

**Metro**Los Angeles County  
Metropolitan Transportation AuthorityOne Gateway Plaza  
Los Angeles, CA 90012-2952213.922.2000  
metro.net**CONSTRUCTION COMMITTEE  
JUNE 20, 2013****SUBJECT: CRENSHAW/LAX TRANSIT CORRIDOR PROJECT****ACTION: AWARD DESIGN-BUILD CONTRACT****RECOMMENDATIONS**

- A. Award a 57 month, firm fixed price contract under Request-for-Proposal No. C0988, to Walsh/Shea Corridor Constructors for the final design and construction of the Crenshaw/LAX Transit Corridor Project, in the amount of \$1,177,032,356 for the base project;
- B. Authorize the Chief Executive Officer to execute individual contract changes and modifications to Contract No. C0988 in an amount not to exceed \$10,000,000 per change that are within the Board approved contract modification authority;
- C. Approve an increase to the life-of-project (LOP) budget for the base Crenshaw/LAX Transit Corridor Project, No. 865512, by \$160,100,000, from \$1,762,900,000 to \$1,923,000,000, consistent with the LACMTA Board's Unified Measure R Cost Management Process and Policy, using the following fund sources, as summarized in Attachment A - Table 1:
  - 1. \$47,100,000 in Proposition C 25% funds from the South Bay sub-region's Ramps and Interchanges project;
  - 2. \$47,480,000 in Measure R 35% funds from the South Bay's Green Line Extension to LAX project (AKA the Airport Metro Connector);
  - 3. \$55,330,000 in Proposition C 25% funds to be derived from de-obligating all existing Call for Project grants in the Central Area sub-region; and,
  - 4. \$10,190,000 Proposition C 40% funds from Central Area sub-region's Wilshire Bus Rapid Transit project;
- D. Approve an increase to the life-of-project budget for options for Leimert Park Station and Hindry Station in the amount of \$135,000,000 from \$1,923,000,000 to \$2,058,000,000 and direct the CEO to obtain and execute grant agreements and grant and loan amendments to fund the increase; and

- E. Authorize the CEO to execute options for Leimert Park Station and Hindry Station in the amount of \$95,600,000, increasing the contract amount to \$1,272,632,356 and extending period of performance by 3 months to 60 months for Contract No. C0988 conditional upon execution of the necessary grant agreements and loan amendments.

## **ISSUE**

On March 24, 2011, the Board authorized staff to use a design-build process for procuring a contractor to complete final design and construction of the Crenshaw/LAX Transit Corridor, 8.5 mile light rail alignment (the base project). On May 23, 2013, the Metro Board of Directors amended the project to include the options 2A, 2B, and 1 for the Leimert Park and Westchester/Hindry Stations, respectively (the options).

The solicitation process has been completed. Price proposals have been received at \$160 million or higher than the life of project budget. The board has the option not to award the contract or request a rebid although there would be no assurance of a better price without significant de-scoping of the project that would have impacts on contract terms in the Tiger II Capital Grant program and TIFIA Loan Agreement.

This report provides a recommendation for award of the base project and a path forward for the award of the options. After the base contract is awarded, the inclusion of the options requires City of Los Angeles grant agreements and US DOT approvals from the Federal Transit Administration (FTA) and the Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan Office.

## **DISCUSSION**

This recommendation is to award to the highest ranked proposer based on “Best Value” procurement. The recommended proposer offered the lowest overall price and was the highest technically ranked. The proposal process included opportunities for the proposers to provide Metro with innovative and cost saving ideas that did not change contract requirements with order of magnitude cost savings for alternative technical concepts (ATCs). In order to have an ATC approved, proposers had to demonstrate the following as described in the RFP:

1. Does not result in a significant change in definition of the Project as set forth in the Record of Decision;
2. Does not require a supplemental environmental impact statement;
3. Does not deviate from the requirements of the Contract Documents; and may
  - a. Reduce cost or provides other efficiencies;
  - b. Address one or more elements of the work;
  - c. Improve aesthetic and functional design of the stations and structures;
  - d. Provide schedule milestone and cost savings;

- e. Lessen community impacts and traffic interruptions; and,
- f. Result in improved operation, maintenance and serviceability.

The approved ATCs allowed the proposers to reflect a lower price proposal than would have otherwise been in the recommended award.

ATCs were submitted in two separate steps with an initial outline for LACMTA's review for compliance with contract requirements and a detailed submittal for final review and acceptance. 119 ATCs were initially submitted; 88 were moved forward for a detailed submittal, 27 were rejected and 4 did not require an ATC submittal. Ultimately, the proposers submitted 50 detailed ATCs; 38 were accepted, 9 were rejected and 3 did not require an ATC.

Three proposers submitted initial ATCs for going underground from 48<sup>th</sup> through 59<sup>th</sup> Street in what's called the Park Mesa Heights segment. It should be noted over the past three years the Board opted on several occasions to keep this segment at grade. A grade separation feasibility analysis for this segment was previously completed at Board direction following the selection of an LPA in December 2009. A status update was provided to the board on May 20, 2010; the analysis was completed in June 2010 with no changes to the at-grade recommendation and was received by the Board in April 2011. A Board box on the financial impacts of cost and scope changes to the Project, including the Park Mesa Height segment and Leimert Park station, was released on May 19, 2011. A motion at the May 26, 2011 Board meeting to underground the Park Mesa Heights alignment segment was not approved. The project was subsequently adopted by the Board on September 22, 2011 with an at-grade segment through Park Mesa Heights and a life of project budget on October 27, 2011.

If the Board now chooses to go underground, it would require environmental analysis before a contract could be awarded. That would take an estimated 9 months to 18 months. It would delay the project and could put federal funding at risk. Moreover, Metro would have to demonstrate for FTA that additional funding is available for the underground segment. Estimates for this approximately one mile segment are in the range of about \$250 million. There have been recent assertions that two of the proposers had bid to build an underground station at Slauson Avenue and a tunnel in the Park Mesa Heights segment within the existing budget. The proposals received and evaluated do not support those assertions.

The ATCs pertaining to additional undergrounding were rejected because:

- Project was not adopted by the board with undergrounding though Park Mesa Heights.
- These ATCs would have violated item 1 in the ATC process defined above for a significant change in definition of the Project.
- These ATCs would have violated item 2 in the ATC process where an ATC cannot require the preparation of a supplemental environmental impact statement.

- These ATCs would have violated item 3 in the ATC process and would have required a deviation from the requirement of the Contract Documents.

The Funding/Expenditure Plan for the base project in Recommendation C is shown in Attachment B.

The grant agreement(s) and loan and grant amendments for the options are required because the City of Los Angeles is making a \$55 million contribution and LACMTA is seeking a 2013 Transportation Investment Generating Economic Recovery (TIGER) program grant. Also, the TIFIA Direct Agreement allows the base project to be awarded now with a simple notice, but the added station elements will require specific approval of the FTA and the TIFIA lender. These approvals should be acceptable because the LACMTA and the Los Angeles City Council have already authorized the necessary funds. (See Attachment C – Funding/Expenditure Plan for base project and options).

