



Legislation Text

File #: 17-0700, **Version:** 1

Resolution to Approve Amendment No. 1 to the Contract with ARCADIS of Michigan, Inc. (ARCADIS) for Construction Engineering Services for the Facilities Renovations Project at the Wastewater Treatment Plant (\$728,902.99)

We request your approval of Amendment No. 1 to the Contract with ARCADIS of Michigan, Inc. (ARCADIS) (formerly Malcolm Pirnie of Michigan, Inc.) for additional construction engineering services at the City's Wastewater Treatment Plant (WWTP) for the Facilities Renovations Project (FRP), and that Amendment No. 1 be funded from the approved project contingency. We also request your approval to utilize additional remaining contingency funds up to \$300,000.00 to compensate ARCADIS for future City requested engineering services that may be needed prior to project final completion.

The FRP consists of upgrading, rehabilitating and/or replacing the aging and deteriorating facilities at the WWTP, based on the results of extensive facilities master planning and community engagement. The FRP construction activities began in June 2012 and are to be completed by fall 2017. The project is currently 96% complete.

On January 23, 2012, Council approved a Contract with ARCADIS in the amount of \$10,802,423.00 for engineering services to support construction of the FRP. On February 6, 2012, Council approved tentative award of a Construction Contract to Walsh Construction Company II, LLC (Walsh) in the amount of \$92,929,000.00 for construction of the FRP. A project contingency in the amount of \$9,978,874.00 was approved by Council on May 13, 2013, specifically to fund change orders to the construction contract with Walsh as approved by the City Administrator.

Due to the complex nature and long duration of the FRP, a contingency for construction engineering services was not estimated or included in the project contingency but was postponed until engineering needs could be better defined. During construction of this long-term rehabilitation project, change orders to the construction contract with Walsh in the total amount of \$5,021,268.20 have been approved due to unforeseen and changed conditions, as well as at the request of WWTP staff to improve the constructed product and optimize plant operations. A consequence of these changes was that additional engineering services were provided by ARCADIS.

WWTP staff request approval of Amendment No. 1 to the ARCADIS contract for the additional construction engineering services that ARCADIS provided. ARCADIS submitted documentation for their scope and cost changes in the amount of \$728,902.99 and WWTP staff found this amount to be reasonable. WWTP staff also request authorization to utilize additional contingency funds up to \$300,000.00 to compensate ARCADIS for potential additional construction engineering services as requested by WWTP staff and approved by the City Administrator prior to project final completion.

The remaining project contingency after funding Amendment No. 1 (\$728,902.99) is \$4,498,877.81. Considering the current level of completion of the FRP, the remaining project contingency is sufficient to fund potential changes to the contracts with Walsh and ARCADIS.

The contingency for the FRP is available in the existing WWTP Facility Renovations project budget and is included in the FY14-19 CIP, approved by the Planning Commission.

Prepared by: Christopher J. Englert, P.E., WWT Services Engineer, WWT Services

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, The Facilities Renovations Project (FRP) is a major capital project to upgrade, rehabilitate and/or replace aging and deteriorating facilities at the City's Wastewater Treatment Plant (WWTP) that began in June 2012 and is to be completed by fall 2017;

Whereas, On January 23, 2012, Council approved a Contract with ARCADIS in the amount of \$10,802,423.00 for engineering services to support construction of the FRP;

Whereas, On February 6, 2012, Council approved tentative award of a Construction Contract to Walsh Construction Company II, LLC (Walsh) in the amount of \$92,929,000.00 for construction of the FRP;

Whereas, On May 13, 2013, Council approved a project contingency of \$9,978,874.00, specifically to fund change orders to the construction contract with Walsh as approved by the City Administrator;

Whereas, Due to the complex nature and long duration of the FRP, a contingency for construction engineering services was not estimated or included in the project contingency but was postponed until engineering needs could be better defined;

Whereas, During construction of the FRP, change orders to the construction contract with Walsh in the total amount of \$5,021,268.20 have been approved due to unforeseen and changed conditions, as well as at the request of WWTP staff to improve the constructed product and optimize plant operations;

Whereas, ARCADIS submitted documentation for additional construction engineering services associated with these change orders in the amount of \$728,902.99 and WWTP staff found this amount to be reasonable;

Whereas, WWTP staff also request authorization to utilize additional contingency funds up to \$300,000.00 to compensate ARCADIS for potential additional construction engineering services as requested by WWTP staff and approved by the City Administrator prior to project final completion;

Whereas, The remaining project contingency after funding Amendment No. 1 is sufficient to fund potential changes to the contracts with Walsh and ARCADIS; and

Whereas, Contingency for the FRP is available in the existing WWTP Facilities Renovation project budget and is included in the FY14-19 CIP, approved by the Planning Commission;

RESOLVED, That Council approve Amendment No. 1 to the contract with ARCADIS in the amount of \$728,902.99 for the additional construction engineering services that ARCADIS provided for the FRP;

RESOLVED, That the City Administrator be authorized to approve future amendments to the contract with ARCADIS as requested by City staff up to \$300,000.00 to be funded from the project

contingency; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution.