Los Angeles County Metropolitan Transportation Authority One Gateway Plaza 3rd Floor Board Room Los Angeles, CA



Board Report

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Agenda Number: 33.

CONSTRUCTION COMMITTEE SEPTEMBER 21, 2017

SUBJECT: CMF BUILDING 5 AIR SCRUBBER PROJECT ACTION: APPROVE USE OF DESIGN-BUILD PROJECT DELIVERY METHOD FOR THE CMF AIR SCRUBBER PROJECT

RECOMMENDATION

CONSIDER:

A. FINDING that awarding design-build contracts pursuant to Public Utilities Code Section 130242(a) will achieve private sector efficiencies in the integration of the design, project work, and components related to the construction and installation of an air scrubber system in Metro's Central Maintenance Facility's (CMF) Building 5;

(REQUIRES TWO-THIRDS VOTE)

B. AUTHORIZING the Chief Executive Officer to award the competitively bid design-build contract to the lowest price responsive, and responsible bidder, pursuant to Public Utilities Code Section 130051.9(c).

ISSUE

Metro is authorized to enter into design-build contracts pursuant to Public Utilities Code Section 130242(a). This section requires that the Board make the finding set forth in Recommendation A.

The CMF Building 5 Air Scrubber Project will replace the ineffective, inefficient air scrubber system, which uses more than 10,000 gallons of potable water each day, with an air scrubber system that is energy efficient and uses filters to eliminate the need to use water. This project is consistent with the intent and identified action to reduce energy use and water consumption in our facilities as outlined in our Environmental Policy and Energy Conservation and Management Plan and Water Use and Conservation Policy.

DISCUSSION

The primary benefit of the design-build process is a shortened project schedule where the designbuilder is able to start construction while the design is being completed. Other possible benefits include additional efficiencies in project management, administration and coordination.

Utilization of a design-build process is allowed under Public Utilities Code Section 130242, which provides for award of a design-build contract to the lowest responsive and responsible bidder. As set forth above, awarding design-build contracts will achieve certain efficiencies in the projects, such as reducing project administration and management costs, and expediting project completion.

The project was selected for a design-build Project delivery Method based on the following considerations:

- A single point of responsibility for design and construction will increase the time and management efficiency on the implementation of the project;
- Metro will have the benefit of an integrated team that provides engineering, construction management, and administrative resources, resulting in cost savings;
- Staff project development resources are limited, so more budgeted projects can be accomplished by adding design-build capability;
- Metro design risks are shifted to a design-builder, while changes related to design are minimized;
- The project requires standard or minimal design effort and it therefore more conducive to being implemented by design-build contractors with general engineering and contracting capacity.

The major cost savings on this project is reducing the use of electricity through the installation of energy efficient air scrubbers to replace systems that have exceeded their useful life span. Another major cost saving and societal benefit will be eliminating the use of potable water (10,000 gallons daily) as a filter for particulates with the installation of an alternative filtering system.

FINANCIAL IMPACT

The FY18 funding for this project will come from Project Number 202808, CMF Paint Shop Ventilation and Air Scrubber Project, in the amount of \$520,000 in Cost Center 8510, Construction Contracts/Procurement. Since this is a multi-year capital project, the cost center manager and Chief

Program Management Officer will be responsible for budgeting in future years.

Impact to Budget

. The initial source of funds for this project is the Green Fund portion of General Fund which can be used to fund Bus and Rail Operations.

ALTERNATIVES CONSIDERED

This project is needed to avoid increasing electricity rates, increasing water costs, and to reduce water consumption. This work could be accomplished utilizing consultants to prepare separate designs or with designs prepared by staff for bid and construction. Staff does not recommend this approach. There are distinct and clear advantages to having a single contractor responsible for both design and construction, primarily in the avoidance of certain project management, staff, administration and coordination costs, as well as significant reductions in contract cost and overall project schedule. The scope and size of the project lend itself to the more streamlined design-build project delivery method.

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