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MARCH 10, 1997



TO: BOARD OF DIRECTORS *[Signature]*

FROM: LINDA BOHLINGER, INTERIM CHIEF EXECUTIVE OFFICER

SUBJECT: APPROVE CONTACT AMENDMENT WITH UNION STATION GATEWAY, INC. FOR DESIGN OF THE RAMIREZ STREET FLYOVER/METRO RED LINE EAST SIDE INTERFACE

Los Angeles County
Metropolitan
Transportation
Authority

RECOMMENDATION

One Gateway Plaza
Los Angeles, CA
90012

213.922.6000

Approve an amendment to Contract No. 5723-#2 between the MTA and Union Station Gateway, Inc. (USG) for completion of the Ramirez Street Flyover (Flyover) design and interface between the Metro Red Line East Side (MRL East Side) tunnel and the Flyover in the amount of \$300,000.

Within Construction Committee Authority Yes No

Mailing Address:

P.O. Box 194
Los Angeles, CA 90053

ORGANIZATIONAL IMPACT

This request will permit the implementation of a more acceptable construction solution between the interface of the MRL East Side tunnel and the foundation of the Flyover. The recommended actions will permit design to begin and provide for the earliest completion of the Flyover and greatly reduce the impact to the MRL East Side, specifically the C0502 tunnel and station contract. Completion of the Flyover will support effective operation of Patsouras Plaza and the associated "kiss & ride" facility by improving ingress and egress for buses and high occupancy vehicles.

BUDGET IMPACT

This amendment represents a \$300,000 increase to USG's current design budget of \$160,000 for the Flyover and will be funded from USG contingency funds. USG is seeking construction funding through the Call for Projects grant program. If unsuccessful, funding will be sought from available USG reserve funds. Once this determination is made, staff will return to the USG and MTA Boards requesting the appropriate authorizations. The total revised budget for design will be \$460,000. This design effort for a combined construction solution will eliminate the need for more costly construction methods for both the Flyover and the MRL East Side. Additional details are presented in the attached USG Board report (Attachment 1).

Potential Cost Recovery: Yes No

ALTERNATIVES CONSIDERED

The alternatives considered included constructing the Flyover without consideration of future tunnel construction and delaying construction of the Flyover until after construction of the tunnel. Additional details are provided on Attachment 2.

BACKGROUND/DISCUSSION

The discussion of this issue and continued construction approach is presented on Attachment 3.

SMALL BUSINESS PARTICIPATION

Contract No. 5723-#1 has a DBE participation goal of 25%. The contract is now 96% completed. The current DBE participation is 31.34%. The contractor has exceeded its stated commitment.

ATTACHMENTS

1. USG Board Report - March 1997
2. Alternatives Considered
3. Chronology of Events

Prepared by: John Bollinger, President, Union Station Gateway
Alfonso Rodriguez, Deputy Executive Officer, Construction



Charles Stark
Interim Executive Officer, Construction

LFMS\C0502\RamirezFlyover

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ATTACHMENT 1



USG

March 6, 1997

TO: Board of Directors

FROM: John Bollinger

SUBJECT: Authorization of Amendment Contract No. 5723-#2 with MTA for Design/Build Services - Ramirez Flyover/MRL-East Interface

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RECOMMENDATION

Consider recommendation authorizing the President to execute an amendment to Contract No. 5723-#2 between MTA and Union Station Gateway, expanding the scope of work to include design of a portion of the Metro Red Line East Side Extension (MRL-East) tunnel box beneath the Ramirez Flyover and the modification of the Ramirez Flyover to accommodate tunnel box, and increasing the contract amount by \$300,000, subject to approval as to form by Legal Counsel.

BUDGET IMPACT

The current request covers only design costs. The current USG budget contains \$160,000 in costs directly allocated to Ramirez Flyover design assigned to Korve. Due to additional design requirements addressed below USG contemplates an increase in the design budget of \$300,000. If the MTA Board authorized an amendment to USG's contract at its meeting in March, contingency funds allocated and available to the Gateway project, outside of USG's budget, can be applied to cover the increase without the necessity of procuring additional funding. At a later date, once a determination has been made whether Call for Projects funds or other funds are available, USG will return to the MTA Board to seek another amendment to its contract to cover additional construction costs.

