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CONSTRUCTION COMMITTEE OF:
JANUARY 21, 1998



Los Angeles County
Metropolitan
Transportation
Authority

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**PROJECT: METRO RED LINE, VERMONT/ HOLLYWOOD
CORRIDOR (SEGMENT 2)**

**CONTRACT: CONTRACT NO. B261, VERMONT/SUNSET
STATION**

**ACTION: CONTRACT MODIFICATION IN THE AMOUNT
OF \$233,539**

RECOMMENDATION

Approve Unilateral Change Order No. B261-CO-65.00 to Contract No. B261 with Tutor/Saliba-Perini, JV, incorporating into the Contract various design modifications received after award of Contract, in the amount of \$233,539, increasing the Total Contract Value from \$47,852,357 to \$48,085,896.

Within Construction Committee authority: Yes No

MERIT

This change has been reviewed and approved for merit by Project Staff, MTA Procurement Department, and Legal Counsel in compliance with Public Utilities Code §130243. The Management Audit Services Department (MAS) has completed the required audit of this Change Order. No costs were questioned. Certain procedural findings have been addressed with MAS and all issues resolved.

BACKGROUND

This item was originally presented to the October Construction Committee and approved under Committee authority. The required audit had not been completed at that time. At the October Board of Directors meeting, the approval was rescinded and the item referred back to Committee, pending completion of the Audit and resolution of any issues.

The Invitation For Bid No. B261 for the Vermont/Sunset Station was advertised, bid, and awarded prior to the design completion of certain details in the station structure. This decision was made to preserve the Metro Red Line Segment 2 construction schedule with a minimum of potential impact to the Revenue Operations Date. The adoption of the "Great Space" concept by the LACTC Board of Directors late in the design caused the design delay, and the need to incorporate later design refinements and changes by change order was anticipated.

The purpose of Change Order 65.00 is to establish a firm price for the post-award design refinements and changes in architectural, mechanical, electrical and structural areas, as approved by the Change Control Board (CCB) in Design Change Notice No. R8-94-120. Following CCB approval, because start of work was essential to maintaining schedule, the changes were incorporated into the contract through Work Authorization Change Notices, in an amount not-to-exceed \$200,000 and were executed within Board delegated authority.

PROPOSAL	ESTIMATOR'S POSITION	CHANGE ORDER AMOUNT
\$484,663	\$233,539	\$233,539

The Change is being issued unilaterally for the Fair Cost Estimate, due to the inability of the Contractor and MTA to agree on a fair and reasonable price. The Contractor will reserve the right to claim for additional compensation. The October item, recommended for approval at a value of \$277,455, was based upon a negotiated agreement with the Contractor. Since October, the Contractor has elected to withdraw his agreement. Thus, the action contained herein is for the lesser amount of \$233,539.

BUDGET IMPACT

The budget has been amended eight (8) times and is now \$50,636,000. Budget changes have been the result of Transit Enhancement, establishing the AFE as budget, and scope changes.

Original Budget	\$42,011,000
Current Cumulative Contract Value	\$47,852,357
This Action	<u>\$ 233,539</u>
New Cumulative Contract Value	\$48,085,896
Contract Forecast at Completion	\$51,719,589

Funds for this action are available within the Board approved project budget. The current status of the contract costs and forecast, including the impact of this action, is shown in Attachment 1. The contract amount expended-to-date is \$41,170,143. Construction is 85% complete.

Potential for Cost Recovery: Yes No

The delay in design completion resulted from MTA policy and, as such, cannot be charged to the design consultant.

ALTERNATIVES CONSIDERED

There are no viable alternatives. The Board may disapprove this change and request staff to reopen negotiations; or disapprove the change without reopening negotiations. Denial of the

change will prevent payment to the Contractor for merited and largely completed extra work, and may result in the Contractor pursuing other contractual and legal remedies.

SMALL BUSINESS PARTICIPATION

The Contract has a DBE participation goal of 31%. The Prime contractor has committed to 31.98% DBE attainment on this project. The contract is 80% complete. The current DBE participation as determined by MTA's EO Programs Department's Contract Compliance Unit is 30.63%. The Prime Contractor has evidenced good faith efforts to maximize participation by adding an additional DBE firm. All six of the listed DBE subcontractors are performing on the Contract.

