



June 16, 2016

TO: HART Board of Directors

THROUGH: Daniel A. Grabauskas
Executive Director and CEO

FROM: Chris Takashige
Officer-in-Charge

Kai Nani Kraut
Deputy Director Construction West

SUBJECT: Establishment of a Provisional Sum to Dispose of Contaminated Material
West Oahu Farrington Highway Guideway, Contract No. CT-HRT-10H0137

Overview

Approve bilateral contract change order in the amount of \$1,875,000 for payment on a **force account basis** for the disposal of contaminated material along the WOFH alignment.

Justification

The Design-Builder, Kiewit Infrastructure West Co. (“KIWC”) has submitted a Claim arising from the detection of petroleum hydrocarbon contaminants in the soil material excavated from the median restoration areas along Farrington Highway. Environmental laboratory test results on the soil material confirmed petroleum hydrocarbon levels in excess of limits set forth by applicable law permitting “unrestricted re-use” and will require additional hauling/trucking activities to the PVT Landfill as well as applicable disposal fees. Approximately 15,000 CY (1,500 truckloads) of contaminated soil material will be disposed of at an estimated cost of \$125/CY or \$1,875,000.

The added expense of hauling/trucking material to the landfill will be reduced by the base Contract Work cost of hauling/trucking anticipated “clean” material to a construction site in Kapolei, HI accepting fill material. KIWC to submit Daily Force Account Reports with invoices/tickets from the landfill which record the “actual” weight of material and published disposal fee for each truckload. The actual volume of material is an estimate only, and due to the inability to quantify the exact volume of soil to be disposed, paying for the work on a Force Account basis would ensure HART is paying a fair and equitable price.

WOFH RFP Addendum No. 20 states that the payment for removal of contaminated material will be by Change Order. Accordingly, this Contract Change Order (CCO) establishes a Provisional Sum in the amount of \$1,875,000 to pay for additional hauling/trucking costs and PVT landfill disposal fees in accordance with the requirements of GCDB Section 6.10 Force Account. If the Provisional Sum amount is not fully expended, the remaining balance will revert back to HART.



Recommendation

HART Board of Directors to approve bilateral contract change order for provisional sum of \$1,875,000 to increase funding for construction costs resulting from additional hauling/trucking costs and PVT landfill disposal fees due to the discovery of contaminated material along the WOFH alignment.

Fiscal Impact

This change order would increase the program budget by \$1,875,000.