



PROJECT: METRO RED LINE, NORTH HOLLYWOOD
EXTENSION (SEGMENT 3)

CONTRACT: C0311, TUNNEL LINE SECTION TO UNIVERSAL
CITY - TRAYLOR BROS./FRONTIER-KEMPER,
JOINT VENTURE

ACTION: CONTRACT MODIFICATION IN A CREDIT
AMOUNT OF \$238,815

Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2952

RECOMMENDATION

Authorize the Chief Executive Officer to execute Change Order No. 166 to Contract No. C0311, Tunnel Line Section to Universal City, with Traylor Bros./Frontier-Kemper, Joint Venture, to reflect actual quantities installed for the redesign of the Special Seismic Section on the Metro Red Line, North Hollywood Extension, in the credit amount of \$238,815, decreasing the Total Contract Value from \$159,394,941 to \$159,156,126.

Within Construction Committee authority: Yes No N/A

MERIT

The MTA Project Office, Office of Procurement, and County Counsel have reviewed the facts underlying this change and concur that it has been merited under the terms and conditions of the Contract and Public Utilities Code §130243. The MTA Management Audit Services Department (MASD) has completed the required audit of this Change Order and all outstanding issues have been resolved.

BACKGROUND

Contract No. C0311 is a fixed-price, federally funded contract for the construction of the Tunnel Line Section to Universal City. The work includes boring and finishing existing twin tunnel line structures and crosspassages excavated by others, construction of two single crossovers and track-level rooms in a mined configuration, providing the north access shaft; and excavation and support of a crossover structure site at the Universal City Station.

On December 21, 1994, Contract No. C0311 was awarded to Traylor Bros./Frontier-Kemper, Joint Venture, in the amount of \$124,421,000. The Notice-To-Proceed (NTP) date was January 23, 1995, with a completion date of April 10, 1999.

On January 22, 1997, the MTA Board approved Change Order No. 29 in the amount of \$5,412,426 which incorporated Change Notices (CN) 36.0 and 36.01. These changes modified and reduced the Special Seismic Section from 600 linear feet in each tunnel to 300 linear feet as the result of the information gained from the long probe through the Hollywood Fault in March 1996. The excavations through the Special Seismic Section for both tunnels were modified to soft ground methods rather than by hard rock (blasting) techniques. Other modifications to the design were also incorporated.

It was not possible to accurately estimate the quantities for all of the portions of the work included in Change Order No. 29 because of the unknown number of: (a) spiles; (b) concrete for the invert; (c) well points; (d) face drilling and grouting; and (e) the amount of blasting that would be required to complete the changed work. Unit prices and provisional sums were negotiated for the portions of the changed work in order to provide a mechanism for payment to the Contractor for the variable quantities. Now that the work has been completed and quantities have been finalized and verified by MTA, this change reflects the actual quantities installed for the redesign of the Special Seismic Section.

COST/PRICE ANALYSIS

| | | |
|---------------------------------------|------------------------------------|---|
| PROPOSED AMOUNT (\$163,676) | MTA ESTIMATE (\$250,378) | NEGOTIATED AMOUNT (\$238,815) |
|---------------------------------------|------------------------------------|---|

The recommended credit amount of \$238,815 has been determined to be fair and reasonable based upon fact finding, clarification and pre-award audit performed by Management Audit Services Department (MASD). MASD’s report identified an additional credit amount of \$86,702 over the Contractor’s proposed credit amount of \$163,676 due to adjustments for the grouted spiles; pushed spiles; and face grouting. All issues were resolved during negotiations.

The difference between the recommended credit amount and the MTA Estimate resulted from the adjustments made for the face grouting in the tunnels. Staff reviewed the line item prices executed in Change Order No. 29 and determined that the application of these prices for this change was fair and equitable.

FINANCIAL IMPACT

| | |
|-----------------------------------|---------------|
| Original Contract Award | \$124,421,000 |
| Current Cumulative Contract Value | \$159,394,941 |
| This Action | \$ (238,815) |
| New Cumulative Contract Value | \$159,156,126 |

The funds for this action are available within the Board approved Segment 3 North Hollywood Extension Project Budget of \$1,313,848,000. This recommended action will decrease the current budget for Contract No. C0311 by \$238,815 from \$159,394,941 to \$159,156,126. The current status of the contract, including the impact of this recommended action, is shown in Attachment 1. If this action is approved, the amount will be transferred to the Project Reserve Account. This recommended action does not impact the MTA Fiscal Year Budget or the Sources of Funds, either in the fiscal year or over the life of the project.

Potential for Cost Recovery: Yes No N/A

ALTERNATIVES CONSIDERED

MTA Board may reject this change, but denial of this change would prevent the MTA from receiving the credit amount due under the Contract. Staff does not recommend this alternative.

SMALL BUSINESS PARTICIPATION

This Contract has a Disadvantaged Business Enterprise (DBE) participation goal of 15.57%. The Contract was awarded December 21, 1994 and is approximately 99% complete. Current DBE attainment¹ based on the relevant contract amount² is 17.20%. Current DBE participation³ based on the total actual amount paid-to-date to prime and total actual amount paid-to-date to DBE firms is 18.90%. Both of the originally listed DBE subcontractors performed on the Contract as listed. The Prime Contractor has demonstrated good faith efforts to maximize DBE participation by utilizing three (3) additional DBE firms.

