

**Metro**Los Angeles County  
Metropolitan Transportation AuthorityOne Gateway Plaza  
Los Angeles, CA 90012-2952213.922.2000 Tel  
metro.net**CONSTRUCTION COMMITTEE  
APRIL 17, 2014****SUBJECT: REGIONAL CONNECTOR TRANSIT CORRIDOR PROJECT****ACTION: AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO EXECUTE  
CONTRACT MODIFICATION****RECOMMENDATION**

- A. Authorize the Chief Executive Officer to execute Contract Modification No. 1 to Contract No. MC070, to ARCADIS, U.S., Inc. to continue providing Construction Management Support Services (CMSS) through FY15 for the Regional Connector Transit Corridor Project, in the amount of \$7,680,700, increasing the total contract value from \$3,499,990.00 to \$11,180,690.
- B. Establish an increase in Contract Modification Authority in an amount not-to-exceed \$1,152,105, increasing the total Contract Modification Authority from \$524,999.00 to \$1,677,104 and authorize the CEO to execute individual Contract Modifications within the Board approved Contract Modification Authority.

**ISSUE**

On March 21, 2013 the Board approved and awarded, to Arcadis, U.S., Inc., the Construction Management Support Services contract in the amount of \$3,499,990 for this project. Construction management support services are professional services that are required to assist Metro by providing technical expertise and staff augmentation in the oversight and management of the final design and construction, and assist in closeout of the Regional Connector Transit Corridor Project. The executed contract is an eight year (with two one-year options for contract duration extension) cost-plus, fixed fee contract with provisions for Board approval of the contract value every fiscal year by Contract Modification. Accordingly, this report requests funding approval for FY15. The history of the contract's awarded amount and all Contract Modifications is contained in Attachment B. Contract No. C0981R, "Advanced Utility Relocations" was awarded on January 13, 2014 and the award of the Design-Build Contract No. C0980 is scheduled for Spring 2014, with revenue service projected in 2020. Metro Project Management

requires additional construction staff with the expertise to oversee the design-builder's construction operations and assist Metro with the management of the Project.

The recommended Board action will provide sufficient contract funding through June, 2015. Future work will be funded on a year-to-year basis. This approach will result in more accurate budgeting for each year, while providing better control over consultant services costs.

## **DISCUSSION**

The primary role of the CMSS is to provide highly skilled and qualified individuals to assist Metro with the construction management of the Project by becoming part of a fully-integrated construction management team residing in the project field office, under the oversight of Metro Project Management. The CMSS consultant provides administration, maintenance, inspection services and technical support during the final design, construction, pre-revenue operations and closeout phases of the Project. As part of the request for FY 15 Metro's Project Manager identified and evaluated the annual work plan and negotiated with Arcadis, US, Inc. to determine the recommended Contract Modification value.

## **DETERMINATION OF SAFETY IMPACT**

This Board action will not have an impact on established safety standards for Metro's construction projects. The CMSS contract provides services that support Metro's internal safety staff on the Regional Connector Transit Corridor Project. The scope of services for the CMSS contract includes provisions for staff members to ensure that safety is the highest priority during oversight of all phases of construction.

## **FINANCIAL IMPACT**

Funding for the CMSS contract is included in the FY15 budget in Cost Center 8510, (Construction Project Management) under Project 860228 (Regional Connector Transit Corridor Project), Account 50316, (Professional Services). Since this is a multi-year contract, the Executive Director of Engineering and Construction and the Project Manager will be accountable to budget the cost for future years on an annual basis.

### **Impact to Budget**

The sources of funds for this report's Recommendation are Federal 5309 New Starts, and State Repayment of Capital Project Loans. The approved FY15 budget is designated for the Regional Connector Transit Corridor Project and does not have an impact to operations funding sources. These funds were assumed in the LRTP for the Regional Connector Transit Corridor Project. This Project is not eligible for Propositions A and C funding due to the proposed tunneling element of the Project. Availability of

Measure R funds begin again in FY16 and continue through FY23. No other funds were considered.

### **ALTERNATIVES CONSIDERED**

The Metro Board could decide not to approve the recommended contract modification. This is not recommended because Metro does not have sufficient staff with expertise in the many different fields, including construction managers, resident engineers and inspectors in the disciplines of systems, tunnels, stations, cut and cover work, sequential excavation method work, trackwork, civil, architecture, geotechnical, mechanical and electrical, systems, safety, environmental, rail activation, systems integration, survey, cost and schedule analysts, claims analysis, litigation support, and estimating, among others. The recommendation will provide adequate staff and expertise in FY15 to successfully deliver the completion of the project's construction on schedule and within budget.

### **NEXT STEPS**

After Board approval and execution of the contract modification staff will both direct the consultant to continue providing construction management support services, and continue to manage its contract for the Regional Connector Transit Corridor project through FY15 .

