



Board Report

File #: 2025-0094, File Type: Contract

Agenda Number: 11.

CONSTRUCTION COMMITTEE APRIL 16, 2025

SUBJECT: LINK UNION STATION PROJECT

ACTION: AWARD CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a firm fixed price Contract No. PS120069000 to Flatiron West, Inc., for Phase 1 Preconstruction Services for the Link Union Station Phase A Construction Manager/General Contractor (CM/GC) Project, in the amount of \$7,000,000, subject to the resolution of any properly submitted protest(s) if any.

ISSUE

Staff is seeking the Board's approval to award a firm fixed price Contract No. PS120069000 to Flatiron West, Inc. for Phase 1 Construction Manager/General Contractor Preconstruction Services for the Link Union Station Phase A Project.

BACKGROUND

The Link Union Station (Link US) Project will transform how the commuter and intercity rail operates in Southern California with new run-through capability at Los Angeles Union Station (LAUS) by providing one-seat rides for Northbound and Southbound run through service, doubling the capacity of daily train movements, reducing dwell times by as much as 20 minutes, and accommodating future high-speed rail.

The Link US Project is planned to be implemented in two phases:

1. **Phase A** - Includes a run-through structure from the stub end of Union Station, over the 101 Freeway, and connects to the mainline tracks on the West Bank of the Los Angeles River. In the initial phase, the run-through structure will provide immediate run-through service for Metrolink and the Pacific Surfliner (LOSSAN) on two tracks that connect to Platform 3. However, the run-through structure will be built to accommodate up to nine run-through tracks for future passenger and intercity rail expansion, including California High-Speed Rail.
2. **Phase B** - Includes a new rail yard with four new operating platforms and up to nine-run through tracks for Metrolink, LOSSAN and California High Speed Rail, as well as a new

Passenger Tunnel.

The Link US Project Phase A will be delivered utilizing the Construction Manager/General Contractor (CM/GC) project delivery approach that was previously approved by the Board on December 5, 2019. On May 26, 2022, the Metro Board approved a Partial Preconstruction Phase Life of Project Budget (Preconstruction Budget) of \$297.818 million for the Preconstruction Work of the Link US Phase A Project consisting of remaining planning, environmental, preliminary engineering, final design, third-party work, early demolition work, real estate acquisitions, and associated soft costs.

CEQA & NEPA

Previously, under a separate funding agreement with California High-Speed Rail Authority (CHSRA), Metro received American Recovery and Reinvestment Act federal funds in 2017 for environmental and planning work for the Link US Project. The Link US Project completed California Environmental Quality Act (CEQA) environmental clearance in July 2019, and a CEQA amendment was approved in October 2021. Furthermore, the Link US Project is in the process of completing the National Environmental Policy Act (NEPA) environmental clearance with an updated forecast Summer 2025, with CHSRA as the NEPA Lead Agency.

DISCUSSION

The goal of CM/GC project delivery method is to engage a General Contractor to act as the “Construction Manager” consultant during the design process to collaborate and partner with Metro and the Architectural/Engineering (A/E) Designer offering constructability, scheduling, pricing, feedback on design options, and minimizing cost and schedule risks related to the project. The CM/GC process provides the ability to effectively integrate benefits from the early engagement of construction experts that will enable Metro to make informed decisions during the design process and provide substantive benefits to the project.

The CM/GC will deliver the Project in two distinct contract phases. Phase 1, the Preconstruction Phase, and Phase 2, the Construction Phase, as described below..

Phase 1 Preconstruction

Once the Notice to Proceed is issued, the CM/GC and Metro’s A/E Designer will work side-by-side to review constructability, undertake value engineering, conduct site investigations, assess market conditions, provide current contractor price estimates, risk assessments, and construction schedule at successive prescribed design intervals until the design is finalized. The CM/GC may also construct some Early Works Packages of Phase 2 Work during Phase 1, subject to negotiation and remaining Preconstruction Budget availability.

Throughout, and at predetermined milestones during Phase 1 Preconstruction, the CM/GC will provide Metro with Opinions of Probable Cost (OPC) for the Phase A Project, which are detailed cost estimates that will enable staff to evaluate the projected Project costs against the Project budget and make necessary adjustments to the scope or schedule. If both parties agree to a final OPC, staff will seek Board approval to award Phase 2 Construction to the CM/GC. If not, Metro will have the option to terminate the contract with the Contractor and package the design documents into a separate bid

package. This off-ramp will be available for Metro throughout Phase 1 as staff evaluates each OPC. If a final negotiated OPC is reached, staff will seek Board approval to award all of Phase 2 to the CM/GC as a Phase 2 Supplement.

