



## ITEM REPORT UTILITIES COMMISSION

Agenda Date: 6/8/2022  
Agenda Section: Business Item

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**Department Origination:** Public Works

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**Agenda Item:** Approve the Northern Plains Contracting Inc. Change Order No. 4 in the deduct amount of \$18,270.57 for the Water Treatment Plant Improvements Project

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**Approval Required:** Simple Majority Vote

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### **BACKGROUND**

The Council awarded the construction contract for the Water Treatment Plant Improvements Project to Northern Plains Contracting Inc. for the lump sum price of \$1,598,000.00. The notice to proceed was issued on August 23, 2021 and the Contractor began work on September 7, 2021. Change Order No. 1 was approved in the amount of \$208,194.54 by the City Council on December 21, 2021. Change Order No. 2 was approved in the amount of \$49,163.19 by the City Council on March 15, 2022. Change Order No. 3 was approved in the amount of \$27,276.40 by the City Council on March 22, 2022.

In accordance with the Article 11 of the Standard General Conditions of the Construction Contract, the contract documents may be amended or supplemented by Change Order. Change Orders amend or adjust contract price or contract times and can be initiated by the Owner or the Contractor.

Change Order No. 3 includes the following items:

- Change Order Request #11, Revision 1 – Crack Injection: Injection of urethane crack sealing material into multiple locations on the south wall of Filter 1 to repair leaks in the filter wall where water seeps into the hallway. Thul Specialty Contracting submitted a time and materials quote to seal the cracks for \$7,086.71. The quote was submitted under the assumption that the cracks will be able to be sealed in one working day. A separate invoice was submitted to account for \$438.28 of time and materials it took to complete the work above what was proposed. This work is complete.
- Change Order Request #15 – Detention Basin Coatings Removal: Removal of loose and flaking coatings on the floor and walls of the detention basin, to avoid coatings entering the filter cells. The total additional cost to remove the loose coatings is \$1,689.96. This work is complete.
- Change Order Request #16 – Backwash Orifice Plate Relocation: Removal of the high-rate backwash supply orifice plate from its existing location and re-installation of the orifice plate on the distribution system connection to the backwash supply piping, downstream of the pressure reducing valve. The purpose of this work is to improve the high-rate backwash flow rate that can be achieved from the City's backwash pump. The total additional cost of relocating the orifice plate is \$8,666.99. This work is complete.
- Change Order Request #17 – Filter Face Room Coatings: Preparation of the concrete/masonry and the steel decking and conducting adhesion test to the existing and first coat of paint. Recoating the Pipe Room walls, ceilings, and floor. The total additional cost of the coatings is \$18,338.84. This work is ongoing.

Change Order No. 4 will not modify the completion dates of the project beyond the modifications made in Change Order No. 3.

## **FINANCIAL IMPLICATIONS**

The total of all Change Order No. 4 items in the deduct amount \$18,270.57. Additional details are included in the Change Order No. 4 document. Change Order No. 4 decreases the total contract price from \$1,882,634.13 to \$1,864,363.565. The Change Order and outstanding items result in an overrun of the project contingencies by \$49,324.94. When the estimated outstanding items are included, the budget breaks down as follows.

### **Project Budget Update:**

- Project Budget (amended at February 15, 2022 City Council Meeting): \$2,195,360
  - Construction Contract: \$1,598,000 (including \$50,000 Owner's Allowance)
  - Contingency: \$319,600
  - Engineering: \$185,050
    - SEH: \$176,050
    - AE2S: \$9,000
  - Soft Costs: \$79,900
  - LMCIT Required Full-Time Inspection (after 7/15/2021): \$12,810 LMCIT (included in SEH Amendment No. 2)
- Contingency Items
  - Engineering Amendments:
    - SEH Amendment No. 1: \$100
    - SEH Amendment No. 2: \$26,723.64 (not including \$12,810 LMCIT above)
    - AE2S: \$49,475
  - Change Order No. 1: \$208,194.54
  - Change Order No. 2: \$49,163.19
  - Change Order No. 3: \$27,276.40
  - Change Order No. 4 (in progress):
    - Crack Injection Time & Materials Overage: \$483.28
    - Detention Basin Coatings Removal: \$1,689.96
    - Backwash Orifice Plate Relocation \$8,666.99
    - Filter Face Room Coatings: \$18,338.84
    - Unused Owner's Allowance Adjustment: (\$47,449.64)
  - Outstanding Changes:
    - SEH Fee Amendment No. 3: \$25,000
  - Misc. Costs: \$1,015.25
- Contingency Remaining (estimated): (\$49,324.94)
- Estimated Total Budget Remaining: (\$49,324.94)

## **STAFF RECOMMENDATIONS**

Staff recommends approval of the Northern Plains Contracting, Inc. Change Order No. 4 in the deduct amount of \$18,270.57 for additions to the Water Treatment Plant Improvements Project.

## **COUNCIL ACTION REQUESTED**

**MOTION** to: Approve the Northern Plains Contracting, Inc. Change Order No. 4 in the deduct amount of \$18,270.57 for the Water Treatment Plant Improvements Project.