



Board Report

File #: 2017-0515, File Type: Contract

Agenda Number: 8.

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

SUBJECT: I-605 CORRIDOR IMPROVEMENTS PROJECT

ACTION: AUTHORIZE TWO CONTRACT MODIFICATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute two separate Modifications to Contract Nos. AE5204200 and AE333410011375 with HDR Engineering, Inc. and Parsons Transportation Group, Inc., respectively, to provide additional professional services for the I-605 Corridor Improvements Project:

- A. Modification No. 1 to Contract No. AE333410011375 with Parsons Transportation Group for the PAED phase of the I-605/I-5 improvements in the firm fixed price of \$8,026,472, increasing the Total Contract Value for Parsons Transportation Group from \$20,697,227 to \$28,723,699; and extending the contract period from 48 months to 67 months; and
- B. Modification No. 1 to Contract No. AE5204200 with HDR Engineering for the PAED phase of the I-605/SR-60 in the firm fixed price of \$4,898,641, increasing the Total Contract Value for HDR Engineering from \$33,660,430 to \$38,559,071; and extending the contract period from 48 months to 58 months.

ISSUE

The Contract Modifications for AE5204200 and AE333410011375 are required to complete the Environmental Impact Report/Environmental Impact Statement (EIR/EIS) for the I-605 Freeway Corridor Improvements Project (CIP). Due to the Metro Board adopted ExpressLane strategic plan (File #2016-0999), regulatory agency requirements from Environmental Protection Agency (EPA), and Caltrans direction, contract modifications are required to cover new work not included in the original scopes of work. The Contract Modifications will fund additional studies associated with the consideration of ExpressLanes as new build alternatives on I-605, and direct connectors at I-605/I-105 and I-605/I-10.

DISCUSSION

The I-605 CIP study encompasses a 21-mile long corridor that extends from I-105 to I-10. I-605 is one of the most congested freeways in the Los Angeles Metropolitan Area, especially between I-105 and I-10. As a result of continued growth in the region's population and goods movement, further traffic demand along the corridor will continue to degrade freeway operations.

In order to ease congestion, plan for further growth and address operational and safety improvements needed along the corridor, Metro awarded two PAED contracts for improvements on I-605.

Contract No. AE333410011375, PAED services for the I-605/I-5 Interchange was issued in October 2015 to Parsons Transportation Group. The limits of the I-605/I-5 project were set to be between I-105 and Slauson Ave on I-605, and from Florence Blvd to Paramount Blvd on I-5.

Contract No. AE5204200, PAED services for the I-605/SR-60 Interchange was issued in September 2016 to HDR Engineering, Inc. The limits of the I-605/SR-60 project were to be between Telegraph Rd and the I-10 interchange on I-605, and from Santa Anita Ave to east of Turnbull Canyon Rd on SR-60.

Both of these projects were funded via line 35 of the Measure R expenditure plan, "Interstate 605 Corridor "Hot Spots" Interchanges." The scope of services of each of these two contracts was independent of each other with the exception of coordination at the shared termini at Slauson Ave. The limits of each project were identified in the scopes of work for the two contracts. Two contracts were awarded to develop two separate EIR/EISs for I-605/I-5 and I-605/SR-60.

After the contracts were awarded, Caltrans District 7 determined that due to logical termini, the two projects had to be combined. The combined scopes would be pursued as one EIR/EIS. The project title has been revised to the I-605 Corridor Improvements Project (I-605 CIP).

In November 2016, during the public scoping process for the I-605 CIP, comments were received from regulatory agencies on the project. The EPA requested the consideration of "additional High Occupancy Vehicle Lane and Toll Lanes (HOT) on Northbound and Southbound I-605." These improvements were not originally included in the scope of the contracts.

In January 2017, Metro's Congestion Reduction Department, in response to the November 6, 2014 Board Motion Item 59, presented the ExpressLanes Strategic Plan which the Board approved. This Board action authorized the initiation of planning studies for Tier 1 ExpressLane projects (File 2016-0999) which included ExpressLanes on I-605 from the Los Angeles/Orange County line to I-10.

Due to Caltrans' determination to move forward with one EIR/EIS for I-605 from I-105 to I-10, EPA's request to evaluate HOV and HOT Alternatives, and Metro's Board direction to Implement Tier 1 of the ExpressLane Strategic Plan, the two existing contracts must be modified. The Contract Modifications will cover the following: added coordination efforts between the two firms to produce one EIR/EIS not included in their original contracts; the evaluation of HOT/HOV alternatives on I-605; and design and environmental clearance of the HOT/HOV Direct connectors at I-605/I-10 and I-605/I-

105 interchanges.