Throughout Phase 1 Preconstruction negotiations, Metro will maintain the following parameters to mitigate discrepancies and to increase the likelihood of project success:

- CM/GC's Phase 2 Management Lump Sum Fee and Phase 2 Margin Percentage initially proposed, agreed, and contractually committed will be retained in all OPCs;
- CM/GC contract will set out the conditions of the price proposal for Phase 2 Construction and the information that the Contractor is required to submit;
- CM/GC contract will set out a clear governance structure for managing Phase 1 Preconstruction, including the establishment of working groups that include members from Metro, the contractor team, and any relevant third parties; and
- Process for establishing all OPC will employ transparent open-book methods and the use of independent cost estimates to validate pricing.

The CM/GC process enables the contractor and Metro to successfully negotiate a construction contract, at the appropriate level of completion of the design within the available funding. If the contractor's pricing significantly exceeds the available funding, the project delivery method provides flexibility to off-ramp the General Contractor at each design interval or any time for convenience throughout the Phase 1 Preconstruction. Therefore, if the off-ramp is exercised, Metro can benefit from the work already performed by the contractor and pivot to a different project delivery method with competitive construction pricing such as a design-bid-build. Upon Board approval, Metro's commitment to the recommended Contractor at this time would be \$7,000,000.

Phase 2 Construction

After the final design of the entire Project has been completed to an appropriate level, staff will return to the Board to request approval for the total Life of Project Budget (LOP) for Phase A. Upon Board approval of the total LOP and if the General Contractor has successfully negotiated a construction contract with Metro, then the General Contractor builds the Phase A project.

As an essential element of the Link US Phase A staff recommends the award of a CM/GC firm fixed price contract for the Link Union Station Project Phase A CM/GC for the Phase 1 - Preconstruction Services.

DETERMINATION OF SAFETY IMPACT

The Link US project is being planned and designed in accordance with Metro, Southern California Regional Rail Authority (SCRRA), California High-Speed Rail (HSR), Caltrans, and City of Los Angeles standards, as well as state and federal requirements. The recommended Board action will have no detrimental safety impact.

FINANCIAL IMPACT

In May of 2022 the Metro Board was advised of the committed funding to date and authorized a

Partial Preconstruction Phase Life of Project Budget, as listed below.

Committed Funding and Approved Partial Preconstruction Phase LOP Budget

Funding Source	Amount (\$ in millions)	Partial Preconstruction Phase LOP Budget - Approved in May 2022 (\$ in Millions)
State Proposition 1A/High Speed Rail Bonds	\$423.3	-
State Transit Intercity Rail Capital Program (TIRCP)	\$337.6	\$227.42
State Transportation Improvement Program (STIP)	\$60.8	-
Metro Measure R 3%	\$51.7	\$51.67
Other Metro Local funds	\$13.3	-
SCRRA JPA Contribution (Non-Metro)	\$40.0	-
Other HSR Funds	\$18.7	\$18.73
LOSSAN/Amtrak	\$5.0	-
Total	\$950.4	\$297.82

The award of the CM/GC Contract and the Phase 1 Preconstruction services by the CM/GC are fully funded as part of the \$297.82 Million previously approved. As of December 2024, \$120 Million of this Preconstruction Phase Budget remains. The funding sources for the Partial Preconstruction LOP Budget are not eligible to be used for Metro bus/rail operating or capital budget expenses.

Impact to Budget

Current Fiscal Year

There is no impact on the current Fiscal Year (FY25) budget as the next step in the procurement process is to award the Contract and issue a Notice to Proceed (NTP), and \$10.5 million is included in the approved FY25 budget, project 460089. The CM/GC contract will commence with Phase 1 Preconstruction, during the final quarter, April through June, of the current fiscal year. During this period, engineering, cost estimates, risk assessments, construction schedule development and constructability reviews will begin.

Multiyear Impact

Metro is currently estimating the total cost of the project to be \$1,597 Million, pending final pricing by the CM/GC Contractor during the Preconstruction Phase. The project proposes to fill the funding gap as listed below.

