


Date: September 27, 2023

To: Board of Directors

From: Sam Desue, Jr. 

Subject: **RESOLUTION NO. 23-09-42 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH RAIMORE CONSTRUCTION, LLC (RAIMORE) FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC) SERVICES FOR THE HOLLYWOOD TRANSIT CENTER INFRASTRUCTURE PROJECT**

1. Purpose of Item

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager to execute a modification (Modification) of the contract with Raimore Construction, LLC (Raimore) for Construction Manager/General Contractor (CM/GC) services for the Hollywood Transit Center Infrastructure Project (Project).

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Type of Contract Procurement

- Low Bid / Invitation to Bid (ITB)
- Request for Proposals (RFP) (inc. CM/GC)
- Request for Qualifications (RFQ) (Personal Services)
- Other: Sole Source

4. Reason for Board Action

Board authorization is required for all contracts obligating TriMet to pay in excess of \$1,000,000, and for all contract modifications that exceed the amount previously authorized by the Board.

5. Type of Action

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

6. Background

To promote transit oriented development and affordable housing, TriMet is redeveloping the Hollywood Transit Center (HTC), located on NE Halsey Street. The scope of the Hollywood Transit Center Infrastructure Project (Project) includes the redevelopment of 42nd Street as a public plaza, a new stair and ramp structure in which a site-built traction power substation

(TPSS) will be integrated, and new bus facilities. The site immediately adjacent and west of the Project will be developed into a 12-story apartment building and courtyard.

At its December 14, 2022 meeting, the Board approved Resolution No. 22-12-68, which authorized a CM/GC Contract with Raimore, and authorized initial pre-construction services in the amount of \$136,520.

Subsequently, at its February 22, 2023 meeting, the Board approved Resolution No. 23-02-05, which authorized early construction work and procurement and installation of the traction power substation in the amount of \$3,877,800.

This Resolution authorizes a Modification of the Raimore CM/GC contract to add \$5,576,979 and an additional Change Order Allowance of \$557,697. The additional amount will be used for the procurement of long lead time items, including bus shelter materials, traffic poles, steel, and other components as well as mobilization and early work installation. Early work installation includes demolition of existing amenities, tree removal, site setup, underground utilities, temporary ramp foundation installation, and site electrical work.

Staff anticipates presenting another Resolution to the Board in February of 2024 to further modify the CM\GC contract to add the balance of the construction work, assuming that TriMet and Raimore can mutually agree on a price.

TriMet’s and Raimore’s agreed-upon cost for early construction work and long lead time items are shown below:

Pre-Construction Services – Resolution No. 22-12-68	\$136,520
Modification 1 (including Change Order Allowance) – Resolution No. 23-02-05	\$3,877,800
Subtotal	\$4,014,320
Amount Requested for Work Under Modification 2	\$5,576,979
Additional TriMet Held Change Order Allowance (10%)	\$557,697
Amount Requested by this Resolution Subtotal	\$6,134,676
Amount of Revised CM/GC Contract	\$10,148,996

7. Description of Procurement Process

The original CM\GC contract was procured through a competitive Request for Proposals (RFP) process.

8. Diversity

Raimore’s total employee count is 64, and its workforce is 81% minority and 17% female. In its proposal, Raimore indicated it would utilize Oregon certified small business contractors for approximately 73% of the work. This percentage would include work self-performed by Raimore, a certified DBE and MBE, as well as subcontracting work.

9. Financial/Budget Impact

TriMet has sufficient FY2024 funds budgeted for the Project’s scope of work. If this Modification is approved, TriMet will return to the Board with a resolution recommending a budget transfer between divisions to address the full amount of the Modification.

10. Impact if Not Approved

Under the terms of the CM/GC contract, TriMet could terminate the CM/GC arrangement upon the completion of the pre-construction services work, and then obtain bids for the TPSS construction work. Doing so would result in delay, additional price escalation and additional continued price uncertainty.

Raimore has performed well on the Project, and its CM/GC contract requires “open book” negotiations that ensure fair and reasonable pricing. The approval of this contract Modification will ensure that the Project maintains its current schedule.

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WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract modification (Modification) with Raimore Construction (Raimore) for Construction Manager/General Contractor (CM/GC) services for the Hollywood Transit Center Infrastructure Project (Project); and

WHEREAS, by Resolution No. 22-05-35, dated May 25, 2022, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to approve all contracts obligating TriMet to pay in excess of \$1,000,000; and

WHEREAS, the total amount of this Modification exceeds \$1,000,000 and also exceeds the contract amount previously authorized by the Board;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Modification shall conform with applicable law.
2. That the General Manager or his designee is authorized to execute the Modification with Raimore to proceed with the early construction work in the amount of \$5,576,979.
3. That the General Manager or his designee is further authorized to execute Change Orders to the modified CM/GC contract in an amount not to exceed \$557,697 (10% of the Modification amount) through the contract's expected termination date of December, 2026.

Dated: September 27, 2023

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department