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Los Angeles County
Metropolitan
Transportation
Authority

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Los Angeles, CA
90012

213.922.6000

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SUPPLEMENT
MAY 19, 1997

TO: BOARD OF DIRECTORS

**FROM: LINDA BOHLINGER, *L. Bohlinger* INTERIM
CHIEF EXECUTIVE OFFICER**

**SUBJECT: APPROVE A WORK AUTHORIZATION CHANGE NOTICE
AND AUTHORIZE EXECUTION OF CHANGE ORDER FOR
MODIFYING CROSSOVER CONTRACT ACCESS/
COMPLETION DATES AND RENTAL OF ADDITIONAL
FORMS ON THE METRO RED LINE, NORTH HOLLYWOOD
CORRIDOR**

SMALL BUSINESS PARTICIPATION

The Contract has a Disadvantaged Business Enterprise (DBE) participation committed contract goal of 26.90%. The percentage of contract completion is 46.4%. The current DBE participation as determined by the MTA's EO Department (Contract Compliance Unit) is .57%. Of the Six (6) DBE Subcontractors listed at contract award three (3) contractors have participated to date. Those DBE subcontractors that remain to perform are scheduled at a later date.

An investigation is in progress concerning the lack of Disadvantaged Business Enterprise (DBE) participation on this contract. A comparison was made between the DBE Subcontractors listed at award and those listed on the required 103 Monthly DBE Subcontractors Paid Reports. This revealed that the scope of work originally listed by these Subcontractors was performed by other subcontractors, therefore, the question of unauthorized substitution exists.

Pending clarification of this issue, the DBE participation on this contract is .57%.

A revised DBE utilization plan projecting DBE participation on the remaining portion of the project is forthcoming from the contractor. Per contract provisions, penalties and /or sanctions will be applied when appropriate.

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MAY 1, 1997



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TO: BOARD OF DIRECTORS

FROM: LINDA BOHLINGER *Linda Bohlinger*
INTERIM CHIEF EXECUTIVE OFFICER

SUBJECT: APPROVE A WORK AUTHORIZATION CHANGE NOTICE AND AUTHORIZE EXECUTION OF CHANGE ORDER FOR MODIFYING CROSSOVER CONTRACT ACCESS/ COMPLETION DATES AND RENTAL OF ADDITIONAL FORMS ON THE METRO RED LINE, NORTH HOLLYWOOD CORRIDOR

RECOMMENDATION

Approve:

- a) Work Authorization Change Notice (WACN) No. 58.00 to Contract No. C0351 with Kajima/Ray Wilson (K/RW) Joint Venture, for modifying crossover contract access/completion dates and rental of additional concrete forms on the Metro Red Line, North Hollywood Corridor for an amount not-to-exceed \$302,000; and
- b) authorization for staff to execute the subsequent Change Order if it is within the amount approved for this WACN.

Within Construction Committee authority: Yes No

ORGANIZATIONAL IMPACT

Approval will permit project staff to negotiate, audit, and execute merited Change Orders that are within staff's approval authority reducing MTA's liability and exposure by allowing the changed work to proceed and the Contractor to be paid for merited changed work performed.

BUDGET IMPACT

The funds for this action are available within the Board approved project budget of \$1,313,848,000. This recommended action will increase the current C0351 Contract Value of \$64,974,618 to \$65,276,618, which is the sum of the award value plus all executed Change Orders, including this WACN. The current status of the contract, including the impact of this recommended action, is shown in Attachment 1. There is no impact to either the Fiscal Year Budget or the Sources of Funds. Project Contingency will not be affected.

Potential for recovery: Yes No

ALTERNATIVES CONSIDERED

The changes included in the WACN are intended to help achieve ROD. Staff has determined there are no other viable alternatives.

BACKGROUND

On June 1, 1995 a Notice to Proceed was issued to Kajima/Ray Wilson for Contract C0351, North Hollywood Station. The scope of work includes construction of a 372-foot crossover structure at the south end of the station. The adjacent C0331 North Hollywood Tunnel Contractor, Obayashi, excavated the crossover site and used the area for mining operations and subsequent tunnel concreting. Kajima/Ray Wilson was to receive access to the crossover site in three stages consistent with Obayashi's contract completion dates. Obayashi did not complete the work necessary for turnover of the crossover site as scheduled therefore delaying access to the crossover site by Kajima/Ray Wilson. (See Additional Background-Attachment 2).

The purpose of the WACN is to revise crossover access dates, and to reimburse the C0351 contractor for the rental of additional concrete forms.

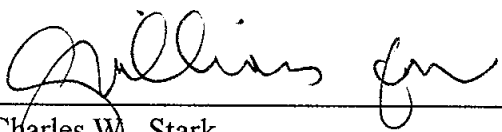
SMALL BUSINESS PARTICIPATION

The Contract has a Disadvantaged Business Enterprise (DBE) participation committed contract goal of 26.90%. The percentage of contract completion is 46.4%. To date, the Prime Contractor has utilized ten (10) DBE subcontractors toward meeting the participation goal: ACCU-CRETE, Inc. for Concrete Pumping, Place and Finish 0.24%; Barajas & Associates, Inc. for Survey 0.32%; Cal-State Rebar for Furnish & Install Rebar 0.14%; Felix Corp. for Plumbing 0.34%; Geofon, Inc. Geotechnical Instrumentation 0.17%; Orestes Pena Trucking for Trucking & Demo 0.33%; Valverde Const., Inc. for Waterlines 0.36%; Ron Verela Company for Excavate/Dispose of Station Material 1.24%; Herman Weissker, Inc. for Telephone Ductbank 0.76%; and Western Paving Contractors, Inc. for AC Paving and Place AGG Base 0.09% for a total DBE participation of 3.99%.