Plan to Fill Funding Gap (\$ in Millions)

Committed Funding	\$950.4
FRA FSP Intercity Passenger Rail Grant Application	\$200.0
CTC Solutions for Congested Corridors Grant Application	\$105.0
TIFIA Loan	\$341.4
Total Estimated Project Cost	\$1,596.8

Metro has submitted the FRA Federal State Partnership (FSP) Intercity Passenger Rail Grant Application and the CTC Solutions for Congested Corridors Grant Application in the Fall of 2024. A Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan is proposed for the final \$341.4 Million of the Funding Gap. The TIFIA Loan is proposed to be repaid by Metrolink and LOSSAN Member agencies over 30 years. CalSTA and Caltrans are coordinating an interagency discussion to develop a consensus on how the participating agencies will share the loan repayment.

Since this is a multi-year capital project, the Chief Program Management Officer and the Project Manager will be responsible for budgeting costs in future fiscal years.

EQUITY PLATFORM

The Link US Project will improve the quality of life for residents at the LAUS-adjacent William Mead Homes, the first public housing project in the City of Los Angeles constructed in the 1950s and located within a Metro Equity Focus Community. This will be accomplished with the construction of a new sound wall, designed to reduce noise externalities from existing and future increases in train operations, and a proposed quiet-zone safety improvements at the railroad crossing on N. Main Street to reduce the train horn noise in the area.

The increased rail service will make it easier for Metrolink riders to access key destinations, such as jobs, housing, and healthcare appointments, as well as provide access to the greater LA Metro public transportation system at LAUS. The Link US Project will also result in reduced train and idling timesaving as much as 5 minutes for each ride linking the counties of San Diego, Orange, Riverside, San Bernardino, Ventura, San Luis Obispo, and Santa Barbara to LAUS-and fuel savings and emission reductions. Further, it is estimated that the Link US Project will generate 4,500 jobs during construction, resulting in over 200 permanent jobs. In addition, during Early Work and Phase 2 Construction, the Project Labor Agreement (PLA) and the Construction Careers Policy (CCP) will require the CM/GC to hire 40% Targeted Local Workers, 20% Apprentice Workers, and 10% Disadvantaged Workers.

The Diversity and Economic Opportunity Department (DEOD) established a 25% Small Business (with 3% designated for Micro Business (MB)) and a 3% Disabled Veteran Business Enterprise (DVBE) goal, and a separate 10% Disadvantaged Business Enterprise (DBE) goal for Phase 1. The CM/GC met or exceeded the goals by making a 22.43% SB commitment, a 3.09% MB commitment, a 3.66% DVBE commitment, and a 10.37% DBE commitment for Phase 1.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

*Based on population estimates from the United States Census and VMT estimates from the highway performance monitoring system data between 2001-2019.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. This item supports Metro's systemwide strategy to reduce VMT through planning and investment activities that will improve and increase rail service, thereby encouraging taking transit, including Metrolink, Amtrak, Metro Rail, High-Speed Rail, Municipal Bus Systems, and High-Speed Ridesharing.

Metro staff has conducted preliminary analysis to show that the net effect of this multi-modal item is to decrease VMT. Using data provided by LOSSAN, SCRRA, and SCAG, it is estimated that this project will result in 299,889,346 additional passenger-miles per year. This will result in annual reduction in VMT of 239,911,477 per year, or a 679,687 daily VMT reduction.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Link US project supports Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. The proposed run-through tracks would increase regional and intercity rail capacity, reduce train idling at LAUS, enable one-seat rides from Santa Barbara County to San Diego County through LAUS, and accommodate a new high-quality transportation option such as the High-Speed Rail in Southern California.

The project also supports Strategic Goal 2: Deliver outstanding trip experiences for all users of the transportation system. The proposed new passenger concourse and the new outdoor plaza (West Plaza) would improve customer experience and satisfaction by enhancing transit and retail amenities at LAUS and improving access to train platforms with new escalators and elevators.

Lastly, the project supports Strategic Goal 4: Transform LA County through regional collaboration and national leadership. The project requires close collaboration with many local, regional, state, and federal partners including the City of Los Angeles, SCRRA, LOSSAN Authority, Caltrans, CHSRA, The California State Transportation Agency (CalSTA), Federal Railroad Administration (FRA), and Amtrak.

ALTERNATIVES CONSIDERED

The Board may choose not to move forward with approval to award the contract. This is not recommended since that would lead to project delays and corresponding cost increases. Any delay may also impact Platform improvements that are scheduled to occur. Furthermore, this would also

impact timelines and cost projections that are proposed in current and future grant funding agreements with TIRCP and CHSRA.

NEXT STEPS

Upon Board approval, staff will execute Contract No. PS120069000 for the Link Union Station Project Phase A Construction Manager/General Contractor (CM/GC) contract and issue NTP.

