



## Legislation Details (With Text)

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**Type:** Resolution      **Status:** Passed  
**File created:** 1/6/2021      **In control:** Board of Directors  
**On agenda:** 1/27/2021      **Final action:** 1/27/2021  
**Title:** Proposed Change Order 2  
GLWA-1802410  
Rehabilitation of Various Sampling Sites & PS2 Ferric Chloride System  
CIP #216004  
**Sponsors:** Navid Mehran  
**Indexes:** Wastewater Operations  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
1/27/2021	1	Board of Directors	Approved	Pass
1/13/2021	1	Operations and Resources Committee	Recommended for Approval	Pass

### Proposed Change Order 2

**GLWA-1802410**

**Rehabilitation of Various Sampling Sites & PS2 Ferric Chloride System**

**CIP #216004**

Agenda of: January 27, 2021

Item No.: **2021-006**

Amount:	Original Contract	\$4,756,000.00
	Change Order No.1	806,137.00
	Proposed Change Order No.2	776,165.00
	Total Revised Contract	\$6,338,302.00

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

**FROM:** Sue F. McCormick  
Chief Executive Officer  
Great Lakes Water Authority

**DATE:** January 1, 2021

**RE: Proposed Change Order No. 2**

**Contract No.: GLWA-1802410**

**Rehabilitation of Various Sampling Sites & PS2 Ferric Chloride System**

**Vendor: Commercial Contracting Corporation**

### **MOTION**

Upon the 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 GLWA-1802410 Proposed Change Order No. 2 “Rehabilitation of Various Sampling Sites & PS2 Ferric Chloride System”, with Commercial Contracting Corporation, at an increased cost of \$776,165.00 for an amount not to exceed a total cost of \$6,338,302.00 and an increased duration of 365 calendar days to substantial completion and final completion for a total contract duration of 1,085 days** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

### **BACKGROUND**

On February 18, 2019, Great Lakes Water Authority awarded the Contract GLWA-1802410 (Rehabilitation of Various Sampling Sites & Pump Station No.2 Ferric Chloride System), to Commercial Contracting Corporation. This Contract is composed of two packages: A and B as follows:

Package “A” includes:

- The rehabilitation of 12 sampling stations at the Water Resource Recovery Facility.
- The installation of two new phosphorus analyzers; one to determine the level of soluble phosphorus at the primary effluent before entering the aeration tanks, and another analyzer to check the total phosphorus before discharging to the Detroit River Outfall (DRO) and Rouge River Outfall (RRO).

Package “B” includes:

- The replacement of existing Ferric Chloride Tanks and associated transfer and feed pumps at Pump Station No.2.

Shortly after the award of contract GLWA-1802410, GLWA determined that the scope of package A and package B needed to be reviewed by Operations and Maintenance to optimize the proposed facilities. On April 12, 2019, GLWA notified the Contractor of the intent to make changes to GLWA-1802410 scope of work. The changes included modification of existing facilities and deletion of a portion of the base contract scope of work. Package B redesign was completed by the design consultant Metco on November 29, 2019, and the Contractor submitted a cost proposal on January

24, 2020, for a net amount of \$806,137 for performing the modified package B work. Change Order No.1 was approved by the Board on March 25, 2020, for an amount not to exceed \$806,137 for the modified package B work. GLWA-Construction Engineering completed a detailed review of the base contract scope compared to the modified scope for package B work. After several negotiation meetings with the Contractor, the team came to an agreement of a net amount of \$394,000 on May 13, 2020, for package B work.

After a thorough review of package A base work, GLWA modified the package A scope of work as summarized below:

New Work/Design Changes:

- At **ML-1** location - Rehabilitate/renovate the WAS Building including the heating & ventilation upgrades, roof replacement, upgrade of electrical, mechanical, interior, and exterior to be used for sampling and other uses such as training.
- At **NI-EA** location - Install autosamplers, alarms on safety equipment, and safety eyewash and shower.
- At **MPI-2** location - Install autosampler, conduits, power, lights, sidewalk. Demo existing suction line.
- At **PEAS-1** location -Simplify the sampling piping. Install sample taps and sampler headers. Install water connections and control valves.
- At **Oakwood** location - Update the backflushing system. Install new 3" and 6" SFE backflushing pipes, new valves, and switch to SFE water for backflushing.

