

BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF AMENDING) RESOLUTION NO. 98-2716
THE CONTRACT BETWEEN METRO)
AND ECONORTHWEST FOR THE) Introduced by
TECHNICAL PORTION OF THE) Mike Burton, Executive Officer
TRAFFIC RELIEF OPTIONS STUDY)

WHEREAS, Section 1012(b) of the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 authorized the Secretary of Transportation to create a Congestion Pricing Pilot Program to fund a series of demonstration projects and related studies to promote the implementation of congestion pricing; and

WHEREAS, Metro and the Oregon Department of Transportation (ODOT) submitted a joint application to undertake a study to assess public attitudes to the concept, develop and evaluate a number of congestion pricing alternatives, and make a recommendation as to whether an appropriate demonstration project should be established in the Portland metropolitan area; and

WHEREAS, Resolution No. 93-1743A endorsed the region's application for a congestion pricing pilot study and directed Metro and ODOT staff to pursue ISTEA funds for this purpose; and

WHEREAS, Metro and ODOT have received approval and \$1.2 million in funding to undertake a Congestion Pricing Pre-Project Study; and

WHEREAS, In January 1995, the Metro Council adopted Resolution No. 95-2254, which authorized the release of a Request for Proposals for consultant services to complete the public involvement and technical components of the Congestion Pricing (later renamed Traffic Relief Options) Study.

WHEREAS, Resolution No. 95-2254 also authorized the Executive Officer to execute contracts with the most favorable proposers; and

WHEREAS, In June 1996 Metro entered into Contract No. 905048 with ECONorthwest for the technical component of the Traffic Relief Options Study; and

WHEREAS, Amendment No. 1 to Contract No. 905048 added \$24,500 and revised the scope to provide for additional work associated with completion of travel demand model enhancements bringing the not-to-exceed budget total to \$344,500; and

WHEREAS, Feedback from technical and citizen advisory committees has resulted in a significantly more extensive review of the congestion pricing options than anticipated in the current contract scope and budget; and

WHEREAS, Efforts to streamline work processes and products have been counteracted by the additional work associated with incorporation of the changes in the model and the rapid advancements in tolling technology into the evaluation; and

WHEREAS, ECONorthwest is uniquely qualified to complete the additional evaluation work described above; and

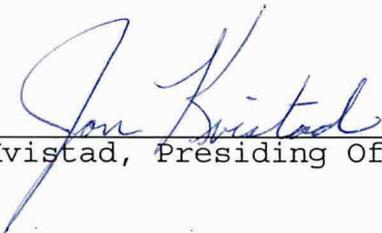
WHEREAS, Adequate funds exist within the overall project budget to cover these costs; now, therefore,

BE IT RESOLVED:

That Metro's Executive Officer is authorized to execute

Amendment No. 3 to Contract No. 905048 to incorporate a revision to the scope of work, substantially similar to Exhibit A, and add \$19,656 to the budget with ECONorthwest, thereby bringing the amended not-to-exceed budget total to \$364,156.

ADOPTED by the Metro Council on this 5th day of NOVEMBER, 1998.



Jon Kvistad, Presiding Officer

Approved as to Form:



Daniel B. Cooper, Legal Counsel

CHANGE ORDER SUMMARY

CHANGE ORDER NO. 3 INITIATION DATE 10/1/98

CONTRACT NO. 905048 PROJECT Congestion Pricing

CONTRACTOR ECO Northwest VENDOR # _____

PROPOSED BY Andy Cotugno
PROJECT MANAGER/DEPARTMENT

FINANCIAL IMPACT BUDGET CODE/TITLE 5240 140 01220 X X 44880

Original Contract Sum: \$ 320,000

Net Change Orders to Date: \$ 24,500

Contract Sum Prior to this C/O: \$ 344,500

This Change Order Request: \$ ~~18,156~~ 19656

New Contract Sum, Post C/O: \$ ~~362,656~~ 364,156

Fiscal Year 1999 - 1999
Appropriation \$ _____

Contract, Paid to Date: \$ 301153

Est. Appropriation Remaining: \$ ~~61503~~ 63003

EFFECTIVE DATE(S): 6/18/96 - 12/31/98

REVIEW & APPROVAL:

DIVISION MANAGER DATE

FISCAL DATE

DEPARTMENT DIRECTOR DATE

BUDGET (MULTI-YEAR ONLY) DATE

DIRECTOR ADMINISTRATIVE SVC DATE

LEGAL DATE

EXHIBIT A
CHANGE ORDER NO. 3
METRO CONTRACT NO. 905048

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"), ECONorthwest ("Contractor").

