

# **STAFF REPORT**

**DATE:** January 23, 2023

TO: Sacramento Regional Transit Board of Directors

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

**SUBJ:** APPROVING CONTRACT CHANGE ORDER NO.1 TO THE

CONTRACT FOR LOW FLOOR VEHICLE PLATFORM

CONVERSION PHASE 1 WITH PNP CONSTRUCTION, INC.

## **RECOMMENDATION**

Adopt the Attached Resolution.

#### RESULT OF RECOMMENDED ACTION

Approving Contract Change Order (CCO) No. 1 to the construction contract will allow SacRT to reduce the total consideration for the Base Bid and defer a portion of the work until Phase 2 of the platform conversion project.

## FISCAL IMPACT

The Total Bid price for the Low Floor Vehicle Platform Conversion Phase 1 Project was \$18,774,000, with a Base Bid of \$9,713,000 and 5 Additive Alternates totaling \$9,061,000. SacRT has six months from the Notice to Proceed to exercise the Additive Alternates for the amount bid. The Contract is being funded with federal and state funds. The Contract for the Base Bid was conditionally awarded at the September 12, 2022 Board Meeting, with a delegation of authority to the General Manager/CEO to award the additive alternates based on available additional funding.

The deductive amount for the removal of the 8<sup>th</sup> & O Inbound Station from Bid Item No. 6 is \$378,639. This will reduce the total consideration for Base Bid from \$9,713,000 to \$9,334,361 and provide additional funding that may be applied toward exercise of the Additive Alternates as other funding is identified

#### DISCUSSION

On September 12, 2022, the Board conditionally approved a contract for Construction of the Low Floor Vehicle Platform Conversion Phase 1 Project for the Base Bid only with PNP Construction, Inc. (PNP) and delegated the authority to the General Manager/CEO to execute the Additive Alternates upon funding becoming available. PNP was given Notice to Proceed on September 29, 2022.

Contract Change Order No. 1 would remove the Phase 1 platform conversion work at the 8th & O Station (Inbound). The 8<sup>th</sup> and O Station (Inbound) is closed for the State Department of General Services Building Renovation Project until Summer 2025. Because of the prolonged station closure and the planned construction schedule for the Phase 2 full platform conversion (as detailed in the September 12 Staff Report), it is most efficient and cost effective to defer any modification of the 8<sup>th</sup> and O Station (Inbound) to Phase 2 of the overall platform conversion project. PNP provided a Change Quote to reduce the total cost of Bid Item No. 6, which includes both the Inbound and Outbound stations, from \$817,000 to \$438,361, a reduction of \$378,639. While this amount is less than half of Bid Item No. 6, Staff has determined, based on the documentation presented by PNP, that this deduction fairly represents the expected cost of the deleted work.

#### RESOLUTION NO. 2023-01-002

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

January 23, 2023

# APPROVING CONTRACT CHANGE ORDER NO.1 TO THE CONTRACT FOR LOW FLOOR VEHICLE PLATFORM CONVERSION PHASE 1 WITH PNP CONSTRUCTION, INC.

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

THAT, Contract Change Order No. 1 to the Contract for Low Floor Vehicle Platform Conversion Phase 1 between Sacramento Regional Transit District, therein referred to as "SacRT" and PNP Construction, Inc., therein referred to as "Contractor," whereby the scope of the Bid Item No. 6 work is reduced to remove the 8<sup>th</sup> & O Station (Inbound) from the scope of work and the not to exceed amount is correspondingly reduced by \$378,639, from \$9,713,000 to \$9,334,361, is hereby approved.

THAT, General Manager/CEO is hereby authorized and directed to execute Contract Change Order No. 1 to the Contract.