

Date: March 27, 2019

To: Board of Directors

From: Doug Kelsey 

Subject: **RESOLUTION 19-03-20 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PORTLAND FOR DESIGN AND CONSTRUCTION MANAGEMENT SERVICES FOR THE DIVISION TRANSIT 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 an intergovernmental agreement (“IGA”) with the City of Portland (“City”) for design and construction management services related to the Division Transit Project.

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Reason for Board Action

Board authorization is required for personal services agreements obligating TriMet to pay an amount exceeding \$500,000.

4. Type of Action

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

5. Background

In December 2016, the Metro Council adopted a resolution confirming the Locally Preferred Alternative for the Division Transit Project (“Project”), which will bring bus rapid transit to Division Street from inner Portland to Gresham, and will also provide roadway upgrades, active transportation improvements, and safe connections to transit.

Since the adoption of the Locally Preferred Alternative, TriMet has been leading the development of the Project, which has recently completed 60 percent design. The Project is in the Federal Transit Administration’s (“FTA”) Small Starts grant program and, pending FTA’s issuance of a construction grant agreement, is scheduled to start construction in November 2019.

This IGA will allow TriMet to reimburse the City for its staff time spent performing tasks necessary to ensure the successful design and construction of those portions of the Project that fall within the City's jurisdiction, such as design review, street opening permits, inspections, and traffic signal commissioning. As part of this IGA, the City has estimated its staffing requirements during design and construction to be approximately \$2,000,000. This IGA would allow TriMet to pay the City up to this amount for its invoiced services.

This model of reimbursing the City for staff fees has been utilized on past light rail projects, including the Orange Line, I-205/Portland Mall Project, Interstate MAX Project and the Westside Project.

6. Procurement Process

TriMet and the City negotiated the terms of the agreement, and only the City can perform these services.

7. Financial/Budget Impact

These services are included in the Project budget.

8. Impact if Not Approved

TriMet could hire additional Project staff (either through direct hire or consultant contracts) to provide the needed design and construction management services. Under that scenario, however, TriMet would remain subject to permit fees for City reviews, permits inspections and related tasks, which would be charged to the Project. Without the creation of a City/TriMet "team" to oversee and coordinate the Project, there would be losses in efficiency and coordination, greater risk of permit disapprovals, and overall increases in Project management and administration costs.

RESOLUTION 19-03-20

**RESOLUTION OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET)
AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT (IGA)
WITH THE CITY OF PORTLAND FOR DESIGN AND CONSTRUCTION
MANAGEMENT SERVICES FOR THE DIVISION TRANSIT PROJECT**

WHEREAS, TriMet has authority under ORS 267.200 to enter into an intergovernmental agreement (IGA) with the City of Portland for Design and Construction Management Services for the Division Transit Project; and

WHEREAS, the total amount of this IGA for personal services exceeds \$500,000; and

WHEREAS, the TriMet Board of Directors (Board), by Resolution dated October 25, 2017, adopted a Statement of Policies requiring the Board to approve personal services contracts obligating TriMet to pay in excess of \$500,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the IGA shall conform to applicable laws.
2. That the General Manager or his designee is authorized to execute the IGA with the City of Portland in an amount not to exceed \$2,000,000, over the life of the Division Transit Project.

Dated: March 27, 2019

Attest:

Presiding Officer

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department