



## Board Report

File #: 2020-0318, File Type: Contract

Agenda Number: 31.

### CONSTRUCTION COMMITTEE AUGUST 20, 2020

**SUBJECT: DIVISION 11 AND 22 HVAC AND ROOF REPLACEMENT**

**ACTION: APPROVE CONTRACT MODIFICATION**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Contract Modification No. 3 to Contract No. C56872C1142 with Archico Design Build Inc. to provide Heating, Ventilation and Air Conditioning (HVAC) replacement and additional roofing replacement and increase the contract price by \$1,820,450.00 from \$6,570,294.00 to \$8,390,744.00.

#### **ISSUE**

Archico Design Build Inc. is contracted to provide roof replacement at Metro Operating Divisions 11 and 22. During the project, a need for the replacement of the HVAC equipment at these locations was identified. Due to Archico Design Build Inc. removing the existing HVAC equipment as part of the scope of work for the roof replacement, it has been identified that replacement equipment can be added as part of the new scope of work. Maintenance of Way Engineering seeks board approval to modify the current contract.

#### **BACKGROUND**

In May 2019, Metro awarded Contract No. C56872C1142 to Archico Design Build Inc. to perform a complete design, roofing system tear off and replacement at the Division 11 Ancillary Shop and Vehicle Shop Buildings and the Division 22 Maintenance Shop Building.

In January 2020, the HVAC equipment at Divisions 11 and 22 were identified to be at their end-of-Life, beyond repair, having significant environmental risks and leaking significant amounts of non-compliant refrigerants when the units fail, a violation that can result in fines. Due to Archico Design Build Inc. removing the existing HVAC equipment as part of the roof replacement scope, it has been determined that Archico Design Build Inc. could replace the equipment with new energy efficient equipment.

#### **DISCUSSION**

Under this contract, Archico Design Build Inc. provides design, construction and project management services. The design includes heat load analysis, structural and seismic analysis, sustainability

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assessment, and system controls and integration. The construction includes the acquisition of the replacement HVAC equipment, installation, and necessary refurbishment, electrical and commissioning services.

### **DETERMINATION OF SAFETY IMPACT**

The approval of this item will ensure providing safe work environment for staff.

### **FINANCIAL IMPACT**

Funding for the HVAC replacement contract modification is in the Board approved Life of Project (LOP) budget for Capital Project 204801 - Rail Facilities HVAC/Light Retrofit in the amount \$4,205,100.

#### **Impact to Budget**

The funding source for the HVAC replacement at the two rail divisions will be a mix of eligible and available local funds such as Proposition A 35%, Green Fund, or other funds appropriate for state of good repair given approved funding provisions and guidelines.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This board action supports Strategic Goal 5; Provide responsive, accountable, and trustworthy governance within the Metro organization.

### **ALTERNATIVES CONSIDERED**

The Board may decline to approve the contract modification. This alternative is not recommended as it will result in End-of-Life HVAC equipment being put back in service during the summer months while continuing to have significant environmental risks.

### **NEXT STEPS**

Upon Board approval, staff will execute Modification No. 3 to Contract No. C56872C1142 with Archico Design Build Inc. to begin construction to replace the HVAC equipment at Divisions 11 and 22.

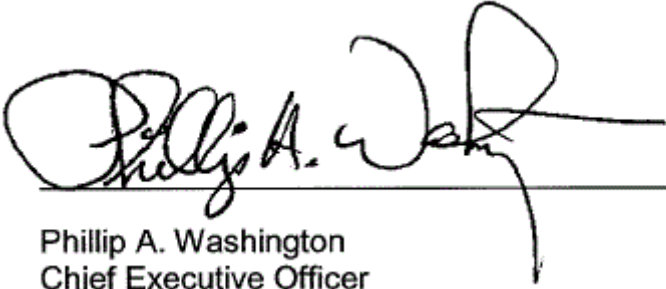
### **ATTACHMENTS**

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

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Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

## Roof Replacement Project at Metro Divisions 11 and 22

C56872C1142

1.	<b>Contract Number:</b> C56872C1142		
2.	<b>Contractor:</b> Archico Design Build, Inc.		
3.	<b>Mod. Work Description:</b> HVAC equipment replacement for Divisions 11 and 22		
4.	<b>Contract Work Description:</b> Roof Replacement for Divisions 11 and 22		
5.	<b>The following data is current as of:</b> July 9, 2020		
6.	<b>Contract Completion Status:</b>		
	<b>Bids/Proposals Opened:</b>	3	<b>% Completion \$s:</b> 95%
	<b>Contract Awarded:</b>	May 14, 2019	<b>% Completion time:</b> 69%
	<b>NTP:</b>	August 16, 2019	<b>Original Contract Days:</b> 365
	<b>Original Complete Date:</b>	August 14, 2020	<b>Change Order Days:</b> 112
	<b>Current Est. Complete Date:</b>	December 04, 2020	<b>Suspended Days:</b> 0
		<b>Total Revised Days:</b>	477
7.	<b>Financial Status:</b>		
	<b>Contract Award:</b>	\$6,381,000.00	
	<b>Total Contract Modifications Approved:</b>	\$189,294.00	
	<b>Current Contract Value:</b>	\$6,570,294.00	
	<b>Contract Administrator:</b> Josie Mellen	<b>Telephone Number:</b> 213-922-1105	
8.	<b>Project Manager:</b> Raul Pedroza	<b>Telephone Number:</b> 213-922-4797	

**A. Contract Action Summary**

This Board Action is to approve Contract Modification No. 03, supply and install HVAC units located at Metro Divisions 11 and 22. The contractor will purchase and install the HVAC units based on the design submitted and issued in support of Roof Replacement Project at Metro Divisions 11 and 22.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a Firm Fixed Price.

