



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2951

**16**

**MEASURE R PROJECT DELIVERY COMMITTEE  
SEPTEMBER 16, 2010**

**SUBJECT: CRENSHAW/LAX TRANSIT CORRIDOR PROJECT - PRELIMINARY  
ENGINEERING OPTION II**

**ACTION: APPROVE RECOMMENDATIONS**

**RECOMMENDATIONS**

- A. Authorize the Chief Executive Officer (CEO) to exercise a 21-month cost plus fixed fee option to Contract No. E0117 for Phase II Preliminary Engineering, Design/Build Construction Contract Development and Bid Period Services to Hatch Mott McDonald for an amount not to exceed \$21.0 million;
- B. Establish Contract Modification Authority for 10% of the not-to-exceed value of Phase II Option, and authorize the CEO to execute individual Contract Modifications within and up to the Board approved Contract Modification Authority;
- C. Amend the FY11 budget to add \$12.0 million of Measure R funds to Project 860002 Crenshaw/LAX Transit Corridor for Recommendation A scope and necessary pre-construction activities to cover expenditures during the fiscal year; and
- D. Establish a preliminary life-of-project budget of \$21,000,000. The final life-of-project budget will be developed during the Preliminary Engineering phase of the project.

**RATIONALE**

**Background**

The Crenshaw/LAX Transit Corridor project is a north-south transit fixed-guideway investment connecting the South Bay to the mid-City area of Los Angeles with service to Los Angeles International Airport (LAX), the City of El Segundo, the City of Inglewood and several communities along Crenshaw Boulevard in the City of Los Angeles. Attachment C shows the Corridor. It is a Measure R project and is contained in the constrained element of the adopted 2009 Long Range Transportation Plan (LRTP) with a planned completion date of 2018.

In December 2010, the Board selected the Light Rail alternative as the Locally Preferred Alternative and awarded Contract No.E0117, for Advanced Conceptual Engineering, and subsequent phases identified as the following options: Phase II Preliminary

Engineering, Design/Build Construction Contract Development and Bid Period Services; Phase III Design Services During Construction; and Phase IV System Activation for the LRT Alternative to Hatch Mott McDonald. The Board authorized Phase I of this contract to perform Advanced Conceptual Engineering for an amount not to exceed \$10.4 million. In addition, several contract modifications have been executed to date bringing the current contract value to \$11,451,708.

Work during Phase I is being conducted to support the final environmental clearance. The Advanced Conceptual Engineering work in Phase I will be substantially complete by December 2010. Based upon the Phase I work, more detailed design is necessary to prepare for procurement of design/build contracts or separate final design and construction contracts. In order to have the Request for Proposal packages ready for design/build or final design contracts by Fall 2011, Phase II is required to be activated in September 2010. This allows for a 15-month period to advance the design and to prepare the procurement packages for subsequent design and construction and six months for bid period services. In the case that alternate project delivery methods (e.g., a Public Private Partnership model) are later adopted by the Board, Phase II work also supports procurement of design and construction contracts under such project delivery methods.

### **Project Management**

Countywide Planning continues to lead the environmental work and manage the effort to obtain a Record of Decision (ROD) from the Federal Transit Administration (FTA). Construction will lead the project through the Preliminary Engineering, Final Design and Construction phases. Countywide Planning will continue their support to ensure that the requirements of the environmental document are carried through the project's design and construction.

### **FINANCIAL IMPACT**

The FY 11 adopted budget contains \$9,908,482 in Cost Center 4330 (South Bay Area Team), Project Number 465512 (Crenshaw/LAX Transit Corridor), Account 50316 (Professional Services) for the Environmental Clearance, Advanced Conceptual Engineering and Community Outreach efforts. This action will amend the FY11 budget to add \$12.0 million of expense and revenues to Measure R Project 860002 (Crenshaw/LAX Transit Corridor Project), in Cost Center 8510 (Construction Project Management), and Account 50316 (Professional Services). These funds will be used to commence preliminary engineering and necessary pre-construction activities.

Since this is a multi-year construction contract, the Deputy Chief Capital Management Officer will be responsible for budgeting in future years.

## Impact to Bus and Rail Operating and Capital Budget

The funding for this project will be amended into the FY11 Budget from Measure R Transit Capital Funds 35%. These are the funds that have been identified for this project, therefore, no other sources were considered. These activities will not impact ongoing operating costs.

## ALTERNATIVES CONSIDERED

The Board has several alternatives it could consider including:

1. Choose not to exercise Option Phase II and direct staff to commence preparation of a new procurement.
2. Defer exercising Option Phase II until later in FY11 after certification of the after certification of Final Environmental Impact Statement/ Final Environmental Impact Report (FEIS/FEIR) and a Record of Decision by the Federal Transit Administration.

