

**Metro**Los Angeles County
Metropolitan Transportation AuthorityOne Gateway Plaza
Los Angeles, CA 90012-2952213.922.2000 T
metro.net**OPERATIONS COMMITTEE
NOVEMBER 16, 2006****SUBJECT: PASADENA GOLD LINE (PGL) TRACTION POWER SUB-STATIONS****CONTRACT: CO748, PGL TRACTION POWER SUBSTATION****ACTION: APPROVE CONTRACT MODIFICATION AUTHORITY IN THE AMOUNT
OF \$600,000****RECOMMENDATION**

Approve Contract Modification Authority (CMA) to Contract No. C0748, PGL Traction Power Substation (TPSS) with Balfour Beatty Rail, to provide funding for pending changes that are within the Board-delegated authority in the amount of \$600,000.

RATIONALE

In May 2004, the Board approved the PGL Traction Power Sub-Stations life-of-project budget of \$8,701,000 as part of the FY05 budget process. Four ancillary substations were purchased from the Pasadena Blue Line Construction Authority through the betterment process. The ancillary substations will allow the Metro Gold Line traction power system to operate three-car consists with ten-minute headways.

Subsequently, a design/build installation contract (CO748) for two ancillary substations was awarded to the contractor, Balfour Beatty Rail Systems, on February 10, 2006 in the amount of \$2,332,344 and the Notice to Proceed with a 270-calendar days completion date was issued on February 22, 2006.

Since award of the installation contract, the agency has received unanticipated improvement requests from the City of Pasadena for the Michigan Avenue/Corson Street TPSS (Corson Site) and the City of South Pasadena for the Fair View Street TPSS (Fair View Site). These requests were received during the process of obtaining the projects' necessary construction permits.

The City of Pasadena has requested that Metro construct a façade, around the substation similar in appearance to residential buildings located in the neighborhood. The estimated construction and design cost of the façade is \$250,000.

The City of South Pasadena has requested additional landscaping, including the preservation of an existing wall. The estimated cost of the additional landscaping is \$50,000.

Currently both cities have delayed the approval of construction permits pending the inclusion of their requested improvements in the project design. The total cost of requested improvements from both cities is estimated at \$300,000. Project staff anticipates that an additional \$300,000 will be needed for unexpected problems such as increase in construction materials cost, delay claim from the contractor due to the delay of construction permits from cities and unforeseen events to comply with safety and operating requirements. Therefore, staff estimates a total of \$600,000 in CMA will be needed to complete the project. CMA is necessary to ensure that timely issuance of contract changes that arise due to the unexpected requirement from cities and unforeseen problems, which could occur during the life of project.

IMPACTS TO OTHER CONTRACTS

There are no impacts to other contracts.

FINANCIAL IMPACT

The funds for this contract action are available within the FY07 budget in Cost Center No. 3960 for CP #205034 PGL New Traction Power Sub-Stations. The life of project (LOP) budget adopted by the Board in May 2004 is \$8,701,000. The additional improvements imposed by the Cities of Pasadena and South Pasadena represent added scope to the original project and the costs for these improvements may potentially cause an LOP budget increase. Staff is monitoring this project closely and is working to mitigate ongoing expenses to avoid an LOP increase. If the added scope results in unexpected cost increases staff will seek Board approval for an LOP increase at a later date.

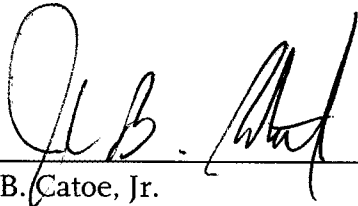
ALTERNATIVES CONSIDERED

The Board may choose not to authorize the requested CMA of \$600,000 for CP 205034 New PGL Traction Power Sub-Stations Project. However, this is not recommended because there could be potential changes required due to unforeseen events or to comply with safety and operating requirements that would require an immediate issuance of a change to avoid the cost of delaying the contractor or potential project cancellation if the construction permits are not approved.

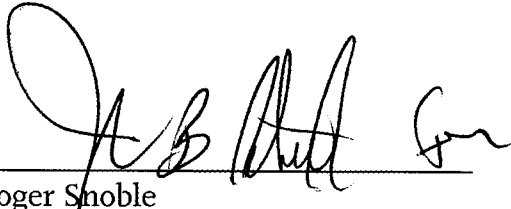
ATTACHMENTS

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

Prepared by: Kelvin Zan, Project Manager
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Gerald C. Francis, General Manager, Metro Rail Operations



