

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING) RESOLUTION NO. 97-2536
THE SOUTH/NORTH TECHNICAL)
ASSISTANCE, FINANCIAL ANALYSIS) Introduced by
AND INTERGOVERNMENTAL COORDI-) Mike Burton, Executive Officer
NATION CONSULTANT SERVICES)
CONTRACT, NO. 904099 WITH THE)
LARKIN GROUP, INC. TO INCORPORATE)
ACTIVITIES ASSOCIATED WITH)
PRELIMINARY ENGINEERING AND THE)
ANALYSIS OF COST-CUTTING MEASURES)

WHEREAS, In March 1995, the Metro Council adopted Resolution No. 95-2141A, which authorized the release of a Request for Proposals for consultant services to prepare technical assistance, financial analysis and intergovernmental coordination for the South/North Project; and

WHEREAS, A consultant team led by the Larkin Group, Inc. was selected through a competitive bidding process for the provision of technical assistance, financial analysis and intergovernmental coordination for the South/North Transit Corridor Study; and

WHEREAS, In October 1995, the Metro Council adopted Resolution No. 95-2218, which authorized Metro's Executive Officer to execute a consultant services contract with the Larkin Group, Inc., Contract No. 904099, for the provision of technical assistance, financial analysis and intergovernmental coordination for the South/North Draft Environmental Impact Statement with a budget not to exceed \$274,988.00; and

WHEREAS, In April 1996, the Federal Transit Administration authorized Metro to advance the South/North Light Rail Project into Preliminary Engineering concurrent with preparation of the

Draft Environmental Impact Statement; and

WHEREAS, In November 1996, Ballot Measure 32, which would have provided \$375 million in State of Oregon funds for the South/North Light Rail Project, failed in a statewide vote; and

WHEREAS, In December 1996, the Metro Council endorsed the South/North Steering Committee's findings that there remains a strong base of regional support for the South/North Light Rail Project and the Metro Council endorsed the committee's plan to undertake a process intended to significantly reduce costs for the South/North Light Rail Project; and

WHEREAS, In May 1997, following extensive technical analysis and public comment on the proposed cost-cutting measures, the Metro Council adopted Resolution No. 97-2505A for the purpose of adopting cost-cutting amendments to the South/North light rail alternatives and design options to be studied further in the Draft Environmental Impact Statement; and

WHEREAS, The Preliminary Engineering activities approved by the Federal Transit Administration and the cost-cutting alternatives approved by the Metro Council were not included within the original scope of work and budget for the South/North technical assistance, financial analysis and intergovernmental coordination consultant services Contract No. 904099; and

WHEREAS, The Larkin Group, Inc. is uniquely qualified to perform the consultant services required to conduct the technical assistance, financial analysis and intergovernmental coordination associated with the Preliminary Engineering activities and amended South/North light rail alternatives and to incorporate


the results of that assistance and analysis into the South/North Draft Environmental Impact Statement; and

WHEREAS, Current funding for the South/North Transit Corridor Study Environmental Impact Statement and Preliminary Engineering of approximately \$24.7 million has adequate funds available for an amendment to the South/North technical assistance, financial analysis and intergovernmental coordination consultant services contract to incorporate activities associated with Preliminary Engineering and to evaluate the cost-cutting amendments to South/North light rail alternatives; now, therefore,

BE IT RESOLVED:

That Metro's Executive Officer is authorized to execute an amendment to Contract No. 904099 for the amount of \$151,926.00 with the Larkin Group, Inc. to incorporate a revision to the contract's scope of work, substantially similar to Exhibit A, resulting in an amended not-to-exceed budget of \$426,914.00.

ADOPTED by the Metro Council on this 17th day of July, 1997.


Jon Kvistad, Presiding Officer

Approved as to Form:


Daniel B. Cooper, General Counsel

CHANGE ORDER NO. 1
METRO CONTRACT NO. 904099

MODIFICATION TO A PERSONAL SERVICES AGREEMENT
FOR SOUTH/NORTH TECHNICAL ASSISTANCE, FINANCIAL ANALYSIS AND
INTERGOVERNMENTAL COORDINATION

This Agreement hereby amends the above-titled contract (the "Original Agreement") between Metro, a metropolitan service district organized under the laws of the State of Oregon and the 1992 Metro Charter ("Metro"), and The Larkin Group Inc. ("Contractor").

A. Purpose. The purpose of this Change Order is to replace certain terms and conditions contained in the Original Agreement, as set forth herein.

