

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
12	07/22/13	Open	Action	07/02/13

Subject: Repeal Resolution No. 13-03-0045 and Award the contract for Civil, Track, Structures, Stations and Systems for the South Sacramento Corridor Phase 2 Project

ISSUE

Whether or not to Repeal Resolution No. 13-03-0045 and award the Contract for construction of the South Sacramento Corridor Phase 2 Civil, Track, Structures, Stations and Systems to Balfour Beatty Rail Inc., Balfour Beatty Infrastructure Inc., Teichert Joint Venture (BBRI/BBII/Teichert JV).

RECOMMENDED ACTION

Adopt Resolution No. 13-07- ____, Repealing Resolution No. 13-03-0045 and Awarding the Contract for Construction of South Sacramento Corridor Phase 2 Civil, Track, Structures, Stations and Systems to Balfour Beatty Rail Inc., Balfour Beatty Infrastructure Inc., Teichert Joint Venture.

FISCAL IMPACT

Budgeted:	Partially	This FY:	\$	40,000,000.00
Budget Source:	Capital	Next FY:	\$	54,262,911.65
Funding Source:	New Starts/Prop1B/STA/Developer Fees/Measure A/Revenue Bonds	Annualized:	\$	47,131,455.83
Cost Cntr/GL Acct(s) or Capital Project #:	410.08.02	Total Amount:	\$	94,262,911.65
Contract Award:	\$ 89,822,682.65			
Allocated Contingency:	\$ 4,440,229.00			
Total Budget:	\$ 94,262,911.65			

DISCUSSION

The South Sacramento Corridor Phase 2 light rail project (Project) will extend Sacramento Regional Transit District's (RT) light rail service from its existing terminus at Meadowview Station south and east 4.3 miles to Cosumnes River College (CRC). The extension will add four new stations, 2,700 park-and-ride spaces and a major new transit center at the Cosumnes River College (CRC) station near Highway 99. The two aerial structures are currently being built and will be completed in time for the Civil, Track, Structures, Stations and Systems contract.

On January 14, 2013, the RT Board authorized staff to release a solicitation to bid for construction of the Civil, Track, Structures, Stations and Systems. On March 18, 2013, RT received seven bids.

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| 1. BBRI, BBII, Teichert JV | \$ 89,822,682.65 |
| 2. Shimmick Construction Company, Inc. | \$ 90,239,082.00 |

Approved:

Presented:

Final 7/16/2013
General Manager/CEO

Director, Construction Management

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3. RGW Construction	\$ 90,501,902.33
4. Granite Construction Company	\$ 94,334,000.00
5. Ames Construction, Inc.	\$ 99,858,585.90
6. Walsh Construction Company	\$ 99,881,852.50
7. NTK Construction, Inc.	\$109,831,955.63

Each bid was reviewed to determine the Bidder's responsiveness to the requirements of the Bid Documents. After reviewing all bids, Staff determined that award of the Civil, Track, Structures, Stations and Systems contract should go to BBRI, BBII, Teichert JV as the lowest responsive and responsible Bidder.

On March 25, 2013 the Board conditionally awarded the contract to BBRI/BBII/Teichert JV with three conditions. Conditions one (a protest of award is not timely filed) and two (the BBRI/BBII/Teichert JV produces evidence that it has obtained a California Contractor's license) have been satisfied. The third condition of award - "the General Manager/CEO determines, in his sole and reasonable discretion, that adequate funding is available for the base Bid amount" is being brought back to the Board for consideration.

The project funding issue relates to a Full Funding Grant Agreement (FFGA) between RT and the Federal Transit Administration (FTA), executed in December 2012. Federal funding has been withheld due to issues related to the U.S. Department of Labor (USDOL) and the ATU's Section 13(c) filing against RT grants because of alleged impacts of the Public Employees Pension Reform Act. These issues have resulted in the current withholding of \$40 million in federal fiscal year (FFY) 2012 monies, along with approximately \$14 million in FFY 2010 appropriations monies. If the issues are not resolved this current calendar year, the remaining almost \$46 million in FFGA funds may also be delayed.

While RT does not currently have all monies to fully fund the Contract, staff has analyzed various funding, bidding and construction scenarios to evaluate the potential range of costs. The scenarios included execution of the Contract now with a stop and restart of contract work due to lack of funds, reject all bids with new bid and award in January 2014, and reject all bids with new bid and award in July 2014. While all scenarios would increase the contract cost between \$5 and \$35 million, it was determined that the least impactful approach is to move forward with the award. Awarding the contract is at the low end of the range and delaying award until July 2014 at the high end. Another reason to advance the work is that it gives RT the highest likelihood to meet the FFGA requirement to have the Blue Line in revenue operations by September 2015. While RT can request an extension, it is at FTA's sole discretion to grant an extension.

Staff recommends award of the South Sacramento Corridor Phase 2 Project Civil, Track, Structures, Stations and Systems Contract to BBRI, BBII, Teichert JV in the amount of \$89,822,682.65.

RESOLUTION NO. 13-07-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

July 22, 2013

REPEALING RESOLUTION NO. 13-03-0045 AND AWARDING THE CONTRACT FOR CONSTRUCTION OF SOUTH SACRAMENTO CORRIDOR PHASE 2 CIVIL, TRACK, STRUCTURES, STATIONS AND SYSTEMS TO BALFOUR BEATTY RAIL INC., BALFOUR BEATTY INFRASTRUCTURE INC., TEICHERT JOINT VENTURE.

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, Resolution No. 13-03-0045 is hereby repealed; and

THAT, the Contract between the Sacramento Regional Transit District, therein referred to as "RT," and Balfour Beatty Rail Inc., Balfour Beatty Infrastructure Inc., Teichert Joint Venture, therein referred to as "Contractor," whereby Contractor agrees to complete the Civil, Track, Structures, Stations and Systems for the South Sacramento Corridor Phase 2 Project, as specified, for an amount not to exceed \$89,822,682.65, is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized and directed to execute said Contract.

PATRICK HUME, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary