

Date: March 27, 2024

To: Board of Directors

From: Sam Desue, Jr.



Subject: **RESOLUTION NO. 24-03-21 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH STV INCORPORATED (STV) FOR TRACTION POWER SUBSTATION DESIGN SERVICES**

1. **Purpose of Item**

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager or his designee to execute a contract with STV Incorporated (STV) for the procurement of a contract for Traction Power Substation design services (Contract).

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 (inc. sole source):

4. **Reason for Board Action**

Board authorization is required for all contracts obligating TriMet to pay in excess of \$1,000,000.

5. **Type of Action**

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

6. **Background**

TriMet operates eleven Type 1 Traction Power Substations (TPSS) along the Banfield section of the MAX Blue Line, which were installed in 1983. Of the eleven substations, nine are within the jurisdiction of the City of Portland, and two are within the jurisdiction of the City of Gresham. These TPSS are nearly at the end of their normal expected service life and many of their components are obsolete. The working spaces inside the substation buildings are too small and inadequate for ease of maintenance, and contain clearances that do not meet current National Electric Code (NEC) requirements.

In order to increase reliability, equipment access and safety, and to reduce maintenance costs and the potential for service disruptions, the substation buildings and equipment must be replaced as soon as possible. The replacement and reconstruction work for each site will have unique challenges and requirements. However, timely completion of this work is necessary to maintain the reliable operation of the light rail system.

This Contract will provide civil and electrical design services for the replacement and reconstruction of the eleven Banfield Traction Power Substations, allowing TriMet to modernize the oldest part of the existing light rail system's power infrastructure. The design services provided by the Contract will allow TriMet to construct updated substation buildings with current NEC requirements, and install state of the art TPSS equipment, thereby enhancing the light rail system's reliability, enabling more frequent service, and increasing ridership. Completion of the TPSS replacement and reconstruction project is anticipated to take about twelve years.

7. **Description of Procurement Process**

TriMet initially issued an RFP for Traction Power Substation design services on September 22, 2023, with a proposal due date of October 5, 2023. A total of 765 vendors were notified of the RFP via TriMet's eProcurement System (TriP\$). TriMet received responsive proposals from STV, Elcon Associates, Inc. (Elcon) and Mott MacDonald.

This procurement is a Qualifications Based Selection, subject to the federal Brooks Act. The Brooks Act establishes the procurement process by which architects and engineers are selected for federal grant-funded design contracts. In a Brooks Act procurement, the agency first must select the most qualified firm, and then negotiate a fair and reasonable price for the required professional services. Price quotations are not permitted as a consideration during the selection process.

A Source Evaluation Committee (SEC) comprised of staff members from TriMet's Engineering, Construction and Planning Division evaluated the STV, Elcon and Mott MacDonald proposals. The evaluation criteria included: (1) Corporate Experience; (2) Personnel Experience; (3) Subcontractor and Diversity Plan; (4) Work Plan; (5) Availability and Track Record; and (6) Cost Estimating, Cost Controls, and Value Engineering.

Initial scores are summarized below:

	Possible Points	STV	Elcon	Mott MacDonald
<u>Evaluation Criteria</u>				
Corporate Experience	5.0	4.8	4.6	4.0
Personnel Experience	25	22.3	23.5	20
Subcontractor and Diversity Plan	20	17.7	19.3	15
Work Plan	30	28	28.2	23.8
Availability and Track Record	10	8.8	9.2	6.4
Cost Estimating, Cost Controls, and Value Engineering	10	9.0	8.2	8.4
Total Points ...	100	90.6	93	77.6

After evaluating the proposals, the SEC determined that STV and Elcon were in the competitive range and requested that they attend interviews to discuss key points of their individual proposals. Interviews were held on November 27, 2023 and November 28, 2023. The SEC rescored proposals following interviews.

Final scores are summarized below:

	Possible Points	STV	Elcon
<u>Evaluation Criteria</u>			
Corporate Experience	5.0	5.0	4.3
Personnel Experience	25	23.5	22.2
Subcontractor and Diversity Plan	20	17.7	19.3
Work Plan	30	28.5	26.8
Availability and Track Record	10	9.3	8.6
Cost Estimating, Cost Controls, and Value Engineering	10	9.2	8.4
Total Points . . .	100	93.2	89.6

The SEC scored STV's proposal the highest and determined that it represented the overall best value to TriMet. STV is an experienced, nationally known, and reputable design firm. It has assembled a highly experienced project team and offered an experienced project manager with recent relevant experience as a prime design consultant for Traction Power Substation replacement projects.

STV offered an excellent organizational plan, which included multiple DBE sub-consultants in significant and supporting roles, as well as a strong DBE subcontracting plan and the ability to provide in-house training/mentorship to smaller DBE firms. STV's proposed design team is highly qualified, has the specific design expertise required for the project, and has experience in developing a design while working with potential construction contractors.

Consistent with the Brooks Act, after selection of STV, the parties negotiated the amount of \$8,640,000 as the Contract price for the design work. The proposed Contract will be for an initial five-year term and allows for seven one-year extensions. TriMet will retain the unilateral option to terminate for convenience during the Contract period. The total amount ultimately paid under the Contract will be based on task orders approved by TriMet and issued during the Contract term.

8. **Diversity**

STV has a workforce of 2,053 employees, of whom 44.1% are female and 34% are minorities. The proposed design team will consist of eight sub-consultants, six of whom are certified DBE, WBE, or MBE businesses. STV has proposed a 14.85% DBE utilization goal on the Contract.

9. **Financial/Budget Impact**

The Contract amount is accounted for in the Engineering, Construction and Planning Division's FY2024 operating budget.

10. **Impact if Not Approved**

Failure to approve this Resolution will result in deferral of the TPSS replacement work, thereby risking maintenance problems, potential service disruptions, and worker safety, as well as remaining out of compliance with the current NEC. Taking action to update outdated TPSS buildings and equipment will increase reliability, access and safety, and reduce ongoing maintenance costs.

RESOLUTION NO. 24-03-21

**RESOLUTION NO. 24-03-21 OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A
CONTRACT WITH STV INCORPORATED (STV) TRACTION POWER
SUBSTATION DESIGN SERVICES**

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract with STV Incorporated (STV) for the procurement of Traction Power Substation Design Services (Contract); and

WHEREAS, by Resolution No. 24-03-35, dated May 25, 2022, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to authorize all contracts obligating TriMet to pay in excess of \$1,000,000; and

WHEREAS, the total amount of the Contract exceeds \$1,000,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Contract shall conform with applicable law.
2. That the General Manager or his designee is authorized to execute the Contract in an amount of \$8,640,000.
3. That the General Manager or his designee is authorized to execute modifications to the Contract to pay for unanticipated additional expenditures in an amount not to exceed \$864,000 (10%), for a total authorized amount of \$9,504,000, over the Contract's potential twelve-year term.

Dated: March 27, 2024

Attest:

Presiding Officer

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department