

Date: December 9, 2015

To: Board of Directors

From: Neil McFarlane *Neil McFarlane*

Subject: **RESOLUTION 15-12-72 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO THE CONTRACT WITH STACY AND WITBECK, INC. FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE EXISTING LIGHT RAIL TRACK REHABILITATION 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 Stacy and Witbeck, Inc. for construction manager/general contractor services for the Existing Light Rail Track Rehabilitation Project.

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Reason for Board Action

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

4. Type of Action:

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

5. Background

On October 23, 2013, the Board approved Resolution 13-10-65, authorizing a five-year contract with Stacy and Witbeck, Inc (“SWI”) for construction manager/general contractor (“CM/GC”) services totaling \$5,000,000, for the Existing Light Rail Track Rehabilitation Project (“Project”). The contract provides CM/GC services for replacement and rehabilitation of track, track switches, and associated track system elements originally constructed under the Eastside MAX / Banfield Light Rail Project in 1986, over the five-year

period of fiscal years 2014 - 2018. Areas needing replacement or rehabilitation are identified based on their condition, and include turnouts (track switches), curved rail, roadway crossing panels, and lining and surfacing to restore track alignment, elevation and superelevation to original engineered design. This Project is part of TriMet's State of Good Repair program.

This Resolution will increase the authorized amount of this five-year contract by \$4,972,136, to a revised total contract amount of \$9,972,136. No extension of the contract five-year term is requested. Staff will re-procure these services in 2018, for continuing light rail track rehabilitation needs for fiscal years 2019 - 2023. An increase in the authorized amount for the current five-year contract is needed because more track rehabilitation work projects will be performed during the fiscal years 2014 - 2018 period than originally estimated, and because the scope and cost of individual track rehabilitation projects is greater than originally estimated. Both of these reasons are due to the nearly 30-year age of the Eastside MAX / Banfield Light Rail Project alignment, and a heretofore insufficient history of capital replacement / rehabilitation projects for the track system. In particular, projects for track switches and curved rails replacement in the "embedded" track portion of the original Eastside MAX construction between Lloyd Center and SW 11th Avenue, require a full reconstruction scope for each instance of replacement, as well as work methods to minimize interruption of MAX service and "bus bridging" substitute service, resulting in contract costs greater than estimated in 2013 when staff requested a \$5 million authorized amount.

Attachment A to this memo shows track rehabilitation projects completed and associated costs incurred under this contract as of the halfway point of its five-year term, through December, 2015; and scheduled projects and associated estimated costs for the remaining half of the five-year term of this contract, from January, 2016 through fiscal year 2018.

SWI's performance of the work under this contract has been excellent in quality, responsiveness, and meeting all expectations. All costs incurred under the contract have been pre-approved by TriMet staff as fair and reasonable.

6. Procurement Process

TriMet utilized a competitive Request for Proposal ("RFP") process for procurement of this contract in 2013. As noted above, no extension of the five-year contract term is requested, and staff will re-procure these services in 2018, for continuing light rail track rehabilitation needs for fiscal years 2019 - 2023.

7. Diversity

SWI estimated Disadvantaged Business Enterprise ("DBE") subcontracting participation during the 2013 procurement of this contract at 12%. To date, SWI has significantly exceeded this estimate, with a DBE subcontracting utilization of 20%.

8. Financial/Budget Impact

Funds for all projects and work performed under this contract are budgeted under TriMet's Adopted Budget for the respective fiscal year, under capital budget accounts and light rail maintenance accounts.

9. Impact if Not Approved

The Board could elect to not approve the Resolution, and direct staff to re-procure CM/GC services at this time for the existing track rehabilitation project. Approval of the Resolution will authorize continuation of the current contract for its originally-awarded five-year term, at the increased authorized contract amount for the additional and more extensive projects being performed within the five years. Staff requests that the Board approve the Resolution, for the following reasons:

- A. The contractor's (SWI) performance under the contract has been excellent, including DBE utilization, and adherence to costs pre-approved by TriMet staff as fair and reasonable, for each project task order under the contract;
- B. Major track replacement/rehabilitation projects are scheduled for May 2016 and August 2016, as shown on Attachment A to this memo. Directing staff to re-procure CM/GC services at this time for the existing track rehabilitation project will cause those major, critically needed projects, as well as subsequent projects, to be delayed; and
- C. Re-procurement of the CM/GC services at this time (rather than as planned in 2018 for a succeeding five-year contract for fiscal years 2019 - 2023), will increase costs, due to delays in the above-referenced track replacement/rehabilitation projects.

Resolution 15-12-72

Attachment A to Board Memo

Existing Track Rehabilitation Project - CM/GC Contract Costs - FYs2014 - 2018

Project Description and Completion Date	Completed Projects / Incurred Costs thru FYs14, 15, and 1st half FY16	Projects to be Completed 2nd half FY16, FY17, and FY18
Track surfacing & lining - Blue Line (Apr. 2014)	\$ 202,157	
Lloyd/11th switch replacements (Aug. 2014)	845,545	
Gateway TC south bus crossing panels replacement (Nov. 2014)	140,056	
WES curve superelevation for PTC implementation (Jan. 2015)	103,616	
Emergency repairs to OCS at SW 5th and Jackson (Jan. 2015)	22,795	
Steel Bridge Ramp Repair & Fencing (Apr. 2015)	23,145	
Repair SW 10th Ave. MAX / Portland Streetcar crossings (May 2015)	103,520	
Ruby Junction MOW training yard (Jun. 2015)	948,126	
Track surfacing & lining - Red Line (Jul. 2015)	264,040	
Westside MAX ditch grading (Jul. 2015)	38,108	
Emergency track repair at Rose Quarter (Jul. 2015)	15,852	
Encapsulate special trackwork for switch replacement projs. (Oct. 2015)	391,657	
Design upgraded signal system for Rose Quarter (to be installed during Aug. 2016 Rose Quarter switch replacements)	125,305	
Long-lead time components for Rose Quarter signal system upgrade	179,964	
1st Ave switches (Morrison Br. and Couch/Davis) and Skidmore curves replacements, incl. provision for future powered switches at Couch/Davis (May 2016)		\$ 2,104,526
Rose Quarter switch replacements (Aug. 2016)		1,759,086
Track surfacing & lining - Blue Line (FY2017)		250,000
SW 11th Ave Terminus switches and Yamhill/Morrison at 1st Ave. curves replacements (May 2017)		1,700,000
10% contingency/change order allowance for projects to be constructed		581,361
Preconstruction Services	105,777	67,500
Totals	\$ 3,509,663	\$ 6,462,473
Total estimated contract costs over 5-year term (FYs2014 - 2018)	\$ 9,972,136	
Contract costs authorized by the the Board 10/23/13 under Resolution 13-10-65	\$ 5,000,000	
Increase in authorized contract costs requested by Resolution 15-12-72	\$ 4,972,136	

RESOLUTION 15-12-72

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO THE CONTRACT WITH STACY AND WITBECK, INC. FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE EXISTING LIGHT RAIL TRACK REHABILITATION PROJECT

WHEREAS, TriMet has authority under ORS 267.200 to execute a modification to the contract with Stacy and Witbeck, Inc. for construction manager/general contractor services for the Existing Light Rail Track Rehabilitation Project ("Modification"); and

WHEREAS, the total amount of the Modification shall exceed the amount originally authorized by the Board; 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.

Dated: December 9, 2015

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department