



Legislation Text

File #: 2022-007, Version: 1

Proposed Change Order No. 3
Contract No. GLWA-1802410
Rehabilitation of Various Sampling Sites & PS2 Ferric Chloride System
CIP #216004
Vendor: Commercial Contracting Corporation

Agenda of: January 26, 2022

Item No.: **2022-007**

Amount:	Original Contract	\$4,756,000.00
	Change Order No.1	806,137.00
	Change Order No.2	776,165.00
	Proposed Change Order No. 3	217,920.00
	Total Revised Contract	\$6,556,222.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: January 4, 2022

RE: Proposed Change Order No. 3
Contract No. GLWA-1802410
Rehabilitation of Various Sampling Sites & PS2 Ferric Chloride System
CIP #216004
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 Interim Chief Executive Officer (ICEO) to **enter into Contract GLWA-1802410, Proposed Change Order No. 3, “Rehabilitation of Various Sampling Sites & PS2 Ferric Chloride System”, with Commercial Contracting Corporation, at an increased cost of \$217,920.00 for a total cost not to exceed \$6,556,222.00 and an increased duration of 365 days for a total duration of 1,451 days** and authorizes the ICEO 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 (CCC). This Contract is comprised of two packages A and B. Package A included the rehabilitation of various sampling sites contained within the GLWA Water Resource Recovery Facility (WRRF). Package B included the replacement of existing Ferric Chloride Tanks and associated transfer and feed pumps for Pump Station No. 2.

Change Order No. 1 was approved by the Board on March 25, 2020, for a not-to-exceed amount of \$806,137.00 for the modified package B work.

Change Order No. 2 was approved by the Board on January 27, 2021, for a not-to-exceed amount of \$776,165.00 for the modified package A work, and a time extension of 365 days to the substantial completion and final completion. The revised substantial completion date was August 11, 2021, and the revised final completion date is February 7, 2022.

The work is progressing at the site for both package A and package B. However, the contract has experienced delay mainly in finalizing Package B feed pump skid redesign and submittal approval. This proposed Change Order No. 3 requests additional money and time to address the pump skid-related changes/delay.

JUSTIFICATION

GLWA required changes to package B feed pump skid design to better fit in the Ferric Chloride room and to facilitate proper maintenance and operation of the pumps. After multiple reviews and meetings, the pump skid submittal was approved by GLWA in July 2021.

The Contractor submitted a cost proposal dated October 22, 2021, for a 10-month time extension and an additional \$374,985.00 for feed pump skid redesign work/changes.

The total available unused money from the provisionary allowance and Change Orders 1 and 2 together is \$307,065.00. GLWA proposes to keep \$150,000.00 of this allowance in reserve to undertake any unforeseen conditions in the remaining duration of construction. As such, \$157,065 remains available to use for this pump skid work.

Therefore, an additional \$217,920 is required to undertake the package B feed pump skid work (\$374,985.00 - \$157,065.00). All remaining unused money will be credited back to GLWA via a final change order.

The original substantial completion date of the project was August 11, 2020, and the original final completion date is February 7, 2021. The substantial completion and final completion dates were revised to August 11, 2021, and February 7, 2022, respectively through Change Order No. 2. The Contractor estimated that they can complete the remaining work in 10 months from the date of approval of the cost proposal for the pump skid. GLWA issued the change directive (CCD-E) to the Contractor for proceeding with the fabrication of the pump skid on December 22, 2021. Therefore, a time extension of 365 days to substantial completion and final completion is requested via this Change Order No. 3 to allow enough time after board approval for the contractor to complete all contractual requirements including closeout.

PROJECT MANAGEMENT STATUS

Original Contract Time:	721 days (2/18/2019 - 2/7/2021)
Change Order No.1:	0 days
Change Order No. 2:	365 days (2/8/2021 - 2/7/2022)
Proposed Change Order No. 3:	365 days (2/8/2022 - 2/7/2023)
New Contract Time:	1,451 days (2/18/2019 - 2/7/2023)

PROJECT ESTIMATE

Original Contract Price:	\$4,756,000.00
Change Order No. 1:	806,137.00
Change Order No. 2:	776,165.00

Proposed Change Order No. 3:	217,920.00
New Contract Total:	\$6,556,222.00

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
Change Order No. 2:	776,165.00
Proposed Change Order No. 3:	<u>217,920.00</u>
New Contract Total:	6,556,222.00
Amended Financial Plan Estimate:	6,338,302.00
Estimating Variance:	(\$217,920.00)

The award of this change order creates a negative estimating variance of \$217,920.00. This variance will be funded from Capital Reserves.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on January 12, 2022. 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.