

Date: April 23, 2014

To: Board of Directors

From: Neil McFarlane

Subject: RESOLUTION 14-04-22 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO THE CONTRACT WITH BROWN CONTRACTING, INC. FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE SUNSET TRANSIT CENTER PLATFORM PAVING REPLACEMENT PROJECT

1. Issue or Purpose of the 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 Brown Contracting, Inc. (“Brown”) for construction manager/general contractor (“CM/GC”) services for the Sunset Transit Center Platform Paving Replacement Project (“Project”).

2. Reason for Board Action.

Board authorization is required because the proposed modification increases the contract amount beyond the amount previously authorized by the Board.

3. Background.

In October 2013, the Board approved Resolution 13-10-64, authorizing a contract with Brown for the Project, which is replacing failing light rail platform pavers at the Sunset Transit Center as part of TriMet’s state of good repair efforts. This is a complex project, with construction occurring at an active transit facility with limited access to the platforms, which are located fourteen feet below the adjacent grade.

As is typical for CM/GC services, this contract was structured with an initial award for preconstruction services only. Preconstruction services and design are now complete, and TriMet is prepared to issue the modification for construction services.

During the preconstruction phase there were substantial changes to the Project scope that resulted in a higher cost estimate. The changes included removing and replacing the platform sub-slab in addition to mortar set pavers, adding a riser to staircases, and modifying handrails. These changes were directed by TriMet, to improve control of final grades and to ensure the long-term performance of the new paving.

Consequently, this Resolution authorizes an increase of \$120,000 to the previous authority, bringing the total authorized amount to \$1,270,000 which is still well within TriMet's budget for the Project and is within 6.6 percent of TriMet's independent cost estimate. TriMet staff has determined that this amount is fair and reasonable. The requested amount includes the price for both preconstruction and construction services, plus a 16 percent construction change order allowance, as follows:

	Prior Resolution 13-10-64	This Resolution 14-04-22
Preconstruction Services	\$20,830	\$27,250
Construction Fee	\$73,000	\$91,163
Construction Cost Estimate	\$739,294	\$974,097
Change Order Allowance	\$121,845	\$174,802
Contingency	\$190,995	\$0
Total	\$1,145,964 \$1,150,000 (rounded)	\$1,267,312 \$1,270,00 (rounded)

The preconstruction services costs increased due to TriMet's request for destructive investigation (core drilling) and crane load analysis, which reduced unknowns to inform the construction approach.

The construction fee increase is based on the contract terms allowing an increase in the fee in the event of a scope increase.

In addition to improving the design and achieving more cost certainty, TriMet and Brown worked together during the preconstruction phase to identify additional subcontracting packages. As a result, Brown's projected Minority/Women/Emerging Small Business (M/W/ESB) participation on the Project has increased from the previous estimate of 5 percent to approximately 15 percent of the construction costs.

4. Options

TriMet's option would be to terminate the contract and procure construction for the Project as a low-bid procurement. This option is not recommended because staff believes it is unlikely that doing so would result in a lower cost. Furthermore, because of the collaboration of TriMet, the contractor, and the designer, the team has improved the Project scope while remaining within the capital budget. Therefore, approval of this Resolution is the only option recommended.

5. Recommendation.

The General Manager recommends approval of the Resolution.

RESOLUTION 14-04-22

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO THE CONTRACT WITH BROWN CONTRACTING, INC. FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE SUNSET TRANSIT CENTER PLATFORM PAVING REPLACEMENT PROJECT

WHEREAS, TriMet has authority under ORS 267.200 to execute a modification to the contract with Brown Contracting, Inc. for Construction Manager/General Contractor Services for the Sunset Transit Center Platform Paving Replacement Project (“Modification”); and

WHEREAS, the total amount of the Modification shall exceed the amount originally authorized by the TriMet Board of Directors (“Board”); and

WHEREAS, the 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.

Dated: April 23, 2014

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:

Legal Department