

53

January 11, 1996

53



TO: CONSTRUCTION COMMITTEE

THROUGH: JOSEPH E. DREW

Los Angeles County

Metropolitan

Transportation

Authority

FROM: STANLEY G. PHERNAMBUCQ

SUBJECT: METRO RED LINE - VERMONT/HOLLYWOOD CORRIDOR
CONTRACT NO. B281, HOLLYWOOD/VINE STATION
CONTRACTOR: KAJIMA/RAY WILSON, JOINT VENTURE
WORK AUTHORIZATION CHANGE NOTICE NO. B281-CN-106.00
WORK PACKAGES NOS. B251E AND B251F

One Gateway Plaza

Los Angeles, CA

90012

RECOMMENDATION

213,922.6000

It is recommended that the MTA Construction Committee, in accordance with the authority delegated to it by the MTA Board on July 26, 1995:

Mailing Address:

P.O. Box 194

Los Angeles, CA 90053

- a) Approve Work Authorization Change Notice (WACN) No. B281-CN-106.00 for the total Not-To-Exceed amount of \$4,100,000. This is for the B251E and B251F Work Packages approved by the MTA Board on July 26, 1995 as part of the Contract No. B251 Reprocurement Plan (Plan).
- b) Approve an increase of \$4,500,000 to the present AFE to cover the cost of these Work Packages which were not anticipated to be part of this Contract and which are to be paid for with Contract No. B251 funds. The revised AFE amount will be \$59,701,440.

The B281 Contract Value is increased to \$56,653,687 which is within the revised B281 AFE value. Cost recovery for these Work Package will also be pursued from the terminated B251 contractor and its surety to the fullest legal extent possible.

DBE PARTICIPATION

The DBE goal is 28.3%. It is anticipated the Contractor will meet this goal for the existing station work. The work on Packages B251E and B251F will be completed in accordance with the Plan, which set no specific goal for the B251 completion work. Staff will endeavor to maximize the DBE participation on this work to the fullest extent possible.

ALTERNATIVES CONSIDERED

The Committee has the option to disapprove WACN No. B281-CN-106.00. This is inconsistent with the MTA Board's approval of the Plan. The attempts to negotiate with the terminated contractor's surety were unsuccessful.

IMPACT ON BUDGET AND OBJECTIVES

Funds for this Work Package are available within the Project Budget or will be recovered from the terminated B251 contractor or its surety to the fullest legal extent possible.

BACKGROUND

Contract No. B281 Scope of Work:

The scope of work for the B281 Contract is to construct the Hollywood/Vine Station and Crossover for the Metro Red Line by cut-and-cover. The B281 low-bid construction contract was awarded by the MTA Board on December 15, 1993 for the bid amount of \$49,287,000 to the low-bidder, Kajima/Ray Wilson, Joint Venture.

WACN No. B281-CN-106.00, Work Packages Nos. B251E and B251F:

Work Package B251E: Work package to complete the tunnel portion between contract B271, Hollywood/Western Station, and B261, Vermont/ Sunset Station using access through the construction shaft at Barnsdall Park. The contract will include placing the permanent concrete tunnel liner using custom built forms taken over from the terminated B251 contractor as well as electrical and mechanical finish work. This change order will also include repair of the sinkhole near Hollywood Boulevard and Edgemont Avenue.

Work Package B251F: Work package to complete the tunnel portion stretch between contract B281, Hollywood/Vine Station, and contract B271, Hollywood/Western Station using access through the crossover structure at the east end of the Hollywood/Vine Station. The contract will include placing the permanent concrete tunnel liner using custom built forms taken over from the terminated B251 contractor as well as electrical and mechanical finish work.

As explained in the Plan (attached), the ability to solicit for these work packages competitively is restricted by the fact that accessibility is limited and the work is in a tunnel. In accordance with the Plan, the following contractors were invited to submit proposals on B251E, B251F, and the combined B251E & F. The results, including the Fair Cost Estimate, are as follows:

Proposer	B251E	B251F	B251E & F
Kajima/Ray Wilson (B281 Contractor)	<u>NO BID</u>	\$16,845,939	\$42,785,818
Tutor/Saliba-Perini (B261 Contractor)	<u>NO BID</u>	<u>NO BID</u>	\$49,439,620
Fair Cost Estimate	\$23,065,660	\$16,814,950	\$39,880,611
Traylor Bros./Frontier-Kemper (CO311 Contractor)	<u>NO BID</u>	<u>NO BID</u>	<u>NO BID</u>
Obayashi Corp. (CO331 Contractor)	<u>NO BID</u>	<u>NO BID</u>	<u>NO BID</u>

Negotiations were commenced with both proposing contractors in order to obtain the best resulting offer from both contractors. Even though negotiations are not complete, it became obvious the Tutor/Saliba-Perini proposal could never be negotiated to an acceptable alternative offer to the Kajima/Ray Wilson proposal and the negotiations with Tutor/Saliba-Perini were ended.

