

Date: May 15, 2018

To: Board of Directors

From: Doug Kelsey 

Subject: **RESOLUTION NO. 19-05-37 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH STACY AND WITBECK, INC. FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC) SERVICES FOR THE STEEL BRIDGE TRANSIT IMPROVEMENTS AND TRACK REHABILITATION PROJECTS**

1. Purpose of Item

This Resolution requests the TriMet Board of Directors (Board) to authorize the General Manager to execute a modification to a contract with Stacy and Witbeck, Inc. (SWI) for construction manager/general contractor (CM/GC) services for the Steel Bridge Transit Improvements and Track Rehabilitation Projects (the 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 Steel Bridge is owned by Union Pacific Railroad and is leased to the Oregon Department of Transportation (ODOT). TriMet subleases a portion of the bridge through an agreement with ODOT. Under this agreement, TriMet is required to maintain the transit related facilities on the bridge. Given the age of the bridge and its high use by multiple forms of traffic (including light and heavy rail, cars, bikes and pedestrians), maintenance and repair of the existing transit facilities has become difficult and increasingly ineffective. An assessment by TriMet has determined that improvements are necessary to increase the reliability of the bridge, as well as increase the speed and reliability of light rail vehicles that utilize the bridge.

In addition to these improvements, track rehabilitation work is necessary at multiple locations throughout the light rail system. The locations include NE Holladay (between 9th and 11th), 10th and Morrison, the Jackson Terminus, multiple crossings in Gresham, and the Banfield Curves (near 97th).

The Board approved Resolution 16-08-53 at its August 2016 meeting, authorizing an exemption from the low bid procurement requirement for the Project.

While preparing the CMGC Request for Proposals, TriMet staff became aware of the need for additional track rehabilitation work. In order to increase efficiency, TriMet staff requested a new exemption from low bid requirement for the Project to provide for the additional scope of work. The Board approved Resolution 17-02-10 at its February 2017 meeting, granting the exemption. This 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, the Board approved Resolution 17-05-46 at its May 2017 meeting, authorizing a Contract with SWI for preconstruction services in an amount not-to-exceed \$126,090. The Board approved Resolution 18-03-31 at its March 28 meeting, authorizing a contract modification to include construction services with SWI for Package 1, Steel Bridge Phase 1 and Providence Park MAX Improvements, in an amount not to exceed \$1,949,071. Resolution 18-03-31 included construction services, fee, and a change order allowance.

Most recently, the Board approved Resolution 18-08-59 at its August 2018 meeting, authorizing a contract modification with SWI to include construction services for Package 2, the Hillsboro MAX Improvements, in an amount not to exceed \$2,297,082. Resolution 18-08-59 similarly included construction services, fee, and a change order allowance.

TriMet seeks a contract modification to add construction services for Package 3, the “Lloyd Improvements Project” to improve the approaches to the Steel Bridge and NE Holladay (between 9th and 11th). The Package 3, Lloyd Improvements Project, is planned for August 2019.

The Package 3 contract modification includes funds for procurement of materials that require long lead times to secure. These materials are needed for the next phase of Steel Bridge improvements, planned for construction next fiscal year. These improvements will include rail and special trackwork for turnouts for 401A, 401B, 695A, and 697B.

SWI has performed very satisfactorily thus far and there have been no major safety incidents or disputes. The Resolution authorizes a modification to SWI’s Contract for Package 3, as shown below:

*Total Authority Amount Approved (Res 18-08-59)	\$4,001,153
Construction Services Modification (Package 3)	\$3,358,027
Construction Fee (Package 3)	\$167,901
Contract Amount of Modification (Package 3)	\$3,525,928
Change Order Allowance (8.5 percent of Construction)	\$451,843
Total Additional Authority Amount Requested	\$3,977,771

*Previously authorized by the Board

Competitive pricing of Package 3 construction tasks has been ensured through open book price negotiations with TriMet and competitive bidding of appropriate scopes of work, in accordance with TriMet's CM/GC practices.

There are a total of 9 construction packages anticipated for this Project. The exact locations and scope of work in each package may vary slightly, but in general they are:

- Package 1 (*Complete*) – Steel Bridge East End Civil/Drainage & Providence Park
- Package 2 (*Complete*) – Hillsboro MAX Improvements (Hatfield Government Center)
- Package 3 – Lloyd Improvements & Steel Bridge Long Lead Materials
- Package 4 – Surface and Lining
- Package 5 – Steel Bridge (East & West Spans) & Lift Span
- Package 6 – 97th Avenue Curves
- Package 7 – Banfield Curves & Jackson Terminus Track 1
- Package 8 – 10th & Morrison (Streetcar)
- Package 9 – Crossing Panel Replacements

The attached Resolution authorizes Package 3 Construction Services with SWI. Future packages will be brought to the Board upon satisfactory completion of negotiations

6. Procurement Process

The contract was procured through a competitive RFP process.

7. Diversity

In its original proposal, SWI stated that it expected to obtain Minority/Women/Emerging Small Business/Service Disabled Veteran Business Enterprise (M/W/ESB/SDVBE) participation of approximately 18% through subcontracting opportunities, including permit coordination, site security, construction survey, metal fabrication, and train signal modifications. For package 1, SWI expected to achieve 17.2% utilization and achieved 18.44%. For package 2, SWI expected to achieve 18.1% utilization, but achieved 16.24%.

The scope of Package 3 includes procurement for special trackwork materials, which is exempt from M/W/ESB/SDVBE participation because there are no certified firms in that market. This exemption is supported by TriMet's Diversity department.

