

**Board Report**

File #: 2016-0611, **File Type:** Informational Report**Agenda Number:** 17.

**CONSTRUCTION COMMITTEE
SEPTEMBER 16, 2016****SUBJECT: WESTSIDE PURPLE LINE EXTENSION SECTION 2 PROJECT****ACTION: PRELIMINARY ENGINEERING REIMBURSEMENT AGREEMENT FOR
ENGINEERING SUPPORT BY THE CITY OF BEVERLY HILLS****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO) to execute the Preliminary Engineering Reimbursement Agreement (PERA) for the Westside Purple Line Extension Section 2 Project.

BACKGROUND

The Westside Purple Line Extension Section 2 Project (Project) is a 2.59 mile heavy rail transit project that extends the Purple Line to Century City from the interim terminus at Wilshire/La Cienega Station of the Westside Purple Line Extension Section 1 Project that is currently in construction. The Project which begins within the City of Beverly Hills (COBH), consists of twin-bored tunnels and two subway stations. The first station is located near the intersection of Wilshire Boulevard and Rodeo Drive and the second is located within the City of Los Angeles in Century City near the intersection of Constellation Boulevard and Avenue of the Stars.

In January 2013, the Board authorized Advanced Preliminary Engineering for Project, including the design for advanced relocation of utilities, engineering support during the design-build solicitation process and design support services during construction. Presently, the Project's design/build contract is in the procurement phase. A Preliminary Engineering Reimbursement Agreement is required to compensate the COBH for engineering support to review the design and construction documents prepared by Metro's consultants and contractors during the Project's delivery.

DISCUSSION

Currently, there is no Master Cooperative Agreement (MCA) between Metro and the COBH, which would establish terms of agreement for reimbursement, by Metro, for services provided by the COBH in support of the Project. In the absence of an MCA, Metro staff has been meeting with COBH staff to establish a Memorandum of Agreement (MOA) for the Westside Purple Line Extension Section 1 Project, which would establish the terms and conditions necessary to provide for reimbursement for services rendered by COBH on the C1045 Design/Build Contract. Negotiations for an MOA for the Westside Purple Line Extension 2 Project have not yet been established, and the COBH continues to

perform services and accrue expenses in support of the Project. Therefore, the COBH requested that a PERA be processed to accommodate reimbursement, as an interim step, until an MOA is in place.

FY15-16 costs for this effort are estimated at \$1,357,138. Actual costs may vary depending upon final invoicing and level of effort required. Metro staff monitors these costs and the agreement provides that the City must notify Metro in advance of any variances.

On March 3, 2016 the COBH's City Council approved the draft PERA. Upon Board approval the PERA document will be executed, its terms implemented, and timely reimbursement to the COBH can be provided.

ALTERNATIVES CONSIDERED

The Board may choose not to execute this PERA, however not executing this PERA would require Metro to follow standard COBH over the counter review processes. Metro would not benefit from streamlined and expedited reviews, and other administrative benefits which are essential elements for a successful project.

FINANCIAL IMPACT

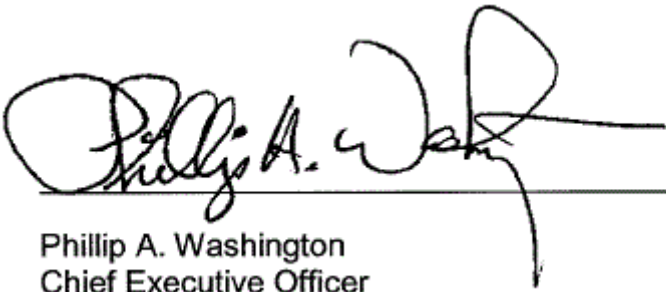
Funding for this action is included in the FY17 budget under Project 865522 (Westside Purple Line Section 2 Project), Cost Center 8510 (Construction Project Management), and Account 50316 (Professional Services). Since this is a multiyear project, the Chief Program Management Officer and the Project Manager will be accountable to budget the cost for future years. The approved FY17 budget is designated for the Westside Purple Line Extension Section 2 Project and does not have an impact to operations funding sources.