The Project anticipates returning to the Board for a Supplemental CEQA Record of Decision, an increase in the Preconstruction Budget for any additional real estate acquisition and construction of any early works packages in Summer 2025. The Project also anticipates returning to the Board for a Construction Management Support Services Contract (CMSSC) in Summer 2025.

After completion of remaining design and successful negotiation with the CM/GC Contractor, staff will return to the Board for approval of the Life of Project Budget and award of the remaining Phase 2 Construction Work in Fall 2026.

ATTACHMENTS

Attachment A - Procurement Summary

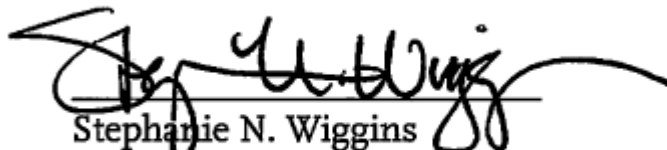
Attachment B - DEOD Summary

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PROCUREMENT SUMMARY

**LINK UNION STATION PHASE A
CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC)
CONTRACT NO. PS120069000**

1.	Contract Number: PS120069000	
2.	Recommended Vendor: Flatiron West, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: August 30, 2024	
	B. Advertised/Publicized: August 30, 2024	
	C. Pre-Proposal Conference: September 10, 2024	
	D. Proposals Due: October 29, 2024	
	E. Pre-Qualification Completed: February 20, 2025	
	F. Ethics Declaration Forms submitted to Ethics: October 30, 2024	
	G. Protest Period End Date: March 25, 2025 (Estimated)	
5.	Solicitations Downloaded: 174	Proposals Received: 3
6.	Contract Administrator: Robert Romanowski	Telephone Number: (213) 922-2633
7.	Project Manager: Scott McConnell	Telephone Number: (213) 922-4980

A. Procurement Background

This Board Action is to approve Contract No. PS120069000 issued in support of the Construction Manager/General Contractor (CM/GC) project delivery method for the Link Union Station Phase A CM/GC Project. Board approval of contract awards are subject to resolution of any properly submitted protest(s), if any.

Prior to the release of the solicitation, a hybrid in-person/virtual Metro Connect Industry Forum was conducted on February 16, 2024. The event was attended by 81 registered individuals. This event was held to inform the small business community of the upcoming Link Union Station Phase A contracting opportunities, and to promote increased small business participation.

The Request for Proposals (RFP) was issued in accordance with Metro’s Acquisition Policy, and the contract type is Construction Manager/General Contractor (CM/GC). The Contract is subject to the California High-Speed Rail Authority’s Small Business Program Plan (HSR SB Program Plan) which includes Small Business (SB) (inclusive of Micro Business (MB)), Disabled Veteran Business Enterprise (DVBE), and race-neutral Disadvantaged Business Enterprise (DBE) goals and requirements. The

Diversity & Economic Opportunity Department (DEOD) recommended the following goals, all of which apply across the total value for Phase 1 – Pre-Construction Services:

- A SB goal of 25% (with 3% designated for MBs),
- A separate 3% DVBE goal, and
- A separate 10% DBE goal.

The SB/DVBE and DBE goals for Phase 2 Work will be established in accordance with the provisions of the contract, should Phase 2 Work proceed.

Two (2) amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on October 15, 2024, added two sentences inadvertently omitted from Section 600 of the SB/DVBE/DBE Instructions to Proposers and included minor clarifications to RFP Appendices.
- Amendment No. 2, issued on October 18, 2024, revised Contract Exhibit 4, Regulatory Requirements and also revised Contract Exhibit 5, Subcontracting, to add required contract language that had been made final after the RFP was initially released.

A virtual pre-proposal conference was held on September 10, 2024, and was attended by 116 participants. Three sets of questions and responses were released before the proposal due date.

A total of 174 downloads of the RFP were recorded in the planholders' list. Three proposals were received on the due date of October 29, 2024.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of a representative from Metrolink Project Delivery and staff from Metro's Environmental Services and Regional Rail units within the Program Management Office, Program Control, and Countywide Planning & Development was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following weighted evaluation criteria:

- | | |
|-----------------------------|------------------|
| • Capability and Experience | 35 Points |
| • Project Understanding | 10 Points |
| • Project Approach | 30 Points |
| • Cultural Competency | 5 Points |
| • Price | <u>20 Points</u> |
| | 100 Points |

Several factors were considered when developing these point values, giving the greatest importance to Capability and Experience. Additionally, a criterion of 5 points was allocated for proposers to demonstrate their approach to Cultural Competency.

