

# E Environment Committee

For the Metropolitan Council meeting of April 23, 2008

## ADVISORY INFORMATION

**Date Prepared:** April 9, 2008

**Subject:** Increase of Delegated Construction Contract Change Order Authority for Lake Elmo East Interceptor, MCES Project No. 806300, Contract No. 06P177

### Proposed Action:

That the Metropolitan Council increases the delegated construction contract change order authority of its General Manager, Environmental Services, from \$165,722 to \$ 615,722 for Lake Elmo East Interceptor, MCES Project No. 806300, Contract No. 06P177.

### Summary of Committee Discussion / Questions:

The Committee asked if the conditions change and the contractor no longer encounters the volume of rocks, would the method of billing will be modified? Staff indicated we would go back to the original contract terms. The Committee also asked whether the second low bidder was within the \$450,000 asked for in this action. Staff responded that the second low bid was \$152,000 higher than the low bid. The low bid plus the requested change order authority approximately equals the original engineer's cost estimate.

Motion to accept proposed action was made, seconded, and passed unanimously.

# E Environment Committee

Meeting date: April 8, 2008

For the Metropolitan Council Meeting of April 23, 2008

ADVISORY INFORMATION	
<b>Date:</b>	April 2, 2008
<b>Subject:</b>	Increase of Delegated Construction Contract Change Order Authority for Lake Elmo East Interceptor, MCES Project No. 806300, Contract No. 06P177
<b>District(s), Member(s):</b>	District 12, Sherry Broecker
<b>Policy/Legal Reference:</b>	Council Policy 3-3, Expenditures
<b>Staff Prepared/Presented:</b>	Bryce Pickart 651-602-1091
<b>Division/Department:</b>	MCES c/o William G. Moore 651-602-1162

## Proposed Action/Motion

That the Metropolitan Council increases the delegated construction contract change order authority of its General Manager, Environmental Services, from \$165,722 to \$ 615,722 for Lake Elmo East Interceptor, MCES Project No. 806300, Contract No. 06P177.

## Background

This construction contract includes 3,350 lineal feet of 54-inch diameter fiberglass gravity sewer to serve Lake Elmo and northeast Woodbury. A subsequent contract will construct a lift station at Cottage Grove Drive and Old Hudson Road, which will pump wastewater through an existing forcemain to the MCES interceptor which conveys wastewater to the Eagles Point WWTP.

The current construction includes a 507 LF tunnel under I-94 and its frontage road.

The tunnel is being constructed from south to north and has reached the edge of the westbound lanes. Although rocks were anticipated by the contract documents, the rocks have been more numerous than anticipated, which has slowed construction. The contractor, Park Construction, has agreed to be paid at the unit price of \$1,070/LF for the 170 LF constructed to date. However, until the tunnel reaches better subsurface conditions (north of the westbound lanes of I-94), MCES and Park have agreed to proceed on a “time and material” basis.

The estimated additional costs include hourly labor and equipment rates, estimated materials costs, and an estimated productivity rate. Estimated additional costs are \$590,000. Available change order authority is \$140,000. Additional change order authority requested is \$450,000.

## Rationale

- Delegated change order authority is 5% of the original amount for contracts with an original amount over \$1,000,000. This contract’s original amount is \$3,315,443.
- Differing site conditions have led to change orders that are projected to exceed the delegated amount by \$450,000.

## Funding

BUDGET INFORMATION					
Annual or Capital	Project No.	Estimated Project Cost	Current Auth.	Unencumbered Funds	Requested Amount
Capital	806300	\$4,650,000	\$4,800,000	\$650,000	\$450,000

## Known Support Opposition

None.

# Lake Elmo East Interceptor and Proposed Lift Station L-77