### Project Description and Background

The Crenshaw/LAX Transit Corridor is a north/south corridor that serves the cities of Los Angeles, Inglewood, Hawthorne and El Segundo as well as portions of unincorporated Los Angeles County. The proposed alignment extends 8.5 miles, from the intersection of Crenshaw and Exposition Boulevards to a connection with the Metro Green Line at the Aviation/LAX Station. The project provides for connections with the Los Angeles International Airport (LAX) as well as links to the Metro Green Line, the Exposition Line and countywide bus network. The Board adopted a light rail system for this corridor as the locally preferred alternative on December 10, 2009 and adopted a base project through certification of the Final Environmental Impact Report on September 22, 2011. A Record of Decision was obtained from the Federal Transit Administration on December 31, 2011 and a \$545,900,000 Transportation Infrastructure Finance and Innovation Act (TIFIA) loan was approved on September 28, 2012.

The base project is comprised of a double-tracked right-of-way consisting of sections of at-grade in-street guideway, at-grade within railroad right-of-way, aerial, and below-grade guideway sections, six stations, park and ride facilities at three locations, utilities, landscaping, roadway improvements required by the project and a maintenance & storage facility.

Recommendation A for the award of the base project is based upon the results of the proposal evaluations as detailed in Attachment D: Procurement Summary. The base project covers all scope including provisional sums that are required at the initial award.

Recommendation B is requested to increase the CEO's authority from \$500,000 per change to \$10 million per change to execute time sensitive contract modifications and contract changes to allow the prosecution of the work to continue without interruption.

Recommendation C is requested to increase the life-of-project (LOP) budget for the base Crenshaw/LAX Transit Corridor Project, No. 865512, by \$160,100,000, from \$1,762,900,000 to \$1,923,000,000, consistent with the LACMTA Board's Unified Measure R Cost Management Process and Policy.

Recommendation D is requested to increase the life-of-project budget for options for Leimert Park Station and Hindry Station in the amount of \$135,000,000 from \$1,923,000,000 to \$2,058,000,000 subject to the CEO obtaining and executing grant agreements and grant and loan amendments to fund the increase.

Recommendation E is requested to execute options for Leimert Park Station and Hindry Station in the amount of \$95,600,000, increasing the contract amount to \$1,272,632,356 and extending period of performance by 3 months to 60 months for Contract No. C0988 conditional on the CEO obtaining and executing grant agreements and grant and loan amendments.

### Process for Awarding Options

The Procurement Summary describes the proposal process (Attachment D). Options 2A and 2B for Leimert Park Station require Metro to increase the LOP budget by \$120 million, inclusive of contingency, utility relocations and property acquisition for the station portal. An award of Options 2A and 2B authorizes the contractor to complete the design and construction of the station box and the finishes of the Leimert Park Station. Option 1 for Westchester/Hindry Station requires Metro to increase the LOP project costs by \$15 million. An award of Option 1 authorizes the contractor to complete the design and construction of the Westchester/Hindry Station at-grade, near Hindry. This action will be subject to approval by FTA and the US DOT TIFIA Credit Council or its designee.

On May 23, 2013, the Metro Board voted to use \$80 million in Metro reserves to fund a portion of the Crenshaw Project options 2A and 2B. Staff will make a separate recommendation this month in the Long Range Transportation Plan Financial Forecast Update that will identify that the specific source of funds within the General Fund be \$54 million in Federal CNG Tax Credits and an assumed FY 2019 release of \$26 million out of a total of \$53 million in AIG third party lease contingency funds. If the TIGER grant were to be approved, some or all of these contingency funds could remain available for the remainder of the third party lease period.

### **DETERMINATION OF SAFETY IMPACT**

This Board action will not have an impact on established safety standards.

## **FINANCIAL IMPACT**

The funding of \$118,087,265 is included in the FY13 budget under Project 865512 (Crenshaw/LAX Transit Corridor Project), in Cost Center 8510 (Construction Project Management). Since this is a multi-year capital project, the Executive Director, Transit Project Delivery, will be responsible for budgeting in future years.

### **Impact to Budget**

The sources of funds for this project are capital funds identified in the proposed life-of-project budget shown in Attachment C. Assuming the base project and the added stations are all built, there is \$50.4 million of Proposition A 35%, \$10.2 million of Proposition C 40%, \$54.4 million of Federal CNG Tax Credit reserves, and \$48.2 million of Regional Surface Transportation Program funds for a total of \$163.2 million that is eligible for transit or paratransit operations. All other funds are not eligible for transit or paratransit operating expenditures. These figures change if other alternatives are selected.

## **ALTERNATIVES CONSIDERED**

Based on instructions from the Metro Board of Directors on May 23, 2013, staff is proceeding with the base project and the options.

The Board may choose not to move forward with the award. This is not recommended as this is an adopted project within the Long Range Transportation Plan and not awarding this contract at this time will delay the schedule and will increase the cost of the project. If the Board does not approve the award or requests a rebid of the contract the following consequences may occur:

- there will be extensive schedule delays and there would be no assurance of a better price without significant de-scoping of the project;
- there is no guarantee that the current proposers (or any others) will provide better bids in a future solicitation with the rising market conditions that have been prevalent over the last year;
- there are potential significant impacts on contract terms in the TIGER II Capital Grant Agreement and TIFIA Loan Agreement; and,
- timing for rebid will be in conflict with the Regional Connector and Westside Subway Extension projects potentially causing project delays.

Alternatives that involve significant re-scoping, re-bidding, and/or schedule delays could also jeopardize the \$545,900,000, 2.43% TIFIA loan for this project and future participation in the TIFIA loan program going forward.

## **NEXT STEPS**

Metro will issue a notice to proceed to the contractor once bonds and insurance requirements are submitted.

Staff will also meet with FTA and the US DOT TIFIA Lender to secure the approvals for the grant agreement(s) and grant and loan amendments.

## **ATTACHMENTS**

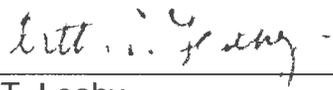
- A. Measure R Unified Cost Management Process and Policy Analysis
- B. Funding/Expenditure Plan – Base Project
- C. Funding/Expenditure Plan – Base Project and Options
- D. Procurement Summary

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## ATTACHMENT A

### Measure R Unified Cost Management Process and Policy Analysis

#### Introduction

The Measure R Cost Management Process and Policy (Policy) was adopted by the LACMTA Board of Directors in March 2011. The intent of the Policy is to inform the LACMTA Board of Directors regarding potential cost increases to Measure R-funded projects and the strategies available to close any funding gaps. LACMTA staff has identified the Crenshaw/LAX Transit Corridor (Crenshaw/LAX LRT) as a project which warrants such an analysis due to a \$160.1 million cost increase required to award the base project described in the main body of this report.

