



Metro

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**CONSTRUCTION COMMITTEE
NOVEMBER 15, 2007**

**SUBJECT: METRO GOLD LINE EASTSIDE EXTENSION
CONTRACT CO803 – EASTSIDE LRT CONSTRUCTORS
LOS ANGELES RIVER 1ST STREET BRIDGE CONSTRUCTION
MITIGATION IMPACT/DELAY COSTS**

**ACTION: AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE
AND EXECUTE CONTRACT MODIFICATION NO. 132 IN AN
AMOUNT NOT TO EXCEED \$ 2,501,747 TO MITIGATE
CONSTRUCTION IMPACTS AND DELAYS ON THE
LOS ANGELES RIVER 1ST STREET BRIDGE**

RECOMMENDATION

Authorize the Chief Executive Officer to negotiate and execute Contract Modification No. 132 with Eastside LRT Constructors to mitigate construction impacts and delays on the Los Angeles River 1st Street Bridge, in an amount Not-To-Exceed \$2,501,747, increasing the total contract value from \$623,166,293 to \$625,688,040.

RATIONALE

Metro’s CO803 Design-Build Contractor is on-schedule to begin construction of the track guideway, trackwork and overhead catenary system on the Los Angeles River 1st Street Bridge that was to be widened by the City of Los Angeles by October 2007. The City of Los Angeles is behind schedule which requires Metro’s contractor to mitigate the construction and traffic impacts caused by the delay in widening the Los Angeles River 1st Street Bridge which creates work restrictions and inefficiencies that would not have occurred if the City had completed the bridge widening on-time.

BACKGROUND

In February 2002, the Metro Board approved the Locally Preferred Alignment for the Metro Gold Line Eastside Extension that is a six-mile Light Rail Transit (LRT) alignment that includes two underground stations and six at-grade stations. The alignment extends as a direct connection from the Pasadena Gold Line at Union Station: through the Little Tokyo/ Arts District, Boyle Heights to the terminus at Pomona/Atlantic in East Los Angeles. The alignment crosses over the Los Angeles River 1st Street Bridge that is being widened by the City of Los Angeles.

The CO803 Contract was awarded in June 2004 and the original scope of work was based on the understanding the City of Los Angeles would complete the widening of the Los Angeles River 1st Street Bridge to allow the CO803 Contractor to gain access to construct the track guideway and install trackwork, catenary poles and the overhead catenary system by October 2007. The CO803 Contractor is on-schedule. However, the City of Los Angeles has not begun the bridge widening which will require Metro's CO803 Contractor to mitigate construction and traffic impacts until the City of Los Angeles completes the widening of the Los Angeles River 1st Street Bridge. The current estimate by the City of Los Angeles to complete the widening is November 2009.

Metro has received a cost and schedule proposal from the CO803 Contractor in the amount of \$2,501,747 that is divided into various phases. The first phase which covers the work that is currently underway is approximately \$ 798,735 and has been initiated under Board-Delegated Authority. The remaining phases and impacts are based on estimates due to the uncertainty of when the City of Los Angeles will start construction and complete the widening of the Los Angeles River 1st Street Bridge. Staff is requesting authorization to allow the Chief Executive Officer to negotiate and execute a contract modification to ensure that the construction and traffic impacts are mitigated as the work on the subsequent phases proceed, so that the CO803 Design-Build Contractor will not have to halt construction and cause an overall delay and additional costs to the Metro Gold Line Eastside Extension Project.

FINANCIAL IMPACT

The funding for this action is included in the FY08 budget in Cost Center 8510 (Construction Contracts/Procurement) under Project 800288 (Metro Gold Line Eastside Enhancements and Mitigations) and Project 800088 (Metro Gold Line Eastside Extension) Line Item No. 53101 (Acquisition of Building and Structure).

Metro staff is in working with the City of Los Angeles staff to pursue the cost recovery under the terms of the Master Cooperative Agreement.

IMPACTS TO OTHER CONTRACTS

There are none that can be identified at this time.

ALTERNATIVES CONSIDERED


Metro and the City of Los Angeles have held workshops to develop alternate traffic handling and detour plans. However, the City of Los Angeles is requiring that Metro maintain 2-way traffic (one lane eastbound and one lane westbound) across the Los Angeles River 1st Street Bridge as long as possible to reduce traffic impacts to the community and businesses in the immediate area. Metro is requesting that the City of Los Angeles provide detours, street

closures, night-time construction and other means to mitigate the overall cost and schedule impacts that are caused by the City's actions.

