



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2952

213.922.  
metro.n

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**Regular Board Meeting  
April 30, 2015**

**SUBJECT: REGIONAL CONNECTOR TRANSIT CORRIDOR PROJECT**

**ACTION: AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO EXECUTE A CONTRACT MODIFICATION TO CONTRACT C0980 FOR ADDITIONAL UTILITY RELOCATION WORK.**

**RECOMMENDATION**

Authorize the Chief Executive Officer (CEO) to negotiate and execute Contract Modification No. 10 to Contract No. C0980, with Regional Connector Constructors, for Additional Utility Relocation, in a not-to-exceed amount of \$27,100,000 increasing the Total Contract Price from \$962,646,995 to \$989,746,995. This action does not increase the Life-of-Project Budget.

**ISSUE**

On January 13, 2014, Metro awarded Contract C0981R to Pulice Construction Inc. (Pulice) for a lump sum price in the amount of \$25,643,000 for design-bid-build delivery of advanced utility relocations (AUR) of water, sewer and electrical power lines at specific Los Angeles downtown locations to allow for the cut and cover construction of the project's stations, guideways and portals by the design-build contractor. On April 24, 2014, the Board authorized the CEO to award a 76-month firm fixed price contract (C0980) with Regional Connector Constructors (a Joint Venture between Skanska USA Civil West California District, Inc., and Traylor Bros. Inc.), the responsive and responsible design-build proposer determined to provide Metro with the Best Value for the final design and construction of the Regional Connector Transit Corridor Project. The CEO awarded the Contract to Regional Connector Constructors (RCC) on May 6, 2014, and staff issued the Notice-to-Proceed (NTP) on July 7, 2014.

During the performance of C0981R work, Pulice encountered a significant number of unknown and abandoned utilities and structures that were either not shown or shown incorrectly on the current as-built drawings. As a result, the unknown utilities and structures have significantly impacted construction progress and schedule with a potential delay of approximately 10 months and a potential projected cost of \$51,325,000. In collaboration with RCC and Pulice, staff has determined that by transferring the remaining AUR work to C0980 contract, it would allow RCC to integrate

the AUR work into its proposed completion schedule which will provide the best opportunity to mitigate current schedule and cost impacts.

## **BACKGROUND**

The Regional Connector Transit Corridor Project is part of the Los Angeles County Metropolitan Transportation Authority (LACMTA) Measure R Program. In October 2010, the Board approved the Regional Connector Transit Corridor Project Draft Environmental Impact Statement/Environmental Report (Draft EIS/EIR). The Project which was approved by the Board as the Locally Preferred Alternative (LPA) is a proposed 1.9 mile, dual track, underground light rail transit (LRT) service through downtown Los Angeles that will connect the existing Blue Line LRT service and the Exposition Line LRT Project to the existing Gold Line LRT service at Little Tokyo. The Project will utilize the existing 7<sup>th</sup> Street/Metro Center Station and include three new underground LRT stations.

## **DISCUSSION**

During the development of bid plans for contract C0981R, staff and its engineering consultants gathered all known and available as-built drawings from the utility owners and the City of Los Angeles that depicted the underground utility infrastructure and performed extensive potholing to more accurately determine the location of existing utilities. Further, the C0981R Contract Scope of Work required that additional potholing be performed by the Contractor to field verify utility locations. However, despite these verification efforts, a significant number of unknown and abandoned utilities and structures were still encountered that were either not shown or shown incorrectly on the current as-built drawings. The presence of these unknown and abandoned utilities and buried structures has slowed construction, required significant redesign, and caused Pulice to perform more hand digging than anticipated, which has resulted in construction schedule and cost impacts. Staff has determined that the as-built drawings provided by utility owners and the City of Los Angeles were incomplete and inaccurate and did not account for abandoned utilities and structures. These unknown utilities and structures have significantly impacted construction progress and schedule. Staff has estimated that continuing to pursue utility relocations through the C0981R contract would result in an estimated cost of \$51,325,000 and a delay of approximately 10 months, which will in turn impact the completion date of the C0980 contract and delay the Revenue Service Date agreed with FTA, the Full Funding Grant Agreement and the TIFIA loans.

