



HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

FINANCE
COMMITTEE MEMBERS

Keslie W.K. Hui
CHAIR

Donald G. Horner
VICE CHAIR

George I. Atta
Robert Bunda
Michael D. Formby
Ford N. Fuchigami
Ivan M. Lui-Kwan, Esq.
Carrie K.S. Okinaga, Esq.

**Joint Meeting of
Finance Committee and
Project Oversight Committee
Ali'i Place, Suite 150
1099 Alakea Street, Honolulu, Hawaii
(meeting room entrance on Richards Street)
Thursday, July 17, 2014, 9:00 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 May 15, 2014 Minutes of the Joint Meeting of the Finance Committee and Project Oversight Committee

William "Buzz" Hong
VICE CHAIR

IV. Change Order Review

Michael D. Formby
Donald G. Horner
Ivan M. Lui-Kwan, Esq.
Carrie K.S. Okinaga, Esq.

A. West Oahu/Farrington Highway Standard Specification Revision 2.0

B. Right of Way Consultant Contract Amendment

V. 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.

VI. 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 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.



HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

FINANCE
COMMITTEE MEMBERS

Keslie W.K. Hui
CHAIR

Donald G. Horner
VICE CHAIR

George I. Atta
Robert Bunda
Michael D. Formby
Ford N. Fuchigami
Ivan M. Lui-Kwan, Esq.
Carrie K.S. Okinaga, Esq.

July 17, 2014

TO: HART Board of Directors
Finance and Project Oversight Committees

THROUGH: Daniel A. Grabauskas 
Executive Director and CEO

FROM: Lorenzo Garrido 
Officer-in-Charge

Karley Halsted 
Project Manager

PROJECT OVERSIGHT
COMMITTEE MEMBERS

Damien T.K. Kim
CHAIR

William "Buzz" Hong
VICE CHAIR

Michael D. Formby
Donald G. Horner
Ivan M. Lui-Kwan, Esq.
Carrie K.S. Okinaga, Esq.

SUBJECT: West Oahu/Farrington Highway (WOFH)
Contract No.: CT-HRT-10H0137
Change Order for Standard Specification Revision

Overview

The WOFH Design-Build contract included Standard Specifications prepared by HART that were intended to be used as a basis for design and construction. After the WOFH contract was awarded, HART determined that the Standard Specifications for Drilled Concrete Shaft Foundations needed to be revised to ensure a higher level of confidence with the quality of the shafts. As a result, HART directed the WOFH Design-Builder to incorporate the revised Standard Specifications into the contract. The revisions to the Standard Specification reflected in this Change Order were incorporated into the Program Specifications.

HART issued a revision (Revision 2.0) to Standard Specification 31 63 30 Drilled Concrete Shaft Foundations to the Design-Builder directing modifications to Standard Specification 31 63 30 that was issued in the Request for Proposals (Original Contract). The modified scope consists of the following items:



FINANCE
COMMITTEE MEMBERS

Keslie W.K. Hui
CHAIR

Donald G. Horner
VICE CHAIR

George I. Atta
Robert Bunda
Michael D. Formby
Ford N. Fuchigami
Ivan M. Lui-Kwan, Esq.
Carrie K.S. Okinaga, Esq.

PROJECT OVERSIGHT
COMMITTEE MEMBERS

Damien T.K. Kim
CHAIR

William "Buzz" Hong
VICE CHAIR

Michael D. Formby
Donald G. Horner
Ivan M. Lui-Kwan, Esq.
Carrie K.S. Okinaga, Esq.

1. Clarification of the measurement and payment for HART directed verification concrete coring. Generally, this clarification identifies the cost of coring for verification to be the responsibility of the Design-Builder unless directed by HART;
2. Clarification on the close out documentation requirements for the visual assessment of the bottom of shaft clean out. Generally, this clarification captures the videographic requirement for wet and dry shafts, previously dry was not captured;
3. Addition of non-destructive testing requirement for all non-redundant drilled shafts. Generally, this additional requirement requires the Design-Builder to perform testing on all shafts, previously it was isolated to wet shafts;
4. Modification to the abandonment depth of all test and method shafts from two (2) feet to five (5) feet;
5. Modification for an additional strain gauge level at Test Site 7. Generally, this addition adds a third strain gauge at Test Site 7;
6. Modification to the shaft bottom cleaning requirements. Generally, this modification requires the Design-Builder to clean all shaft bottoms; and
7. Modification to the as-built non-destructive testing of shafts to delete the requirement for the surveyed location of each tube.

