

**Board Report**

File #: 2016-0814, **File Type:** Informational Report**Agenda Number:** 19.

**CONSTRUCTION COMMITTEE
OCTOBER 20, 2016****SUBJECT: REGIONAL CONNECTOR TRANSIT CORRIDOR PROJECT****ACTION: AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO EXECUTE A CONTRACT MODIFICATION TO CONTRACT C0980 TO REVISE CONSTRUCTION SEQUENCING AND ALLOW FOR EARLIER RETRIEVAL OF TBM****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to negotiate and execute Modification No. 73 to Contract No. C0980, with **Regional Connector Constructors, to Revise Construction Sequencing and Allow for Earlier Retrieval of the Tunnel Boring Machine (TBM)**, within a not-to-exceed amount of \$3,700,000 increasing the total contract price from \$995,188,519 not-to-exceed \$998,888,519. This action does not increase the life-of-project budget.

ISSUE

On April 30, 2015, the Metro Board approved Contract Modification No. 10, to transfer incomplete utility relocation work from Contract No. C0981R to Contract No. C0980 for a not-to-exceed amount of \$27.1 million. On December 3, 2015, the Metro Board approved Contract Modification No. 32, for additional utility work and schedule recovery measures, in an amount not-to-exceed \$49.0 million. One of the schedule recovery measures included the re-sequencing of piling and decking work on Flower Street to facilitate an earlier retrieval of the TBM following boring of the first tunnel, which is a critical path activity.

In the ensuing 10 months, cumulative impacts have occurred on Flower Street which have been beyond the contractor's control and have led to two additional months of forecasted delay to the project critical path. To avoid this delay and associated costs, the project team has developed a further schedule recovery approach which permits a faster excavation of the TBM retrieval shaft located at the intersection of 4th and Flower streets. This approach requires additional design, piling, night-time and weekend work at additional project cost. The project is seeking authority to issue a contract modification in an amount not-to-exceed \$3.7 million so that work critical to the project schedule may begin by the end of October 2016. The final negotiated price of the work and the success of this added recovery measure is highly dependent upon the project's ability to secure extended night and weekend work permits. Time constraints require that the design of a

supplemental shoring system commence immediately, so that appropriate approvals can be secured before work must begin. This action is estimated to save two months to the critical path. Based on the approximate delay costs of \$5 million per month, this approach would keep the project from incurring \$10 million in additional delay costs, a net savings of \$6.3 million.

DISCUSSION

Project Description:

The Regional Connector Transit Corridor Project (the Project) consists of the design and construction of a 1.9-mile light rail transit subway in downtown Los Angeles connecting the existing Metro Gold Line, Metro Blue Line, and Metro Exposition Line light rail transit (LRT) systems. The Project begins at the existing 7th/Metro Station and extends north to 2nd Street and Hope Street, turning east along 2nd Street to a new underground rail junction on Alameda Street. The Project includes a cut-and-cover box structure on Flower Street between the 7th /Metro Station and 4th Street and three new underground stations at 2nd/Hope, 2nd/Broadway, and 1st/Central Avenue.

On April 24, 2014, the Board authorized the CEO to award a 76-month firm fixed price contract (C0980) with Regional Connector Constructors (a Joint Venture between Skanska USA Civil West California District, Inc., and Traylor Bros. Inc.) for the final design and construction of the Regional Connector Transit Corridor Project. The CEO awarded the Contract to Regional Connector Constructors (RCC) on May 6, 2014, and staff issued the Notice-to-Proceed (NTP) on July 7, 2014.

DETERMINATION OF SAFETY IMPACT

This Board action will not have any negative impact on established safety standards.

FINANCIAL IMPACT

Funds are included in the FY17 budget for this action under Project 860228 - Regional Connector Transit Corridor Project in Cost Center 8510 (Construction Project Management), and Account Number 53101 (Acquisition of Building and Structure). Since this is a multi-year project, the Chief Program Management Officer and the Project Manager will be responsible for budgeting costs in future years.

