



Metro

Metropolitan Transportation Authority

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**CONSTRUCTION COMMITTEE
FEBRUARY 21, 2008**

PROJECT: ALL TRANSIT CORRIDOR AND CAPITAL PROJECTS

**CONTRACT: EN073 ENVIRONMENTAL ENGINEERING SERVICES,
TRC SOLUTIONS INC.**

**ACTION: INCREASE CONTRACT VALUE IN AN AMOUNT NOT-TO- EXCEED
\$2,000,000**

RECOMMENDATION

Authorize the Chief Executive Office to execute an increase in an amount not-to-exceed \$2,000,000 to contract No. EN073 with TRC Solutions Inc., (TRC) in order to issue additional Contract Work Orders for Environmental Engineering Services through fiscal year 2009, increasing the total contract value from \$3,600,000 to \$5,600,000.

Within Construction Committee authority: Yes No N/A

RATIONALE

Nearly every capital project and many ongoing facilities maintenance or restoration activities undertaken by the Los Angeles County Metropolitan Transportation Authority (Metro) require environmental consulting and engineering services. We must comply with all environmental laws to avoid fines, and civil or criminal liability. To ensure such compliance, we have solicited and awarded contracts for environmental consulting and engineering services.

In December 2004, the Board authorized the negotiation and award of Contract No. EN073 with TRC Solutions Inc. in the amount of \$3,600,000. The original contract amount of \$3,600,000 was based on a staff cost estimate of work necessary to support our approved Capital Construction Program for fiscal years 2005 through 2006. Fiscal year 2009 is the fourth year of this five-year Indefinite Delivery/Indefinite Quantity (IDIQ) contract.

As of January 31, 2008, our financial and change control systems indicate that \$3,300,479 out of the previously Board-approved \$3,600,000 has been obligated for completed and ongoing work (Attachment A). The remaining balance would not be sufficient to support TRC efforts to complete fiscal year 2008 and/or the fiscal year 2009 anticipated work.

During the end of fiscal year 2008 and well into fiscal year 2009, we anticipate a continued and expanded need for TRC's services in connection with the fuel tank system upgrades,

stormwater program, groundwater monitoring, and Red Line Vermont/Santa Monica Subway Station efforts. In addition, TRC would also support the preliminary engineering efforts in the Canoga Transportation Corridor; compliance with our sustainability policies for various capital projects; sampling, analytical, and environmental audit at the Exposition Light Rail Transit Project (EXPO); and ongoing Metro Bus Operations capital improvement projects.

Staff is now requesting an increase in the Contract value by \$2,000,000 to support the end of fiscal year 2008 and all of fiscal year 2009's anticipated projects. This amount is based on our Environmental Compliance and Services Department's (ECSD) estimated cost of TRC's services (Attachment A).

As the need for specific environmental engineering and consulting services arises, staff will issue Contract Work Orders and changes against the increased EN073 contract value. Considering the available information and applicable time constraints on performance of the work, most of the work will continue to be negotiated and paid on a fixed price basis. Staff will closely monitor the Contractor's budget and schedule using existing project management controls. No funds are committed to TRC until a Contract Work Order is awarded against a valid project number.

Under Contract No. EN073, TRC assists with providing environmental engineering and consulting services related to ongoing site monitoring and reporting efforts, design specifications for fuel storage tank projects, sampling for potentially hazardous substances, soil borings and installation of monitoring wells and various other as needed environmental services.

TRC's services include the on-going monitoring and reporting efforts for our Stormwater Management Program. In addition, TRC provides consulting and reporting services for our Certified UST Operator Program.

Recently, TRC has been tasked to formulate and assist us in developing and implementing a Sustainability Management System (SMS) pilot study at Division 10. The work products generated from this task are planned to capture environmental best management practices in order to reduce environmental and safety liabilities at Division 10. Staff plans to duplicate the anticipated SMS success at Division 10 agency-wide.

Division-specific examples of recent services that have been performed under the contract are the following:

- Provided design specifications for Bus Divisions, 6, and 7 regarding fuel storage tank upgrades.
- Providing ongoing groundwater monitoring and reporting for Bus Divisions 7 and 10 as required by the Los Angeles Regional Water Quality Board (LARWQCB).
- Providing environmental engineering support for soil remediation at Division 1.
- Provided a subsurface geotechnical and environmental investigation support for the Bauchet Street Warehouse Project.
- Provided asbestos and lead based paint inspection for Divisions 8 and 21.

- Division 21 utility relocation soil sampling support.
- LAX Bus Division Phase 1 environmental assessment.
- Red Line Vermont/Santa Monica groundwater well installation and pump testing program.

