



Legislation Text

File #: 2023-301, Version: 1

Proposed Amendment No. 4
Contract No. 1903601
Yard Piping Engineering Services

CIP #216006/ BCE Score: 79.0

Agenda of: August 23, 2023

Item No.: **2023-301**

Amount:	Original Contract Amount	\$1,647,814.74
	Amendment No. 1	434,722.00
	Amendment No. 2	765,627.00
	Amendment No. 3	0.00
	Proposed Amendment No. 4	764,635.08
	Total Revised Contract	\$3,612,798.82

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: August 1, 2023

RE: **Proposed Amendment No. 4**
Contract No. 1903601
Yard Piping Engineering Services
Vendor: CDM Smith Michigan, Inc.

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. 1903601, Proposed Amendment No. 4, “Yard Piping Engineering Services” with CDM Smith Michigan, Inc., at an increased cost of \$764,635.08 for a total cost not to exceed \$3,612,798.82 and an increased duration of 243 days**

for a total duration of 1,231 days; and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

GLWA awarded Contract No.1903601 “Yard Piping Engineering Services” to CDM Smith Michigan, Inc. (Engineer), with a start work date of December 28, 2020. The contract is mainly divided into four major phases including (study, preliminary design, final design, and construction) for the piping at the Water Resource Recovery Facility.

The GLWA Board of Directors authorized Amendment No. 1, on July 27, 2022, for the preliminary and final design phases for the eight recommended improvements. Amendment No. 2 was authorized on September 28, 2022, for the preliminary and final design phases for an additional 14 recommended improvements. Amendment No. 3 was authorized on January 25, 2023, for completion of final design and bidding and negotiations.

The contract continues to progress, and the improvement documents are approaching 75, 90, or 100% design. The intent is to advertise four separate packages for bid, with the first of the packages expected to advertise in late August. Although Amendment No. 3 altered the final design date, unforeseen design changes have delayed the final deliverable.

This proposed Amendment No. 4 seeks to add money for construction related engineering services and to support the unforeseen design items required to complete the final design.

JUSTIFICATION

Through the development of the design documents, several opportunities have been identified for advancing long lead items, demolition, and abatement in advance of the final design. This will allow construction activities to start concurrent with final design, advertisement, and establishment of the Guaranteed Maximum Price for Board approval.

The costs of the Construction Assistance phase were established based on negotiation with GLWA as hourly not to exceed in preparation for three years of construction at the site. This proposed amendment obtains the money based off the three years of service for the first eight months of the construction.

The original contract and previous amendments were for the study, preliminary design, final design, and bidding assistance, and did not include cost for construction assistance services.

PROJECT MANAGEMENT STATUS

Original Contract Time	792 days (12/28/2020 - 02/27/2023)
------------------------	------------------------------------

Amendment No. 1	0 days
Amendment No. 2	0 days
Amendment No. 3	215 days (02/28/2023 - 09/30/2023)
Proposed Amendment No. 4	243 days (10/01/2023 - 05/30/2024)
New Contract Time	1,250 days (12/28/2020 - 05/30/2024)

PROJECT ESTIMATE

Original Contract Price	\$1,647,814.74
Amendment No. 1	434,722.00
Amendment No. 2	765,627.00
Amendment No. 3	0.00
Proposed Amendment No. 4	764,635.08
New Contract Price	\$3,612,798.82

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 (5421-892211.000-617950-216006)

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

Original Contract Price:	\$1,647,814.74
Amendment No. 1	434,722.00
Amendment No. 2	765,627.00
Amendment No. 3	0.00
Proposed Amendment No. 4	<u>764,635.08</u>
New Contract Total:	\$3,612,798.82
Amended Financial Plan Estimate:	<u>3,348,000.00</u>

Estimating Variance: (\$264,798.82)

As of approved Amendment No. 4, a negative estimated variance of (\$264,798.82) is created. This variance will be funded from Capital Reserves.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on August 9, 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.