



Board Report

File #: 2016-0002, File Type: Contract

Agenda Number: 14

PLANNING AND PROGRAMMING COMMITTEE MARCH 16, 2016

SUBJECT: SOUTHERN CALIFORNIA REGIONAL INTERCONNECTOR PROJECT

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to execute:

- A. Modification No. 3 to Contract No. PS2415-3172 for **Southern California Regional Interconnector Project (SCRIP) with HDR, Engineering, Inc. to provide environmental and preliminary engineering services for the expansion of SCRIP to include the Los Angeles Union Station Master Plan passenger concourse and accommodate high speed rail (HSR)**, increasing the total contract value by \$17,641,953, from \$30,637,404 to a not to exceed amount of \$48,279,357; and
- B. an **Agreement with the California State High Speed Rail Authority (CHSRA) up to a maximum amount of \$15 million for SCRIP** for the accommodation of HSR.

ISSUE

In October 2015, the Board approved the expansion of SCRIP to include the Los Angeles Union Station (LAUS) Master Plan passenger concourse and accommodate a HSR system in LAUS provided that a written financial agreement or a master cooperative agreement was received by the CHSRA. On February 16, 2016, the CHSRA Board approved a motion to execute a contract with the Los Angeles County Metropolitan Transportation Authority (Metro) to share project development cost for SCRIP up to a maximum of \$15 million (Refer to Attachment D).

DISCUSSION

Contract Modification No. 3 is required in order to expand SCRIP to include the passenger concourse and accommodate HSR. As staff advised the Board in October 2015, by integrating the passenger concourse and accommodating HSR, it will provide a cost savings of up to \$300 million by minimizing throw-away costs if SCRIP and the passenger concourse projects were to be built separately, reducing construction schedule and impacts, and enhancing passenger connectivity to all transportation services.

In April 2014, the Board authorized staff to negotiate and execute Contract No. PS2415-3172 to HDR Engineering, Inc. for SCRIP's engineering services. In August 2014, Contract No. PS2415-3172 was fully executed for a contract price of \$29,805,884. The original scope of work included run-through tracks for regional rail with a supplemental environmental impact report (EIR) and environmental impact statement (EIS) based on the original environmental work for the LAUS Run-Through Tracks in 2006. Since April 2014 through March 2016, staff is anticipated to expend up to \$8,448,334 under the existing contract. Under this Board action, Contract Modification No. 3 will expand the existing scope of services to include the passenger concourse and accommodate the HSR which will be effective April 1, 2016.

On February 16, 2016, the CHSRA Board approved a motion to execute a contract with Metro to share project development cost for SCRIP (specifically related to Contract Modification No. 3) up to a maximum of \$15 million as a first installment towards a full funding agreement by CHSRA. This Board action will allow the CEO to execute this agreement with the CHSRA. Staff is currently negotiating the terms of the agreement with CHSRA. CHSRA has committed to a full funding agreement for SCRIP by June 2017 and intends to contribute to the project development costs (including ROW preservation/acquisition) incrementally between now and then for the accommodation of HSR at LAUS. On a separate but parallel front, staff is continuing to work with CHSRA on an Option Agreement that will provide CHSRA with right-of-way preservation of up to two platforms and four tracks at LAUS based upon an agreed fair market value appraisal process. Staff will return to the Board for approval once the Option Agreement has been finalized.

Findings

None.

Considerations

DETERMINATION OF SAFETY IMPACT

The project is being designed in accordance with Metrolink and Metro standards, federal requirements, and state requirements and will be compliant with the Americans with Disabilities Act. There are no pedestrian crossings of the proposed tracks so no safety impacts are expected.

FINANCIAL IMPACT

The required amount of \$15 million for FY 16 is included in the budget for cost center 2415 Regional Rail under SCRIP 460089. Additionally, CHSRA will be responsible to pay up to \$15 million for project development work related to Contract Modification No. 3. Since this is a multi-year project, the Executive Director, Program Management and Executive Officer for Program Management will be accountable for budgeting the costs in future years.

Impact to Budget

The source of funds for environmental and preliminary engineering work is in Measure R 3% Metrolink Commuter Rail Capital Improvements. These funds are not eligible to be used for Metro bus/rail operating or capital budget expenses.

ALTERNATIVES CONSIDERED

An alternative could be not to execute Contract Modification No. 3 and not advance the Project. However, this will not increase the commuter and intercity rail capacity at LAUS causing significant delays and operational challenges.

The Board could elect to allow SCRIP without the passenger concourse and preclusion of HSR. This will likely cause a significant reduction in the available funding for the project as well as increase the throw-away costs by not incorporating the passenger concourse with SCRIP. In addition, this would not provide for seamless transportation connections at Union Station and would likely preclude HSR from LAUS.