ATTACHMENT

- A. Procurement Summary
- A-1. Procurement History
- A-2a. Small Business Participation (CO803 – Tunnel Portion)
- A-2b. Small Business Participation (CO803 – Design Portion)
- A-2c. Small Business Participation (CO803 – Construction Portion)

Prepared by: Dennis S. Mori, Executive Officer, Project Management



Richard Thorpe
Chief Capital Management Officer



Roger Snoble
Chief Executive Officer

BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY

AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO
EXECUTE MODIFICATION NO. 132 - MITIGATE CONSTRUCTION IMPACTS AND
DELAYS ON THE LOS ANGELES RIVER 1st STREET BRIDGE

1.	Contract Number: C0803		
2.	Design-Builder: Eastside LRT Constructors		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$2,501,747	Recommended Price: \$2,501,747	
	B. Details of Significant Variances: None		
4.	Contract Type: Firm Fixed Price		
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: On October 16, 2007		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: N/A	Date Small Business Evaluation Completed: N/A	
	Small Business Commitment: N/A		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: N/A	Bids/Proposals Picked up: N/A	Bids/Proposals Received: N/A
8.	Evaluation Information:		
	A. Bidders/Proposers Names: Eastside LRT Constructors	<u>Bid/Proposal Amount:</u> \$2,501,747	<u>Best and Final Offer Amount:</u> TBD
	B. Evaluation Methodology: Per fact-finding and negotiation		
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 Tim Clark	Telephone Number: 922-7246	
11.	Project Manager: Dennis Mori	Telephone Number: 922-7238	

BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY
METRO GOLD LINE EASTSIDE EXTENSION PROJECT

A. BACKGROUND ON CONTRACTOR

Eastside LRT Constructors is a joint venture comprised of Washington Group International, Obayashi Corporation, and Shimmick Construction Company. All three firms have many years of experience in both design-build construction projects and various types of heavy construction work. All three firms have prior contracts with Metro with satisfactory past performance. Washington Group was involved in the design-build Pasadena Gold Line project. Both Obayashi Corporation and Shimmick Construction Company were previously involved in the construction of the Metro Red Line and are currently joint ventured on the design-build Metro Orange Line.

B. PROCUREMENT BACKGROUND

Procurement of Contract No. C0803 was for a design-build system, in accordance with Public Utilities Code §130242, issued as a two-step Invitation for Bid (IFB) for a fixed price contract. The Acquisition Strategy Panel of August 7, 2001, for the Metro Gold Line Eastside Extension Project originally planned two separate contracts, Contract No. C0800, Tunnel and Station Excavations, utilizing the traditional design-bid-build delivery system, and Contract No. C0801, Stations, Trackwork and Systems utilizing a design-build delivery system. The IFB for Contract No. C0800 was issued on November 26, 2002. Bids were received on February 26, 2003, but all bids were rejected as non-responsive to the Disadvantaged Business Enterprise (DBE) goal.

Staff determined that issuing the C0800 and the C0801 scopes of work in one solicitation under Contract No. C0803 could mitigate delays for the Project Schedule. The IFB C0803 provided the opportunity for Bidders to compete for the three separate contract opportunities: C0800, C0801, and/or C0803. The recommended Contractor was determined by means of a two-step sealed bid. In the first step, bidders submitted Technical and Qualifications Submittals (TQS), which were evaluated for technical acceptability. In the second step, those bidders determined to be technically acceptable were invited to submit sealed price Bids. The IFB stipulated the basis for award is to the technically acceptable, lowest-priced responsive and responsible bidder.

All bids exceeded the Metro construction project budget by more than 10%. One of Metro's rights listed in the IFB was "Request from the low Bidder(s) Best and Final Offers (BAFOs), which may be negotiated, as an alternative to cancellation of an IFB, in the event the bid(s) exceed the Metro Project Construction Budget by 10% or more". On February 9, 2004, Metro requested a BAFO from the apparent low bidder, Eastside LRT Constructors. On February 23, 2004, Metro received a BAFO (Bid) in the amount of \$609,964,000, which included the base contract work in the amount of \$586,750,120, the Provisional Sums amount of \$13,698,880, to cover specified additional work that may be necessary during the performance of the work, Options in the amount of \$3,655,000, that may be exercised at a later date, and Delay Compensation in the amount of \$5,860,000, which will only be paid if compensable

delays are incurred during performance of the Contract at the fixed daily rates bid. Staff recommended, and the CEO awarded Contract No. C0803 to Eastside LRT Constructors.

