

AGENDA ITEM 9-E
ACTION ITEM

TO: CHAIRMAN ZIMMERMAN AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: FEBRUARY 20, 2009

**RE: AUTHORIZATION TO AWARD A CONSTRUCTION CONTRACT FOR
THE BROAD RUN MAINTENANCE FACILITY**

RECOMMENDATION:

The VRE Operations Board is being asked to authorize the VRE Chief Executive Officer to enter into a contract with **Costello Construction of Columbia, Maryland** for the construction of a maintenance facility at the Broad Run storage yard for **\$4,145,000, plus a 10% contingency of \$414,500, for a total amount not to exceed \$4,559,500.**

BACKGROUND:

In June of 2004, the Operations Board approved a plan to shift VRE fleet maintenance to the outlying yards. As part of this initiative, construction projects at both yards were commenced. Work at the Crossroads yard was completed last year following construction of a service and inspection building, train wash facility, and additional storage track.

Work at the Broad Run yard was initiated in November of 2006 when design and limited construction support services was approved by the Board. The Broad Run yard consists of eight stub-end tracks that store six VRE train sets overnight. Similar to the project at the Crossroads yard, the project at Broad Run includes a locomotive and railcar maintenance building and track expansion within the existing yard area. Once complete, VRE will be in a position to assume additional maintenance functions at both yards. This transition in duties will be included in the upcoming purchases of services procurement.

At the June 20, 2008 Operations Board meeting, authorization was given to solicit bids for this project. The solicitation was posted on December 22, 2008 with bids due on February 17, 2009. **Five bids were received with Costello being the lowest bidder.**

The project is planned to begin in April 2009 and be completed in Spring 2010.

FISCAL IMPACT:

Funding for the project is included in VRE's Capital Improvement Program as part of the Broad Run Maintenance Facilities project. Funding is available from FY 2007, FY 2008 and FY 2009 federal grants. The local match is provided using state and local funds.

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RESOLUTION
9E-02-2009
OF THE
VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

WHEREAS, in June of 2004, the Operations Board approved a plan to shift VRE fleet maintenance to the outlying yards; and,

WHEREAS, work at the Broad Run yard was initiated in November of 2006 when design and limited construction support services was approved by the Board; and,

WHEREAS, the project at Broad Run includes construction of a locomotive and railcar maintenance building and track expansion within the existing yard area; and,

WHEREAS, once complete, VRE will be in a position to assume additional maintenance functions at both yards.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the VRE Chief Executive Officer to enter into a contract with **Costello Construction of Columbia, Maryland** for the construction of a maintenance facility at the Broad Run storage yard for **\$4,145,000, plus a 10% contingency of \$414,500, for a total amount not to exceed \$4,559,500.**

BE IT FURTHER RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to execute any permits and/or other documents related to the construction of this project.