The funding strategies involve significant sub-regional trade-offs that must be considered by the LACMTA Board of Directors. To facilitate that process, we have prepared the following policy analysis. Table 1 summarizes the corridor and sub-regional funding trade-offs necessary to award the project consistent the Policy and with the May 23, 2013 action of the Metro Board of Directors to add the Leimert and Westchester stations.

**Table 1 – Summary of Cost Management and Process Policy Evaluation (\$ millions)**

Project	Prop. C 25%	Prop C 40% & Lease Revenue	Measure R 35%	Net Change
Crenshaw/LAX (Base Project)	\$102.43	\$10.19	\$47.48	\$160.10
South Bay Ramps and Interchanges	(\$47.10)			(\$47.10)
South Bay Airport Metro Connect.			(\$47.48)	(\$47.48)
Central Area Existing Call for Projects	(\$55.33)			(\$55.33)
Wilshire BRT (See also LRTP report)		(\$10.19)		(\$10.19)
<b>Net Change</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

## **Measure R Cost Management Policy Summary**

The adopted final Measure R Unified Cost Management Process and Policy stipulates the following:

"If increases in cost estimates occur, the LACMTA Board of Directors must approve a plan of action to address the issue prior to taking any action necessary to permit the project to move to the next milestone. Increases in cost estimates will be measured against the 2009 Long Range Transportation Plan as adjusted by subsequent actions on cost estimates taken by the LACMTA Board of Directors. Shortfalls will first be addressed at the project level prior to evaluation for any additional resources using these methods in this order:

- 1) Value engineering and/or scope reductions;
- 2) New local agency funding resources;
- 3) Shorter segmentation;
- 4) Other cost reductions within the same transit corridor or highway corridor;
- 5) Other cost reductions within the same sub-region; and finally,
- 6) Countywide transit cost reductions and/or other funds will be sought using pre-established priorities.

We followed the six steps prescribed by the policy to provide analysis of alternative approaches and to address the funding gap for the recommended alternative.

## **Value Engineering and/or Scope Reductions**

The Crenshaw/LAX LRT Project is currently in the procurement phase for the final design and construction phase. In May of 2011, the LACMTA Board of Directors directed the CEO to include the Leimert Park and Westchester/Hindry Stations as bid options during the construction procurement. Specifically, three possible project configurations/options were to be included in the prices submitted: A). a base project as adopted by the LACMTA Board of Directors in December 2009; B). a base project plus an unfinished station box at Leimert Park Station that would allow a future underground station to be completed; and, C). a base project plus the full build-out of the underground Leimert Park Station. Finally, Option 1 was added for the at-grade Westchester/Hindry Station.

The LACMTA Board further directed that option C be recommended by the CEO if a responsible and responsive bid is received that is consistent with a Life-of-Project budget that is now less than or equal to \$1,762.9 million in year-of-expenditure dollars (the adopted funding level in the 2009 LRTP, plus subsequent updates approved by the Board). If no such bid is received, the LACMTA Board of Directors instructed the CEO to recommend option B if a responsible and responsive bid is received that is consistent

with a Life-of-Project budget that is less than or equal to \$1,762.9 million in year-of-expenditure dollars.

If neither approach is possible, the LACMTA Board of Directors suggested that the CEO recommend initiation of a supplemental environmental analysis for an at grade 48th Street station (approximately 0.27 miles or several blocks south of Vernon Avenue in Leimert Park) and estimate the cost of the at-grade station. If non-MTA funding can be identified consistent with the Board-approved policy directing the CEO to seek non-New Starts for the Crenshaw/LAX line, the LACMTA Board of Directors would have the CEO recommend its inclusion on the Life-of-Project budget.

When the bids for the base and all the options came in \$295 million higher than the LOP, we looked at the following six alternative scenarios to mitigate the cost trade-offs required by the Unified Measure R Cost Management Process and Policy (the added cost, if any, of each alternative scenario is shown):

1. The base project with the fully built out Leimert Park Station and the at-grade Westchester/Hindry Station (\$295 million, including a \$55 million contribution from the City of Los Angeles).
2. The base project for the full distance only (\$160.1 million in added cost);
3. The base project for the full distance and the Leimert Park Station – station box only (\$235.1 million in added cost);
4. The base project with a shorter segment at the south end to Arbor Vitae and eliminate either the West or Slauson Stations (no added cost, but renders contract award impossible);
5. The base project with shorter segment at the south end to Arbor vitae and eliminate either the West or Slauson Stations, but include Option 2A, the Leimert Park Station – station box only (added cost \$75 million, but renders contract award impossible);
6. The base project with a shorter segment at the north end to 39th street, but with the Leimert Park Station – station box only (no added cost, but renders contract award impossible);
7. The base project for the full distance, but with an at-grade station at 48th Street (\$175.1 million); and,

Option 1 is the staff recommendation. Based on our analysis, the Board should not choose any of the other alternatives. Specifically, choosing options 2 and 3 would now require rescinding the Metro Board of Directors action to include the full station options on May 23, 2013. Options 4, 5, or 6 have numerous mobility, funding, and procurement process issues that could very well delay the project and jeopardize Metro's participation in the TIFIA loan program going forward.

The TIGER II Capital Grant Agreement and the TIFIA Loan Agreement requires contract award by October 1, 2013 or USDOT reserves the right to terminate the agreement. The TIFIA lender's consent is also required on any significant change in project definition such as would be the case under Alternatives 4, 5, and 6. Shorter

segments would require the Board to adopt a shorter project and may have potential impacts on the National Environmental Policy Act (NEPA) Record of Decision. This process would involve abandoning the current bids and re-procuring the project once the supplemental NEPA process was concluded. Finally, Alternative 7 has potentially significant procurement issues due to major changes in project scope that could affect teaming arrangements for each of the proposers. We do not recommend these alternatives for the reasons above.

### **New Local Agency Funding Resources**

The Los Angeles City Council has committed \$55 million in additional funding to the project at their meeting of May 22, 2013. Other than these funds, there are no new local agency funding resources available to this project.

### **Other Cost Reductions within the Same Highway/Transit Corridor**

Presently there are no other projects available for deferral in the same transit corridor. As a result, we move on to the next step.

### **Other Cost Reductions within the Same Subregion**

To close the total funding gap of \$160.1 million for the full length project, staff has prepared sub-regional cost reduction trade-offs for the Board's consideration. The Crenshaw/LAX LRT Project is primarily in the South Bay Subregion (59%) with the remainder in the Central Subregion (41%) based on distance. Table 1 takes this split into account to size-up the respective subregional shares of the project's funding gap.

LACMTA staff identified approximately \$3,845.4 million in Central Subregion Transit Projects as well as nearly \$61.6 million in Central Subregion Call for Projects (CFP) funds. The Central Subregion Transit Projects include Eastside Access Enhancements (\$30 million), Regional Connector (\$1,366.1 million), Westside Subway Extension Segment I (\$2,334.0 million), and the Wilshire Metro Rapid Transitway (\$115.3 million). The Crenshaw/LAX is also within the South Bay Subregion. Staff considered the South Bay Ramp and Interchanges Improvements Project (\$1,508.9 million), the Airport Metro Connector project (\$330.0 million), and South Bay Subregion Call for Projects (\$52.6 million).

