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31

CONSTRUCTION COMMITTEE
MAY 19, 2005

PROJECT: METRO GOLD LINE EASTSIDE EXTENSION PROJECT (800088)

CONTRACT: MC067, CONSTRUCTION MANAGEMENT SUPPORT SERVICES CONSULTANT, CARTER & BURGESS, INC.

ACTION: AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE CHANGE ORDER NO. 1 FOR CONTINUATION OF CONSTRUCTION MANAGEMENT SUPPORT SERVICES IN THE AMOUNT OF \$6,146,503

RECOMMENDATION

- A. Authorize the Chief Executive Officer to execute Change Order No. 1 to Contract No. MC067 with Carter & Burgess, Inc., Contract Work Order No. 4, for continuation of Construction Management Support Services (CMSS) for the Metro Gold Line Eastside Extension Project in the amount of \$6,146,503, increasing the Total Contract Value from \$7,828,773 to \$13,975,276; and
- B. Authorize the Chief Executive Officer to execute contract modifications to Contract No. MC067, Contract Work Order No. 4, for the Metro Gold Line Eastside Extension in the amount not-to-exceed \$614,650.

Within Construction Committee authority: Yes No N/A

RATIONALE

On May 22, 2003, the Board of Directors authorized the Chief Executive Officer to negotiate and execute Contract No. MC067, with Carter & Burgess, Inc., for CMSS for the San Fernando Valley Metro Rapidway, Metro Gold Line Eastside Extension and other major capital projects as required. The contract was executed on September 15, 2003. In November 2003, the Board of Directors authorized initial funding for the 2004 calendar year for the CMSS to begin support of the Metro Gold Line Eastside Extension Project. The level of support for the 2004 calendar year was predicated on awarding the major construction

contract, C0803 Tunneling, Stations, Trackwork and Systems, in February of the same year. The C0803 contract was awarded in June 2004 due to the delay in receiving an approved Full Funding Grant Agreement (FFGA). Because of the delay, the period of performance was extended through June 2005 using the previously authorized funding. It is anticipated that the current authorized amount will be depleted in June 2005.

Although CMSS is required throughout the entire construction period, the support effort will be negotiated with Carter & Burgess, Inc., on a fiscal year-to-year basis. This will allow the LACMTA to better define discrete elements of work, negotiate and control consultant support services, as needed each fiscal year for the life of the project. This approach will result in more accurate budgeting for each fiscal year.

The construction phase of the Project is being managed by using an Integrated Project Management Office (IPMO) structure, which requires certain construction management support functions to be performed by the CMSS consultant under LACMTA's direction. The use of the CMSS consultant allows the flexibility in augmenting LACMTA staff to meet the dynamic needs of construction, including multiple shifts, nighttime work and anticipated (but unplanned) contractor work schedules. The location of LACMTA and the CMSS staff is in the Project field offices in order to function in a manner that ensures safe, efficient, effective and community responsive day-to-day management during construction of the Metro Gold Line Eastside Extension Project.

IMPACTS TO OTHER CONTRACTS

The CMSS contract is required to assist the LACMTA in providing construction management support services for the C0803 Tunnel, Stations, Trackwork and Systems contract.

FINANCIAL IMPACT

The funding for this action is included in the proposed FY06 budget in Cost Center 8510 (Construction Contracts/Procurement) under Project 800088 (Metro Gold Line Eastside Extension), Line Item No. 50316 (Professional & Technical Services). Since this is a multi-year contract, the cost center manager and Chief Capital Management Officer will be accountable for budgeting the cost in future years, including any option exercised.

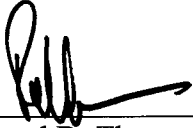
ALTERNATIVES CONSIDERED

The Board of Directors may reject the recommendation. Rejection will require the hiring of additional LACMTA staff to fill the required construction management positions. The time required for the recruitment and hiring process will not support the immediate staffing needs, since the Project is under construction. This would cause a void in construction management staffing support for a period of time, creating insufficient oversight and the potential for delays and additional costs to the project.

