



Board Report

File #: 2024-0207, File Type: Budget

Agenda Number: 23.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE MAY 16, 2024

SUBJECT: BUS DIVISIONS AND FACILITIES FIRE ALARM MODERNIZATION

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

APPROVE an increase to the Life-of-Project (LOP) budget for the Bus Divisions and Facilities Fire Alarm Modernization Project by \$6,356,000, increasing the LOP budget from \$3,474,000 to \$9,830,000.

ISSUE

Metro operates an extensive network of bus divisions and facilities throughout Los Angeles County. These facilities serve as hubs for the vehicle maintenance, storage, and dispatch of buses, as well as administrative functions. The fire alarm systems at various bus divisions and facilities need to be modernized as they are nearing the end of their useful lives. A LOP increase is needed to award a contract and move forward with the bus divisions and facilities fire alarm system modernization.

BACKGROUND

In June 2016, the Board approved the Fire Alarm Panel Replacement Project (202333) with an LOP budget of \$1,624,300 as part of the adopted FY17 annual budget. At the time, the project work called for the replacement of 22 fire alarm control panels using the existing cable wire and associated devices at 11 Metro bus divisions and 3 facility locations. The project work was solicited twice. However, no award was made because the bids either did not meet the Small Business Enterprise (SBE) goal or pricing was significantly higher than Metro's Independent Cost Estimate (ICE) and the initial LOP budget. Subsequently, the project's scope of work was revised to include a comprehensive fire alarm control system replacement at the bus and facility locations.

This included replacing 22 fire alarm control panels, all detection and notification devices, cable wire, installation of auxiliary panels, and abatement of potentially hazardous materials such as asbestos and lead paint. These changes impacted the project's overall cost, and the Board approved in January 2019, an increase to the project's LOP budget by \$1,850,000, from \$1,624,000 to \$3,474,000. The project delivery method to perform the project work was a design-build approach. In February 2020, Metro awarded Design-Build Contract No. C61387C1172-3 for an amount totaling \$1,800,140. However, the progression of the fire alarm system design phase was hindered in 2020

due to the COVID-19 health crisis, substantially impacting work efforts. Consequently, the project schedule was delayed, and the extended timeline led to unexpected financial shocks stemming from inflationary price increases in construction materials, equipment, and labor wages. After the contractor initiated the design work at the first location at Bus Division 1, the design and construction costs for the entire project work escalated substantially. The contractor proposed a change order significantly higher than the initial contract amount. In the best interest of Metro, the contract was terminated for convenience in May 2021.

Operations Engineering reassessed the project scope, opting for a design/bid/build approach to ensure comprehensive design completion prior to bidding. This change aimed to facilitate cost certainty for the replacement of all fire alarm systems within the project. However, the number of bus divisions to be included was adjusted from 11 to 10, and the 3 facility locations remained the same. Under this project delivery approach, the project design work was redone to account for the latest building code requirements and floor plan changes for all identified locations. After the redesign specifications were completed, the procurement was initiated in September 2023 as an Invitation for Bid (IFB) No.C1229, Fire Alarm System Replacement for Bus Division Facilities. The solicitation closed in December 2023.

DISCUSSION

The project construction work under C1229 entails fire alarm modernization at Bus Divisions 2, 3, 4, 5, 7, 8, 9, 10, 15, 18, and Locations 21, 22, and 29. The systems are currently operational, but they are approximately 30 years old. These are legacy systems that require modernization with the latest equipment and components that comply with new industry standards and regulatory requirements. The fire alarm system at Bus Division 1 was completed in March 2024 as a separate action to restore the division's non-functioning fire alarm system and bring it into compliance with the Los Angeles City Fire Code. Prior to Metro's termination of Contract No. C61387C1172-3, the contractor had begun preparatory work and dismantled the fire alarm system at Bus Division 1. Nonetheless, a fire watch order was implemented to detect and address any potential fire hazards. Restoration of the fire alarm system in Division 1 was prioritized.

Replacement of the fire alarm control systems at bus divisions and facilities is part of the Capital Improvement Program (CIP) to renew and modernize transit infrastructure assets. Metro is committed to maintaining transit infrastructure assets in a state of good repair. A \$6,356,000 LOP increase has been estimated based on the necessary project scope and the bid pricing received. The expenditure plan for the project is shown in Attachment A.

DETERMINATION OF SAFETY IMPACT

Approval of the recommendation will have a positive impact on safety as the project work scope will move forward to ensure compliance with the current local and state of California codes and regulations, and the National Fire Protection Association (NFPA) standards. Maintaining Metro bus divisions and facilities in a state of good repair and compliance with current fire life safety regulations and codes is essential to providing a safe environment for our employees.