ATTACHMENT

Attachment A - Preliminary Engineering Reimbursement Agreement (PERA)

Prepared by: Eduardo Cervantes, Director, Third Party Administration
(213) 922-7255

Reviewed by: Richard Clarke, Chief Program Management Officer
(213) 922-7557



Phillip A. Washington
Chief Executive Officer

PRELIMINARY ENGINEERING REIMBURSEMENT AGREEMENT

THIS PRELIMINARY ENGINEERING REIMBURSEMENT AGREEMENT ("Agreement") is made and entered into and effective this _____ day of _____, 2016, by and between City of Beverly Hills ("City"), whose mailing address is 455 N. Rexford Drive, Beverly Hills, CA 90210 and Los Angeles County Metropolitan Transportation Authority ("MTA"), whose mailing address is One Gateway Plaza, Mailstop 99-16-7, Los Angeles, California 90012.

BACKGROUND

A. WHEREAS, MTA desires to perform preliminary work, including potholing and geotechnical boring and commence submitting designs for utility relocations and street improvements to accommodate the Westside Purple Line Extension (PLE) Section 2 alignment.

B. WHEREAS, City owns and has jurisdiction over the City Right of Way along this Westside PLE Section 2 alignment.

C. WHEREAS, as a result of the construction for the Project, it is necessary for City to attend meetings, review pothole and geotechnical boring workplans, utility and street improvement plans to accommodate the Project, and perform such other preliminary work relating to the Project in accordance with and as described in the Annual Work Plan and MTA Form 60 for FY2015-2016 attached hereto as Exhibit A and incorporated herein (collectively, "Preliminary Work"); and

D. WHEREAS, City, under the terms hereinafter stated, is willing to perform the Preliminary Work, provided MTA reimburses City for all of its actual costs, both direct and indirect, and the Beverly Hills City Council authorizes the work to commence.

AGREEMENT

In consideration of the promises and mutual covenants herein contained, City and MTA hereby agree as follows:

1. If authorized by the City Council, City Staff and/or City's designated consultant(s) will perform the necessary Preliminary Work as described in the attached Exhibit A, which may be amended annually and from time to time upon mutual agreement of the Parties, and subject to the terms and provisions of this Agreement. MTA represents and warrants that Exhibit A is a reasonable description of the Preliminary Work requested of the City for FY 2015-2016. City Staff and/or the City's designated consultant(s) shall no longer be obligated to perform the Preliminary Work in the event that the City Council revokes the authorization to do so.

2. MTA will bear and be responsible for and pay in accordance herewith all direct and indirect costs incurred by City and relating to the above referenced Preliminary Work, including, but not limited to, labor, administrative overhead and engineering review work. If the City Council revokes the authorization to perform the Preliminary Work, the MTA shall reimburse the City for work performed up until the time that the authorization is revoked.

3. The total cost of the Preliminary Work for FY 2015-2016 is estimated to be One Million, Three Hundred Fifty Seven Thousand, One Hundred and Thirty-Eight Dollars (\$1,357,138) as more particularly shown in Exhibit A. Notwithstanding the foregoing estimate, the parties recognize and understand that final actual costs may be more or less than such estimate, which will not be construed as a limitation of costs for the Project for which City is entitled to reimbursement from MTA. City will promptly provide notice to MTA if it becomes obvious to City that the final actual costs will exceed the foregoing estimate by more than fifteen percent (15%).

4. Upon execution of this Agreement and for each fiscal year beginning on July 1, MTA shall issue to the City a Work Order for the Preliminary Work described in the Annual Work Plan and Form 60 attached hereto as Exhibit A. Once City receives the Work Order and accumulates costs for reimbursement for its support services provided to accommodate the Preliminary Work, City shall submit to MTA an itemized invoice for City Staff's and/or consultant(s)'s actual costs on a monthly basis. MTA shall pay the full invoice, if the services performed were within the scope of the Preliminary Work, within thirty (30) days following receipt of same. If any services performed were not within the scope of the Preliminary Work, then the MTA shall identify those services to the City within twenty (20) days of receipt of the City's invoice. Failure to send such written notice to City within twenty (20) days after receipt of City's invoice shall result in the MTA's waiver of its right to dispute payment of the invoice. In the event that the MTA disputes the scope of any services performed by the City, City and MTA shall attempt to resolve the dispute within ten (10) business days of the date MTA notifies City of such dispute in writing. If there is no resolution within thirty (30) calendar days, the Parties shall proceed to binding arbitration. The arbitrator shall be neutral and mutually acceptable and the costs shall be borne equally by the Parties. The arbitrator shall determine all rights and obligations under this Agreement and the award of the arbitrator shall be final, binding, and enforceable. The prevailing party shall recover all reasonable attorney fees and costs incurred in resolving the dispute.

