

Date: October 26, 2022

To: Board of Directors

From: Sam Desue, Jr.

Subject: RESOLUTION NO. 22-10-55 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH MASS ELECTRIC CONSTRUCTION CO. (MASS) FOR THE RUBY JUNCTION MAINLINE SUBSTATION UPGRADE PROJECT

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 Mass Electric Construction Co. (Mass) for the Ruby Junction mainline substation upgrade project (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: Sole Source

4. Reason for Board Action

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

5. Type of Action

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

6. Background

TriMet’s LRV Traction Power Substations convert incoming utility power to traction power as the source of propulsion for our MAX trains across many miles of track. Similar to a house circuit breaker, these Traction Power Substations have large industrial high-speed breakers that protect the system from electrical overloads.

TriMet’s Ruby Junction (RJ) mainline substation went into service in 1986 with the opening of the eastside Blue Line. Due to the age of this substation and the necessity to maintain it in

a state of good repair, it is now time to upgrade and modernize the RJ mainline substation to improve safety and reliability. The upgraded equipment will be installed inside of the newly built (2021) RJ North Substation Building.

Mass is the Original Equipment Manufacturer (OEM) of this substation. Under the proposed Contract, Mass will retrofit and upgrade the unit, over a period of approximately two (2) years. The Contract includes: 1) design, 2) disassembly, 3) offsite retrofitting (including new parts and wiring), 4) factory testing, 5) transportation, 6) reinstallation, and 7) field testing.

The amount of the proposed Contract is estimated at \$1,603,000. As is typical for this type of work, unforeseen circumstances may occur that require changes to the scope of work for the Project. Therefore, the attached Resolution includes authority for potential future change orders up to \$160,300, or 10 percent (10%) of the Contract amount, for a total potential amount of \$1,763,300.

7. Description of Procurement Process

This is a sole source Contract, because Mass is the Original Equipment Manufacturer and only Mass can provide the components needed to upgrade the substation in a cost-effective manner. Staff has reviewed Mass' pricing for the proposed Contract and determined it to be fair and reasonable.

8. Diversity

Mass's total employee count is 1,036, and its workforce is 29.8% minority and 9.3% female. Mass will use its own workforce to perform the services under this Contract.

9. Financial/Budget Impact

Substation upgrade costs are budgeted each year as an element of the Maintenance of Way (MOW) department operating budget.

10. Impact if Not Approved

If the Board elects not to approve this Resolution, the substation could be replaced, but at a much greater cost than the proposed upgrade of the existing substation by Mass. Also, introducing components from a different manufacturer to the substation system would create an increased future maintenance burden, requiring a new spare parts inventory and training on new components. This is the fastest way to complete this work, and other options would cause the project to fall very short of its budgeted fiscal year expenditure. Award of this Contract to Mass is the most time-sensitive and cost-effective approach for maintaining this unit in a state of good repair.

RESOLUTION NO. 22-10-55

**RESOLUTION NO. 22-10-55 OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A
CONTRACT WITH MASS ELECTRIC CONSTRUCTION CO. (MASS) FOR
THE RUBY JUNCTION MAINLINE SUBSTATION UPGRADE PROJECT**

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract with Mass Electric Construction Co. (Mass) for the Ruby Junction mainline substation upgrade project (Contract); and

WHEREAS, by Resolution dated May 25, 2022, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to authorize 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 the amount of \$1,603,000, and is authorized to execute change orders of not more than \$160,300 (10% of the Contract amount), through the Contract's October 31, 2025, expiration date.

Dated: October 26, 2022

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:

Gregory E. Skillman

Legal Department