



Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
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REVISED
CONSTRUCTION COMMITTEE
FEBRUARY 20, 2002

PROJECT: SAN FERNANDO VALLEY EAST-WEST TRANSIT
CORRIDOR BUS RAPID TRANSIT PROJECT

CONTRACT: CONSTRUCTION OF BUS RAPID TRANSIT PROJECT

ACTION: APPROVE DESIGN-BUILD SOLICITATION

RECOMMENDATION

- A. Adopt the following motion: The Board finds that awarding a Design-Build contract pursuant to Public Utilities Code Section 130242 will achieve for the MTA, among other things, certain private sector efficiencies in the integration of the design, project work, and construction of the of the San Fernando Valley East-West Transit Corridor Bus Rapid Transit Project;
- B. Authorize the Chief Executive Officer to solicit a Design-Build contract for construction of the San Fernando Valley East-West Corridor Bus Rapid Transit Project, pursuant to Public Utilities Code Section 130242; and
- C. Authorize the Chief Executive Officer to approve and execute individual change orders up to 1% of the contract award price up to a total aggregate amount of 5% of the contract award price.

A and B requires 2/3 vote by the MTA Board. Approval of this item is conditional upon approval of the Final Environmental Impact Report for the San Fernando Valley East-West Transit Corridor.

MERIT

MTA utilization of a Design-Build process is allowed under California Public Utilities Code Section 130242. This section requires that the MTA Board of Directors make the finding set forth in Recommendation A. The contract would be awarded by the Chief Executive Officer pursuant to Public Utilities Code Section 130051.9 (c).

BACKGROUND

The San Fernando Valley Bus Rapid Transit Project (San Fernando Valley BRT) as currently planned is a fourteen mile at-grade exclusive busway from the North Hollywood Metro Red Line station to Warner Center in the West Valley. The Design-Build delivery method is recommended for this Project that involves the design and construction of civil and systems work where the site conditions and criteria are well defined.

The primary benefit of the Design-Build process is a shortened project schedule where the contractor can start construction while the design is being completed. This approach delivers the project ahead of a traditional Design-Bid-Build approach and therefore, should result in a lower total project cost. Another benefit is a reduction in the number of changes and claims from multiple prime contractors. Also, there will be additional efficiencies in project management, administration and coordination.

Public Utilities Code Section 130242 requires the award of a Design-Build contract to the lowest responsible bidder. To achieve this, the contractor will be selected utilizing the two-step sealed bidding method of procurement, in accordance with the guidelines set forth in the MTA Procurement Policy and Procedure Manual Section No. 736.

To effectively manage the project without costly schedule delays, staff believes that the historical method of processing change orders will contribute to potential delays because of the normal cycle time to process change orders. In a Design-Build delivery system, the normal process time compounds potential delays.

In order to be sure that the MTA's interests are fully protected, staff will insure that the change order process will comply with all requirements of MTA Procurement, including cost analysis, legal review and audit before any Change Order is executed.

FINANCIAL IMPACT

The adopted Long Range Transportation Plan assumes that this project will be 48.4% state funded and 51.6% locally funded

ALTERNATIVES CONSIDERED

The MTA Board may reject this recommendation. However, the cost and schedule benefits of a design-build process would not be realized.

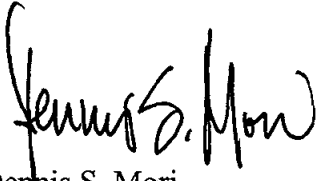
COST/PRICE ANALYSIS

Price analysis will be conducted during evaluation of the bids.

SMALL BUSINESS PARTICIPATION

The Small Business Participation goal is to be determined before the solicitation is issued.

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Interim Executive Officer, Construction



Roger Snoble
Chief Executive Officer