Deleted Work:

- At **ML-1** location - FRP building and foundation walls, electrical work, concrete walks, two pumps, exterior sanitary line, fire alarm system, and relocation of 12-inch secondary water
- At **PEAS-3** location -. Deleted the base scope.
- At **PEAS-4** location - Deleted the base scope.
- At **RAS-3** location - Deleted the base scope.
- At **RAS-4** location - Sink and some plumbing.

**JUSTIFICATION**

GLWA has decided to modify package A work to maximize the existing infrastructure and optimize the sample stations.

GLWA requested the design consultant Sigma to redesign package A based on the modified scope described above. Sigma completed the design on December 16, 2020. The Contractor submitted a budgetary proposal based on the draft design on December 16, 2020, for a net amount of \$1,188,302.00 to perform the modified package A work. GLWA staff is in the process of reviewing the submitted change proposal and intends to negotiate a fair and reasonable price with the Contractor as soon as possible.

Change Order No.1 was approved for \$806,137.00 for the modified package B work but with the final negotiated price of \$394,000.00 the remaining \$412,137.00 (\$806,137-\$394,000) of prior approval remains for this change order. Therefore, the additional money required to undertake the modified package A work is \$776,165.00 (\$1,188,302-\$412,137). To avoid any further delay to the project, GLWA staff recommends approval of \$776,165.00 (not-to-exceed) to rehabilitate the remaining sampling stations.

As of November 30, 2020, 90% of the contract time has elapsed and only 20% of the contract work is done because of the re-design of package A and package B documents.

The original substantial completion date of the project was August 11, 2020, and the original final completion date is February 7, 2021. The Contractor believes that they can complete the rehabilitation of all sample stations under package A work by August 11, 2021. Therefore, a time extension of 365 days to substantial completion and final completion is requested via this change order. The Contractor is expected to complete the rehabilitation of the Ferric Chloride system per the revised design documents (package B work) by June 30, 2021. The budgetary proposal submitted by the Contractor includes a time extension request of 365 days to the contract time and the General Conditions cost associated with the time extension request.

The original provisionary allowance included in the contract is \$300,000.00. The current available balance as of November 30, 2020 is \$235,965.00. The available provisionary allowance balance is needed to undertake/address any unforeseen conditions during construction. Any remaining unused money will be credited to GLWA via final change order.

### **PROJECT MANAGEMENT STATUS**

Original Substantial Completion Time:	540 days
Original Final Completion Time:	720 days
Change Order No.1 Substantial Completion Time:	0 days
Change Order No.1 Final Completion Time:	0 days
Proposed Change Order No.2 Substantial Completion Time:	365 days
Proposed Change Order No.2 Final Completion Time:	365 days
New Substantial Completion Time:	905 days
New Final Completion Time:	1,085 days

### **PROJECT ESTIMATE**

Original Contract Price:	\$4,756,000.00
Change Order No. 1:	806,137.00
Proposed Change Order No. 2:	776,165.00
New Contract Total:	\$6,338,302.00

### **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:** Construction (5421-892211.000-616900-216004)

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

Original Contract Price	\$4,756,000.00	
Change Order No. 1	806,137.00	
Proposed Change Order No. 2	776,165.00	
New Contract Total	6,338,302.00	
Amended Financial Plan Estimate	<u>5,562,000.00</u>	
Negative Estimating Variance		(\$776,302.00)

The award of this change order to the vendor creates a negative estimating variance of \$776,302.00. This variance will be funded from capital reserves. Please note that the amounts above as per the Draft#2 FY2022-2026 CIP has \$5,562,000.00 budgeted for contract 1802410.

### **COMMITTEE REVIEW**

This item was presented to the Operations and Resources Committee at its meeting on January 13, 2021. 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.