




Memo

Date: March 25, 2020
To: Board of Directors
From: Doug Kelsey 
Subject: RESOLUTION NO. 20-03-14 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO A CONTRACT WITH RAIMORE CONSTRUCTION FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE DIVISION TRANSIT 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 modification to a contract (Modification) with Raimore Construction, Inc. (Raimore) for the Total Contract Price for Construction Manager/General Contractor (CM/GC) services for the Division Transit Project (Project).

2. Type of Agenda Item

- Initial Contract
 Contract Modification
 Other _____

3. Reason for Board Action

Board authorization is required for a Modification to a contract for goods and services that obligates TriMet to pay in excess of \$1,000,000.

4. Type of Action

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

5. Background

The Division Transit Project will provide high-capacity transit service to the 15-mile long Division corridor between downtown Portland and Gresham. The Project is projected to cost approximately \$175 million, about one-half of which has been provided by the Federal Transit Administration (FTA).

At its July 25, 2018 meeting, the Board approved Resolution 18-07-54, authorizing award of a contract to Raimore for CM/GC pre-construction services for the Project in the amount of \$395,000. At the September 18, 2019 meeting, the Board approved Resolution 19-09-76 to allow a contract modification in the amount of \$7,700,000 (plus a 10% change order allowance

of \$770,000).

That contract modification added some construction services, and allowed early work to begin prior to final negotiation of Raimore's Total Contract Price (TCP) of \$70,765,000. The Raimore TCP reflects the combined price for early work, overall construction, and owner controlled risk (based on a risk table). The TCP is the result of an extensive costing effort with TriMet's team, and validation through independent cost estimating.

Early construction work began in January 2020 in accordance with previous Board authority, and FTA's regulations concerning pre-award authority. On February 23, 2020, TriMet received \$87,413,950 of the Project funding from the FTA through a Single Year Grant Agreement (SYGA). With all federal and local funding now secured for this Project, Raimore intends to proceed with the following tasks:

- Utility work;
- Civil construction at stations, crosswalks, signalized intersections, and access control points;
- Station furnishings, amenities, and finishes; and
- All other work necessary to complete the project.

Construction will continue through the summer of 2022, with revenue service projected to begin in September 2022.

This Resolution reflects Raimore's Total Contract Price for construction, plus provides additional authority to carry out the full scope of work for the Division Transit Project. The Resolution seeks Board authority to modify the current Raimore CM/GC construction services contract to include the remaining construction scope, and to increase the contract amount by \$63,441,452 (plus a 10% change order allowance), as shown below:

	Contract Amount	Change Order Allowance (10%)	Total Amount
Initial Pre-Construction Services Contract Authority (Resolution No. 18-07-54)	\$395,000		\$395,000
Early Work Authority (Resolution No. 19-09-76)	\$7,700,000	\$770,000	\$8,470,000
Total Current Contract Authority			\$8,865,000
Full Construction Services (with this Resolution)	\$63,441,452	\$6,344,145	\$69,785,597
Total Additional Contract Authority			\$69,785,597
Total Contract Amount		\$7,114,145	\$78,650,597

6. Procurement Process

The original contract was procured through a competitive Request for Proposals (RFP) process.

7. Diversity

Raimore is a certified DBE firm. In its proposal, Raimore indicated that it would utilize Disadvantaged Business Enterprise (DBE) contractors for approximately thirty-six percent (36%) of the work. This total award for construction will represent the largest DBE award in the history of the State of Oregon.

8. Financial/Budget Impact

The Project is included in the approved FY 2020 Capital Program budget. The \$87,413,950 federal share has been secured.

9. Impact if Not Approved

TriMet could terminate the current CM/GC contract, and rebid the construction related scope. However, Raimore has performed well on the Project thus far, and moving forward with construction activities will ensure the Project meets the project milestones. TriMet has received the FTA's SYGA funding for the Project, and there is not a current alternative to executing the Modification for the full scope of construction.

RESOLUTION NO. 20-03-14

**RESOLUTION NO. 20-03-14 OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A
MODIFICATION TO A CONTRACT WITH RAIMORE CONSTRUCTION FOR
CONSTRUCTION MANAGER/ GENERAL CONTRACTOR SERVICES FOR
THE DIVISION TRANSIT PROJECT**

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract modification (Modification) with Raimore Construction, Inc. (Raimore) for Construction Manager/General Contractor (CM/GC) services for the Division Transit Project (Project); and

WHEREAS, the total amount of the Modification is expected to exceed \$1,000,000, now that the \$87,413,950 federal share of the Project has been secured and Raimore's Total Contract Price has been determined; and

WHEREAS, by Resolution dated October 25, 2017, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to approve contracts for goods and services 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 the Modification in an amount of \$63,441,452, plus execute change orders of approximately ten percent (10%), for a total amount of additional contract authority of \$69,785,597 through the December 2022 contract termination.

Dated: March 25, 2020

Attest: _____
Presiding Officer

Recording Secretary

Approved as to Legal Sufficiency:

Gregory E. Skillman

Legal Department

