

**Date:** July 24, 2019  
**To:** Board of Directors  
**From:** Doug Kelsey  
**Subject:** **RESOLUTION NO. 19-07-53 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION TO THE CONTRACT WITH STELLAR J CORPORATION FOR THE RUBY JUNCTION SHOP MODIFICATIONS PROJECT**

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1. **Purpose of Item**

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager to execute a modification to the contract (Modification) with Stellar J Corporation (Stellar J) for the Ruby Junction Shop Modifications Project (Project).

2. **Type of Agenda Item**

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

3. **Reason for Board Action**

Board approval is required because the proposed Modification increases the change order allowance 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**

TriMet's Ruby Junction Light Rail Vehicle (LRV) maintenance facility requires several structural improvements to be able to effectively continue maintaining TriMet's five (and soon to be six) different types of LRVs. Generally, the scope of work includes replacing in-floor LRV lifts with new lifts that are compatible with all six LRV types; removing three existing bridge cranes and replacing them with newer, more heavy-duty bridge cranes; and some other facility renovations that are necessary to expand the maintenance capability at Ruby Junction to be able to effectively maintain all six types of LRVs. Funding for future LRV maintenance demands related to the SW Corridor project would come from that project, and are not included in this Resolution for the Ruby Junction Project.

At its December 2017 meeting, the Board approved Resolution 17-12-87, authorizing TriMet to execute a contract with Stellar J in the amount of \$3,197,555 for construction services for the Project, along with a change order allowance of \$639,511. In November of 2018, Stellar J's lift manufacturer, Macton Corporation, ceased operations and went bankrupt, requiring Stellar J to find an alternate lift manufacturer that meets TriMet's requirements. While there are very few domestic manufacturers of the specialized lifts required for LRVs, Stellar J identified Whiting Corporation from Vancouver, Washington, as the best, most reliable and most convenient LRV lift manufacturer, and entered into a contract with it to provide the replacement lift.

Additional authority is now needed to increase the amount of the previously approved change order allowance for the Project in order to account for the cost increase of the lifts provided by the replacement lift manufacturer, Whiting Corporation. Board approval is requested to increase the current change order allowance by \$350,000, to \$989,511.

**6. Procurement Process**

A competitive Invitation to Bid (ITB) process was used to select the contractor for the Project.

**7. Diversity**

Stellar J utilizes DBE contractors for approximately six percent of the work, and the remainder of the work is self-performed by Stellar J employees. Because this is a low bid contract, TriMet has had limited input into the subcontractors selected to work on the Project, but will continue to work with Stellar J to determine if there are additional opportunities to engage DBE certified firms.

**8. Financial/Budget Impact**

The Project is being funded by the Portland Milwaukie Light Rail grant from the Federal Transit Administration (FTA). The change order increase is included in the approved FY 2020 Capital Program budget for the Project.

**9. Impact if Not Approved**

If the Board decides not to approve this increase to the change order allowance, the Project will not be able to continue. Without the increase in the change order allowance, TriMet's ability to continue maintaining all LRV types in a state of good repair/rebuild, as well as its ability to meet daily operational service needs, will be severely impacted.

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TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A  
MODIFICATION TO THE CONTRACT WITH STELLAR J CORPORATION  
FOR THE RUBY JUNCTION SHOP MODIFICATIONS PROJECT**

**WHEREAS**, TriMet has authority under ORS 267.200 to execute a contract modification with Stellar J Corporation for construction of the Ruby Junction Shop Modifications Project (Modification); and

**WHEREAS**, the total amount of the Modification exceeds the contract amount originally authorized by the TriMet Board of Directors (Board); and

**WHEREAS**, by Resolution dated October 25, 2017, the Board adopted a Statement of Policies requiring it to approve modifications to contracts that exceed the contract amount previously authorized by the Board;

**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 Modification to the contract's change order allowance in an amount not to exceed \$350,000.

Dated: July 24, 2019

Attest:

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

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

Approved as to Legal Sufficiency:

  
\_\_\_\_\_  
Legal Department

2000 年 10 月 1 日