ATTACHMENTS

- Attachment 1: Contract Value Status
- Attachment 2: Additional Background
- Attachment 3: Cost Recovery

Prepared by: Stan Lotterman, Manager of Contracts
John J. Adams, Interim Deputy Executive Officer, Construction
Metro Red Line, North Hollywood Corridor



Charles W. Stark
Interim Executive Officer, Construction

ATTACHMENT 1
CONTRACT VALUE STATUS

R82 Metro Red Line - Segment 3 - N
CHANGE ORDER : C0351-CO-27.00

CONTRACTOR: KAJIMA/RAY WILSON - N. HOLLYWOOD STATION W/CROSSOVER & TAILTRACK COMPL
CHANGE TITLE: MODIFY CROSSOVER CONTRACT ACCESS AND COMPLETION DATE

CONTRACT VALUE STATUS

1.	CONTRACT AWARD AMOUNT:	\$64,501,229.00
2.	PREVIOUSLY EXECUTED CHANGES:	\$291,490.00
3.	CURRENT CONTRACT VALUE: (1 + 2)	\$64,792,719.00
4.	AUTHORIZED WACN'S (NTE):	\$181,899.00
5.	OBLIGATED CONTRACT VALUE: (3 + 4)	\$64,974,618.00
6.	VALUE OF THIS CHANGE:	\$302,000.00
7.	ESTIMATED CONTRACT VALUE: (5 + 6)	\$65,276,618.00

AUTHORIZED FOR EXPENDITURE STATUS

INCREASE IN AFE REQUIRED/REQUESTED:

8.	MTA APPROVED AFE:	\$70,951,351.00	Award + 10.00%
9.	ESTIMATED CONTRACT VALUE: (Line 7)	\$65,276,618.00	
10.	REMAINING AFE (Actual 8-9)	\$5,674,733.00	\$0.00 For current actual costs
11.	OTHER PENDING CHANGES (merited)	(\$322,278.00)	
12.	REMAINING AFE (w/CHANGES 10-11)	\$5,997,011.00	\$0.00 For pending changes
13.	! TRENDS AND CONTINGENCIES (pending merit finding)	\$9,997,012.00	
14.	REMAINING AFE: (w/TRENDS 12-13)	(\$4,000,001.00)	\$4,000,001.00 For possible changes

CONTRACT BUDGET STATUS

15.	CURRENT CONTRACT BUDGET:	\$84,150,000.00
16.	FORECAST CONTRACT VALUE: (9 + 11 + 13)	\$74,951,352.00
17.	REMAINING CONTRACT BUDGET: (15-16)	\$9,198,648.00

CONTRACT INCREASE PERCENTAGES

18.	% OF ORIGINAL AWARD VALUE (THIS CHANGE)	0.468%
19.	% OF ORIGINAL AWARD VALUE (MERITED CHANGES)	0.234%
20.	% OF ORIGINAL AWARD VALUE (ALL CHANGES)	16.201%
21.	% CONTRACT COMPLETE:	39%

REVIEWED BY MTA PROGRAM CONTROL: T. Wilkens, Program Control

RB Wilson for

DATE: 30 APR 97

ATTACHMENT 2

ADDITIONAL BACKGROUND

The C1610 Trackwork Installation Contractor (contract not yet awarded), will initially require access through the North Hollywood Station for crew, equipment and materials. The Trackwork Contractor will initially be working in the trackbed areas, constructing track plinths and contact rail pedestals, installing track fasteners and contact rail supports. The program schedule currently requires that trackwork installation, performed by the C1610 Contractor, commence within the crossover no later than February 24, 1998 in order to achieve ROD. The trackwork is on the critical path for ROD.

Kajima/Ray Wilson's January 1997 schedule update indicates that the Milestones No. 2 (Access North Hollywood station, cross over, and tail track AR) and 3 (Access North Hollywood station, cross over, and tail track AL) will be achieved on November 18, 1998, 267 calendar days beyond the revised C1610 need date of February 24, 1998.

The C0351 Milestones Nos. 2 and 3 dates are presently December 22, 1997 and define the access for the C1610 Contractor. This WACN revises the C0351 milestone dates to February 15, 1998.

The purpose of this WACN is to reimburse Kajima/Ray Wilson for the rental of additional forms so that concrete construction can be completed in Staging Areas 4 & 5, so that the contractor can complete milestones 2 & 3 by February 15, 1998 instead of November 18, 1998.

ATTACHMENT 3

COST RECOVERY

Obayashi's contract contains Liquidated Damages provisions, that will allow MTA to recover costs associated with access delays. Staff is currently reviewing the details surrounding the delays in order to determine specific recovery amounts.