Impact to Budget

The sources of funds for the recommended action are Federal 5309 New Starts, Measure R 35% TIFIA Loan, and various other federal and state grants as stated in the project funding plan. The approved FY17 budget is designated for the Regional Connector Transit Corridor Project and does not have an impact to operations funding sources. This Project is not eligible for Propositions A and C

funding due to the proposed tunneling element of the project. No other funds were considered.

ALTERNATIVES CONSIDERED

The Board may decline to approve the recommended action. This is not recommended as this recommendation allows the project to avoid additional delays and associated costs.

ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Attachment C - Contract Modification Authority (CMA) Summary

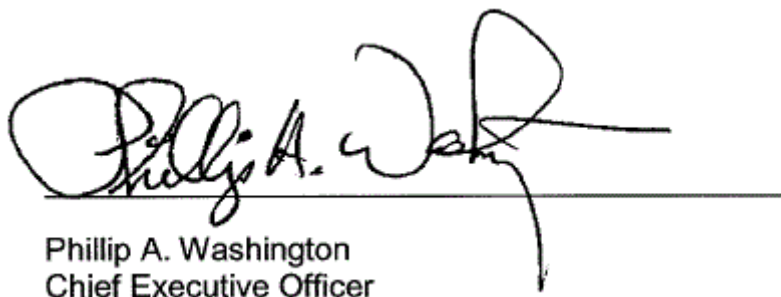
Prepared by:

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Reviewed by:

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Debra Avila, Chief Vendor/Contract Management Officer (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

REGIONAL CONNECTOR TRANSIT CORRIDOR PROJECT/
CONTRACT NO. C0980

1.	Contract Number: C0980		
2.	Contractor: Regional Connector Constructors, J.V.		
3.	Mod. Work Description: Revise excavation to provide TBM Removal Shaft		
4.	Contract Work Description: Regional Connector Transit Corridor Project		
5.	The following data is current as of: September 30, 2016		
6.	Contract Completion Status:		
	Bids/Proposals Opened:	4	% Completion \$s (Total Incurred Cost per Draft Sep 2016 Invoice): 37.8%
	Contract Awarded:	05/06/14	% Completion time (Duration % Complete): 34%
	NTP:	07/07/14	Original Contract Days: 2,430
	Original Complete Date:	03/01/21	Change Order Days: 0
	Current Est. Complete Date:	03/01/21	Suspended Days: 0
	Total Revised Days:		2,430
7.	Financial Status:		
	Contract Award:	\$927,226,995	
	Total Contract Modifications Approved:	\$ 67,961,524	
	Current Contract Value:	\$995,188,519	
	Contract Administrator: Susan Santoro		
	Telephone Number: 213-922-4974		
8.	Project Manager: Gary Baker, Deputy Executive Officer, Project Management		Telephone Number: 213-893-7118

A. Contract Action Summary

This Board Action is to approve the authorization of the CEO to negotiate and execute Contract Modification No. 73, to revise excavation to form a TBM removal pit to allow for earlier retrieval of the TBM at 4th Street and Flower Street.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a Firm Fixed Price.

On May 6, 2014, Contract No. C0980 was awarded to Regional Connector Constructors (RCC), a Joint Venture between Skanska USA Civil West California District, Inc., and Traylor Bros. Inc., the responsive and responsible proposer

determined to provide Metro with the best value, in the amount of \$927,226,995 for the final design and construction of the Regional Connector Transit corridor project.

Contract Modification No. 73 is for the revision to the support of excavation on Flower Street to construct a new bulkhead that will support the early construction of the TBM retrieval shaft, allowing the tunneling operations to continue as currently scheduled. Due to the time sensitivity of this proposed work, it must commence by the end of October 2016, to successfully recover the schedule delay.

B. Cost/Price Analysis

The final price for the contract changes will be reviewed and analyzed by Metro staff and determined to be fair and reasonable in accordance with Vendor/Contract Management Policies and Procedures. The final value for this Contract Modification will be determined to be fair and reasonable based upon an independent cost estimate, cost analysis, technical evaluation, audit, fact finding, and negotiations.