In addition, the price evaluation criteria consisted of the following price elements with pre-established parameters to reflect the phases of the project, designed to establish a level playing field and to arrive at one price formula that would be evaluated with the understanding that only the amount listed under Phase 1 Pre-Construction Lump Sum Fee would be used for the awarded Contract Value (subject to clarification and/or negotiations). The price elements stated in the RFP are as follows:

1. Phase 1 Pre-Construction Lump Sum Fee
2. Delay Compensation Rate (daily) for Phase 1 with an assumed estimated quantity of 120 days of Compensable Delay during Phase 1 (for evaluation purposes only)
3. Phase 2 Management Lump Sum Fee, assuming a 60-month period of performance for Phase 2 work (for evaluation purposes only)
4. Phase 2 Margin Percentage, assuming a construction cost of \$520,000,000 (for evaluation purposes only)

Of the proposals received, all three were determined to be within the competitive range and are listed below in alphabetical order:

1. Flatiron West, Inc. (Flatiron)
2. Kiewit Infrastructure West Co. (Kiewit)
3. Skanska USA Civil West (Skanska)

During December 2024 and January 2025, the PET reviewed and scored each proposal. Concurrently, DEOD staff requested and received clarifications on the HSR SB Program Plan forms from all Proposers. On January 15, 2025, the PET met and received Oral Presentations from the three Proposers. The Proposers' project managers and key team members were asked to present each team's capability and experience, and their understanding and approach to completing the Project. Each team was asked questions regarding their previous experience working with multiple stakeholders, minimizing impacts, and commitment to partnering with Metro to ensure the success of the Project. Following oral presentations, the PET completed consensus scoring.

Qualifications Summary of Firms within the Competitive Range

Flatiron West, Inc. (Flatiron)

Flatiron West, Inc. (Flatiron) effectively demonstrated extensive experience with similar projects and proposed a highly qualified team with a strong background in

public transportation, and viaduct construction. Flatiron’s proposal articulated a comprehensive understanding of the project and their approach to performing the Phase 1 work. Their proposal achieved the top scores across four of the five evaluation criteria, including the highest in Capability and Experience. Flatiron took no exceptions to the terms and conditions of the CM/GC Contract. Furthermore, Flatiron’s proposal contained two innovative features:

- Flatiron included their foundation subcontractor on their Phase 1 team, instead of waiting until after award and submittal of the Subcontractor Bidding and Selection Plan to start to identify a foundation subcontractor; and
- Flatiron included an environmental specialist as value added to their Phase 1 personnel, to acknowledge and assist with the sensitivities of adjacent and interfacing Projects.

Flatiron scored the highest in both the technical and price proposal evaluations.

Skanska USA Civil West (Skanska)

Skanska’s Proposal demonstrated strong qualifications and experience in their proposal, supported by a highly capable team and a clear understanding of the project requirements. The Proposal presented a solid approach to executing similar projects.

Kiewit Infrastructure West Co. (Kiewit)

Kiewit presented a qualified team with an acceptable understanding of the project’s scope and a reasonable approach to the project. Their proposed cost was the highest among the three proposers. This, combined with the lowest technical proposal evaluation, placed Kiewit’s proposal score lowest in the competitive range.

After a thorough evaluation review of proposals and the oral presentations, the PET’s recommendation in the order of ranking is shown in the table below:

1	Proposer Name	Average Score	Factor Weight	Weighted Average Score	Rank
2	Flatiron				
3	Capability and Experience	90.20	35%	31.57	
4	Project Understanding	90.60	10%	9.06	
5	Project Approach	80.92	30%	24.28	
6	Cultural Competency	68.00	5%	3.40	
7	Price	100.00	20%	20.00	
8	Total		100%	88.31	1

9	Skanska				
10	Capability and Experience	85.24	35%	29.83	
11	Project Understanding	83.00	10%	8.30	
12	Project Approach	75.80	30%	22.74	
13	Cultural Competency	71.00	5%	3.55	
14	Price	84.40	20%	16.88	
15	Total		100%	81.30	2
16	Kiewit				
17	Capability and Experience	76.31	35%	26.71	
18	Project Understanding	72.00	10%	7.20	
19	Project Approach	61.55	30%	18.47	
20	Cultural Competency	66.30	5%	3.32	
21	Price	78.20	20%	15.64	
22	Total		100%	71.34	3

C. Cost/Price Analysis

The recommended Phase 1 Lump Sum Fee and Delay Compensation Rate, and Phase 2 Management Lump Sum Fee and Margin Percentage have all been determined to be fair and reasonable based upon review of an Independent Cost Estimate (ICE), cost analysis, technical evaluation, additional fact finding, and negotiations with the highest ranked Proposer.

