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CONSTRUCTION COMMITTEE
SEPTEMBER 17, 2003

Los Angeles County
Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012

213.922.6000

PROJECT: METRO GREEN LINE PROJECT

**CONTRACT: PS-8310-0566, DESIGN VERIFICATION SERVICES
SYSTRA CONSULTING, INC.**

**ACTION: CONTRACT MODIFICATION IN THE AMOUNT NOT
TO EXCEED \$899,620**

RECOMMENDATION

Authorize the Chief Executive Officer to execute Change Order No. 4 to Contract No. PS-8310-0566, with SYSTRA Consulting, Inc. (SYSTRA), to provide design verification services until March 2004, on the Metro Green Line in the amount not-to-exceed \$899,620, increasing the total Contract Value from \$1,483,729 to \$2,383,349.

Within Construction Committee authority: Yes No N/A

RATIONALE

Contract No. PS-8310-0566, is a cost-plus-fixed-fee locally funded contract, to provide design verification services on the Metro Green Line Project. SYSTRA is the design engineer retained by the MTA to review the progress of the Automatic Train Control Contract (H1100) on the Metro Green Line (MGL).

SYSTRA contracted as a prime to MTA in July 1999 during the time period when MTA was phasing out the EMC for these design services. Prior to June 1999 SYSTRA was a sub-consultant to EMC and was performing the same MGL design and design support services. At that time SYSTRA was known as Rail Transportation Systems, Inc. (RTS). As a result of a 1999 merger, RTS became SYSTRA Consulting, Inc. SYSTRA was the original designer of the train control system for the MGL. SYSTRA has also been performing all design support to construction services, including safety certification, for the MGL, except for the RE function.

The MGL opened for Revenue Service in 1995 using temporary train control equipment retrofitted onto METRO Blue Line (MBL) vehicles.

The MGL fleet did not become available for the train control contractor until late 1999 and that fleet started service in 2001 with limited capabilities. The fleet is still operating with limited train control capabilities. The last MGL vehicle was equipped with train control in July 2002. Some of the train to wayside interface work is yet to be completed by the train control contractor, Union Switch & Signal (US&S).

The principal activities that SYSTRA is involved in are the review of submittals (currently there are approximately 100 submittals awaiting review by SYSTRA) and witnessing the testing of base contract work yet to be completed by US&S:

- Making the Train to Wayside Communications fully operational;
- Demonstrating the full functionality of the automated portions of the Central Control Facility;
- Control Line Changes;
- Fine-tuning the carborne Automatic Train Control to provide for more accurate station stopping;
- The reliability Demonstration Test; and
- Documentation of the final safety certification.

SYSTRA's services are essential, as it is the only engineering consultant retained by the MTA to perform the review and verify the Automatic Train Control test results on the Metro Green Line. This change order provides funding for SYSTRA to provide services through March 2004.

After the completion of the work associated with Contract H1100 on the Metro Green Line, future design engineering services will be procured through the use of General Engineering Consultant (GEC).

FINANCIAL IMPACT

The funding of \$899,620 for this action is included in the FY04 budget in Cost Center 8510, Construction Contracts/Procurement under Project 800023, Metro Green Line Project and is within the approved METRO Green Line life of project budget. Since this is a multi-year contract, the cost center manager and Executive Officer will be accountable for budgeting the cost in future years, including any option exercised.

Potential for Cost Recovery: Yes No N/A

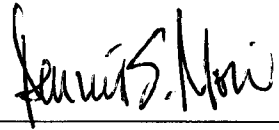
ALTERNATIVES CONSIDERED

The MTA Board may reject the recommendation. However, this alternative is not recommended because the services are essential to review and approval of the final designs for Train-to-Wayside and auto-routing functions required by the H1100 contract. The continuity of effort by the retention of SYSTRA is very important, because of the requirement for specialized technical knowledge and the history of technical decisions on the train control contract. SYSTRA has been involved with the Metro Green Line from the time that the original specifications were prepared. If another consultant were retained to perform this work, there would be a steep learning curve to familiarize others with the work, and such a transition would take additional time.