Item No.	Changes	Proposal amount	Metro ICE	NTE amount
1.	Mod No. 73 Revise Excavation to Provide TBM Removal Shaft	TBD	TBD	\$3,700,000

DEOD SUMMARY

REGIONAL CONNECTOR TRANSIT CORRIDOR PROJECT / CONTRACT NO.
C0980A. (1) Small Business Participation - Design

Regional Connector Constructors (RCC) made a 22.63% Disadvantaged Business Enterprise (DBE) commitment for Design. Design is currently 95% complete. DBE commitments were made to 11 DBE subcontractors at the time of award, and one (1) DBE subcontractor has been added to-date. Current DBE participation is 23.14%. RCC is currently exceeding its commitment.

SMALL BUSINESS COMMITMENT		DBE 22.63%	SMALL BUSINESS PARTICIPATION	DBE 23.14%
	Design DBE Subcontractors	Ethnicity	% Committed	Current Participation ¹
1	Abratique & Atienza, Inc.	Asian-Pacific American	1.32%	0.61%
2	Anil Verma Associates, Inc.	Subcontinent Asian American	0.25%	1.01%
3	Armand Consulting, Inc.	Subcontinent Asian American	2.19%	1.64%
4	D'Leon Consulting Engineers Corporation	Hispanic American	2.50%	2.32%
5	Earth Mechanics Inc.	Asian-Pacific American	1.32%	0.49%
6	Electrical Building Systems, Inc.	Hispanic American	3.21%	2.29%
7	MARRS Services, Inc.	Subcontinent Asian American	1.75%	2.32%
8	Mc Lean & Schultz, Inc.	Hispanic American	3.51%	4.16%
9	PacRim Engineering, Inc.	Asian-Pacific American	2.19%	2.65%
10	Parthenon Corporation	Hispanic American	ADDED*	0.59%
11	Transmetrics, Inc	Hispanic American	1.76%	1.54%
12	V & A Inc.	Hispanic American	2.63%	3.52%
Total			22.63%	23.14%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

*DBE(s) added after contract award

A. (2) Small Business Participation – Construction

RCC made an 18% DBE commitment for Construction at the time of contract award, and made one (1) known DBE subcontractor commitment. After the start of Construction, 51 DBE subcontractors were added. The Project is 34% complete (completion time). RCC is currently achieving 4.12% of their proposed 18% DBE subcontract commitment for Construction. It is expected that DBE commitments will continue to increase as Construction progresses.

Based on the total amount paid to-date to RCC and the total amount paid to-date to DBE subcontractors, current participation is 19.36%. RCC is expected to continue ongoing outreach and good faith efforts to meet its DBE contract commitment.

SMALL BUSINESS COMMITMENT		DBE 18%	SMALL BUSINESS PARTICIPATION	DBE 19.36%
Item No.	Construction DBE Subcontractors	Ethnicity	% Commitment	Current¹ Participation
1.	A A A Oil, Inc. dba California Fuels & Lubricants*	Hispanic American	0.01%	0.05%
2.	Abratique & Atienza, Inc.*	Asian-Pacific American	0.05%	0.31%
3.	Absolute Security International, Inc. dba Absolute International Security*	Asian-Pacific American	0.00%	0.30%
4.	Alameda Construction Services, Inc.*	African American	0.04%	0.13%
5.	Angela Liu Consulting Arborist, LLC*	Asian-Pacific American	0.00%	0.01%
6.	Anytime Dumping, Inc.*	African American	0.01%	0.09%
7.	APW Construction, Inc. dba Ace Fence Co.*	Hispanic American	0.03%	0.19%