Metro worked collaboratively with RCC and Pulice to evaluate and determine the best strategies for minimizing costs and schedule delays to the Project. The efforts of this teamwork identified that a portion of Pulice's contract work is no longer required to support RCC's contract work. In mid-March 2015, staff determined that by transferring the remaining C0981R contract work to the C0980 Contract, it would allow RCC to integrate the AUR work into its proposed completion schedule and

provide the overall project with the best opportunity to mitigate current schedule and cost impacts. By transferring all remaining AUR work to RCC for an estimated cost of \$33,100,000, it will provide an overall cost savings of \$18,225,000 and reduce the overall schedule impacts by four months. The estimated costs include all costs to perform the work, on-going incurred cost due to delays, and consultant costs.

This recommended action is being requested as an NTE because staff has determined that waiting until the costs for this Modification are fully negotiated in order to present it to the Board for approval will have a financial impact to the Project of approximately \$3,650,000 per month. The impact of this action on the overall Project budget will be further mitigated by an approximately \$9,000,000 credit from work deleted from the C0981R Contract as well as an estimated savings of \$6,000,000 over the life of the project due to cost reductions from Metro's construction management plan to self-perform a greater portion of the construction management support services efforts starting Fiscal Year 2016.

### **DETERMINATION OF SAFETY IMPACT**

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

### **FINANCIAL IMPACT**

Funds are included in the FY15 budget for this action under Project 860228 - Regional Connector Transit Corridor Project in Cost Center 8510 (Construction Project Management), and Account Number 53101 (Acquisition of Building and Structure). Since this is a multi-year project, the Executive Director of Engineering and Construction and the Project Manager will be responsible for budgeting costs in future years.

#### **Impact to Budget**

The sources of funds for the recommended action are Federal 5309 New Starts and Measure R 35% (Cash). 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. No other funds were considered.

## **ALTERNATIVES CONSIDERED**

The Board may decline to approve the recommended action. This is not recommended as it will delay the start of the scheduled Revenue Operations Date of October 2020, and result in significant additional construction costs to the Project.

## **ATTACHMENTS**

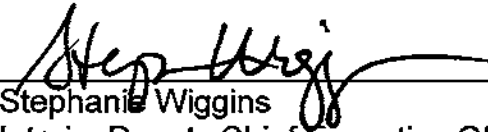
- A. Procurement Summary
- B. Contract Modification Authority (CMA) Summary

Prepared by: Girish Roy, Deputy Executive Officer, Project Manager (213) 893-7119  
Ben Botorabi, Director Project Controls (Consultant), (213) 922-3627



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Bryan Pennington  
Executive Director, Engineering and Construction



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Stephanie Wiggins  
Interim Deputy Chief Executive Officer

## PROCUREMENT SUMMARY

## REGIONAL CONNECTOR TRANSIT CORRIDOR PROJECT / CONTRACT NO. C0980

1.	<b>Contract Number:</b> C0980		
2.	Contractor: REGIONAL CONNECTOR CONSTRUCTORS (RCC)		
3.	Mod. Work Description: Additional Utility Relocation Work		
4.	Contract Work Description: Regional Connector Transit Corridor Project Design Build		
5.	The following data is current as of: March 17, 2015		
6.	Contract Completion Status:		
	<b>Proposals Opened:</b>	4	<b>% Completion \$s:</b> 13%
	<b>Contract Awarded:</b>	05/06/14	<b>% Completion time:</b> 8%
	<b>Notice to Proceed (NTP):</b>	07/07/14	<b>Original Contract Days:</b> 2,430
	<b>Original Complete Date:</b>	03/04/21	<b>Change Order Days:</b> 0
	<b>Current Est. Complete Date:</b>	03/04/21	<b>Suspended Days:</b> 0
	<b>Total Revised Days:</b>		2,430
7.	Financial Status:		
	<b>Contract Award Amount:</b>	\$927,226,995	
	<b>Total of Modifications Approved:</b>	\$35,420,000	
	<b>Pending Modifications (including this action):</b>	\$27,100,000	
	<b>Current Contract Value (with this action):</b>	\$989,746,995	
8.	Contract Administrator: Susan Santoro	<b>Telephone Number:</b> 213-922-4974	
9.	Project Manager: Girish Roy, P.E. Deputy Executive Officer, Project Management	<b>Telephone Number:</b> 213-893-7119	