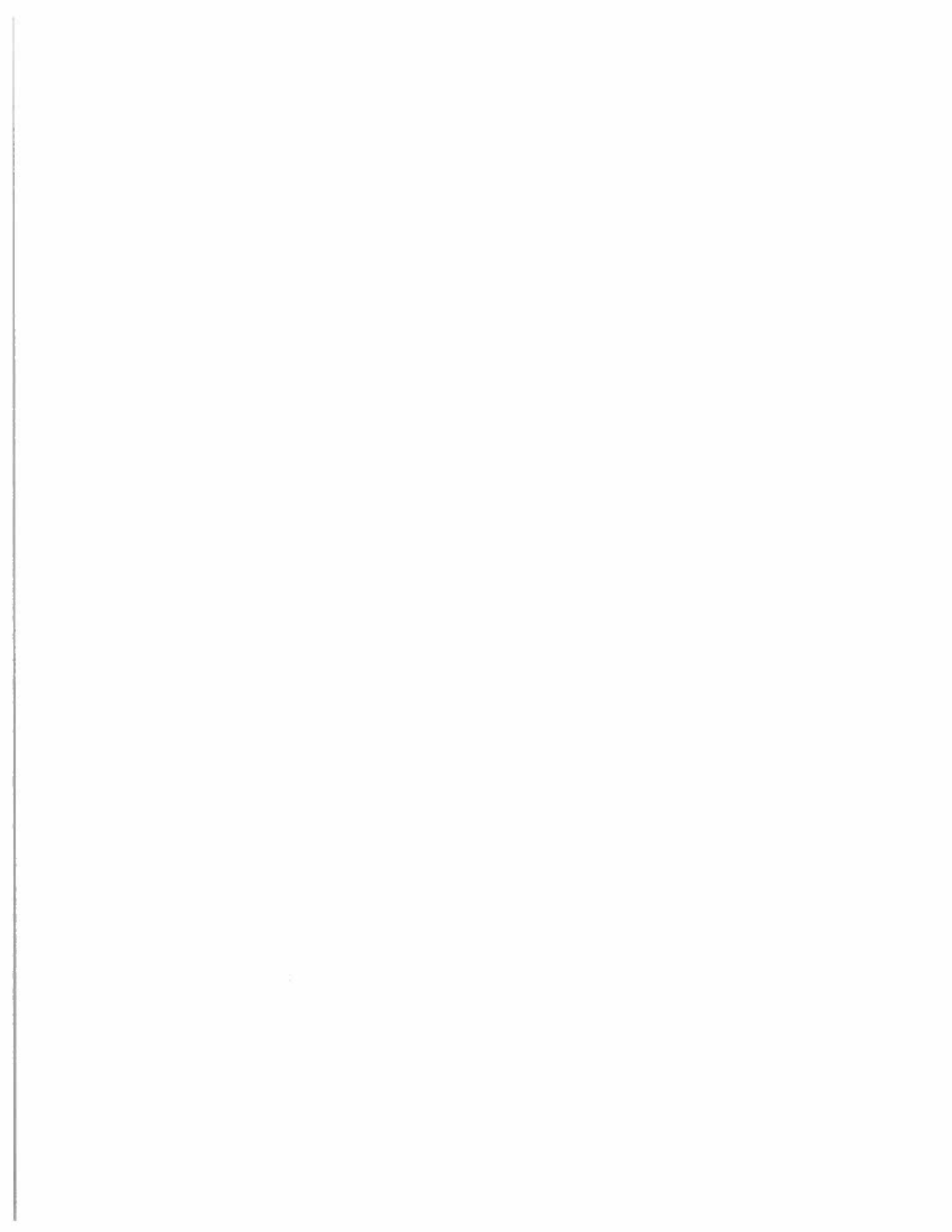
For the balance of Package 3, SWI expects to achieve 18% M/W/ESB/SDVBE utilization. TriMet will work with SWI to maximize M/W/ESB/SDVBE participation when negotiating subsequent packages.

8. Financial/Budget Impact

The funding requested by this Resolution for Package 3 is accounted for in the FY20 Capital budget.

9. Impact if Not Approved

Under the terms of the CM/GC contract with SWI, TriMet could terminate the CM/GC arrangement and then re-procure for the balance of the work. However, SWI has performed well on the Project thus far, and re-procuring this work would extend the schedule and jeopardize the Project budget.



RESOLUTION NO. 19-05-37

**RESOLUTION NO. 19-05-37 OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A
CONTRACT MODIFICATION WITH STACY AND WITBECK, INC. FOR
CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC)
SERVICES FOR THE STEEL BRIDGE TRANSIT IMPROVEMENTS AND
TRACK REHABILITATION PROJECT**

WHEREAS, TriMet has authority under ORS 267.200 to enter into a Contract Modification with Stacy and Witbeck, Inc. for construction manager/general contractor (CM/GC) services for the Steel Bridge Transit Improvements And Track Rehabilitation Project (Project); and

WHEREAS, the total amount of the Contract Modification exceeds the contract amount originally authorized by the TriMet Board of Directors (Board); and

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

NOW, THEREFORE, BE IT RESOLVED:

1. That the Contract Modification shall conform with applicable law.
2. That the General Manager or his designee is authorized to execute a Contract Modification in the amount of \$3,525,928, over the approximately 4.5 year life of the Project.
3. That the General Manager or his designee is further authorized to execute Change Orders to the Contract Modification in an amount not to exceed \$451,843.

Dated: May 15, 2019

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department