8.	Aragon Construction Inc.*	Hispanic American	0.01%	0.04%
9.	Armed Exterminators*	African American	0.00%	0.00%
10.	BA, Inc.*	African American	0.02%	0.24%
11.	C G O Construction Company*	African American	0.03%	0.13%
12.	C2PM, Inc.*	Asian-Pacific American	0.00%	0.00%
13.	Clean Street Sweeping, Inc.*	Hispanic American	0.01%	0.04%
14.	Clean Up America, Inc.*	African American	0.08%	0.09%
15.	D & D Lee, Inc.*	African American	0.00%	0.00%
16.	Davis Blue Print Co., Inc.*	Hispanic American	0.00%	0.07%
17.	E-Nor Innovations Inc.*	African American	0.03%	0.72%
18.	Ellis Equipment, Inc.*	Asian-Pacific American	0.00%	0.03%
19.	Empire Steel, Inc.*	Asian-Pacific American	0.01%	0.07%
20.	EW Corporation Industrial Fabricators*	Hispanic American	2.08%	12.98%
21.	EW Moon Inc.*	African American	0.01%	0.10%
22.	G & C Equipment Corporation*	African American	0.08%	0.57%
23.	G & F Concrete Cutting, Inc.*	Hispanic American	0.02%	0.16%
24.	JET Drilling, Inc.*	Hispanic American	0.11%	0.32%

25.	Invictus Environmental Safety Solutions*	African American	0.00%	0.00%
26.	J L M Staffing Solutions*	African American	0.00%	0.04%
27.	J N A Builders, Inc.*	Asian-Pacific American	0.03%	0.14%
28.	JET Drilling, Inc.*	Hispanic American	0.00%	0.00%
29.	Juan Carlos Marquez Vega*	Hispanic American	0.02%	0.18%
30.	Jungle Communications, Inc.*	Hispanic American	0.00%	0.02%
31.	The Jungle Nursery, Inc.*	Hispanic American	0.00%	0.00%
32.	Kramer Translation*	Asian-Pacific American	0.00%	0.00%
33.	Morgner Technology Management*	Hispanic American	0.07%	0.33%
34.	EXARO Technologies Corp.*	Hispanic American	0.00%	0.00%
35.	P B & A, Inc.*	Non-Minority Women	0.04%	0.33%
36.	Parthenon Corporation*	Hispanic American	0.00%	0.01%
37.	Pre-Con Products Ltd.*	Hispanic American	0.01%	0.05%
38.	PTS Surveying Inc.*	Native American	0.05%	0.67%
39.	California Testing & Inspections, Inc.*	Hispanic American	0.40%	0.38%
40.	R. Dugan Construction*	Non-Minority Women	0.01%	0.05%

41.	Rivera Trucking LLC*	Native American	0.81%	0.00%
42.	Robnett Electric, Inc.*	African American	0.00%	0.06%
43.	Soteria Company, LLC	Hispanic American	0.01%	0.01%
44.	Super Seal & Stripe*	Non-Minority Women	0.01%	0.04%
45.	Supreme Wholesale Electric, Inc.*	African American	0.00%	0.23%
46.	Treesmith Enterprises, Inc.*	Hispanic American	0.00%	0.00%
47.	TSG Enterprises, Inc.*	Hispanic American	0.04%	0.07%
48.	Ultimate Maintenance Services*	Hispanic American	0.00%	0.01%
49.	Young Communications Group*	African American	0.00%	0.00%
Total Commitment			4.12%	19.36%

Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

**DBE(s) added after contract award*

B. Project Labor Agreement / Construction Careers Policy (PLA/CCP)

The Contractor has committed to complying with PLA/CCP requirements for this project. This project is 34% complete (completion time) and the contractor is achieving the 40% Targeted Worker Goal at 57.68%, not achieving the 20% Apprentice Worker Goal at 19.22%, and not achieving the 10% Disadvantaged Worker Goal at 7.28%. The Prime Contractor has submitted an Employment Hiring Plan which states compliance with the PLA/CCP workforce goals will be met in the latter part of 2016. Staff will continue to monitor and report the contractor's progress toward meeting the goals of the PLA/CCP.

C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Living Wage Service Contract Worker Retention Policy

The Living Wage and Service Contract Worker Retention Policy is not applicable to this modification.