**A. Contract Action Summary**

This Board Action is to approve the authorization of the CEO to execute Contract Modification No. 10 to relocate conflicting utilities on Flower Street and in the vicinity of the 1st and Central Station construction area in support of the Regional Connector Transit Corridor Project Design Build.

This contract modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a Firm Fixed Price.

On May 6, 2014, Contract No. C0980 was awarded to Regional Connector Constructors (RCC), a Joint Venture between Skanska USA Civil West California District, Inc., and

Traylor Bros. Inc., the responsive and responsible proposer determined to provide Metro with the Best value, in the amount of \$927,226,995 for the final design and construction of the Regional Connector Transit Corridor Project. The period of performance for this contract is 2,430 calendar days.

Attachment B shows all of the modifications issued to date to add and/or delete work, and the proposed modification currently pending authorization.

Refer to Attachment B – shows modifications issued to date to add/delete work, and the proposed modification currently pending authorization.

**B. Cost/Price Analysis**

The price for the contract change will be reviewed and analyzed by Metro staff and determined to be fair and reasonable in accordance with Metro Procurement Policies and Procedures. The negotiation process will include, but not be limited to, clarification, fact-finding, technical analysis, cost analysis and discussions. Metro staff will complete an independent cost estimate prior to initiating negotiations with RCC. The recommended price will be audited by MASD and subject to removal of any unallowable or unallocable costs.

Item No.	Changes	Proposal amount	Metro ICE	Negotiated amount or NTE
1.	Additional Utility Relocation Work	N/A	N/A	\$27,100,000

**C. Small Business Participation**

**DESIGN**

RCC made a 22.63% DBE commitment for Design. At the time of contract award, RCC listed eight (8) DBE subcontractors for Design, and four (4) additional DBE subcontractors have been added to date. Current DBE participation<sup>1</sup> is 15.00%.

<b>DISADVANTAGED BUSINESS ENTERPRISE COMMITMENT</b>	22.63% DBE	<b>DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION</b>	15.00% DBE
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DBE Subcontractors	Ethnicity	Current Participation <sup>1</sup>
1. Abratique & Associates, Inc.	Asian Pacific American	0.74%
2. Anil Verma Associates, Inc.	Sub Asian American	0.52%
3. Armand Consulting, Inc.	Sub Asian American	1.11%

4. D'Leon Consulting Engineers	Hispanic American	0.44%
5. MARRS Services, Inc.	Asian Pacific American	1.48%
6. McLean & Schultz	Hispanic American	2.11%
7. Transmetrics	Hispanic American	0.74%
8. Earth Mechanics (added)	Asian Pacific American	0.89%
9. Electrical Building Systems (added)	Hispanic American	1.49%
10. PacRim Engineering (added)	Asian Pacific American	1.73%
11. V&A (added)	Hispanic American	3.40%
12. Romejan Inc. (added)	African American	0.35%
<b>Total DBE Participation<sup>1</sup></b>		<b>15.00%</b>

<sup>1</sup>Current Participation = Total Actual Amount Paid-to-Date to DBEs + Total Actual Amount Paid-to-date to Prime.

## **CONSTRUCTION**

RCC made an 18.00% DBE commitment for Construction at the time of contract award, listing one known DBE subcontractor and identifying DBE scopes of work. After the start of Construction, fourteen (14) DBE subcontractors have been added to date. RCC is currently achieving 0.11% of their proposed 18% DBE subcontract commitment for Construction. It is expected that DBE commitments will continue to increase as design is completed and construction work is bid out. Based on the total amount paid-to-date to RCC and the total actual amount paid-to-date to subcontractors, current DBE participation is 0.11%. RCC is expected to continue ongoing outreach and good faith efforts to meet their DBE contract commitment.

