



Board Report

File #:2015-1718, **File Type:**Contract

Agenda Number:

**CONSTRUCTION COMMITTEE
FEBRUARY 18, 2016**

SUBJECT: I-5 NORTH CAPACITY ENHANCEMENTS FROM SR-134 TO SR-118 (FUNDING AGREEMENT NO. MOU.P0008355/8501 A/A6)

ACTION: AUTHORIZE CONTRACT MODIFICATION

RECOMMENDATION

Authorize Contract Modification No. 103 (a.k.a. Contract Change Order, CCO 103) by Caltrans for the Segment 3 construction contract of the I-5 North Capacity Enhancements project from SR-134 to SR-118 under the Funding Agreement No. MOU.P0008355/8501 A/A6, in the amount of \$828,720.00 without an increase in the project budget or contract value.

ISSUE

Metro provides partial funding for the I-5 North Capacity Enhancements project from SR-134 to SR-118 through an MOU with the State of California Department of Transportation (Caltrans). Caltrans is currently managing construction of the project. An \$828,720.00 change order for the increased Bid Item No. 79, "Roadway Excavation" (Volatile Organic Compounds, Petroleum Hydrocarbons and Metals) at Empire Avenue.

Contract modifications exceeding \$500,000 require Board authorization per the Staff Delegations of Contract Action Approval and Award Authority memorandum dated February 23, 2010.

DISCUSSION

The I-5 North Capacity Enhancements project is divided into five segments:

Segment 1A :	Widen I-5 for an HOV lane from SR-118 to SR-170. Reconstruct I-5/SR-170 mixed flow connector. Construct soundwalls.
Segment 1B :	Install Changeable Message Sign (CMS) on I-5 Northbound at Los Feliz Blvd.
Segment 2 :	Widen I-5 for an HOV lane from SR-170 to Buena Vista Street.
Segment 3 :	Widen I-5 for an HOV lane from Buena Vista Street to Magnolia Boulevard. Reconstruct Burbank Boulevard and Empire Avenue interchanges.
Segment 4 :	Widen I-5 for an HOV lane from Magnolia Boulevard to SR-134.

This Board report involves only Segment 3 of the I-5 North Projects. The total programmed budget for Segment 3 remains \$402,381,000.00. Construction, including the plant establishment period, is expected to be completed in September 2019. The contract is about 34% complete.

CCO 103 is to reimburse Caltrans for the cost of increasing the quantity of bid item no. 79, "Roadway Excavation" (Volatile Organic Compounds, Petroleum Hydrocarbons and Metals) from the 3,170 CY to 14,680 cubic yards (CY) shown in the contract documents. The bid unit cost of bid item no. 79 is \$72.00 per CY. The total cost of the CCO 103 is \$828,720.00 by increasing the quantity to 11,510 CY (14,680 CY - 3170 CY= 11,510 CY) multiplied by the bid unit cost of \$72.00 per CY.

The new Empire Ave and the Southwestern corner of the new Empire Avenue and Victory Place in this project were determined to be contaminated areas by City of Burbank's Site Investigation Report. The contract requires all excavation material in the area to be hauled off to the approved Hazardous Waste Facilities. The quantity of bid item no. 79 shown in contract documents does not consider the excavation for construction of the storm drain system 67, the shoring systems and landscaping areas behind Retaining Wall 26. In addition, the actual quantities of contaminated soil removal in the field are larger than the estimated quantity of 3170 CY shown on the contract plans. Caltrans' field engineer inspected and kept records of the actual quantities that the contractor hauled off the project site as required by the contract document. Both Caltrans' Design and Construction engineers had met and agreed on the increased quantities for the bid item no.79.

The budgeted contingency for the project is \$39,833,356.00. Authorization of CCO 103 in the amount of \$828,720.00 will allow Caltrans to complete the work at Empire Avenue and Victory Place Separation and prevent project delays. The cost of this CCO is within the overall budget, and will be funded from the current project budget. The remaining contingency after CCO 103 will be \$4,696,643.00.

Considerations

Project Budget Assessment

The cost of the referenced CCO is within the project budget. Metro Highway Program has been working with Caltrans to continuously assess the various risks, and has requested that Caltrans evaluate and maintain the financial status of each segment in the corridor. Based on the current risk assessment and financial analysis, this segment is anticipated to be completed within the current project budget.

DETERMINATION OF SAFETY IMPACT

There is no impact to safety by approving this action.

FINANCIAL IMPACT

Metro's contribution of \$6,300,000 Measure R 20% Highway Fund for FY16 for the I-5 North Capacity Enhancements project - Segment 3 is included in Account 54001 - Subsidies to Others, in cost center 0442, under project number 460334 - I-5 North Capacity Improvements, Segment 3. Local funding is only a portion of the total project programmed funds. The changes identified herein are within the project budget. Since this is a multi-year contract/project, the Managing Executive Officer of Highway Program or designee will be accountable for budgeting the cost in future years for LACMTA's share within the existing project budget.

Impact to Budget

The source of funds for the payment of this CCO is Measure R 20% Highway Funds, which is not eligible for bus or rail operations.

ALTERNATIVES CONSIDERED

The Board may choose not to approve this change order. However, such disapproval would result in stopping the project, delaying the schedule with the project cost increase.

NEXT STEPS

Upon approval of this CCO by the Board, staff will work with Caltrans to expedite the changes to allow the project to move forward.

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