To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: September 18, 2020

Re: Authorization to Execute a Contract for Construction of the Lifecycle Overhaul and Upgrade Facility

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a contract with Clark Construction Group, LLC of Bethesda, Maryland for Construction of the Lifecycle Overhaul and Upgrade (LOU) Facility in the amount of $37,673,006, plus a 10% contingency of $3,767,301, for a total amount not to exceed $41,440,307.

Summary:

VRE has adopted a lifecycle maintenance strategy for VRE rolling stock. To fully implement this strategy, VRE will construct a new building at the Crossroads Maintenance and Storage Facility (MSF) dedicated to lifecycle maintenance activities. Currently, these critical maintenance activities must be undertaken at offsite locations, requiring additional time and expense. Authorization will allow VRE to execute a contract with Clark Construction Group, LLC for construction of the LOU Facility.

Background:

In January 2014, the VRE Operations Board adopted a lifecycle maintenance strategy for VRE rolling stock. The basis of this strategy is to maintain VRE locomotives and passenger cars at the highest level of reliability throughout the lifecycle of the equipment. To fully implement this strategy, VRE will construct a new building at the Crossroads MSF fully dedicated to lifecycle maintenance activities such as removal, repair and reinstallation of main engines, head end power units, trucks, car bodies, main generators, auxiliary
generators, traction motors, etc. Currently, these critical maintenance activities must be undertaken at offsite locations, requiring additional time and expense.

The land needed to expand the Crossroads MSF was purchased at the end of 2019, with the corresponding documentation, filings, recordings, and subsequent submittals with Spotsylvania County occurring during the first three months of 2020. The engineering design and environmental phases of the project have also been completed.

A mailing list of more than 100 prospective Bidders was established for the solicitation to ensure access to adequate sources of services. On July 7, 2020, an IFB was issued and bids were due on August 20, 2020. Two bids were received.

The bid tabulation is as follows:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Total Bid Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Clark Construction Group, LLC</td>
<td>$37,673,006</td>
</tr>
<tr>
<td>2. W.M. Schlosser Company, Inc.</td>
<td>$37,933,000</td>
</tr>
</tbody>
</table>

After review of the bids, it was determined Clark Construction Group, LLC was the lowest responsive-responsible bidder. VRE staff has certified the price is fair and reasonable.

**Fiscal Impact:**

Funding for the LOU project, including construction, is provided through VRE’s federal formula funds and associated state and local matching funds, as indicated in VRE’s approved FY 2020-2025 Capital Improvement Program (CIP).
Virginia Railway Express
Operations Board

Resolution
9C-09-2020

Authorization to Execute a Contract for Construction of the Lifecycle Overhaul and Upgrade Facility

WHEREAS, VRE has adopted a lifecycle maintenance strategy for its rolling stock; and,

WHEREAS, VRE will construct a new building at the Crossroads Maintenance and Storage Facility fully dedicated to lifecycle maintenance activities; and,

WHEREAS, on July 7, 2020, an Invitation for Bids was issued, and two bids were received in response to the solicitation on August 20, 2020; and,

WHEREAS, the VRE Operations Board’s approval of this procurement does not represent its independent assessment of the candidate’s responses to the solicitation or of each step in the procurement process followed by staff; rather, the VRE Operations Board’s action is premised upon its conclusion, after review of the information before it, that the process used by the staff was in accordance with law and that the staff recommendation appears to be reasonable;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with Clark Construction Group, LLC of Bethesda, Maryland for Construction of the Lifecycle Overhaul and Upgrade Facility in the amount of $37,673,006, plus a 10% contingency of $3,767,301, for a total amount not to exceed $41,440,307.

Approved this 18th day of September 2020

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Gary Skinner
Chairman

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Jeanine Lawson
Secretary