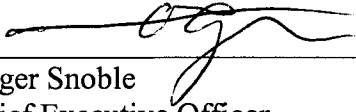
ATTACHMENTS

- A. Procurement Summary
- A-1. Procurement History
- A-2. List of Subcontractors

Prepared By: Rick Wilson, Project Control Manager
Dennis S. Mori, Executive Officer, Project Director



Richard D. Thorpe
Chief Capital Management Officer



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
 PROCUREMENT SUMMARY
 METRO GOLD LINE EASTSIDE EXTENSION PROJECT
 CWO 4 CONSTRUCTION MANAGEMENT SUPPORT SERVICES**

1.	Contract Number: MC067, CWO-4, CHANGE ORDER NO. 1		
2.	Recommended Vendors: Carter & Burgess Inc.		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$7,417,628	Recommended Price: \$6,146,503	
	B. Details of Significant Variances: TBD		
4.	Contract Type: Labor Hour		
5.	Procurement Dates: Not Applicable To Change Orders		
	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: YES		
6.	Small Business Participation:		
	A. Bid Goal: 30%	Date Small Business Evaluation Completed: N/A	
	B. Small Business Commitment: 30%		
7.	Invitation for Bid/Request for Proposal Data: Not Applicable to Change Orders issued to an existing Contract		
	Notifications Sent: N/A	Bids/Proposals Picked up: N/A	Bids/Proposals Received: N/A
8.	Evaluation Information:		
	A. Bidders/Proposers Names: Carter & Burgess Inc.	<u>Proposal Amount:</u> \$ 7,417,628	Best and Final Offer Amount: N/A
	B. Evaluation Methodology: Cost Analysis		
9.	Protest Information:		
	A. Protest Period End Date: N/A		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
10.	Contract Administrator: John K. Doidge	Telephone Number: 922-1034	
11.	Project Manager: Eli Choueiry	Telephone Number: 922-4982	

BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY
ACTION

BACKGROUND ON CONTRACTOR

Carter & Burgess Inc. was established in 1939 as a two-man partnership providing civil engineering and landscape architecture services, and has since grown into a full-service, multi-discipline-consulting firm with more than 2,500 employees in major metropolitan areas across the nation. Carter & Burgess has extensive experience providing engineering and management service under alternative delivery methods as well as traditional methods in the transportation arena. Carter & Burgess has served as members of design-build teams as well as owner's representatives for program/construction management oversight of the general contractor's work. Carter & Burgess Inc., is located at 15821 Ventura Blvd., Suite 625, Encino, CA 91436, to provide Construction Management Support Services for the San Fernando Valley Metro Rapidway, Metro Gold Line Eastside Extension, and other major capital projects, as required.

PROCUREMENT BACKGROUND

The solicitation for the baseline Contract was a qualification-based procurement. This method is based on each of the responding firms qualifications being evaluated, and the most qualified firm selected, followed by a cost proposal.

On May 22, 2003, the Metro Board authorized the Chief Executive Officer to negotiate and execute Contract No. MC067 with Carter & Burgess Inc., to provide Construction Management Support Services for the San Fernando Valley Metro Rapidway, Metro Gold Line Eastside Extension and other major capital projects, as required; and upon successful completion of negotiations to execute Contract Work Order (CWO) 1 for an amount not to exceed four million (\$4.0M) for the San Fernando Valley Bus Rapid Transit Project.

Negotiations for the baseline Contract and Contract Work Order (CWO) 1 were completed August 25, 2003. On September 3, 2003, the labor hour contract, Contract No. MC067, was awarded for a Construction Management Support Services Consultant, to Carter & Burgess, Inc. and Contract Work Order (CWO) No. 1 was issued for an amount not to exceed three million, nine hundred eighty nine thousand, one hundred twenty five dollars (\$3,989,125).

On September 24, 2003, the Chief Executive Officer authorized staff to execute Contract Work Order (CWO) No. 3 for an amount not to exceed twenty six thousand, five hundred ninety eight dollars (\$26,598.00) to provide lessons learned from the Pasadena Gold Line in relations to preparation of statements of work, performance specifications, scope drawings and contract terms and conditions to the Metro Gold Line Eastside Extension Project Contract Nos. (C0801 and C0803).

