To: Chair Cristol and the VRE Operations Board

From: Doug Allen

Date: May 17, 2019

Re: Authorization to Amend the Contract for Engineering, Environmental and Construction Services for the Lifecycle Overhaul and Upgrade Facility

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer (CEO) to execute a contract amendment with STV, Inc. of Fairfax, VA to complete design services as part of the Engineering, Environmental and Construction Services for the Lifecycle Overhaul and Upgrade Facility contract in the amount of $390,000, plus a 10% contingency of $39,000, for a total amount not to exceed $429,000. *This will increase the total authorization for this contract from $3,176,039 to a total amount not to exceed $3,605,039.*

Summary:

Due to longer than anticipated property acquisition, completion of plans and specifications for advancement to construction were delayed. These delays resulted in extended coordination with permitting agencies, a need to revise several elements of the design to maintain code compliance and other modifications to the proposed project, resulting in additional costs.

VRE requested STV submit a proposal to accomplish the additional services described herein and this action will authorize the CEO to amend the contract to cover the additional costs.
Background:

In January 2014, the VRE Operations Board adopted a Lifecycle Maintenance (LCM) strategy for VRE rolling stock. The basis of this strategy is to maintain VRE locomotives and passenger rail cars at the highest level of reliability throughout the lifecycle of the equipment.

In April 2015, the VRE Operations Board authorized the CEO to execute a contract for Engineering, Environmental and Construction Services for the Lifecycle Overhaul and Upgrade (LOU) Facility with STV.

On April 21, 2017, the VRE Operations Board authorized an amendment to the contract to provide additional funds to continue monitoring building and site permits with Spotsylvania County as well as to coordinate, review, and comment on work by another contractor for the acquisition of the adjacent property needed for the LOU Facility. STV's scope was limited to the review and coordination of work by others and did not include preparation of any plats or Subdivision / Boundary Line adjustments.

The design was completed on an aggressive schedule with an eye towards two-year project completion. The current Crossroads Maintenance and Storage Facility (MSF) in Spotsylvania County was thought to have enough property available to accommodate the planned LCM facilities. Once the design began, it was clear a better option would involve the acquisition of an adjacent property. The acquisition has taken longer than anticipated, but a solution to the property acquisition has been reached.

STV has continued to monitor the site permit application throughout this lengthy period. VRE has requested additional design changes to be shown on the project construction plans to comply with VRE's new project delivery process. STV has also experienced an increase in labor costs since project initiation in 2015. Additionally, construction material and labor costs warrant updates to the project construction cost estimate by STV.

Requested changes also relate to installation of a Drop Table, which is used to remove wheelsets from locomotives and railcars. VRE previously planned to procure the Drop Table separately. The project construction plans will be revised to reflect the Drop Table as part of the plans and as the construction contractor’s responsibility.

In addition, it has become evident that temporary relocation of VRE employee parking will be required during construction. VRE has requested STV develop a concept to meet this need to be added to the project construction plans.

VRE requested STV submit a proposal to accomplish the additional services described herein. The proposal submitted by STV was reviewed and deemed to be responsive to all aspects required. STV's proposed cost was compared with the Independent Cost Estimate (ICE) prepared by VRE staff and determined to be fair and reasonable.
**Fiscal Impact:**

Funding is provided through Federal Formula Funds (5337) with associated state and local match.
Virginia Railway Express
Operations Board

Resolution
9C-05-2019

Authorization to Amend the Contract for Engineering, Environmental and Construction Services for the Lifecycle Overhaul and Upgrade Facility

WHEREAS, the VRE Operations Board adopted a lifecycle maintenance strategy for VRE rolling stock in January 2014 to maintain VRE locomotives and passenger rail cars at the highest level of reliability throughout the equipment lifecycle; and,

WHEREAS, in April 2015, the VRE Operations Board authorized the CEO to execute a contract for Engineering, Environmental and Construction Services for the Lifecycle Overhaul and Upgrade (LOU) Facility with STV; and,

WHEREAS, in April 2017, the VRE Operations Board authorized an amendment to the contract to provide additional funds to continue monitoring building and site permits and to prepare plats or Subdivision / Boundary Line adjustments; and,

WHEREAS, delays in adjacent property acquisition has caused some required revisions to the design to maintain code compliance and other changes; and,

WHEREAS, limited parking on-site at the Crossroads MSF will require additional parking to be investigated for implementation during construction; and,

WHEREAS, VRE has received a proposal from STV for completion of design services and has deemed it to be fair and reasonable;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract amendment with STV, Inc. of Fairfax, VA to complete design services as part of the Engineering, Environmental and Construction Services for the Lifecycle Overhaul and Upgrade Facility contract in the amount of $390,000, plus a 10% contingency of $39,000, for a total amount not to exceed $429,000, increasing the total authorization for this contract from $3,176,039 to a total amount not to exceed $3,605,039.

Approved this 17th day of May 2019

______________________________
Katie Cristol
Chair

____________________________
John Cook
Secretary