




August 29, 1995

Los Angeles County
Metropolitan
Transportation
Authority

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TO: MTA BOARD OF DIRECTORS
THROUGH: FRANKLIN E. WHITE
FROM: STANLEY G. PHERNAMBUCQ 
SUBJECT: PREVIEW OF UNEXECUTED CONSTRUCTION/ PROCUREMENT
CONTRACT CHANGES OVER \$200,000

ISSUE


The attached advisory report is to provide the MTA Board a preview, at the earliest possible time, of change notices which may exceed \$200,000. For the period ending August 29, 1995, six previously unlisted pending change notices exceeding \$200,000 are reported.

BACKGROUND

Policy requires that MTA staff provide regular status information on pending changes which may exceed staff's authority. The Board Sub-committee on November 19, 1992, further defined this to those changes which have not been previously reported.

Prepared by:


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**METRO SYSTEM
Pasadena Blue Line
NEW UNEXECUTED CHANGES OVER \$200,000**
The changes shown below are listed on a one-time only basis and will not appear on subsequent reports

AS OF: 08/29/95

CONTRACTCO #	CN #	CHANGE TITLE	STATUS	CURRENT ESTIMATE	WORK AUTHORIZED? NOT TO EXCEED VALUE
		<i>BASIS FOR CHANGE</i>	<i>JUSTIFICATION</i>		
C6430: ARROYO SECO BRIDGE RECONSTRUCTION: KIEWIT PACIFIC COMPANY					
4.00	17.00	ADJUST ESTIMATED QUANTITIES FOR BID ITEM 02200.01, GENERAL EXCAVATION	CO IN PROCESS	200 - 500K	NO \$247,440.00
		<i>QUANTITY ADJUSTMENTS</i>	<u>WHO</u> Rich Hebert, Resident Engineer		
			<u>WHAT</u> <i>This change notice is issued to increase the quantity for Bid Item 02200.01, General Excavation, and provide for continued progress payment for actual work performed.</i>		
			<u>JUSTIFICATION</u> <i>The estimated quantity for Bid Item 02200.01 only included the volume of excavation defined by the over-excavation zone between the dashed line of the trapezoid and the sub-ballast subgrade. The estimated volume for general excavation did not include the removal of material from original ground to the sub-ballast subgrade which is physically located above the over-excavation zone and required to be removed. Additional material required to be excavated, according to the grading plans, was not shown on the cross sections and not included in EMC's estimated quantity for general excavation.</i>		
			<i>Aproximately 4,247 cubic yards of the volume of material above the over-excavation zone estimated by EMC was categorized in EMC's estimated quantities in either the Demolition or Site Clearing Bid Items as part of the work incidental to these items. MTC has determined that the contract documents do not support EMC's position. As a result of these findings, the volume of excavation identified in this change notice must be paid for in the General Excavation Bid Item. For a complete analysis of this issue, refer to MTC's June, 1995 report on the General Excavation Pay Limits.</i>		
			<u>COST IMPACTS</u> <i>The potential total cost of this change is \$247,440. However, the quantity of work described by this change is subject to potential adjustment per GC-39, Increased or Decreased Quantities. This change is written based on the maximum total cost and when added to previous changes, does not exceed the AFE limit for this project. Cost recovery may be possible from the EMC for this change due to an omission and possible errors on the mis-classification of work not supported by requirements in the Technical Specifications.</i>		
TOTAL R05 > \$200K : 1 CN'S					\$247,440.00

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METRO SYSTEM
Metro Green Line
NEW UNEXECUTED CHANGES OVER \$200,000

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AS OF: 08/29/95

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		BASIS FOR CHANGE	JUSTIFICATION		

H0900: SAFETY & SECURITY COMMUNICATION: MASS ELECTRIC CONSTRUCTION CO.

20.00	56.00	REDEFINE M/S NO. 3 AND 4, EXTEND M/S 5, REDUCE CONTRACT AMT FOR L.D.'S MILESTONE REVISIONS (NON-COMPENSABLE)	CO IN PROCESS	200 - 500K	CREDIT	NO \$0.00
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WHO
Resident Engineer.

WHAT
 This change incorporates the following into the H0900 contract:
 a. The revision of the scope descriptions for Milestones 3 and 4 to correct the contract documents.
 b. The reduction of the contract price based on the correct assessment of liquidated damages.

