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APRIL 1, 1997

TO: BOARD OF DIRECTORS

FROM: LINDA BOHLINGER, INTERIM CHIEF EXECUTIVE OFFICER

SUBJECT: APPROVE CHANGE ORDER FOR CONCRETE QUANTITY VARIANCE AND APPROVE AN INCREASE IN THE AUTHORIZATION FOR EXPENDITURE FOR THE HOLLYWOOD/WESTERN STATION CONTRACT ON THE METRO RED LINE, VERMONT/HOLLYWOOD CORRIDOR

Los Angeles County
Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012

213.922.6000

RECOMMENDATION

Approve:

- a) Change Order No. 26 to Contract No. B271 with Kiewit/Shea, Joint Venture, for concrete quantity variances in the amount of \$390,350, increasing the Total Contract Value to \$42,031,985, which is only \$472,815 less than the Board approved Authorization for Expenditure (AFE); and
- b) an increase in the AFE for Contract No. B271 to fund merited pending and potential changes, in the amount of \$4,014,292, for a revised AFE of \$46,519,092.

Within Construction Committee authority: Yes No

ORGANIZATIONAL IMPACT

Approval of the Change Order and the AFE increase will permit timely negotiation and execution of merited change orders and work authorizations that are within staff's authority and provide required compensation to the Contractor.

BUDGET IMPACT

The funds for this action are available within the Board approved Project budget of \$1,640,781,000. The recommended actions will increase the current contract value to \$42,031,985, which is the award value plus all executed change orders including this Change Order, and increase the AFE to \$46,519,092. The forecast final cost for this Contract, including in-process change notices and other anticipated changes is \$46,519,092. The current status of the Contract, including the impact of this recommended action on the contract cost and forecast, is shown in Attachment 1. There is no impact to either the Fiscal Year Budget or the Sources of Funds. The Project Contingency will not be affected.

Potential Cost Recovery: Yes No N/A

ALTERNATIVES CONSIDERED

The MTA is obligated to pay for the actual construction quantities required of all unit-priced items such as concrete. Denial of the AFE increase will not allow the completion of the pending and future merited change orders/claims (approved within the proper delegated authorities) and the Contractor may pursue other contractual and legal remedies.

BACKGROUND

Change Order No. B271-CO-26.00 will allow payment for the variance in "slab-on grade" concrete placed in the floor of the Hollywood/Western Station of 1,561 cubic yards, which is 15.3% in excess of the quantity originally estimated in the Contract. The Contract dictates that when the final quantity is within the contractual 25% variance, the cost of the variance quantity is at the Guaranteed Bid/Contract Unit Price of \$250 per cubic yard of "slab-on-grade" concrete installed, it is necessary to issue a change order to increase the Contract Value.

The suspension of the Contractor's Work necessitated by the B251 Tunnel Contract delays and subsequent termination used up most of the original contingency. The AFE increase allows the completion of the pending and future merited change orders/claims to be approved within the proper delegated authorities.

SMALL BUSINESS PARTICIPATION

The Contract has a Disadvantaged Business Enterprise (DBE) participation goal of 28.86%. The Contract is 65% complete and the Contractor has attained 12.90% towards this commitment. Six (6) of the fifteen (15) DBE firms listed in the Contract have not yet performed on this Contract due to the scheduling of their scopes of work in late 1997.

ATTACHMENT

1. Contract Value Status
2. Pending/Potential Contract Changes

Prepared by:

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Metro Red Line, Wilshire and Vermont/Hollywood Corridors



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ATTACHMENT 1
CONTRACT VALUE STATUS
 R81 Metro Red Line - Segment 2
 CHANGE ORDER : B271-CO-26.00

CONTRACTOR: KIEWIT-SHEA, J.V. - HOLLYWOOD/WESTERN STATION
 CHANGE TITLE: QUANTITY ADJUSTMENT - SLAB-ON-GRADE CONCRETE

CONTRACT VALUE STATUS

1.	CONTRACT AWARD AMOUNT:	\$38,948,000.00
2.	PREVIOUSLY EXECUTED CHANGES:	\$196,635.18
3.	CURRENT CONTRACT VALUE: (1 + 2)	\$39,144,635.18
4.	AUTHORIZED WACN'S (NTE):	\$2,497,000.00
5.	OBLIGATED CONTRACT VALUE: (3 + 4)	\$41,641,635.18
6.	VALUE OF THIS CHANGE:	\$390,350.00
7.	ESTIMATED CONTRACT VALUE: (5 + 6)	\$42,031,985.18

AUTHORIZED FOR EXPENDITURE STATUS

INCREASE IN AFE REQUIRED/REQUESTED:

8.	MTA APPROVED AFE:	\$42,504,800.00	Award + 9.13%
9.	ESTIMATED CONTRACT VALUE: (Line 7)	\$42,031,985.18	
10.	REMAINING AFE (Actual 8-9)	\$472,814.82	\$0.00 For current actual costs
11.	OTHER PENDING CHANGES (merited)	\$1,464,348.00	
12.	REMAINING AFE (w/CHANGES 10-11)	(\$991,533.18)	\$991,533.18 For pending changes
13.	TRENDS AND CONTINGENCIES (pending merit finding)	\$3,022,758.82	
14.	REMAINING AFE: (w/TRENDS 12-13)	(\$4,014,292.00)	\$4,014,292.00 For possible changes

CONTRACT BUDGET STATUS

15.	CURRENT CONTRACT BUDGET:	\$46,520,000.00
16.	FORECAST CONTRACT VALUE: (9 + 11 + 13)	\$46,519,092.00
17.	REMAINING CONTRACT BUDGET: (15-16)	\$908.00

CONTRACT INCREASE PERCENTAGES

18.	% OF ORIGINAL AWARD VALUE (THIS CHANGE)	1.002%
19.	% OF ORIGINAL AWARD VALUE (MERITED CHANGES)	10.676%
20.	% OF ORIGINAL AWARD VALUE (ALL CHANGES)	19.439%
21.	% CONTRACT COMPLETE:	66%

REVIEWED BY MTA PROGRAM CONTROL: R. MORA, PROGRAM CONTROL

DATE:

ATTACHMENT 2
 CONTRACT B271 - HOLLYWOOD/WESTERN STATION
 PENDING/POTENTIAL CONTRACT CHANGES

PENDING CHANGES		
Number	DESCRIPTION	Cost (\$)
CN 15.01	Balance of costs for suspension of work due to delays in tunnel completion:	1,050,000
CN 14.01	Automatic fire sprinkler system in station public areas required by Fire/Life Safety	390,000
CN 65.00	Widen hole and relocate side structures	113,000
CN 13.00	Elevator/escalator pit modifications for corrosion control and maintainability	69,655
CN 19.00	Architectural design changes for safety, communications and ADA compliance	62,501
CN 12.00	Incorporate review comments and design changes received after bidding period	38,706
CN 70.00	Hydraulic piping at main entrance	30,000
CN 16.00	Electrical and mechanical design changes to omit unnecessary requirements, comply with criteria/codes, and improve interfacing with other subsystems	25,000
CN 62.00	Revise storm drain connection to comply with new City requirements	22,000
CN 45.00	Public area sprinkler sleeves to reduce number of core drills and associated costs	17,120
CN 66.00	Miscellaneous Mechanical Items	15,000
CN 42.00	Additional railing along trainway for safety of persons walking.	9,188
CN 1.00	Automation of Geotechnical Instrumentation	6,981
CN 55.00	Public address speaker wiring revisions for code compliance and clarification	3,000
CN 50.00	Modifications to power feeder routing to accommodate final City design	2,500
CN 53.00	Battery room doors and dampers	506
CN 49.00	Floor Drain and Hose Bib	(292)
CN 54.00	Revise duct liner thickness to ease ceiling installation and reduce construction costs	(10,417)
CN 33.00	CIC I/O Reductions	(16,100)
CN 68.00	Delete Smoke Exhaust Ductwork	(26,000)
CN 51.00	Metal Ceiling System Design Criteria - Elimination of Unnecessary Requirements	(338,000)
TOTAL		1,464,348

POTENTIAL CHANGES		
Number	DESCRIPTION	Cost (\$)
TBD	Rebar overrun	350,000
CN 51.00	Metal Ceiling System Design Criteria (Acct. Adjustment Pending CO Execution)	338,000
TBD	Shotcrete lagging claim	173,000
CN 12.00	Incorporate additional late review comments	158,000
DCN 96-7.00	Revise pile cutoff depth	143,000
TBD	Payment for support steel	100,000
CN 14.01	Remove and replace metal ceiling	100,000
DCN 96-40.00	Sewer cross connects	50,000
DCN 96-62.00	Wiring for additional actuators	14,000
TOTAL		1,426,000

TOTAL ESTIMATED CONTRACT VALUE (Including CO 26.00)	Line 7, Attachment 1	42,031,985
Total of Pending Changes	Line 11, Attachment 1	1,464,348
Total of Potential Changes		1,426,000
Trends for Additional Changes [Based upon experience on Wilshire Corridor and assessment of work remaining at Hollywood/Western]	Potential Quantity Overruns: 500,000 Utility Costs at Restoration: 100,000 Coordination with Adjacent Developers: 275,000 Coordination with System Contractors: 250,000 Additional Design Changes: 150,000 Other Miscellaneous Changes: 321,759	1,596,759
Total AFE Required		46,519,092
Current AFE Value	Line 8, Attachment 1	42,504,800
ADDITIONAL AFE REQUIRED	Line 14, Attachment 1	4,014,292