B. Terms of Change Order.

1. Section 1, Duration is hereby amended to read as follows:

The term of the Agreement shall commence on October 16, 1995 and terminate on June 30, 1998 unless terminated earlier under the provision of the Agreement.

2. Section 2, Scope of Work; of the Original Agreement is hereby amended to incorporate the following:

Contractor shall provide all services and materials specified in the Additional Scope of Work, attached hereto as Exhibit A and incorporated by this reference as if set forth in full.

3. Section 3, Payment, is hereby amended to read as follows:

Metro shall pay Contractor for services performed and materials delivered in the amount(s), manner and at the time(s) specified in the Original Scope of Work and the Additional Scope of Work for a maximum sum not to exceed FOUR HUNDRED TWENTY SIX THOUSAND NINE HUNDRED FOURTEEN AND NO/100THS DOLLARS (\$426,914.00).

Contractor shall invoice Metro for reimbursement of expenditures for authorized work performed under the Scopes of Work approximately on a monthly basis. The invoice(s) shall include a

brief description of the work performed during the invoice period and shall include an itemization of costs at a task level.

The task budget is included in Exhibit B, attached hereto and incorporated by this reference as if set forth in full. Budgeted amounts for each task may be modified, keeping the total not to exceed budget constant, upon written agreement between the Metro Project Manager and the Consultant Contract Manager.

C. Effect of Amendments. Except as modified or superseded herein, all other terms and conditions of the Original Agreement and all previous change orders shall remain in full force and effect.

METRO

THE LARKIN GROUP, INC.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**The Larkin Group, Inc.
Metro Contract No. 904099**

Additional Scope of Work

Background

The South/North Transit Corridor Study has been structured into two tiers. The purpose of Tier I was to select the locally preferred high capacity transit (HCT) mode, termini and range of alignment alternatives. Light rail transit (LRT) the locally preferred alternative mode advanced into Tier II to be studied further in the Draft Environmental Impact Statement (DEIS). Tier I was concluded by meeting the requirements of a Major Investment Study (MIS), documented in the *South/North MIS Final Report* (Metro: November 1995).

The purpose of Tier II of the South/North Transit Corridor Study is to prepare the environmental analysis and Environmental Impact Statement (EIS), select the locally preferred strategy (LPS) for the chosen LRT alternative and complete Preliminary Engineering (PE). These actions will lead to a Record of Decision from the Federal Transit Administration (FTA) and allow the locally selected project to advance into final design and construction.

Tier II has been divided into two steps. the first step includes the preparation of the DEIS, selection of the Locally Preferred Strategy (LPS) and the initiation of PE. The second step will include preparation of the FEIS and mitigation plans, and completion of PE. Station planning activities will be included within both steps.

As PE advances, the need for several additional work elements for this contract has emerged. The budget modifications required to support these new work elements is attached as Exhibit B. Following are the additional work elements to be added to the original scope of work for the South/North Technical Assistance Contract.

Additional Work Tasks

1. DEIS Issue Identification
 - a) Development, presentation and refinement of cost-cutting measures
 - b) Identification, presentation and refinement of new Alternatives
2. Contract Management and Administration
 - a) Additional term of Contract
3. Financial Plan
 - a) Additional financing options scenarios relating to revised federal funding policies and interim borrowing needs; Need to secure agreements with FTA regarding changes to the current FTA assessment in the 3(j) report.

4. DEIS Issue Identification/Resolution

- a) Additional term and complexity of Contract

5. Prepare DEIS

- a) Additional effort necessary to prepare Chapter 7: Fiscal Impacts and Evaluation due to increased number of options and complexity of issues to be discussed in the DEIS.

New Work Tasks

1. Preliminary Engineering Issue Identification/Resolution

- a) Develop and implement a management structure and process to provide on-going and on-demand resolution of issues arising from development of preliminary engineering designs.
- b) Provide regular and frequent monitoring of issue resolution as designs advance through Preliminary Engineering.

2. Preliminary Engineering Design Review

- a) Under direction of Metro, develop and implement a process to provide timely review of PE designs, by jurisdiction, agency staff, and other interested parties.
- b) Develop and implement a process to provide review, comment and refinement of designs in areas requiring special design efforts.

3. Preliminary Engineering and DEIS Coordination

- a) Assist Project Manager in development and implementation of overall coordination efforts between the preparation of the DEIS and Preliminary Engineering.

4. Property Donation Options

- a) Develop options and recommendations relating to the donation of property as called for in the *Cost Cutting Measures Final Report*.

