The additional services that may be encountered in the future would be the number of qualifying rain events that must be inspected during the extended construction period plus the additional required weekly site visits (minus the six already added). Therefore, our estimate for these services is \$2,880, compared with a proposal of \$5,309, but we would recommend allowing for additional services in the future during the extended construction period.
- J. Direct Expenses. The proposed direct expenses totaling \$3,508 are reasonable, but MVTA could ask the consultant to verify that plan deposit fees paid by contractors were credited to MVTA and that the \$2,771 printing and

delivery cost is net of these deposit fees. We would assume that it is, and that the full amount is justified.

In summary, a comparison between our estimate and the proposed fee is as follows:

	<u>Estimate</u>	<u>Proposed Fee</u>
Item A	\$10,530 to \$10,680	\$10,763
Item B	\$1,410 to \$1,560	\$1,633
Item C	\$0	\$0
Item D	\$3,140 to \$3,440	\$2,907
Item E	\$12,960	\$12,709
Item F	\$1,960	\$2,141
Item G	\$6,720	\$6,153
Item H	\$7,200	\$7,394
Item I	\$2,880 plus future	\$5,309
Item J	\$3,508 net of plan deposits	\$3,508

Please feel free to call me at 651-604-4861 with any questions regarding this memo or to discuss in further detail.

Sincerely,

BONESTROO



Stuart M. Krahn, RLA, LEED-AP
Agency Sector Leader