FINANCIAL IMPACT

This action will increase the LOP budget for capital project 202333 - Bus Division and Facilities Fire Alarm Modernization, adjusting the LOP budget from \$3,474,000 to \$9,830,000. Annual funding for this project is included in the FY24 budget.

Since this is a multi-year project, the Project Manager will ensure that the balance of funds are budgeted in future fiscal years.

Impact to Budget

The current source of funds for this action is Transportation Development Act. This funding is eligible for Capital and Operating Projects. Allocation of these funds to this effort maximizes their intended use given approved funding guidelines and provisions.

EQUITY PLATFORM

The planned modernization of fire alarm systems will encompass thirteen bus divisions and facility locations across the Los Angeles County Metro service area. This project aims to renew transit infrastructure assets, ensuring their continued functionality and useful life. These assets are crucial fire-life safety systems needed to operate bus divisions and facilities and protect frontline workers serving communities across the county, including those located within Equity Focus Communities (EFCs).

The C1229 IFB procurement for the Bus Divisions and Facilities Fire Alarm System was solicited as a Small Business Enterprise (SBE) Prime Set-Aside. The recommended firm, Global Electric, Inc. made an SBE commitment as the prime and will perform 76.91% of the work with its own workforce. Global Electric is SBE certified and met the Small Business Prime Set-Aside requirements established for this project work.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of this recommendation supports the following Metro Strategic Plan Goals:

Goal # 1 Provide high-quality mobility options that enable people to spend less time traveling.

Goal # 3 Enhance communities and lives through mobility and access to opportunity.

Modernizing the fire alarm systems is essential for maintaining safety and reliability standards across bus divisions and facilities. This initiative plays a pivotal role in fostering a top-tier transportation system, thereby enriching the quality of life for Metro riders throughout Los Angeles County.

ALTERNATIVES CONSIDERED

The Board may choose not to increase the LOP budget. This is not recommended by staff because the existing fire alarm systems at the identified locations are nearing the end of their useful lives. They are safety sensitive, and choosing not to perform or postpone modernization may impact service reliability if fire alarm systems become non-operational, rendering the facility non-compliant with fire codes and regulations. Working fire alarm systems are required for facility occupancy. Otherwise, temporary fire watch orders must be put into service. Additionally, unscheduled maintenance repair costs on a per component basis will result in higher operating costs versus reduced costs when performing work as scheduled.

NEXT STEPS

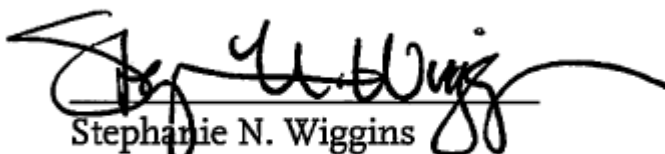
Upon Board approval of the requested LOP, the CEO may approve the low bid contract award, pursuant to California Public Utilities Code 130051.9(c). The contract will be executed, and Operations - Infrastructure Maintenance and Engineering will proceed forward with the project scope.

ATTACHMENTS

Attachment A - Project 202333 Expenditure Plan

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CP 202333 Expenditure Plan
Bus Divisions and Facilities Fire Alarm System Modernization

Use of Funds	ITD	FY24	FY25	FY26	Total
IFB C1229 Bus Divisions and Facilities Fire Alarm System Replacement (Global Electric)			\$ 3,500,000	\$ 2,995,000	\$ 6,495,000
PS84537MOWTO62000 Task Order for Fire Alarm System Design and Specifications (Gannett Fleming)	\$ 340,360				\$ 340,360
Contract No. C61387C1172-3 Bus Divisions and Facilities Fire Alarm System Replacement D/B (Robnett Electric)	\$ 149,432				\$ 149,432
3000006021 Fire Control Panel Assessment (HDR Engineering)	\$ 127,834				\$ 127,834
AE47810E0128000 Systems Engineering Task Order for Fire Alarms Support (Secotrans)	\$ 20,301				\$ 20,301
Other Miscellaneous Services	\$ 5,286				\$ 5,286
Metro Facilities Maintenance Labor			\$ 300,000	\$ 250,000	\$ 550,000
Agency Costs (Design Support During Construction, Project Management, Procurement, Labor Compliance)	\$ 430,073	\$ 40,000	\$ 350,000	\$ 346,714	\$ 1,166,787
Contingency 15%					\$ 975,000

Yearly Cash Flow Forecast \$ 1,073,286 \$ 40,000 \$ 4,150,000 \$ 3,591,714 \$ 9,830,000