

Council Agenda Summary

Key Staff Contact: Adam Prior, Water & Sewer Chief Engineer, 970-573-0218

Title:

Consideration of a change order in the amount of \$395,737.00 to the Brown and Caldwell contract for the Concept Design for the Terry Ranch Water Supply Project, bringing the revised contract amount from \$1,411,009.00 to \$1,806,746.00

Summary:

The City entered into Work Order #8 to the Brown and Caldwell Master Agreement on March 23, 2020 in the amount of \$1,234,729.00. This Work Order was for Advisory Services and was originally intended for the Milton Seaman Water Supply Project EIS. The Work Order was subsequently transferred to the Terry Ranch project on August 19, 2020. Change Order #1 was issued on January 22, 2021 in the amount of \$176,280.00.

Change Order #2 is being presented for Council approval. This Change Order is a direct result of an expanded scope of work related to unforeseen design and costing requirements for the conceptual design of the Terry Ranch Project. Work covered under this change order has previously been completed.

The design of the Terry Ranch Project was conducted in large part to establish the cost of the project so that the Water & Sewer Board and City Council could make an informed decision whether to close on the purchase of the project within the time limitations of the Terry Ranch Master Purchase and Sale Agreement due diligence period. Board and Council, along with the public, posed several un-scoped inquiries on infrastructure costs. Those inquiries drove the city to enhance the depth of the concept design work, and thereby increase the city's level of confidence in the infrastructure cost calculations. In addition to the expanded scope, the public engagement aspect of the project required far more meetings and presentations by the consultant than originally scoped.

This additional work was required to respond accurately and timely to citizen inquiries, and constituted urgent, critical path work necessary for Board and City Council decision making. Given the time limitations of the Terry Ranch Master Purchase and Sale Agreement due diligence period, it was infeasible to halt work to complete a change order request prior to work being completed.

The enhanced scope of work allowed a thorough design and cost estimate to complement the other diligence work being performed on the project. Multiple aspects of the project design were enhanced, including: moving from a 15% to a 30% design of pipeline/transmission facilities; completing treatment, pump, and valving site layouts; conducting geotechnical work for tunneling; carrying out additional topographical surveys; performing more thorough hydraulics analyses; conducting a 30-day pilot treatment plant test; and initiating a power requirement and supply study with regional power providers.

Due to the change in scope, this change order represents a 28% increase to the current contract amount as revised after approval of Change Order #1. Cumulatively, Change Orders #1 and #2 have added 46% to the original contract amount, thus Council approval of Change Order #2 is required.

Fiscal Impact:

Does this item create a fiscal impact on the City of Greeley?	Yes
If yes, what is the initial, or, onetime impact?	\$395,737.00
What is the annual impact?	None
What fund of the City will provide Funding?	422- Water Construction Fund
What is the source of revenue within the fund?	Plant Investment Fees
Is there grant funding for this item?	No
If yes, does this grant require a match?	N/A
Is this grant onetime or ongoing?	N/A
Additional Comments:	

Legal Issues:

Greeley Municipal Code Section 6-486 requires that cumulative change orders that would add 25% or more to the original contract amount must be approved by City Council I.

Other Issues and Considerations:

None.

Strategic Work Program Item or Applicable Council Priority and Goal:

Infrastructure & Growth: Establish the capital and human infrastructure to support and maintain a safe, competitive, appealing and successful community.

Decision Options:

1. Approve change order as recommended,
2. Amend change order and approve as amended,
3. Deny change order, or
4. Continue item to a date specific.

Council's Recommended Action:

A motion to approve Change Order #2.

Attachments:

Change Order #2

Agreement for Consulting and Professional Services