5. It is expressly understood by the parties that City and MTA are not abandoning any right, title or interest it may have along the Westside PLE Section 2 alignment, all such rights, title and interest being expressly reserved. The City has filed four lawsuits related to the Westside Subway Extension. The three pending lawsuits include: *The City of Beverly Hills v. Los Angeles County Metropolitan Transportation Authority*, Case No. BS144164, (filed July 26, 2013); *City of Beverly Hills v. Federal Transit Administration et al.* CV 12-9861 (amended November 21, 2013) and *City of Beverly Hills v. Federal Transit Administration*, CV 13-8621 (filed November 21, 2013). Nothing in this Agreement is intended to waive the causes of action or defenses asserted in those lawsuits or to relinquish or otherwise modify in any way the positions of the parties in those lawsuits.

6. The terms of this Agreement shall be binding and inure to the benefit of the parties hereto and their successors and assigns.

7. All notices and other correspondences between City and MTA shall be in writing, addressed as follows, and delivered personally or sent by certified mail, return receipt requested, or reputable overnight messenger service:

To City: Mark Cuneo,
City Engineer
345 Foothill Road
Beverly Hills, CA 90210

To MTA: Dennis Mori
Executive Officer, Project Management
One Gateway Plaza, 17th Floor
Los Angeles, CA 90012

8. This Agreement supersedes any prior understanding or written or oral agreements between City and MTA hereto respecting the within subject matter and contains the entire understanding between City and MTA with respect thereto.

The parties have caused this Agreement to be executed by their proper duly authorized officials as of the date indicated below.

EXECUTED the _____ day of _____ 2016, at Beverly Hills, California.

CITY OF BEVERLY HILLS,
A Municipal Corporation

MAHDI ALUZRI
City Manager

APPROVED AS TO CONTENT:

LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY

CITY OF BEVERLY HILLS

PHILLIP A. WASHINGTON
Chief Executive Officer

DAVID LIGHTNER
Deputy City Manager/Director of Capital
Assets

APPROVED TO FORM:

OFFICE OF COUNTY COUNSEL

CITY OF BEVERLY HILLS

RONALD W. STAMM
Principal Deputy County Counsel

DAVID M. SNOW
Interim City Attorney

EXHIBIT A

Form 60

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ANNUAL WORK PLAN

City of Beverly Hills
FY 2015-2016
Annual Work Plan

Design Build Phase Segment 2

Schedule Assumptions:

2015 Activities

Advanced Preliminary Engineering (APE) review
APE permitting
APE field monitoring of geotechnical boring, utility potholing and trenching, and well development
60% Project Definition Documents (PDD) design review and coordination
Second portal study analysis
Memorandum of Agreement (MOA) development
Community outreach and constituent meetings
City Council presentations
Research existing utilities and equipment
Overall coordination

2016 Activities (through 6/30/16)

60% PDD amendment review (including technical specifications)
Construction dewatering analysis
Geotechnical boring data review and dissemination
Geotechnical well test monitoring
Second portal study analysis presentation to City Council
Community outreach presentations and meetings
Development of Metro specific community website
Community outreach newsletters and releases
MOA development and negotiation
Third party utility relocation design reviews
Design build contractor best and final negotiation (pending MOA)

Support:

July 1, 2015 to June 30, 2016

- Attend Memorandum of Agreement (MOA) meetings (All Departments)
- MOA review and comments (All Departments)
- Review/Approve Permits
- Review/Prepare/administer invoices, Form 60 (inc. draft work plan), and requests for replenishment
- Attend design and coordination meetings
- Prepare City Council Agenda items
- Submittals/Construction-Design-Review List and RFIs
- Enforcement of Permit conditions and mitigation measures
- Respond to COBH constituent inquiries/complaints
- Traffic Control Plan/Traffic Control Management review/coordination
- Respond to COBH resident/business inquiries/complaints
- Community outreach meetings and presentations