Proposer Name	Proposed Amount	Metro ICE	Award Amount
Flatiron West, Inc.	\$7,042,000 (Phase 1 Lump Sum Fee)	\$10,868,000 (Phase 1 Lump Sum Fee)	\$7,000,000 (Phase 1 Lump Sum Fee)
	\$10,000/day (Phase 1 Delay Compensation Rate)	A Minimum of \$10,00/day (Phase 1 Delay Compensation Rate)	\$10,000/day (Phase 1 Delay Compensation Rate)
	\$245,876/month (Phase 2 Management Lump Sum Fee)	A Range of \$160,000 - \$450,000 per month	\$245,876/month (Phase 2 Management Lump Sum Fee)

	8% (Phase 2 Margin Percentage)	A Range of 8% -12% (Phase 2 Margin Percentage)	8% (Phase 2 Margin Percentage)
Skanska	\$9,061,258 (Phase 1 Lump Sum Fee)		
	\$10,000/day (Phase 1 Delay Compensation Rate)		
	\$336,955/month (Phase 2 Management Lump Sum Fee)		
	8.5% (Phase 2 Margin Percentage)		
Kiewit	\$10,300,000 (Phase 1 Lump Sum Fee)		
	\$10,000/day (Phase 1 Delay Compensation Rate)		
	\$339,400/month (Phase 2 Management Lump Sum Fee)		
	9% (Phase 2 Margin Percentage)		

The price evaluation criteria included in the RFP consisted of price elements with pre-established parameters to reflect the phases of the project. All price proposals received were determined to be within the pre-established parameters.

The final recommended Phase 1 Lump Sum Fee is lower than Metro's ICE due to the following factors:

- The ICE was initially developed with several full-time key personnel allocated to support the Phase 1 effort, in contrast, Flatiron's proposal incorporated part-time staff to support Phase 1 and the associated scope of work, which is considered reasonable.

- Flatiron and their Subcontractors proposed lower overhead rates compared to those included in Metro's ICE.

Staff successfully negotiated a reduction in the Phase 1 Lump Sum Fee for a cost savings of \$42,000.

D. Background on Recommended Contractor

Flatiron West, Inc. (Flatiron)

Flatiron West, Inc. (Flatiron) is based in Chino, California and has 75 years of experience in delivering complex civil and transit projects. Flatiron has worked on 745 projects in California since 1991. Of these, 138 are located in the Los Angeles area, including the current G-Line Bus Rapid Transit Improvements and I-105 Express Lanes projects.

Flatiron has demonstrated expertise in the alternative project delivery method of CM/GC and brings innovative solutions to build a successful project.

DEOD SUMMARY

LINK UNION STATION PHASE A
CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC)
CONTRACT NO. PS120069000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 25% Small Business (with 3% designated for Micro Business) and a 3% Disabled Veteran Business Enterprise goal, and a separate 10% Disadvantaged Business Enterprise goal for Phase 1 of this California High-Speed Rail Authority (“CHSRA”) funded procurement. As a condition of funding, Metro was required to implement the CHSRA’s Small Business Program, which includes Small Business (SB), Micro Business (MB), Disabled Veteran Business (DVBE), and Disadvantaged Business Enterprise (DBE) firms.

Flatiron West, Inc. met or exceeded the goals by making a 22.43% SB commitment, a 3.09% MB commitment, a 3.66% DVBE commitment, and a 10.37% DBE commitment for Phase 1.

Small Business Goals	25% SB (including 3% MB) 3% DVBE 10% DBE	Small Business Commitment	22.43% SB 3.09% MB 3.66% DVBE 10.37%DBE
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	SB Subcontractors	% Committed
1.	Chambers Group, Inc.	3.83%
2.	JLM Staffing Solutions dba JLM Strategic Talent Partners	10.88%
3.	Morgner Construction Management	7.72%
	Total SB Commitment	22.43%

	MB Subcontractors	% Committed
1.	Modern Times, Inc.	3.09%
	Total MB Commitment	3.09%

	DVBE Subcontractors	% Committed
1.	Fryman Management, Inc.	3.66%
	Total DVBE Commitment	3.66%

	DBE Subcontractors	Ethnicity	% Committed
1.	Costin Public Outreach Group, Inc.	Non-Minority Female	1.40%
2.	QN Management Solutions, Inc.	Asian Pacific American Female	5.94%
3.	Steiner Consulting, Inc.	Non-Minority Female	3.03%
Total DBE Commitment			10.37%

Phase 2

The SB/DVBE and DBE goals for Phase 2 Work will be established in accordance with the provisions of the contract. Flatiron West, Inc. will be required to meet or exceed the goals at the time of submission of its Phase 2 Work Price Proposal.