The Eastside Access Enhancements is in the Final Design Phase for the portion of the project within the City of Los Angeles and is in Conceptual Design Phase for the portion in unincorporated East Los Angeles. While these funds are available, LACMTA staff feels deferral of this project would delay critical pedestrian and customer safety improvements in the areas surrounding the LACMTA Gold Line. LACMTA staff does not recommend deferral of this project.

The next project LACMTA staff considered is the Regional Connector. In February 2012, the LACMTA Board of Directors approved the Final Environmental Impact

Statement/Final Environmental Impact Report (FEIS/FEIR) for this project. This report also included a similar Cost Management Analysis for this project as there was a funding gap at that time. The analysis recommended eliminating the 5<sup>th</sup> and Flower as well as other value engineering techniques to reduce the funding gap. As a result of this action, there are no cost savings available from the Regional Connector.

The next project LACMTA staff considered is the Westside Subway Extension Segment I. In April 2012, the LACMTA Board of Directors approved the Final Environmental Impact Statement/Final Environmental Impact Report (FEIS/FEIR) for this project. As part of this action, the LACMTA Board of Directors also adopted the Cost Management Analysis which included extending Segment I to Wilshire/La Cienega. As a result of this action, there are no project savings available at this time.

The next project LACMTA staff considered is the Wilshire LACMTA Rapid Transitway Project. The LACMTA Board of Directors could eliminate this project as it is within the Central Subregion. In the LRTP Financial Forecast Update, also before the LACMTA Metro Board of Directors this month, Staff recommends transferring \$10.19 million in Proposition C 40% from this project to the Crenshaw/LAX LRT Project. This may require additional borrowing to move the funds forward in the LRTP.

Existing commitments in the Central Area through the Call for Projects program were analyzed. We found up to \$61.6 million in unspent funding is available in projects in the Central Area subregion. All of them are in the City of Los Angeles. At least \$1.6 million of these unspent funds are for projects that may be awarded and underway. Many of the projects have obligated the funds necessary for their design, but have not yet awarded their construction contracts. If the Board directs us to rescind these grants, we will work with the City of Los Angeles to agree on a path forward for the \$55.33 million in necessary grant cancellations. The projects proposed for rescission are shown in here in Attachment A, Table 2.

Staff also analyzed the South Bay Ramp and Interchange Improvements Project, the Airport Metro Connector and the South Bay Subregion Call for Projects. Staff recommends deferring a portion of the South Bay Ramps and Interchange Project by transferring \$47.10 million in Proposition C 25% to the Crenshaw/LAX LRT Project. Also, we recommend utilizing \$47.48 million in Airport Metro Connector project funds since this project and the Crenshaw/LAX project overlap. We find no need to recommend rescinding South Bay Subregion Call for Projects, though that does remain an option should the South Bay Council of Governments desire it instead.

**Table 2 – Central Subregion Call for Projects List**  
(\$ in thousands)

PROJ #	PROJECT TITLE	PROJECT SPONSOR	FUND NAME	2010 & PRIOR	2011	2012	2013	2014	2015	2016	2017	TOTAL	EXPND / OBLG	TOTAL AVAILABLE
F3148	North Main St Grade Separation	City of LA	CMAQ					2,230	8,897			\$11,127	\$0	\$11,127
FA143	Dash Downtown Fleet Capacity Increase	City of LA	CMAQ		3,920							\$3,920	\$0	\$3,920
F5427	Dash Clean Fuel - Five (5) Higher Capacity Vehicles	City of LA	CMAQ							1,826		\$1,826	\$0	\$1,826
F3651	Eastside Light Rail Pedestrian Linkages, Phase II	City of LA	CMAQ					530	545			\$1,075	\$0	\$1,075
F1645	Los Angeles Trade-Tech Intermodal Links With Bus & Metro	City of LA	CMAQ		837							\$837	\$0	\$837
F3630	Main Street Pedestrian Enhancements	City of LA	CMAQ						827			\$827	\$0	\$827
F5707	Angels Walk Central Avenue	City of LA	CMAQ							320	366	\$686	\$0	\$686
F5519	Bicycle Friendly Streets (BFS)	City of LA	CMAQ						387	199		\$586	\$0	\$586
F1451	Olive/Pico Bus Stop Improvement	City of LA	CMAQ	247	92							\$339	\$0	\$339
F3314	Intelligent Transportation System (ITS) Communication System	City of LA	CMAQ				2,597	1,338	459			\$4,394	\$0	\$4,394
F3631	Westlake MacArthur Park Pedestrian Improvement Project	City of LA	CMAQ				223	831	285			\$1,339	\$0	\$1,339
F3142	Exposition Park Traffic Circulation Improvements	City of LA	CMAQ			137	630	797	1,346			\$2,910	\$400	\$2,510
F1639	Fashion District Streetscape Phase II	City of LA	CMAQ	262			1,306					\$1,568	\$130	\$1,438
F1611	Cesar Chavez Transit Corridor (110 Fwy To Alameda)	City of LA	CMAQ	283			1,409					\$1,692	\$283	\$1,409
F1630	Washington Blvd Transit Enhancements	City of LA	CMAQ		1,385							\$1,385	\$286	\$1,099
F1663	Sunset Junction Transit Plaza	City of LA	CMAQ		1,108							\$1,108	\$229	\$879
F3646	Arts District/Little Tokyo Gold Line Station Linkages	City of LA	CMAQ				54		815			\$869	\$86	\$783
F1609	Main Street Bus Stop And Pedestrian Improvements	City of LA	CMAQ	110			548					\$658	\$130	\$528
F3726	First And Last Mile Transit Connectivity Options	City of LA	CMAQ			105	628	580				\$1,313	\$821	\$492
F1535	Bicycle Wayfinding Signage Program	City of LA	CMAQ		403							\$403	\$120	\$283
F1442	Commuter Express Fleet Upgrade	City of LA	CMAQ		217	3,717						\$3,934	\$3,930	\$4
F1522	Bike Safe Roadway Grates	City of LA	CMAQ	202	202							\$404	\$403	\$1
	<b>Subtotal - CMAQ</b>			<b>1,104</b>	<b>8,164</b>	<b>3,959</b>	<b>7,395</b>	<b>6,306</b>	<b>13,561</b>	<b>2,345</b>	<b>366</b>	<b>\$43,200</b>	<b>\$6,818</b>	<b>\$36,382</b>
F3731	Downtown La Inter-Modal Transit Information And Wayfinding	City of LA	LTF			158	649	483				\$1,290	\$0	\$1,290
2077NC	Taylor Yard Bike Path (Non Call For Project)	City of LA	LTF			1,073						\$1,073	\$0	\$1,073
	<b>Subtotal - LTF</b>			<b>0</b>	<b>0</b>	<b>1,231</b>	<b>649</b>	<b>483</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,363</b>	<b>\$0</b>	<b>\$2,363</b>
F3315	City / County Traffic Management Integration Phase 2 Project	City of LA	PC25					1,338				\$1,338	\$0	\$1,338
F1307	Atcs - Central Business District	City of LA	PC25		6,774							\$6,774	\$0	\$6,774
F1305	Atcs - Central City East	City of LA	PC25		3,908							\$3,908	\$0	\$3,908
F1313	ATCS - Wilshire East	City of LA	PC25	576								\$576	\$0	\$576
8075	Cesar Chavez Ave./Lorena St/Indiana St Intersection	City of LA	PC25	6,279	828							\$7,107	\$584	\$6,523
	<b>Subtotal - PC 25</b>			<b>6,855</b>	<b>11,510</b>	<b>0</b>	<b>0</b>	<b>1,338</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$19,703</b>	<b>\$584</b>	<b>\$19,119</b>
F5207	Alameda Street Downtown LA: Goods Movement, Phase I	City of LA	RSTP								3,767	\$3,767	\$0	\$3,767
	<b>Subtotal - RSTP</b>										<b>3,767</b>	<b>\$3,767</b>	<b>\$0</b>	<b>\$3,767</b>
	<b>Total Potential Project Funds Available</b>			<b>\$7,959</b>	<b>\$19,674</b>	<b>\$5,190</b>	<b>\$8,044</b>	<b>\$8,127</b>	<b>\$13,561</b>	<b>\$2,345</b>	<b>\$4,133</b>	<b>\$69,033</b>	<b>\$7,402</b>	<b>\$61,631</b>