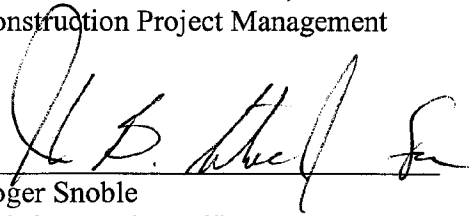
ATTACHMENTS

- A. Procurement Summary
- A-1. Procurement History
- B. Contract Value Summary

Prepared by: Frank Okleson, Project Manager
DonCosta Seawell, Senior Contract Administrator



Dennis S. Mori
Interim Executive Officer,
Construction Project Management



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

1.	Contract Number: PS-8310-0566		
2.	Recommended Vendors: SYSTRA Consulting, Inc.		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$1,193,658	Recommended Price: \$899,620	
	B. Details of Significant Variances: N/A		
4.	Contract Type: Cost-Plus-Fixed-Fee (CPFF)		
5.	Procurement Dates: Not Applicable to Contract Modifications		
	A. Issued: N/A		
	B. Advertised: N/A		
	C. Pre-proposal Conference: N/A		
	D. Proposals Due: N/A		
	E. Pre-Qualification Completed: N/A		
	F. Conflict of Interest Form Submitted to Ethics: N/A		
6.	Small Business Participation:		
	A. Bid Goal: N/A	Date Small Business Evaluation Completed: N/A	
	B. Small Business Commitment: N/A		
7.	Invitation for Bid/Request for Proposal Data: Not Applicable to Contract Modifications		
	Notifications Sent: N/A	Bids/Proposals Picked up: N/A	Bids/Proposals Received: N/A
8.	Evaluation Information:		
	A. Bidders/Proposers Names: See 2 above	Proposal Amount: \$1,193,658	Best and Final Offer Amount: \$899,620
	B. Evaluation Methodology: Cost Analysis		
9.	Protest Information: Not Applicable to Contract Modifications		
	A. Protest Period End Date: N/A		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
10.	Contract Administrator: DonCosta E. Seawell	Telephone Number: 922-1056	
11.	Project Manager: Frank Oklesson	Telephone Number: 922-7253	

BOARD REPORT ATTACHMENT A-1 PROCUREMENT HISTORY

A. BACKGROUND ON CONTRACTOR

SYSTRA Consulting, Inc. has been involved with the train control and systems contracts at the MTA since 1986 when SYSTRA prepared the specifications for the LB-LA MBL train control system. At that time SYSTRA was known as Rail Transportation Systems, Inc. (RTS). As a result of a 1999 merger, RTS became SYSTRA Consulting, Inc. (SYSTRA). SYSTRA also prepared the Contract H1100 specifications for the MGL automatic train control system, and has been involved with the progress of the contract continuously since then. The H1100 contract is currently scheduled for completion in March 2004 and the MTA will require the services of SYSTRA through the completion of the contract. SYSTRA is especially well qualified to perform this work, because they have been involved in the technical discussions, with the contractor that resulted in contract definition. SYSTRA has also successfully worked with the contractor and others within the MTA to ensure that the MTA receives a safe, effective, and efficient operating train control system. The accumulated knowledge on the H1100 contract plus the general knowledge about other train control systems makes it very desirable to retain the services of SYSTRA. SYSTRA has established an excellent working relationship with the H1100 contractor, and any disruption of this on-going effort could needlessly produce adverse technical and financial impacts upon the project.

B. PROCUREMENT BACKGROUND

The contract is a cost-plus-fixed-fee type for professional services. It provided for a provisional indirect cost rate of 125% until actual audited data was available. Following an MASD audit of the actual indirect costs for FY99, SYSTRA challenged the audit findings. In order to avoid a protracted dispute, the parties agreed to resolve the matter by negotiating a fixed indirect rate of 139.5% for the life of the contract.

