



Board Report

File #: 2023-0640, File Type: Project

Agenda Number: 13.

REVISED
CONSTRUCTION COMMITTEE
NOVEMBER 16, 2023

SUBJECT: I-605 SOUTH STREET IMPROVEMENTS PROJECT

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. ESTABLISH a Life of Project Budget (LOP) for the I-605 Southbound South Street Improvements Project in the amount of \$33,222,000; and
- B. AUTHORIZE the Chief Executive Officer to negotiate and execute project related agreements, including contract modifications, up to the authorized Life-of-Project Budget.

ISSUE

An LOP budget for the Project is required to execute contracts and pursue completion of the Project. Establishing the LOP budget after bids are received is based on lessons learned and best practices regarding establishing final budgets, when adequate information (such as the receipt and validation of responsiveness of hard bids) is available. Approval of the LOP at this time is required to maintain the Project schedule.

BACKGROUND

The I-605 South Street improvements project will add a right turn lane and improve safety of the South Street off ramp by providing a standard deceleration distance from the off ramp to the intersection. A retaining wall with an approximate length of 1,570 feet will be constructed along the west shoulder/embankment of the ramp, and traffic signs and signals will be constructed to accommodate the new configuration.

By reconfiguring the South Street southbound off ramp, the Project will improve public safety, enhance mobility, and improve regional traffic flow. The actual total accident rate was 1.58, which is higher than the statewide average of 1.01 for similar facilities. The proposed project will simplify the off-ramp geometry, meet the standard deceleration distance, add a right turn lane, and prevent

vehicle queuing from blocking turning movements at the intersection.

The Project is consistent with Metro's Objectives for Multimodal Highway Investment (June 2022), given that: 1) the project supports traffic mobility, enhanced safety, economic vitality and access to opportunity, and; 2) multi-modal features were incorporated in the scope of the project (on local arterials) through an integrated planning approach to address the needs of local communities, and create a safer transportation system. Such elements include:

- A new ADA compliant curb ramp at the ramp intersection with South Street, and high visibility crosswalks will be striped on the pavement with safety lighting for nighttime pedestrian movements across the ramp.
- Pavement striping will be enhanced as well, with the existing 4" wide stripes improved to the current Caltrans standard 6" wide stripes to enhance visibility and improve safety.
- The signal timing has also been optimized to improve traffic circulation for both the off-ramp and South Street, and the new signals will have yellow borders around the backplates to improve visibility and enhance safety.

Further, no residential or business displacements or property acquisitions are necessary for the project.

The Project is being delivered through a contractual partnership between Caltrans and Metro in the form of cooperative agreements for design and construction. Metro, defined as a Local Agency within these agreements, is responsible for advertising, awarding, and administering the contract. The Project is funded through a combination of federal and Metro local funding, as shown in Attachment A Funding and Expenditure Plan. Metro will be responsible for managing the Project budget and identifying any future funding, if required.

Partnering sessions with Caltrans have been ongoing to ensure a high level of collaboration and issue resolution during the Project planning, design, and procurement phase. Metro staff from Vendor/Contract Management and Program Management, supported by County Counsel, performed an extensive contract review and revision process to ensure that the highway contract reflected the technical and commercial requirements of both parties. In parallel to this contract review/revision process, a detailed low-bid style cost estimate and constructability analysis was performed. Caltrans -assigned oversight personnel have provided support to Metro throughout these processes.

DISCUSSION

The proposed LOP budget for this Project is based on total project costs consisting of Metro labor and non-labor costs for Project Approval & Environmental Documents (PA&ED), Plans, Specifications and Engineering (PS&E), Utilities, Right-of-Way (ROW) support, the forecasted construction cost and support, and required contingency. This Project is being constructed wholly within Caltrans ROW; therefore, there are no property takes required, and no third-party utilities have been identified during the design process.

The Project Invitation for Bid was released on June 23, 2023, and four bids were received on August 28, 2023, and a public bid opening was held that same day. See Attachment B for Bid Opening and Bid Summary. The Independent Cost Estimate (ICE) was 27% lower than the apparent low bidder. The ICE for Caltrans work is based upon historical unit pricing. Due to unprecedented inflation and saturated construction market, bid pricing for Caltrans work has been trending 20% to 30% over historical. The ICE did not take into account this excessive increase, and only reflected unit pricing for projects that were bid in the previous 5 years

Design-bid-build projects typically carry a 10% to 12% contingency because the design is carried out to 100%. For this Project, staff has allocated a 10% contingency, which is \$1,562,100, which is included within the construction capital cost included in Attachment A. This is due to the following risk factors that could result in cost increases and schedule delays:

- Due to the nature of sub-surface construction, potential for unidentified buried objects can hinder the progress of construction.
- Unidentified utilities or differing site conditions may impact the project causing impacts to the schedule and budget.
- Unforeseen environmental impacts including but not limited to bird nesting may impact the project schedule and budget.

The construction support cost for this Project is calculated at a higher percentage of the overall project cost due to several factors. First, the Project schedule is short, with the entire \$17M Project constructed within 12 months of Notice to Proceed. Additionally, the location of the Project in the City of Cerritos and in close proximity to the Cerritos Auto Mall and the Cerritos Mall, warrants a robust community and business engagement plan. The construction support cost includes approximately: \$1.1 million for California Highway Patrol support through COZEEP, which will support traffic control and heavy traffic influx in the area, \$2.7 million Construction Support Services Contract (consultant Ghirardelli) which includes robust community engagement and outreach support and a Caltrans approved quality control and acceptance program, \$1.1 million for Design Support During Construction, \$0.6 million for environmental consultant Support, \$1.4 million in project controls, quality, and DEOD consultant support, and \$3.2 million in Metro Staff Support. The Project LOP also includes a \$1,477,000 contingency on non-construction related items, such as engineering and consultant support, Metro labor, and other Project soft costs items. This represents an approximate 10% contingency on non-construction related items.

Staff have begun the Project communication, notification, and outreach to the local jurisdictions, stakeholders, residents, businesses, and the public, including outreach to two major stakeholders in the area, the Cerritos Auto Square auto mall, and Los Cerritos Center shopping mall. Metro has developed and continues to build valuable partnerships with local and regional jurisdictions and stakeholders including the California Department of Transportation, City of Cerritos, Gateway Cities Council of Governments.

DETERMINATION OF SAFETY IMPACT

The recommended Board action will have no detrimental safety impact.

FINANCIAL IMPACT

This is a multi-year Project. Upon approval of the Life of Project (LOP) budget staff will manage the Project within the approved fiscal year budgets. It is the responsibility of the Chief Program Management Officer and Project Manager to budget for this Project in future fiscal years.

Funding Sources

The Project is funded through the Highway Infrastructure Program (HIP) in the amount of \$15,791,000 and a Metro local funds match from tax measure, Measure R - Highway, Interstate 605 Corridor "Hot Spot" Interchanges program (\$17,431,000). These funds are not eligible for bus or rail operations. Staff budgeted \$10,500,000 under Cost Center 8510, Project 460346 for the I-605 South Street Improvements in FY24. There will be no impact to the FY24 budget. The funding and expenditure plan is included as Attachment A.

EQUITY PLATFORM

The Project is designed to help ease congestion, enhance mobility, improve public safety, and improve regional traffic flow affecting communities adjacent to the 605 freeway. South Street is on the Southbound I-605 Freeway in the City of Cerritos. The term "Complete Streets" describes a comprehensive, integrated transportation network with infrastructure and design that allows safe and convenient travel along and across streets for all users, including pedestrians, users and operators of public transit, bicyclists, persons with disabilities, seniors, children, motorists, users of green modes, and movers of commercial goods. The California Department of Transportation defines a Complete Street as "a transportation facility that is planned, designed, operated, and maintained to provide safe mobility for all users, including bicyclists, pedestrians, transit riders, and motorists appropriate to the function and context of the facility." This project adheres to the high level policy direction that helps redefine how transportation agencies approach streets and highways so that the default outcome is a transportation system that balances the needs of all users, regardless of age, ability, or mode of transportation. Through continued and incremental changes in capital projects, the street network gradually becomes safer and more accessible for travelers of all ages and abilities.

The construction of the Project has a Disadvantaged Business Enterprise (DBE) goal of 22% and Targeted Worker in Local Zip Codes goal of 40%. These aggressive goals ensure that minority, women, disadvantaged, and disabled veteran owned business enterprises directly benefit from the Project. Metro awarded a Construction Support Services Contract (CSSC) in 2022 for projects included in the 605 Hot Spots programs.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Project supports the following strategic goals:

Goal 1: Providing high-quality mobility options and improve transit efficiency.

Goals 4 and 5: Transforming LA County through regional collaboration with Caltrans and the corridor cities by contributing funds and providing resources to assist Caltrans in completion of these projects.

ALTERNATIVES CONSIDERED

The Board may choose not to approve this staff recommendation. This alternative is not recommended as Metro would risk expiration of Contractor submitted low bids, and delays to schedule.

NEXT STEPS

Upon Board approval, the LOP budget will be implemented accordingly, per the Recommendation.

ATTACHMENTS

Attachment A - Funding and Expenditure Plan

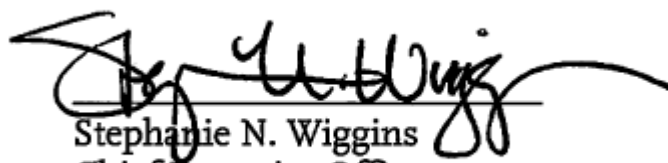
Attachment B - Bid Opening and Bid Summary

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