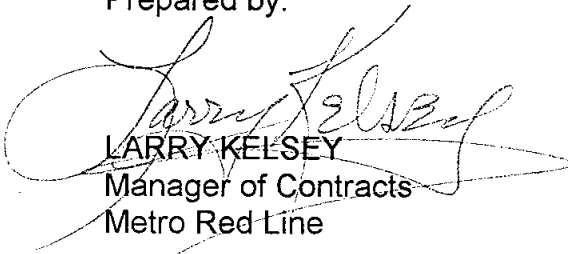
Therefore, in accordance with the MTA Board approved Plan, this work is being negotiated as a change order to the B281 Contract. Though these negotiations with Kajima/Ray Wilson are still in progress, the recommendation is to commence the work by authorizing WACN No. B281-CN-106.00 for the amount of \$4,100,000. This WACN is being sought due to the desire to avoid further cost and schedule impact to the Metro Red Line Segment 2. The final negotiated change order is anticipated to be recommended at the February 1996 MTA Board meeting.

Since this work includes the repairs to the sinkhole, which has the potential of possessing presently unknown conditions, the recommended AFE increase is approximately ten percent larger than the amount of the WACN.


The Federal Transit Administration (FTA) has been informed of the Plan as approved by the MTA Board and will be further apprised of the details and rationale for this Work Package.

All costs associated with execution of the Plan are being captured separately in support of the cost recovery efforts.

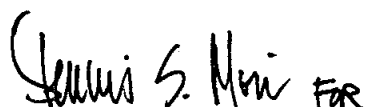
Prepared by:



LARRY KELSEY
Manager of Contracts
Metro Red Line



RICHARD A. MORA
Project Controls Manager
Metro Red Line



STEPHEN J. POLECHRONIS
Deputy Executive Officer, Construction
Metro Red Line Segment 2

ATTACHMENT A
CONTRACT VALUE STATUS

R81 Metro Red Line Seg-2
CHANGE ORDER : B281-CO-33.00

CONTRACTOR: KAJIMA/RAY WILSON - HOLLYWOOD/VINE STATION
CHANGE TITLE: B251E AND B251F PACKAGES

CONTRACT VALUE STATUS

1.	CONTRACT AWARD AMOUNT:	\$49,287,000.00
2.	PREVIOUSLY EXECUTED CHANGES:	\$1,112,888.00
3.	CURRENT CONTRACT VALUE: (1 + 2)	\$50,399,888.00
4.	AUTHORIZED WACN'S (NTE):	\$2,153,799.00
5.	OBLIGATED CONTRACT VALUE: (3 + 4)	\$52,553,687.00
6.	VALUE OF THIS CHANGE:	\$4,100,000.00
7.	ESTIMATED CONTRACT VALUE: (5 + 6)	\$56,653,687.00

AUTHORIZED FOR EXPENDITURE STATUS

INCREASE IN AFE REQUIRED/REQUESTED:

8.	MTA APPROVED AFE:	\$55,201,440.00	Award + 12.00%
9.	ESTIMATED CONTRACT VALUE: (Line 7)	\$56,653,687.00	
10.	REMAINING AFE (Actual 8-9)	(\$1,452,247.00)	\$1,452,247.00 For current actual costs
11.	OTHER PENDING CHANGES (merited)	\$752,348.05	
12.	REMAINING AFE (w/CHANGES 10-11)	(\$2,204,595.05)	\$2,204,595.05 For pending changes
13.	TRENDS AND CONTINGENCIES (pending merit finding)	(\$602,395.05)	
14.	REMAINING AFE: (w/TRENDS 12-13)	(\$1,602,200.00)	\$1,602,200.00 For possible changes

CONTRACT BUDGET STATUS

15.	CURRENT CONTRACT BUDGET:	\$55,083,000.00	
16.	FORECAST CONTRACT VALUE: (9 + 11 + 13)	\$56,803,640.00	For all potential changes. To be funded from unallocated Project
17.	REMAINING CONTRACT BUDGET: (15-16)	(\$1,720,640.00)	contingency if necessary.

