



HONOLULU AUTHORITY for RAPID TRANSPORTATION

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EXECUTIVE DIRECTOR AND CEO

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COMMITTEE MEMBERS

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Donald G. Horner  
VICE CHAIR

George I. Atta  
Robert Bunda  
Michael D. Formby  
Ivan M. Lui-Kwan, Esq.  
Glenn M. Okimoto, Ph.D.  
Carrie K.S. Okinaga, Esq.

**Joint Meeting of  
Finance Committee and  
Project Oversight Committee**  
Mission Memorial Annex Conference Room  
550 South King Street, Honolulu, Hawaii  
Thursday, September 5, 2013, 8:30 am

**Agenda**

- I. Call to Order by Chair PROJECT OVERSIGHT COMMITTEE MEMBERS
- II. Public Testimony on all Agenda Items Damien T.K. Kim  
CHAIR
- III. Approval of the August 15, 2013 Minutes of the Joint Meeting of the Finance Committee and Project Oversight Committee William "Buzz" Hong  
VICE CHAIR
- IV. Change Order Approval Michael D. Formby  
Donald G. Horner  
Keslie W.K. Hui  
Ivan M. Lui-Kwan, Esq.  
Carrie K.S. Okinaga, Esq.
- A. Delay of Notice to Proceed 2, 3 & 4 – Commercial Metal Company Impacts: Rebar
- B. Insurance Coverage Requirements – Contractor Controlled Insurance Program
- C. Platform Screen Gate System
- V. Report on the Resumption of Construction
- VI. Executive Session  
Pursuant to Hawaii Revised Statutes Section 92-4 and Section 92-5(a)(4), the Board(s) may enter into Executive Session to consult with its attorneys on questions and issues on a matter pertaining to the Board's powers, duties, privileges, immunities and liabilities.
- VII. Adjournment

Note: Persons wishing to testify on items listed on the agenda are requested to register by completing a speaker registration form at the meeting or online on the HART section of the [www.honolulustransit.org](http://www.honolulustransit.org) website. Each speaker is limited to a **two-minute** presentation.

Persons who have not registered to speak in advance should raise their hands at the time designated for public testimony and they will be given an opportunity to speak following oral testimonies of the registered speakers.

Any physically challenged person requiring special assistance should call (808) 768-6258 for details at least three days prior to the meeting date.

**WOFH RFCR #00060 Delay of NTP 2,3 & 4 – CMC Impacts**  
**HART West Oahu/Farrington Hwy Guideway CONTRACT #CT-HRT-10H0137**  
**HART Contract Change Order Authorization**

**Scope:** The issuance of NTP 2, 3, & 4 has been delayed from the timeframes specified in the Agreement for Design-Build Services for this Contract. Design-Builder submitted detailed cost breakdowns that assessed the impacts of these NTP delays. The scope of this RFCR is exclusive to the impacts related to the Design-Builder's reinforcing steel procurement and fabrication. This RFCR includes all impacts associated with NTP 2, 3, & 4 CMC delay the DB incurred through August 24, 2012 including but not limited to:

- 4,940,000 pounds of reinforcing steel, material purchased and on island
- Escalation (Material and Labor)
- Management
- Directs
- Subcontractors
- Transportation of Materials
- Project Overhead
- Profit
- Bond

CMC is the reinforcing steel supplier for the West Oahu Farrington Highway Guideway.

**Justification:** The issuance of NTP 2, 3, & 4 has been delayed from the timeframes specified in the Agreement for Design-Build Services for this Contract. For reference, NTP delay impacts to the Design-Builder are also covered in other RFC documents as follows: the overhead and equipment item impacts are addressed in RFCR 00008; the design impacts are addressed in RFCR 00030; certain direct impacts are addressed in RFCR 00030; escalation impacts are addressed in RFCR 00034. Detailed information was reviewed and/or verified.

**Cost of Change:** \$2,850,000

**Original Scope and Budget:** Not anticipated by the contract.

**Funding Source:** 90.07 Contract Contingency "Known Changes". This will not impact the Program Contingency of \$644 Million.

**Encumbered Funds:** Per the "Contract Balance Report" (data date 8/28/2013), a total of \$197,150 is encumbered as contingency for this contract (cash appropriations + bond fund appropriations). The change amount would be invoiced over a 1 month period. A transfer of funds is required.

**Contingency Remaining:**

\$49,292,346 (original \$91,929,216 less Change Orders 1-36 plus budget transfers) This Contract Change Order will reduce the Contingency Remaining Value to \$46,442,346.

**Cost Goal**

\$2,800,000

**Schedule Impacts:**

none

**Impacts to Other Contracts:**

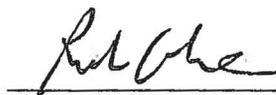
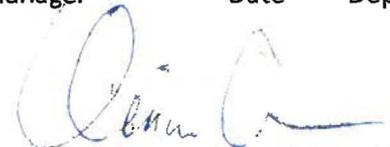
none

**Attachments:**

none

**Recommendation:**

HART to approve Contract Change Order

 Project Manager	<u>8-29-13</u> Date	 Deputy Director	<u>8/29/2013</u> Date	 Director of Engineering and Construction	<u>8-29-13</u> Date
 Chief Financial Officer	<u>8/28/13</u> Date	 Chief Executive Officer	<u>8/28/13</u> Date		

**RFCR# TBD/Issue 279 Insurance Coverage Requirements CCIP  
HART WOFH CONTRACT #10H0137  
HART Contract Change Order Authorization**

**Scope:**

This further extends insurance coverage provided in Change Orders 4 & 26. The Design-Builder agrees to provide insurance coverage in compliance with the requirements of SP-3.1 for the period September 1, 2013 to December 31, 2013 (4 months). The amount of \$1,600,000 is a provisional sum to reimburse the Contractor on a monthly basis for the time period set forth above. The reimbursed amount will include the Design-Builder's self performed work and all estimated subcontract work. Further, SP-3.1(b)(5), Professional Liability, as revised under RFCR 00041 is modified as follows:

Delete

"The Design Builder shall provide and ensure that Professional Liability Insurance covers the Design-Builder, any design professionals hired by the Design-Builder, and/or any subconsultants, and their respective employees and agents for liability arising out of errors, omissions, or negligence in the performance of professional services provided in connection with this project."