In order to allow SYSTRA to perform the design review functions for contract H1100 while the discussions of SYSTRA's overhead rate were taking place, the MTA issued two Limited Notices to Proceed (LNTP) each for \$80,000, totaling \$160,000 in LNTP funding. The original Change Notice, negotiated for a total value of \$955,745, included a small amount for METRO Blue Line (MBL) work. Subsequently, Project Management determined that the MBL work would be excluded and procured from other sources. This resulted in renegotiating the reduced scope at \$899,620.

The Diversity and Economic Opportunity Department did not recommend a goal for this procurement, due to the highly technical nature of the effort and the limited opportunity for subcontracting.

C. EVALUATION OF PROPOSAL

The MTA Project Office, Office of Procurement and County Counsel have reviewed the facts underlying each change notice and concur that they have been merited under the terms and

conditions of the Contract and Public Utilities Code §130243. The Management Audit Services Department completed the required audit of the changes and took no exception to the proposed costs.

D. COST/PRICE ANALYSIS EXPLANATION OF VARIANCES

PROPOSED AMOUNT	TECHNICAL ESTIMATE	NEGOTIATED AMOUNT
\$ 1,193,658	\$ 1,222,555	\$ 899,620

The final negotiated amount has been determined to be fair and reasonable, based upon compliance with all requirements of MTA Procurement, including fact-finding, clarifications, cost analysis, legal and pre-award audit.

ATTACHMENT B
CONTRACT VALUE STATUS SUMMARY
 METRO BLUE LINE/GREEN LINE PROJECTS
 CHANGE ORDER 0566-CO-4.00

Only shows cost allocated to R23 and 201

CONTRACTOR: SYSTRA CONSULTING, INC. / DESIGN VERIFICATION SERVICES
ACTION DESCRIPTION: CHANGE ORDER NO. 4 TO CONTRACT NO. PS-8310-0566 - CONTINUE DESIGN ENGINEERING SERVICES ON THE METRO GREEN LINE

CUMULATIVE CONTRACT WORK ORDER VALUE STATUS

1. CUMULATIVE AWARD AMOUNT: [1]	\$1,311,033.00	
2. PREVIOUSLY EXECUTED CHANGES:	\$172,696.00	
3. CURRENT VALUE: (1+2)	\$1,483,729.00	
4. AUTHORIZED WAC/NLTP'S (NTE):	\$0.00	
5. OBLIGATED VALUE: (3+4)	\$1,483,729.00	
6. VALUE OF THIS ACTION:	\$899,620.00	
7. NEW VALUE (IF APPROVED): (5+6)	\$2,383,349.00	

(Includes \$0.00 in Planned Scope Amendments)

Contract Work Order Value Status Reviewed by MTA Procurement:

CUMULATIVE CONTRACT CONTINGENCY STATUS

8. MTA APPROVED CONTRACT CONTINGENCY:	\$0.00		
9. NEW VALUE: (Line 7)	\$2,383,349.00		
10. REMAINING CONTINGENCY: (8-9)	(\$2,383,349.00)	For this action	
11. OTHER PENDING CHANGES (merited)	\$0.00		
12. REMAINING CONTINGENCY VALUE (w/Changes: 10-11)	(\$2,383,349.00)	For all merited changes (projected cost)	
13. ALLOWANCE FOR OTHER POTENTIAL CHANGES:	\$0.00		
14. REMAINING CONTINGENCY VALUE (w/Allowance: 12-13)	(\$2,383,349.00)	For all merited and undefined changes	

CONTINGENCY INCREASE REQUIRED/REQUESTED:

CUMULATIVE BUDGET STATUS

15. INITIAL BUDGET:	\$0.00	
16. CURRENT BUDGET:	\$2,500,000.00	Initial to Current Budget
17. NEW VALUE (IF APPROVED): (Line 7)	(\$2,383,349.00)	
18. REMAINING BUDGET: (16-17)	\$116,651.00	
19. OTHER PENDING CHANGES (merited) (Line 11)	\$0.00	
20. REMAINING BUDGET w/Changes (18-19)	\$116,651.00	

BUDGET VARIANCE (Initial to Current)

Contract Budget Status Reviewed by MTA Program Control:

DATE:

[1] - Award Amount includes initial award and Planned Scope Amendments