### **Countywide Transit Cost Reductions and/or Other Funds**

On May 23, 2013, the Metro Board of Directors has instructed us to utilize \$80 million in reserves from the General Fund found on Line 35 of Page 38 of the FY 2014 Adopted Budget. Once the base project is approved, the additional options will bring the project over a 10 percent threshold for approval set by the project's TIFIA Loan Agreement. This will require that we discuss with FTA and the DOT/TIFIA lender and obtain approval, if required, for compliance with the federal TIGER II grant and TIFIA Loan requirements of no more than a 10% cost increase to the total project.

We are separately recommending this month in the Long Range Transportation Plan Financial Forecast Update that the specific source of funds within the General Fund be \$54 million in Federal CNG Tax Credits and an assumed FY 2019 release of \$26 million out of a total of \$53 million in AIG third party lease contingency funds. We recommend the release of \$26 million in FY 2019 because we believe the risks will fall as we move toward the end the 25 year term of the third party leases, which began in 2001. The remaining \$27 million in AIG third party lease contingency funds should remain in reserve until the leases expire beginning in FY 2026. Should more than \$27 million in contingency funds be needed for their original purpose, other General Fund reserves will be found to cover the difference. Finally, we are applying for a 2013 TIGER grant that, if granted, would make the release of some or all of these contingency funds unnecessary in FY 2019.



## Attachment B

**Crenshaw/LAX Transit Corridor Project  
Funding / Expenditure Plan\*  
(Dollars in Millions)**

Capital Project 865512	Prior	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	TOTAL	% of Total
<b>Uses of Funds</b>											
Construction	1.4	5.0	109.6	195.6	319.7	310.7	188.0	85.0	15.1	1,230.1	64.0%
Right-of-Way	2.2	15.0	50.2	50.0						117.4	6.1%
Vehicles					10.0	15.0	57.1			82.1	4.3%
Prof Services Project	35.2	12.0	40.8	57.4	36.8	34.9	29.2	35.6	12.0	293.9	15.3%
Contingency	-	-	3.4	27.0	36.0	47.6	36.0	15.0	8.5	173.5	9.0%
<b>Subtotal</b>	38.8	32.0	204.0	330.0	402.5	408.2	310.3	135.6	35.6	1,897.0	98.6%
Environ Planning	25.5	0.5								26.0	1.4%
<b>Total Project Costs:</b>	<b>64.3</b>	<b>32.5</b>	<b>204.0</b>	<b>330.0</b>	<b>402.5</b>	<b>408.2</b>	<b>310.3</b>	<b>135.6</b>	<b>35.6</b>	<b>1,923.0</b>	<b>100%</b>
<b>Sources of Funds</b>											
Proposition A 35%		4.8					43.3	2.3		50.4	2.6%
Proposition C 40%									10.2	10.2	0.5%
Local Agency Funds								52.5		52.5	2.7%
Proposition C 25%	3.8			11.1	18.4	3.6	40.5	39.3	25.4	142.1	7.4%
Measure R TIFIA Loan					337.4	208.5				545.9	28.4%
Measure R 35%	43.6	1.9	49.5	157.1	46.7	161.7	206.6	41.5		708.6	36.8%
Prop 1B SLPP			49.5							49.5	2.6%
Prop 1B PTMISEA	6.2	10.4	46.8	137.8						201.2	10.5%
Regional Improvement Program	2.4					34.4				36.8	1.9%
Section 5309 Bus&Bus-Related Facility Earmark	7.1	1.5								8.6	0.4%
CMAQ			30.0	24.0						54.0	2.8%
RSTP			28.2				20.0			48.2	2.5%
Federal -other	1.2									1.2	0.1%
Federal -TIGER II	-	13.9								13.9	0.7%
<b>Total Project Funding:</b>	<b>64.3</b>	<b>32.5</b>	<b>204.0</b>	<b>330.0</b>	<b>402.5</b>	<b>408.2</b>	<b>310.3</b>	<b>135.6</b>	<b>35.6</b>	<b>1,923.0</b>	<b>100%</b>
Surplus/(Shortfall)	-	-	-	-	-	-	-	-	-	-	

\*Sources of funds are preliminary and subject to change. Costs are based on proposed award of Contract C0988 C/LAX Design-Build and subject to change. Assumes Revenue Operations in July 2019.