<b>DISADVANTAGED BUSINESS ENTERPRISE COMMITMENT</b>	18.00% DBE	<b>DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION</b>	0.11% DBE
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<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>Current Participation<sup>1</sup></b>
1. 1. Angele Liu Consulting	Asian Pacific American	0.01%
2. 2. Clean Up America	African American	0.00%
3. Abratique & Associates	Asian Pacific American	0.00%
4. E-NOR Innovations, Inc.	African American	0.01%
5. Invictus Environmental	African American	0.00%
6. The Solis Group	Hispanic American	0.00%
7. Dakota Communications	African American	0.06%
8. G&F Concrete Cutting	Hispanic American	0.00%



9. E.W. Moon	African American	0.01%
10. G&C Equipment Corp.	African American	0.02%
11. Morgner Construction	Hispanic American	0.00%
12. Supreme Wholesale Electric	African American	0.00%
13. G & F Concrete Cutting, Inc.	Hispanic American	0.00%
14. Clean Street Sweeping	Hispanic American	0.00%
<b>Total DBE Participation<sup>1</sup></b>		<b>0.11%</b>

<sup>1</sup>Current

*Participation = Total Actual Amount Paid-to-Date to DBEs ÷ Total Actual Amount Paid-to-date to Prime.*

**D. Project Labor Agreement / Construction Careers Policy (PLA/CCP)**

The Contractor has committed to complying with PLA/CCP requirements for this project. This project is 0.14% complete and the contractor is achieving the 40% Targeted Worker Goal at 66.63%, not achieving the 20% Apprentice Worker Goal at 5.82%, and not achieving the 10% Disadvantaged Worker Goal at 0.00%. However, these attainments toward the PLA/CCP goals are consistent with the contractor's submitted employment hiring plan for this project. Staff will continue to monitor and report the contractor's progress toward meeting the goals of the PLA/CCP.

## CONTRACT MODIFICATION/CHANGE LOG

REGIONAL CONNECTOR TRANSIT CORRIDOR PROJECT DESIGN BUILD  
CONTRACT NO. C0980

Mod. No.	Description	Status	Cost
C001	TIFIA Certification Requirements	Approved	\$0.00
C002	Revision to SP-01 DBE Reporting	Approved	\$0.00
2	Exercise Opt. 3 – 2 <sup>nd</sup> /Hope Upper Level Entrance & Pedestrian Bridge	Approved	\$3,320,000
3	Exercise Option RCC-1 – 2 <sup>nd</sup> /Broadway SEM Cavern	Approved	\$16,000,000
4	Exercise Option No. 10 – Add Open Roof over Alameda Crossover	Approved	\$4,100,000
5	Exercise Option No. 11 Add Ventilation Under Duct 2 <sup>nd</sup> /Broadway Station	Approved	\$2,150,000
6	Exercise Option No. 12 Change Basis of Design to superfast growth/arson fire	Approved	\$8,000,000
7	Exercise Option RCC-2 Add Deep Foundations at 2 <sup>nd</sup> /Broadway Station Ancillary Box	Approved	\$1,250,000
8	Exercise Option RCC-5 – 2 <sup>nd</sup> /Broadway Decking on weekends	Approved	\$100,000
9	Exercise Option RCC-3 Glazing at Portal Canopies	Approved	\$500,000
10	Utility Relocations at Flower St. and 1 <sup>st</sup> / Central Station	Pending	\$27,100,000
11	Rail Car Transporter	Approved	\$991,749
Subtotal – Approved Modifications			\$36,411,749
Subtotal – Pending Changes/Modifications			\$27,100,000
<b>Total Mods and Pending Changes (including this change)</b>			<b>\$63,511,749</b>
Prior CMA Authorized by the Board (including base award & other modifications)			\$92,722,699
Increased CMA for this recommended action			\$0
<b>Remaining CMA for Future Changes</b>			<b>\$59,630,950</b>