

# E Environment Committee

Item: 2010-386

For the Metropolitan Council meeting of December 8, 2010

## ADVISORY INFORMATION

Date Prepared: November 10, 2010

Subject: Increase of Delegated Construction Contract Change Order Authority for South Saint Paul Forcemain Improvements, MCES Project No. 802710, Contract No. 07P058A

### **Proposed Action:**

That the Metropolitan Council increases the delegated construction contract change order authority for the South Saint Paul Forcemain Improvements, MCES Project No. 802710, Contract No. 07P058A, from \$691,137 to \$1,236,137.

### **Summary of Committee Discussion / Questions:**

Council Member Leppik inquired as to the cause of the contaminated soils. Staff explained that it could have been caused by industrial dumping, and fuel stations in the area. Council Member Bowles asked if the contaminated soil should have been anticipated. Staff responded that it was anticipated, but there was no way to know the quantity. Bowles asked how the project cost compares to the original estimate. Staff said it will be close. Bowles asked about contingency funding built into the estimate. Staff said a 5% contingency is included in the budget. Bowles hoped that better estimates are made as future contracts are entered. General Manager Moore commented that this project used unit pricing, which is beneficial because it allows for the change order to be based on competitively bid prices. Council Member Wittsack asked about the difference between the overrun and the requested amount. Staff explained that a contingency of \$50,000 is included in the request. The money will be spent only if needed.

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

**E** Environment Committee  
**Meeting date:** November 9, 2010

**For the Metropolitan Council Meeting of December 8, 2010**

<b>ADVISORY INFORMATION</b>	
Date:	October 27, 2010
Subject:	Increase of Delegated Construction Contract Change Order Authority for South Saint Paul Forcemain Improvements, MCES Project No. 802710, Contract No. 07P058A
District(s), Member(s):	15, Daniel Wolter
Policy/Legal Reference:	Council Policy 3-3, Expenditures
Staff Prepared/Presented:	Bryce Pickart 651-602-1091
Division/Department:	MCES c/o William G. Moore 651-602-1162

**Proposed Action**

That the Metropolitan Council increases the delegated construction contract change order authority for the South Saint Paul Forcemain Improvements, MCES Project No. 802710, Contract No. 07P058A, from \$691,137 to \$1,236,137.

**Background**

This project is replacing the original forcemain, construction in 1973, which is in poor condition. This contract is the first of four construction contracts which will install dual 30-inch diameter forcemains from L65 (south of I-494 near Wakota Bridge) to the Metropolitan Wastewater Treatment Plant. This contract includes 8,000 LF of pipeline between I-494 and the Mississippi River. The original contract amount is \$13,822,748.

The construction contract involves installing a dual forcemain with valve and cleanout structures primarily in city streets congested with utilities (water, sanitary sewer, storm sewer). Consequently, change orders have been necessary to accommodate field conditions. In addition, asbestos-contaminated soils were encountered in one location, adding testing, handling, and disposal costs. These conditions have led to fully utilizing the 5% delegated change order authority.

The contract has unit prices for much of the work. The quantity underruns have balanced overruns on most items, with the exception of the bid item for handling contaminated soil. The quantity overrun for this item has increased the overall contract amount by approximately \$400,000.

**Rationale**

Delegated change order authority is 5% of the original amount for construction contracts exceeding \$1,000,000. Congested utilities and higher than anticipated quantity of contaminated soils have led to additional costs.

**Funding**

Funding is provided in the 2010 MCES Authorized Capital Program

<b>BUDGET INFORMATION</b>					
Annual or Capital	Project No.	Estimated Project Cost	Current Auth.	Unencumbered Funds	Requested Amount
Capital	802710	\$19,500,000	\$20,000,000	\$1,100,000	\$545,000

**Known Support / Opposition**

None.