Original Award Amount **\$124,421,000**

Relevant Contract Value² **\$159,973,679**

Total Actual Amount Paid to Date to Prime **\$147,438,353**

| Subcontractor | Commitment | Current Attainment¹ | Current Participation³ | Current Status |
|-------------------------------|-------------------|---------------------------------------|--|---------------------------|
| R T Construction | 8.48 % | 7.51 % | 8.26 % | Performed |
| Marmolejo Construction | 7.09 % | 7.27 % | 7.99 % | Exceeded |
| Ugalde Trucking Company, Inc. | N/A | 1.96 % | 2.16 % | Performed |
| Alpha Corporation | N/A | 0.07 % | 0.07 % | Performed |
| Sanders Engineering | N/A | 0.39 % | 0.42 % | Performed |
| TOTAL | 15.57 % | 17.20 % | 18.90% | Exceeding the Goal |

¹Current Attainment = Total Actual Amount Paid-to-Date to Subs ÷ Total Relevant Contract Amount

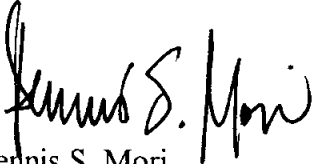
²Relevant Contract Amount = Original Contract Value + Contract Cost Modifications affecting DBE or SBE Scope of Work

³Current Participation = Total Actual Amount Paid-to-Date to Subs ÷ Total Actual Amount Paid-to-Date to Prime

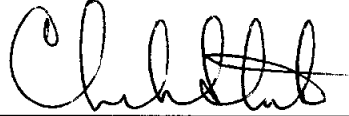
ATTACHMENT

1. Contract Value Status Summary

Prepared by: Charles W. Fitzsimmons, Senior Contract Administrator
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Dennis S. Mori
Deputy Executive Officer, Project Manager
Metro Red Line, North Hollywood Extension,
Segment 3



Charles W. Stark
Executive Officer, Construction



Colonus Mitchell
Executive Officer, Procurement

ATTACHMENT 1 CONTRACT VALUE STATUS SUMMARY

R82 Metro Red Line - Segment 3 - NH
CHANGE ORDER C0311-C0-166.00

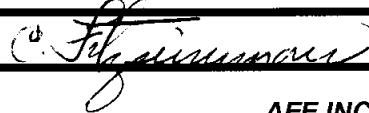
Only shows cost allocated to R82

CONTRACTOR: TRAYLOR BROS./FRONTIER-KEMPER, J.V. / TUNNELS: UC STATION TO 630+00; INCL. PT & VS
ACTION DESCRIPTION: FINAL QUANTITIES FOR CHANGE ORDER 29.00

CUMULATIVE CONTRACT WORK ORDER VALUE STATUS

| | | | |
|----|--------------------------------------|------------------------|---|
| 1. | CUMULATIVE AWARD AMOUNT:[1] | \$124,421,000.00 | (Includes \$0.00 in Planned Scope Amendments) |
| 2. | PREVIOUSLY EXECUTED CHANGES: | \$34,973,941.53 | |
| 3. | CURRENT VALUE: (1+2) | \$159,394,941.53 | |
| 4. | AUTHORIZED WACN/LNTP'S (NTE): | \$0.00 | |
| 5. | OBLIGATED VALUE: (3+4) | \$159,394,941.53 | |
| 6. | VALUE OF THIS ACTION: | (\$238,815.43) | |
| 7. | NEW VALUE (IF APPROVED): (5+6) | \$159,156,126.10 | |

Contract Work Order Value Status Reviewed by MTA Procurement:



CUMULATIVE AUTHORIZATION FOR EXPENDITURE STATUS

AFE INCREASE REQUIRED/REQUESTED:

| | | | |
|-----|---|-------------------------|--|
| 8. | MTA APPROVED AFE: | \$168,446,140.00 | |
| 9. | NEW VALUE: (Line 7) | \$159,156,126.10 | |
| 10. | REMAINING AFE: (8-9) | \$9,290,013.90 | \$0.00 For this action |
| 11. | OTHER PENDING CHANGES (merited) | (\$2,029,646.99) | |
| 12. | REMAINING AFE VALUE (w/Changes: 10-11) | \$11,319,660.89 | \$0.00 For all merited changes (projected cost) |
| 13. | ALLOWANCE FOR OTHER POTENTIAL CHANGES: | \$0.00 | |
| 14. | REMAINING AFE VALUE (w/Allowance: 12-13) | \$11,319,660.89 | \$0.00 For all merited and undefined changes |

CUMULATIVE BUDGET STATUS

BUDGET VARIANCE (Initial to Current)

| | | | |
|-----|--|-------------------------|---|
| 15. | INITIAL BUDGET: (PBCR # 0 , 7/30/93) [2] | \$202,566,000.00 | |
| 16. | CURRENT BUDGET: | \$162,000,000.00 | (\$40,566,000.00) Initial to Current Budget |
| 17. | NEW VALUE (IF APPROVED): (Line 7) | \$159,156,126.10 | |
| 18. | REMAINING BUDGET: (16-17) | \$2,843,873.90 | |
| 19. | OTHER PENDING CHANGES (merited) (Line 11) | (\$2,029,646.99) | |
| 20. | REMAINING BUDGET w/Changes (18-19) | \$4,873,520.89 | |

Contract Budget Status Reviewed by MTA Program Control: 

DATE: 01/02/01

[1] - Award Amount includes initial award and Planned Scope Amendments

[2] - PBCR = Project Budget Change Request