



**Board Report**

**File #:** 2021-0306, **File Type:** Informational Report

**Agenda Number:** 38.

**CONSTRUCTION COMMITTEE  
JUNE 17, 2021**

**SUBJECT: I-105 EXPRESSLANES PROJECT**

**ACTION: (1) APPROVE USE OF CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC) PROJECT DELIVERY METHOD**

**(2) APPROVE USE OF DESIGN/BUILD/OPERATE/MAINTAIN (DBOM) PROJECT DELIVERY METHOD**

**RECOMMENDATION**

**CONSIDER:**

- A. FINDING that the use of a construction manager/general contractor (CM/GC) project delivery method for the I-105 ExpressLanes Project, pursuant to Public Utilities Code Sections 130242, to achieve certain private sector efficiencies by an integrated project delivery team is appropriate; and
- B. APPROVING a competitive solicitation of a CM/GC contract(s) to qualified proposers, pursuant to Public Utilities Code Section 130242, whose proposals will be evaluated by utilizing appropriate evaluation criteria (including price) set forth in the solicitation documents.

**(REQUIRES 2/3 VOTE OF THE BOARD)**

- C. FINDING that the use of a Design/Build/Operate/Maintain (DBOM) project delivery method for a separate solicitation for the Roadside Toll Collection System (RTCS) for the I-105 ExpressLanes Project, pursuant to Public Utilities Code Section 130242, to achieve certain private sector efficiencies by an integrated project delivery team is appropriate; and
- D. APPROVING a separate competitive solicitation of a DBOM contract(s) to qualified proposers, pursuant to Public Utilities Code Section 130242, whose proposals will be evaluated by utilizing appropriate evaluation criteria (including price) set forth in the solicitation documents.

**(REQUIRES 2/3 VOTE OF THE BOARD)**

**ISSUE**

Metro is able to enter into separate contracts for a CM/GC and DBOM delivery pursuant to Public Utilities Code Section 130242. Staff is requesting approval to utilize the competitive procurement process for the selection of a CM/GC and DBOM RTCS contractor for the I-105 Express Lane Project, which will allow staff to proceed with the competitive selection of a recommended CM/GC and DBOM RTCS contractor for contract award subject to future Board approval. Benefits of the CMGC and DBOM process include the optimization of project performance, risk, constructability, and delivery schedule through early design solutions, innovation, improved design quality, enhanced efficiencies and minimized impacts to existing facilities.

## **DISCUSSION**

The I-105 ExpressLanes project will utilize two separate delivery methods to deliver the project. The first is a CM/GC contractor to construct the civil elements of the project (structures, retaining walls, soundwalls, etc.) and the second is a DBOM RTCS contractor that will design, construct, and operate the roadside toll collection system. The DBOM method was used for the I-10 and I-110 ExpressLanes.

### **CM/GC**

A CM/GC project delivery method is procured to provide preconstruction services during the design phase of the project and commit to construct the project at defined scope and price. The CM/GC project delivery method provides for an integrated project delivery team consisting of the owner, designer/engineer and construction manager/general contractor that enables team collaboration to develop the design plans and maximize cost savings and schedule adherence. Since the CM/GC contractor is providing preconstruction services during the design phase such as providing constructability reviews, value engineering, pricing, scheduling and construction phasing, the CM/GC project delivery method will improve quality, higher certainty on final construction cost and delivery schedule and lower potential for change orders, disputes and third-party delays during construction.

As the collaborative design process is being completed, Metro would enter into exclusive negotiations with the CM/GC contractor. A detailed independent cost estimate would be developed by Metro as the basis for these negotiations. If Metro and the CMGC cannot come to terms, off ramps would be defined in the contract that would allow Metro to pursue other contracting options such as a competitive bid.

Staff is recommending the CM/GC method for the delivery of the I-105 ExpressLanes Project due to the necessary complex staging to minimize impact to the Metro C (Green) Line and the I-105 freeway. It will also lead to better developed construction packages to enable meeting the funding schedule constraints, shorten the construction schedule and expedite revenue operation of the ExpressLanes.

### **Design/Build/Operate/Maintain**

The RTCS encompasses the hardware and software systems in the field needed to support dynamic

congestion pricing and collection of toll revenues from customers using the ExpressLanes. Functions of the RTCS include transponder communications, image capturing and processing, dynamic pricing, transaction processing, and corridor monitoring. Since toll agencies have very specific business rules, rate policies, customer policies and standard operating procedures dictated by the agency or statute, each RTCS must be designed to conform to precisely specified requirements. Furthermore, due to the quantity of equipment required and the complexity associated with system integration, a significant amount of labor hours and corridor closures is required to bring a new RTCS online.

Due to these factors, staff is recommending a DBOM delivery method for the RTCS. The RTCS contractor will work with the Plans, Specifications, and Estimates (PS&E) and CM/GC contractors to complete final design for tolling infrastructure (i.e., signage poles, foundations, etc.) required to support the RTCS contractor's requirements. During construction, the RTCS contractor will provide toll system equipment and work with the CM/GC contractor to install that equipment. Once construction and installation are completed, the RTCS contractor will begin system integration and testing prior to operating and maintaining the toll system once the project opens to the public. The highly integrated and specialized nature of the RTCS necessitates a single contractor participate in the design phase of the project and continue through construction, operations, and maintenance.

### **Metro and Caltrans Alternative Project Procurement**

Caltrans is Metro's key partner on this project. In 2012, Caltrans authorized 6 pilot CM/GC projects based on State Assembly Bill 2498. In 2016 and 2017, a total of 16 more projects were authorized with Assembly Bills 2126 and 115 respectively. Since then, Caltrans local districts have utilized CM/GC to successfully deliver highway projects.

Metro held detailed discussions with Caltrans District 7 regarding the selection of an alternative procurement method for the I-105 ExpressLanes project. Both Design/Build and CM/GC were initially considered. In making the selection, Metro and Caltrans used a Caltrans project delivery selection tool, the Project Selection Matrix (PDSM), to help assess and analyze what type of delivery method best fit a specific project.

Metro Program Management also has a process to select a delivery method for a project. The scoring matrix analyzed the project for either a Design-Bid-Build or Design-Build. Once it is determined that the traditional Design-Bid-Build is the preferred method, there is a separate check list to analyze if the CM/GC process is better suited. The project team determined CMGC is the best suited delivery method for this project.

As a result of using both analytical tools which identified CM/GC as the best option for this project, Caltrans and Metro agreed to the selection of this delivery method.

### **DETERMINATION OF SAFETY IMPACT**

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The I-105 Express Lane Project is being planned and designed in accordance with Caltrans standards and requirements. Approval of the Project will have no impact on safety.

### **FINANCIAL IMPACT**

Approval of the staff recommendation will allow staff to proceed with a competitive procurement process utilizing the CM/GC and DBOM project delivery methods. Staff will develop a Life of Project (LOP) budget recommendation when designs are finalized and seek approval on the award of a guaranteed maximum price (GMP) contract for construction with the CM/GC and RTCS DBOM firms on each contract separately. The amount of \$7.08 million in FY 22 is included in the approved FY22 budget for cost center 2220 under (project number). Since this is a multi-year project, the Chief Program Management Officer will be accountable for budgeting the costs in future years.

#### **Impact to Budget**

There is no impact to the FY22 budget. The sources of funds secured to date for the I-105 Express Lane project includes the Measure M Highway Capital (17%) and Senate Bill 1 (SB 1) Grant Funds. These funds are not eligible for bus or rail operations.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The I-105 ExpressLanes project supports Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. The proposed ExpressLanes would enhance regional highway capacity and improve the Level of Service for both the ExpressLanes as well as the general purpose lanes. The project also supports Strategic Goal 2: Deliver outstanding trip experiences for all users of the transportation system. The proposed project would result in shorter trip time for both the ExpressLanes and the general purpose lanes. Lastly, the project supports Strategic Goal 4: Transform LA County through regional collaboration and national leadership. The project requires close collaboration with State and other local agencies.

### **ALTERNATIVES CONSIDERED**

The Board may elect not to approve the staff recommendation to use the CM/GC and DBOM project delivery approach for the I-105 Express Lane Project. The Board may choose to use other project delivery methods such as Design-Build or Design-Bid-Build. This is not recommended because the advantages of using CM/GC and DBOM for the I-105 Express Lane project including improved design quality, enhanced schedule and project efficiencies, minimized impact to existing facilities and lower potential for change orders will not be realized.

### **NEXT STEPS**

Approval of this action would allow staff to proceed with a competitive procurement process utilizing

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the CM/GC project delivery method pursuant to Public Utilities Code Section 130242 and DBOM for RCTS. Staff plans to release the CM/GC RFQ/RFP package by July 2021, and the RTCS DBOM RFQ/RFP package by August 2021.

**ATTACHMENTS**

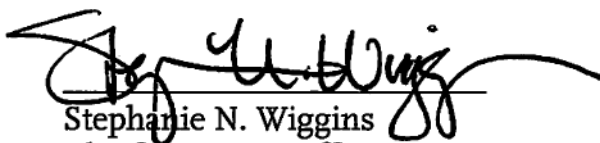
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