## Attachment C

### Crenshaw/LAX Transit Corridor Project Funding / Expenditure Plan\* (Dollars in Millions)

Capital Project 865512	Prior	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	TOTAL	% of Total
<b>Uses of Funds</b>											
Construction	1.4	5.0	109.6	228.6	354.7	330.7	223.0	85.0	15.1	1,353.1	65.7%
Right-of-Way	2.2	15.0	50.2	60.0						127.4	6.2%
Vehicles					10.0	15.0	57.1			82.1	4.0%
Prof Services	35.2	12.0	40.8	59.4	36.8	34.9	29.2	35.6	12.0	295.9	14.4%
Project Contingency	-	-	3.4	27.0	36.0	47.6	36.0	15.0	8.5	173.5	8.4%
<b>Subtotal</b>	<b>38.8</b>	<b>32.0</b>	<b>204.0</b>	<b>375.0</b>	<b>437.5</b>	<b>428.2</b>	<b>345.3</b>	<b>135.6</b>	<b>35.6</b>	<b>2,032.0</b>	<b>98.7%</b>
Environmental/Planning	25.5	0.5								26.0	1.3%
<b>Total Project Costs:</b>	<b>64.3</b>	<b>32.5</b>	<b>204.0</b>	<b>375.0</b>	<b>437.5</b>	<b>428.2</b>	<b>345.3</b>	<b>135.6</b>	<b>35.6</b>	<b>2,058.0</b>	<b>100%</b>
<b>Sources of Funds</b>											
Proposition A 35%		4.8					43.3	2.3		50.4	2.4%
Proposition C 40%								10.2		10.2	0.5%
Local Agency Funds					16.0	20.0	19.0	52.5		107.5	5.2%
Proposition C 25%	3.8			11.1	28.4	3.6	36.7	3.2		86.8	4.2%
Measure R TIFIA Loan					337.4	208.5				545.9	26.5%
Measure R 35%	43.6	1.9	49.5	157.1	46.7	161.7	206.6	41.5		708.5	34.4%
Other Local (Call for Projects)							19.7		35.6	55.3	2.7%
CNG Tax Credits				45.0	9.0					54.0	2.6%
3rd Party Lease Contingency								26.0		26.0	1.3%
Prop 1B SLPP			49.5							49.5	2.4%
Prop 1B PTMISEA	6.2	10.4	46.8	137.8						201.2	9.8%
Regional Improvement Program	2.4					34.4				36.8	1.8%
Section 5309 Bus&Bus-Related Facility Earmark	7.1	1.5								8.6	0.4%
CMAQ			30.0	24.0						54.0	2.6%
RSTP			28.2				20.0			48.2	2.3%
Federal - other	1.2									1.2	0.1%
Federal - TIGER II	-	13.9								13.9	0.7%
<b>Total Project Funding:</b>	<b>64.3</b>	<b>32.5</b>	<b>204.0</b>	<b>375.0</b>	<b>437.5</b>	<b>428.2</b>	<b>345.3</b>	<b>135.6</b>	<b>35.6</b>	<b>2,058.0</b>	<b>100%</b>
Surplus/(Shortfall):	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

\*Sources of funds are preliminary and subject to change. Costs are based on proposed award of Contract C0988 C/LAX Design-Build and subject to change. Assumes Revenue Operations in October 2019.

## ATTACHMENT D

### PROCUREMENT SUMMARY

#### CRENSHAW/LAX TRANSIT CORRIDOR PROJECT

1.	Contract Number: C0988	
2.	Recommended Vendor: Walsh/Shea Corridor Constructors	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: June 22, 2012	
	B. Advertised/Publicized: June 28, 30; July 1, 5, 2012	
	C. Pre-proposal/Pre-Bid Conference: July 10, 2012	
	D. Proposals/Bids Due: December 6, 2012	
	E. Pre-Qualification Completed: April 3, 2013	
	F. Conflict of Interest Form Submitted to Ethics: April 10, 2013	
	G. Protest Period End Date: April 21, 2013	
5.	Solicitations Picked up/Downloaded: 128	Bids/Proposals Received: 4
6.	Contract Administrator: Frederick Origel Director, Contract Administration	Telephone Number: (213) 922-7331
7.	Project Director: Robert Ball, P.E.	Telephone Number: (213) 922-7280

#### **A. Procurement Background**

On March 24, 2011 the Board authorized the use of a design-build project delivery for the Crenshaw/LAX Transit Corridor pursuant to either Public Utilities Code Section 130242 (for a low bid) or Public Contract Code (PCC) Sections 20209.5 – 20209.14 (for a negotiated procurement). A Crenshaw/LAX contract strategy meeting was held in June 2011 and a determination was made that a two step negotiated “Best Value” procurement was the preferred procurement strategy.

The two step procurement process was developed in accordance with the guidelines set forth in PCC Section 20209.7 and Metro’s Procurement Policy and Procedures. In step one, a Request for Qualifications (RFQ) was issued that required interested respondents to submit a Statements of Qualifications (SOQ), which was evaluated on pass/fail criteria. In step two, a Request for Proposals was issued to pre-qualified respondents who were requested to submit separate technical and price proposals,

which were then evaluated by a Proposal Evaluation Team (PET) to make a “Best-Value” determination.

#### Procurement Process: Step One

California PCC 20209.5 et seq. describes requirements that must be met if a transit agency chooses to use the design-build delivery methodology in a Best Value procurement. Metro followed those requirements to pre-qualify design-build entities using a standardized questionnaire developed by the State of California Director of the Department of Industrial Relations (DIR). Under the law Metro did not have the discretion to delete questions from the questionnaire, but was permitted to supplement the questionnaire with additional requirements; which Metro did to match the experience and past performance of respondents to the level of complexity of this project. The RFQ also included the LACMTA standard pre-qualification application.

A RFQ was released on December 23, 2011, and five SOQs were received on March 12, 2012. Metro adopted the scoring system suggested by the DIR to score the SOQs and the pre-qualification applications were evaluated in accordance to Metro’s Administrative Code.

Four design-build teams were pre-qualified based on the scoring of the submitted SOQs and evaluation of pre-qualification applications. The following teams met the minimum pre-qualification requirements and participated in step two, the RFP process:

- Crenshaw Transit Partners (Fluor, Balfour Beatty, S.A. Healy)
- Skanska – Traylor – Kiewit, JV
- URS –Dragados – Flatiron, JV
- Walsh Shea Corridors Constructors

#### Procurement Process: Step Two

The RFP issued on June 22, 2012 requested formal technical and price proposals in accordance with the requirements defined in the RFP. A pre-proposal conference was held on July 10, 2012 and 270 attendees signed in at the conference.

The RFP permitted proposers to submit Alternative Technical Concepts (ATCs) to the technical requirements in the RFP that would be advantageous to the Project in terms of lower cost, improved quality, performance, reliability, or schedule. The ATCs were received, reviewed and approved or rejected by Metro prior to the proposal submittal date. Proposers were given complete discretion to incorporate ATCs approved by Metro into their proposal. Metro did not consider any ATCs that may have reduced the quality, performance, or reliability; or sought to relax the requirements in the RFP. Additionally, Metro did not consider an ATC if the implementation of the ATC would result in a significant change in definition of the Project as set forth in the Record of Decision, or require a supplemental

environmental impact statement/report, or conflict with any action required by the Mitigation Monitoring Plan.

Eight amendments were issued during the solicitation phase of this RFP to modify RFP technical specification requirements and commercial terms to affect the following: revisions based on answers to questions submitted by interested parties; revisions to technical specifications based on contractor proposed Alternative Technical Concepts (ATCs); revise technical requirements and commercial terms based on discussions held with the proposers after receipt of proposals to reduce cost and performance risks; revise technical requirements based on LACMTA project team's cost savings strategies; revise commercial terms to reduce performance risk to contractors and to realize cost savings; and request proposers in the competitive range to submit Best and Final Offers (BAFOs). Metro also responded to 782 technical and commercial questions from interested parties.

## **B. Evaluation of Proposals**

A total of 4 proposers responded to the solicitation on December 6, 2012. A PET was convened and conducted a comprehensive technical evaluation of the proposals received. The objective of the evaluation process was to determine which proposal provides the best value to Metro. The Federal Transit Administration (FTA) defines best value as "the overall combination of quality, price and other elements of a proposal that, when considered together, provide the greatest overall benefit in response to requirements described in the solicitation documents."