CONTRACT MODIFICATION/CHANGE ORDER LOG
REGIONAL CONNECTOR TRANSIT CORRIDOR PROJECT - CONTRACT NO. C0980

Mod. No.	Description	Status (approved or pending)	Cost		
			Contract Value	Mods.	Board Approved CMA
N/A	Initial Award	Approved	\$927,226,995		\$92,722,700
CO001	TIFIA Certification Requirements	Approved		\$ -	
CO002	Revision to SP-01 DBE Reporting	Approved		\$ -	
	Contract Modification Authority Issued 04-30-15	Approved			\$27,100,000
CO003.1	Additional Utility Relocations (Transfers from C0981R)	Approved		\$ 19,340,692	
CO009	Admin.Modification to Incorporate Missing Specifications	Approved		\$ -	
CO012	Addition of Bulkhead for TBM Retrieval Pit Design Only	Approved		\$ 50,000	
	Contract Modification Authority Issued 10-02-14	Approved			\$3,320,000
2	Opt No. 3 - 2nd/Hope Upper Level Ent. & Ped. Bridge	Approved		\$ 3,320,000	
3	Opt RCC-1 2nd/Broadway SEM Cavern	Approved		\$ 16,000,000	
4	Opt. No. 10 Add Open Roof	Approved		\$ 4,100,000	
5	Opt. No. 11 Add Ventilation Under Deck	Approved		\$ 2,150,000	
6	Opt. No. 12 Change Basis of Design to Super Feet/Arise Growth Rate	Approved		\$ 8,000,000	
7	Opt RCC-2 Add Deep Foundations @ 2nd/Broadway	Approved		\$ 1,250,000	
8	Opt RCC-5 2nd/Broadway Decking	Approved		\$ 100,000	
9	Opt. RCC-3 Glazing at Portal Canopies	Approved		\$ 500,000	
11	Rail Truck and Trailer	Approved		\$ 991,749	
12	Little Tokyo Second Entrance (Design)	Approved		\$ 150,528	
13	Shoofly Temporary Communications Design	Approved		\$ 26,880	
14	Additional Site Investigation at Volk Property	Approved		\$ 16,606	
15	Additional Abatement at Bldg. Demo.	Approved		\$ 13,115	
16	Analysis of Track Design Options at Wye	Approved		\$ 11,123	
17	Hazardous Soil Removal at Volk Property	Approved		\$ 377,237	
18	1st/Central SOE Tieback Easement	Approved		\$ 595,560	
19	Lead-Contaminated Soil Removal at Volk Property - Ph. 2	Approved		\$ 131,822	
20	Opt RCC-8 Revert to Tunnel Lighting Spacing of 25'	Approved		\$ 340,000	
21	1st/Alameda Bumpouts (Design)	Approved		\$ 626,287	
22	Extra Utility Relocation Mobilization	Approved		\$ 999,971	
23	Deputy Grading Inspector for TBM Launch Pit SOE	Approved		\$ 165,424	
24	Delete subsurface easement at Stavrium Property	Approved		\$ -	
25	Tactile Guidance Strips in Stations - Design Only	Approved		\$ 209,637	
26	Cancelled.	Approved		\$ -	
27	JVP Tunnel Liners Reinforcement - Design Only	Approved		\$ 41,209	
28	Buried Bricks in Shoofly excavation in Mangrove (DSC)	Approved		\$ 102,900	
29	Little Tokyo Second Entrance (Construction) & Shoofly Temp Comm.	Approved		\$ 552,520	

