

Date: May 25, 2016

To: Board of Directors

From: Neil McFarlane *Neil McFarlane*

Subject: RESOLUTION 16-05-34 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH CH2M FOR THE DEVELOPMENT OF A TRANSIT ASSET MANAGEMENT PLAN (TAMP)

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 contract with CH2M for the development of a Transit Asset Management Plan (TAMP).

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Reason for Board Action

Board approval is required for personal services contracts obligating TriMet to pay in excess of \$150,000.

4. Type of Action:

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

5. Background

TriMet is responsible for maintaining its infrastructure (including rail, fixed guideway, buses, paratransit and non-revenue vehicles; maintenance and service facilities; track, bridges, tunnels, and ancillary structures; security systems, traction power electrification, signals/automated train control, communications, and revenue collection), in a State of Good Repair. TriMet has more than \$3 billion in net capital assets. TriMet’s more significant infrastructure includes the following:

- 659 buses servicing 77 bus lines at 6,644 bus stops;
- 145 light rail vehicles servicing 5 MAX lines covering 60 miles of track at 97 stations;
- 5 diesel heavy rail vehicles servicing 5 stations covering 14.7 miles of track;
- 253 LIFT buses and 15 LIFT vans;
- 22 facility locations;
- 20 TriMet owned park and rides; and
- 16 transit centers.

Improving transit asset management is now a national policy. In its 2010 National State of Good Repair Assessment, the Federal Transit Administration (“FTA”) found a large percentage of bus and rail assets were in marginal to poor condition. The enactment of Moving Ahead for Progress in the 21st Century (MAP-21) places the requirement on transit asset agencies to prepare a Transit Asset Management Plan to be able to monitor the condition of assets throughout their lifecycle. The FTA will be issuing rules implementing the Transit Asset Management Plan (TAMP) requirements.

6. Procurement Process

On January 25, 2016, TriMet issued a Request for Proposals (“RFP”) for the development of a Transit Asset Management Plan (TAMP). The RFP sought firms with qualifications and experience in Transit Asset Management Plan development and implementation, as well as the ability to conduct the actual condition assessment and inventory gathering of transit agency assets. The RFP was setup to encourage subcontracting for the condition assessment to certified firms and had nine tasks as follows:

- 1.General Project Management;
- 2.Establish TriMet’s Transit Asset Management Baseline;
- 3.Assessment of the Transit Asset Management Environment;
- 4.Definition of Goals and Objectives;
- 5.Gaps Analysis;
- 6.Performance Measurement Framework;
- 7.TAM Plan Implementation;
- 8.Updates to TAM Plan (Optional Task); and
- 9.Inventory & Condition Assessment.

On March 4, 2016 TriMet received five (5) proposals in response to the RFP from ABS Group, AECOM, CH2M, Hensel Phelps, and ThingTech. An evaluation committee was appointed to review and evaluate the proposals comprised of staff from TriMet’s Finance, Capital Projects, Maintenance Operations, and Operations Planning departments. Proposal evaluations addressed (1) experience/capability of the firm, including diversity plan (see next section); (2) experience/qualifications of key staff offered for the services; (3) project understanding/work plan approach; and (4) price proposal. After evaluating the proposals, ABS Group, AECOM, and CH2M were shortlisted to the competitive range and interviews were scheduled. Following interviews, the evaluation committee shortlisted the competitive range to two vendors to be considered for award and they were asked to submit a Best and Final Offer (BAFO). Overall proposal scores of the two finalists after interviews and BAFOs are as follows:

Evaluation Criteria	Possible Points	CH2M	ABS Group
Experience/Capability of Firm (including Diversity Plan)	15	15	13
Experience/Qualifications of Staff	20	19	16
Project Understanding/Work Plan	45	43	38
Price Proposal	20	20 \$937,885.97	8 \$2,334,324.22
Total Score:	100	97	75

CH2M’s project management team for the contract is based in Portland and specializes in transit related research and development projects. Their knowledge of the federal requirements and experience assisting other like agencies with development and implementation of a TAMP set them apart from the other proposers and makes them the best qualified firm to assist TriMet in this endeavor.

The independent cost estimate (ICE) for this procurement was \$3,000,000 for a 4-year contract term. CH2M’s BAFO proposed price of \$937,885.97 reflects a considerable savings (31.26%) from the original ICE. This is primarily due to the fact that they have knowledge and first-hand experience implementing programs for other agencies to comply with the federal requirements.

Contract pricing is based on proposed hourly rates and overall completion times of each of the nine tasks as outlined in the RFP. No rate increases are allowed during the first year of the contract; any rate increases during the remaining years will be subject to TriMet approval, and will be tied to the Consumer Price Index (CPI) All-Urban Workers, for the Portland-Salem area. The estimated contract amount is \$937,885.97, based on the forecasted level of services as outlined in the RFP.

Staff requests, by this Resolution, that the Board authorize the General Manager to execute the contract, and at his discretion, future modifications if necessary to complete the project. The estimated total four-year contract amount is \$937,885.97, with total contract costs to be based upon the agency's actual requirements.

7. Diversity

TriMet's RFP required proposers to include a summary of the workforce diversity of the firm as well as a Disadvantaged Business Enterprise (“DBE”) subcontracting plan.

CH2M’s workforce diversity is 27.12% female and 18.49% minority. CH2M identified DBE subcontracting opportunities for the condition assessment task and estimated the probable percentage of DBE participation during this contract at 10%. TriMet and CH2M will seek to maximize DBE opportunities as each of the nine tasks are performed.

8. Financial/Budget Impact

These services are budgeted under the Finance division Budget & Grants Department.

9. Impact if Not Approved

The development in and implementation of a Transit Asset Management Plan is an FTA requirement. The final FTA rule is anticipated in the summer 2016 with required full compliance within 2 years. TriMet risks non-compliance with Federal requirements and ultimately potential loss of federal funding if the TAMP is not developed and implemented.

DB/NY/pc

RESOLUTION 16-05-34

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH CH2M FOR THE DEVELOPMENT OF A TRANSIT ASSET MANAGEMENT PLAN (TAMP)

WHEREAS, TriMet has authority under ORS 267.200 to enter into a two-year contract with two additional one-year options with CH2M for the development of a Transit Asset Management Plan (TAMP) (“Contract”); and

WHEREAS, the total amount of the Contract shall exceed \$150,000; and

WHEREAS, the TriMet Board of Directors (Board), by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve personal services contracts obligating TriMet to pay in excess of \$150,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Contract shall be in conformance with applicable laws.
2. That the General Manager is authorized to execute the Contract.

Dated: May 25, 2016

Attest:

Presiding Officer

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department