



Legislation Text

File #: 2022-601, Version: 1

Proposed Change Order No. 1

Contract No. 1902224

Design Build Contract for the CSO Structural Improvements

CIP #260614

Agenda of: January 25, 2023

Item No.: **2022-601**

Amount:	Original Contract Amount:	\$12,055,334.00
	Proposed Change Order No.1:	1,900,000.00
	Revised Contract Amount:	\$13,955,334.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: January 4, 2023

RE: **Proposed Change Order No.1**
Contract No.: 1902224
Design Build Contract for the CSO Structural Improvements
Vendor: Pullman SST, Inc
Designer: Wade Trim

MOTION

Upon recommendation of Navid Mehram, Chief Operating Officer - Wastewater Operating Services, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. 1902224, Proposed Change Order No. 1, "Design Build Contract for the CSO Structural Improvements " with Pullman SST, Inc, for an increased cost of \$1,900,000.00 for a total cost not to exceed \$13,955,344.00 and no increase in duration for a total duration of 48 months;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

On August 26, 2020, GLWA Board of Directors awarded Contract 1902224, "Design Build Contract for CSO Structural Improvements" to identify and implement all structural repairs required at nine (9) Combined Sewer Overflow (CSO) Facilities. The repairs are being performed on a competitively bid unit price basis. The first phase of the project required the design build engineer, Wade Trim, to perform a full structural assessment, identify all structural defects at all nine (9) facilities and assign a risk score associated with each repair to be completed. The first phase of the project was completed, and risk scores were used to prioritize the repairs across all nine (9) CSO facilities with alignment with the available budget in the contract.

Based on the current rate of progress, the project is trending towards achieving substantial completion nearly a full year early. In the initial prioritization scoring and projected available budget allowed for the contractor to complete all higher priority repairs, thereby significantly improving the long-term structural reliability of these facilities. Upon further analysis, it was determined that with an increase in the provisional allowance of \$1,900,000, the contractor would be able to complete all identified structural repairs at the following eight (8) CSO facilities: Hubbell-Southfield, Seven Mile, Puritan-Fenkell, St. Aubin, Leib, Baby Creek, Conner Creek, and Oakwood. With one exception at the Hubbell Southfield CSO facility is that high priority repair beyond 10 years on the basin floor will be addressed through a pending CIP project 2103225 (Engineering Services for Hubbell Southfield CSO Facility Improvements), which is currently in the bidding phase. The project team currently anticipates that additional repairs at six (6) of these CSO facilities will be completed by June 30, 2023, and additional repairs at the remaining two (2) CSO facilities will be completed by September 30, 2023, which will be nearly 10 months ahead of the contract substantial completion date.

JUSTIFICATION

The project team determined that by increasing the contract provisional allowance by \$1,900,000, the contractor would be able to complete all structural repairs identified at the eight (8) CSO facilities referenced above. Additionally, design, construction overhead, and oversight costs for this work have already been committed for this project. Therefore, performing additional repairs through this change order is the most cost-effective approach for GLWA to improve and extend the life of these facilities.

The existing contract pricing will be utilized for completing the work under this change order. The contractor will be paid based on actual quantities identified, repaired, and witnessed by the engineer. All unused funds will remain with GLWA and reconciled in a final close out change order.

PROJECT MANAGEMENT STATUS

Original Contract Time

48 months (01/04/21-01/03/25)

Proposed Change Order No. 1	0 days
New Contract Time	48 months (01/04/21-01/03/25)

PROJECT ESTIMATE

Original Contract Price	\$12,055,334.00
Proposed Change Order No. 1	1,900,000.00
New Contract Total	\$13,955,334.00

FINANCIAL PLAN IMPACT

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

Funding Source: Sewer Construction Fund

Cost Center: Wastewater

Expense Type: Design (5421-892211.000-616900-260614)

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

Original Contract Price	\$12,055,334.00
Proposed Amendment No. 1	1,900,000.00
New Contract Total	\$13,955,334.00
Amended Financial Plan Estimate	<u>\$12,492,000.00</u>
Estimating Variance:	(\$1,463,344.00)

The award of this change order to the vendor creates a negative estimating variance of \$1,463,344.00. This variance will be funded from capital reserves. Please note that the amounts above as per the Draft#1 FY2024-2028 CIP has \$12,492,000.00 budgeted for contract 1902224.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on January 11, 2023. 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.