The impacts to incorporate the above requirements by the Design-Builder include the cost for additional materials, equipment and labor. There is no impact to the schedule.

HART and the Design-Builder reached a bilateral agreement on this Change Order.



HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

Recommendation

HART Board to approve this Change Order in the amount of \$2,650,000.

FINANCE COMMITTEE MEMBERS

Keslie W.K. Hui
CHAIR

Donald G. Horner
VICE CHAIR

George I. Atta
Robert Bunda
Michael D. Formby
Ford N. Fuchigami
Ivan M. Lui-Kwan, Esq.
Carrie K.S. Okinaga, Esq.

Justification

This HART initiated Request for Change is to compensate the Design-Builder for impacts associated with revisions to the Contract Standard Specification Section 31 63 30 Drilled Concrete Shaft Foundations. HART determined that the specification revisions were needed in order to align this Contract to the overall Honolulu Rail Transit Project engineering objectives.

PROJECT OVERSIGHT COMMITTEE MEMBERS

Damien T.K. Kim
CHAIR

William "Buzz" Hong
VICE CHAIR

Michael D. Formby
Donald G. Horner
Ivan M. Lui-Kwan, Esq.
Carrie K.S. Okinaga, Esq.

Fiscal Impact

The cost was not part of the awarded West Oahu/Farrington Highway Design-Build contract. Funds for this Change Order are covered in the contract's contingency.



HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

July 17, 2014

FINANCE
COMMITTEE MEMBERS

Keslie W.K. Hui
CHAIR

Donald G. Horner
VICE CHAIR

George I. Atta
Robert Bunda
Michael D. Formby
Ford N. Fuchigami
Ivan M. Lui-Kwan, Esq.
Carrie K.S. Okinaga, Esq.

TO: HART Board of Directors
Finance and Project Oversight Committees

THROUGH: Daniel A. Grabauskas
Executive Director and CEO

FROM: Elizabeth Scanlon, Director
Planning and Right-of-Way

Morris Atta
Deputy Director of Right-of-Way

PROJECT OVERSIGHT
COMMITTEE MEMBERS

Damien T.K. Kim
CHAIR

William "Buzz" Hong
VICE CHAIR

Michael D. Formby
Donald G. Horner
Ivan M. Lui-Kwan, Esq.
Carrie K.S. Okinaga, Esq.

SUBJECT: Real Estate Professional Services
Paragon Partners Ltd.
Contract No. SC-HRT-1200062
Contract Amendment for Increased Level of Effort Right-of-Way

Overview

With a few exceptions, HART was prohibited by a partial injunction entered by the United States District Court from pursuing any real estate acquisition and relocation activities from December 27, 2012, until February 18, 2014, for the City Center Section of the Honolulu Rail Transit Project. The delay caused by the injunction disrupted HART's ability, based on existing staffing, resources, and budgeted levels of effort, to deliver all of the acquisitions needed to support the Master Program Schedule for procurement, utility relocation, and construction of the City Center Section.

HART believes securing site access of the acquisitions needed for the City Center Section by December 2014 is in the best interest of the Project to most effectively mitigate this delay. The current Master Program Schedule provides Notice to Proceed to the Airport/City Center Guideway Construction Contractor on or about December 15, 2014. Therefore, HART must enable the contractor unimpeded access to required right-of-way at that time. This is now critical path effort aimed toward avoidance of incurring possible delay and other damages.

The City Center acquisitions were originally scheduled to be acquired over a period of about 18 months. HART is now required to obtain site access in approximately five months. There are currently 159 properties (12 full and 147 partial acquisitions), as well as 136 temporary construction and utility easements needed. It should be noted that follow-up for completion of title acquisition and relocation of occupants may be required through the first half of 2015.

