



Legislation Text

File #: 21-0646, **Version:** 1

Resolution to Approve Construction Contract Change Order No. 1 with E.T. MacKenzie Company RFP No. 19-04 (\$54,731.67 Increase, with Total Contract Amount of \$304,731.67)

Attached for your approval is a resolution authorizing a construction contract change order with E.T. MacKenzie Company in the amount of \$54,731.67 to perform on-call construction services for a total contract value of \$304,731.67.

At its regular meeting of May 6, 2019, Council approved a Construction Contract with E.T. MacKenzie Company (copy attached, R-19-206). The approved contract value is not to exceed \$250,000.00 per year and was intended to perform emergency response work that exceeds the City's capabilities, such as complicated sewer or water main repairs and for small infrastructure improvement projects that fall below the threshold of Capital Improvement Plan needs.

The contract was advertised utilizing standard City procurement processes as outlined in RFP No. 19-04.

The City has project SN-20-04, the Trader Joe's Sanitary Sewer Repair Project, in its approved Capital Improvements Plan. The project was intended to repair a settled portion of existing sanitary sewer that is located under a large, cast-in-place, concrete retaining wall at the south edge of the Lamp Post Plaza Shopping Center. Attached, please find a vicinity sketch of the proposed sanitary sewer repair area. The section of pipe in question services several apartment buildings and properties in the Medford Road and Buckingham Court area. The project was originally planned to be designed in calendar year 2021 and constructed in calendar year 2022.

Upon commencement of the design activities in February, 2021, it was discovered that the portion of pipe to be repaired as part of the subject project, not only had a significant settlement that was holding water, but it also contained a significant longitudinal crack at the crown of the pipe and a portion of the pipe wall was displaced by about 1". This is a significant structural crack in the pipe with pipe wall displacement that could lead to collapse of the pipe if not quickly repaired. Attached, please find a photograph taken from inside the pipe as part of the video inspection performed earlier this year. Based on this discovery, it was decided that the pipe needed to be repaired as soon as possible. Engineering and Public Works Staff began working together in order to expedite the design and repair of the failing portion of sanitary sewer.

Given the location of the pipe under the large, cast-in-place, concrete, retaining wall, it was determined that the segment of pipe in question needed to be relocated to avoid future long-term maintenance issues with the retaining wall. Engineering Staff created a plan to re-route the sanitary sewer, avoid to the extent possible conflicts with the existing site features, and create a durable replacement that minimizes future long-term maintenance issues.

As this repair needs to be completed quickly to avoid pipe failure, it was decided that the On-call Construction Services Contract with E.T. MacKenzie Company is the most practicable means of

quickly repairing the sanitary sewer. Given the scope of work, the intricate nature of the repairs, the need to install sheeting and shoring for the excavation(s) for safety, limited available working space, and equipment restrictions that are necessary to perform this repair, the services of an outside contractor are necessary as Public Works forces do not have the available labor, equipment, or manpower to perform the needed repair work.

As part of the standard process that is utilized with the On-call Construction Services contract, a quotation from E.T. MacKenzie Company was received to perform the needed repairs and restore the area when the work is completed. A final quote for the repair work in the amount of \$203,718.00 was received on March 25, 2021 the requested increase includes coverage of the quote and an additional 10% contingency. As stated above, since the work is intricate in nature, will need to take place outside of the existing easements that we currently hold, and because we will need to acquire new permanent easements and temporary occupancy permits from both the Lamp Post Plaza and Ann Arbor Woods Apartment owners, it is necessary to perform the work in a manner that allows the work to effectively proceed, but minimizes impacts to the existing site features and the property owners. The quote from E.T. MacKenzie Company accomplishes these tasks and will provide a well-constructed replacement sanitary sewer in a timely manner.

Prior necessary expenditures on the existing E.T. MacKenzie Company contract (in the amount of \$80,641.87) does not leave sufficient funds in this contract to perform the repairs. Consequently, it is necessary to request approval of Change Order No. 1 in order to complete the work in the shortest time possible and avoid potential sanitary sewer overflows, sanitary back-ups, and EGLE actions should a failure of the sanitary sewer occur.

With your approval of Change Order No. 1, we will schedule the work to be performed as soon as possible. It is expected that the work will take about two weeks to complete, weather permitting. Staff from Engineering and Public Works will participate in the repair with Public Works staff leading the effort and Engineering providing support services as needed.

Additionally, Staff from Engineering, Public Works, and the Attorney's Office are working to negotiate, create, and execute the needed temporary occupancy and permanent easement documents required to allow the needed repairs of the sanitary sewer to be performed. Staff is working expeditiously on these documents and their execution.

Budget/Fiscal Impact: Funding is available in the approved Sewage Disposal Capital Budget.

E.T. MacKenzie Company complies with the City's Non-Discrimination and Living Wage ordinances.

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Reviewed by: Molly Maciejewski, Public Works Unit Manager
Craig Hupy, Public Services Area Administrator

Approved by: Tom Crawford, City Administrator

Whereas, E.T. MacKenzie Company was awarded a construction contract for on-call construction services on May 6, 2019 in the amount of \$250,000.00 per year;

Whereas, The on-call construction services contract was created to perform emergency response work exceeding the City's capabilities;

Whereas, There is a segment of failing sanitary sewer that is in need of immediate repair located on the Lamp Post Plaza and Ann Arbor Woods Apartment properties which must be repaired in order to avoid possible sanitary sewer back-ups, overflows, and other associated problems;

Whereas, E.T. MacKenzie Company possesses the needed manpower, equipment, and expertise to properly perform the needed construction and repair work and is available to perform the repair once authorized by the City; and

Whereas, E.T. MacKenzie Company complies with the City's Non-Discrimination and Living Wage Ordinances;

RESOLVED, That City Council authorize and approve Change Order No.1 to the construction contract with E. T. MacKenzie Company in the amount of \$54,731.67, (RFP No. 19-04) for a total contract amount of \$304,731.67;

RESOLVED, That the City makes the following declaration for the purposes of complying with the reimbursement rules of Treasury Regulation 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended, that the City reasonably expects to reimburse itself for expenditures for the costs of the project with proceeds of bonds;

RESOLVED, That the City Administrator is authorized to execute said Change Order No. 1 upon its approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution including night work authorizations and other similar administrative approvals to allow the work to proceed and be completed without delay.