



Legislation Text

File #: 2024-089, Version: 1

Proposed Change Order No. 2
Contract No. 2004082
Rehabilitation of Woodward Sewer System
CIP #260207/BCE Score: 76.8

Agenda of: March 21, 2024

Item No.: **2024-089**

Amount:	Original Contract Price	\$18,696,250.00
	Change Order No. 1	0.00
	Proposed Change Order No. 2	0.00
	New Contract Total	\$18,696,250.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: February 28, 2024

RE: **Proposed Change Order No. 2**
Contract No. 2004082
Rehabilitation of Woodward Sewer System
Vendor: Lanzo Construction Co.

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. 2004082, Proposed Change Order No. 2, "Rehabilitation of Woodward Sewer System" with Lanzo Construction Co., with no increase in cost at a total cost not to exceed \$18,695,250.00 and an increased duration of 153 days for a total contract duration of 970 days**; and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The Woodward Sewer System (WWSS) is a major combined sewer system aligned with Woodward Avenue starting at McNichols Road and conveys sewage through the cities of Highland Park and Detroit to the Detroit River Interceptor (DRI). In addition, one leg of the WWSS extends sewer service to the east along Chandler and Clay Street and turns

north into the City of Hamtramck. This leg of the sewer, referred to as the WS-300 segment, consists of circular and egg-shaped brick sewers that are being rehabilitated by sliplining and cured in place pipe (CIPP).

Change Order No. 1 extended the contract time for sliplining of the WS-300 sewer for extended material procurement time due to the pandemic and additional time for evaluation of potential substitutions.

JUSTIFICATION

The contractor submitted a total time extension request of 202 days. However, upon the GLWA's review, only a 42-day extension was granted to the key milestones of substantial and final completion dates. The GLWA is requesting additional contract time extended to June 1, 2024, with liquidated damages until such time that time extensions can be received, evaluated, and potentially approved to extend the substantial and final completion dates without liquidated damages. There is no change in contract value associated with this change order.

PROJECT MANAGEMENT STATUS

Original Contract Time	547 days (10/06/2021 - 04/05/2023)
Change Order No. 1	270 days (04/06/2023 - 12/31/2023)
Proposed Change Order No. 2	153 days (01/01/2024 - 06/01/2024)
New Contract Time	970 days (10/06/2021 - 06/01/2024)

PROJECT ESTIMATE

Original Contract Price	\$18,696,250.00
Change Order No. 1	0.00
Proposed Change Order No. 2	0.00
New Contract Total	\$18,696,250.00

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 (5421-892411.000-616900-260207)

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

Original Contract Price	\$18,696,250.00
Change Order No. 1	0.00
Proposed Change Order No. 2	<u>0.00</u>

New Contract Total	18,696,250.00
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Amended Financial Plan Estimate	<u>18,695,000.00</u>
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Estimating Variance	(\$ 1,250.00)
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This proposed change order is for an extension of time only and there is no substantive financial impact.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on March 13, 2024. 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.