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CONSTRUCTION COMMITTEE
MARCH 14, 2001

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Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2952

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

**CONTRACT: C0351, NORTH HOLLYWOOD STATION WITH
CROSSOVER AND TAIL TRACK
KAJIMA/RAY WILSON, JOINT VENTURE**

**ACTION: CONTRACT MODIFICATION IN THE AMOUNT OF
\$111,782**

RECOMMENDATION

Authorize the Chief Executive Officer to execute Change Order No. 235 to Contract No. C0351, North Hollywood Station with Crossover and Tail Track, with Kajima/Ray Wilson, Joint Venture, for the close-out of two contract line items, to reflect actual quantities installed for the Structural Excavation in the amount of \$228,350 and the Structural Backfill in the credit amount of \$116,568 on the Metro Red Line, North Hollywood Extension, resulting in a net change of \$111,782, increasing the Total Contract Value from \$67,933,690 to \$68,045,472.

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 Contract Line Item prices are not subject to audit, therefore, audit was not requested for this change.

BACKGROUND

Contract No. C0351 is a fixed priced, federally funded procurement for the construction of the North Hollywood Station with Crossover and Tail Track. The work consists of the construction of the maintenance access shaft and tail track surface improvements, entrance structure and entrance plaza, furnishing and installing architectural, mechanical, electrical, utility and landscaping work.

On April 25, 1995, Contract No. C0351, North Hollywood Station with Crossover and Tail Track, was awarded to Kajima/Ray Wilson, Joint Venture, in the amount of \$64,501,229. The Notice To Proceed date was June 1, 1995, with the completion date of May 7, 1999.

Change Notice (CN) No. 264 was issued to reflect actual quantities installed for the Structural Excavation, Contract Line Item No. 02200.03. The actual quantities for this line item exceeded the bid estimated quantity by 9,134 cubic yards (cy). This variance in quantity is within 25% of the original estimated quantity of 212,220 cy. In accordance with General Condition (GC) No. 29, Increased or Decreased Quantities, the contract unit price applies, resulting in an increased amount of \$228,350.

CN No. 265 was issued to reflect actual quantities installed for the Structure Backfill, contract line item no. 02200.04. The actual quantities for this line item were less than the bid estimated quantity by 9,714 cy. This variance in quantity is within 25% of the original estimated quantity of 88,500 cy. In accordance with General Condition (GC) No. 29, Increased or Decreased Quantities, the contract unit price applies, resulting in a credit amount of \$116,568. The total net cost of Change Order No. 235 is then \$111,782.

COST/PRICE ANALYSIS

| SCOPE OF WORK | PROPOSED PRICE | MTA ESTIMATE | NEGOTIATED AMOUNT |
|-----------------------|-----------------------|---------------------|--------------------------|
| Structural Excavation | \$285,650 | \$ 228,350 | \$228,350 |
| Structural Backfill | (\$112,920) | (\$116,568) | (116,568) |
| Net Amount | \$172,730 | \$111,782 | \$111,782 |

The recommended net amount of \$111,782 has been determined to be fair and reasonable based upon fact-finding, addressing each change to the line item bid quantities and comparison to the MTA Estimate of each change. The Contractor initially proposed an additive quantity of 11,426 cy for the Structural Excavation which was later reduced to 9,134 cy, in the amount of \$228,350. The Contractor initially proposed a deductive quantity of 9,410 cy for the Structural Backfill which was later increased to 9,714 cy in the credit amount of \$116,568. Staff negotiated a bilateral agreement in the total net amount of \$111,782, equal to the MTA Estimate.

FINANCIAL IMPACT

| | |
|-----------------------------------|--------------|
| Original Contract Award | \$64,501,229 |
| Current Cumulative Contract Value | \$67,933,690 |
| This Action | \$ 111,782 |
| New Cumulative Contract Value | \$68,045,472 |

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 increase the current contract value of Contract No. C0351 by \$111,782 from \$67,933,690 to \$68,045,472. The current status of the contract, including the impact of this recommended action, is shown in Attachment 1. This recommended action does not affect the 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

The MTA Board may reject this change, but denial could cause the Contractor to seek other contractual or legal remedies. Staff does not recommend this alternative.

SMALL BUSINESS PARTICIPATION

This Contract has a Disadvantaged Business Enterprise (DBE) participation goal of 26.90%. The Contract was awarded April 26, 1995 and is approximately 99% complete. Current DBE attainment¹ based on the relevant contract amount² is 28.67%. 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 30.88%. The Prime Contractor has utilized five (5) of the six (6) originally listed DBE firms. One (1) firm was substituted with Authority approval. The Prime Contractor has demonstrated Good Faith Efforts by using four (4) additional DBE firms.