CONTRACT INCREASE PERCENTAGES

18.	% OF ORIGINAL AWARD VALUE (THIS CHANGE)	8.319%
19.	% OF ORIGINAL AWARD VALUE (MERITED CHANGES)	8.154%
20.	% OF ORIGINAL AWARD VALUE (ALL CHANGES)	15.251%
21.	% CONTRACT COMPLETE:	30%

REVIEWED BY MTA PROGRAM CONTROL: R. MORA, PROGRAM CONTROL 8550-5

DATE:

! TREND items may be found to have no merit or be of a lesser value

rev 2.5 02/13/95 las

ATTACHMENT A: Unallocated Contract Data

PRINTED BY: MARY HEITMEYER 11:17:35
CMS/CCS DATA AS OF 01/11/96



July 20, 1995

Los Angeles County
Metropolitan
Transportation
Authority

MEMO TO: CONSTRUCTION COMMITTEE

THROUGH: FRANKLIN E. WHITE

FROM: STANLEY G. PHERNAMBUCQ

SUBJECT: METRO RED LINE - VERMONT/HOLLYWOOD CORRIDOR
WORK COMPLETION PACKAGES B251A THROUGH B251H
COMPLETION OF VERMONT/HOLLYWOOD TUNNELS
APPROVAL OF PROCUREMENT PLAN TO COMPLETE THE
TUNNELS AFTER TERMINATION OF PRIME CONTRACTOR

818 West Seventh Street
Suite 300
Los Angeles, CA 90017

213.972.6000

Mailing Address:
P.O. Box 194
Los Angeles, CA 90053

RECOMMENDATION

It is recommended that the MTA Board:

- a) Approve a limited competitive procurement process among currently mobilized contractors to accomplish expeditious and competitive solicitations which will provide the necessary construction services left uncompleted due to the MTA's July 13, 1995 termination of the Contract No. B251 contractor, Shea-Kiewit-Kenny; and *
- b) Delegate to the Construction Committee the \$5,000,000 authority allowable under the enabling legislation to allow the Construction Committee to expeditiously authorize the majority of the specific contract actions resulting from the implementation of the procurement process described above; and
- c) Approve Contract Work Order No. R2-2, to the High-Point Rental Contract No. E0630 for an amount Not-To-Exceed \$400,000 for a detailed survey and inventory to document the exact physical status of the B251 tunnels and jobsite as of the termination date.

These recommendations are considered to be the most cost effective and expeditious for completing the Contract No. B251 tunnel work. Cost recovery potential of all the remaining tunnel work is currently under review by counsel.

The more detailed discussion of the recommended procurement process (the Plan) is contained in the "Background" section of this MTA Board Report.

- * Amended by the MTA Board at the 7/26/95 meeting to exclude the B252, Vermont/Santa Monica Station contractor, Kiewit-Shea Joint Venture from participating in any of the tunnel completion effort.

CONSTRUCTION COMMITTEE

Work Completion Packages Nos. B251A through B251H

Procurement Plan for Completion of Tunnels

July 20, 1995

Page 2

DBE PARTICIPATION

The DBE goal for the original B251 contract is 22%. The contractor's performance up to the time of the termination is being determined. Because of the emergency nature of this work completion, it is recommended that the MTA Board set no specific DBE goal for these work completion packages due to the nature of the work and the restricted access to and confines of the tunnel segments. The existing DBE goals of the existing facilities contracts will obviously remain in effect.

ALTERNATIVES CONSIDERED

The MTA Board might consider one procurement for the entire tunnel completion (only one completion package) that would be open to any bidders. This is not recommended as this is considered to be considerably less expedient due to the six months minimum time required for a full open procurement and award resulting in extra construction completion time.

There would also be further additional cost due to the requirement to provide tunnel access for the successful contractor through change orders at each of the station construction sites. This loss of construction efficiency at each station adds to the cost of each station. The additional four months of procurement time required for this approach over the recommended Plan could add cost to the project from \$200,000/day.

IMPACT ON BUDGET AND OBJECTIVES

Funds for this Plan are available in the MTA Board approved Project Budget.