Mod. No.	Description	Status (approved or pending)	Cost		
			Contract Value	Mods.	Board Approved CMA
30	Relocate Cherry Tree	Approved		\$ 10,540	
31	Rail Car Transporter Modifications	Approved		\$ 27,200	
	Contract Modification Authority Issued 12-03-15	Approved			\$61,000,000
33	Add Wye Junction Fan Plant (Design Only)	Approved		\$ 1,210,000	
34	K-Rail Modifications for Clarke Closure	Approved		\$ 24,193	
35	Additional Traffic Control/Flaggers at 2nd/Broadway LA Times	Approved		\$ 287,830	
36	1st/Alameda Additional Utility Potholing	Approved		\$ 425,010	
37	CN 25.1, CN 32, CN 33	Approved		\$ 51,796	
38	Environmental Impairment Liability Site (Pollution Legal Liability) Ins.	Approved		\$ 402,602	
39	Cut and Cover SOE Redesign (1/A & 2/B)	Approved		\$ 676,749	
40	Tunnel Liner Revisions	Approved		\$ 329,817	
41	Sprint Relocation at 2nd/Broadway	Approved		\$ 87,362	
42	Delete Public Pay Phones	Approved		\$ (25,910)	
43	2nd/Hope Ped Bridge Design	Approved		\$ 123,713	
44	Little Tokyo TVM Relocations	Approved		\$ 24,420	
45	24" W.L Conflict w/MFS telecomm./Flower Exploratory Potholing	Approved		\$ 180,727	
46	Revisions to Metro Station Signage Standards - Design Only	Approved		\$ 181,732	
47	CFD Analysis	Approved		\$ 77,000	
50	Additional DSSP Install @ JVP	Approved		\$ 106,068	
52.1	Increase Quantities for Bid Item 64 Removal Hazardous Materials - Asbestos	Approved		\$ 10,000	
53	2nd/Broadway Mandrel Pulice Conduits	Approved		\$ 80,358	
54	Shoofly Catch Basin Revised Design	Approved		\$ 11,818	
55	Automatic Train Control Synchronization	Approved		\$ 59,286	
56	Flower Street Roadway, Sidewalk & Lighting Improvements - (Design Only)	Approved		\$ 372,018	
57	Repair of Qwest Conduit on 5th Street E/O Flower	Approved		\$ 30,280	
58	Temporary Relocation of Storm Drain Lateral at 4th and Flower	Approved		\$ 130,861	
59	Flower Street Cut and Cover Mandrel of DWP(P) Ductbanks	Approved		\$ 53,550	
60	Add ATSAC CCTV Video Camera Sys. at 1st/Hope and 1st/Broadway	Approved		\$ 306,030	
61	Revise 2nd/Hope Station Ped Bridge Design Only	Approved		\$ 778,267	
63	Add Longitudinal Settlement Sensors	Approved		\$ 406,849	
64	MFS Telecom Duct bank Relocation on Flower Street	Approved		\$ 362,500	
65	Revise Communications Radio System SOW (Design Only)	Approved		\$ 298,221	
66	Otium Preconstruction Survey - Hope Station	Approved		\$ 45,577	
67	1/C & Flower Certified Welding Inspector (For 981 work)	Approved		\$ 213,000	
70	Common Station Features Redesign	Approved		\$301,000	
71	Add Construction Document Management Software	Approved		\$137,800	
			Subtotal (Approved)	\$67,961,524	\$184,142,700

Mod. No.	Description	Status (approved or pending)	Cost		
			Contract Value	Mods.	Board Approved CMA
10	Additional Utility Relocations (Transfers from C0981R)	Pending		\$7,759,308	
32	Additional Utility Work and Schedule Recovery Measures	Pending		\$49,000,000	
48	Artwork Lighting Revisions	Pending		\$0.00	
51	Flower Street Delete Crossover/Revise Emergency Exit - Design Only	Pending		\$918,000	
66	Commonwealth Agreement - Flower Street Noise Barriers	Pending		\$50,000	
68	Revise Signal Aspects at Venice Interlocking	Pending		\$20,100	
69	2nd/Broadway Station Plaza Reconfiguration	Pending		\$55,000	
72	Relocation of DWP Backflow Preventer	Pending		\$15,000	
73	Revise Excavation to Provide TBM Removal Shaft	Recommended		\$3,700,000	\$3,700,000
			Subtotal (Pending)	\$50,043,100	\$3,700,000

Subtotal - Approved Modifications	\$67,961,524	
Subtotal - Pending Changes/Modifications	\$50,043,100	
Subtotal Modifications + Pending Changes/Modifications	\$118,004,624	
Subtotal - Pending Claims	\$0.00	
Total: Mods + Pending Changes/Mods + Possible Claims	\$118,004,624	
Previous Authorized CMA		\$184,142,700
CMA Necessary to Execute Pending Changes/Mods + Possible Claims		\$50,043,100
Total CMA including this Action		\$ 187,842,700
CMA Remaining for Future Changes/Mods after this Action		\$ 69,838,076