



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

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**CONSTRUCTION COMMITTEE
SEPTEMBER 20, 2012**

PROJECT: WESTSIDE SUBWAY EXTENSION TRANSIT CORRIDOR PROJECT

**ACTION: APPROVE USE OF DESIGN-BUILD CONTRACTING DELIVERY
APPROACH FOR THE FIRST SUBWAY SECTION FROM
WILSHIRE/WESTERN TO LA CIENEGA.**

RECOMMENDATION

- A. The Board finds that use of the design-build process pursuant to Public Utilities Code Section 130242(a) will achieve certain private sector efficiencies in the integration of the design, project work and components for the first 3.9 mile segment the Westside Subway Extension Transit Corridor Project:
- B. The Board further finds that the use of the design-build process pursuant to Public Contract Code 20209.5 et seq. will provide for a single contract with fewer procurement solicitations and contracts, which allows for a best value selection.

Requires two-thirds vote.

RATIONALE

The Westside Subway Extension Transit Corridor Project is a nine-mile, dual track heavy rail transit subway that will operate as an extension of the Metro Purple Line heavy rail transit subway system from its current western terminus at the Wilshire/Western Station to a new western terminus near the West Los Angeles Veterans Affairs (VA) Hospital. The alignment travels westerly beneath Wilshire Boulevard to the Wilshire/Rodeo Station and then southwesterly toward a Century City Station. The Project then extends from Century City and terminates at the

Westwood/VA Hospital Station. The extension will include a total of seven new stations. The Project will include several enhancements to the Division 20 Maintenance and Storage Facility located in Downtown Los Angeles, traction power substations, and will provide for the acquisitions of rail vehicles and maintenance equipment.

Metro is authorized to enter into design-build contracts pursuant to Public Utilities Code Section 130242 and Public Contract Code Section 20209.5 et seq. The primary benefit of the design-build process has a potential of additional efficiencies in contractor's innovation, project management, administration and coordination, and design features.

Metro recommends entering into a design-build construction methodology for the first section of the Westside Subway Extension from Wilshire/Western to Wilshire La Cienega. The first segment benefits from advanced design and can be readily packaged for Industry Review followed by a request for proposal. Additionally, funding is available to build the first section. Metro's financial model, which includes the Measure R sales tax and anticipated federal matching funds, supports building the first segment immediately. However, for future project segments, there are several unknown risk factors and funding uncertainties within America Fast Forward and ballot results for Measure J on the November ballot that will have to be resolved before the construction delivery approach for future project segments can be definitively recommended.

Utilization of a design-build process is allowed under Public Utilities Code Section 130242, which provides for award of a design-build contract to the lowest responsible bidder whose bid is responsible to the criteria set forth in the invitation for bids. This Section requires that the Board make the finding set forth in Recommendation A.

Public Contract Code Section 20209.5 et seq. allows for the negotiation and award of a design-build contract to a responsible proposer whose proposal is determined to be the best value to Metro. This Section requires that the Board make the findings set forth in Recommendation B.

Board approval of Recommendations A and B will allow staff to determine whether implementation of low bid procurement(s), negotiated procurement(s) or a combination of both is in Metro's best interest.

The design-build delivery approach will be used for the majority of the project scope of work. To provide flexibility, we may also consider separate design-bid-build contracts for constructing other portions of the project scope of work.

DETERMINATION OF SAFETY IMPACT

The recommended action has no impact on safety.

FINANCIAL IMPACT

The Westside Subway Extension Transit Corridor Project (865518) is included in the FY 13 budget for \$50 million of Section 5309 New Starts funding and \$85.7 million of Measure R 35%, in Cost Center 8510 (Construction Project Management), and Account No. 53101. The cost center manager and Executive Director of Transit Project Delivery will be responsible for budgeting costs in future years.

Impact to Budget

This project is not eligible for Propositions A and C funding (due to the proposed tunneling element of the project). The funding sources plan for the project will be provided with the future request for the adoption of the life-of-project budget.

ALTERNATIVES CONSIDERED

The Board may reject the recommendations to use design-build contracting for the Westside Subway Extension Transit Corridor Project; however, certain private sectors efficiencies in the integration of design, project work, and components may not be achieved.

NEXT STEPS

Staff has already issued a Request for proposal to construct an Exploratory Shaft to measure gas pressures in tar sands areas, to test tie back forces and stress releases, and fossil's identification including removal procedures, has already been issued and the bids are expected to be received on September 11, 2012 with an award date of October 24, 2012 and a Notice-to-Proceed date of November 26, 2012. The findings from this exploratory shaft are important to the Design/Build teams for inclusion in their cost proposals. In addition advance utility relocations, by the City of LA, will also commence along Wilshire Boulevard.

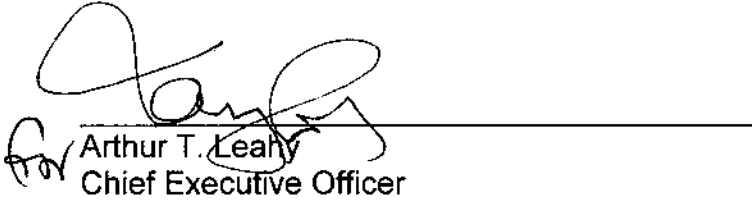
Further, the staff in support of the Road map agreed to with FTA for the Full Funding Grant Agreement, has outlined the following aggressive schedule that requires an Industry review and interviews with the teams intending to propose on this project. The Industry Review Documents will be issued in October of 2012 followed by Request for Qualifications in December of 2012. It is anticipated that FTA's approval for entry into Final Design will be issued in December of 2012.

The request for proposals, for the first section of the line, is planned for release in March of 2013 and the process of evaluations and decisions for award including a Best and Final Offer negotiations period will extend through middle of December 2013. An award for the first section is scheduled for March 2014.

When the results of Measure J are known in early November 2012 and an evaluation of the financial plans confirms funding for the rest of the segment to Westwood/VA Hospital; staff will come back to the Board with appropriate recommendations.



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Executive Director, Transit Project Delivery



for Arthur T. Leahy
Chief Executive Officer