BACKGROUND

Post Termination Activities: Contract No. B251, Vermont/Hollywood Tunnels was terminated for default and the contractor, Shea-Kiewit-Kenny (SKK), was officially notified by letter of the termination on July 13, 1995. The station construction contracts that were suspended due to delays in the completion of the B251 tunnels have had the suspensions lifted and the contractors will begin to excavate below the tunnel crown.

Until contractors can be found to complete the work left undone by SKK, the contractor for Contract No. B290, Ancillary Construction/Maintenance, has been mobilized on an emergency basis to secure the site, maintain utilities and traffic control, provide certain safety personnel, and to remove temporary utilities and construction track from the station excavation areas.

CONSTRUCTION COMMITTEE

Work Completion Packages Nos. B251A through B251H

Procurement Plan for Completion of Tunnels

July 20, 1995

Page 3

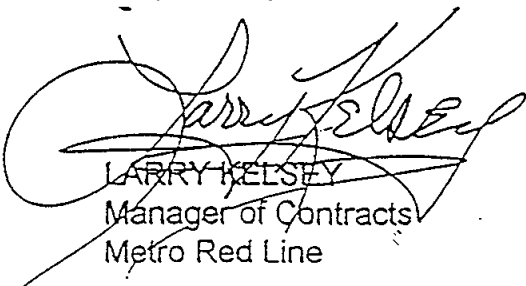
A detailed survey and inventory is being conducted by the Construction Manager (CM) and by High-Point Rental (HPR) to document the exact physical status of the tunnels and jobsite as of the termination date. The survey and inventory are being conducted by videotape, still photography, and in writing to document the status of the construction and to document the equipment, tools, materials and supplies seized under the termination provisions of the B251 contract.

The Plan: The Engineering Management Consultant (EMC) will be directed to proceed with the development of the eight work completion packages that will define and describe the work to be performed in each package (see page 4). The work completion packages are along the tunnel reaches separated by the Vermont/Hollywood stations construction sites (see page 5).

Each work completion package will result in a change order to an existing contract. Under the recommended Plan the invited participants will be limited to the existing station contractors on either side of the work completion package with an additional invitation extended to the nearest Segment 3 tunnel contractor for the two largest work completion packages (see page 4).

The Plan's present best pre-survey assessment of the scope of each work completion package is outlined on page 6. The termination also creates additional cost impacts to both the EMC and CM consultant contracts. The EMC, as previously mentioned, will be required to produce the design of the eight work completion packages and the CM will of necessity remain on the job longer than originally scheduled.

Prepared By:



LARRY KELSEY
Manager of Contracts
Metro Red Line



CHARLES W. STARK
Deputy Executive Officer, Construction
Metro Red Line

CONSTRUCTION COMMITTEE

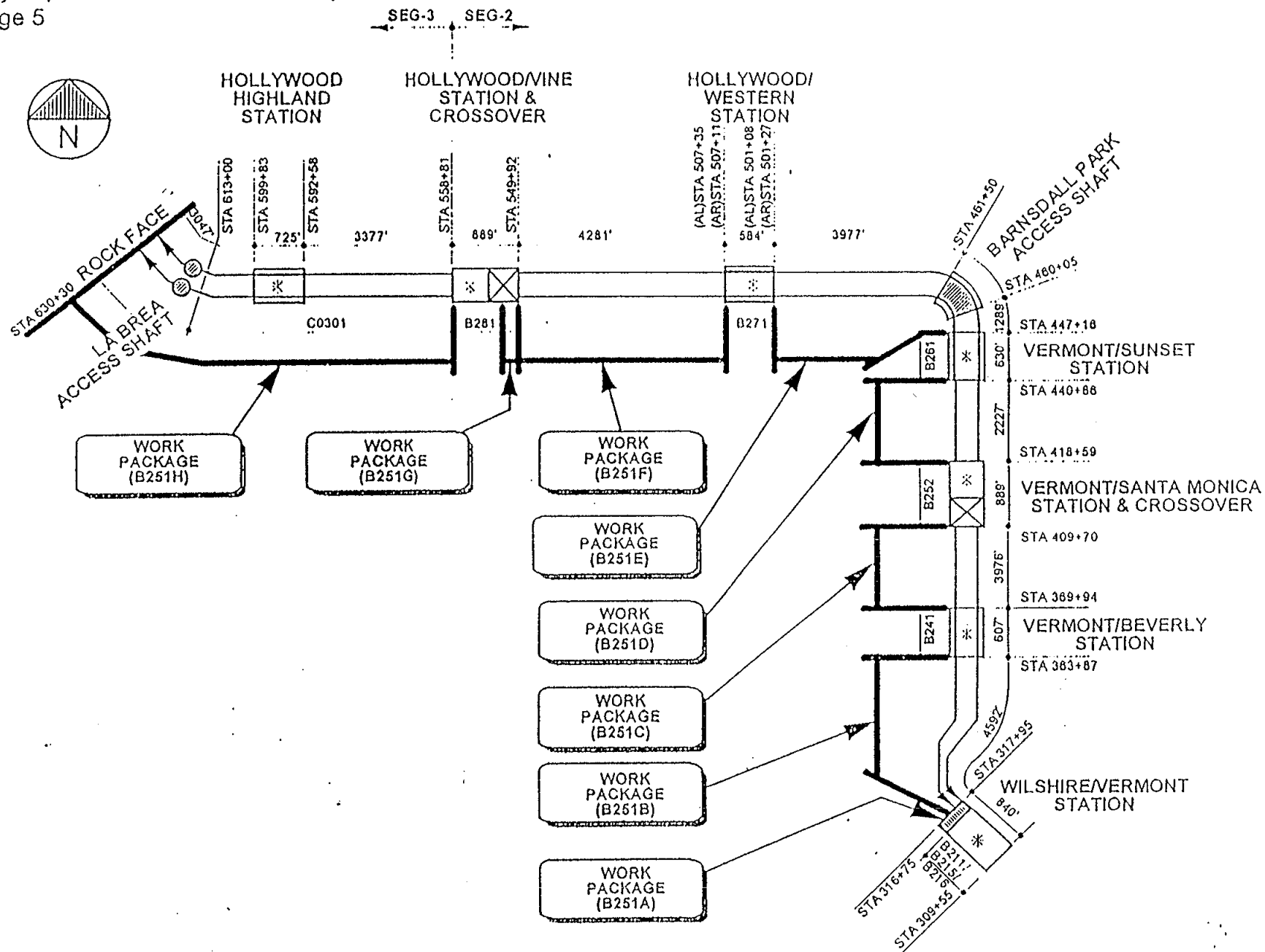
Work Completion Packages Nos. B251A through B251H
Procurement Plan for Completion of Tunnels
July 20, 1995
Page 4

WORK COMPLETION PACKAGES NOS. B251A THROUGH B251H PROCUREMENT PLAN FOR COMPLETION OF TUNNELS

Work Completion Package	Description	Contractual Method	Contractor
1. B251A	Completion Work at the B221 Turnout Structure	Negotiated Change Order	The Contract No. B215 contractor <u>or</u> the Contract No. B216 Contractor
2. B251B	Completion Work between the B221 Turnout Structure and the B241 Vermont/Beverly Station	Negotiated Change Order	The Contract No. B241 contractor
3. B251C	Completion Work between the B241 Vermont/Beverly Station and the B252 Vermont/Santa Monica Station	Competitive Change Order	The Contract No. B241 contractor <u>or</u> the Contract No. B252-contractor *
4. B251D	Completion Work between the B252 Vermont/Santa Monica Station and the B261 Vermont/Sunset Station	Competitive Change Order	The Contract No. B252-contractor <u>or</u> the Contract No. B261 contractor *
5. B251E	Completion Work between the B261 Vermont/Sunset Station and the B271 Hollywood/Western Station	Competitive Change Order	The Contract No. B261 contractor <u>or</u> the Contract No. B281 contractor <u>or</u> the Contract No. C311 contractor
6. B251F	Completion Work between the B271 Hollywood/Western Station and the B281 Hollywood/Vine Station.	Competitive Change Order	The Contract No. B261 contractor <u>or</u> the Contract No. B281 contractor <u>or</u> the Contract No. C311 contractor
7. B251G	Tunnel access through the B281 Hollywood/Vine Station and the Crossover Structure and laydown area for successful B251F contractor.	Negotiated Change Order	The Contract No. B281 contractor
8. B251H	Completion Work between the B281 Hollywood/Vine Station and the Tunnels Terminus at the hard rock inter face with the C311 tunnel	Negotiated Change Order	The Contract No. C301 contractor

* Amended by the MTA Board at the 7/26/95 meeting to exclude the B252, Vermont/Santa Monica Station contractor, Kiewit-Shea Joint Venture from participating in any of the tunnel completion effort.