5. Draft Locally Preferred Strategy Report

- a) Prepare a first draft *Locally Preferred Strategy Report*. Subsequent drafts of the LPS Report will be prepared by Metro or other project staff.
- b) Review and comment on subsequent drafts of the *Locally Preferred Strategy Report*.

6. Innovative Construction Methods

- a) Research and prepare report describing promising construction techniques employed by other jurisdictions

**The Larkin Group Inc. South/North Contract Budget
Contract No. 904099**

Work Element: By Firm	Budget	Budget Adjustments	New Budget
The Larkin Group Incorporated			
DEIS Tasks			
Issue Identification and Resolution	\$72,500	\$46,400	\$118,900
Intergovernmental Coordination	\$50,635	-	\$50,635
Documentation Review and Comment	\$4,275	-	\$4,275
Contract Management and Administration	\$6,080	\$4,560	\$10,640
			<u>\$184,450</u>
PE Tasks			
PE Issue Resolution	-	\$38,950	\$38,950
PE Design Review	-	\$11,590	\$11,590
PE/DEIS Coordination	-	\$11,780	\$11,780
			<u>\$62,320</u>
Steve Siegel & Associates			
DEIS Tasks			
Evaluation	\$5,700	-	\$5,700
Purpose and Need	\$7,600	-	\$7,600
Transit Impacts	\$3,325	-	\$3,325
Financial Plan	\$35,967	\$4,750	\$40,717
Project Benefits	\$15,200	-	\$15,200
Issue Identification	\$14,313	\$7,600	\$21,913
Prepare DEIS	\$18,050	\$7,125	\$25,175
Draft LPS Report	-	\$14,250	\$14,250
			<u>\$133,880</u>
PE Tasks			
Property Donation Option	-	\$9,500	\$9,500
			<u>\$9,500</u>
Kato & Warren			
Chapter 2: Alternatives Considered	\$8,076	-	\$8,076
Asst. Implementation Evaluation/Process	\$6,080	(\$5,775)	\$305
Design Concept and Scope Refinement	\$13,212	(\$12,907)	\$305
Engineering Support	\$4,000	-	\$4,000
			<u>\$12,686</u>
Underhill Company			
Capital Cost Tracking: One Report	\$9,975	(\$5,787)	\$4,188
Innovative Construction Techniques	-	\$9,890	\$9,890
			<u>\$14,078</u>
Sub-Total	\$274,988	\$141,926	\$416,914
Contingency (Approximately 2.5%)	-	\$10,000	\$10,000
Total	\$274,988	\$151,926	\$426,914

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 97-2536 FOR THE PURPOSE OF AMENDING THE SOUTH/NORTH TECHNICAL ASSISTANCE, FINANCIAL ANALYSIS AND INTERGOVERNMENTAL COORDINATION CONSULTANT SERVICES CONTRACT, NO. 904099, WITH THE LARKIN GROUP INC. TO INCORPORATE ACTIVITIES ASSOCIATED WITH PRELIMINARY ENGINEERING AND THE ANALYSIS OF COST-CUTTING MEASURES

Date: June 20, 1997

Presented by: Richard Brandman

PROPOSED ACTION

This resolution would authorize Metro's Executive Officer to execute an amendment of approximately \$151,926.00 to Contract No. 904099 with the Larkin Group, Inc. to incorporate a revision to the contract's scope of work, substantially similar to Exhibit A, resulting in an amended not-to-exceed budget of approximately \$426,914.00. The proposed amendment would incorporate activities associated with Preliminary Engineering into the consultant services scope of work and would provide for the provision of financial analysis, technical assistance and intergovernmental coordination associated with the cost-cutting measures adopted by the Metro Council through Resolution No. 97-2505A.

FACTUAL BACKGROUND AND ANALYSIS

1. Background

The South/North Transit Corridor Study was initiated in April 1993 when the Metro Council adopted Resolution No. 93-1784, which selected the Milwaukie and I-5 North Corridors as the region's high-capacity transit priority to be studied further within a Draft Environmental Impact Statement (DEIS). In October 1993, the Federal Transit Administration (FTA) issued its intent in the *Federal Register* to publish an Environmental Impact Statement (EIS) for the South/North Corridor. Between December 1994 and December 1995, the project narrowed the alignment and length alternatives and design options to be studied further within the DEIS.