DETERMINATION OF SAFETY IMPACT

The I-605 Corridor Improvements Project scope, schedule, and budget will have no impact to the safety of Metro's patrons, employees or the general public.

FINANCIAL IMPACT

Funding for the scope elements to be added to Contract No. AE333410011375 (I-605/I-5) and AE5204200 (I-605/SR-60) for the I-605 CIP are included in the FY18 budget. For the I-605/I-5, FY18 budget of \$4.0M is included in the Highway Program, Cost Center 4730, under Project 461314, task 5.2.100, Account 50316 (Professional Services). For I-605/SR-60, FY18 budget of \$4.0M is also included in Highway Program, Cost Center 4730, under Project 463314, task 5.2.100, in Account 50316 (Professional Services).

Since this is a multiyear project, the Project Manager, the cost center manager and the Senior Executive Officer of the Highway Program or designee will continue to be responsible for budgeting costs in future fiscal years.

Impact to Budget

At this time, a total of \$8.0M is available in FY18 to fund the recommendations and address project invoicing activities. If by mid-year, Highway project management anticipates cashflow expenditures to exceed the current FY18 budget, staff will revisit the budgetary needs using the mid-year budget adjustment process.

The source of funds for this project is Measure R (20%) Highway funds and local Measure Administrative funds. These funds are solely planned for highway related projects as identified in the Measure R Ordinance. It is not eligible for bus and rail operations or non Highway capital project expenditures. No other funds were considered.

ALTERNATIVES CONSIDERED

The Board may elect not to approve the proposed Contract Modifications. This option is not recommended. Completing the environmental document for the project is a necessary step in developing improvements included in the Measure R expenditure plan. Additionally, Board direction to develop Tier 1 of the ExpressLane Strategic Plan could not be undertaken. Board approval would allow the project to move forward.

NEXT STEPS

Upon approval by the Board, staff will execute the Contract Modifications with HDR Engineering and Parsons Transportation Group.

ATTACHMENTS

Attachment A-1 - Procurement Summary, HDR Engineering, Inc.

Attachment A-2 - Procurement Summary, Parsons Transportation Group, Inc.

Attachment B-1 - Contract Modification/Change Order Log, HDR Engineering, Inc.

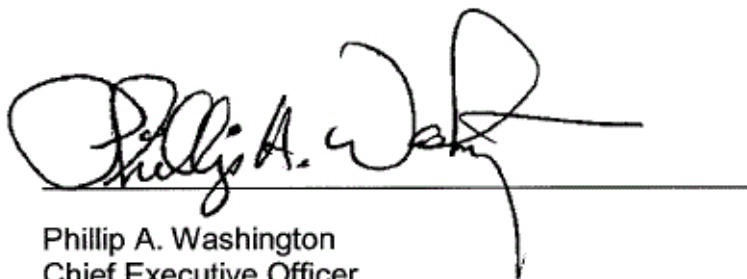
Attachment B-2 - Contract Modification/Change Order Log, Parsons Transportation Group, Inc.

Attachment C-1 - DEOD Summary, HDR Engineering, Inc.

Attachment C-2 - DEOD Summary, Parsons Transportation Group, Inc.

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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY – HDR ENGINEERING, INC.

CONTRACT MODIFICATIONS FOR PRELIMINARY ENGINEERING AND ENVIRONMENTAL DOCUMENT (PAED) SERVICES FOR I-605/SR-60, AND I-605/I-5 INTERCHANGES/AE5204200

1.	Contract Number: AE5204200		
2.	Contractor: HDR Engineering, Inc.		
3.	Mod. Work Description: Additional tasks to support I-605/SR-60 project new build alternatives, direct connectors, and combined EIR/EIS.		
4.	Contract Work Description: Project Approval and Environmental Document for the I-605/SR-60 Interchange		
5.	The following data is current as of: 09/20/17		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	06/23/16	Contract Award Amount: \$33,660,430
			Total of Modifications Approved: \$0
	Original Complete Date:	07/07/20	Pending Modifications (including this action): \$4,898,641
	Current Est. Complete Date:	05/30/21	Current Contract Value (with this action): \$38,559,071
7.	Contract Administrator: Adrian Ziemer		Telephone Number: 213-922-1109
8.	Project Manager: Isidro Panuco		Telephone Number: 213-418-3208

A. Procurement Background

This Board Action is to approve Contract Modification No. 1 issued in support of combining the Environmental Impact Report/Environmental Impact Statement (EIR/EIS) within the PAED phases of the I-605/SR-60 segment and the I-605/I-5 segment into one report as directed by Caltrans.

