



## Legislation Text

File #: 2023-462, Version: 1

### Proposed Change Order No. 2

**Contract No. 2004456**

**14 Mile Road Transmission Main Loop Phase II**

**CIP #122013 / BCE Score: 58.4**

Agenda of: December 13, 2023

Item No.: **2023-462**

Amount:	Original Contract Price:	\$92,468,705.00
	Amendment No. 1	(Verbiage Change Only)
	Change Order No. 1	(Verbiage Change Only)
	Amendment No. 2	(Verbiage Change Only)
	Proposed Change Order No. 2	662,078.99
	New Contract Total:	\$93,130,783.99

**TO:** The Honorable  
Board of Directors  
Great Lakes Water Authority

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

**DATE:** December 1, 2023

**RE: Proposed Change Order No. 2**  
**Contract No. 2004456**  
**14 Mile Road Transmission Main Loop Phase II**  
**Vendor: Joint Venture of Ric-Man Construction, Inc. and Clark Construction Group, LLC.**

### 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. 2004456, Proposed Change Order No. 2, "14 Mile Road Transmission Main Loop Phase II" with Ric-Man/Clark Joint Venture, at an increased cost of \$662,078.99 for a total cost not to exceed \$93,130,783.99 and an increased**

**duration of 202 days for a total duration of 1,047 days;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

**BACKGROUND**

Contract No. 2004456 is a construction contract for the 14 Mile Road Transmission Main Loop Phase II. The existing 14 Mile transmission main is a single main that supplies drinking water to the communities of Commerce Township, Farmington Hills, Novi, Walled Lake, West Bloomfield Township, and Wixom. If a disruption to service occurs on the 14 Mile transmission main (e.g., air valve, blow-off valve, water main break), then these communities will experience substantial loss in water pressure or complete loss of supply depending on the severity of the disruption. Therefore, the purpose of this project is to construct a new transmission main and isolation valves in a looped configuration to eliminate this single feed condition that currently exists in this area of GLWA's water system. Construction of the 14 Mile Road Water Transmission System Loop is being done in two phases. Phase I is complete and involved constructing approximately 1 mile of 24-inch diameter transmission main, associated gate valves, blow-offs and air valves and additional tie-ins to master meters WA-01, NV-04 and CM-01. Phase II is currently in construction and involves constructing approximately 7.5 miles of 54-inch diameter pipe, isolation valves, and appurtenances from our Haggerty Booster Station on 14 Mile to 8 Mile.

Amendment Nos. 1 and 2 and Change Order No. 1 were required to amend the scope of work and contract language only. Proposed Change Order No. 2 requires additional funds in the amount of \$662,078.99 for added general conditions, 209 calendar days to Substantial Completion and 202 calendar days to Final Completion. Phase II is a complex construction project that requires coordination with multiple member partners and stakeholders along the route. This includes constraints on when GLWA's contractor can be working in areas of the project. The additional funds and time will allow the project to complete the remaining paving and restoration to close the project out.

**JUSTIFICATION**

The 14 Mile Transmission Main Loop Project constitutes a major capital investment towards providing redundancy to the 14 Mile Transmission System to avoid future catastrophic loss of service to the communities served by this transmission system. The additional funds for general conditions and time are required to be able to complete the remaining of the Phase II construction contract.

**PROJECT MANAGEMENT STATUS**

Original Contract Time	845 days	(10/18/2021 - 02/10/2024)
Amendment No. 1		(Verbiage Change Only)
Change Order No. 1		(Verbiage Change Only)
Amendment No. 2		(Verbiage Change Only)
Proposed Change Order No. 2	202 days	(02/11/2024 - 08/30/2024)

New Contract Time 1,047 days (10/18/2021 - 08/30/2024)

**PROJECT ESTIMATE**

Original Contract Price	\$92,468,705.00
Amendment No. 1	0.00
Change Order No. 1	0.00
Amendment No. 2	0.00
Proposed Change Order No. 2	662,078.99
New Contract Total	\$93,130,783.99

**FINANCIAL PLAN IMPACT**

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

**Funding Source:** Water Construction Bond

**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	\$92,468,705.00
Amendment No. 1	(Verbiage Change Only)
Change Order No. 1	(Verbiage Change Only)
Amendment No. 2	(Verbiage Change Only)
Proposed Change Order No. 2	<u>662,078.99</u>
New Contract Total	93,130,783.99
Amended Financial Plan Estimate	<u>92,469,000.00</u>
Estimating Variance	(\$ 661,783.99)

The award of this change order to the vendor creates a negative estimating variance of \$661,783.99. This variance will be funded from capital reserves.

**COMMITTEE REVIEW**

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