Replace With

"The Design-Builder shall provide, or cause to be provided, Professional Liability Insurance covering the Design-Builder, any design professional hired by the Design-Builder, and/or any subconsultants, and their respective employees and agents for liability arising out of errors, omission or negligence in the performance of professional services provided in connection with this project. This coverage may be provided by a combination of designer's professional liability and Contractor's Protective Professional Indemnity Insurance policies."

The agreement excludes insurance coverage for the following issues:

Issue 00001, RFCR 0001, CO 00017 – Waipahu School Site Improvements (Insurance included in CO 00017);

Issue 00163, RFCR 00043 – Contaminated Material Sta.663+18 (insurance included in current cost proposal);

Issue 00186 – Unknown Obstruction Conflict 4-693-E1 (insurance included in current cost proposal); and

Issue 00194 – Planned Construction Partial Suspension (insurance included in current cost proposal).

The insurance cost associated with these issues has been or will be agreed upon as part of the negotiated price adjustment for each issue.

Also excluded from this settlement are:

1. Insurance costs above and beyond those required by Contract as of January 1, 2013 and,
2. Insurance costs related to elements of Work currently under suspension should the suspension be lifted in its entirety prior to January, 2013. This agreement includes insurance costs for the partially suspended elements of Work anticipated by the Design-Builder and HART to be released prior to January 1, 2013.
3. Excludes Excess Liability coverage in excess of \$25 Million per occurrence/Aggregate.

**Justification:**

The Contract included OCIP coverage to be provided by HART. In absence of the OCIP, the Design-Builder was requested to provide the insurance as required in revised SP-3.1

for a period of four months beginning September 1, 2013 through December 31, 2013. It is anticipated that HART controlled OCIP will be in place prior to December 31, 2013. The provisional sum allows the contract to reimburse actual costs incurred to the Contractor and the remainder would be returned to the contingency.

**Cost of Change:** \$1,600,000

**Original Scope and Budget:** Not anticipated by the contract.

**Funding Source:** Budget Transfer – CCH200

**Encumbered Funds:** N/A

**Contingency Remaining:** \$49,292,346 (original \$91,929,216 less Change Orders 1-36 plus budget transfers) This Contract Change Order will not reduce the Contingency Remaining Value.

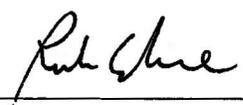
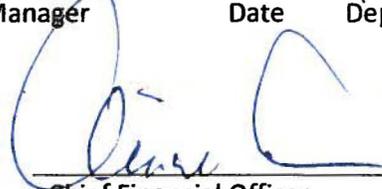
**Cost Goal** none

**Schedule Impacts:** none

**Impacts to Other Contracts:** none

**Attachments:** none

**Recommendation:** HART to approve Contract Change Order

 Project Manager	<u>8-29-13</u> Date	 Deputy Director	<u>8/28/2013</u> Date	 Director of Engineering and Construction	<u>8-29-13</u> Date
 Chief Financial Officer	<u>8/28/13</u> Date	 Chief Executive Officer	<u>8/28/13</u> Date		

**RFCR 00006 Platform Screen Gate System (PSGS)  
HART CSC DBOM CONTRACT CT-DTS-1100194  
HART Contract Change Order Authorization**

**Scope:** The Core Systems Contractor (CSC), Ansaldo Honolulu Joint Venture (AHJV) will add to its scope of work, the design, procurement, installation, testing and operation (O&M) of a Platform Screen Gate System (PSGS), including all appurtenances for the full length of each station platform edge. Additionally, the CSC will delete from its scope of work, the Platform Fall Detection System (PFDS).

**Justification:** PSGS is becoming a standard safety feature for modern automated rail transit. Safety is the principal benefit for passengers, as the installation of these systems preclude accidental train track and travelled way incursion, create an effective barrier to deliberate train track and travelled way incursion, and reduce the risk of accidents.

**Original Scope and Budget:** Not included in contract

**Cost of Change:** \$27,124,854

**Funding Source:** 90.02

**Encumbered Funds:** Yes

**Contingency Remaining:** \$45,577,360

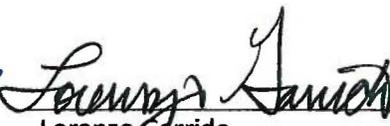
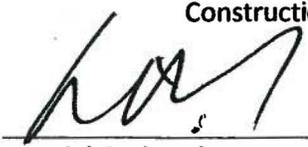
**Cost Goal :** \$25,822,640

**Schedule Impacts:** None

**Impacts to Other Contracts:** Interface with station contracts

**Attachments:** None

**Recommendation:** HART to approve to contract change order.

	8/29/2013		8/29/2013		8-30-13
Rainer Hombach Project Manager	Date	Rainer Hombach Deputy Director	Date	Lorenzo Garrido Director of Design and Construction	Date
	8/29/13		8/30/13		
Diane Arakaki Chief Financial Officer	Date	Daniel Grabauskas Chief Executive Officer	Date		

8/29/13