



Legislation Text

File #: 2020-347, Version: 1

Proposed Change Order No. 2

Contract No. PC-757

Rehabilitation of Rectangular Primary Clarifiers, Package (A) and Rehabilitation of Electrical/Mechanical Buildings and Pipe Gallery of the Rectangular Primary Clarifiers, Package (B) and Replacement of Rake Arm Assembly for the Circular Primary Clarifiers No. 15 and 16, Package (C)

CIP #211001

Agenda of: October 28, 2020

Item No.: **2020-347**

Amount:	Original Contract	\$51,905,000.00
	Change Order No.1	0.00
	Change Order No.2	0.00
	Total Revised Contract	\$51,905,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: September 25, 2020

RE: Proposed Change Order No. 2
Contract No. PC-757
Rehabilitation of Rectangular Primary Clarifiers, Package (A) and
Rehabilitation of Electrical/Mechanical Buildings and Pipe Gallery of the
Rectangular Primary Clarifiers, Package (B) and Replacement of Rake Arm
Assembly for the Circular Primary Clarifiers Nos. 15 and 16, Package (C)
Vendor: Toolco Contracting Group
Designer: Wade Trim and Benesch

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. PC-757 Amendment No. 2, "Rehabilitation of Rectangular Primary Clarifiers, Package (A) and Rehabilitation of Electrical/Mechanical Buildings and Pipe Gallery of the Rectangular Primary Clarifiers, Package (B) and**

Replacement of Rake Arm Assembly for the Circular Primary Clarifiers No. 15 and 16, Package (C)” Tooles Contracting Group, by extending the contract substantial completion date by 199 calendar days and the final completion date by 77 calendar days for a total contract duration of 1657 days with no increase in contract price and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

On July 18, 2016, Great Lakes Water Authority awarded the Contract PC-757, to Tooles Contracting Group. This Contract is composed of three packages: A, B and C.

Package A is the rehabilitation of the twelve Rectangular Primary Clarifiers. Its scope includes removal of existing sludge and scum collection equipment inside the clarifiers and replace with new equipment. This package also includes concrete and crack repairs inside the clarifiers.

Package B is the rehabilitation of the Electrical/Mechanical Buildings and Pipe Gallery of the Rectangular Primary Clarifiers. Its scope includes removal of existing make up air units and replace with new equipment, demolition and replacement of 12 existing sludge pumps, installation of five new sump pumps and piping replacement serving water, compressed air and natural gas.

Package C is the replacement of rake arm assemblies for Circular Primary Clarifiers Numbers 15 and 16. Its scope includes replacing the center drives, painting maintenance bridges, and new perimeter handrails.

The entire project has experienced several delays preventing completion, per the original contract schedule. The original substantial completion date was November 17, 2019 and original final completion date was May 18, 2020. Change Order No.1 extended the contract substantial and final completion dates to May 15, 2020 and November 14, 2020, respectively. As of September 11, 2020, the Contractor has completed the scope of work described above in packages A, B and C. However, the fire alarm system modification work has not been completed as well as the punch list items.

JUSTIFICATION

The Contractor was on track to achieve substantial completion of the project by the revised date of May 15, 2020 however the COVID-19 pandemic has impacted the schedule.

The Contractor notified GLWA in late March and early April of 2020 regarding the project delay due to the COVID-19 pandemic. The only major affected work activity was the installation and commissioning of the fire alarm system. The fire alarm system required new components and parts and those parts are manufactured in Mexico where the factory has experienced shutdowns due to the pandemic.

In early September 2020, the Contractor was advised by the vendor that the parts are becoming available and a delivery date was submitted. On September 9, 2020, the Contractor submitted a schedule to complete the fire alarm work, testing and certification and requested time extensions of 199 days for substantial and 77 days to final completion moving the delivery schedule to November 30, 2020 and January 30, 2021 respectively.

In addition to the time extensions, the Contractor requested general condition costs of \$12,180.00 per month based on part-time field staffing and \$4,730.00 for the electrical subcontractor. This adds up to \$102,879.00 for an approximate 6-month time extension.

GLWA staff reviewed the time extensions and the general condition cost for merit. The time extension was deemed fair and reasonable in recognition of the impact the pandemic has had on this Contract but denied the general condition cost based on Article 8 of the Contract.

Further, the GLWA Contracting Officer has responded to several contractor's potential delay claims. GLWA Contracting Officer has informed all the Contractors that "If GLWA agrees that the COVID-19 national emergency actually affected a critical path activity (CPM), the CPM schedule shall be adjusted. An adjustment in the CPM schedule is the contractor's only remedy for delays associated with the COVID-19 national emergency".

Therefore, in consideration of the above, it is recommended the time extension be approved with no general condition costs to GLWA. However, should it become necessary for GLWA to request new work, it is understood that the contractor can add general condition cost for the duration of the new work.

PROJECT MANAGEMENT STATUS

Original Final Contract Time:	1400 days
Original Substantial Completion Contract Time:	1217 days
Change Order No. 1	
Substantial Completion:	180 days
Final Completion:	180 days
Proposed Change Order No. 2	
Substantial Completion:	199 days
Final Completion:	77 days
New Substantial Completion Time:	1596 days
New Final Completion Time:	1657 days

PROJECT ESTIMATE

Original Contract Price:	\$51,905,000.00
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Change Order No. 1 Amount	0.00
Change Order No. 2 Amount	0.00
Revised Contract Price (through CO #2)	\$51,905,000.00

FINANCIAL PLAN IMPACT

The proposed change order is for an extension of time only. Although the change order extends the final completion date further into FY 2021, there is no substantive financial impact.

COMMITTEE REVIEW

This matter was presented to the Operations and Resources Committee at its meeting on October 15, 2020. 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.