JUSTIFICATION
 This change is required to redefine the criteria for the H0900 milestones 3 & 4 to properly identify the activities that were and/or could be completed by the noted milestone completion dates and adjustment to the contract price due to related reductions in associated liquidated damages clauses.
 The original contract definition for Milestones 3 and 4 both contained the description, "Complete installation and test (ready for integrated testing)." Milestone 3 was further identified as the "Century Freeway - Test and East Segments" and Milestone 4 as the "Century Freeway - West Segment and the El Segundo Segment".
 The technical specifications, however, clearly call for two levels of testing to be accomplished prior to integrated testing. These are Local Field Acceptance Tests (LFAT's) at each station, and System Field Acceptance Tests (SFAT's) to test the function of each major system in its entirety. The SFAT's could not be accomplished prior to the installation of equipment and completion of LFAT's for all geographic sections for the Metro Green Line alignment. Once the necessary revisions to the scope of Milestones 3 and 4 are accomplished, it becomes apparent that the liquidated damages assessed against Milestone 3 are not correct and enforceable.

COST IMPACTS
 This credit change returns funds to the contract budget.

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Metro Green Line

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CONTRACT	CO #	CN #	CHANGE TITLE	STATUS	CURRENT ESTIMATE	WORK AUTHORIZED? NOT TO EXCEED VALUE
			BASIS FOR CHANGE	JUSTIFICATION		
H1400: OVERHEAD CONTACT SYSTEM: MASS ELECTRIC CONSTRUCTION CO.						
48.00	64.00		COMPENSATION FOR EXTENDED OVERHEAD, PRODUCTIVITY LOSS, ACCELERATION	CO IN PROCESS	500K - 1 MILLION	NO \$0.00
			DELAY OF WORK (COMPENSABLE)	<u>WHO</u> Resident Engineer		
				<u>WHAT</u> <i>Compensate the contractor for extended overhead costs, acceleration and loss of productivity incurred over the base contract. The contract was extended 107 days to February 14, 1995, and the contractor was previously compensated for delays due to late access to work sites due to late completion by Caltrans contractors. The previous Change Order settled all delays encountered through December 1993. This Change Order No. 48 resolves delays experienced from January 1994 through completion in February 1995.</i>		
				<u>JUSTIFICATION</u> <i>The above delays were caused by a combination of design changes (potential cost recovery from EMC), and as-built variances of some passenger stations and overhead bridges (potential cost recovery from Caltrans). In addition, in order to be able to test the Overhead Contact System, it was necessary that all traction power substations be energized (H1200 contract) and installation of the negative return bonding (H1100 contract) be complete. Delays to these other contracts required the H1400 contractor to delay testing in several areas while the work of the other contracts was completed.</i>		
				<u>COST IMPACT</u> <i>This change is within the current project budget. Cost recovery potential exists from EMC and Caltrans.</i>		
TOTAL R23 > \$200K : 1 CN'S						\$0.00

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**METRO SYSTEM
Metro Red Line Seg-2
NEW UNEXECUTED CHANGES OVER \$200,000**

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AS OF: 08/29/95

CONTRACTCO #	CN #	CHANGE TITLE	STATUS	CURRENT ESTIMATE	WORK AUTHORIZED? NOT TO EXCEED VALUE
		BASIS FOR CHANGE	JUSTIFICATION		
B216: WILSHIRE/VERMONT SITE RESTORATION AND LANDSCAPING: TUTOR-SALIBA CORPORATION					
5.00		TRANSFER OF WORK FROM THE B251 TUNNEL CONTRACT	WORK AUTHORIZATION ISSUED	500K - 1 MILLION	YES \$200,000.00
		EXTRA WORK	WHO Joint initiation by Parsons-Dillingham and MTA Construction. This is part of the B251 Re-procurement Plan approved by the MTA Board on July 26, 1995.		
			WHAT The work in this change entails closing up temporary construction openings left in the roof of the Wilshire/Vermont turn-out structure, backfilling above station roof, removing remaining excavation support structure, removing temporary decking on Vermont Blvd., and handling construction material and equipment left by B251 Contractor.		
			JUSTIFICATION This change is necessary because the B251 Contract was terminated. The B251 Contractor was required to turn over work areas in the B2-121 Parcel to the B216 Contractor by an early access date of Sept. 15, 1995 and a late access date of Nov. 17, 1995. These work areas are required by the B216 Contractor to complete the busway and street restoration for Vermont Ave. and Sixth St. The work is being given to the B216 Contractor because work must proceed immediately to achieve the access dates required for B216 to maintain their construction schedule.		
			COST IMPACTS The value of \$200,000 of the work authorization is within the project budget, but the difference of \$350,000 between the estimate for the work and the work authorization will exceed the current contract budget, thus requiring an increase in the AFE.		
			There is a potential cost recovery against the B251 Contractor for a backcharge.		
TOTAL R81 >\$200K : 1 CN'S					\$200,000.00

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METRO SYSTEM
Metro Red Line Seg-3 N. Hlwd.
NEW UNEXECUTED CHANGES OVER \$200,000

