

**Board Report**

---

**File #:** 2015-1594, **File Type:** Contract**Agenda Number:** 31.

---

**CONSTRUCTION COMMITTEE  
JANUARY 21, 2016****SUBJECT: REGIONAL CONNECTOR TRANSIT CORRIDOR PROJECT****ACTION: AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO EXECUTE CONTRACT MODIFICATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Contract Modification No. 5 to **Contract No. MC070, to Arcadis U.S., Inc., to continue providing Construction Management Support Services (CMSS) through June 30, 2017, for the Regional Connector Transit Corridor Project**, in the amount of \$18,494,981 increasing the total contract value from \$17,135,690 to \$35,630,671.

**ISSUE**

On March 21, 2013, the Board approved and awarded Contract MC070 to Arcadis U.S., Inc., for Construction Management Support Services in the amount of \$3,499,990 for this project. The executed contract is an eight year (with two one-year options for contract duration extension) cost-plus fixed fee contract with provisions for Board approval of the contract value every fiscal year by Contract Modification. Construction management support services are professional services that are required to assist Metro by providing technical expertise and staff augmentation in the oversight and management of the final design and construction of the Regional Connector Transit Corridor Project.

Subject to the annual authorization requirements of the contract, the Board approved modifications in the amount of \$7,680,700 on April 24, 2014 for FY15 and \$5,955,000 on July 23, 2015 for Construction Management Support Services for 6 months through December FY16, for a total authorized contract amount of \$17,135,690. This authorization requests approval through June 30, 2017 (a total period of 18-months). The recommended Board action will provide contract funding through June 30, 2017. Future work will be funded on a year-to-year basis. This approach will result in more accurate budgeting for each year, while providing better control over consultant services costs.

**DISCUSSION**

The primary role of the CMSS is to provide highly skilled and qualified individuals to assist Metro with the construction management of the Project by becoming part of an integrated construction

management team residing in the project field office, under the oversight of Metro Project Management. The CMSS consultant provides administration, inspection services and technical support during the final design, construction, pre-revenue operations and closeout phases of the Project. Metro Project Management requires this consultant staff with the expertise to oversee the design-builder's construction operations and assist Metro with the management of the Project. As part of this request, Metro's Project Manager identified and evaluated the annual work plan, which was negotiated with Arcadis U.S., Inc., to determine the recommended Contract Modification value.

The CMSS contact work plan for the first half of FY16 has been running at approximately 23 full-time equivalents (FTEs) per month, all of which are providing construction-related field services, technical expertise on ongoing construction work plans, and construction related office operations. In response to the significant increase in construction activity on the project within the next few months, the CMSS work plan level of effort is estimated to increase to approximately 35 FTEs by the end of FY17.

On July 16, 2015, the Board approved the conversion of eight Arcadis positions to non-contract Metro positions. To date, two senior resident engineering positions have been filled by Metro employees and other conversions are planned in upcoming months as positions become necessary to support the construction schedule. This effort has resulted in a cost reduction to the Arcadis contract of over \$426,300 date, with an additional estimated cost reduction of \$1,304,500 through FY17. Further cost reductions in the consultant contract will be realized as additional consultant positions are filled with non-contract Metro personnel.

### **DETERMINATION OF SAFETY IMPACT**

This Board action will not have an impact on established safety standards for Metro's construction projects. The CMSS contract provides services that support Metro's internal safety staff on the Regional Connector Transit Corridor Project. The scope of services for the CMSS contract includes provisions for staff members to ensure that safety is the highest priority during oversight of all phases of construction.

### **FINANCIAL IMPACT**

Funding for FY16 portion of the CMSS contract is included in the FY16 budget in Cost Center 8510, (Construction Project Management) under Project 860228 (Regional Connector Transit Corridor Project), Account 50316, (Professional Services). Since this is a multi-year contract, the Executive Director of Program Management and the Project Manager will be accountable to budget the cost for future years on an annual basis.

### **Impact to Budget**

The sources of funds for this report's Recommendation are Federal 5309 New Starts, State Prop 1B PTMISEA, State Repayment of Capital Project Loans, and Measure R Transit 35%. These funds are designated for the Regional Connector Transit Corridor Project and do not have an impact to operations.. These funds were assumed in the LRTP for the Regional Connector Transit Corridor Project. 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 Metro Board could decide not to approve the recommended contract modification. This is not recommended because Metro does not have sufficient staff with expertise in the many different fields, including construction managers, resident engineers and inspectors in the disciplines of systems, tunnels, stations, sequential excavation method work, trackwork, civil, architecture, geology, mechanical, electrical, rail activation and systems integration. The recommendation by staff will provide adequate personnel with expertise through FY17 to successfully manage the project and oversee construction quality.

### **NEXT STEPS**

After Board approval and execution of the contract modification, staff will direct the consultant to continue providing construction management support services for the Regional Connector Transit Corridor project through FY17.

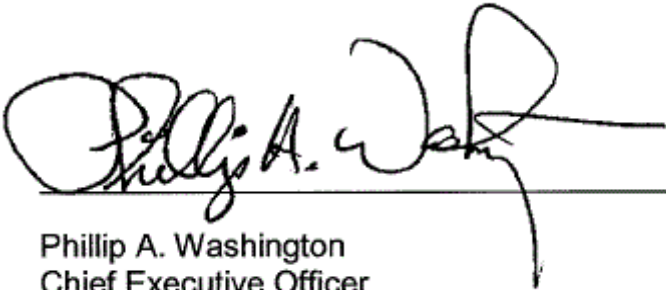
Staff will report back by June 2017 on the actual number of non-contract Metro positions hired and placed on the project and the corresponding reduction in the CMSS contract value.

### **ATTACHMENTS**

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

Prepared by: Girish Roy, Deputy Executive Officer, Project Director (213) 893- 7119  
Gary Baker, Deputy Executive Officer (213) 893 -7191

Reviewed by: Ivan Page, Executive Director (Interim), Vendor/Contract Management (213) 922-6383  
Richard Clarke, Executive Director, Program Management  
(213) 922-7557



Phillip A. Washington  
Chief Executive Officer