This Contract Modification was processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price.

On June 23, 2016, the Board approved award of firm fixed price Contract No. AE5204200 to HDR Engineering, Inc., in the amount of \$33,660,430, for Architectural and Engineering (A&E) services for the preparation of the Project Approval and Environmental Document (PA&ED) on Interstate 605 & State Route 60 (I-605/SR-60) Interchange.

Refer to Attachment B-1 – Contract Modification/Change Order Log.

B. Cost Analysis

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate (ICE), cost analysis, technical analysis, fact finding, and negotiations. Metro's ICE overestimated the level of effort required for certain environmental and design tasks. All direct labor rates and fee remain unchanged from the original contract.

Proposal Amount	Metro ICE	Negotiated Amount
\$5,425,291	\$6,347,868	\$4,898,641

PROCUREMENT SUMMARY – PARSONS TRANSPORTATION GROUP, INC.

CONTRACT MODIFICATIONS FOR PRELIMINARY ENGINEERING AND ENVIRONMENTAL DOCUMENT (PAED) SERVICES FOR I-605/SR-60, AND I-605/I-5 INTERCHANGES/AE333410011375

1.	Contract Number: AE333410011375		
2.	Contractor: Parsons Transportation Group, Inc.		
3.	Mod. Work Description: Additional tasks to support I-605/I-5 project new build alternatives, direct connectors, and combined EIR/EIS.		
4.	Contract Work Description: Project Approval and Environmental Document for the I-605/I-5 Interchange		
5.	The following data is current as of: 09/20/17		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	09/24/15	Contract Award Amount: \$20,697,227
			Total of Modifications Approved: \$0
	Original Complete Date:	09/01/19	Pending Modifications (including this action): \$8,026,472
	Current Est. Complete Date	05/30/21	Current Contract Value (with this action): \$28,723,699
7.	Contract Administrator: Adrian Ziemer		Telephone Number: 213-922-1109
8.	Project Manager: Isidro Panuco		Telephone Number: 213-418-3208

A. Procurement Background

This Board Action is to approve Contract Modification No. 1 issued in support of combining the Environmental Impact Report/Environmental Impact Statement (EIR/EIS) within the PAED phases of the I-605/SR-60 segment and the I-605/I-5 segment into one report as directed by Caltrans.

This Contract Modification was processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price.

On September 24, 2015, the Board approved award of firm fixed Contract No. AE333410011375 to Parsons Transportation Group, Inc. in the amount of \$20,697,227, for Architectural and Engineering (A&E) services for the preparation of the Project Approval and Environmental Document (PA&ED) for the I-605/I-5 Interchange.

Refer to Attachment B-2 – Contract Modification/Change Order Log.

B. Cost Analysis

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate (ICE), cost analysis, technical analysis, fact finding, and negotiations. Metro's ICE overestimated the level of effort required for certain environmental and design tasks. All direct labor rates and fee remain unchanged from the original contract.

Proposal Amount	Metro ICE	Negotiated Amount
\$9,303,481	\$9,454,995	\$8,026,472

CONTRACT MODIFICATION/CHANGE ORDER LOG – HDR ENGINEERING, INC.

CONTRACT MODIFICATIONS FOR PRELIMINARY ENGINEERING AND ENVIRONMENTAL DOCUMENT (PAED) SERVICES FOR I-605/SR-60, AND I-605/I-5 INTERCHANGES/AE5204200

Mod. No.	Description	Status (approved or pending)	Date	\$ Amount
1	I-605/SR-60 project new build alternatives, direct connectors & combined EIS/EIR.	Pending	Pending	\$4,898,641
	Modification Total:			\$4,898,641
	Original Contract:	6/23/16		\$33,660,430
	Total:			\$38,559,071

ATTACHMENT B-2

**CONTRACT MODIFICATION/CHANGE ORDER LOG -
PARSONS TRANSPORTATION GROUP, INC.**

**CONTRACT MODIFICATIONS FOR PRELIMINARY ENGINEERING AND
ENVIRONMENTAL DOCUMENT (PAED) SERVICES FOR I-605/SR-60, AND I-605/I-5
INTERCHANGES/AE333410011375**