TRC has also provided major capital project support at the Exposition Light Rail (EXPO) and Metro Gold Line Eastside Extension (Eastside Extension) projects. At EXPO, TRC has provided consulting services to determine the nature and extent of identified site contamination. They have also assisted Metro and EXPO staff in negotiating soils handling agreements with state regulators. At the Eastside Extension, TRC has provided public outreach services in support of the Ramona School construction activities. The specific nature of the environmental and sustainability work for each of the anticipated projects is summarized below.

Fuel Tank System Upgrades/Removals

Capital upgrades to existing fueling systems are anticipated next fiscal year to maintain compliance with State Water Resources Control Board (SWRCB), LARWQCB, South Coast Air Quality Management District (SCAQMD), Los Angeles Department of Public Works (LADPW), and the Los Angeles Fire Department (LAFD) environmental regulations. Fiscal year 2009 projects include new unleaded gasoline tanks installed at Bus Division 6 in support of new gas-hybrid buses. Remaining FY 2008 efforts include design and specifications for Phase II Enhanced Vapor Recovery systems as mandated by SCAQMD regarding unleaded fueling systems.

The Fuel Tank System Upgrades and Removals is an ongoing Metro program and is anticipated to continue beyond fiscal year 2008. Unobligated or unexpended allocated funds for this program are anticipated to be spent beyond fiscal year 2008.

Site Remediation

Anticipated site remediation projects will involve the continuance of groundwater monitoring and reporting efforts for Divisions 7 and 10 as directed by the LARWQCB and new groundwater and soil assessment efforts at Divisions 2, 8 and 15 as mandated by the LAFD. Site remediation work will also include a soil vapor extraction pilot study at Division 1. Ongoing monitoring and reporting for the Stormwater Program and providing as needed soil, air and water sampling, testing and consulting services are also anticipated to be part of TRC's Site Remediation efforts.

Similar to the Fuel Tank System Upgrades and Removals, site remediation activities at various divisions consist of multi-year activities and are anticipated to continue beyond fiscal year 2008. Unobligated or unexpended allocated funds for site remediation activities are anticipated to be spent beyond fiscal year 2008.

Vermont Santa Monica Water Mitigation

TRC has been tasked to implement water mitigation plans in order to assess and evaluate the water intrusion problem at the Red Line Vermont/Santa Monica Subway Station. Anticipated tasks include the installation of groundwater monitoring wells, performance of a pump test, and evaluation of generated data.

Canoga Transportation Corridor

The Canoga Transportation Corridor will include the Canoga Park and Ride Station (CP&R) as an integral part of the Locally Preferred Alternative (LPA). Most recently, the LARWQCB has ordered us to retrofit the CP&R to include infiltration as a storm water treatment option.

There is residual contaminated soil underlying the CP&R. Lacking additional LPA information, it is necessary to conduct a study for site clean-up during preliminary engineering, specifically if infiltration could be performed nowhere else except in CP&R areas that are currently known to contain residual soil contamination. Infiltration can only occur in those areas after the clean-up. TRC is anticipated to assist in the environmental engineering services related to the preliminary engineering phase of the Canoga Transportation Corridor Project.

Metro Sustainability Program

TRC has been tasked to provide us with consulting services for the development of a Sustainability Management System (SMS) at Division 10. Tasks completed include site audits, process mapping, and risk assessment. TRC has also developed rudimentary risk tools that will be used to categorize the various processes and associated risks.

TRC will continue its support of the SMS pilot study at Division 10. The goal is to ensure success of the implementation of the SMS at this Division and use Division 10 as a model to rolling out a SMS program agency-wide. Agency-wide implementation of SMS will occur over several years.

It is anticipated that TRC will also provide consulting support in various projects to ensure project compliance with our Energy and Sustainability Policy and Construction and Demolition Debris Recycling and Reuse Policy.

Exposition Light Rail Transit Project (EXPO)

Hazardous waste has been discovered at the Metro owned EXPO right-of-way. Remediation of hazardous and contaminated soils during the construction of the Exposition Light Rail Transit Project is required under a Voluntary Clean-up agreement signed by METRO and the Exposition Light Rail Authority with the Department of Toxic Substances Control. The EXPO Contractor is currently required to complete the remediation at the EXPO right of way. The requested amount will be used to continue the environmental sampling and analysis and environmental audit support currently provided by TRC.

Since EXPO is a multi-year project, unobligated or unexpended EXPO funds will be applied to remediation services related to the EXPO project beyond fiscal year 2008, up to the end of the EXPO construction period.

Bus Facility Capital Projects

TRC will continue its environmental consulting, sampling, and analytical support of LAX Division and Union Division Work. TRC will also provide environmental support in the Division 1, 3, 8, 9, and 15 renovations and Division 3 Master Plan.

