



Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2952

REVISED _____ MTA BOARD MEETING
September 25, 2003

- PROJECT:** SAN FERNANDO VALLEY METRO RAPIDWAY PROJECT - LOS ANGELES DEPARTMENT OF WATER & POWER RECYCLED WATER PIPELINE PROJECT
- CONTRACT:** C0675 DESIGN/BUILD SHIMMICK CONSTRUCTION CO., INC./OBAYASHI CORPORATION, J.V.
- ACTION:** APPROVE \$5,000,000 INITIAL BUDGET AND AUTHORIZE THE ISSUANCE OF A CHANGE ORDER IN THE AMOUNT NOT TO EXCEED \$2,500,000 TO CONTRACT NO. C0675 FOR INITIAL FUNDING OF DESIGN AND CONSTRUCTION OF RECYCLED WATER PIPELINE PROJECT TO BE REIMBURSED BY THE LOS ANGELES DEPARTMENT OF WATER AND POWER

RECOMMENDATION

- A. Approve an initial project budget of \$5.0 million for Project 800116 to be reimbursed by the Los Angeles Department of Water and Power; and
- B. Authorize the Chief Executive Officer to negotiate and execute a change order to Contract No. C0675 Design/Build with Shimmick Construction Co., Inc./Obayashi Corporation, J.V. in an amount not to exceed \$2.5 million for initial funding to design and construct a Recycled Water Pipeline Project within the San Fernando Valley Metro Rapidway Project - to be reimbursed by the Los Angeles Department of Water and Power.

RATIONALE

The LADWP has requested that a proposed Recycled Water Pipeline Project be incorporated within the MTA right-of-way as part of the San Fernando Valley Metro Rapidway (SFVMR) Project. The MTA proposes using the C0675 Design/Build Contractor to implement this scope of work. ~~This~~ These change orders ~~is~~ are for incremental funding for the four-month period, October 1, 2003 to January 31, 2004, for the start of design and initial construction implementation.

On September 16, 2003 the LADWP Board of Commissioners approved payment of up to \$5.0 million to MTA under an existing Master Cooperative

Agreement to provide partial funding for schedule critical portions of the recycled water pipeline. This initial funding is intended to support initial schedule critical design and construction across intersections. Rather than have the C0675 contractor construct the entire pipeline, MTA, LADWP and Los Angeles Department of Transportation (LADOT) are having discussions concerning the possible decoupling of the opening of the busway from the opening of the bikeway/pedestrian path to allow the pipeline to be built beneath the bikeway/pedestrian path. Under this concept the balance of the pipeline and the bike path/pedestrian path could be constructed by LADWP employees, under a separate contract or by the C0675 Contractor if a competitive price can be negotiated. Over the next several months the MTA staff will develop a Life of Project budget, which MTA staff will bring to the MTA Board for adoption no later than January 2004.

On February 27, 2003, the MTA Board adopted a budget of \$329,500,000 for the San Fernando Valley Metro Rapidway Project 800112 and a budget of \$8,100,000 for the adjacent San Fernando Valley Bikeway Project 800114. Neither Project includes any scope or funding for the proposed LADWP Recycled Water Pipeline Project 800116.

The awarded base scope of work for Contract C0675 Design/Build includes irrigated landscaping at stations, park-and-ride facilities and for vines to be planted along sound walls used in selected residential locations. The balance of landscaping in between stations is specified to be low maintenance drought tolerant plants not requiring permanent irrigation. At recent community meetings, various residents have expressed a desire to add permanent irrigation for all landscaped areas. In addition to helping LADWP deliver recycled water to Pierce College and City parks, constructing a recycled water pipeline within the Project right-of-way would facilitate an enhanced permanent irrigation system along the Rapidway using recycled water.

LADWP Water Recycling Group initially requested the MTA to incorporate the Recycled Water Pipeline Project within the SFVMR project and has agreed to reimburse all costs associated with this work. The LADWP Water Recycling Group has developed an initiative, entitled the West Valley Water Recycling Project (recently renamed by LADWP as the South Valley Water Recycling Facilities). This Project seeks to replace potable water supplies used in the irrigation of parks and landscape areas with recycled water. The MTA owned right-of-way for the SFVMR is a convenient location for a recycled water pipeline and minimizes potential construction disruptions to City of Los Angeles streets. Installing a recycled water pipeline beneath the proposed City of Los Angeles Bikeway alignment would expand the options for landscape irrigation. However, such a major enhancement as the recycled water pipeline would constitute a major impact and risk to the Project's base scope, budget and schedule

To minimize potential delay to the SFVMR Project Revenue Operations Date (ROD) of August 2005, MTA staff has prepared contract modifications to the C0675 Contract (to be reimbursed by LADWP) to proceed with critical portions of the recycled water pipeline while the details of the overall project are finalized. MTA staff has issued a contract modification to the C0675 Contractor for utility investigation to gather information for design of the recycled water pipeline crossing for the first group of busway/street intersections located along Chandler Boulevard. Authorization for this limited work is based on an existing Master Cooperative Agreement with LADWP. This limited work is being done to reduce potential design and construction schedule

impacts the recycled water pipeline may have on the C0675 Contractor completing base scope work. The C0675 Contractor is well along in his base scope design (excluding any recycled water pipeline) of the first group of intersections located along Chandler Boulevard.

MTA staff has established Project No. 800116 to provide the mechanism to track costs previously incurred and future costs that will be reimbursed by LADWP. The Recycled Water Pipeline Project funding will not reduce the current contract authorization for modification draw down for Contract No. C0675 Design/Build, which was approved by the Board in February 2003.

FINANCIAL IMPACT

On September 16, 2003 the LADWP Board of Commissioners approved payment of up to \$5.0 million to MTA under an existing Master Cooperative Agreement to provide partial funding for schedule-critical portions of the recycled water pipeline. Funds committed to date have been authorized by letter agreements with LADWP. **The cost of previous contract modifications entered into under staff authority to Contract C0675, Contract C0676 for the Los Angeles River Bridge pipeline segment, Contract PS-4350-0972 for preliminary engineering by STV, other consultants, reviews by other City of Los Angeles departments, and MTA agency costs are included within the \$5.0 million cap.** MTA staff will come back to the MTA Board not later than January 2004 to request a "Life of Project Budget" be established for Project 800116 and to approve a formal amendment to the existing Master Cooperative Agreement between MTA and LADWP to fund this work.

COST RECOVERY

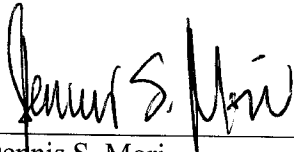
LADWP has agreed to reimburse the MTA for all initial costs incurred for work related to the LADWP Recycled Water Pipeline Project

Potential for Cost Recovery: Yes No N/A

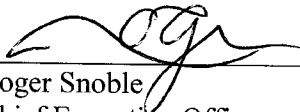
ALTERNATIVES CONSIDERED

The MTA Board may reject the recommendations and not permit the MTA to use the C0675 Contractor to construct the Recycled Water Pipeline Project. However, rejection of these recommendations would prevent LADWP from completing portions of the Recycled Water Pipeline Project that could be installed incrementally to avoid major interference and schedule impacts to the planned Busway Project construction. The Recycled Water Pipeline Project construction would then have to be built in City streets, which would cause a major disruption to City streets and bus operations.

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