CONTRACT PRICING PROPOSAL (Services)		LACMTA "FORM 60"		PAGE
Name of Proposer: City of Beverly Hills		Service to be Furnished Reimbursable services for the City and City Consultants		
Home Office Address 455 N. Rexford Dr. Beverly Hills, CA 90210				
Project/Location(s) Where Work is to be Performed Wilshire/Rodeo Station City of Beverly Hills		Total Amount of Proposal \$1,357,138		Contract No. 1120
DETAILED DESCRIPTION OF COST ELEMENTS				
1a. Direct Labor (Specify)	Est. Hours	Rate/ Hour	Est. Cost(\$)	Total Est. Cost
City Staff (Attachment 1)	4,846	Various	550,905	\$550,905
1b. Overtime				
Total Direct Labor				\$550,905
2. Labor Overhead	O.H. (%)	x Base=	Est. Cost(\$)	
	37.49%	550,905	206,534	
Total Labor Overhead				\$206,534
3. Travel*			Est. Cost(\$)	
a. Transportation				
b. Per Diem or Subsistence				
Total Travel				
4. Subcontractors/Subconsultants **			Est. Cost(\$)	
Cordoba Corporation (Attachment 2)			\$552,699	
Richards Watson Gershon (City Attorney) (Attachment 3)			\$35,000	
Total Subcontractors				\$ 587,699
Fee on Subcontractors				
5. Other Direct Costs *				\$ 12,000
6. General & Admin. Expenses				
TOTAL ESTIMATED COST				\$ 1,357,138
7. Fee				
TOTAL ESTIMATED COST AND FEE				\$ 1,357,138
* Itemize on "Form 60" - Continuation Page				
** Attach LACMTA "Form 60" for all proposed subcontractors/subconsultants				

SUPPORTING SCHEDULE

ITEM NO.	ITEM DESCRIPTION	Est. Cost (\$)	Total Est. Cost (\$)	
Travel:				
Other Direct Costs:				
	Parking Meter Revenue Lost	\$ 12,000		
TOTAL			\$ 12,000	

Type name and title: Mark Cuneo, City Engineer	Signature:
Name of firm: City of Beverly Hills	Date signed:

ATTACHMENT 1

City Staff	Department	Hourly Rate	Total Hours	Total
City Engineer	Capital Assets	\$154.00	624	\$96,094.63
Civil Engineer	Capital Assets	\$97.09	104	\$10,096.86
Civil Engineering GIS Specialist	Capital Assets	\$67.92	312	\$21,191.78
Director of Capital Assets	Capital Assets	\$144.62	312	\$45,121.88
Executive Assistant	Capital Assets	\$46.35	42	\$1,928.16
Senior Management Analyst	Capital Assets	\$66.78	208	\$13,890.57
Supervising Inspector	Capital Assets	\$90.58	104	\$9,420.73
Associate Planner	Community Developme	\$64.11	104	\$6,667.74
Deputy Director of Transportation	Community Developme	\$115.31	208	\$23,984.79
Director of Community Development	Community Developme	\$168.68	104	\$17,542.94
Traffic Engineer	Community Developme	\$91.72	312	\$28,616.64
Transportation Planner	Community Developme	\$80.00	21	\$1,664.00
Parks & Urban Forest Manager	Community Services	\$108.28	104	\$11,261.12
Deputy Building Official	Community Developme	\$118.81	104	\$12,355.98
Senior Budget & Financial Analyst	Finance	\$88.30	104	\$9,183.20
Fire Battalion Chief 80	Fire	\$198.40	104	\$20,633.43
Fire Captain	Fire	\$176.39	208	\$36,689.83
Plan Check Inspector	Fire	\$84.28	208	\$17,531.10
Chief Information Officer	Information Technology	\$150.72	104	\$15,674.60
Information Technology	Information Technology	\$125.00	208	\$26,000.00
Web Developer	Information Technology	\$67.75	208	\$14,092.58
Lieutenant	Police	\$159.87	104	\$16,626.28
Sergeant	Police	\$139.24	208	\$28,961.08
Traffic Control Officer	Police	\$57.38	104	\$5,967.90
Traffic Control Supervisor	Police	\$58.85	104	\$6,119.94
Traffic Control Systems Specialist	Police	\$64.23	104	\$6,679.92
Assistant Director Public Works Services	Public Works	\$119.91	104	\$12,470.64
Electrical/Communications Systems Supervisor	Public Works	\$83.90	104	\$8,725.20
Field Services Supervisor	Public Works	\$77.51	104	\$8,060.94
Solid Waste Manager	Public Works	\$90.10	104	\$9,370.69
Water System Production/Operations Supervisor	Public Works	\$79.61	104	\$8,279.68
	Total:		4846	\$550,904.81



CORDOBA CORPORATION
 10000 E. HIGHWAY 100, SUITE 100
 DENVER, CO 80231

ATTACHMENT 2

COBH - Metro Purple Line Extension Support Staffing Plan Projection (July 1, 2015 to June 30, 2016) NORMAL WORK HOURS

