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

File #: 2017-0568, **File Type:** Contract **Agenda Number:** 32.

CONSTRUCTION COMMITTEE
SEPTEMBER 21, 2017

SUBJECT: DIVISION 20 HRV WHEEL PRESS MACHINE REPLACEMENT

ACTION: APPROVE USE OF DESIGN-BUILD CONTRACT DELIVERY APPROACH

RECOMMENDATION

CONSIDER FINDING that awarding design-build contracts pursuant to Public Utilities Code Section 130242(a) will achieve certain private sector efficiencies in the integration of the design, project work, and components of the Division 20 Heavy Rail Vehicle (HRV) Wheel Press Machine Replacement Project;

(REQUIRES TWO-THIRDS VOTE)

ISSUE

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

A wheel press is a major piece of machinery that is used to mount/dismount rail wheels and equipment to or from axles. The existing wheel press machine at Division 20 has been in operation for over 25 years with spare parts becoming limited and increasingly more difficult to obtain. Furthermore, its' single-ended configuration requires considerable manual operations that will not be adequate to meet the maintenance demands of the expanding rail fleet.

DISCUSSION

The primary benefit of the design-build process is a shortened project schedule where the design-builder is able to start construction while the design is being completed.

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.

Staff has successfully utilized the design-build contracting delivery approach on several major Measure R capital projects to minimize agency risks, achieve schedule efficiency and significant time

savings to reduce administrative and construction costs. Staff is now seeking authorization to continue the use of this delivery system for this project.

Approval of this action would allow staff to proceed with a solicitation utilizing the Design-Build Contracting Delivery Approach pursuant to the Public Utilities Code Section 130242.

The project was selected for the Design-Build Contracting Delivery Approach based on the following considerations:

- A single point of responsibility for design and construction will decrease the time and improve the 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's design risks are shifted to the design-builder, while changes related to design are minimized; and
- Projects requiring standard or minimal design effort were chosen for design-build, as they are more conducive to being implemented by design-build contractors with general engineering and contracting capacity.

This approach delivers the project ahead of a traditional design-bid-build approach and therefore, should result in a lower total project cost. Other possible benefits include reduction in the number of changes and claims from multiple prime contractors, additional efficiencies in contractor's innovation, project management, administration and coordination, and design features not achievable through the design-bid-build method. Prior to award of a design-build contract, pursuant to Public Utilities Code Section 130242 the Board is required to make the findings set forth in the Recommendation.

Approval of this action would allow staff to proceed with a solicitation utilizing the design-build contracting delivery method pursuant to Public Utilities Code Section 130242.

DETERMINATION OF SAFETY IMPACT

There is no safety impact resulting from this action.

FINANCIAL IMPACT

Funds for the project are included in the FY18 budget under CP206041. The approved Life-of-Project (LOP) budget is $ 4,000,000. Since this is a multi-year project, the project manager and the Executive Officer will be accountable for budgeting the cost in the future years.

IMPACT TO BUDGET

The funding for this action will come from Proposition A 35% Rail Funds. These funds are eligible to be used for rail operating and capital projects. No other sources of funds were considered because the Long Range Transportation Plan has designated Prop A 35% for rail capital projects. This action will not impact on-going operating expenses.

ALTERNATIVES CONSIDERED

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. Staff believes that there are distinct and clear advantages to having a single contractor be responsible for both design and construction work, primarily in the avoidance of certain project management, staff, administration and coordination costs, as well as reductions in contract cost and overall project schedule. The scope and size of this project lend itself to the more streamlined design-build project delivery method.

NEXT STEPS

Design-build contract solicitation and award will be pursued in FY 18.

ATTACHMENTS

NONE

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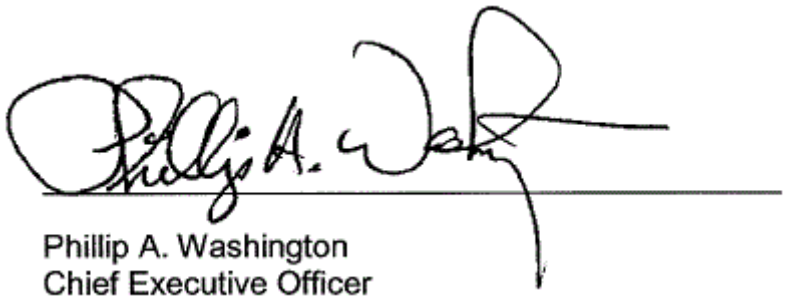

Phillip A. Washington
Chief Executive Officer