

**Date:** February 28, 2018

**To:** Board of Directors

**From:** Shelley Devine, Interim General Manager

**Subject: RESOLUTION 18-02-17 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING AN AMENDMENT TO AN AGREEMENT WITH PROSPER PORTLAND FOR CONSTRUCTION AND PURCHASE OF PROPERTY FOR A TRANSIT POLICE FACILITY**

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**1. Purpose of Item**

The purpose of this item is to request that the TriMet Board of Directors (Board) authorize the General Manager to amend an agreement with the City of Portland, acting through Prosper Portland (formerly known as the Portland Development Commission), for the construction and purchase of a portion of a building at the new Convention Center hotel parking garage in the Rose Quarter (Property) that will be used to house the Transit Police Central Precinct.

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other \_\_\_\_\_

**3. Reason for Board Action**

Board approval is required because this amendment will increase the value of the agreement beyond the amount previously authorized by the Board.

**4. Type of Action**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

**5. Background**

At its December 2016 meeting, the Board approved Resolution 16-12-71, authorizing TriMet to enter into an agreement with the Portland Development Commission, now known as Prosper Portland, for the construction and purchase of a portion of the new Convention Center Hotel garage for a facility to house the Central Precinct of TriMet's Transit Police Division. The amount of the agreement was \$9,000,000, and included approximately 18,000 square feet of space and 50 parking spaces. The facility provided by Prosper Portland will be a shell space, and TriMet will hire its own contractor to perform tenant improvement work once the shell

space is complete. The agreement with Prosper Portland capped TriMet's contribution to the Convention Center hotel garage project at \$9,000,000, unless unforeseen site conditions were encountered or TriMet requested that additional work scope be provided.

TriMet has been coordinating with Prosper Portland's design-build contractor, Mortenson Construction, as it refines its design of the parking garage and TriMet's space. During the design process, the Fire Marshall stated that an emergency generator for the parking garage was required for occupancy related to TriMet's space. Mortenson proposed installing TriMet's generator now as a shared generator, resized to serve both TriMet's space and the parking garage. This is work that TriMet previously expected to be performed by its tenant improvement contractor after the shell work is completed. Therefore, it is not new work and is not an additional cost to the overall project, but instead is simply being moved from the upcoming tenant improvement contract to this agreement with Prosper Portland. Doing so increases the cost of the space purchased from Prosper Portland by approximately \$110,000.

#### **6. Procurement Process**

The original agreement with Prosper Portland was the result of a property search process and negotiations.

#### **7. Diversity**

Prosper Portland's contractor, Mortenson Construction, will be required to comply with Prosper Portland's Equity Policy during construction of the building. Prosper Portland's Equity Policy contains a Business Equity program designed to increase participation by DBE and M/W/ESB contractors and a Workforce Equity program designed to increase employment and apprenticeship opportunities by women and communities of color. At the time TriMet contracts for the tenant improvement work, TriMet will follow its own diversity policies.

#### **8. Financial/Budget Impact**

The cost of the work was included in the tenant improvement contract budget, which is included in the Capital Projects FY 19 budget.

#### **9. Impact if Not Approved**

TriMet would be required, as part of its tenant improvement contract, to uninstall the generator and install the larger, shared generator. This would be inefficient and increase costs to the project.

**RESOLUTION 18-02-17**

**RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING AN AMENDMENT TO AN AGREEMENT WITH PROSPER PORTLAND FOR CONSTRUCTION AND PURCHASE OF PROPERTY FOR A TRANSIT POLICE FACILITY**

**WHEREAS**, TriMet has authority under ORS 267.200 to enter into an amendment to an agreement with the City of Portland, acting through Prosper Portland (formerly the Portland Development Commission), for the Construction and Purchase of a Condominium Interest in Property for a Transit Police Facility (Amendment); and

**WHEREAS**, the total amount of the Amendment exceeds the amount previously authorized by the Board; and

**WHEREAS**, the TriMet Board, by Resolution dated October 27, 2017, adopted a Statement of Policies requiring the Board to authorize contract modifications obligating TriMet to pay in excess of the amount previously authorized by the Board;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Amendment shall be in conformance with applicable laws.
2. That the General Manager or the General Manager's designee is authorized to execute the Amendment in an amount not to exceed \$110,000.

Dated: February 28, 2018

\_\_\_\_\_  
Presiding Officer

Attest:

\_\_\_\_\_  
Recording Secretary

Approved as to Legal Sufficiency:

  
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Legal Department