

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 6/12/2019

Staff Report No. 18-105b

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: Bus Rapid Transit Construction Management Contract

ACTION ITEM

RECOMMENDED ACTION(S):

Consider authorizing the General Manager to execute the first one-year option on contract 2018-1435 with WSP USA Inc. for construction management services for the Bus Rapid Transit (BRT) Project.

BUDGETARY/FISCAL IMPACT:

The one-year contract extension for the August 2019 to July 2020 performance period will cost the District \$4,559,269.54 for construction management services with WSP USA Inc., including their subcontractors. The base year contract cost for August 2018 to July 2019 performance period is \$5,272,336.04. These costs are included in the BRT project budget and will be paid for with project funds.

BACKGROUND/RATIONALE:

On May 8, 2018, a solicitation was issued for construction management services in support of the BRT platform and infrastructure construction. WSP USA Inc. was selected as the firm to provide these services. Under the current contract, WSP USA Inc. provides field inspection, construction oversight, scheduling and engineering support for the District on the BRT project. The base period for this contract expires on August 1, 2019, and contains two one-year extension options.

This action is consistent with the Board-approved Project Completion Plan (PCP) which forecasts a total need of \$9.5 million for all professional services necessary to meet the projected revenue service date in December 2019. The staff is satisfied with the performance of the construction management team. The BRT project is on schedule and on budget to meet the Board-approved PCP forecast opening date of December 23, 2019.

Staff wishes to exercise the first one-year option for construction management services. This requested contract extension is necessary due to the ongoing need for construction management services through the remainder of construction. Staff requests the Board authorize the General Manager to extend the WSP USA Inc. contract performance period for 12 months and add \$4,559,269.54 to the contract value.

This action is in compliance with the Federal Transit Administration (FTA) guidance regarding exercising contract options (4220.1F Chapter V, 7, a (1)):

1. *Consistency with the Underlying Contract:* The options for these contract were priced before the

execution of the original contract. All other terms and conditions remain the same for both contracts.

2. *Price:* Provided the time and resources required to re-solicit these services, the option price will represent a cost savings to the District.
3. *Awards Treated as Sole Source Procurements:* The option was priced by all proposers as part of the original RFQ; therefore, this option was competitively submitted and priced as part of the original contract: "The District intends to enter into an agreement for a term of 12 months, with the option to extend the contract for two (2) one (1) year periods." (RFP 2018-1435, Page 9).

As per FTA guidance, the District is required to exercise each option based on the price and term as it was originally proposed. This restricts the District from negotiating an increase or decrease in amounts for each contract.

ADVANTAGES/DISADVANTAGES:

The main advantage to exercising this contract option is that the District will ensure continuity of service for Construction Management of BRT. The continuity of these services is critical for BRT and to help prevent any additional delays in construction. Exercising this option will ensure that BRT construction is performed as effectively and efficiently as possible with oversight. Staff cannot identify any disadvantages to exercising the contract option.

ALTERNATIVES ANALYSIS:

- 1) Issue Sole Source Agreement. The District could issue a sole source contract extension to shape a less expensive and shorter term. However, this would require extensive negotiations with each contractor. Additionally, posting these sole source justifications for other vendors input would invite multiple vendors that would challenge the sole source justification, thereby delaying or preventing the execution of this contract.
- 2) Migrate the services in-house. The District could elect to assign staff or hire new staff, to perform the roles of construction management for BRT. This would require 8-12 months to hire these positions and require extensive on-boarding. These positions would last the duration of the BRT construction. Following the launch of BRT, these staff would need to be reassigned or laid off. This would require a substantial investment in hardware and current staff's time to hire and/or train new staff and to provide ongoing supervision and direction.
- 3) Re-Solicit Contractor: The solicitation of a new contractor for these services will require at least eight months to plan and execute, and additional time from District staff to onboard the new construction management team. With this option, it is anticipated that the construction may be completed by the time we would have a contract in place for these services.
- 4) Do nothing. The District could opt to allow the existing contract to expire and continue construction without CM services. This would end the construction oversight, engineering support and field inspection which are vital to the completion of the BRT Project and continuing to comply with FTA requirements.

PRIOR RELEVANT BOARD ACTION/POLICIES:

SR 18-105a - Award of construction management services contract to WSP
Board Policy 465 - Procurement Policy

ATTACHMENTS:

None

Approved by:

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Reviewed by:

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