

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
13	03/25/13	Open	Action	03/19/13

Subject: Conditionally Award Contract for Civil, Track, Structures, Stations and Systems for the South Sacramento Corridor Phase 2 Project.

ISSUE

Whether or not to conditionally 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. 13-03-____, Conditionally 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:	\$ 500,000.00
Budget Source:	Capital	Next FY:	\$ 25,000,000.00
Funding Source:	New Starts/Prop1B/STA/Developer Fees/Measure A/Revenue Bonds	Annualized:	\$ 25,000,000.00
Cost Cntr/GL Acct(s) or Capital Project #:	410.08.02	Total Amount:	\$ 100,000,000.00
Total Budget:	\$ 100,000,000.00		

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.

1. BBRI, BBII, Teichert JV	\$ 89,822,682.65
2. Shimmick Construction Company, Inc.	\$ 90,239,082.00
3. RGW Construction	\$ 90,501,902.33
4. Granite Construction Company	\$ 94,334,000.00

Approved:

Presented:

Final 03/20/13

General Manager/CEO

Director, Civil and Track

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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. The Engineer’s Estimate was \$98,000,000.00. BBRI, BBII, Teichert JV’s bid of \$89,822,862.65 is approximately 8% below the Estimate.

The Civil, Track, Structures, Station and Systems Contract includes construction of track, at-grade crossings, drainage facilities, sound walls, retaining walls, roadway reconstruction, traffic signaling, OCS, traction power, substations, instruments houses, signaling system, park and ride lots and light rail stations. The Small Business Enterprise (SBE) goal was set at 25% SBE participation. BBRI, BBII, Teichert JV did not meet the 25% participation goal, but submitted a Good Faith Effort Certification showing 23.7% SBE participation. BBRI, BBII, Teichert JV’s Good Faith Effort Certification has been reviewed and accepted by RT’s Procurement Department.

RT executed a Full Funding Grant Agreement (FFGA) with the Federal Transit Administration (FTA) in December 2012. However, 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 2011 FFGA funds. If the issues are not resolved this current calendar year, an additional \$45 million in FFGA funds will also be delayed.

RT does not currently have the funds to fully fund the Contract. Approximately \$45 million of the needed monies for the Project are available at this time for the contract and all other project related costs. Staff hopes the Section 13(c) issues currently holding up the release of the FFGA funds will be resolved this calendar year. The general expectation is that current funds will be sufficient to fund the Contract through February 2014. If the issues are not resolved, the Contract will need to be suspended unless another funding source is identified. A suspension of the Contract will involve increased cost to the Contract due to demobilization, future remobilization, and insurance policy extensions, but, at that point will be unavoidable.

To maintain the current project schedule, it is necessary to award the contract at this time. Any delays in issuing a Notice to Proceed will likely extend the completion date of September 2015, impacting future funding to the Sacramento region. The Sacramento Area Council of Government (SACOG) Air Quality Conformity Determination required certain projects such as the South Sacramento Corridor Phase 2 to help reduce regional emissions. Reduction of emissions will help the Sacramento region secure future funding.

Staff recommends conditional 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

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\$89,822,682.65, conditioned upon absence of a properly-filed bid protest during the required 10-day protest period and receipt of evidence of BBRI, BBII, Teichert JV's joint venture status.

RESOLUTION NO. 13-03-_____

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

March 25, 2013

CONDITIONALLY 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 (BBRI/BBII/TEICHERT JV)

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

THAT, the Contract for Construction of South Sacramento Corridor Phase 2, Civil, Track, Structures, Stations and Systems between the Sacramento Regional Transit District, therein referred to as "RT," and BBRI, BBII, Teichert JV therein referred to as "Contractor," whereby Contractor agrees to construct 4.3-mile light rail extension, as specified, for an amount not to exceed \$89,822,682.65, is hereby approved, on condition that: (1) a protest of this award is not timely filed; (2) ~~and upon receipt the BBRI, BBII, Teichert JV produces~~ *of evidence that it the BBRI, BBII, Teichert JV has obtained a California Contractor's license; and (3) the General Manager/CEO determines, in his sole and reasonable discretion, that adequate funding is available for the Base Bid amount.*

THAT, the General Manager/CEO is hereby authorized and directed to execute said Contract ~~if a protest of this award is not timely filed and receipt of Contractor's joint venture status is submitted~~ *upon satisfaction of the foregoing contingencies.*

PATRICK HUME, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary