

**Board Report**

File #: 2017-0137, **File Type:** Contract**Agenda Number:** 33

**CONSTRUCTION COMMITTEE
MAY 18, 2017****SUBJECT: METRO RED LINE (MRL) METRO ORANGE LINE (MOL) NORTH HOLLYWOOD
STATION WEST ENTRANCE****ACTION: AUTHORIZATION FOR CONTRACT MODIFICATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO) to execute a final Modification to Contract C1013R, with Skanska USA Civil West California District Inc., for the **design and construction of the west entrance at the North Hollywood Station on the Metro Red Line**, in the amount \$1,261,770, adjusting the total current contract price from \$15,743,901.61 to \$17,005,671.61 within the life of project budget.

ISSUE

This action is necessary to execute a final Contract Modification with Skanska USA. This final Modification represents staff's efforts through negotiations to settle various unforeseen field conditions and construction changes encountered on the project that impacted both scope and schedule. This Contract Modification is required to close-out the Contract, and does not affect the Life of Project (LOP) budget. Through aggressive management and partnership with the contractor, staff delivered this project on-time and under the LOP budget.

DISCUSSION**Findings**

Metro issued the Notice to Proceed (NTP) for Design-Build (DB) Contract No. C1013R for the Metro Red Line - Metro Orange Line North Hollywood West Entrance on February 11, 2014. The west entrance was opened to public on August 15, 2016.

During the course of construction, the Contractor requested numerous design and construction changes. Significant changes included design provisions and inclusion of a knock out panel for future escalator expansion, additional communications or SCADA system design and construction

required to improve the safety functions of the existing North Hollywood system, increase in scope for procurement and installation of Metro Furnished Equipment, differing site conditions encountered during excavation, and time extension and related overhead due to compensable delays encountered.

Considerations

Staff has evaluated the merit of the requested changes and has followed Metro processes and procedures to validate and negotiate the change requests. A list of executed (approved) and unexecuted (pending) modifications is included in Attachment B.

There is no change in the approved LOP amount of \$23,077,401.

DETERMINATION OF SAFETY IMPACT

There is no safety impact associated with this action.

FINANCIAL IMPACT

This action requires an additional \$1.26 million in FY17 for the Metro Orange Line to Metro Red Line Hollywood Pedestrian Underpass in project 204122 due to staff closing out the contract earlier than expected. Upon Board approval, staff will re-allocate funds from a project with fungible funding source underutilizing its FY17 budget. No increase to the Agency's FY17 budget is sought at this point. This increase in the yearly project cashflow does not impact the approved project LOP for 204122 of \$23,077,401.

Impact to Budget

Prop A 35% bond will be used to fund the Contract Modification. This source is appropriate, and is eligible for capital improvements to rail operations.

ALTERNATIVES CONSIDERED

The Board may choose not to authorize the increase in contract price. This alternative is not recommended, as staff would be unable to issue the final Contract Modification and close out the contract.

NEXT STEPS

Upon obtaining Board approval, Metro will issue the final Contract Modification and proceed with Contract closeout.

ATTACHMENTS

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

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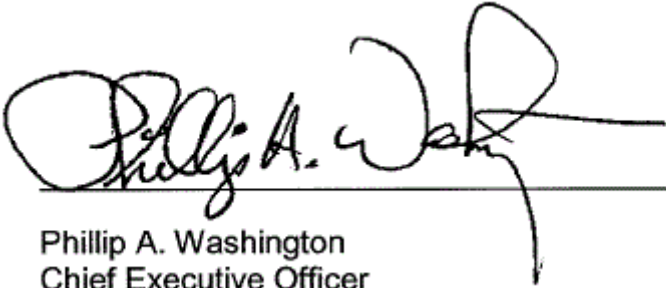
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