




## Memo

**Date:** March 25, 2020  
**To:** Board of Directors  
**From:** Doug Kelsey   
**Subject:** RESOLUTION NO. 20-03-17 OF THE TRI-COUNTY METROPOLITAN  
TRANSPORTATION DISTRICT OF OREGON (TRIMET)  
AUTHORIZING A CONTRACT WITH MASS. ELECTRIC  
CONSTRUCTION CO. (MEC) FOR RUBY JUNCTION SUBSTATION  
REPLACEMENT CONSTRUCTION SERVICES

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1. **Purpose of Item**

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager or his designee to execute a contract (Contract) with Mass. Electric Construction Co. (MEC) for Ruby Junction Substation Replacement Construction Services.

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 goods or services contracts obligating TriMet to pay in excess of \$1,000,000.

5. **Type of Action**

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

6. **Background**

As part of the Type 6 Light Rail Vehicle (LRV) integration (that will replace the Type 1 LRV's), TriMet has completed the design phase of the Ruby Junction Yard expansion.

The project consists of three primary elements:

- 1) the expansion of the LRV storage capacity (to account for the overlap of the Type 1 and Type 6 LRV's);
- 2) an extension of the test track; and
- 3) a traction power substation.

The substation portion of the project will:

- 1) add an additional yard substation, thereby removing the operational restrictions currently in place, and mitigating on-time performance issues;
- 2) allow TriMet to grow the LRV fleet beyond 2040 projections for this facility; and
- 3) allow for LRV acceptance testing to occur on the proposed test track extension.

7. **Description of Procurement Process**

On September 18, 2019, the Board approved Resolution No. 19-09-74, which exempted this contract from competitive bidding requirements. TriMet issued a Request for Proposals (RFP) on October 18, 2019. Five hundred and four (504) vendors were notified of the opportunity via TriMet's eProcurement System (TriPS). Although fifteen vendors stated their intentions to bid and two highly qualified vendors engaged in bidder questions, only one vendor, MEC, submitted a proposal. TriMet reached out to the other vendor and that vendor indicated that it provided material costs for other companies, but decided not to pursue the procurement as the prime.

Note: To encourage competition, TriMet extended the RFP submission date by approximately six weeks. The extremely specialized nature of this work may explain the difficulty in obtaining numerous competitive bids.

A Source Evaluation Committee (SEC) comprised of TriMet staff evaluated the proposal based on the criteria set forth in the RFP. These criteria included qualifications of the proposer and staff, references, workforce diversity, availability in Portland during construction, and technical quality of the proposed work plan. The SEC determined MEC's proposal to be fully responsive and responsible, including an excellent work plan and experienced staff well qualified to perform this type of work. In addition, MEC submitted all required documentation and took no exceptions to the contract requirements.

A summary of the scoring is below:

Criterion (points)	MEC
Qualifications of Firm, Staff, and Diversity (30)	27.25
Work Plan (50)	47.25
Price (20)	20.00
Total	94.50

The SEC determined that MEC's pricing was higher than expected. In an effort to understand what MEC viewed as risk factors and to establish areas of cost savings, the SEC determined that a discussion with MEC staff was appropriate. TriMet staff met with MEC staff on December 20, 2019. Following this meeting, TriMet issued a request for Best and Final Offer (BAFO) from MEC, which was received on December 26, 2019. The BAFO resulted in a price savings of approximately \$400,000 over MEC's initial pricing, and is reflected by the perfect price score in the table above.

The proposed contract has an approximately eighteen-month term. To complete the work, MEC has proposed a total contract price of \$4,253,000, which exceeded TriMet's Independent Cost Estimate by 14%. However, due to the scale of the procurement, boutique nature of the work, and the ability to integrate a replacement mainline substation inside the prefabricated building in the future, we have determined the price to be fair and reasonable.

8. **Diversity**

The SEC considered MEC responsive to the RFP's workforce diversity criterion. MEC states that its workforce has 929 total employees, 30% of whom are minorities and 8% of whom are female. Additionally, MEC has estimated that it will subcontract approximately 10% of the work under this contract to certified (MBE/WBE/ESB/SDVBE) firms. MEC also documented significant outreach to certified firms prior to submitting their proposal.

9. **Financial/Budget Impact**

The maximum amount of the contract will be \$4,458,300, which includes \$205,000 in change order allowance.

10. **Impact if Not Approved**

The completion of this substation work is essential for the testing and integration of the new Type 06 LRVs into the system, while continuing the phase out of the old Type 01 LRVs. Failure to proceed with this work will result in delay of this process. MEC is well qualified to perform this work and its pricing is fair and reasonable. Re-solicitation would be unlikely to obtain proposals superior to MEC's proposal in either quality or price.



**RESOLUTION NO. 20-03-17**

**RESOLUTION NO. 20-03-17 OF THE TRI-COUNTY METROPOLITAN  
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A  
CONTRACT WITH MASS. ELECTRIC CONSTRUCTION CO. (MEC) FOR  
RUBY JUNCTION SUBSTATION REPLACEMENT CONSTRUCTION  
SERVICES**

**WHEREAS**, TriMet has authority under ORS 267.200 to enter into a contract (Contract) with Mass. Electric Construction Co. (MEC) for the Ruby Junction Substation Replacement Services; and

**WHEREAS**, the total amount of the Contract exceeds \$1,000,000; and

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

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

1. That the Contract shall conform with applicable law.
2. That the General Manager or his designee is authorized to execute the Contract in the amount of not more than \$4,253,000, and to execute change orders to the Contract in a total amount not to exceed \$205,300, through the anticipated January 2022 Contract termination date.

Dated: March 25, 2020

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

Attest:

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

Approved as to Legal Sufficiency:

Gregory E. Skillman

Legal Department