2. Selection of DEIS Consultant Services Contract

In May 1995, the Metro Council approved Resolution No. 95-2141A, which authorized the release of a Request for Proposals for consultant services for technical assistance, financial analysis and intergovernmental coordination for the South/North Transit Corridor Study. In general, the purpose of the contract was to provide for assistance in documenting the description of alternatives (Chapters One and Two of the DEIS), prepare a full-spectrum cost benefit analysis, assist in tracking the forecast capital costs of the project and to assist in coordinating work efforts and issue resolution with participating jurisdictions.

Following a competitive bidding process, the Larkin Group, Inc. was selected to negotiate a scope of work and budget. In October 1995, the Metro Council adopted Resolution No. 95-2218, which authorized Metro's Executive Officer to execute Contract No. 904099 with the Larkin Group, Inc. for the provision of technical assistance, financial analysis and intergovernmental coordination for the South/North Transit Corridor Study with a budget not to exceed \$274,988.00. The current line item budget for Contract No. 904099 is summarized in Exhibit A.

3. Preliminary Engineering and Cost-Cutting Amendments

In November 1995, Metro submitted the *South/North Major Investment Study Final Report* to the FTA. In April 1996, the FTA approved the final report and authorized Metro to advance the South/North Corridor into Preliminary Engineering concurrently with the preparation of the DEIS.

In February 1996, in a special session, the Oregon Legislature approved a bill that would have provided \$375 million in Oregon State Lottery funds for the state's share of South/North Light Rail's capital budget for the first construction segment. That bill was placed on the November 1996 statewide ballot by petition (Ballot Measure 32). In November 1996, Ballot Measure 32 was defeated statewide.

After the November 1996 election, the South/North Steering Committee evaluated the election results and proposed next steps for the South/North Transit Corridor Study. In response to the election results and analysis, the Steering Committee and the Metro Council called upon project staff to develop a range of options and design changes to significantly reduce the cost of the proposed light rail project.

In May 1997, following an extensive technical analysis and public comment process, the Metro Council adopted Resolution No. 97-2505A, which amended the alternatives to be studied further within the South/North DEIS to respond to the most promising cost-cutting measures. The amendments to the South/North DEIS light rail alternatives approved by Metro Council are described in detail in the *South/North Cost-Cutting Measures Final Report* (Metro: May 1997).

4. Proposed Amendments to Contract No. 904099

A substantial portion of the technical assistance, financial analysis and intergovernmental coordination for the South/North Transit Corridor Study was completed by the Larkin Group, Inc. prior to the November 1996 election. Following the election, Metro staff directed the Larkin Group, Inc. to provide technical assistance, financial analysis and intergovernmental coordination to support the cost-cutting process initiated by the Metro Council.

In order to comply with federal National Environmental Policy Act (NEPA) requirements necessary to qualify for the receipt of federal funds, the South/North Transit Corridor Study must incorporate the cost-cutting amendments approved by the Metro Council into the South/North DEIS, including the project's financial analysis. The adopted cost-cutting measures were not included within the original scope of work and budget for Contract No. 904099.

Metro project staff prepared a scope of work that would incorporate activities associated with Preliminary Engineering and the cost-cutting amendments into the technical assistance, financial analysis and intergovernmental coordination consultant services scope of work. This amendment does not include any engineering work which is being performed exclusively by Tri-Met and its consultants.

Through the preparation of the amended scope of work, Metro staff found that the Larkin Group, Inc. is uniquely qualified for the execution of that scope of work because of:

1) the Larkin Group's previous work on the South/North Transit Corridor Study and DEIS; 2) the need to integrate Preliminary Engineering activities into the South/North Transit Corridor Study and to incorporate the adopted cost-cutting measures into the South/North financial analysis and documentation, which has already been prepared by the Larkin Group, Inc.; and 3) the need to publish a South/North DEIS as soon as possible in order to meet federal funding requirements and timelines.

Metro staff have negotiated a proposed not-to-exceed budget with the Larkin Group, Inc. staff for the Preliminary Engineering and cost-cutting measures scope of work, which would increase consultant services Contract No. 904099 by \$151,926.00, resulting in a not-to-exceed budget of \$426,914.00. The proposed amendment to the scope of work and budget are included in Exhibit A. Resolution No. 97-2536 would therefore authorize the Metro Executive Officer to execute this amendment.

BUDGET IMPACT

The South/North Transit Corridor Study's current budget for preparation of the EIS and PE is adequate to fund the proposed amendment to Contract No. 904099. The current total project budget has been incorporated into the proposed Fiscal Year 1997/98 Metro budget.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 97-2536.