CONSTRUCTION COMMITTEE
 Work Completion Packages Nos. B251A through B251H
 Procurement Plan for Completion of Tunnels
 July 20, 1995
 Page 5



CONSTRUCTION COMMITTEE

Work Completion Packages Nos. B251A through B251H

Procurement Plan for Completion of Tunnels

July 20, 1995

Page 6

PRE-SURVEY ASSESSMENT OF THE SCOPES OF THE EIGHT WORK PACKAGES

- Work Package B251A: Change Order to contract B215, Wilshire/Vermont Station Stage II or contract B216, Wilshire/Vermont Site Restoration, to close up the turnout structure roof and upper track level slab and restore the site to support the Revenue Operation Date for the Wilshire corridor.
- Work Package B251B: Change Order to contract B241, Vermont/Beverly Station to complete floating slabs and a small amount of mechanical and electrical work in the tunnel stretch between B215 and B241. Access for this work is through the B241 station box.
- Work Package B251C: Work package to complete the remaining tunnel work such as electrical between B241, Vermont/Beverly Station, and B252, Vermont/Santa Monica Station. Since the only access will be through either the B241 or B252 station boxes, only these two contractors will be asked to participate.
- Work Package B251D: Work package to complete the remaining tunnel work such as electrical between B252, Vermont/Santa Monica Station, and B261, Vermont/Sunset Station. Since the only access will be through either the B252 or B261 station boxes, only these two contractors will be asked to participate.
- Work Package B251E: Work package to complete the tunnel stretch between contract B271, Hollywood/Western Station, and B261, Vermont/ Sunset Station using access through the construction shaft at Barnsdall Park. The contract will include placing the permanent concrete tunnel liner using custom built forms seized from SKK as well as electrical and mechanical finish work. This contract will also include repair of the large sink hole near Hollywood Boulevard and Edgemont Avenue. This contract will invite bids from the B261 and B281 station contractors as well as the C311 Segment 3 tunnel contractor.
- Work Package B251F: Work package to complete the tunnel stretch between contract B281, Hollywood/Vine Station, and contract B271, Hollywood/Western Station using access through the crossover structure at the east end of the Hollywood/Vine Station. The contract will include placing the permanent concrete tunnel liner using custom built forms seized from SKK as well as electrical and mechanical finish work. This contract will invite bids from the B261 and B281 station contractors as well as the C311 Segment 3 tunnel contractor.
- Work Package B251G: Change order to contract B281, Hollywood/Vine Station, to extend the access time period and enlarge the access space dimensions at the east end of the crossover structure and provide laydown area to allow the contractor for work package B251F, above, access to complete the tunnel work between Hollywood/Vine and Hollywood/Western.
- Work Package B251H: Change order to contract C301, Hollywood/Highland Station, to complete any remaining work in the tunnel stretch from B281, Hollywood/Vine Station, to the Santa Monica Mountains hard rock interface with the C311 tunnel. The C301 contractor already has access rights to the tunnels under his contract. This will include removal of the two tunnel boring machines, temporary track and utilities, and completion of temporary drainage discharge piping at Sump 39A.

METRO RED LINE FACILITIES CONTRACTS FOR VERMONT/HOLLYWOOD		
NO.	DESCRIPTION	NAME
B215	Wilshire/Vermont Station. Stage II	Tutor/Saliba Corporation
B216	Wilshire/Vermont Site Restoration	Tutor/Saliba-Perini
B241	Vermont/Beverly Station	Tutor/Saliba-Perini
B252	Vermont/Santa Monica Station	Kiewit-Shea *
B261	Vermont/Sunset Station	Tutor/Saliba-Perini
B271	Hollywood/Western Station	Kiewit-Shea *
B281	Hollywood/Vine Station	Kajima/Ray Wilson, JV
B290	Ancillary Construction/Maintenance	Tutor/Saliba Corporation
C0301	Hollywood/Highland Station	Tutor/Saliba-Perini
C0311	Tunnel from Univ City Stat to V/H Tunnel	Traylor Bros.

*

Amended by the MTA Board at the 7/26/95 meeting to exclude the B252, Vermont/Santa Monica Station contractor, Kiewit-Shea Joint Venture from participating in any of the tunnel completion effort.