The CHSRA could incorporate and environmentally clear SCRIP as part of the HSR corridor program (from Burbank to Anaheim). However, SCRIP will be at risk if anything was to happen to the HSR corridor program (from Burbank to Anaheim). Metro owns LAUS and should continue to take the lead role in development of the station that will affect future transit ridership, transportation modes within the station, and the overall operations of LAUS.

NEXT STEPS


Upon approval by the Board, staff will execute Modification No. 3 to Contract No. PS2415-3172 with HDR Engineering, Inc. for the expansion of SCRIP and execute the Agreement with CHSRA for SCRIP for the accommodation of HSR. Staff will return to the Board for approval once the Option Agreement has been finalized with CHSRA for the right-of-way preservation of up to two platforms and four tracks at LAUS. Staff anticipates returning to the Board by June 30, 2017 once a funding agreement for SCRIP by CHSRA has been finalized.

ATTACHMENTS

- Attachment A - Procurement Summary
- Attachment B - Contract Modification/Change Order Log
- Attachment C - DEOD Summary
- Attachment D - CHSRA Letter and Board Resolution

Prepared by: Jeanet Owens, Executive Officer, Program Management,
(213) 922-6877
Bryan Pennington, Deputy Executive Director, Program Management, (213) 922-7449

Reviewed by: Richard Clark, Executive Director, Program Management,
(213) 922--7557
Ivan Page, Interim Executive Director, Vendor Contract Management, (213) 922-
6383
Nalini Ahuja, Executive Director, Finance & Budget
(213) 922-3088



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

SOUTHERN CALIFORNIA REGIONAL INTERCONNECTOR PROJECT (SCRIP)/
PS2415-3172

1.	Contract Number: PS2415-3172		
2.	Contractor: HDR Engineering, Inc.		
3.	Mod. Work Description: Modification No. 3 expands SCRIP in Phase 1 of the contract to accommodate High Speed Rail and deletes Phases 2 & 3.		
4.	Contract Work Description: Professional engineering services for SCRIP		
5.	The following data is current as of: 02/08/16		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	08/21/14	Contract Award Amount: \$29,805,884
	Notice to Proceed (NTP):	04/25/14 (Limited NTP) 08/21/14 (Full NTP)	Total of Modifications Approved: \$831,520
	Original Complete Date:	08/21/20	Pending Modifications (including this action) \$38,959,503 Adjustments to Phase 1 and deletion of Phases 2 and 3 (\$21,317,550) Net Increase \$17,641,953
	Current Est. Complete Date:	08/21/18	Current Contract Value (with this action): \$48,279,357
7.	Contract Administrator: Ben Calmes		Telephone Number: (213) 922-7341
8.	Project Manager: Jeanet Owens		Telephone Number: (213) 922-6877

A. Procurement Background

This Board Action is to approve Contract Modification No. 3 generated as a result of a directive from the Metro Board on October 22, 2015, (Agenda Item 61) for the expansion of SCRIP. Modification No. 3 adjusts existing requirements of Phase 1 on the contract and adds to Phase 1 planning and engineering services of the Los Angeles Union Station (LAUS) Master Plan concourse and integration of future High Speed Rail (HSR). Modification No. 3 also deletes Phases 2 and 3 from the contract:

Phase 1: Environmental Recertification
Phase 2: Plans, Specifications, and Estimates
Phase 3: Bid and Construction Support

This Contract Modification was processed in accordance with Metro’s Acquisition Policy. This is a cost plus fixed fee type contract. All other terms and conditions remain unchanged.

On April 24, 2014, the Board authorized staff to negotiate and execute a four-year contract, with two one-year options, Contract No. PS2415-3172 with HDR Engineering, Inc. for SCRIP engineering services. In August 2014, Contract No. PS2415-3172 was fully executed for a contract price of \$29,805,884.

A total of two modifications have been issued to date. Refer to Attachment B – Contract Modification/Change Order Log.

B. Cost Analysis

The recommended not-to-exceed amount has been determined to be fair and reasonable based upon an MASD audit, an independent cost estimate, cost analysis, technical evaluation, fact finding, and negotiations. The addition of advanced preliminary engineering structural design studies addressing the structural integrity of the existing station and redline tunnel, the proposed new rail yard, new passenger concourse, and advanced preliminary engineering utility studies , and intrusive testing are the primary factors for the difference between the ICE and NTE amount.

Proposal Amount	Metro ICE	Not-To-Exceed Amount
\$38,959,503	\$35,360,000	\$38,959,503*

*In addition to including the LAUS Master Plan passenger concourse and accommodating HSR, the existing scope of work for Phase 1 is adjusted and revised based on work HDR has already completed; and the deletion of Phases 2 and 3. To execute the revised scope of work effective April 2016, HDR submitted a proposal for \$38,959,503. The adjustments and revisions to the existing scope resulted in a reduction of \$21,317,550 from the current contract value, which calculates to a net increase of \$17,641,953 in contract value.

