

Date: March 25, 2020

To: Board of Directors

From: Doug Kelsey 

Subject: **RESOLUTION NO. 20-03-12 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO THE CONTRACT WITH STACY AND WITBECK, INC. FOR CONSTRUCTION SERVICES FOR THE CLEVELAND MAX STATION OPERATOR BREAK FACILITY AND SIGNAL AND COMMUNICATIONS BUILDING**

1. Purpose of Item

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager or his designee to execute a modification (Modification) to the contract with Stacy & Witbeck, Inc. (SWI) for construction services for the Cleveland MAX station operator break facility and signal and communications building (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

At its February 27, 2019 meeting, the Board approved Resolution 19-02-14, authorizing award of a contract to SWI in the amount of \$2,697,123 for construction services, and a \$269,712 change order allowance (10%) for the Cleveland MAX station operator break facility and signal and communications building (Project). To date, SWI has completed approximately 80% of the civil, buildings, and site work, and anticipates completion of the Project by mid-October 2020 (excluding the two-year landscape maintenance obligation).

Historically, a 15% change order allowance has been typically used for remodel work due to the uncertainties inherent in remodeling work, although TriMet has set an aspirational goal of 10% for change orders. Notwithstanding those considerations, the current forecast shows

that an additional 5% (\$135,000) change order allowance will be necessary for SWI to successfully integrate and upgrade the existing 30-year old civil and signal systems with current technology and safety systems.

6. Procurement Process

The contract was procured via a competitive Invitation to Bid process.

7. Diversity

In its bid, SWI expected to utilize certified DBE subcontractors for 8.89% of the work on the project. Currently, SWI is achieving approximately 8.04% certified DBE subcontractor participation. Subcontracting opportunities with DBE Certified firms is limited due to the specialized nature of train signaling and communications work.

8. Financial/Budget Impact

The increased contract amount is included in the FY2021 capital program budget.

9. Impact if Not Approved

TriMet could delay making any additional change orders beyond the already authorized amount. This option is not recommended because the additional work is clearly needed and TriMet will eventually require additional contract authority to pay for the anticipated change orders. Failing to provide this additional contract authority now could result in significant delays in completion of the Project.

RESOLUTION NO. 20-03-12

**RESOLUTION NO. 20-03-12 OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET)
AUTHORIZING A MODIFICATION TO THE CONTRACT WITH
STACY AND WITBECK, INC. FOR CONSTRUCTION SERVICES FOR
THE CLEVELAND MAX STATION OPERATOR BREAK FACILITY
AND SIGNAL AND COMMUNICATIONS BUILDING**

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract modification (Modification) with Stacy and Witbeck, Inc. (SWI) for construction services for the Cleveland MAX station operator break facility and signal and communications building project (Project); and

WHEREAS, the total amount of the Modification exceeds the contract amount originally authorized by the TriMet Board of Directors (Board); and

WHEREAS, by Resolution dated October 25, 2017, the Board adopted a Statement of Policies requiring it to approve goods and services contracts obligating TriMet to pay in excess of \$1,000,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Modification shall conform with applicable law.
2. That the General Manager or his designee is authorized to execute additional Change Orders in the amount not to exceed \$135,000 through the anticipated October 2020 termination of the Project.

Dated: March 25, 2020

Attest:

Presiding Officer

Recording Secretary

Approved as to Legal Sufficiency:

Gregory E. Skillman

Legal Department