John B. Catoe, Jr.
Deputy Chief Executive Officer



Roger Snoble
Chief Executive Officer

**ATTACHMENT A
PROCUREMENT SUMMARY**

**CONTRACT NO. C0748
PGL TRACTION POWER SUB-STATION**

1.	Contract Number: C0748		
2.	Recommended Vendor: Balfour Beatty Rail Systems		
3.	Cost/Price Analysis Information:		
	Bid/Proposed Price: \$2,332,344	Recommended Price: \$2,332,344	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed (Design/Build)		
5.	Procurement Dates:		
	A. Issued 8/5/05:		
	B. Advertised: 8/10/05		
	C. Pre-proposal Conference: 8/31/05		
	D. Proposals Due: 10/13/05		
	E. Pre-Qualification Completed: 12/14/05		
	F. Conflict of Interest Form Submitted to Ethics: 1/22/05		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: 10% Construction	Date Small Business Evaluation Completed: 1/22/06	
	B. Small Business Commitment: 12.02% Details are in Attachment A-2		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: Include no. sent	Bids/Proposals Picked up: 13	Bids/Proposals Received: 2
8.	Evaluation Information:		
	A. Bidders/Proposers Names: Balfour Beatty Rail Systems Steiny & Company, Inc.	Bid/Proposal Amount: \$2,332,344 \$3,087,247	Best and Final Offer Amount: N/A Lowest Bid
	B. Evaluation Methodology: Two-Step technically acceptable lowest price Details are in Attachment A-1.C		
9.	Protest Information: NONE		
	A. Protest Period End Date: NONE		
	B. Protest Receipt Date: NONE		
	C. Disposition of Protest Date: NONE		
10.	Contract Administrator: Roger Mays	Telephone Number: 213-922-7215	
11.	Project Manager: Kelvin Zan	Telephone Number: 213-922-3231	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY**

**CONTRACT NO. C0784
PGL TRACTION POWER SUB-STATION**

A. Background on Contractor

Balfour Beatty Rail Systems, Inc. (BBR) is headquartered in London, England and is comprised of groups of companies that possess the design, engineering, construction, equipping, maintenance, management, and renewal of rail assets and systems. The group servicing Metro is located at 4390 Imeson Road Jacksonville, Fl. The organization has grown substantially in recent years with acquisitions in the US and Germany. In 2003 annual sales were approximately \$6.5 billion and the company employs over 28,500 people. Balfour Beatty Rail has provided 100 years of service to the rail industry around the world.

BBR has managed two projects for Metro with the first being the Pasadena Gold Line Midway Yard Storage Track Extension, Contract No. C0743. All work was completed in accordance with the contract. The second project is the Gold Line Extension, Contract No. C0801. The project is under construction and is expected to be completed in 2008.

Other major contracts with other transit/government or private companies include the Baltimore Mass Transit Administration Central Light Rail Transit System Extensions, Connecticut Department of Transportation New Haven Station, and New York City Transit/Metro North Railroad Highbridge yard Upgrade and Improvements.

B. Procurement Background

In accordance with Public Utilities Code 130242 (e) and the authority delegated to the Chief Executive Officer by the Board, Metro approved and awarded a firm fixed priced contract, Contract No. C0748, Pasadena Gold Line (PGL) Traction Power Substations, to Balfour Beatty Rail Systems, Inc., the lowest responsive and responsible bidder, to provide the installation design, construction work and testing services for two Traction Power Substations, for a total contract amount of \$2,332,344.

In accordance with Public Utilities Code 130242, sealed bidding requirements, a firm fixed price contract was selected because the construction work requirements were clearly defined and two or more bidders are able to provide the services. Two bids were received and publicly opened on December 13, 2005. Bids were received from Balfour Beatty Rail Systems, Inc. (\$2,332,344 and Steiny and Company (\$3,087,247). Metro Engineering estimate was \$2,231,272.

C. Evaluation of Proposals

A two-step design/build procurement process was used for this requirement because it allows Metro an opportunity to evaluate each potential proposer/bidder's work experience and to accept only qualified candidate to participate. Additionally, it prevents the

contractors from investing time and money in developing a bid, purchasing a bid bond and other related bidding cost only to be rejected.

D. Cost/Price Analysis Explanation of Variances

The recommended price \$2,332,344 has been determined to be fair and reasonable based upon price analysis and adequate competition. The price variance reflects of a .05% percent positive variance from the Metro estimate of \$2,231,272. Metro Estimating explained the variance as possible differing construction approaches.

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

**CONTRACT NO. C0784
PGL TRACTION POWER SUB-STATION**

Balfour Beatty Rail Systems, Inc. (BBR)

Small Business Commitment Subcontractors

B & C Transit Consultants	7.72%
Integrity Wire & Cable	3.39%
ACE Fence Company	0.91%
Total Commitment	12.02%

