



Legislation Text

File #: 2022-337, Version: 1

Proposed Change Order No. 3

Contract No. 1903312

14 Mile Transmission Loop Project - Phase I

CIP #122013 / BCE Score: 58.4

Agenda of: August 24, 2022

Item No.: **2022-337**

| | | |
|---------|-----------------------------|----------------|
| Amount: | Original Contract | \$5,978,000.00 |
| | Change Order No. 1 | 0.00 |
| | Change Order No. 2 | 191,652.44 |
| | Proposed Change Order No. 3 | 397,160.14 |
| | Total Revised Contract | \$6,566,812.58 |

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Suzanne R. Coffey, P.E.
Chief Executive Officer
Great Lakes Water Authority

DATE: July 29, 2022

RE: Proposed Change Order No. 3
Contract No. 1903312
14 Mile Transmission Loop Project - Phase I
Vendor: Major Cement Company

MOTION

Upon recommendation of Cheryl Porter, Chief Operating Officer - Water and Field Services, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. 1903312 Proposed Change Order No. 3 "14 Mile Transmission Loop Project - Phase I" with Major Cement Company, at an increased cost of \$397,160.14 for a total cost not to exceed \$6,566,812.58 and an increased duration of 122 days for a total duration of 857 days;** and authorizes the CEO to take such other action as may be

necessary to accomplish the intent of this vote.

BACKGROUND

Contract No. 1903312 "14 Mile Transmission Loop Project - Phase I" involves installation of approximately one mile of 24-inch diameter transmission main along 14 Mile Road between M-5 and Decker Road, associated gate valves, blow-offs and air valves, additional tie-ins to water master meters WA-01, NV-04, and CM-01, and replacement of existing valve NV-04. To date, all of the new 24-inch water transmission main has been installed and placed in service. All connections to the different water master meters have been made except for NV-04. This contract was awarded to Major Cement Company on May 27, 2020, with a start work date of August 10, 2020. The substantial and final completion dates are currently April 15, 2022, and August 15, 2022, respectively.

The 14 Mile Transmission Main that currently serves West Bloomfield Township, Farmington Hills, Commerce Township, Novi, Walled Lake, and Wixom is a single feed transmission system. If a disruption to service were to occur on this transmission main, many of the users along this main would experience a complete loss of pressure and flow. This project would provide a transmission main loop to this area to provide redundancy to our system. Completion of the 14 Mile Road Transmission Loop will eliminate a single feed to over 250,000 people. The construction work for the 14 Mile Transmission Loop Project is being executed in two phases.

Change Order No. 1 was a time-only change order that extended the contract completion dates due to not being able to achieve isolation to make the connection to the existing transmission main. Change Order No. 2 included costs for additional work related to the relocation of a water main due to differing site conditions.

This Proposed Change Order No. 3 includes an increase in funds and an extension of time to complete the remaining NV-04 connection, extended general conditions, road replacement, owner requested changes and differing site conditions.

JUSTIFICATION

The additional time and work associated with Proposed Change Order No. 3 is due to the 14 Mile Road transmission main break which occurred in October 2021. During this emergency, the contractor's work was directly impacted as GLWA was unable to provide any system shutdowns to complete the connections described above. The contractor was provided system shutdowns in late March 2022 and was able to complete 4 out of the 5 connections. The remaining NV-04 connection became available to the contractor too far into the high demand season which consequently pushed the work to the 2022 Low Demand Season.

PROJECT MANAGEMENT STATUS

| | |
|-----------------------------|------------------------------------|
| Original Contract Time | 424 days (08/10/2020 - 10/08/2021) |
| Change Order No. 1 | 311 days (10/09/2021 - 08/15/2022) |
| Change Order No. 2 | 0 days (10/09/2021 - 08/15/2022) |
| Proposed Change Order No. 3 | 122 days (08/16/2022 - 12/15/2022) |
| Total Contract Time | 857 days (08/10/2020 - 12/15/2022) |

PROJECT ESTIMATE

| | |
|-----------------------------|----------------|
| Original Contract Price | \$5,978,000.00 |
| Change Order No. 1 | 0.00 |
| Change Order No. 2 | 191,652.44 |
| Proposed Change Order No. 3 | 397,160.14 |
| New Contract Total | \$6,566,812.58 |

FINANCIAL PLAN IMPACT

Summary: Sufficient funds are provided in the financial plan for this project.

Funding Source: Water Construction Fund

Cost Center: Water Field Engineering

Expense Type: Construction (5519-882411.000-616900-122013)

Estimated Cost by Year and Related Estimating Variance: See table below.

| | |
|---------------------------------|---------------------|
| Original Contract Price | \$ 5,978,000.00 |
| Change Order No. 1 | 0.00 |
| Change Order No. 2 | 191,652.44 |
| Proposed Change Order No. 3 | <u>397,160.14</u> |
| New Contract Total | 6,566,812.58 |
| Amended Financial Plan Estimate | <u>6,186,000.00</u> |
| Estimating Variance | (\$380,812.58) |

A budget amendment will be prepared to fund the negative estimating variance from capital reserves associated with this Proposed Change Order No. 3.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on August 10, 2022. The Operations and Resources Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.