



**Board Report**

**File #:** 2018-0208, **File Type:** Contract

**Agenda Number:** 27.

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE  
JUNE 21, 2018**

**SUBJECT: FENCE REPAIR AND INSTALLATION SERVICES FOR  
METRO RAIL RIGHTS-OF-WAY, FACILITIES AND PARCEL  
PROPERTIES**

**ACTION: APPROVE CONTRACT MODIFICATIONS**

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. Execute Modification No. 2 to Contract No. OP4056400OP with APW Construction Inc., DBA Ace Fence Co., for Metro Rail Facilities Fence Repair and Installation services, in the amount of \$1,250,000, increasing the not-to-exceed three-year base contract value from \$1,000,800 to \$2,250,800, and
- B. Execute Modification No. 3 to Contract No. OP4056400OP with APW Construction Inc., DBA Ace Fence Co., for Metro Rail Facilities Fence Repair and Installation services, to exercise and increase the value of option year one in the amount of \$250,000, from \$343,200 to \$593,200, and extending the contract term from April 1, 2019 to March 31, 2020.

These two Modifications will increase the total contract value from \$1,000,800 to \$2,844,000.

**ISSUE**

There are multiple types of fencing systems installed on the perimeters of Metro operational and non-operational railroad properties throughout Los Angeles County. Property fences are subject to damage due to vandalism, forced entries, vehicle accidents and natural disasters requiring repair on an as-needed basis.

The existing contract three-year base period will expire on March 31, 2019. To continue providing the necessary as-needed fencing repair and installation services system-wide, a Contract Modification is required to increase the three-year base contract authority by \$1,250,000 from \$1,000,800 to \$2,250,800, and to exercise and increase the value of option year one in the amount of \$250,000 from \$343,200 to \$593,200, increasing the total contract value from \$1,000,800 to \$2,844,000 and extending the contract term from April 1, 2019 to March 31, 2020.

## **DISCUSSION**

Under the existing Contract, a 100% SBE commitment was made by the prime. Ace Fence Co. is a Metro certified SBE and is meeting their commitment with a 100% SBE participation.

In order to meet Metro's security needs, fencing is required on active railroad rights-of-way, electrified railroad yards, traction power substations, storage yards and other Metro rail operating properties to prevent the public from accessing these restricted areas and placing themselves at the risk of being hit by trains, being electrocuted by third rail or high-power electrical lines, to mitigate illegal dumping and to protect Metro properties from theft and vandalism.

Under this Contract, as-needed fencing repair inquiries and service requests have significantly increased due to vandalism, vehicular accidents, and in support of Metro's Construction projects to ensure safety and security incidents are addressed. Also, the scope of work has been expanded to include fencing repair and improvements for Metro expansion projects including Metro Foothill Extension and Expo II. Furthermore, services have been expanded to provide initial fencing repair and improvements along with as-needed services throughout 17 Caltrans owned Park and Ride lots currently maintained by Metro in accordance with the executed Operations and Maintenance agreement effective January 1, 2018. Additional fencing repair and improvements are anticipated as part of the New Blue improvement project.

Since the scope of work has been expanded to include additional locations and services, there are insufficient funds remaining within the current contract term. Contract Modifications are required to increase the three-year base contract authority by \$1,250,000 from \$1,000,800 to \$2,250,800, and exercise and increase the value of option year one in the amount of \$250,000 from \$343,200 to \$593,200, increasing the total contract value from \$1,000,800 to \$2,844,000. The additional funding is required to ensure timely execution of the pending tasks and service continuity through March 31, 2020.

## **DETERMINATION OF SAFETY IMPACT**

The approval of this item will ensure safe, timely and quality as-needed fencing repair and installation services system-wide.

## **FINANCIAL IMPACT**

Funding of \$1,398,300 is included in the FY19 budget in cost center 3367 - Facilities Property Maintenance, account 50308, Service Contract Maintenance, under various projects.

Since this is a multi-year contract, the cost center manager and Sr. Executive Officer, Maintenance and Engineering will be accountable for budgeting the cost in future years.

### **Impact to Budget**

Funding for this action will come from the Enterprise operating fund. The source of funds will come

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from state and local funds including fares that are eligible for Bus and Rail Operating Projects. These funding sources will maximize fund use based on funding allocation provisions.

### **ALTERNATIVES CONSIDERED**

Staff considered providing this service with in-house staff. This would require the hiring and training of additional personnel, purchase of additional equipment, vehicles, and supplies to support the expanded responsibility. Staff's assessment indicates this is not a cost-effective option for Metro.

### **NEXT STEPS**

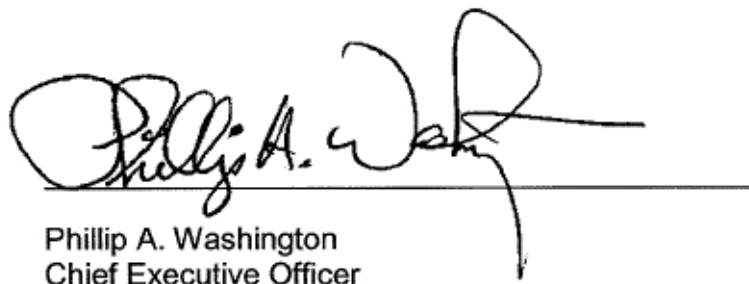
Upon approval by the Board, staff will execute Modifications No. 2 and Modification No. 3 with APW Construction Inc., DBA Ace Fence Co., under the current Contract No. OP4056400OP to continue providing fence repair and installation services for Metro Rail right of ways, facilities and parcel properties.