A significant increase in the level of effort by HART's Real Estate Professional Services Consultant (Paragon Partners Ltd.) ("Consultant") is required to ensure delivery of all of the real estate needs in this very short timeframe. The Consultant will support HART staff in this endeavor, which will eliminate or mitigate any further delays, as well as properly carry out its obligations and responsibilities under the Uniform Relocation and Real Estate Acquisition Policy Act of 1970, as amended.

Recommendation

HART Board approval of an amendment to the Paragon contract in an amount not to exceed \$3,327,664.81.

Justification

The scope of work (tasks) under the contract remains the same. The requested amendment is for an increase in level of effort only. The acceleration of ROW activities results in an increase in the Consultant's level of effort and cost. The increase is driven primarily by two factors:

1. Fast tracking of property acquisition negotiations requires additional staff to effectively conduct the negotiations for all 159 acquisitions simultaneously.
2. Work that would have been performed jointly by HART staff and the Consultant will now be performed separately to manage the sheer number of simultaneous negotiations.

The proposed contract amendment funds costs for increased level of effort, which is comprised of the following components:

1. Consultant's three (3) existing staff assigned to the project full time
2. Four (4) additional full time acquisition agents (to be recruited locally)
3. Five (5) additional full time relocation agents
4. Overtime allowance (as needed and to be approved by HART)
5. Other direct costs associated with bringing on the additional staff

The primary duration of the increased level of effort is from August 1, 2014, to January 31, 2015. There will be Consultant support needed to finish title acquisition and the concurrent efforts for relocations from January 2015 through June 2015.

HART negotiated the cost of \$3,327,664.81. The requested additional funds are not a fixed price/lump sum amount but rather a not-to-exceed amount based on estimated needs at this point in time. HART will only pay for the actual time worked. Further, HART will use aggressive contract management to ensure effective use of Consultant time to ensure that costs are held to the minimum level to complete the services required. HART and the Consultant also agreed to revisit

HART Board of Directors
Page 3
July 17, 2014

this in November 2014 to assess the remaining level of effort needed at that time, and if deemed necessary, recalibrate the effort and commensurate budget.

Fiscal Impact

The cost was not part of the awarded Real Estate Professional Services Consultant contract. This contract amendment will be funded from the Real Estate/Right of Way Budget.

Summary of 7-3-14 Negotiations
HART PROPOSAL

Category	Cost (\$)
INITIAL LABOR	
Acquisition Agent	\$ 142,584.96
QA/QC Compliance	\$ 345,906.96
Project Manager	\$ 345,906.96
Extra Hours due to project acceleration	\$ 96,245.86
ADDITIONAL LABOR	
Acquisition Agents (up to 4)	\$ 427,754.88
Relocation Agents (up to 5)	\$ 750,508.08
Data Entry/Clerical	\$ 138,356.40
Extra Hours due to project acceleration	\$ 218,157.07
PROPERTY MANAGEMENT	
Property Manager	\$ 165,000.00
Incidentals Expenses (ie. maintenance)	\$ 55,000.00
SUBTOTAL OF LABOR & SUBS	
	\$ 2,685,421.17
TAX @4.712%	
	\$ 126,537.05
TOTAL LABOR & SUBS	
	\$ 2,811,958.21
Expenses for INITIAL LABOR	
Apartment Lease	\$ 33,000.00
Meals Project Manager	\$ 17,050.00
Meals QA/QC Compliance	\$ 17,050.00
Car Lease (PM & QA/QC)	\$ 11,000.00
Fuel	\$ 1,650.00
Travel (to and from mainland)	\$ 26,000.00
Expenses for ADDITIONAL Labor Force	
Apartment Leases (up to 5)	\$ 97,500.00
Apartment Utilities	\$ 9,750.00
Meals- up to 6 agents - 7 days/wk	\$ 60,450.00
Car Lease - Relocation Agents	\$ 39,000.00
Fuel - Relocation Agents	\$ 5,850.00
Mileage - Acquisition Agents	\$ 4,200.00
Travel (to and from mainland)	\$ 49,000.00
OFFICE COST	
Office Rent	\$ 82,500.00
Utilities	\$ 11,000.00
Supplies	\$ 27,500.00
SUBTOTAL OF ODC's	
	\$ 492,500.00
TAX @4.712%	
	\$ 23,206.60
TOTAL ODC's	
	\$ 515,706.60
GRAND TOTAL	
	\$ 3,327,664.81