The proposals were evaluated based on the following evaluation criteria and weights:

- Price 45 percent
- Project Management 30 percent
- Technical Approach 25 percent

The evaluation criteria were developed pursuant to the requirements in PCC 20209.8 et seq. The weighting assigned for price, technical expertise, life cycle cost, skilled labor force availability, and acceptable safety record represent at least 50 percent of the total weight as prescribed by said law.

The evaluation process for this procurement permitted submittals of Alternative Technical Concepts (ATC) prior to submittal of the technical and price proposals. Attachment E, ATC Summary, provides a brief description of each ATC submitted during the procurement process.

Metro received 119 initial ATCs, and requested detailed follow-on proposals on 88 of the ATCs. 50 ATCs were subsequently submitted by proposers, and Metro approved 38 ATCs after a final review and discussions of the merits of the ATCs with the respective proposers. Proposals in response to the RFP requirements were

received from the four qualified firms on December 6, 2012. The PET completed its evaluation of the initial technical and price proposals on January 3, 2013 and all four proposers were determined to be in the competitive range. Discussions to address Metro's concern with the price proposals were held during the month of January with each proposers' executive team. In addition to discussing price, Metro provided each team a list of clarification questions stemming from the PET's initial review of the price and technical proposals. The PET held meaningful discussions with the proposer's project teams from January 7 through February 15, 2013. The discussions were tailored to each proposer's proposal and addressed weaknesses, deficiencies, uncertainties and areas where the PET required additional information. Metro issued a request for BAFOs on February 22, 2013 and four BAFOs were submitted on March 15, 2013. The PET completed its review of the BAFOs on March 26, 2013.

### **Qualifications Summary of Firms Within the Competitive Range:**

#### **Crenshaw Transit Partners**

Crenshaw Transit Partners is a joint venture (JV) partnership of three construction firms: Fluor Enterprise (Fluor), Inc., Balfour Beatty Rail, Inc., and S. A. Healy. Fluor, the managing partner for the JV, is a wholly-owned subsidiary of Fluor Corporation. Fluor is presently executing four design-build projects in the U.S.: the Eagle Commuter Rail Project in Denver, Colorado; the I-495 toll road and the I-95 toll road, both in Virginia; and the I-15 Corridor expansion in Salt Lake City, Utah. Balfour Beatty was the Traction Power, Train Control and Communications contractor for the Eastside Extension Light Rail Transit (LRT) Project. Over the past ten years, Balfour Beatty and Fluor have partnered on several design-build transportation projects. S.A. Healy has completed more than 100 miles of tunnels in the U.S. with active tunneling projects in San Francisco and Las Vegas. Parsons Brinckeroff, principal engineer for the team has been involved with planning, design and delivery of more than 70-miles of rail transit projects in Los Angeles over the past 35 years as well as major rail transit projects throughout the United States.

#### **Skanska – Traylor – Kiewit, JV**

Skanska-Traylor- Kiewit, JV (STK) is a partnership of three large transit construction companies. Skanska is the managing partner. The STK team includes AECOM Technical Services (AECOM) as the lead engineer; and specialty systems subcontractors, Mass Electric Construction Co. (MEC) with Steiny and Company. Skanska has completed more than 15 design-build rail and transit projects nationwide. Skanska is the lead design-build contractor on the Expo design-build LRT Phase 2 project, and the Santa Clara County Valley Transportation Agency's Berryessa Extension, a 10 mile design-build transit line. Skanska's recent projects include the design-build of the Air Train at JFK, an 8.1 mile LRT system, construction of a segment of the Second Avenue Subway, and the World Trade Center Transportation Hub in New York. Traylor has completed more than 110

tunneling projects, including two Earth Pressure Balance (EPB) tunnels in the United States, and excavated more than 90 miles of tunnels using tunnel-boring machines (TBM). Traylor's experience with Metro includes the Metro Gold Line Eastside Extension LRT. The Eastside Extension tunnel project was completed with AECOM as lead designer. Traylor is currently working on two LRT tunnel projects including the Queens Bored Tunnels in New York. Kiewit has constructed more than 1,100 transportation projects. Kiewit's experience in Los Angeles includes the Metro Pasadena Gold Line Phase 1 LRT and is currently constructing the Metro Gold Line Foothill Extension, and the design-build I-25 Transportation Expansion Project. This project completed with MEC, included 19 miles of new LRT and highway reconstruction. Kiewit, in partnership with AECOM and MEC worked on the Denver Union Station Project, a multimodal transit hub. AECOM was the lead engineer for the Metro Gold Line Eastside Extension LRT and is currently the lead engineer providing planning and preliminary engineering services for the Regional Connector Transit Corridor.

### **URS – Dragados – Flatiron, JV**

URS – Dragados – Flatiron JV partnership is led by URS Energy (URS) and Construction, Inc. URS is the proposed Principal Engineer. Dragados USA (Dragados) is the proposed tunneling constructor and Flatiron West, Inc. (Flatiron) is the proposed lead general contractor and heavy civil constructor. URS was the Project Manager for the Gold Line Eastside Extension project. The members of URS – Dragados – Flatiron has completed three Metro operating light rail lines – each was delivered under the design-build delivery method. URS respective experience on Metro transit projects include: Gold Line Eastside Extension as the Design-Build JV managing partner; and Gold Line Los Angeles to Pasadena as a Design-Build JV member. URS was the Principal Engineer for both projects and responsible for general contracting and heavy construction services. URS was also the principal engineer on the Orange Line San Fernando Valley Bus Rapid Transit Project and provided engineering and construction management services on the Exposition Phase 2 LRT project. Dragados is a tunnel contractor with projects in the U.S., Mexico, Europe, and Middle East. Dragados transit projects include large-bore soft-ground tunnels such as: Two New York City MTA East Side Access tunnels, the Madrid M-30 South Bypass Tunnel, the Barcelona Line 9 Metro Extension, and the Madrid Metro Line 11 Extension. Dragados led the Seattle Tunnel Partners team for the State Route 99 Bored Tunnel design-build project. Flatiron's experience in California includes two current design-build projects in San Francisco Bay Area, the BART Oakland Airport Connector and Presidio Parkway projects.

## **Background on Recommended Contractor**

### **Walsh/Shea Corridor Constructors**

Walsh/Shea Corridor Constructors (WSCC) is led by the joint venture partners Walsh Construction (Walsh) and J.F. Shea Construction (Shea). The Design-Build Entity is complemented with HNTB Corporation (HNTB) as the lead design firm, L.K. Comstock (Comstock) for systems installation, and ARUP to provide tunnel design and underground geotechnical engineering. Mr. Joe Lee, PE is the WSCC team's Project Manager. Mr. Lee has over 30 years of experience and has been with Walsh for 16 years. Mr. Lee was Walsh's Project Director on the Dallas Area Rapid Transit (DART) Green Line LRT and Northwest Rail Operating Facility Expansion Project. The three projects valued at more than \$957 million were constructed concurrently within 5.5 year time frame, on time, under budget, and without claims. The three projects total over 25 miles of LRT Guideway and combined the project included 14 at-grade stations, 5 aerial stations, multiple bridge structures, retaining walls, 20 traction power substations, 153 street crossings, and 19 bridges, totaling 10.7 miles of bridges through dense urban environments. The project also included a deep U-wall adjacent to an active airport.

