

E Environment Committee

Meeting date: January 8, 2008

For the Metropolitan Council Meeting of January 23, 2008

ADVISORY INFORMATION

Date: December 26, 2007
Subject: Increase of Delegated Construction Contract Change Order Authority for Interceptor 6901 Diversion, MCES Project No. 802310, Contract No. 05P071
District(s), Member(s): District 11, Georgeanne Hilker
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 of its General Manager, Environmental Services, from \$628,553 to \$948,553 for the Interceptor 6901 Diversion, MCES Project No. 802310, Contract No. 05P071.

Background

This construction contract includes a lift station and 18,000 LF of 28-inch outside diameter high density polyethylene pipe installed by horizontal directional drilling. The contract began in early 2006 and was scheduled for completion by mid-2007, but the contractor has experienced delays. Two forcemain access structures remain to be completed. If the remaining work proceeds expeditiously, the work will be completed by spring 2008.

In February, 2006, the contractor requested that the average forcemain depth be increased from 20 ft. to 30 ft. to minimize potential damage to utilities and streets above the forcemain. Change order No. 1 was executed in April 2006 in the amount of \$287,912.

There was another major change order, in the amount of \$109,629, for removal and disposal of petroleum impacted soils at the lift station site at Bald Eagle Park in White Bear Township. Overall, there is approximately \$150,000 of delegated change order authority remaining.

On one of the pipeline drilling runs, the contractor has claimed differing subsurface conditions, i.e. very hard soils with large amounts of rocks. After soliciting the opinion of three independent parties, MCES has agreed that entitlement exists. MCES is reviewing the contractor's claim documentation for the \$482,819 claim. The allowable amount is projected to be \$470,000. Thus, a \$320,000 increase in change order authority is requested.

Rationale

- Delegated construction contract change order authority is 5% of the original amount of \$12,571,062, or \$628,553.
- Differing site conditions have led to change orders that are projected to exceed the delegated amount by \$320,000.

Funding

Annual or Capital	Project No	Estimated Project Cost	Current Authorization	Unencumbered Funds	Requested Amount
Capital	802310	\$15,700,000	\$15,755,000	\$450,000	\$320,000

Known Support / Opposition

None