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

Terms of Change Order

Section 2, Scope of Work is hereby amended to incorporate the following changes in Exhibit A -- Scope of Work:

Task 2.1 Definition of Pricing Alternatives and Ranking Criteria is amended to incorporate the following:

This task will require the Contractor to screen at least 40 different congestion pricing alternatives. The screening process conducted by the Contractor will include preparation for, and post-processing analysis of, travel forecasting model runs for at least 30 alternatives.

Task 2.1 Definition of Pricing Alternatives and Ranking Criteria is amended to delete the following sentence at the end of the section, "The Contractor and Metro will establish the exact number when further information is available from this and earlier tasks."

Task 2.2 Detailed Modeling and Performance Measurement is amended as follows:

"It is anticipated that several iterations of numerous alternatives will be modeled." is amended to read "It is anticipated that several iterations of approximately 10 alternatives (including a regional alternative and a no-/build alternative) will be modeled."

Task 2.3 Evaluation of Alternatives is amended to incorporate the following in the description of work to be completed under the bullet entitled "Tolling technology/enforcement/engineering issues":

Contractor will prepare a technical memorandum identifying the roadway improvements and/or modifications that were assumed in Working Paper #8. This technical memorandum will be sent to ODOT and other governmental agencies for their review,

comment, and ultimate approval for specific improvements needed for the TRO feasibility study.

During the modeling task of the eight options, Contractor will update original cost assumptions used in the cost estimates using data from the most recent bid information from SANDAG. After the modeling task is complete, Contractor will update the eight options cost estimates to reflect knowledge gained in the modeling exercise. Contractor will prepare a brief technical memorandum documenting the revised cost estimates for the eight options.

Task 2.5 - Phase II Evaluation will be amended to incorporate the following in the description of the preliminary design for each alternative:

Contractor will refine cost estimates after completion of alternatives analysis which yields three options to be carried to the next level of evaluation. Contractor will refine the previous cost estimate as appropriate to conform to the design option that emerges from the previous evaluation step. Contractor will prepare brief technical memorandum documenting the revised cost estimates developed for the remaining three options.

Contractor will prepare concept level drawings for three options. The concept drawings, prepared for each option, will include: cross-section at three locations; up to three key concepts, such as entry/exit point to express lane or design of reversible lanes; and plan view drawing for the entire length of project showing entry/exit points, ramp junctions, climbing lanes.

Contractor will prepare brief technical memorandum discussing the design details related to each of three options. Contractor will attend two advisory committee meetings to present the engineering and cost analysis related to the preliminary design.

Section 3, Payment, is hereby amended to add \$19,656 to the Original Contract. It will 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 Exhibit D consistent with the Scope of Work for a maximum not to exceed THREE HUNDRED AND SIXTY-FOUR THOUSAND ONE HUNDRED FIFTY-SIX AND 00/100TH DOLLARS (\$364,656.00)

Except for the above, all other conditions and covenants remain in full force and effect.

In Witness to the above, the following duly authorized representatives of the parties referenced have executed this agreement:

CONTRACTOR: _____

METRO: _____

SIGNATURE

SIGNATURE

TITLE

TITLE

DATE

DATE

OREGON DEPARTMENT OF TRANSPORTATION
CONCURRENCE

SIGNATURE

TITLE

DATE

**METRO Congestion Pricing Project
 Technical Component, ECONorthwest
 Budget Amendment October 1998**

Summary for all Firms

| Tasks | Current Budget | Proposed Budget Amendment | Total Budget |
|--|---------------------------|--|-------------------------|
| MODELING | 156,103 | - | 156,103 |
| EVALUATION | | | |
| 2.1 Scenarios & criteria | 35,000 | - | 35,000 |
| 2.2 Model & measure | 50,600 | 4,000 | 54,600 |
| 2.3 Evaluation | 43,032 | 14,156 | 57,188 |
| 2.4 Scoring & ranking | 8,000 | - | 8,000 |
| 2.5 Phase II | 8,000 | - | 8,000 |
| Subtotal | 144,632 | 18,156 | 162,788 |
| COORDINATION/INTEGRATION | | | |
| 3.1 PI coordination | 6,500 | - | 6,500 |
| 3.2 Phase II | 2,775 | - | 2,775 |
| 3.3 Final report | 5,565 | - | 5,565 |
| Subtotal | 14,840 | - | 14,840 |
| PROJECT MANAGEMENT & EXPENSES | | | |
| Contingency | - | - | - |
| Subtotal | 28,925 | 1,500 | 30,425 |
| TOTAL | 344,500 | 19,656 | 364,156 |

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 98-2716 FOR THE PURPOSE OF AMENDING THE CONTRACT BETWEEN METRO AND ECONORTHWEST FOR THE TECHNICAL PORTION OF THE TRAFFIC RELIEF OPTIONS STUDY

Date: October 1, 1998

Presented by: Andrew Cotugno

PROPOSED ACTION

This resolution would authorize Metro's Executive Officer to execute an amendment to Contract No. 905048 with ECONorthwest to incorporate a revision to the contract's scope of work and budget, substantially similar to Exhibit A. This amendment would increase the contract budget by \$19,656 to a total of \$364,156. It would allow completion of additional work associated with development and evaluation of options, including additional engineering services. This additional work is needed in order to: respond to project advisory committees' request for additional evaluation of options; incorporate recent technological advances; and address the difficulties associated with implementation of the new travel demand model.

Funds are available from the Intergovernmental Agreements within the overall project budget to cover these additional costs.

FACTUAL BACKGROUND AND ANALYSIS

Background

In 1991, as part of the Intermodal Surface Transportation Efficiency Act, Congress approved the funding of a series of demonstration projects and related studies to promote the implementation of congestion pricing. Metro and ODOT submitted a joint application and, in 1995, received approval to undertake a pre-project study of congestion pricing, also known as peak period or variable pricing, in the region. The study has since been named the *Traffic Relief Options Study*.

Selection of the Technical Services Contractor

In January 1996, the Metro Council adopted Resolution No. 95-2254, authorizing release of a Request for Proposals for consultant services for the technical component of the *Traffic Relief Options Study*. The resolution also authorized the Executive Officer to enter into a contract with the most favorable proposer. In general, the purpose of the contract was to develop and evaluate congestion pricing alternatives. A critical part of the contract is the completion of significant enhancements to Metro's travel forecasting modeling suite in order to analyze the effects of roadway pricing alternatives. It also

required ongoing coordination with the public involvement component of the study in order to incorporate public feedback.

In June 1996, following a competitive bidding process, Metro signed a contract with ECONorthwest for the Technical Component. The current line item budget for Contract No. 905048 is summarized in Exhibit B.

Amendment No. 1, Additional Modeling Work

In April 1997, Metro executed Amendment No. 1 in order to provide for completion of additional modeling work. This was needed for several reasons. First, the lead subcontractor responsible for model enhancements, Greg Harvey, passed away unexpectedly in February 1997. Upon his death, significant portions of Mr. Harvey's work were undocumented and inaccessible. Second, several additional model enhancements not included in the original scope had been recently determined to be feasible.

It was decided that Mark Bradley, also a member of the consultant team, should take over the remaining model development work. Mark Bradley is one of the few contractors in the world with experience in the latest techniques for this type of travel model development and his familiarity with the enhancement underway made him uniquely qualified for this task. After consultation, the Travel Forecasting team decided that the most efficient way to proceed was for Mr. Bradley to rewrite the model (using the structure already agreed upon) in a language and format he was most comfortable with.