CONTRACT IMPACT

Contract No. EN073 is an IDIQ contract. Our funds are not obligated until a Contract Work Order (CWO) is issued by our authorized Contracting Officer against a valid project budget. No expenditures are authorized until a Task Order is awarded by our authorized Contracting Officer for a specific package of work within the CWO.

The additional increase in the contract value funding of \$2,000,000 is an increase in the amount that may be obligated and spent under the Contract during the end of fiscal year 2008 and all of fiscal year 2009. As this is a multi-year contract and the Fuel Tank System Upgrades and Removals and Remediation, Sustainability, and EXPO projects are multi-year projects, unobligated or unexpended remainders in the total Contract amount may be applied to services beyond fiscal year 2008 up to the end of the Contract Period of Performance (currently December 28, 2009) or the completion of any Task Order issued during the Contract Period of Performance. However, obligations and authorizations made within the total Contract amount will be against specific project or operations budgets that make up the Board-approved budget for any particular fiscal year.

IMPACTS TO OTHER CONTRACTS

Timely and thorough environmental services in connection with other construction contracts are essential to achieve completion of projects within schedule and budget. If Contract No. EN073 value is not increased, staff's ability to support anticipated projects would be limited. The project managers would have to competitively procure environmental services for their individual projects. Any delay in provision of environmental support will significantly increase our liability for environmental regulatory compliance and contractor monetary claims of delay.

FINANCIAL IMPACT

Contract Cumulative Value:	\$3,300,479	
Value of Proposed Work:	\$2,200,000	(Through FY '09)
Less Contract Value:	<u>\$3,600,000</u>	(Original Contract Amount)
Additional Funding Requested:	\$2,000,000	(Rounded to the nearest \$100,000)
New Cumulative Contract Value:	\$5,600,000	

The funds for these expenses are included in the fiscal year 2009 Budget and Life-of-Project Budget for each individual project.

ALTERNATIVES CONSIDERED

The Board of Directors could decide not to increase the funding for this Contract, and either (1) solicit and award new contract for the environmental services; or (2) solicit and award individual contracts for each environmental task as the need arises. Staff does not recommend either of the above alternatives, owing to high costs, delays, and inefficiencies in administering multiple contracts.

As a third alternative, we could perform all the environmental hazardous materials and construction services in-house. However to do so, we would need to hire additional staff with expertise in many different disciplines such as drilling, laboratory science, environmental consulting and engineering. Staff does not recommend this alternative either owing to high capital costs to procure personnel as well as potential for implementation delays.

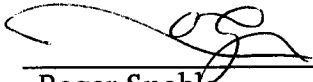
ATTACHMENT

A. Summary of Current and Proposed Work Requiring TRC Solutions, Inc. Services

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Richard Thorpe
Chief Capital Management Officer



Roger Snoble
Chief Executive Officer

**ATTACHMENT A. SUMMARY OF CURRENT AND PROPOSED WORK
REQUIRING TRC SOLUTIONS, INC. SERVICES**

CURRENT WORK (COMPLETED OR IN PROGRESS)

Tank Upgrades/Removals (202025, 202027 and 202026)	\$	663,114
Site Remediation (300012, 202030)	\$	1,638,758
MOL (800112)	\$	290,358
MGLEE Ramona School (800288)	\$	41,400
EXPO LRT (800113)	\$	182,243
Boeing Property Assessment (800117)	\$	67,500
Metro Goldline Slope Assessment (300055)	\$	29,187
Vermont Santa Monica Water Intrusion (204016)	\$	201,462
Temple Beaudry Geotechnical Investigation (202016)	\$	58,960
Div 22 AQMD Air Permitting (204037)	\$	11,362
Div 21 Utility Line Location/Excavation (204053)	\$	55,000
LAX Bus Division Phase I ESA (202220)	\$	6,718
Bauchet Street Geotechnical Assessment (202246)	\$	54,417

Value of Current Work: \$ 3,300,479

PROPOSED FUTURE WORK THROUGH FY'09

Tank Upgrades/Removals (202028)	\$	200,000
Site Remediation (300012)	\$	1,000,000
Vermont/Santa Monica Subway Station	\$	100,000
Canoga Transportation Corridor (405513)	\$	100,000
Sustainability Program	\$	500,000
Bus and Rail Facilities Capital Projects (various projects)	\$	300,000

Value of Proposed Work: \$ 2,200,000

Value of Current Work + Proposed Work:	\$	5,500,479
Less Current Contract EN073 Value:	\$	(3,600,000)
Additional Value (Funding Requested):	\$	<u>1,900,479</u>

Additional Value (Funding Requested, Rounded to the Nearest \$100,000): \$ 2,000,000