

# Office Of Inspector General Construction Change Order Spot Check Report

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# Construction Spot Check Program

File #  
2019-0007

## OIG Program Description

The OIG Spot Check program focuses on approved change orders that exceed \$1 million. The program includes:

- Review sampling of Change Orders from PMIS
- Review of Program Management's Project Status Report
- Interview Project Managers, Program Controllers, and Procurement Officers
- Review project budget, specifications, any related documentation

## OIG Spot Checks focus on:

- Scope of Work
- Budget
- Schedule Comparison
- Making Recommendations

## Summary of Spot Checks

Six OIG spot checks of change orders show:

- A negotiated amount that was reasonable for the work to be done,
- Allowing the Contractor to immediately order parts and materials,
- Consultant had no overlap in schedule and was able to continue working, and
- Zero Construction delay costs.

April 2019

Construction Committee

Los Angeles County Metropolitan Transportation Authority



# Construction Spot Check Costs

## Summary of Selected Change Order Costs

Six OIG spot checks of Change Orders / Modifications reported

### **2 change order for Crenshaw/LAX**

- ❖ Provisional Payments – Pending Dispute Resolution Fire Rated Cables = \$15,000,000
- ❖ Construction Management Support Service – Additional Funding = \$17,950,000

### **3 change orders for Purple Line Section 1**

- ❖ Gas Investigation and Report = \$ 787,978
- ❖ Additional Gas Testing and Assessment = \$1,697,789
- ❖ Instrumentation to Measure Settlement / Requested by City of LA = \$2,819,620

### **1 change order for Purple Line Section 2**

- ❖ Continuation of Engineering Support Services During Construction = \$11,996,369

# Construction Spot Check Schedule Comparison

Schedule Comparison: new delegated process vs. former Board approval process

PROJECT	Title of Change Order	Time Saved Executed date to Board Mtg.	NEW Delegated Process final SOW to Executed date	Former Board Approval Process
CRENSHAW/LAX	Provisional Payments – Pending Dispute Resolution Fire Rated Cable	0	0	0
CRENSHAW/LAX	CWO 16 Construction Management Support Service – Add'l. Funding	0	0	0
WESTSIDE PURPLE LINE SECT 1	Golder Gas Investigation and Report	58	12	70
WESTSIDE PURPLE LINE SECT 1	Reach 3 Additional Gas Testing and Assessment	39	15	54
WESTSIDE PURPLE LINE SECT 1	Add'l. Instrumentation (Project Wide) as Requested by LABOE	19	33	52
WESTSIDE PURPLE LINE SECT 2	Continuation Engineering Support Services During Construction	15	24	39