

**CONSTRUCTION COMMITTEE
JULY 20, 2006**

PROJECT: CANOGA STATION/PARK-AND-RIDE PROJECT

CONTRACT: C0739, CANOGA STATION/PARK AND RIDE, SULLY-MILLER CONTRACTING COMPANY

ACTION: APPROVE CONTRACT MODIFICATION AUTHORITY IN THE AMOUNT OF \$600,000

RECOMMENDATION

Approve Contract Modification Authority (CMA) to Contract No. C0739, Canoga Station/Park and Ride, with Sulley-Miller Contracting Company to provide funding for pending changes that are within the Board-delegated authority, in the amount of \$600,000.

Within Construction Committee authority: Yes No N/A

RATIONALE

Contract No. C0739 is a fixed price, locally funded procurement, for the Canoga Station/Park and Ride. The scope of work consists of construction of approximately one-third mile extension of the busway, bicycle/pedestrian path and landscaping; a new full-featured station; and the development of new surface park and ride spaces, including Parking Lots A and B.

On January 30, 2006, Contract No. C0739, Canoga Station/Park-and-Ride, was awarded to Sully-Miller Contracting Company in the amount of \$13,732,500 by the Chief Executive Officer pursuant to Public Utilities Code 130051.9 (c). The Notice to Proceed was issued on February 21, 2006, with a 260-calendar day completion date which equates to November 8, 2006.

In June 2006, the Board of Directors authorized the Chief Executive Officer to execute Contract Modification No. 1.00 for the deletion of Parking Lot B with a credit amount of \$1,190,000, decreasing the Total Contract Price from \$13, 732,500 to \$12,542,500.

As of July 13, 2006, the total amount of executed contract modifications and authorized contract change orders is \$90,100 (excluding credit Contract Modification No. 1.00). Since the award of Contract No. C0739, staff has relied on the \$100,000 Contract Modification

Authority (CMA) over the life of the contract, authorized in the Board approved Procurement Policy on Delegation of Contracting Authority. Consistent with current Cost Management Procedures, staff is now requesting that the Board approve CMA for Contract No. C0739. Standard practice on major capital projects has been to request 10% of the contract value but since this Project is approximately 40% complete, the request of \$600,000 represents less than 5% of the current contract value.

Contract Modification Authority is necessary to ensure that the timely issuance of contract changes that arise due to unforeseen events, requests by Metro Operations, or safety issues without delaying the Contractor. Otherwise, the C0739 Contractor may be required to shut down work and likely would submit a delay claim.

IMPACTS TO OTHER CONTRACTS

No impact to other contracts.

FINANCIAL IMPACT

Original Contract Award	\$13,732,500
Current Cumulative Contract Value	<u>\$12,542,500</u>
This action	\$ 0
New Cumulative Contract Value	\$12,542,500

The funds for this contract action are available within the FY07 Capital Budget of \$11,987,000 and within budget Cost Center No. 8510 for Project 800117 Canoga Station/Park and Ride Project. The life of project budget for Project 800117 adopted by the Board in March 2005 is \$26,000,000. This recommendation is within the current life of project budget. Since this is a multi-year project, the project manager will be responsible for budgeting the project costs in future years consistent with the Board adopted total project budget. Funding sources for Project 800117 are Proposition C 10% Bonds/Cash and City of Los Angeles.

COST RECOVERY

Potential for Cost Recovery: Yes No N/A

ALTERNATIVES CONSIDERED

The Board may reject this recommendation. However, staff is not recommending this action, as there could potentially be a change required due to unforeseen events or to comply with safety or operating requirements that would require an immediate issuance of a change to avoid the costs of delaying the contractor.

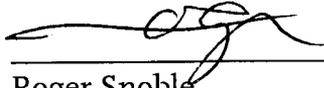
ATTACHMENTS

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

Prepared By: Roger F. Dames, Deputy Executive Officer, Project Manager



Richard D. Thorpe
Chief Capital Management Officer
Construction Project Management



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

1.	Contract Number: C0739		
2.	Recommended Vendors: SULLY-MILLER		
3.	Cost/Price Analysis Information: N/A		
	A. Bid/Proposed Price: N/A	Recommended Negotiated Price: N/A	
	B. Details of Significant Variances: N/A		
4.	Contract Type: FIXED PRICE		
5.	Procurement Dates:		
	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: 04/26/06		
6.	Small Business Participation:		
	A. Bid Goal: 20%MBE	Date Small Business Evaluation Completed: Prime's commitment is a voluntary Anticipated Level of Participation (VALP)	
	B. Small Business Commitment: 4.09% MBE		
4.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: N/A	Bids/Proposals Picked up: N/A	Bids/Proposals Received: N/A
5.	Evaluation Information:		
	A. Bidders/Proposers Names: N/A	<u>Bid/Proposal Amount:</u> N/A	<u>Best and Final Offer Amount:</u> N/A
	B. Evaluation Methodology: N/A		
6.	Protest Information: N/A		
	A. Protest Period End Date: N/A		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
7.	Contract Administrator: Valerie Dean	Telephone Number: 922-1032	
8.	Project Manager: Hitesh Patel	Telephone Number: 922-7212	

BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY
ACTION

BACKGROUND ON CONTRACTOR(S)

Sully-Miller Contracting Company was founded in 1923 and is generally recognized as one of the most successful paving contractors in Southern California. Sully-Miller completes an average of \$100 million in projects of varying size each year. Sully-Miller is a fully integrated company, producing their own asphalt material, with crews specializing in asphalt lay-down, concrete site work and underground utility installation. By keeping this work-in house, Sully-Miller is better able to control the project and deliver an on-time, quality job.

The corporate management team has extensive background in all aspects of the industry. Sully Miller has a vast pool of skilled labor to draw from, enabling them to respond to the demand of numerous concurrent projects. Their equipment division maintains a large fleet of company-owned equipment which provides the ability to support construction projects as needed.

PROCUREMENT BACKGROUND

January 24, 2006 in accordance with Public Utilities Code 130051.9 (c) CEO awarded contract C0739 to Sully-Miller Contracting Company for the amount of \$13,732,500. The CEO at the time of award also authorized staff to remove Parking Lot B.

June 22, 2006, the Metro Board of Directors authorized the Chief Executive Officer to execute Contract Modification 1.00 for the deletion of Parking Lot B in the credit amount of \$1,190,000 decreasing the Total Contract Price from \$13,732,500 to \$12,542,500.

BOARD REPORT ATTACHMENT A-2

LIST OF SUBCONTRACTORS

CONTRACT NO. C0739

PRIME CONTRACTOR

Sully-Miller-

SMALL BUSINESS SUBCONTRACTORS

Ace Fencing

Covarrubias Brothers

Sudhakar Company

OTHER SUBCONTRACTORS

Pias-Tal Manufacturing

Candelaria Environmental

Imperial Industrial

Kato Landscape

Mike Payne & Associates

Steiny & Company

Sullivan Concrete Textures

The Culver Group Inc

SMALL BUSINESS PARTICIPATION

Not Applicable