B. Local Small Business Enterprise (LSBE) Preference:

LSBE preference is not applicable to this California High-Speed Rail Authority (“CHSRA”) funded procurement.

C. Engagement Outreach Plan (EOP) and Communications Plan

Proposers were required to submit a Small Business Engagement Outreach Plan (EOP) as part of its proposal, evidencing how it will engage and outreach to the small and disadvantaged business community on contracting opportunities for all phases of the contract work. Flatiron West, Inc. met the requirement.

D. Contracting Outreach and Mentoring Plan (COMP)

The Contractor Outreach and Mentoring Plan (COMP) is not applicable to Phase 1. However, Flatiron West, Inc. will be required to mentor SB, DVBE, and DBE firm(s) in connection with the Phase 2 Work (including Early Works Packages) in accordance with the COMP requirements established by Metro pursuant to the provisions of the Contract.

E. Living Wage and Service Contract Worker Retention Policy Applicability

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

F. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to Phase 1 and Phase 2 of this project, including all Early Work Packages. DEOD will 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).

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

PLA/CCP is not applicable on Phase 1- Pre-construction/design portion of the contract wherein construction work is very limited. However, PLA/CCP is applicable on Phase 2-Construction portion of this contract to include all Early Work Packages that have contract value more than \$2.5 million and above.