Amendment No. 1 provided for the scope and budget to undertake reworking of the model as well as several additional enhancements. It added \$24,500 to the contract, bringing the amended budget amount to \$344,500. Funds for the amendment were drawn from Travel Forecasting model development monies and not the *Traffic Relief Options Study* budget.

Amendment No. 2, Extension of Contract Completion Date

Time involved in reworking the model and the difficulties of final testing and implementation of the complex new travel demand model have delayed the study completion. In July 1998, an extension of the contract completion date was executed.

Amendment No. 3, Additional Evaluation

The contract scope calls for three levels of evaluation of congestion pricing options. First, an alternatives and criteria development task would create possible alternatives and develop and apply preliminary screening measures to them in order to identify about 10 options for detailed review. Next, those 10 options would be analyzed in detail, modeled and ranked. The top

three options would then be picked for final evaluation. At the end of the study, depending on the findings, a demonstration project might be recommended for implementation.

Due to the new and controversial nature of the concept, the study incorporated a more extensive public involvement component than most studies. The Metro Council also appointed a task force of business and community leaders to oversee the study, which has been meeting regularly since July 1996. In addition, the jurisdictions, the Department of Environmental Quality, the Port and other agencies are represented on a technical advisory committee and a project management group which deals with policy issues and recommendations.

During the first evaluation phase, feedback from the Task Force and TAC resulted in a much bigger process than anticipated. While it was expected that a range of types of congestion pricing would be reviewed in several locations, the advisory groups felt strongly about completing a comprehensive review of all congested locations throughout the region for their possible fit with the different types. In the end, rather than reviewing approximately 20 options initially anticipated, over 40 possible options were reviewed in a first screen.

The level of review in the screening process was also greater than in the scope of work. The scope anticipated a coarse screening of alternatives. The consultant had planned to perform little modeling, instead relying on results from other studies to narrow the range of types under consideration. However, because the TAC could not come to agreement on performance thresholds for the various types, it was decided to model a few options to see if a pattern could be discerned. Initial modeling results were so varied that basic model runs had to be performed on all options that could not be eliminated based on congestion levels. In the end, over 30 model runs were performed and analyzed.

Significant efforts by the consultant, staff and advisory groups to streamline and reduce costs have resulted in some savings. The TAC took on analysis of several types of options; Metro staff took over greater coordination responsibilities with the consultant team; and everyone agreed to a streamlined review process for the working papers. However, the largest hoped-for savings were to be the use of the same post-processing model developed for the first round in later phases. The significant changes to the underlying model since then resulted in a need to undertake major modifications to that program. In addition, the delays and complexity associated with using a new demand model have resulted in additional evaluation costs.

As a result of these expenditures, which have gone beyond the original scope, the team is faced with significantly reducing the

planned review of later options or adding money to the technical contract. Metro staff has completed a proposed amendment to the scope of work. Negotiations with ECONorthwest have resulted in a budget increase of \$19,656, bringing the total contract to \$364,156. As part of this process, the consultant agreed to write off over \$10,000 of contract expenditures.

DBE GOALS

The contract has a DBE goal of 12 percent. This goal was projected to be met by the original contract. However, Amendment No. 1 required model development work of an extremely specialized nature and familiarity with the study model plan. As a result, the bulk of the funds were directed to Mark Bradley, Inc., which is not a DBE firm. Therefore, the total budget allocated to DBEs did not change and, when the contract total increased, the percentage fell to approximately 11 percent.

The current amendment similarly requires continuation of work by specific contractors, the lead contractor, ECONorthwest, and Kittelson & Associates. The nature of the work involved -- a continuation of evaluation, project management and engineering tasks -- requires that the only efficient way to proceed is for the current contractors conducting those tasks to complete them. Therefore, the total budget allocated in the original contract will remain unchanged but, with the addition of funds, the percentage will fall to approximately 10.5 percent.

BUDGET IMPACT

Several of the jurisdictions involved in Intergovernmental Agreements have experienced much lower costs than anticipated and have agreed to return a portion of those monies to Metro for this purpose. As a result, the overall project budget remains unchanged by this resolution.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 98-2716, which transfers \$19,656 that was saved from local Intergovernmental Agreements to the technical consultant to cover additional expenditures.