

Date: June 23, 2021

To: Board of Directors

From: Sam Desue, Jr.

Subject: RESOLUTION NO. 21-06-35 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH STACY AND WITBECK, INC. (SWI) FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC) SERVICES FOR THE MAX RED LINE EXTENSION AND RELIABILITY IMPROVEMENTS PROJECT

1. Purpose of Item

This Resolution requests that the TriMet Board of Directors (Board) authorize the Interim General Manager or his designee to execute a modification to the contract (Contract) with Stacy and Witbeck, Inc. (SWI) for Construction Manager/General Contractor (CM/GC) Services for the MAX Red Line Extension and Reliability Improvements Project (Project).

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Reason for Board Action

Board approval is required for goods and services contracts obligating TriMet to pay in excess of \$1,000,000.

4. Type of Action:

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other _____

5. Background

The MAX Red Line Extension and Reliability Improvements Project will extend service on the MAX Red Line beyond the Beaverton Transit Center to the Fair Complex Station and construct improvements at the Gateway Transit Center and the guideway to the Portland International Airport, thus improving service and reliable on-time performance along the entire MAX system.

By extending the Red Line further west from its current terminus at Beaverton Transit Center to a new terminus at the Fair Complex/Hillsboro Airport station, the Project will efficiently provide significant new light rail service to the communities of Beaverton and Hillsboro. The Project also will improve reliability and on-time performance of the entire MAX light rail system by removing two major sources of delay: 1) the single-track for the Red Line at

Gateway Transit Center, and 2) the single-track for the Red Line serving the Portland International Airport Station. These single tracks will be converted to double-track, thus allowing MAX Light Rail Vehicles (LRVs) to come and go at the same time.

On August 14, 2019, the Board approved Resolution No. 19-08-62, which exempted this contract from low bid procurement requirements. The exemption allowed TriMet to utilize a competitive Request for Proposals (RFP) process to select the most qualified contractor to provide CM/GC services for the Project. At its December 2019 meeting, the Board approved Resolution 19-12-90, authorizing award of a contract to Stacy and Witbeck for pre-construction services in an amount not-to-exceed \$508,000. The contract was presented to the Board at that time because TriMet anticipated modifying Stacy and Witbeck’s contract to include the full construction services in the event that the parties were able to agree on the scope and cost of construction services.

Pre-construction services are in progress, and TriMet is now prepared to modify the CM/GC contract to add construction services. To gain cost-assurance, final agreement with the Federal Transit Administration (FTA) on project value was postponed pending conclusion of Total Contract Price (TCP) negotiations with the Contractor.

This Resolution authorizes a modification to Stacy and Witbeck’s contract, as follows:

1.	Pre-construction Services (Resolution 19-12-90)	\$508,000
2.	Construction Services	\$138,526,841
3.	Change Order Allowance (10 % of total Contract - not committed)	\$13,903,484
	<i>Total Additional Contract Authority</i>	<i>\$152,430,325</i>

6. Procurement Process

The contract was procured through a competitive RFP process.

7. Diversity

The Stacy and Witbeck workforce is 48% minority and 8% female. In its proposal, SWI indicated it would utilize certified Disadvantaged Business Enterprise (DBE) contractors for approximately 20% of the work. TriMet will continue to work with SWI to maximize DBE opportunities as construction services commence.

8. Financial/Budget Impact

The Project is included in the FY 2022 through FY 2024 Capital Program budget and programming.

9. Impact if Not Approved

Under the terms of the CM/GC contract, TriMet could terminate the CM/GC arrangement at the completion of the already-awarded pre-construction services work, and then obtain bids for the construction work. However, Stacy and Witbeck has performed well on the Project thus far. Re-procuring the work at this time would increase costs from escalation, potentially jeopardizing grant funding eligibility and placing the Project at risk.

RESOLUTION NO. 21-06-35

**RESOLUTION NO. 21-06-35 OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A
MODIFICATION TO THE CONTRACT WITH STACY AND WITBECK, INC.
(SWI) FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC)
SERVICES FOR THE MAX RED LINE EXTENSION AND RELIABILITY
IMPROVEMENTS PROJECT**

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract modification (Modification) with Stacy and Witbeck, Inc. (SWI) for Construction Manager/General Contractor (CM/GC) Services for the MAX Red Line Extension and Reliability Improvements Project; and

WHEREAS, by Resolution dated October 25, 2017, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to authorize goods and services contracts obligating TriMet to pay in excess of \$1,000,000;

WHEREAS, the total amount of the Modification will exceed \$1,000,000; and

NOW, THEREFORE, BE IT RESOLVED:

1. That the Modification shall conform with applicable law.
2. That the Interim General Manager or his designee is authorized to enter into a Modification of the SWI CM/GC contract in order to provide for construction services in the amount of \$138,526,841.
3. That the Interim General Manager or his designee is further authorized to execute Change Orders to the modified CM/GC contract in an amount not to exceed \$13,903,484 (10% of the total contract).

Dated: June 23, 2021

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:

Gregory E. Skillman

Legal Department