Staff Name:	Title:	Billing Rate:	% of # Of Hours	FY 2015-2016 Normal Work Hours	Project Hours for FY 2015-2016	Extended Amount:	AUR	DB	Segment 2	Total:
1 Cathy Higley	Project Manager	\$274.27	30%	2,032	610	\$167,194.99	\$25,079.25	\$117,036.49	\$25,079.25	\$167,194.99
2 Narbeh Iseagholian	Transportation Planner	\$103.46	10%	2,032	203	\$21,023.07	\$0.00	\$14,716.15	\$6,306.92	\$21,023.07
3 David Nimerow	Sr. Construction Manager	\$189.09	100%	2,032	2,032	\$384,230.88	\$76,846.18	\$286,173.16	\$19,211.54	\$384,230.88
4 Gabriel Murillo	Construction Manager	\$173.38	100%	2,032	2,032	\$352,308.16	\$264,231.12	\$70,461.63	\$17,615.41	\$352,308.16
5 Roberto Ramirez	Sr. Civil Engineer	\$217.62	15%	2,032	305	\$66,330.56	\$0.00	\$46,431.40	\$19,899.17	\$66,330.56
6 Angel Alvarez	Sr. Civil - Utilities	\$215.20	15%	2,032	305	\$65,592.96	\$0.00	\$45,915.07	\$19,677.89	\$65,592.96
7 Valerie Mudagoren	Project Controls Manager	\$133.78	100%	2,032	2,032	\$271,840.96	\$190,288.67	\$54,368.19	\$27,184.10	\$271,840.96
8 Augustine Chung	Contracts	\$168.13	15%	2,032	305	\$51,246.02	\$10,249.20	\$35,872.22	\$5,124.60	\$51,246.02
9 Arnold Luft	Project Manager	\$274.27	80%	1,520	1,216	\$333,512.32	\$100,053.70	\$200,107.39	\$33,351.23	\$333,512.32
10 Bill Adams	Sr. Construction Manager	\$189.09	100%	1,776	1,776	\$335,823.84	\$335,823.84		\$335,823.84	\$335,823.84
11 Joseph McTague	Graphics	\$128.26	5%	872	44	\$5,592.14			\$5,592.14	\$5,592.14
12 Vanessa Pia	CADD	\$53.80	10%	1,192	119	\$6,412.96			\$6,412.96	\$6,412.96
13 Lynette Hartanian	Administrative Support	\$62.25	10%	1,192	119	\$7,420.20			\$7,420.20	\$7,420.20
Total Projected for Normal Work Hours:						\$2,668,529.08	\$666,748.12	\$873,081.71	\$528,699.25	\$2,068,529.08

AFTER HOURS WORK

Staff Name:	Title:	Billing Rate:	% of # Of Normal Work Hours	FY 2015-2016 Normal Work Hours	Project After Hours for FY 2015-2016	Extended Amount:	AUR	DB	Segment 2	Total:
1 Gabriel Murillo	Construction Manager	\$173.38	50%	2,032	1,016	\$176,154.08	\$176,154.08		\$0.00	\$176,154.08
2 David Nimerow	Sr. Construction Manager	\$189.09	5%	2,032	102	\$19,211.54		\$19,211.54		\$19,211.54
Total Projected for After Hours Work:						\$195,365.62	\$176,154.08	\$19,211.54	\$0.00	\$195,365.62
Cordoba Sub-Consultants (Other Direct Costs):						\$240,000.00	\$48,000.00	\$168,000.00	\$24,000.00	\$240,000.00
1 Sub-Consultant Services						\$240,000.00	\$48,000.00	\$168,000.00	\$24,000.00	\$240,000.00
Total Projection for FY 2015-2016:						\$2,503,894.70	\$890,902.20	\$1,060,293.26	\$552,699.25	\$2,503,894.70

ATTACHMENT 3

RICHARDS | WATSON | GERSHON Estimate For City Attorney Services

	Hours Projected	Hourly Rate	Projected Amount
Larry Weiner	50.00	\$460.00	\$23,000.00
Nick Ghirelli	302.00	\$255.00	\$77,010.00
DM Snow	25.00	\$395.00	\$9,875.00
AR Contreiras	50.50	\$230.00	\$11,615.00
	Total Projected Amount:		\$121,500.00

Allocation to Metro Projects:

	Allocated Amount
C1056 (AUR)	\$10,812.50
C1045 (DB La Cienega Station)	\$75,687.50
C1120 (Section 2)	\$35,000.00
Total:	<u>\$121,500.00</u>