

Date: March 22, 2017

To: Board of Directors

From: Neil McFarlane *Neil McFarlane*

Subject: RESOLUTION 17-03-23 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO THE CONTRACT WITH HOWARD S. WRIGHT FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE WASHINGTON PARK STATION IMPROVEMENTS PROJECT

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors (Board) authorize the General Manager to execute a modification to the contract with Balfour Beatty Construction, LLC dba Howard S. Wright (HSW) for construction manager/general contractor (CM/GC) services for the Washington Park Station 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 \$500,000.

4. Type of Action

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

5. Background

This Project is to upgrade and rehabilitate TriMet's Washington Park Station, which is TriMet's only enclosed, underground light rail station and was completed in 1998 as part of the Westside MAX line. After nearly 20 years of service, the lighting, walls, ceiling, and information displays are all in need of repairs.

At its October 2016 meeting, the Board approved Resolution 16-10-66, authorizing award of a contract to HSW for CM/GC pre-construction services for the Project. The amount of the pre-construction services contract was \$19,250. However, the contract was presented to the

Board at that time because TriMet anticipated modifying HSW's contract to include the full scope of construction services in the event that the parties were able to agree on the scope and cost of construction services.

Pre-construction services are now complete, and TriMet is prepared to modify the contract to add construction services. This Resolution would authorize modifying HSW's contract, as follows:

Pre-construction Services	\$19,250
Construction Services	\$1,382,858
Construction Fee	\$62,896
Initial Contract Amount	\$1,465,004
Change Order Allowance (5 percent)	\$67,954
Project Betterments (paid by others)	\$50,000
Total Authorized Amount	\$1,582,958

The initial contract price for the Project is \$1,465,004, which is about six percent less than TriMet's fair cost estimate of \$1,553,053. Competitive pricing of construction tasks has been ensured through open book price negotiations, with TriMet able to require competitive bidding of work scopes as appropriate, in accordance with TriMet's CM/GC practices. TriMet is also requesting authorization to increase the contract amount by up to \$67,954 for reasonable and necessary change orders, and by \$50,000 for Project betterments, which are work items that would be paid for by third parties but installed by HSW because they are associated with the Project. An example is additional signage that may be requested by Metro, or another project partner with an interest in Washington Park.

6. Procurement Process

The contract was procured through a competitive RFP process.

7. Diversity

In its proposal, HSW stated that it expected to obtain M/W/ESB/SDVE participation of approximately 15 percent. To date, HSW is on track to achieve at least this level of participation.

8. Financial/Budget Impact

The final construction contract amount was negotiated, and is about six percent less than TriMet's independent cost estimate. The Project is included in the FY 2017-18 capital budget.

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 balance of the work. However, HSW has performed well on the Project thus far, and re-procuring this work would extend the schedule and potentially jeopardize the project budget.

RESOLUTION 17-03-23

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO THE CONTRACT WITH HOWARD S. WRIGHT FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE WASHINGTON PARK STATION IMPROVEMENTS PROJECT

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract modification with Balfour Beatty Construction, LLC dba Howard S. Wright for construction manager/general contractor services for the Washington Park Station Improvements Project (Modification); and

WHEREAS, the total amount of the Modification shall exceed \$500,000; and

WHEREAS, the TriMet Board of Directors (Board), by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve goods and services contracts obligating TriMet to pay in excess of \$500,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Modification shall be in conformance with applicable laws.
2. That the General Manager or his designee is authorized to execute the Modification in an amount not to exceed \$1,465,004.
3. That the General Manager or his designee is further authorized to execute Change Orders (including Betterments) to the Contract in an amount not to exceed \$117,954.

Dated: March 22, 2017

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department