Original Award Amount \$44,966,998

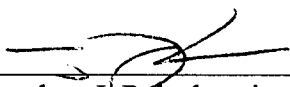
Percentage Complete 80% (based on dollars paid to prime to-date)

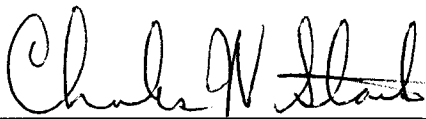
Subcontractor	Commitment	Paid to date Attainment	Project Completion	Current Status
Accu-Crete	9.19%	8.2690%		Expected to Complete
Anzalone & Associates	0.38%	0.2150%		Expected to Complete
Geofon, Incorporated	0.44%	0.3282%		Expected to Complete
Manuel Tejada Trucking	2.37%	2.7371%		Expected to Complete
Star Iron Works	12.49%	8.9023%		Expected to Complete
Tri-City Reinforcing Steel	7.11%	6.9423%		Expected to Complete
Valverde Construction	0.00%	3.2370%		Expected to Complete
TOTAL	31.98%	30.6308%	80%	No Concerns

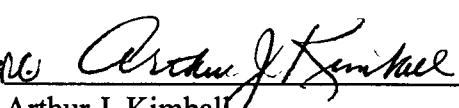
ATTACHMENTS

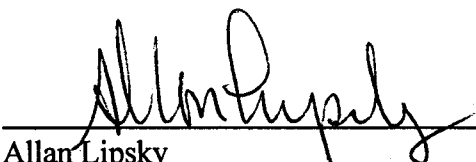
1. Contract Value Status

Prepared By: Larry Kelsey, Manager of Contracts


 Stephen J. Polechronis
 Deputy Executive Officer, Construction
 Metro Red Line, Wilshire and Vermont/
 Hollywood Corridors


 Charles W. Stark
 Executive Officer, Construction


 Arthur J. Kimball
 Executive Officer, Procurement


 Allan Lipsky
 Office of the Chief Executive Officer

ATTACHMENT 1 CONTRACT VALUE STATUS SUMMARY

R81 Metro Red Line - Segment 2
CHANGE ORDER B261-C0-65.00

Only shows cost allocated to R81

CONTRACTOR: TUTOR-SALIBA-PERINI, J.V. / STATION VERMONT/SUNSET
ACTION DESCRIPTION: INCORPORATION OF FINAL SECTION DESIGNER COMMENTS

CUMULATIVE CONTRACT WORK ORDER VALUE STATUS

1.	CUMULATIVE AWARD AMOUNT: [1]	\$44,966,998.00	<i>(Includes \$0.00 in Planned Scope Amendments)</i>
2.	PREVIOUSLY EXECUTED CHANGES:	\$702,134.86	
3.	CURRENT VALUE: (1+2)	\$45,669,132.86	
4.	AUTHORIZED WACN'S (NTE):	\$2,183,224.00	
5.	OBLIGATED VALUE: (3+4)	\$47,852,356.86	
6.	VALUE OF THIS ACTION:	\$233,539.45	
7.	NEW VALUE (IF APPROVED): (5+6)	\$48,085,896.31	

CUMULATIVE AUTHORIZATION FOR EXPENDITURE STATUS

AFE INCREASE REQUIRED/REQUESTED:

8.	MTA APPROVED AFE:	\$49,463,698.00	
9.	NEW VALUE: (Line 7)	\$48,085,896.31	
10.	REMAINING AFE: (8-9)	\$1,377,801.69	\$0.00 For this action
11.	OTHER PENDING CHANGES (merited)	(\$94,735.60)	
12.	REMAINING AFE VALUE (w/Changes: 10-11)	\$1,472,537.29	\$0.00 For all merited changes (projected cost)
13.	ALLOWANCE FOR UNDEFINED CHANGES:	\$65.00	
14.	REMAINING AFE VALUE (w/Allowance: 12-13)	\$1,472,472.29	\$0.00 For all merited and undefined changes

CUMULATIVE BUDGET STATUS

BUDGET VARIANCE (Initial to Current)

15.	INITIAL BUDGET: (PBCR # 0 , 9/30/90) [2]	\$42,011,000.00	
16.	CURRENT BUDGET:	\$50,636,000.00	\$8,625,000.00 Initial to Current Budget
17.	NEW VALUE (IF APPROVED): (Line 7)	\$48,085,896.31	
18.	REMAINING BUDGET: (16-17)	\$2,550,103.69	
19.	OTHER PENDING CHANGES (merited) (Line 11)	(\$94,735.60)	
20.	REMAINING BUDGET w/Changes (18-19)	\$2,644,839.29	

REVIEWED BY PROGRAM CONTROL:

DATE:

[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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ATTAC...)

PRINTED BY: LARRY KELSEY
DATA AS OF 12/24/97 10:59:55

rrrev 2.5w 10/07/97 dbp