

Date: May 23, 2018

To: Board of Directors

From: Doug Kelsey 

Subject: RESOLUTION 18-05-37 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO A CONTRACT WITH J.E. DUNN CONSTRUCTION COMPANY FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE POWELL BUS GARAGE REPLACEMENT 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 a contract with J.E. Dunn Construction Company (J.E. Dunn) for construction manager/general contractor (CM/GC) services for the Powell Bus Garage Replacement Project (Project).

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Reason for Board Action

Board authorization is required for goods and services contracts obligating TriMet to pay in excess of \$1,000,000.

4. Type of Action

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

5. Background

At its April 26, 2017 meeting, the Board approved Resolution 17-04-33, authorizing the award of a contract to J.E. Dunn for CM/GC pre-construction services for the Project. The amount of the pre-construction services contract was \$110,040. The contract was presented to the Board at that time because TriMet anticipated modifying J.E. Dunn's contract to include construction services. In February 2018, staff returned to the board and received authorization via Board Resolution 18-02-21 to modify the contract for preconstruction services and long lead items in an amount not to exceed \$800,000.

The pre-construction services are nearing completion, and TriMet is seeking to modify the contract to add construction services. Prior to the parties agreeing to the guaranteed maximum price (GMP), certain long lead-time items are required to be purchased now to ensure that the work is not interrupted once it commences. The total of these long lead items, related administrative expenses, and public involvement activities is \$840,922. Additionally, TriMet is seeking funding to conduct a necessary third party review in the amount of \$47,762.

This Resolution authorizes an additional \$670,529, which will allow TriMet to modify J.E. Dunn’s contract up to \$1,580,569. The modification will include construction services totaling \$888,684 and does not commit to further construction services for the Project. TriMet and J.E. Dunn will continue the process to determine the GMP and, assuming the parties can come to agreement on this amount, TriMet will seek Board authorization to modify the contract to add additional construction services at a later date.

The following table breaks down the board authorizations and contracting amounts:

	Board Authorization	Contract Total
Preconstruction Services	\$110,040	\$110,040
Contract Modification #1	\$800,000	\$581,845
Subtotal	\$910,040	\$691,885
Contract Modification #2	\$670,529	\$888,684
	\$1,580,569	\$1,580,569

6. Procurement Process

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

7. Diversity

In its proposal, J.E. Dunn indicated it would utilize Disadvantaged Business Enterprise (DBE) contractors for approximately 20 percent of the work and anticipated participation would rise to 25% with addition of the key subcontractors approved under Resolution 18-02-21.

8. Financial/Budget Impact

The construction services of \$888,684 are included in the FY 2018-19 Capital Program budget.

9. Impact if Not Approved

Under the terms of the CM/GC contract, TriMet could terminate the CM/GC arrangement at the completion of the pre-construction services work and then obtain bids for the construction work. However, J.E. Dunn has performed well on the Project thus far, and the purchase of these long-lead time items will ensure the Project stays on schedule. Staff will return for Board authorization for the additional construction services.

RESOLUTION 18-05-37

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO A CONTRACT WITH J.E. DUNN CONSTRUCTION COMPANY FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE POWELL BUS GARAGE REPLACEMENT PROJECT

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract modification with J.E. Dunn Construction Company (J.E. Dunn) for construction manager/general contractor services for the Powell Bus Garage Replacement Project (Modification); and

WHEREAS, the total amount of the contract following this Modification will exceed \$1,000,000; and

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

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 in an amount not to exceed \$888,684, for a contract total of \$1,580,569.

Dated: May 23, 2018

Attest:

Presiding Officer

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department