


Date: January 22, 2025

To: Board of Directors

From: Sam Desue, Jr. 

Subject: **RESOLUTION NO. 25-01-01 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION OF THE CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES CONTRACT WITH MASS. ELECTRIC CONSTRUCTION COMPANY FOR THE PIONEER COURTHOUSE SQUARE TYPE 1 TRACTION POWER SUBSTATION REPLACEMENT PROJECT**

1. Purpose of Item

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager to execute a modification (Modification) of the Construction Manager/General Contractor (CM/GC) services contract with Mass. Electric Construction Company (MEC) for the Pioneer Courthouse Square Type 1 Traction Power Substation Replacement Project (Project).

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 (inc. sole source)

4. Reason for Board Action

Board authorization is required for all contracts obligating TriMet to pay in excess of \$1,000,000, and for all contract modifications that exceed the amount previously authorized by the Board.

5. Type of Action

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

6. **Background**

In approximately 1983, twelve Type 1 Traction Power Substations were installed along the Blue Line, and all have reached the end of their normal expected service life. Many electrical and other critical components of these substations are obsolete and no longer supported by the manufacturer. Therefore, all of these substations must be upgraded and/or replaced.

This Resolution addresses only the Pioneer Courthouse Square substation. The Project will reconfigure the existing underground vault within the Pioneer Courthouse Square facility to improve access for TriMet’s maintenance personnel, improve the ventilation, and allow for the installation of new and upgraded electrical substation equipment.

At its June 2024 meeting, the Board approved Resolution No. 24-06-36, which authorized a CM/GC services contract with MEC for the Project, including pre-construction services in an amount not to exceed \$295,096. Subsequently, at its September 2024 meeting, the Board approved Resolution No. 24-09-46, which authorized the purchase of long lead items and spare parts in the amount of \$1,465,000.

Pre-construction services are in progress, long lead items are on order, and TriMet is now prepared to modify the CM/GC services contract to add the negotiated and agreed-upon Total Contract Price for construction services. As shown below, this Resolution authorizes a contract modification to add the amount of \$5,000,000, along with a 20% Change Order Allowance of \$1,000,000, for Project construction services:

Pre-Construction Services – Resolution No. 24-06-36	\$295,096
<i>Modification 1 – Extend pre-construction services contract term</i>	<i>n/a</i>
Modification 2 – Long lead items and spare parts (including Change Order Allowance) - Resolution No. 24-09-46	\$1,465,000
<i>Modification 3 – Extend pre-construction services contract term</i>	<i>n/a</i>
Subtotal	\$1,760,096
Modification 4 – Price for Construction Services	\$5,000,000
Change Order Allowance (20%)	\$1,000,000
Amount Requested by this Resolution No. 25-01-01 (Subtotal)	\$6,000,000
Total Amount of Modified CM/GC Services Contract	\$7,760,096

7. **Description of Procurement Process**

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

8. **Diversity**

MEC’s total workforce is 1,609, of whom 42.8% are minorities and 10% are female. MEC proposes to utilize small business subcontractors certified by Oregon’s Certification Office for Business Inclusion and Diversity (COBID) for approximately 20% of the work. MEC anticipates that subcontracting areas may include electrical, mechanical, fiber optics, telephones, structural, architectural, electrical testing, engineering studies, concrete, general commercial construction, and traffic control. TriMet staff will work with MEC to maximize subcontracting opportunities for COBID-certified small businesses.

9. **Financial/Budget Impact**

The Modification amount is included in the Engineering and Construction Division's FY2025 Budget and FY2026 Budget Forecast.

10. **Impact if Not Approved**

Although TriMet could terminate the CM/GC services contract and obtain bids for the remaining construction work, doing so would result in delay, additional price escalation and continued price uncertainty. Contract termination also is not recommended because MEC has performed well on the Project to date, and the CM/GC services contract requires "open book" negotiations that result in fair and reasonable pricing. The Board's approval of this contract Modification will ensure that the Project maintains its current schedule.

RESOLUTION NO. 25-01-01

RESOLUTION NO. 25-01-01 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION OF THE CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES CONTRACT WITH MASS. ELECTRIC CONSTRUCTION COMPANY FOR THE PIONEER COURTHOUSE SQUARE TYPE 1 TRACTION POWER SUBSTATION REPLACEMENT PROJECT

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract modification (Modification) with Mass. Electric Construction Company (MEC) for Construction Manager/General Contractor (CM/GC) services for the Pioneer Courthouse Square Type 1 Traction Power Substation Replacement Project (Project); and

WHEREAS, by Resolution No. 22-05-35, dated May 25, 2022, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring it to approve all contracts and contract Modifications obligating TriMet to pay in excess of \$1,000,000; and

WHEREAS, the total amount of this Modification exceeds \$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 the amount of \$5,000,000, and to execute change orders of up to \$1,000,000 (20% of the Modification amount), through the Project's anticipated completion date of September, 2026.

Dated: January 22, 2025

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department