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CONTRACTCO #	CN #	CHANGE TITLE	STATUS	CURRENT ESTIMATE	WORK AUTHORIZED? NOT TO EXCEED VALUE
		<i>BASIS FOR CHANGE</i>	<i>JUSTIFICATION</i>		
C0331: UNIVERSAL CITY TO NORTH HOLLYWOOD - TUNNEL: OBAYASHI CORPORATION					
	65.01	CONTINGENCY PLAN CHEMICAL GROUTING	CN IN PREPARATION	1 - 5 MILLION	NO \$2,000,000.00
		<i>EXTRA WORK</i>	<p><u>WHO</u> <i>The Contractor, Obayashi Corporation</i></p> <p><u>WHAT:</u> <i>The Contractor cannot advance his shields while mining the AR and AL tunnels without significantly reducing face controls. This creates potential risks when the ground is excavated ahead of the shield. Due to the unacceptable risk of collapse resulting from the unsupported excavation, the Tunnel Review Board has recommended performing chemical grouting during tunnelling to stabilize the ground and minimize settlements, if it becomes necessary.</i></p> <p><i>Chemical grout will be injected in advance of tunneling as required to strengthen the soil, improve the ground response to tunneling, protect overlying utilities, and to provide a safe working environment for relieving resistance at the shield cutting edge.</i></p> <p><i>This change is written in compliance with the recommendations of the Tunnel Review Board. Issuance of the change will allow the Authority to authorize chemical grouting on an as-needed basis, as described in Specification Section 02154-1.5 and 02311-1.6M.</i></p> <p><u>JUSTIFICATION:</u> <i>While mining the AR and AL tunnels, the contractor has encountered cobbles and boulders which prevent the advancement of the shield, or creates instability when excavating to allow shield advance. Due to the contractor's design of the shield and method of tunneling, surface settlements, unacceptable ground loss, and the potential for large voids over the tunnel have occurred when the cobbles and boulders were removed to allow shield advance. This change is necessary to provide a contingency for chemical grouting ahead of the tunnels to stabilize the ground thus allowing the safe and controlled removal of cobbles and boulders in order to advance the shield. The chemical grouting will minimize loss of ground and subsequent settlement of streets, utilities or buildings.</i></p> <p><i>Due to the ongoing dispute between the Authority and the Contractor regarding the responsibility for costs and time associated with the performance of chemical grouting, the Authority has sought to reserve its rights to recover any and all costs and asses liquidated damages resulting from this change. The Contractor has refused to accept this change bilaterally because of the Authority's reservation of rights. Therefore, this change is issued Unilaterally.</i></p> <p><u>COST IMPACT:</u></p>		

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		<i>BASIS FOR CHANGE</i>	<i>JUSTIFICATION</i>		
<i>This change is within the R82 Project budget. The Metropolitan Transportation Authority has reserved their rights under this change.</i>					
TOTAL R82 > \$200K		: 1 CN'S			\$2,000,000.00

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Metro Red Line Seg-3 N. Hlwd.
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C0351: N. HOLLYWOOD STATION W/CROSSOVER & TAILTRACK COMPL: KAJIMA/RAY WILSON					
1.00		C0351 - BLAST RELIEF SHAFT SIZE REDUCTION (BRS #1 & #2) (R82-95- 8.00) DELETION OF WORK	REQUEST FOR PROPOSAL ISSUED <u>WHO</u> MTA Construction Division and EMC Facility Design Division. <u>WHAT:</u> This Change Notice reduces the size of Blast Relief Shafts #1 and #2 at North Hollywood Station per DCN.(C0351) <u>JUSTIFICATION:</u> On February 24, 1995, the EMC released a draft of a report entitled "Los Angeles Metro Red Line Project, Segment 3, Blast Relief System Effectiveness/Proposed Criteria Revisions". The final report was issued on April 7, 1995 in which the EMC has determined through computer simulation and testing that selected ventilation shafts can be reduced to conform to proposed revisions to the air velocity criteria, without adversely impacting patron comfort. The reduced shaft size would result in a construction cost saving. After considering the re-design cost, its' constructability in conjunction with Parsons-Dillingham's construction schedule impact analysis and the potential construction cost savings, the MTA authorized EMC to proceed with the re-design for the North Hollywood Station (C0351) Blast Relief Shafts and a contract change notice will be issued to the C0351 Construction Contractor. <u>COST IMPACTS:</u> This is a cost-reduction change to the R82 project budget. The estimated engineering hours to redesign the C0351 Blast Relief Shafts are 900 hours for a cost of \$75,000 and the estimated construction cost savings is \$600,000. Estimated net savings is \$525,000.	500K - 1 MILLION CREDIT	NO \$0.00
TOTAL R82 > \$200K : 1 CN'S					\$0.00

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