

Date: January 24, 2018

To: Board of Directors

From: Neil McFarlane



Subject: RESOLUTION 18-01-10 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH BALFOUR BEATTY CONSTRUCTION, LLC DBA HOWARD S. WRIGHT FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE ELEVATOR REFURBISHMENT/REPLACEMENT PROGRAM

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 Elevator Replacement/Refurbishment Program (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

TriMet maintains more than 30 elevators and material lifts that provide access to buildings and transit facilities, as well as the transport of freight for maintenance activities. Some of these are heavily used, public outdoor elevators that are exposed to the elements and receive heavy use by patrons. Typical life expectancy for most elevators is 25-30 years, but the actual life can vary, and some of TriMet's elevators are at the end of their useful lives. As a result, elevator replacements and refurbishments are needed throughout TriMet's system.

At its May 2016 meeting, the Board approved Resolution 16-05-31, authorizing an exemption from the low bid procurement requirement for this Project. This exemption allowed TriMet to utilize a competitive Request for Proposal (RFP) process to select the most qualified contractor to provide CM/GC services for the Project. Subsequently, at its October 2016 meeting, the Board approved Resolution 16-10-65, authorizing a Contract with HSW for preconstruction services in an amount not-to-exceed \$275,667.

Pre-construction services are now complete, and TriMet is prepared to modify the contract to add construction services for Package 1. HSW has performed satisfactorily thus far and there have been no major safety incidents or disputes. The attached Resolution authorizes a modification to HSW's Contract, as follows:

Current Contract Amount for Preconstruction Services	\$275,667.00
Construction Services Modification	\$2,197,691 (Package 1)
Construction Fee	\$164,239
Contract Amount after Modification	\$2,637,597
Change Order Allowance (10 percent)	\$263,760
Total Authority Amount Requested	\$2,901,357

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.

There are a total of four construction packages anticipated for this Project, refurbishing a total of 19 elevators over 5 years. The exact elevators included in each package may vary slightly, but in general the packages will include:

- Package 1 – 42nd Avenue, 60th Avenue, and 82nd Avenue
- Package 2 – Gresham Park & Ride, Sunset Station (3), and Washington Park (4)
- Package 3 – Center Street Admin Building (2), and Center Street Garage (2)
- Package 4 – Elmonica, Merlo, Ruby Junction (2)

Packages 2-4 will be subject to Board authorization and will be submitted for approval in the future when preconstruction services for those packages is complete.

6. Procurement Process

The contract was procured through a competitive RFP process.

7. Diversity

In its original proposal, HSW stated that it expected to obtain M/W/ESB/SDBVE participation of approximately 10 percent through subcontracting opportunities on work such as electrical, lighting, and other site work. For package 1, which is the subject of the attached Resolution, HSW expects to achieve 14% utilization.

8. Financial/Budget Impact

The funding being requested by the attached Resolution for Package 1 is accounted for in the FY18-19 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 proposals 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 18-01-10

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH BALFOUR BEATTY CONSTRUCTION, LLC DBA HOWARD S. WRIGHT FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE ELEVATOR REFURBISHMENT/REPLACEMENT PROGRAM

WHEREAS, on October 26, 2016, the TriMet Board of Directors (Board) approved Resolution 16-10-65, which authorized a contract with Balfour Beatty Construction LLC dba Howard S. Wright for construction manager/general contractor services for the Elevator Rehabilitation/Replacement Project; and

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 Elevator Refurbishment/Replacement Program (Modification); and

WHEREAS, the total amount of the Modification for construction services shall exceed \$1,000,000; and

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

NOW, THEREFORE, BE IT RESOLVED:

1. That the Modification shall be in conformance with applicable laws.
2. That the General Manager or the General Manager's designee is authorized to execute the Modification in the amount of \$2,637,597.
3. That the General Manager or the General Manager's designee is further authorized to execute Change Orders to the Modified contract in an Amount not to exceed \$263,760

Dated: January 24, 2018

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department