CONTRACT MODIFICATION/CHANGE ORDER LOG

SOUTHERN CALIFORNIA REGIONAL INTERCONNECTOR PROJECT
(SCRIP)/PS2415-3172

Mod. No.	Description	Date	Amount
1	No cost administrative changes.	09/04/14	\$0
2	Additional requirement to include the Los Angeles Union Station (LAUS) Master Plan concourse engineering study	09/18/14	\$831,520
3	Authorize the revised Scope of Work to include LAUS Master Plan passenger concourse and accommodate HSR Adjustments to Phase 1; and deletion of Phases 2 and 3 Net Increase	PENDING	\$38,959,503 (\$21,317,550) \$17,641,953
	Original Contract:	08/21/2014	\$29,805,884
	Total:		\$48,279,357

DEOD SUMMARY

**SOUTHERN CALIFORNIA REGIONAL INTERCONNECTOR PROJECT
(SCRIP)/PS2415-3172**

A. Small Business Participation

In accordance with Federal Railroad Administration (FRA), American Recovery and Reinvestment Act (ARRA) funds, through the California High Speed Rail Authority (CHSRA), Metro incorporated CHSRA’s Small Business (SB) Program into this contract.

HDR, Inc. made an overall SB goal commitment of 28.61%, which is inclusive of a 14.92% DBE, 3.04% DVBE, 9.45% SBE, and a 1.20% SB Microbusiness. HDR confirmed that the project is 7% complete. Current overall SB participation is 22.47%, which is inclusive of an 18.27% DBE, 0.10% DVBE, 3.15% SBE, and 0.95% SB Microbusiness, representing a shortfall of 6.14% in the DVBE, SBE, and SB Microbusiness commitments.

HDR provided two primary reasons for their shortfall: 1) Significant SBE participation was scoped in the 35% design phase of the project which was not initiated by Metro due to project redefinition activities, 2) The expanded technical studies associated with accommodating LAUS Passenger Concourse and High Speed Rail (HSR) services at Los Angeles Union Station required a significant amount of additional work to be performed on an expedited timeframe to meet Metro’s time constraint. HDR explained that the technical studies required highly specialized skill sets not available with currently contracted SBEs.

For this pending Contract Modification, HDR committed to include fifteen additional firms, inclusive of a 12.13% DBE, 3.68% DVBE, 15.06% SBE, and 1.15% Micro Business. HDR confirmed that, including the Modification, its overall projected SB commitment is 28.67%.

SMALL BUSINESS COMMITMENT	28.61%	SMALL BUSINESS PARTICIPATION	22.47%
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	DBE/DVBE/SBE/SB (Micro) Subcontractors	% Commitment	% Participation
1.	Atwell Consulting Group (DBE)	0.33%	0.03%
2.	BA Inc. (DBE)	0.79%	0.59%
3.	Earth Mechanics (DBE)	1.74%	0.44%
4.	MBI Media (DBE)	1.14%	3.02%
5.	Pacific Railway Enterprises (DBE)	4.91%	0.27%

6.	PacRim Engineering (DBE)	0.48%	0.01%
7.	Rail Surveyors & Engineers (DBE)	4.88%	13.91%
8.	V & A Inc. (DBE)	0.65%	0.00%
	Sub Total DBE*	14.92%	18.27%
9.	Abacus/Rubicon Engineering (DVBE)	0.33%	0.00%
10.	Cal Vada Surveying (DVBE)	0.34%	0.02%
11.	The REM Engineering (DVBE)	1.76%	0.02%
12.	Schwab Engineering (DVBE)	0.24%	0.01%
13.	Value Management Institute (DVBE)	0.25%	0.04%
14.	Aurora Industrial Hygiene (DVBE)	0.12%	0.01%
	Sub Total DVBE*	3.04%	0.10%
15.	WKE, Inc. (SBE)	8.01%	1.46%
16.	FPL & Associates (SBE)	1.13%	1.09%
17.	Blair, Church & Flynn (SBE)	0.31%	0.60%
	Sub Total SBE*	9.45%	3.15%
18.	AirX Utility Surveyors (SB Micro)	0.13%	0.02%
19.	Jacobus & Yuang, Inc. (SB Micro)	0.30%	0.72%
20.	Morcos Group (SB Micro)	0.48%	0.04%
21.	Acoustic Strategies Inc.	0.29%	0.17%
	Sub Total SB Micro*	1.20%	0.95%
	TOTAL	28.61%	22.47%

* Defined as Small Business under the CHSRA SB Program

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this modification.

