

T Transportation Committee
Meeting date: April 26, 2010
Metropolitan Council Meeting: April 28, 2010

ADVISORY INFORMATION

Date: April 20, 2010
Subject: Construction of Storage Tank Additions at Overhaul Base and South Garages, Change Order Allowance
District(s), Member(s): District 5, Polly Bowles, 952-922-8426
District 14, Kirstin Sersland Beach, 651-224-8334
Policy/Legal Reference: Council Policy 3-3, Expenditures
Staff Prepared/Presented: Brian J. Lamb, General Manager 612-349-7510
Tom Thorstenson, Director Engineering & Facilities 612-349-7689
Pat Jones, Assistant Director Engineering 612-349-7606
Mac Sweidan, Senior Project Coordinator 612-349-7761
Division/Department: Metro Transit / Engineering & Facilities

Proposed Action

Authorize the Regional Administrator to increase the Contract Price for contract number 09P081, for the Construction of the Storage Tank Additions at Over Haul Base and South Garage, a cumulative amount of 10% of the original Contract Price.

Background

On September 17, 2009, the Council executed a contract for the construction of storage tank additions at a cost of \$1,296,070.50. The contractor's price was the lowest of 14 bidders and almost half of the engineer's estimate of \$2,400,000. The contract is underway and includes the construction of new above ground storage tank systems to replace existing underground storage tank systems.

Recent inspections have identified necessary design modifications. Such modifications consist of changes in code interpretations, design omissions and unforeseen conditions. Pending changes exceed the 5% change order allowance.

Council Policy 3-3, establishes expenditure procedures relative to procurement actions, Section I.B.3 authorize the Regional Administrator to increase the Contract Price a cumulative amount of 5% of the original Contract Price, where the original Contract Price is greater than \$1,000,000, or as otherwise delegated by Council.

Rationale

Changes have occurred as a result of recent on-site inspections, code interpretations, omissions and unforeseen conditions. Changes to date amount to \$55,114 as compared to the 5% "change order allowance" of \$64,800. Pending changes will exceed the 5% change order allowance and all changes require timely approval to avoid additional delay costs.

Funding

This contract is funded by Federal 5307 funds and sufficient funds are available should the changes approach 10% of the contract price.

Known Support / Opposition

There is no known support or opposition to this action.