Metro's C0803 Design-Build Contractor is on-schedule to begin construction of the track guideway, trackwork and overhead catenary system on the Los Angeles River 1st Street Bridge that was to be widened by the City of Los Angeles by October 2007. The City of Los Angeles is behind schedule which requires Metro's contractor to mitigate the construction and traffic impacts caused by the delay in widening the Los Angeles River 1st Street Bridge which creates work restrictions and inefficiencies that would not have occurred if the City had completed the bridge widening on-time.

Metro has received a cost and schedule proposal from the C0803 Contractor in the amount of \$2,501,747 that is divided into various phases. The first phase which covers the work that is currently underway is approximately \$ 798,735 and has been initiated under Board-Delegated Authority. The remaining phases and impacts are based on estimates due to the uncertainty of when the City of Los Angeles will start construction and complete the widening of the Los Angeles River 1st Street Bridge. Staff is requesting authorization to allow the Chief Executive Officer to negotiate and execute a contract modification to ensure that the construction and traffic impacts are mitigated as the work on the subsequent phases proceed, so that the C0803 Design-Build Contractor will not have to halt construction and cause an overall delay and additional costs to the Metro Gold Line Eastside Extension Project.

C. EVALUATION OF PROPOSAL

The recommended price is in compliance with Metro Procurement Policies and procedures.

D. COST / PRICE ANALYSIS

The recommended amount will be determined fair and reasonable based on fact finding, independent cost estimate, pre-award audit, cost analysis and negotiation.

BOARD REPORT ATTACHMENT A-2a
SMALL BUSINESS PARTICIPATION (Contract #C0803 – Tunnel portion)

This Contract has a Disadvantaged Business Enterprise (DBE) participation commitment of 13.11%. The contract was awarded to Eastside LRT Contractors on June 1, 2004 and is approximately 94% complete. Current DBE attainment¹ based on the current contract amount² is 14.57%. Current DBE participation³ based on total actual amount paid-to-date to Contractor and total actual amount paid-to-date to DBE firms is 16.83%. The 14 original subcontractors/suppliers have performed or are performing as listed below. Also, the Contractor has demonstrated Good Faith Efforts by utilizing nine additional DBE firms, which were not listed with the original team.

Original Award Amount	\$212,563,757
Current Contract Amount ²	\$212,563,757
Total Actual Amount Paid to Date to Prime	\$184,096,148

Subcontractor's Name	Commitment	Current Attainment ¹	Current Participation ³	Current Status
Abratique and Associates	0.14%	0.19%	0.22%	Performed
Ace Fence Company	0.48%	0.57%	0.66%	Performed
Anthony Marmolejo Construction	2.97%	3.07%	3.55%	Performed
CGO Construction	0.28%	0.28%	0.32%	Performed
G&C Equipment	2.26%	3.91%	4.52%	Performed
Ghazi Precast	0.86%	0.76%	0.88%	Performing
Island Environmental Services	1.07%	0.04%	0.05%	Performed
Medlin & Associates	0.38%	0.00%	0.00%	Substituted
RMD Rebar	1.38%	0.95%	1.10%	Performed
RT Construction	2.45%	1.51%	1.74%	Performing
Seville Group	0.47%	1.08%	1.24%	Performed
Sudhakar Company	0.06%	0.06%	0.06%	Performed
Sullivan Concrete Textures	0.11%	0.07%	0.08%	Performed
W. C. Goolsby, Inc.	0.20%	0.15%	0.18%	Performed
MBI Media, Inc.	Added	0.03%	0.04%	Performed
Antich Consulting	Added	0.11%	0.13%	Performed
Mariman Security	Added	0.32%	0.37%	Performed
VSA and Associates	Added	0.14%	0.16%	Performed
Morgner Tech. Management	Added	0.04%	0.05%	Performed
Ultrasystems Environmental	Added	0.02%	0.02%	Performed
G&C Equipment – Procurement Services	Added	0.10%	0.11%	Performed
Manual Tejada Trucking	Added	0.42%	0.48%	Performed
EW Corporation	Added	0.75%	0.87%	Performing
TOTAL	13.11%	14.57%	16.83%	Performing

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

²Current Contract Amount = Original Contract Amount + Contract Cost Modifications

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

For NOVEMBER 2007 Board Report, based on the August 2007's Form 103. E-mailed to Joe O'Donnell and Tim Clark October 15, 2007.

