



Legislation Text

File #: 2024-203, Version: 1

Proposed Change Order No. 2
Contract No. 2102824
Rehabilitation of the Northwest Interceptor - 8 Mile Road to Tireman
CIP #260205/BCE Score: 60.3

| | | |
|------------|-----------------------------|----------------|
| Agenda of: | May 22, 2024 | |
| Item No.: | 2024-203 | |
| Amount: | Original Contract Price | \$6,934,703.00 |
| | Change Order No. 1 | 0.00 |
| | Proposed Change Order No. 2 | 938,152.35 |
| | New Contract Total | \$7,872,855.35 |

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: May 15, 2024

RE: **Proposed Change Order No. 2**
Contract No. 2102824
Rehabilitation of the Northwest Interceptor - 8 Mile Road to Tireman
Vendor: LGC Global, Inc.

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. 2102824, Proposed Change Order No. 2, "Rehabilitation of Northwest Interceptor - 8 Mile Road to Tireman" with LGC Global, Inc., at an increased cost of \$938,152.35 for a total cost not to exceed \$7,782,855.35 and an increased duration of 121 days for a total duration of 823 days;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

GLWA Contract No. 2102824 (Rehabilitation of the Northwest Interceptor (NWI) from 8 Mile to Tireman) is currently nearing the contract-established substantial and final completion dates of May 31, 2024, and June 1, 2024, respectively. Additional work beyond the contract established quantities/unit price items is necessary to properly complete the project.

As the work has progressed this year toward the key completion dates, the grout needed to address significant infiltration deficiencies in the NWI will exceed the planned quantities. Consequently, it could take up to 1,000 additional gallons of grout to complete the work. Furthermore, the amount of debris found in the pipe within the project limits is anticipated to exceed the overall contract quantity by 600 tons (2,500 tons in the contract). Lastly, it is estimated that up to 1,127 new manhole steps in all NWI manholes are needed to ensure safe manhole access. The manhole steps will be set up as a unit price (not to exceed) item.

JUSTIFICATION

The work discussed in the background is required to render this project complete, and to avoid having to return to the interceptor in the near future for repairs (grouting, steps) and subsequent debris removal to facilitate that work. Performing the work now is most economical because the contractor is already on site, has already removed significant debris that would need to be removed again, and already performing the work with traffic maintenance, machines and manpower. Delaying the work will result in the need to revisit the project limits again in 18 - 36 months to address high-priority grouting, which will require remobilization and additional debris removal and steps replacement.

To properly complete this work, it is estimated that an additional time of 91 days for final completion (from the current final completion date), plus an additional 30 days of contract time.

PROJECT MANAGEMENT STATUS

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|-----------------------------|------------------------------------|
| Original Contract Time | 631 days (07/01/2022 - 03/22/2024) |
| Change Order No. 1 | 71 days (03/23/2024 - 06/01/2024) |
| Proposed Change Order No. 2 | 121 days (06/02/2024 - 09/30/2024) |
| New Contract Time | 823 days (07/01/2022 - 09/30/2024) |

PROJECT ESTIMATE

| | |
|-----------------------------|----------------|
| Original Contract Price | \$6,934,703.00 |
| Change Order No. 1 | 0.00 |
| Proposed Change Order No. 2 | 938,152.35 |
| New Contract Total | \$7,872,855.35 |

FINANCIAL PLAN IMPACT

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

Funding Source: Wastewater Construction Fund

Cost Center: Wastewater Field Engineering

Expense Type: Construction (5421-892411.000-616900-260205)

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

| | |
|---------------------------------|---------------------|
| Original Contract Price | \$ 6,934,703.00 |
| Change Order No. 1 | 0.00 |
| Proposed Change Order No. 2 | <u>938,152.35</u> |
| New Contract Total | 7,872,855.35 |
| Amended Financial Plan Estimate | <u>6,935,000.00</u> |
| Estimating Variance | (\$ 937,855.35) |

The award of this change order to the vendor creates a negative estimating variance of \$937,855.35. This variance will be funded from capital reserves.

COMMITTEE REVIEW

This item is being presented directly to the GLWA Board of Directors.

SHARED SERVICES IMPACT

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