



Legislation Text

File #: 2021-083, Version: 1

Proposed Change Order No. 2

Contract No. 1803776

Relocation of the Analytical Lab Operations to the GLWA - Water Resource Recovery Facility (WRRF)

CIP #214001

Agenda of: March 24, 2021

Item No.: **2021-083**

Amount:	Original Contract	\$11,499,000.00
	Change Order No.1	250,000.00
	Proposed Change Order No. 2	100,000.00
	Total Revised Contract	\$11,849,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: March 2, 2021

RE: Proposed Change Order No. 2

Contract No. 1803776

Relocation of the Analytical Lab Operations to the GLWA - Water Resource Recovery Facility (WRRF)

Vendor: Commercial Contracting Corporation

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. 1803776 Proposed Change Order No. 2, "Relocation of the Analytical Lab Operations to the GLWA-WRRF", with Commercial Contracting Corporation, at an increased cost not to exceed sum of \$100,000.00 for a revised total cost not to exceed \$11,849,000.00 and an increased duration of the final completion date by 90 days for a total revised contract duration of 720 days;** and authorizes the CEO to take such other action as may be

necessary to accomplish the intent of this vote.

BACKGROUND

On September 9, 2019, the Great Lakes Water Authority awarded Contract No. 1803776 (Relocation of the Analytical Lab Operations to the GLWA-WRRF), to Commercial Contracting Corporation (CCC). The required substantial completion date of the project was September 8, 2020 and the required final completion date is March 8, 2021 with a contract amount of \$11,499,000.00.

The scope of work includes renovation/reconfiguration of the current WRRF laboratory, administration building roof replacement and HVAC controls upgrade of the Administration Building, and renovation of the current local asset group area adjacent to the laboratory. The project is intended to accommodate the relocation of the 2nd Avenue Analytical Lab, its current location, to the 2nd floor of the Administration Building at the WRRF.

Change Order No. 1 revised contract period to December 31, 2020 from September 8, 2020 for substantial completion, and to May 30, 2021 from March 8, 2021 for final completion, and the Contract amount to not-to-exceed (NTE) \$11,749,000.00 from \$11,499,000.00.

As of January 31, 2021, approximately 99% of the contract work is complete. The Contract has achieved substantial completion on December 31, 2020.

Contract Provisional Allowance expenditures:

The original contract included a provisional allowance of \$1,000,000.00. Included in this allowance was \$400,000.00 for roofing insulation replacement for the administration building complex. The roof insulation replacement was anticipated, however, the extent of the removal was unknown at the time of design. Unfortunately, after the demolition of the roofing membrane, all insulation was found damaged and required replacement. The remaining \$600,000.00 left supported 18 Construction Change Directives "A" through "R" were issued for a total of 52 changes in the amount of \$582,967.00.

Change Order No. 1 Expenditures:

Change Order No. 1 was issued extending Contract Times and added a NTE amount of \$250,000.00 to the Provisional Allowance. Six Construction Change Directives "S" through "X" were issued for 39 changes for a total amount of \$241,538.00.

The Analytical laboratory began the process of relocating from 2nd Avenue to the WRRF in early January of 2021. A walk through with the laboratory team members on November 23, 2020 resulted in some additional change requests. As the laboratory team members continue to settle in the new space and start and test their new equipment and instruments, additional changes have been requested to improve the operations and safety of the new space.

JUSTIFICATION

Proposed Change Order No. 2 requests additional NTE \$100,000.00 to the Contract Provisional Allowance to allow for the GLWA team to work with the contractor to close out the outstanding items and the project.

The total value of work to be completed is approximately \$102,246.00. Therefore, an additional NTE \$100,000.00 is hereby requested in this proposed Change Order No. 2. The expenditures will be finalized, and any remaining unspent funds will be credited back to GLWA via the Final Change Order. It should be noted that the Contract provisional allowance still has a balance of \$25,495.00 available and can be used as necessary to cover any applicable General Conditions costs.

Ninety Days' Time Extension to Final Completion Date:

As noted earlier, substantial completion of the project was achieved on December 31, 2020. The 90-day time extension

request is applicable to final completion date of May 30, 2021 only. The revised final completion date is August 28, 2021. This time extension will allow the completion of the outstanding work as well as the submittal/review of as-built drawings and Contract close out documents.

PROJECT MANAGEMENT STATUS

Original Final Contract time:	547 days
Original Substantial Completion Contract Time:	366 days
Revised Substantial Completion of the expanded lab/office:	449 days
Revised Substantial Completion of the asset area work:	480 days
Actual Substantial completion time of the project:	480 days
Revised Final Contract Time:	630 days
Proposed Change Order No. 2 Final Completion:	90 days
New Final Completion Time:	720 days

PROJECT ESTIMATE

Original Contract Price:	\$11,499,000.00
Change Order No. 1:	250,000.00
Revised Contract Price:	11,749,000.00
Proposed Change Order No. 2:	100,000.00
New Revised Contract Price:	\$11,849,000.00

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: Design (5421-892211.000-616900-214001)

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

Original Contract Price:	\$ 11,499,000.00
Change Order No. 1:	250,000.00
Proposed Change Order No.2:	100,000.00

New Contract Total:	11,849,000.00
Amended Financial Plan Estimate:	<u>\$11,499,000.00</u>
Negative Estimating Variance:	(\$350,000.00)

The award of this change order to the vendor creates a negative estimating variance of (\$350,000.00). This variance will be funded from Sewer Construction Reserves. Please note that the amounts above as per the Draft #2 FY2022-2026 CIP has \$11,499,000.00 budgeted for contract No. 1803776.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on March 10, 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.