BOARD REPORT ATTACHMENT A-2b
SMALL BUSINESS PARTICIPATION (CO803 – Design portion)

CO801 DESIGN

This Design-Build Contract has a Disadvantaged Business Enterprise (DBE) participation commitment of 21.76% for Design. The contract for Design was awarded to Eastside LRT Constructors on June 1, 2004 and is 93.77% complete. Current DBE attainment based on the current contract amount is 22.04%. Current DBE participation³ based on total actual amount paid-to-date to the contractor and total actual amount paid-to-date to DBEs is 18.66%. A total of 17 DBE subcontractors are listed to perform. Fourteen subcontractors are performing as shown below.

Original Award Amount	\$ 30,000,000
Current Contract Value ²	\$ 32,171,518
Total Actual Amount Paid to Date to Prime	\$ 26,997,053

Subcontractor	Commitment	Current Attainment ¹	Current Participation ³	Current Status
Abratique & Associates	2.55%	3.56%	2.99%	Performing
Abratique & Associates	.64%	.51%	.42%	Performing
GC Tech.	.54%	.63%	.53%	Performing
William J. Yang & Associates	2.17%	1.36%	1.14%	Performing
Richard Chong	2.88%	1.18%	.99%	Performing
MCE Group	.44%	.00%	.00%	Not performing
MHI Group.	5.20%	2.79%	2.34%	Performing
ACEx Technology	2.83%	4.20%	3.53%	Performing
Melendrez	1.44%	1.86%	1.56%	Performing
Cornerstone	.72%	.70%	.59%	Performing
D'Leon	2.29%	.96%	.80%	Performing
Geomatic Transportation Services	.05%	.00%	.00%	Not performing
IK Curtis Inc.	.01%	.00%	.00%	Not performing
*Linda J. Meadows & Associates`	.00%	.62%	.69%	Performing
*Bullocks & Associates	.00%	1.04%	.87%	Performing
*Antich Consulting	.00%	1.81%	1.52%	Performing
*Davis Blueprint	.00%	.82%	.69%	Performing
TOTAL	21.76%	22.04%	18.66%	

*Added DBE's

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

²*Total Current Contract Amount=Original Award Amount plus Change Orders*

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

PREPARED: October 16, 2007

AUGUST 2007 DBE REPORTS

BOARD REPORT ATTACHMENT A-2c
SMALL BUSINESS PARTICIPATION (CO803 – Construction portion)

CO801 Construction

This Design-Build Contract has a Disadvantaged Business Enterprise (DBE) participation commitment of \$51,500,000 or 17.2 % for Construction. The contract for Construction was awarded to Eastside LRT Constructors on June 1, 2004 and is 39.5% complete. To date, the Design Builder, Eastside LRT Constructors, has committed \$50,473,315 or 16.23% to DBE subcontractors. Current DBE attainment² based on the current contract amount is 7.35%. Current DBE participation³ based on total actual amount paid-to-date to the contractor and total actual amount paid-to-date to DBEs is 22.31%. A total of 24 DBE subcontractors are listed to perform. Twenty are performing as shown below. Subcontractors listed as not performing have not been scheduled to begin work.

Original Award Amount	\$ 300,263,963.00
Current Contract Value ²	312,545,185.00
Total Amount Paid to Prime	\$ 102,522,428.31

Subcontractor	Commitment	Current Attainment ¹	Current Participation ³	Current Status
RMD Rebar	2.82%	1.79%	5.46%	Performing
Anthony Marmolejo Construction	.20	.19	.59	Performing
G & C Equipment	3.84	2.82	8.62	Performing
G & C Equip (procurement)	.12	.07	.23	Performing
ACE Fence Company	.12	.05	.15	Performing
Seville Group	1.53	.61	1.86	Performing
Abratique and Associates	.04	.01	.02	Performing
W.C. Goolsby	.03	.05	.15	Performing
Sudhaker Company	.09	.06	.20	Performing
MBI Media, Inc.	.03	.02	.06	Performing
SCA Environmental Inc.	.00	.00	.00	Not performing
Meriman Security	.26	.17	.52	Performing
VSA and Associates	.16	.00	.00	Not performing
Tejada Trucking	.78	.83	2.52	Performing
Hope Bullock	.04	.04	.11	Performing
CGO Construction	.05	.05	.14	Performing
Sullivan Concrete Textures	.02	.12	.35	Performing
Metco	3.20	.18	.55	Performing
G & C Equipment	2.36	.11	.33	Performing
Alatorre & Associates	.06	.01	.03	Performing
Apex Doors and Frames	.10	.00	.00	Not performing
Colavan & Son	.23	.00	.00	Not performing
S & M Landscape	.10	.12	.27	Performing
United Traffic Services	.05	.05	.15	Performing
TOTAL	16.23%	7.35%	22.31%	

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

² Total Current Contract Amount = Original Award Amount plus Change Orders

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