### **ATTACHMENT**

- A. Procurement Summary
- B. Contract Modification/Change Order Log

Prepared by:           Girish Roy, Deputy Executive Officer and  
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Arthur T. Leahy  
Chief Executive Officer

**ATTACHMENT A**

**PROCUREMENT SUMMARY**

**MODIFICATION FOR CONTRACT NO. MC070 - REGIONAL CONNECTOR TRANSIT  
CORRIDOR PROJECT  
CONSTRUCTION MANAGEMENT SUPPORT SERVICES**

1.	Contract Number: MC070		
2.	Contractor: ARCADIS, U.S., Inc.		
3.	Mod. Work Description : Provide construction management support services during construction for Advanced Utility Relocations (Contract No. C0981) and for Design-Build contract (RFP C0980) for the Regional Connector Transit Corridor Project for FY15.		
4.	The following data is current as of :	02/19/14	
5.	Award Date	05/13/13	Award Amount \$3,499,990
	NTP	05/17/13	Total Contract Modifications Approved \$0.00
	Orig. Complete Date	05/2021	Current Total Contract Value \$3,499,990
	Current Est. Complete Date	05/2021	
6.	Contract Administrator: Susan Santoro	Telephone Number: 213-893-7144	
7.	Project Manager: Girish Roy	Telephone Number: 213-893-7119	

**A. Contract Action Summary**

This contract change was handled in accordance with the LACMTA approved procedures for contract modifications.

On May 13, 2013, Contract No. MC070, an eight year, cost plus fixed fee type contract, was awarded to Arcadis, U.S., Inc. with a not to exceed amount of \$3,499,990 for the first year FY 2014 to provide construction management support services on the Regional Connector Transit Corridor Project as the most highly qualified offeror.

Attachment B shows that no modifications have been issued to date to add and/or delete work, nor fund the contract after FY 2014. This recommended modification is pending authorization.

**B. Cost/Price Analysis**

The negotiated amount complies with all requirements of Metro Procurement policies and procedures and was determined to be fair and reasonable through fact-finding, clarifications, and cost analysis. An independent cost estimate (ICE) was obtained as part of the cost analysis before negotiating.

Bid/Proposal Amount	Metro Estimate	Negotiated Amount
\$11,529,100	\$7,224,456	\$7,680,700

**C. Small Business Participation**

Arcadis, U.S., Inc. has a Disadvantaged Business Enterprise Anticipated Level of Participation (DALP) commitment of 25%. Achievement of the DALP is measured by the total amount paid for work completed by Arcadis and their DBE subcontractors over the entire term of the contract. However, work is funded on a year to year basis. The commitment for the first year was 37.57%, with a DALP participation of 38.18% as detailed below. The DALP commitment for year two will be determined upon receipt of the final cost proposal for the recommended modification.

<b>DISADVANTAGED BUSINESS COMMITMENT</b>	37.57%	<b>DISADVANTAGED BUSINESS PARTICIPATION</b>	38.18%
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	DBE Subcontractors	Commitment %	Current Participation <sup>1</sup>
1.	ABA Global, Inc.	5.11%	13.33%
2.	DHS Consulting, Inc.	8.68%	4.64%
3.	EPC Consultants, Inc.	7.81%	20.01%
4.	Ghirardelli Associates, Inc.	10.74%	0.00% *
5.	MBI Media, Inc.	3.25%	0.00% *
6.	R Industrial & Healthcare Supplies	0.68%	0.20%
7.	Ramos Consulting Services, Inc.	1.29%	0.00% *
	<b>Total</b>	<b>37.57%</b>	<b>38.18%</b>

\* Started performing in February 2014

<sup>1</sup>Current Participation = Total Actual Amount Paid-to-Date to Subs ÷ Total Actual Amount Paid-to-Date to Prime

**ATTACHMENT B**

**Contract Modification / Change Order Log**

<b>Mod. No.</b>	<b>Description</b>	<b>Status (Approved or Pending)</b>	<b>Contract Value</b>	<b>Mods</b>	<b>Board Approved CMA</b>
N/A	Initial Award – FY 2013-14	Approved	\$3,499,990 (A)		\$524,499
1	Construction Management Support Services (FY 15)	Pending		\$7,680,700*	\$1,152,105
<b>Subtotal – Board Approved Modifications</b>				\$0.00	
<b>Subtotal – Approved Modifications within CMA (B)</b>				\$0.00	
<b>Subtotal – All Approved Modifications</b>				\$0.00	
<b>Pending Changes/Modifications</b>				\$7,680,700	
<b>Total Mods and Pending Changes (C)</b>				\$7,680,700	
<b>Total Contract Value (including Approved and Pending Mods) (A+C)</b>			\$11,180,690		
<b>Board Approved Cumulative CMA (D)</b>					\$524,999
<b>Less: Mods within CMA</b>			\$0.00		\$0.00
<b>Remaining CMA (excludes Board Approved Mods*) (D-B)</b>					\$524,499