On May 31, 2019, the CEO approved the Firm Fixed Price award for Contract C56872C1142 for the Roof Replacement Project at Metro Divisions 11 and 22 to Archico Design Build, Inc. in the amount of \$6,381,000. The period of performance awarded was 365 calendar days. Two Contract modifications have been issued to date, including one no cost modification correcting the contract documents to reflect the period of performance of 365 days.

Please refer to Attachment B – show modifications issued to date to add/delete work, and the proposed modification currently pending authorization.

**B. Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate, cost analysis, technical evaluation, fact finding, and negotiations. The contractor's and Metro separate cost elements were found to be reasonably consistent. Additionally, the cost analysis determined the contractor's proposal was .0035 lower than the Metro estimate. Therefore, the contractor's proposal did not exceed more than 5% of the Metro estimate.

<b>Item No.</b>	<b>Changes</b>	<b>Proposal amount</b>	<b>Metro ICE</b>	<b>Negotiated or NTE amount</b>
03	Supply and Install HVAC units for Divisions 11 and 22.	\$1,820,450.00	\$1,826,090.00	\$1,820,450.00

## CONTRACT MODIFICATION/CHANGE ORDER LOG

## Roof Replacement Project at Metro Divisions 11 and 22

C56872C1142

Mod. no.	Description	Status (approved or pending)	Cost		
			Contract Value	Mods.	Board Approved CMA
1	No Cost, period of performance changed to 365 calendar days from NTP	Approved	\$6,381,000	\$ 0.00	\$ 0.00
2	Design the installation of HVAC units for Division 11 and Division 22 buildings	Approved	\$6,381,000	\$189,294	\$ 0.00
3	<b>Supply and Install HVAC units for Division 11 and 22 buildings</b>	<b>Pending</b>	\$6,570,294	\$1,820,450	\$ 0.00
	Subtotal – Approved Modifications		\$6,570,294	\$189,294	\$ 0.00
	Subtotal – Pending Changes/Modifications		\$6,570,294	\$ 2,009,744	\$1,820,450
	<b>Subtotal Totals: Mods. + Pending Changes/Modifications</b>		<b>\$8,390,744</b>	<b>\$6,570,294</b>	<b>\$1,820,450</b>
	Subtotal – Pending Claims		\$ 0.00	\$ 0.00	\$ 0.00
	<b>Total: Mods + Pending Changes/Mods + Possible Claims</b>		<b>\$8,390,744</b>	<b>\$6,570,294</b>	<b>\$1,820,450</b>
	Previous Authorized CMA		\$ 0.00	\$ 0.00	\$ 638,100
	CMA Necessary to Execute Pending Changes/Mods + Possible Claims		\$ 0.00	\$0.00	\$1,820,450
	<b>Total CMA including this Action</b>		<b>\$ 0.00</b>	<b>\$ 2,009,744</b>	<b>\$2,009,744</b>
	<b>CMA Remaining for Future Changes/Mods after this Action</b>		<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 448,806</b>

## DEOD SUMMARY

**Emergency Immediate Remedial Roofing Rail Operations Center (ROC) Building  
C56872C1142**

**A. Small Business Participation**

Archico Design Build, Inc., an SBE Prime, made a 54.10% SBE commitment and a 3.01% DVBE commitment. The project is 74% complete and Archico Design Build, Inc. is exceeding its commitments with 55.48% SBE participation and 5.06% DVBE participation.

<b>Small Business Commitment</b>	<b>SBE 54.10%</b>	<b>Small Business Participation</b>	<b>SBE 55.48%</b>
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	<b>SBE Contractors</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	Archico Design Build, Inc. (Prime)	45.56%	49.16%
2.	ICI Inc.	3.17%	2.75%
3.	Onyx Architects, Inc.	0.68%	0.46%
4.	Reyes and Sons	3.78%	2.28%
5.	VCA Engineers	0.91%	0.83%
	<b>Total</b>	<b>54.10%</b>	<b>55.48%</b>

<sup>1</sup>Current Participation = Total Actual amount Paid-to-Date to SBE firms ÷ Total Actual Amount Paid-to-date to Prime.

<b>Small Business Commitment</b>	<b>DVBE 3.01%</b>	<b>Small Business Participation</b>	<b>DVBE 5.06%</b>
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	<b>DBE Subcontractors</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	G&C Equipment Corp.	3.01%	5.06%
	<b>Total</b>	<b>3.01%</b>	<b>5.06%</b>

<sup>1</sup>Current Participation = Total Actual amount Paid-to-Date to DVBE firms ÷ Total Actual Amount Paid-to-date to Prime.

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

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

**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).

**D. Project Labor Agreement / Construction Careers Policy (PLA/CCP)**

The Contractor has committed to complying with PLA/CCP requirements for this project. This project is 41.93% complete (based on total construction labor hours expended, divided by the total estimated construction labor hours in the approved Employment Hiring Plan) and the contractor is achieving the 40% Targeted Worker Goal at 49.31%, achieving the 20% Apprentice Worker Goal at 39.45%. and achieving the 10% Disadvantaged Worker Goal at 12.24%. Prime Contractor has met the PLA/CCP workforce goals as stated above. Staff will continue to monitor and report the contractor's progress performance.