### **ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - Contract Modification/Change Order Log  
Attachment C - DEOD Summary

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Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

## FENCE REPAIR AND INSTALLATION SERVICES FOR METRO RAIL RIGHTS-OF-WAY, FACILITIES AND PARCEL PROPERTIES / OP4056400OP

1.	<b>Contract Number:</b> OP4056400OP		
2.	<b>Contractor:</b> APW Construction Inc., DBA Ace Fence Co.		
3.	<b>Mod. Work Description:</b> Additional funding; exercise option year 1		
4.	<b>Contract Work Description:</b> As-needed fencing repair and installation services system-wide.		
5.	<b>The following data is current as of:</b> 5/22/18		
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>
	<b>Contract Awarded:</b>	2/25/16	<b>Contract Award Amount:</b> \$1,000,800
	<b>Notice to Proceed (NTP):</b>	N/A	<b>Total of Modifications Approved:</b> \$0
	<b>Original Complete Date:</b>	3/31/19	<b>Pending Modifications (including this action):</b> \$1,843,200
	<b>Current Est. Complete Date:</b>	3/31/20	<b>Current Contract Value (with this action):</b> \$2,844,000
7.	<b>Contract Administrator:</b> Rommel Hilario		<b>Telephone Number:</b> (213) 922-4654
8.	<b>Project Manager:</b> Maral Minasian		<b>Telephone Number:</b> (213) 922-6762

**A. Procurement Background**

This Board Action is to approve Contract Modification No. 2 issued in support of Facilities Maintenance to continue providing as-needed fencing repair and installation services system-wide, increasing the not-to-exceed three-year base contract value by \$1,250,000 from \$1,000,800 to \$2,250,800.

Additionally, this Board Action is to approve Contract Modification No. 3 to exercise and increase the value of option year one in the amount of \$250,000, from \$343,200 to \$593,200, and extend the contract term from April 1, 2019 to March 31, 2020.

These Contract Modifications will be processed in accordance with Metro's Acquisition Policy and the contract type is firm fixed unit rate.

On February 25, 2016, the Board approved a five-year contract, inclusive of two, one-year options, to APW Construction Inc., DBA Ace Fence Co., to provide as-needed fencing repair and installation services for Metro owned rail rights-of way, facilities, and parcel properties.

(Refer to Attachment B – Contract Modification/Change Order Log)

**B. Cost/Price Analysis**

California Prevailing Wage requirements are applicable to this Contract. The recommended price has been determined to be fair and reasonable based upon an independent cost estimate (ICE) and technical evaluation. The labor rates that were established as part of the current contract executed on April 1, 2016 remain unchanged. Therefore, it is in Metro’s best interest to exercise Option Year One.

<b>Proposed Amount</b>	<b>Metro ICE</b>	<b>Modification Amount</b>
\$1,843,200	\$1,843,200	\$1,843,200

**CONTRACT MODIFICATION/CHANGE ORDER LOG**

**FENCE REPAIR AND INSTALLATION SERVICES FOR METRO RAIL RIGHTS-OF-WAY, FACILITIES AND PARCEL PROPERTIES / OP4056400OP**

<b>Mod. No.</b>	<b>Description</b>	<b>Date</b>	<b>Amount</b>
1.	Add locations	6/2/16	\$0
2.	Increase the 3-year base contract amount	<b>PENDING</b>	<b>\$1,250,000</b>
3.	Exercise option year 1 and extend contract term to March 31, 2020	<b>PENDING</b>	<b>\$593,200</b>
	<b>Modification Total:</b>		<b>\$1,843,200</b>
	<b>Original Contract:</b>	<b>04/01/16</b>	<b>\$1,000,800</b>
	<b>Total Contract Value:</b>		<b>\$2,844,000</b>

**DEOD SUMMARY**

**FENCE REPAIR AND INSTALLATION SERVICES FOR METRO RAIL ROW, FACILITIES AND PARCEL PROPERTIES / OP4056400P**

**A. Small Business Participation**

APW Construction Inc. dba Ace Fence Co., an SBE Prime, made a 100% SBE commitment. The project is 51% complete. APW Construction Inc. dba Ace Fence Co. is currently meeting its commitment with an SBE participation of 100%.

<b>Small Business Commitment</b>	<b>100% SBE</b>	<b>Small Business Participation</b>	<b>100% SBE</b>
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	<b>SBE Subcontractors</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	APW Construction Inc. dba Ace Fence Co. (SBE Prime)	100%	100%
	<b>Total</b>	<b>100%</b>	<b>100%</b>

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

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

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

**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. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.