



Board Report

File #: 2017-0510, **File Type:** Contract

Agenda Number: 34.

**CONSTRUCTION COMMITTEE
SEPTEMBER 21, 2017**

SUBJECT: METRO BLUE LINE PEDESTRIAN SAFETY ENHANCEMENTS AT GRADE CROSSINGS

ACTION: AUTHORIZATION FOR LIFE OF PROJECT BUDGET ADJUSTMENT AND CONTRACT MODIFICATION AUTHORITY

RECOMMENDATION

APPROVE:

- A. TRANSFERRING \$1,250,000 in underruns from Project 204071 (Metro Blue Line Station Refurbishments) into Project 205104 (Metro Blue Line Pedestrian Safety Enhancements at Grade Crossings Project) thereby adjusting the Life of Project (LOP) budget for Project 205104 from \$30,175,000 to \$31,425,000.

- B. INCREASING the Contract Modification Authority (CMA) for Contract C1086 with Icon West Inc. in the amount of \$2,100,000 from \$1,298,000 to \$3,398,000.

ISSUE

The Metro Blue Line (MBL), which opened in 1990, is Metro's oldest rail line. Since its opening, Metro has continuously worked to improve safety along the line. This Pedestrian Safety Enhancement at Grade Crossing project is an important project to improve safety for the high numbers of pedestrians of all ages at the many crossings. The major feature is new train-activated pedestrian crossing gates, but also includes other improvements such as ADA warning ramps and sidewalk improvements approaching the crossings.

Although they are separate projects, both this MBL Pedestrian Safety Enhancement at Grade Crossings and the MBL Station refurbishment projects are managed together. Project 204071 (Metro Blue Line Station Refurbishments) was completed well under budget in 2016 with an underrun of approximately \$6 million. The LOP budget for the Metro Blue Line Pedestrian Safety Enhancements Project (205104) was approved at the July 2015 Board in an amount of \$30,175,000, which included

all final design, Metro construction work and Union Pacific Railroad (UPRR) construction work. All work agreements within the UPRR right of way and license requirements for this project were executed on January 15, 2016, under the Metro/UPRR Public Highway At-Grade Crossing Improvement Agreement for an estimated amount of \$10,663,000. The Metro Design/Bid/Build contract C1086, in the amount of \$12,980,074, was awarded to Icon West Inc. on September 14, 2015, and the notice to proceed (NTP) was issued on October 12, 2015. The contractual schedule for completion of this project is October 10, 2017, as shown on Attachment A. Due to the design and construction contract modifications, the current plan is to finish the construction in March 2018 upon board approval of the CMA and LOP adjustment requested herein.

This adjustment addresses all current and future direct and indirect cost impacts, and will provide sufficient LOP funding and CMA to cover the increased costs through completion of the project.

DISCUSSION

During the construction period, there were various factors that contributed to contract changes and increased costs. The changes were mainly due to unforeseen site conditions, City requirements, and UPRR systems related changes at the project site as listed below:

- Existing underground utilities not shown on the as-built record drawings required relocation.
- Unforeseen site conditions during excavation.
- Changes due to UPRR installation of new signal houses.
- UPRR track work involved replacement/installation of new track concrete panels at crossings that required full street closures.
- Additional design changes due to existing field conditions to meet ADA requirements.
- Relocation of street light and signal pull boxes away from ADA curb ramps as required by the City of Los Angeles.
- Construction costs associated with the delay of acquiring private parcels for the project at Nadeau, Florence and Gage crossings.

The current available CMA for construction is \$1,298,000. This amount is insufficient to cover all the above additional construction changes as required for this project. The total rough order of magnitude estimate for all the changes to complete the project is anticipated to be \$3,398,000. Thus, an additional CMA of \$2,100,000 is needed as shown on Attachment B.

Given the CMA increase described above, the current LOP will need to be increased by \$1,250,000 with a total amount of \$31,425,000 as shown on Attachment D.

DETERMINATION OF SAFETY IMPACT

Upon completion of this project, the newly installed 108 active pedestrian gates will provide safer pedestrian crossings at 27 intersections along the Metro Blue Line alignment. Additionally, extraneous benefits to Metro operator and the surrounding community can be realized with the potential reduction of at-grade crossing accidents.

FINANCIAL IMPACT

The funds required in FY18 for this project are included in the adopted budget. Upon board approval the LOP budget will be increased by \$1,250,000 in Cost Center 8510 (Construction Contracts/Procurement) Project 205104 (Metro Blue Line Pedestrian Safety Enhancements at Grade Crossings). Since this is a multi-year project, the Project Manager, Cost Center Manager, and Chief Program Management Officer will be responsible for budgeting the cost in future fiscal years.

Impact to Budget

If recommendation A is approved, the \$1,250,000 LOP adjustment will be funded using project savings and underruns from Project 204071 as discussed above. This source is eligible for bus and rail operating and capital improvements.

ALTERNATIVES CONSIDERED

The Board may choose to not authorize the adjustments to the LOP Budget and CMA for this project. This alternative is not recommended because rejection of the LOP budget and CMA increase would prohibit staff from completing this critical Metro Blue Line Pedestrians Safety Enhancements at Grade Crossings Project. Additionally, delay to the construction of this project could jeopardize MBL pedestrian safety at grade crossings, expose Metro to claims by the Contractor and prohibit UPRR staff from completing the required works as stated in the Metro/UPRR agreement.

NEXT STEPS

Upon Board approval, Metro's construction management staff will issue the necessary contract modifications to continue moving the project forward with the goal of reaching substantial completion and commissioning all those pedestrian and swing gates by March 2018.

The contractor, Icon West, Inc., is shown on Attachment C as having a DEOD goal compliance deficiency. The deficiency is mainly due to the insufficient CMA required to execute the contract modifications which resulted in a work force reduction. Upon Board approval, the Contractor is committed to increase their work force immediately to meet or exceed the DEOD goals once work resumes. The attached Targeted Worker Summary Report for June 2017 shows that Icon West, Inc.

is exceeding the DEOD goals requirement.

ATTACHMENTS

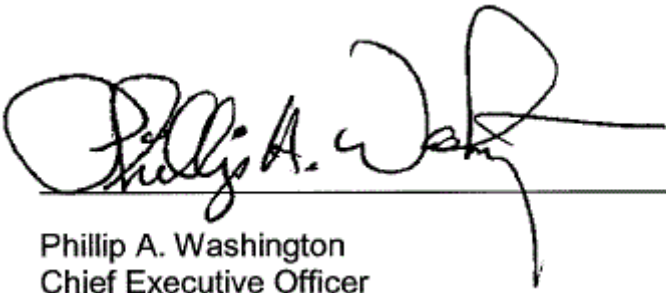
- Attachment A - Procurement Summary
- Attachment B - Contract Modification
- Attachment C - DEOD Summary
- Attachment D - Funding/Expenditure Plan

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