**LINK US Phase A
Construction Manager/General Contractor (CM/GC)
Contract Award**

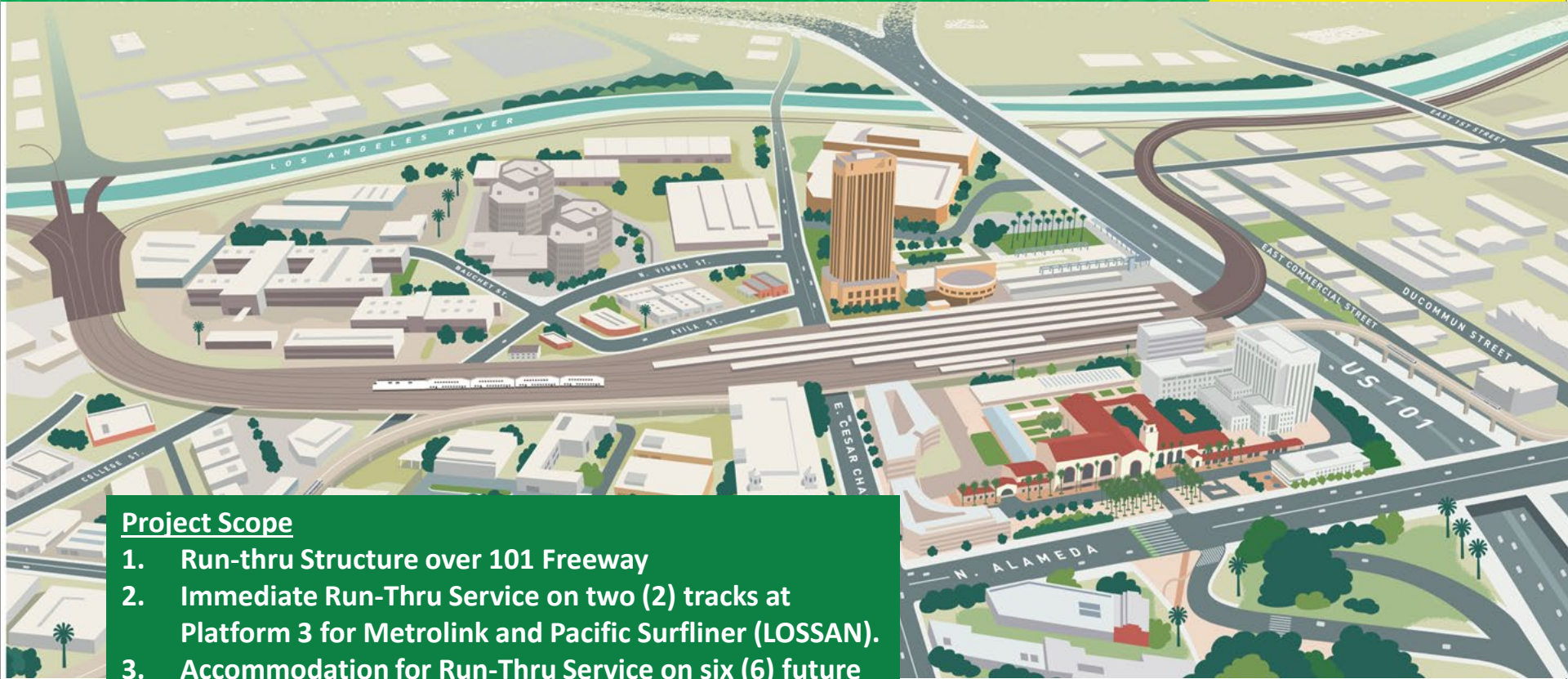


RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

AWARD a firm fixed price Contract No. PS120069000 to Flatiron West, Inc., for Phase 1 Preconstruction Services for the Link Union Station Phase A Construction Manager/General Contractor (CM/GC) Project, in the amount of \$7,000,000, subject to the resolution of any properly submitted protest(s) if any.

Link US – Phase A



Project Scope

1. Run-thru Structure over 101 Freeway
2. Immediate Run-Thru Service on two (2) tracks at Platform 3 for Metrolink and Pacific Surfliner (LOSSAN).
3. Accommodation for Run-Thru Service on six (6) future tracks for Metrolink, Pacific Surfliner (LOSSAN), and California High Speed Rail (CAHSR).



Phase 1 - Preconstruction Services

- Constructability Review
- Value Engineering
- Risk Assessments
- Scheduling
- Estimating and Pricing for Early Works
- Estimating and Pricing for Main Construction

To be performed within the Preconstruction Budget Approved in May 2022

Phase 2 - Construction

- Early Works
- Main Construction

To be performed after future Metro Board Action(s)



Procurement Summary

Proposer Name	Weighted Average Score	Flatiron	Skanska	Kiewit
Capability and Experience	35	31.57	29.83	26.71
Project Understanding	10	9.06	8.30	7.20
Project Approach	30	24.28	22.74	18.47
Cultural Competency	5	3.40	3.55	3.32
Price	20	20.00	16.88	15.64
Total	100	88.31	81.30	71.34
Phase 1 Lump Sum Fee		\$7,042,000	\$9,061,258	\$10,300,000
Phase 1 Delay Compensation Rate (Daily)		\$10,000	\$10,000	\$10,000
Phase 2 Management Lump Sum Fee (Monthly)		\$245,876	\$336,955	\$339,400
Phase 2 Margin Percentage		8%	8.5%	9%



CA High Speed Rail Authority and Metro Small Business Programs

This Contract is subject to California High Speed Rail Authority's Small Business Program Plan (HSR SB Program Plan).

Based on that plan, Metro's DEOD established the following goals for the Contract, all of which apply across the total value for Phase 1 – Pre-Construction Services:

- A Small Business (SB) goal of 25% (with 3% designated for Micro Business (MBs))
- A separate 3% Disabled Veteran Business Enterprise (DVBE) goal, and
- A separate 10% Disadvantaged Business Enterprise (DBE) goal.

Flatiron met or exceeded the goals in the RFP by making Phase 1 commitments in its Proposal of:

- 22.43% SB,
- 3.09% MB,
- 3.66% DVBE, and
- 10.37% DBE.

The SB/DVBE and DBE goals for Phase 2 Work will be established in accordance with the provisions of the contract, should Phase 2 Work proceed.



Project Funding - Preconstruction

- In May of 2022, the Metro Board Authorized a Preconstruction Budget of \$297.82 Million for Preconstruction Services using committed funding.
- The recommended award of \$7,000,000 for CM/GC Preconstruction Services is within the Authorized Budget.

Next Steps

- Execute Contract No. PS120069000 for the Link Union Station Project Phase A Construction Manager/General Contractor (CM/GC) contract and issue NTP.
- Return to Board for a Supplemental CEQA Record of Decision in Summer 2025.
- Return to Board for an increase in the Preconstruction Budget for any additional real estate acquisitions related to the environmental clearance of the Malabar Yard and construction of any early works packages in Summer 2025.
- Return to Board for a Construction Management Support Services Contract (CMSSC) in Summer 2025.
- After completion of remaining design and successful negotiation with the CM/GC Contractor, staff will return to the Board for approval of the Life of Project Budget and award of the remaining Phase 2 Construction Work in Fall 2026.



THANK YOU