



## STAFF REPORT

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**DATE:** September 12, 2022

**TO:** Sacramento Regional Transit Board of Directors

**FROM:** Laura Ham, VP, Planning and Engineering

**SUBJ:** CONDITIONALLY APPROVING THE AWARD OF CONSTRUCTION CONTRACT FOR LOW FLOOR VEHICLE PLATFORM CONVERSION PHASE 1 TO PNP CONSTRUCTION, INC. FOR THE BASE BID AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO AWARD THE ADDITIVE ALTERNATES

### RECOMMENDATION

Adopt the Attached Resolution.

### RESULT OF RECOMMENDED ACTION

Conditionally approving this construction contract will allow SacRT to move forward with the Light Rail Modernization Project on the Gold Line.

### FISCAL IMPACT

The Total Bid price for the Construction Contract for Low Floor Vehicle Platform Conversion Phase 1 Project is \$18,774,000 with a Base Bid of \$9,713,000 and 5 Additive Alternates totaling \$9,061,000. This contract is being funded with federal and state funds. Funding is available to award the Base Bid, and the additive alternates will be awarded based on available additional funding.

### DISCUSSION

The Light Rail Modernization Project includes the procurement of low floor light rail vehicles, 15-minute service to Historic Folsom, and the station platform conversions to accommodate low-floor light rail vehicles. The Low Floor Vehicle Platform Conversion Project includes adjusting all Gold Line platforms to an 8-inch elevation above top of rail; replacing detectable warning tiles/directional guidance tiles; adjusting all facilities and furniture on the platforms to the new height; removing all in-ground artwork in direct conflict; modifying tree grates/planters; modifying drainage facilities; modifying adjacent improvements to meet ADA requirements; and adding crosswalk areas, fencing, and signage. Upon full integration of low floor vehicles, SacRT will be operating 3-car trains with Siemens S700 vehicles.

The project was previously broken into three phases with Phase 1 and Phase 2 for Gold Line platform conversions and Phase 3 for the Blue Line platform conversion. With additional construction funding awarded to SacRT that is specifically designated for four Northeast Corridor (NEC) Blue Line platform conversions, these stations will be part of a revised Phase 3 and must be in construction by December 2023. The remaining 15 Blue Line platform conversions will now be part of Phase 4. The project is now broken into four phases as follows:

- Phase 1: Gold Line 2-car platform conversion
- Phase 2: Gold Line 3-car platform conversion
- Phase 3: 4 NEC Blue Line platform conversion
- Phase 4: Remaining 15 Blue Line platform conversion

On January 26, 2022, Staff released an Invitation for Bid for Low Floor Vehicle Platform Conversion Phase 1. On March 28, 2022, SacRT received no bids. Staff contacted registered bidders to determine why they had chosen not to submit. More than one bidder indicated that due to other pending bid opportunities, they had been unable to timely submit a bid but would be interested in submitting if the work were rebid. There were no unduly restrictive specifications identified by potential bidders.

On April 15, 2022, Staff released an Invitation for Bid for construction of the Low Floor Vehicle Platform Phase 1 — ReBid. The Bid due date was extended four times to ensure that adequate responses were provided to questions from potential bidders, as well as to conduct outreach to potential bidders. Procurement reached out to several contractors using the Contractors State License Board look-up for Class A and Class B contractors and called contractors located in Sacramento, Los Angeles, and San Diego. Because of the extended outreach, two additional prospective bidders downloaded the solicitation documents.

On August 12, 2022, SacRT received 1 bid. The base bid includes 14 light rail stations. Each additive alternate includes 3 additional light rail stations with a total of 29 light rail stations.

**1. PNP Construction**

Base Bid	\$ 9,713,000
Additive Alternate #1	\$ 1,940,000
Additive Alternate #2	\$ 2,204,000
Additive Alternate #3	\$ 1,958,000
Additive Alternate #4	\$ 1,683,000
Additive Alternate #5	\$ 1,276,000
<b>Total Base and Additive Alternates</b>	<b>\$18,774,000</b>

Procurement Staff performed a single bid analysis in compliance with federal requirements. The sole bidder's base bid is \$1.2M less than the Engineer's Estimate. A non-bidder status survey was performed after the bid closed.

The other prospective bidder indicated that it lacked the required bonding capacity for this Contract. Under federal grant rules, SacRT is required to obtain a performance bond for 100% of the Contract price. Under state laws, SacRT must obtain a payment bond for 100% of the Contract price. SacRT does not have the ability to waive these legal requirements; however, Addendum No. 4 was issued to clarify bonding requirements by requiring bonds for the base bid and increasing them as the additive alternates are awarded. In addition, a cap of liquidated damages was included through Addendum No. 7 to further reduce the financial risk for prospective contractors while preserving SacRT's ability to ensure on-time completion of this critical work and on-going revenue operations.

With this information, Staff determined that the bid was adequate with the current market conditions given the extended solicitation time, addenda published, and questions answered.

The bid was also reviewed to determine the Bidder's responsiveness to the requirements of the Bid Documents. Staff determined that PNP Construction, Inc. is the lowest responsive and responsible Bidder and that the price is fair and reasonable. A Notice of Intent to Award was issued on August 24, 2022. The 10-working-day protest period will be exhausted on September 8, 2022. The Contractor has not yet provided confirmation of compliance with the insurance and bonding requirements set out in the Invitation for Bid, so award is being requested on a conditional basis, subject to satisfaction of the insurance and bonding requirements.

RESOLUTION NO. 2022-09-102

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

September 12, 2022

**CONDITIONALLY APPROVING THE AWARD OF THE CONSTRUCTION CONTRACT FOR LOW FLOOR VEHICLE PLATFORM CONVERSION PHASE 1 TO PNP CONSTRUCTION, INC. FOR THE BASE BID AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO AWARD ADDITIVE ALTERNATES**

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

THAT, the Construction Contract for Low Floor Vehicle Platform Conversion Phase 1 between the Sacramento Regional Transit District, therein referred to as "SacRT" and PNP Construction, Inc., therein referred to as "Contractor," whereby Contractor agrees to complete the construction required for Low Floor Vehicle Platform Conversion Phase 1 Base Bid, as specified, for an amount not to exceed \$9,713,000, is hereby approved, conditioned on Contractor providing the required bonds and insurance specified in the Invitation for Bid.

THAT, the Chair and the General Manager/CEO are hereby authorized and directed to execute the foregoing Contract upon satisfaction of the foregoing conditions.

THAT, conditioned upon the availability of funding, the Board hereby delegates authority to the General Manager/CEO to execute Contract Change Orders to add one or more of the Additive Alternates to the Construction Contract for Low Floor Vehicle Platform Conversion Phase 1 based on the amounts bid.

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STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Tabetha Smith, Assistant Secretary