Walsh has been in business for 114 years with experience in railways, bridges, and heavy civil work. Walsh has completed more than \$7.6 billion of design-build projects and \$3 billion on transit projects for several public entities including Los Angeles Metro, Bay Area Rapid Transit (BART) and DART. Over the last decade, Walsh has been awarded \$2 billion in work on the LAX project, including the LAX Tom Bradley International Terminal.

Shea has been in business for 132 years performing construction of major metropolitan transportation tunnels and underground stations under various geological conditions similar to those in the Crenshaw area. Shea's experience includes building nearly 62,000 feet of subway tunnels and cross-passages, including six separate cut and cover stations along Vermont Ave and Hollywood Blvd. They are currently working on the Second Avenue Subway for the New York City MTA, having completed the 96<sup>th</sup> Street Station and Tunnels contract on that project. Recently, Shea completed the integration and tie-in into the existing Port Authority Bus Terminal at Times Square on the No. 7 Line subway extension project in New York.

HNTB is the Principal Engineer, Architect-of-Record, lead architect, task manager for the Project; and is responsible for station, landscape, urban, streetscape, and traffic management plans. HNTB delivered engineering services on the following Design-Build projects: BART San Francisco International Airport Extension; the BART Warm Springs Extension Line, Track, Station and Systems; and the Alameda Mid-Corridor Trench Design-Build.

## Final Scores

1	FIRM	Average Score	Factor Weight	Final Score	Rank
2	<b>Crenshaw Transit Partners</b>				<b>4</b>
3	Price*	89.24	45%	40.16	
4	Project Management	70.78	30%	21.23	
5	Technical Approach	72.11	25%	18.03	
6	<b>Total</b>		100%	79.42	
7					
8	<b>Skanska Traylor - Kiewit</b>				<b>3</b>
9	Price*	85.20	45%	38.34	
10	Project Management	78.47	30%	23.54	
11	Technical Approach	75.38	25%	18.85	
12	<b>Total</b>		100%	80.73	
13					
14	<b>URS – Dragados - Flatiron</b>				<b>2</b>
15	Price*	94.95	45%	42.73	
16	Project Management	76.11	30%	22.83	
17	Technical Approach	76.22	25%	19.06	
18	<b>Total</b>		100%	84.62	
19					
20	<b>Walsh/Shea Corridors Constructors</b>				<b>1</b>
21	Price*	99.48	45%	44.77	
22	Project Management	78.62	30%	23.59	
23	Technical Approach	75.67	25%	18.92	
24	<b>Total</b>		100%	87.28	

\*Price Score based on formula.

### C. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon adequate price competition, fact finding, discussions and a comparative price analysis with the independent cost estimate. The award is being recommended to highest ranked proposer based on a "Best Value" procurement process. The recommended proposer offered the lowest price proposal which is within 9% of the Metro's independent engineer's estimate of \$1,164,398,000.

## **Contract Award Amount**

The table below reflects the initial price proposals submitted and BAFO amounts proposed for the items considered for contract award in recommendations A and E. Recommendation A includes contract award for the base work and provisional sums. Recommendation E includes award of the contract options for the Leimert Park and Hindry Stations.

	<b>Bidder/Proposer Name</b>	<b>Initial Proposed Amount</b>	<b>Final Proposed Amount</b>
1	Crenshaw Transit Partners	\$1,418,939,721	\$1,294,744,081
2	Skanska-Traylor Kiewit, JV	\$1,459,768,260	\$1,385,529,260
3	URS – Dragados – Flatiron JV	\$1,382,315,000	\$1,311,024,000
4	Walsh/Shea Corridors Constructors	\$1,337,990,294	\$1,272,632,356

The contract award amount of \$1,272,632,356 includes Recommendations A and E. The construction of the optional stations is conditional upon LACMTA execution of the necessary grant agreements and loan amendments.

## **D. Evaluation of Proposals**

The Diversity and Economic Opportunity Department (DEOD) recommended a 20% Disadvantaged Business Enterprise (DBE) Anticipated Level of Participation (DALP) for Design and a 20% DALP for Construction. Walsh Shea Joint Venture made a 20% DALP commitment for both Design and Construction. Walsh included in its DBE Contracting Plan an identification of the work that will be performed, or is anticipated to be performed by DBE firms through construction completion to achieve their DALP commitment. Walsh Shea will be required to submit monthly updates to their DBE Contracting Plan. Meeting the DALP is neither a condition of award, nor an issue of responsiveness.

Small Business Participation - DESIGN

<b>DBE Subcontractors</b>
1. V&A Inc.
2. BA, Inc.
3. Lynn Capouya
4. NBA Engineering, Inc.
5. Martin & Libby
6. Parikh Consultants
7. Mia Lehrer & Associates
8. IDC Consulting Engineering
9. MGE Engineering
10. D'Leon Consulting

Small Business Participation – CONSTRUCTION

<b>DBE Subcontractors</b>
1. Padilla & Associates, Inc.
2. Quality Engineering, Inc.
3. VMA Communications, Inc.
4. Sapphos Environmental, Inc.
5. Griego and Associates

**E. All Subcontractors Included with Recommended Contractor's Proposal**

	<b>Subcontractor</b>	<b>Services Provided</b>
1.	ARUP	Tunnel Engineering
2.	ATS Consulting	Noise / Vibration Monitoring
3.	BA Inc	Civil Engineering
4.	D'Leon Consulting Engineers	Civil Engineering
5.	Griego	System Safety / Security
6.	HNTB	Principal Engineer / Architect of Record
7.	IDC Consulting Engineers Inc	Structural Engineering
8.	Jenkins/Gales & Martinez	Civil Engineering
9.	Kimley-Horn and Assoc. Inc	Civil Engineering
10.	L.K. Comstock	Systems
11.	Los Angeles Urban League	Community Outreach
12.	Lynn Capouya, Inc	Landscape
13.	Martin & Libby	Structural Engineering
14.	MGE Engineering, Inc	Structural Engineering
15.	Mia Lehrer + Associates	Landscape
16.	NBA Engineering, Inc	Mechanical /Electrical / Plumbing
17.	Neal Electric	Electrical
18.	Padilla	Project Labor Agreement / Outreach
19.	Parikh Consultants, Inc	Geotechnical Engineering
20.	Psomas	Survey
21.	QEI	Quality Control
22.	SC Solutions	Structural Engineering
23.	Select Electric	Electrical
24.	Sppahos	Environmental
25.	V&A Inc	Civil Engineering
26.	VMA Communications	Public Relations