

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
12	06/24/13	Open	Action	06/17/13

Subject: Authorizing a Noncompetitive and Sole Source Procurement and Delegating Authority to Award for Project Controls Manager Services for the South Sacramento Corridor Phase 2 Project to CH2M Hill.

ISSUE

Whether or not to authorize a noncompetitive and sole source procurement and delegate authority to the General Manager/CEO to award a contract for Project Controls Manager Services for the South Sacramento Corridor Phase 2 Project to CH2M Hill.

RECOMMENDED ACTION

Adopt Resolution No. 13-06-_____, Authorizing a Noncompetitive and Sole Source Procurement and Delegating Authority to the General Manager/CEO to Award a Contract for Project Controls Manager Services for the South Sacramento Corridor Phase 2 Project to CH2M Hill.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	950,333.18
Budget Source:	Capital	Next FY:	\$	0
Funding Source:	New Starts, Measure A, Revenue Bonds, Proposition 1B, Developer Fees	Annualized:	\$	NA
Cost Cntr/GL Acct(s) or Capital Project #:	410.07.02.16.01 (\$95,033)	Total Amount:	\$	950,333.18
	410.09.02.02.16.01 (\$855,301)			
Total Budget:	\$ 950,333.18			

DISCUSSION

On February 25, 2008, the Board awarded a Contract to URS Corporation for South Sacramento Corridor Phase 2 (SSCP2) Project Controls. Project Controls services include managing cost control, scheduling, and estimating, as well as updating project control and document control procedures. As part of its obligations under the Contract, URS Corporation committed to providing a full-time Project Controls Manager to work exclusively on the Project. In June 2012, James Rasmussen assumed the role of Project Controls Manager. Mr. Rasmussen's extensive experience working with RT on past light rail projects and his familiarity with RT staff and processes have been valuable in establishing the Project Controls function for the Project. On April 17, 2013, RT was informed by URS Corporation that Mr. Rasmussen was no longer employed by URS.

Approved:

Presented:

Final 06/19/13
General Manager/CEO

Director, Project Management

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
12	06/24/13	Open	Action	06/17/13

Subject: Authorizing a Noncompetitive and Sole Source Procurement and Delegating Authority to Award for Project Controls Manager Services for the South Sacramento Corridor Phase 2 Project to CH2M Hill.

After reviewing all options, staff determined it was in the best interest of RT to directly retain Mr. Rasmussen as the Project Controls Manager rather than accept one of the less experienced replacements offered by URS.

On April 30, 2013, RT executed a \$50,000 Personal Services Contract with Mr. Rasmussen to ensure the SSCP2 Project Controls effort continued at its current level and would not impact the overall Project. On June 10, 2013, the RT Board approved the First Amendment to URS Work Order No. 6 to eliminate the Project Controls Manager requirement and also reduce the total consideration by \$1,000,900.

Mr. Rasmussen recently joined the consulting firm of CH2M Hill. To ensure Mr. Rasmussen is retained as the SSCP2 Project Controls Manager, it is necessary to approve a sole source Professional Services Contract with CH2M Hill. Staff has determined there is an urgent and compelling need to work with Mr. Rasmussen due to the current Project status and his unique qualifications for the position. Replacing Mr. Rasmussen during this phase of the federally-funded New Starts project could create significant staffing issues for the Project, resulting in additional reviews by the Federal Transit Administration (FTA) with regard to technical capacity and capability.

Mr. Rasmussen’s experience with RT, extensive knowledge of the Project, and over 30 years of Project Controls experience make him uniquely qualified for the position. Finding someone of a similar background would require several months to identify possible replacements and bring the replacement manager up to speed on the Project. Also, Mr. Rasmussen is regarded by the FTA as a well-qualified Project Controls Manager. Replacing him when the bulk of the Project is about to go to construction would likely be viewed unfavorably by FTA.

The contract with CH2M Hill will be for a total not-to-exceed \$950,333.18 and would retain Mr. Rasmussen as the SSCP2 Project Controls Manager for the duration of the Project. The current Personal Services Contract is expected to last through July 15, 2013.

In accordance with Section 1.405C of RT’s Procurement Ordinance, the Board may approve and award a noncompetitive procurement for professional services when it determines that it is in the best interest of RT. The FTA Procurement Circular permits non-competitive and sole source contracts when there is an “urgent and compelling need.” Staff believes this situation meets that standard.

Staff recommends that the Board approve a noncompetitive and sole source procurement and award a contract for Professional Services with CH2M Hill for a maximum total consideration amount of \$950,333.18.

RESOLUTION NO. 13-06-_____

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

June 24, 2013

AUTHORIZING A NONCOMPETITIVE AND SOLE SOURCE PROCUREMENT AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO AWARD A CONTRACT FOR PROJECT CONTROLS MANAGER SERVICES FOR SOUTH SACRAMENTO CORRIDOR PHASE 2 PROJECT TO CH2M HILL.

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

THAT, Board has determined there is an urgent and compelling need to enter into a Professional Services Contract with CH2M Hill to retain the Project Controls Manager (James Rasmussen) that has been working on the South Sacramento Corridor Phase 2 (SSCP2) Project since June 2012 and recently left employment with URS Corporation.

THAT, replacing the Project Controls Manager during this phase of the Federally-funded New Starts project could create significant staffing problems for the Project, resulting in additional reviews by the Federal Transit Administration with regard to technical capacity and capability;

THAT, because of Mr. Rasmussen's expertise regarding the SSCP2 Project and experience with RT, it is in RT's best interest to award the contract to CH2M Hill without following RT's competitive solicitation procedures set forth in Article III of RT's Procurement Ordinance;

THAT, pursuant to Section 1.405C of RT's Procurement Ordinance a sole source procurement is authorized upon a Best Interest finding;

THAT, authority is hereby delegated to the General Manager/CEO to award a Contract for Project Controls Manager Services for South Sacramento Corridor Phase 2 Project to CH2M Hill for an amount not to exceed \$950,333.18.

PATRICK HUME, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary