



Board Report

File #: 2017-0572, **File Type:** Contract

Agenda Number: 6.

AD HOC CONGESTION, HIGHWAY AND ROADS COMMITTEE OCTOBER 18, 2017

**SUBJECT: I-5 NORTH CAPACITY ENHANCEMENTS FROM SR- 118
TO SR-170**

ACTION: APPROVE RECOMMENDATION

RECOMMENDATIONS

AUTHORIZE Contract Modification No. 140 (CCO 140) for the construction contract of I-5 North Capacity Enhancement Project between SR-118 and SR-170 (the Project) in the amount not to exceed \$4.0 million under Funding Agreement No. MOU. P0008355/8501A/A6 within the LOP budget.

ISSUE

The Segment between SR-118 and SR-170 of the I-5 North Capacity Enhancements was completed and work was accepted by the State of California Department of Transportation (Caltrans) on July 25, 2016.

Four claims were submitted by the Contractor as the contract exceptions in response to the proposed final estimate (PFE) including “Bid Item Exceptions”, “Contract Change Order Exceptions”, and “Disputed Notice of Potential Claim (NOPC) / Time Impact Analysis (TIA) and related impacts” and “Interest”.

CCO 140 authorizes up to \$4.0 million for the resolution of claims. Contract modifications exceeding \$500,000 require Board authorization per the Staff Delegations.

DISCUSSION

The I-5 North Capacity Enhancements include freeway widening and construction of HOV lanes and other improvements between SR-14 and SR-134. Caltrans designed and is managing construction of the project. Construction of the segment between SR-118 and SR-170 was completed in July 2016.

The Contractor filed 4 claims as the exceptions to the PFE on January 26, 2017 in the amount of

\$9,214,967.29.

Claim 1 - Bid Item Exceptions: Compensation for 7 bid items including time related overhead, temporary fence, structure excavations, erosion control and conduit due to the quantity discrepancy and delay.

Claim 2 - Contract Change Order Exceptions: Payment for the disputed extra work bills and the unit cost adjustment for “temporary fiber roll”, “temporary gravel bags”, “erosion control type D” and “joint seal” due to delay.

Claim 3 - Dispute NOPC/TIA and related impacts: Additional compensation related to direct costs, time related impacts, stand-by equipment delay cost, labor, material and equipment rate escalation due to delay.

Claim 4 - Interest: Interest accrued on late and pending payments due to delay.

Caltrans has reviewed the supporting documents provided by the Contractor along with the project records. A final settlement amount up to \$4,000,000.00 was reached by and between Caltrans and the Contractor for all claims.

DETERMINATION OF SAFETY IMPACT

There is no impact to public safety by approving this action.

FINANCIAL IMPACT

The current Project budget of I-5 North Capacity Enhancements from SR-118 and SR-170 is \$219,449,000 of which \$42,780,000 is Federal Funds (ARRA RSTP and CMAQ), \$147,192,000 is State Funds (TCRP, RIP, RSTP and SLPP), and \$29,477,000 is local Prop C 25% Funds.

The up to \$4.0 million cost of CCO 140 is within the overall LOP budget. Current Metro funding of \$3,186,364 is included in the FY18 budget in Cost Center 0442 (Highway Subsidies), Project 405801, Tasks 5.3.100, 5.4.100 and 5.5.100, Account 54001 (Subsidies to Others), and will be used to partially fund this CCO. An additional \$2.0 million of Prop C 25% funds may be required and will be requested through the FY18 Mid-Year budget adjustment process.

Since this is a multi-year contract/project, the Project Manager, Cost Center Manager and the Senior Executive Officer, Program Management - Highway Program will be responsible for budgeting costs in future fiscal years.

Impact to Budget

The source of funds for CCO140 is Prop C 25%, which are not eligible for Metro bus and rail operations or capital projects. No other funds were considered.

ALTERNATIVES CONSIDERED


The Board may choose not to approve the staff's recommendations. However, this disapproval would result in further legal complications, contract dispute, and possible cost increase and schedule delay.

NEXT STEPS

Upon Board's approval of the recommended actions, Metro staff will authorize payment to the Contractor.

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