| | |
|--|----------------------|
| Original Award Amount | \$ 64,501,229 |
| Relevant Contract Value² | \$ 66,832,965 |
| Total Actual Amount Paid to Date to Prime | \$ 63,341,921 |

| Subcontractor | Commitment | Current Attainment ¹ | Current Participation ³ | Current Status |
|-----------------------------|----------------|---------------------------------|------------------------------------|---------------------------|
| Accu-Crete, Inc. | 8.80 % | 9.83 % | 10.38 % | Exceeded |
| A & S Cement | 1.02 % | 0.00 % | 0.00 % | Substituted |
| Kim's Marble & Granite | 1.08 % | 1.08 % | 1.14 % | Exceeded |
| Orestes Pena Trucking | 1.32 % | 1.25 % | 1.32 % | Performed |
| Sanders Engineering Co | 1.86 % | 1.72 % | 1.81 % | Performed |
| Star Iron Works | 12.82 % | 11.39 % | 12.02 % | Performed |
| Anzalone & Associates | N/A | 0.27 % | 0.28 % | Exceeded |
| D & N Concrete Pumping | N/A | 1.31 % | 1.38 % | Exceeded |
| Ron E. Valera Company, Inc. | N/A | 1.23 % | 1.30 % | Exceeded |
| Western Paving Contractors | N/A | 0.59 % | 0.62 % | Exceeded |
| TOTAL | 26.90 % | 28.67 % | 30.25 % | Exceeding the Goal |

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

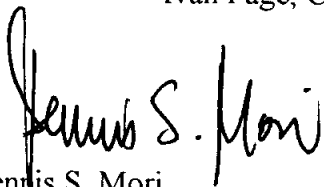
²Relevant Contract Amount = Original Contract Value + Contract Cost Modifications affecting DBE or SBE Scope of Work

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

ATTACHMENT

1. Contract Value Status Summary

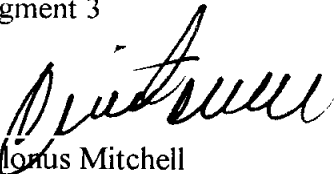
Prepared by: Brian P. Mahaffey, Senior Contract Administrator
Ivan Page, Contract Administration Manager



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 C0351-C0-235.00

Only shows cost allocated to R82

CONTRACTOR: KAJIMA/RAY WILSON / N. HOLLYWOOD STATION W/X-OVER & TAIL TRACK
ACTION DESCRIPTION: Final Quantities For Pay Items 02200.03, Structural Excavation & 02200.04, Structural Backfill

CUMULATIVE CONTRACT WORK ORDER VALUE STATUS

| | | | |
|----|--------------------------------|-----------------------|---|
| 1. | CUMULATIVE AWARD AMOUNT:[1] | \$64,501,229.00 | (Includes \$0.00 in Planned Scope Amendments) |
| 2. | PREVIOUSLY EXECUTED CHANGES: | \$2,670,961.04 | |
| 3. | CURRENT VALUE: (1+2) | \$67,172,190.04 | |
| 4. | AUTHORIZED WACN/LNTP'S (NTE): | \$761,500.00 | |
| 5. | OBLIGATED VALUE: (3+4) | \$67,933,690.04 | |
| 6. | VALUE OF THIS ACTION: | \$111,782.00 | |
| 7. | NEW VALUE (IF APPROVED): (5+6) | \$68,045,472.04 | |

Contract Work Order Value Status Reviewed by MTA Procurement:



CUMULATIVE AUTHORIZATION FOR EXPENDITURE STATUS

AFE INCREASE REQUIRED/REQUESTED:

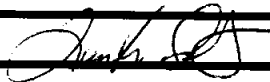
| | | | |
|-----|--|------------------------|---|
| 8. | MTA APPROVED AFE: | \$70,951,351.00 | |
| 9. | NEW VALUE: (Line 7) | \$68,045,472.04 | |
| 10. | REMAINING AFE: (8-9) | \$2,905,878.96 | \$0.00 For this action |
| 11. | OTHER PENDING CHANGES (merited) | (\$346,985.77) | |
| 12. | REMAINING AFE VALUE (w/Changes: 10-11) | \$3,252,864.73 | \$0.00 For all merited changes (projected cost) |
| 13. | ALLOWANCE FOR OTHER POTENTIAL CHANGES: | \$0.00 | |
| 14. | REMAINING AFE VALUE (w/Allowance: 12-13) | \$3,252,864.73 | \$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] | \$79,167,000.00 | |
| 16. | CURRENT BUDGET: | \$72,158,000.00 | (\$7,009,000.00) Initial to Current Budget |
| 17. | NEW VALUE (IF APPROVED): (Line 7) | \$68,045,472.04 | |
| 18. | REMAINING BUDGET: (16-17) | \$4,112,527.96 | |
| 19. | OTHER PENDING CHANGES (merited) (Line 11) | (\$346,985.77) | |
| 20. | REMAINING BUDGET w/Changes (18-19) | \$4,459,513.73 | |

Contract Budget Status Reviewed by MTA Program Control:



DATE: 8/20/01

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

[2] - PBCR = Project Budget Change Request

ATTACHMENT 1: Allocated Contract Data

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