Neither of these options is recommended because (a) Hatch Mott McDonald has satisfactorily performed the design requirements associated with Phase I, Advanced Conceptual Engineering, and (b) exercising the Phase II option is necessary to procure one or more design/build contracts or separate final design and construction contracts, in a timely manner by late Fall 2011. Timely approval in starting Phase II will support the proposed start of revenue service in 2018.

## ATTACHMENTS

- A. Procurement History
- B. Small Business Participation
- C. Crenshaw/LAX Corridor Map

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**ATTACHMENT A  
PROCUREMENT HISTORY**

**CONTRACT E0117, CRENSHAW/LAX TRANSIT CORRIDOR ADVANCED CONCEPTUAL  
ENGINEERING / PRELIMINARY ENGINEERING**

**A. Background on Contractor**

Hatch Mott MacDonald is an award winning full service consulting engineering firm offering public and private clients multi-disciplinary expertise and comprehensive capabilities in planning, project development, studies and analysis, design, procurement, construction engineering and inspection; project, program and construction management, and facility maintenance and operations

With roots that date back more than 100 years and a worldwide pool of nearly 20,000 employees to draw upon, Hatch Mott MacDonald is a North American company which has earned a reputation for technical excellence, innovation, and client responsiveness on some of the most prominent and challenging projects. Hatch Mott MacDonald has an extensive track record of major accomplishments in the fields of transportation, tunnels, water supply, wastewater, environment, gas pipelines, buildings, and utilities

**B. Procurement Background**

The solicitation was a qualification-based procurement process. This method is based on each of the responding firm's qualifications being evaluated, and the most qualified firm being selected, followed by a cost proposal from the selected firm.

On June 26, 2009 the MTA issued a Request for Proposal (RFP). The qualification proposals were received on August 25, 2009. Cost proposals were received August 25, 2009.

On October 27, 2009 the proposal evaluation team determined Hatch Mott MacDonald to be most qualified proposer.

On December 10, 2009 the MTA authorized the Chief Executive Officer to negotiate and award a 9-year cost-plus fixed fee Contract No. E0117, for Crenshaw Transit Corridor Advanced Conceptual Engineering, and subsequent phases (options) for preliminary engineering, design-build contract bid support, design support during construction and start-up support services for the LRT Alternative to Hatch Mott McDonald, for an amount not to exceed \$10.4 million to perform Phase I, Advanced Conceptual Engineering

On January 7, 2010 the MTA awarded a contract for \$10,311,664.

On March 25, 2010 MTA executed two modifications for total amount of \$1,140,043. The work of the two modifications were to perform supplemental investigation and design activities in the surrounding station areas; and a Feasibility Study Report for a below-grade option on Crenshaw Boulevard between 48th and 59th Streets.

C. Cost/Price Analysis Explanation of Variances

During initial negotiation phase, an Advance Cost of Understanding established labor and overhead rates for the base and option portion of Contract E0117; as such the Consultant rates for this option were determined to be fair and reasonable.

**ATTACHMENT B**  
**SMALL BUSINESS PARTICIPATION (Contract #E0117)**

This Contract has a Disadvantaged Business Enterprise (DBE) Anticipated Level of Participation (DALP) commitment of 25.30%. The contract was awarded to Hatch Mott MacDonald on November 18, 2009. Phase 1 is approximately 71% complete. Current DBE attainment<sup>1</sup> based on the current contract amount<sup>2</sup> is 11.82%. The DBE participation<sup>3</sup> based on total actual amount paid-to-date to Contractor and total actual amount paid-to-date to DBE firms is 31.02%.

<b>Original Award Amount</b>	\$10,311,664
<b>Current Contract Amount<sup>2</sup></b>	\$11,451,708
<b>Total Actual Amount Paid to Date to Prime</b>	\$4,636,743

DBE Subcontractor's Name	Commitment	Current Attainment <sup>1</sup>	Current Participation <sup>3</sup>	Current Status
Anil Verma Associates	10.48%	4.22%	11.08%	Performing
Earth Mechanics, Inc.	4.96%	3.59%	9.41%	Performing
UltraSystems	1.52%	0.37%	0.98%	Performing
Wagner Engineering	3.48%	2.66%	6.97%	Performing
The Solis Group	3.24%	0.40%	1.05%	Performing
Epic Land Solutions, Inc.	1.41%	0.44%	1.15%	Performing
E. W. Moon	0.21%	0.14%	0.38%	Performing
<b>TOTAL</b>	<b>25.30%</b>	<b>11.82%</b>	<b>31.02%</b>	<b>Performing</b>

<sup>1</sup>Current Attainment = Total Actual Amount Paid-to-Date to DBE Subs ÷ Total Current Contract Amount

<sup>2</sup>Current Contract Amount = Original Contract Amount + Contract Cost Modifications

<sup>3</sup>Current Participation = Total Actual Amount Paid-to-Date to DBE Subs ÷ Total Actual Amount Paid-to-Date to Prime

# ATTACHMENT C

## Crenshaw/LAX Transit Corridor