Mod. No.	Description	Status (approved or pending)	Date	\$ Amount
1	I-605/I-5 project new build alternatives, direct connectors, and combined EIR/EIS.	Pending	Pending	\$8,026,472
	Modification Total:			\$8,026,472
	Original Contract:	09/24/15		\$20,697,227
	Total:			\$28,723,699

DEOD SUMMARY

CONTRACT MODIFICATIONS FOR PRELIMINARY ENGINEERING AND ENVIRONMENTAL DOCUMENT (PAED) SERVICES FOR THE I-605/SR-60, AND I-605/I-5 INTERCHANGES/AE5204200

A. Small Business Participation

HDR Engineering (HDR) made a 34.24% SBE and 3.06% DVBE commitment. HDR is exceeding their current commitment with an SBE participation of 34.31%; HDR's current DVBE participation is 1.72%, a shortfall of 1.34%. HDR explained that the DVBE shortfall resulted from Caltrans' direction to eliminate scope that Global Environmental Network had initially been contracted to perform. Metro's Project Manager confirmed that this work would be postponed until the next phase of work on a separate future contract. HDR is actively interviewing additional qualified DVBE firms to meet or exceed the SBE/DVBE commitments with the scope that remains for this Contract.

Small Business Commitment	34.24% SBE 3.06% DVBE	Small Business Participation	34.31% SBE 1.72% DVBE
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	SBE Subcontractors	% Committed	% Participation
1.	Arellano Associates, LLC	1.45%	1.48%
2.	Civil Works Engineers, Inc.	0.27%	0.00%
3.	D'Leon Consulting Engineers	0.19%	0.00%
4.	Earth Mechanics	0.58%	0.43%
5.	GPA Consulting	10.87%	7.29%
6.	Geo-Advantec, Inc.	0.41%	1.60%
7.	Guida Surveying Inc.	2.04%	10.30%
8.	Intueor Consulting	0.40%	0.75%
9.	T&T Public Relations Inc.	0.77%	0.63%
10.	Tatsumi and Partners	0.52%	0.01%
11.	WKE Inc.	16.74%	11.82%
	Total Commitment	34.24%	34.31%

	DVBE Subcontractors	% Committed	% Participation
1.	Calvada Surveying Inc	0.78%	1.61%
2.	Global Environmental Network Inc.	1.20%	0.00%
3.	ZMassociates Environmental	1.08%	0.11%
	Total Commitment	3.06%	1.72%

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is not applicable to this Contract.

C. Prevailing Wage Applicability

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, construction management and other support trades.

D. Project Labor Agreement/Construction Careers Policy

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

DEOD SUMMARY – PARSONS TRANSPORTATION GROUP, INC.

CONTRACT MODIFICATIONS FOR PRELIMINARY ENGINEERING AND ENVIRONMENTAL DOCUMENT (PAED) SERVICES FOR I-605/SR-60, AND I-605/I-5 INTERCHANGES/AE333410011375

A. Small Business Participation

Parsons Transportation Group, Inc. (PTG) made a 27% SBE and 3% DVBE commitment. PTG is exceeding their SBE commitment with an SBE participation of 31.04%, and has a current DVBE participation of 0%, a DVBE shortfall of 3%. PTG was contacted to ascertain the reason behind their DVBE shortfall. According to PTG, their DVBE subcontractors, Global Environmental Network, Inc. and ZMassociates Environmental Corp., both have scopes that are yet to be utilized; however, they expect to begin work on the project in late 2017. PTG is projected to meet their SBE and DVBE commitments.

Small Business Goal	SBE 27% DVBE 3%	Small Business Commitment	SBE 27% DVBE 3%
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	SBE Subcontractors	% Committed	% Participation
1.	Arellano Associates, LLC	1.67%	1.32%
2.	D'Leon Consulting Engineers	0.47%	0.16%
3.	Earth Mechanics, Inc.	1.92%	0.56%
4.	Guida Surveying Inc.	5.75%	11.53%
5.	Value Management Strategies	0.19%	0.00%
6.	WKE Inc.	16.16%	16.22%
7.	Wagner Engineering & Survey	0.84%	1.25%
	Total Commitment	27.00%	31.04%

	DVBE Subcontractors	% Committed	% Participation
1.	Global Environmental Network Inc.	1.50%	0.00%
2.	ZMassociates Environmental Corp.	1.50%	0.00%
	Total Commitment	3.00%	0.00%

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is not applicable to this Contract.

C. Prevailing Wage Applicability

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, construction management and other support trades.

D. Project Labor Agreement/Construction Careers Policy

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