

Date: June 28, 2017

To: Board of Directors

From: Neil McFarlane *Neil McFarlane*

Subject: RESOLUTION 17-06-56 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO THE CONTRACT WITH SKANSKA USA BUILDING INC. FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE POWELL LIFT FACILITY RELOCATION PROJECT

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 Skanska USA Building Inc. (Skanska) for construction manager/general contractor (CM/GC) services for the Powell LIFT Facility Relocation Project (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 \$500,000.

4. Type of Action

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

5. Background

Our current service expansion program requires us to expand our bus fleet. To accommodate the growing bus fleet, TriMet must make changes to some of its existing bus maintenance facilities to expand our ability to store and maintain buses. To allow for expansion of the Powell Garage facility, TriMet is planning to relocate the Powell LIFT paratransit operation from the Powell Garage site to a portion of the nearby Powell Park & Ride site. The need for LIFT service is also growing, and the relocation of LIFT will allow for storage of the increased LIFT vehicle fleet.

At its July 2016 meeting, the Board approved Resolution 16-07-51, authorizing award of a contract to Skanska for CM/GC pre-construction services for the Project. The amount of the pre-construction services contract was only \$35,900. However, the contract was presented to the Board at that time because TriMet anticipated modifying Skanska's contract to include the full scope of construction services provided that the parties were able to agree on the scope and cost of construction services. Pre-construction services are nearing completion, and TriMet is prepared to modify the contract to add construction services. This Resolution would authorize modifying Skanska's contract, as follows:

Pre-construction Services	\$35,900
Construction Services	\$7,095,995
Construction Fee	\$222,474
Subtotal	\$7,354,369
Change Order Allowance	\$658,207
TOTAL	\$8,012,576

The initial contract price for the Project is \$7,354,369, which is slightly less than TriMet's fair cost estimate of \$7,446,821. TriMet and Skanska have engaged in open book price negotiations to ensure competitive pricing of the construction work, and TriMet believes that the negotiated contract price is fair and reasonable.

6. Procurement Process

The contract was procured through a competitive RFP process.

7. Diversity

In its proposal, Skanska stated that it expected to obtain M/W/ESB/SDBVE participation of approximately 20 percent. To date, Skanska is on track to achieve at least this level of participation.

8. Financial/Budget Impact

The Project is included in the FY 2017-18 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 bids for the construction work. However, Skanska has performed well on the Project thus far, and TriMet was able to negotiate a construction services agreement that it considers to be fair and reasonable. Furthermore, re-procuring the work at this time would extend the schedule and potentially delay the follow on construction work that is planned for the Powell Garage.

RESOLUTION 17-06-56

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO THE CONTRACT WITH SKANKSA USA BUILDING INC. FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE POWELL LIFT FACILITY RELOCATION PROJECT

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract modification with Skanska USA Building Inc. for construction manager/general contractor services for the Powell LIFT Facility Relocation Project (Modification); and

WHEREAS, the total amount of the Modification shall exceed \$500,000; and

WHEREAS, the TriMet Board of Directors (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 in the amount not to exceed \$7,354,369.
3. That the General Manager or his designee is further authorized to execute change orders to the modified contract in an amount not to exceed \$658,207.

Dated: June 28, 2017

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department