DISCUSSION

This report constitutes a revision of the report which was presented to the USG Board on February 12, 1997 and incorporates that report by reference. This revision was made in order to facilitate and accommodate the schedule for identifying and obtaining funding from other sources including the Call for Projects. MTA has applied for funding of the project under the current Call for Projects. A determination as to whether the project is eligible for funding is expected by May of this year. Projects determined to be eligible at that time may begin expending funds, subject to a letter of no prejudice, and may be reimbursed for these expenses once funds are awarded.

Board of Directors - cont'd
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Concurrently, MTA staff has identified a funding reserve which was previously authorized by the MTA Board and which could be made available as contingency funding for the project. This reserve is sufficient to cover the anticipated additional costs for the project. However, an amendment of the contract between MTA and USG is required to make these funds available to USG.

The current schedule for project completion contemplates construction to begin by August of this year. Once a determination of the availability of Call for Projects funding is made MTA will be able to expend contingency funds allocated to the project and these funds will be eligible for reimbursement. If all or a portion of the funds can be reimbursed, MTA will benefit by having some of the reserve funds available for other purposes or for repayment of debt. If the Call for Projects funding is unavailable to the project, then the available contingency funds can be utilized in any case and the project can be completed. MRL-East funds are not eligible for reimbursement and will not be used if Call for Projects funding is made available. However, MRL-East has indicated that if Call for Projects funds are not available, subject to Construction Committee approval, a portion of the tunnel costs which has been off set by the project, as well as a prorata share of applicable costs could be contributed to the project.

The authorization of the above recommendation will enable USG to meet its deadline for design of the project while allowing time for determination of funding sources and is therefore supported by staff.

Respectfully,



John Bollinger
President

CONCURRENCE:

USGCC

ATTACHMENT #2
ALTERNATIVES CONSIDERED

1. **Construct the Ramirez Street Flyover without consideration of future tunnel construction.** Staff considered the alternative of allowing the Flyover to proceed with its current design and construction plans without modifying its design to accommodate the subsequent arrival of the tunneling machine within five feet of the Flyover's foundations. This alternative would result in increased safety risks, costs and schedule delays to the East Side 's C0502 tunnel and station construction and would necessitate retrofitting the footings of the Flyover in order to ensure its structural soundness during tunneling.

2. **Delay construction of the Ramirez Street Flyover until after construction of the tunnel.** Staff also considered delaying the Flyover until the completion of the tunneling efforts at the Flyover site, which is currently scheduled for November 1999. This alternative would result in considerable delays to the construction and use of the Flyover structure, which could not be completed until early 2001. Significant cost increases would occur due to escalation and special tunnel protection required during footing excavation. In addition, delay of the Flyover construction may further impact the timely remediation of the Denny's site which is being done under an agreement between the MTA and the Southern California Gas Company. The agreement requires that site remediation by the Gas Company be performed concurrently with flyover construction so that cost savings generated by coordinated excavation work would be realized. A five year delay would make coordinated construction infeasible and would result in increased costs to both the Gas Company and the Union Station Gateway Project.

ATTACHMENT #3

Chronology of Events

The agreement between the MTA and USG, Inc. includes the construction of the Flyover as an element of the USG Project. The City of Los Angeles' Department of Transportation identified construction of the Flyover as a condition of approval for issuance of final tract maps and permits on the Union Station Gateway Project. The USG and MTA Construction staff worked closely together throughout the design of the Transit Center. The existence of the MRL East Side project and tunneling location was known to the USG engineers when initiating design of the Flyover structure and they were careful to locate the foundation elements outside of the tunnel envelope. The technical issues arising from the close proximity of the footings of the Flyover and the tunnel structure were identified as exact sizes, configurations and calculations of structural members could be developed. During the design process USG provided the design to the MTA Construction for review of the interface. This review process resulted in a technical decision, jointly made, to pursue an integrated design and construction approach. The solution developed is a fifty foot long cut and cover structure which includes the foundations for the Flyover. This design will allow the Flyover project to be constructed with provisions to fully accommodate later construction of the MRL East Side project.