C. Prevailing Wage

Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA). Trades that may be covered include: surveying, potholing, field, soils and materials testing, building construction inspection and other support trades.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this contract.

February 23, 2016

BOARD MEMBERS

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Jeff Morales
CHIEF EXECUTIVE OFFICER

Mr. Phillip A. Washington
Chief Executive Officer
Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012-2952

Re: California High-Speed Rail Authority Commitment to Los Angeles Union Station

Dear Mr. Washington,

In October 2015, the Los Angeles County Metropolitan Transportation Authority (Metro) Board approved accommodating high-speed rail in Los Angeles Union Station (LAUS) as part of the implementation of the LAUS Master Plan. This important step forward was conditioned on a written commitment from the California High-Speed Rail Authority (Authority) to participate financially in the planning, development and enhancement of LAUS. This letter affirms CHSRA's commitment to being part of LAUS, and to working with Metro to advance the Master Plan, the Southern California Regional Interconnector Project (SCRIP), and related programs.

On February 16, 2016, the Authority Board unanimously approved the commitment of up to \$15 million as our proportional share of the preliminary planning, design and environmental clearance needed to modernize the LAUS facility so it can accommodate High-Speed Rail on top of projected increases in regional rail and transit services.

In parallel, as part of the process of bringing HSR service to LAUS, we will advance our work with Metro to enter into an option agreement for the right to purchase an easement to use up to two platforms and four tracks at LAUS and to run trains through the area leading into the yard from the mainline along the Los Angeles River. It is anticipated that additional rights will also be required and CHSRA will continue to work with Metro to advance the appropriate discussions, agreements, payments, and ROW preservation activities required to secure HSR operating rights at LAUS using up to \$32 million identified in our ARRA grant with the goal committing these funds by their deadline in 2017. Our mutually agreed-upon target for completion of the option agreement is June 30, 2016.

Integrating high-speed rail into LAUS is a priority. The Authority worked to secure Proposition 1A connectivity funds for the Regional Connector and other projects to enhance the ties between regional and interregional services and this effort further improves these connections and lays the foundation for fully integrated transit, local and regional rail, and HSR services. We are committed to working collaboratively with Metro, Metrolink, Amtrak, LOSSAN, SCAG and other partners to advance additional key improvements in the region and greatly appreciate the partnership with Metro.

EDMUND G. BROWN JR.
GOVERNOR



The Authority looks forward to working with Metro to plan, fund, and construct this fully integrated, sustainable, multimodal station facility.

Sincerely,

A handwritten signature in blue ink that reads "Jeff Morales". The signature is written in a cursive, flowing style.

Jeff Morales
Chief Executive Officer



Resolution #HSRA 16-03

Direct Staff to Negotiate and Execute a Contract with the Los Angeles County Metropolitan Transportation Authority (Metro) to Share Project Development Costs for the Integration of High-Speed Rail at Los Angeles Union Station

Whereas, the California High-Speed Rail Authority (Authority) is responsible for the development and implementation of intercity high-speed rail service pursuant California Public Utilities Code §185030 *et seq.*;

Whereas, the Authority may enter into contracts with private and public entities for the design, construction and operation of high-speed rail trains, including all tasks and segments thereof pursuant to California Public Utilities Code §185036;

Whereas, the California Legislature and the people of California declared in the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, Proposition 1 A, that "It is the intent of the Legislature ... and the people of California ... to initiate construction of a high-speed train system that connects the San Francisco Transbay Terminal to Los Angeles Union Station and Anaheim." (Cal. Sts. & High. Code §2704.04(a));

Whereas, Metro acquired the historic Los Angeles Union Station (LAUS) property and rights of way in 2011, and is now prepared to implement improvements to LAUS through the Southern California Regional Interconnector Project (SCRIP) and the LAUS Master Plan that will preserve rights of way at LAUS for high-speed rail use;

Whereas, the original SCRIP project incorporated new run-through tracks on the LAUS site to serve existing local, regional, and intercity rail and is the consensus #1 project on the Southern California MOU list;

Whereas, Metro is updating and integrating the SCRIP and LAUS Master Plan project plans to accommodate high-speed rail service at LAUS and a new passenger concourse; and,

Whereas, the Authority agrees to pay for its fair share of project development costs Metro will incur to update existing and in progress plans to accommodate high-speed rail at LAUS.

Therefore, it is resolved:

The Chief Executive Officer (CEO), or a qualified designee of the CEO, is hereby authorized to undertake all that is necessary to negotiate and execute a contract with Metro to share project development costs for the integration of high-speed rail at Los Angeles Union Station. Under the contract the Authority will pay a proportional share of project development costs up to a maximum of \$15,000,000.00.