MEETING OF THE
Valley Metro Rail Board of Directors

Date:
July 16, 2020

Starting Time
11:15 a.m.

Location:
Valley Metro
Via Webex
Phoenix

Valley Metro is not accepting visitors at this time. Please join the Board meeting via Webex.
Agenda

July 9, 2020

Valley Metro Rail

Thursday, July 16, 2020
Via Webex/Phone
11:15 a.m.

Action Recommended

1. Public Comment

Public comment is being taken in written format and will be entered into the official minutes of the meeting.

2. Northwest Extension Phase II (NWEII) Construction Manager at Risk (CM@Risk) Contract Amendment

Staff recommends the Board of Directors authorize the CEO to execute a contract amendment with the NWEII Construction Manager at Risk (CM@Risk) contractor, Kiewit-McCarthy, A Joint Venture (KMJV), to construct the NWEII project for an amount not to exceed $257,302,932.

3. Next Meeting

The next meeting of the Board is scheduled for Thursday, August 27, 2020 at 11:15 a.m.

Qualified sign language interpreters are available with 72 hours notice. Materials in alternative formats (large print or flash drive) are available upon request. For further information, please call Valley Metro at 602-262-7433 or TTY at 602-251-2039. To attend this meeting via teleconference, contact the receptionist at 602-262-7433 for the dial-in-information. The supporting information for this agenda can be found on our web site at www.valleymetro.org
AGENDA ITEM 1

DATE
July 9, 2020

SUBJECT
Public Comment

PURPOSE
Public comment is being taken in written format and will be entered into the official minutes of the meeting.

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COMMITTEE PROCESS
None

CONTACT
Scott Smith
Chief Executive Officer
602-262-7433
ssmith@valleymetro.org

ATTACHMENT
None
Information Summary

DATE
July 9, 2020

AGENDA ITEM 2

SUBJECT
Northwest Extension Phase II (NWEII) Construction Manager at Risk (CM@Risk) Contract Amendment

PURPOSE
To request authorization for the Chief Executive Officer (CEO) to execute a contract amendment with the NWEII Construction Manager at Risk (CM@Risk) contractor, Kiewit-McCarthy, A Joint Venture (KMJV), to construct the NWEII project for an amount not to exceed $257,302,932.

COST AND BUDGET
The NWEII project will be funded by the Federal Transit Administration (FTA), City of Phoenix T2050, and regional Public Transportation Funds (PTF). The table below summarizes the negotiated price with the CM@Risk contractor for this contract amendment. In addition, a 10% contingency is identified to address unforeseen circumstances that may arise during construction.

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase A: Utilities, Demolition &amp; Materials Package</td>
<td>$54,836,341</td>
</tr>
<tr>
<td>Phase B: LONP Scope; Roadway, Bridge, etc.</td>
<td>$60,867,543</td>
</tr>
<tr>
<td>Phase C: Remaining Construction</td>
<td>$118,207,872</td>
</tr>
<tr>
<td>Sub-total</td>
<td>$233,911,756</td>
</tr>
<tr>
<td>Contingency (10%)</td>
<td>$23,391,176</td>
</tr>
<tr>
<td>Total</td>
<td>$257,302,932</td>
</tr>
</tbody>
</table>

This CM@Risk contract amendment includes Concurrent Non-Project Activities (CNPA) costs as follows:

- Art: $407,336 (to be funded by regional Public Transportation Funds)
- City utilities: $4,933,208 (to be funded by City of Phoenix)

All costs identified herein are within the NWEII project cost forecast and expenses expected within FY21 are included in the Valley Metro Rail Adopted FY21 Operating and Capital Budget. Contract obligations beyond FY21 are incorporated into the Five-Year Operating Forecast and Capital Program (FY21 thru FY25).
RECOMMENDATION
Staff recommends that the Board of Directors authorize the CEO to execute a contract amendment with the NWEII CM@Risk contractor, Kiewit-McCarthy, A Joint Venture, to construct the scope of work for an amount not to exceed $257,302,932.

BACKGROUND/DISCUSSION/CONSIDERATION
The Northwest Extension Phase II is approximately 1.6 miles in length, and includes light rail construction within Phoenix and extends northwesterly from 19th Avenue and Dunlap to Metrocenter.

KMJV initially entered into a CM@Risk contract with Valley Metro in September 2017. This contract involves two primary phases: pre-construction services, which occurs parallel to the project’s design process, and the construction phase. KMJV worked closely with the design consultant to coordinate design (which is 100% complete) to minimize risks and assure constructability. Full construction of this project will begin in late summer/early fall of 2020.

To date, the Board has authorized $3,419,708 in CM@Risk contract authority for NWEII preconstruction services activities as summarized below.

<table>
<thead>
<tr>
<th>CM@Risk Current Contract Authority</th>
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<tbody>
<tr>
<td><strong>Date</strong></td>
</tr>
<tr>
<td>Sep-2017</td>
</tr>
<tr>
<td>May-2019</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Full construction for this project will be separated into three Notices to Proceed (NTPs) for the Guaranteed Maximum Price (GMP) contract with the CM@Risk contractor. The NTPs are defined as:

**Phase A: Utilities, Demolition & Materials Package**
NTP1 includes demolition, utility relocations and third-party utility coordination required throughout the project limits. In addition, NTP1 includes other non-construction activities such as the procurement of rail, ties, and other specialized equipment. These early project activities are allowed with the receipt of Entry into Engineering by the FTA received on March 18, 2020. This scope of work will start in the summer of 2020.

**Phase B: Letter of No Prejudice (LONP) Construction Activities**
NTP 2 includes work that is not allowed with the receipt of Entry into Engineering by the FTA, but helps maintain the project schedule and budget. An LONP will be requested from the FTA in summer of 2020 with approval anticipated in November 2020. An LONP allows local funds to be spent in advance of a Full Funding Grant Agreement.
(FFGA) award and for Valley Metro to be reimbursed once the grant is awarded. The LONP will request scope of work to include construction activities such as bridges, civil, stations, and park-and-rides. Items included are identified as critical to maintain the construction schedule and budget.

Phase C: Remaining Full Construction
NTP 3 will include all remaining construction activities of the project to be awarded upon receipt of the FFGA award from the FTA. The award is expected spring of 2021.

Valley Metro and City of Phoenix staff are actively communicating with Phoenix stakeholders, businesses, and Phoenix City Council members to ensure successful and efficient execution of this construction package.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan, FY 2016 – 2020:

- Goal 2: Advance performance based operation
- Goal 3: Grow transit ridership

COMMITTEE PROCESS
Board of Directors: July 16, 2020 for action

CONTACT
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ATTACHMENT
None