**BOARD REPORT ATTACHMENT A-2
LIST OF SUBCONTRACTORS**

PRIME CONTRACTOR – CARTER & BURGESS INC.

SMALL BUSINESS SUBCONTRACTORS

1. Cabrinha Hearn & Associates
2. E.W. Moon, Inc.
3. Frank Cardenas & Associates
4. J.L. Patterson
5. Safework

OTHER SUBCONTRACTORS

- | | |
|----------------------------------|-----------------------|
| 1. Booz Allen Hamilton | 2. DMJM Harris |
| 3. Gateway Science & Engineering | 4. Jacobs Associates |
| 5. Kellogg Brown Root | 6. LKG-CMC, Inc. |
| 7. Ninyo & Moore | 8. Lenax Construction |

SMALL BUSINESS PARTICIPATION (MC067)

For this Contract Work Order (CWO) contract, Carter & Burgess committed to a DBE participation goal of 29%. The Contract was awarded on September 2, 2003 and is approximately 40% complete. Current DBE attainment¹ based the relevant contract amount² is 5.69%. Current DBE participation³ based on total actual amount paid-to-date to the Contractor and total actual amount paid-to-date to DBEs is 16.32%. The Diversity & Economic Opportunity Department (DEOD) will evaluate CWO-4, Change Order No. 1 for DBE responsiveness.

Original Award Amount (CWO 1)	\$ 3,989,125
Relevant Contract Amount²	\$ 7,981,164
Total Actual Amount Paid to Date to Prime	\$ 2,782,726

Small Business Participation:

* These DBE firms have been added by Carter & Burgess for additional DBE attainment.

Total Commitment	% Complete	Total Current Attainment	Total Current Participation	Compliance Status
29%	40%	5.69%	16.32%	PERFORMING

Subcontractor Name	% Commitment	% Current Attainment	% Current Participation
CABRINHA, HEARN & ASSOCIATES	5.40%	0.71%	2.04%
E.W. MOON	9.20%	0.00%	0.00%
J.L. PATTERSON & ASSOCIATES	11.20%	4.81%	13.8%
LKG-CMC, INC	2.80%	0.09%	0.27%
SAFEWAY, INC.	3.91%	0.00%	0.00%
FRANK CARDENAS & ASSOCIATES *	0.00%	0.00%	0.00%
LENAX CONSTRUCTION *	0.00%	0.07%	0.21%
TOTAL	29.0%	5.69%	16.32%

¹Current Attainment = Total Actual Amount Paid-to-Date to DBE Subs ÷ Total Current Contract Amount

²Relevant Contract Amount = Original Contract Value + Contract Cost Modifications

³Current Participation = Total Actual Amount Paid-to-Date to DBE Subs ÷ Total Actual Amount Paid-to-Date to

On September 25, 2003, the Metro Board authorized the Chief Executive Officer to negotiate and execute Contract Work Order (CWO) No. 2 to provide Construction Management Support Services for the San Fernando Valley Bus Rapid Transit Project – to be reimbursed by the Los Angeles Department of Water and Power (LADWP), for a Recycled Waterline Project, which was negotiated in an amount not to exceed \$239,158.

On December 04, 2003 the Metro Board authorized the Chief Executive to negotiate and execute Contract Work Order (CWO) No. 4 to provide Construction Management Support Services for the Metro Gold Line Eastside Extension Project, which was negotiated in an amount not to exceed \$3,726,283 for the period June 24, 2005 through June 30, 2005.

This action is to provide Construction Management Support Services for the Metro Gold Line Eastside Extension for the period beginning July 1, 2005 through June 30, 2006.

EVALUATION OF PROPOSAL

Contract No. MC067 is a labor hour contract utilizing negotiated fully burdened fixed labor rates for each calendar year that include overhead and fee. Overhead rates, escalation and fee have been negotiated for the entire six (6) year period of the contract. Base labor rates for newly assigned personnel are reviewed to ensure actual labor rates are utilized in determining new fully burdened fixed labor rates.

COST PRICE ANALYSIS

Negotiations were based upon cost analysis, fact-finding, MASD audit report, technical review, independent cost estimate, use of negotiated all up labor rates including overheads and fee included in the Basic Contract, and negotiations.