Since the anticipated start date of the MRL East Side tunneling project is late 1998, it is assumed that the lead project will be the Flyover structure. Notwithstanding that negotiations with Southern California Gas Company to remediate the Denny's site in advance of Flyover construction delayed finalization of the structure's design, this assumption remains valid. The remediation agreement with the Gas Company was reached in October 1996, paving the way for reinitiation of design with the cut and cover section. Extensive meetings between the USG and the MRL East Side staff have confirmed that construction of the Flyover is still possible in advance of the tunneling machine's arrival, anticipated in August 1999, so long as Flyover design is initiated no later than January 1997 and construction commences no later than July 1997.

ATTACHMENT #3 (Continued)

Chronology of Events

<u>Agency</u>	<u>Event</u>	<u>Date/Year</u>
RTD	Acquisition of sub-surface easement for future East Side tunnels	Nov 1987
LACTC	Board commences AA/DEIS/DEIR process for MRL East	Aug 1991
RTD	Board approves headquarters/transit center agreement	Nov 1991
RTD	Board executes design & construction agreement with USG, Inc. for headquarters/transit center	Jan 1992
RTD	Board approves FEIR for new headquarters building	Oct 1992
RTD	Groundbreaking of headquarters building	Feb 1993
MTA	LACTC & RTD merge into MTA	Apr 1993
MTA	Board approves DEIR for MRL East Side	Jun 1993
MTA	Board adopts MRL East Side alignment	Jun 1993
MTA	Preliminary engineering completed for the MRL East Side	Jan 1994
MTA	Board certifies FEIR for the MRL East Side	May 1994
MTA	Los Angeles City Council approves Tentative Tract Map including Flyover	Oct 1994
MTA	Board adopts Resolution of Necessity to condemn fee interest in Denny's site	Nov 1994
MTA	Board ratifies Gateway Transit Center budget; authorizes interim financing	Jan 1995
MTA	Board signs MRL East Side Full Funding Grant Agreement	Jan 1995
MTA	MTA obtains possession of Denny's site through Order of Possession	Jan 1995
MTA	Board confirms & allocates full funds to the Gateway Intermodal Transit Center project; previous funding was incremental & limited.	Mar 1995
MTA	MTA, USG & EMC staff meet to discuss coordination on interface between Flyover & MRL East Side	Apr 1995
USG	Korve Engr. presents schedule for Flyover completion by February of 1996	Apr 1995
MTA	Board authorizes limited final design commencement of the MRL East Side	Apr 1995
MTA	MTA and Gas Company begin negotiations for remediation of contaminated area on Denny's site including Flyover	May 1995
USG	Korve Engr. Flyover drawings provided to MTA for review	Aug 1995
MTA	CalTrans approves preliminary Flyover bridge design	Oct 1995
MTA	Board approves section designer sub-contracts	Oct 1995
MTA	Special Board Workshop on MRL East Side management & cost reductions	Dec 1995
MTA	Board Authorizes continuation of MRL East Side final design	Dec 1995
MTA	Little Tokyo/Arts District interim design (60%) submittal	Aug 1996
MTA	MTA and Gas Company execute Remediation Agreement in connection with construction of the Flyover	Oct 1996
MTA	Final Order of Condemnation for Denny's site (expected date)	Dec 1996



USG

March 6, 1997

TO: MTA Ethics/Lobby Registration
FROM: John Bollinger, President, Union Station Gateway Inc.
SUBJECT: Conflict of Interest Statement

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Union Station Gateway Inc. (USG) is a private non-profit corporation established by the MTA and Catellus Development Corporation pursuant to the Gateway Project Development Agreement for the purpose of providing design/build services for MTA Headquarters and the Gateway Transit Center. Three Board representatives were appointed by MTA's Board to serve on the Board of Directors of USG, Richard Alatorre, Vivien Bonzo and Nick Patsaouras. In addition, Catellus has appointed three Board members, Nelson Rising, Ira Yellin and Tim Carey.

The staff of USG is composed of MTA and Catellus staff assigned to the project by MTA and appointed to specified positions by the USG Board. I serve as President of USG and Manager of Real Estate for MTA. I am paid solely as an employee of MTA. The legal address of USG is MTA Headquarters' address. MTA's Board Secretary serves as Secretary to the for USG.

No conflict of interest exists in amending the USG contract since derives no profit, maintains no assets and its sole purpose is to carry out the projects required and agreed upon by MTA.

Please feel free to contact me if you have any further questions on the above. I am based on the 14th Floor of MTA Headquarters. I can be reached at (213) 922-2430.