



CITY MANAGER'S REPORT

AGENDA ITEM REQUEST

UTILITIES DEPARTMENT

DATE: March 25, 2016 *TAH 3/21/16*

TO: Ed Lavallee, City Manager

FROM: Tim Hochuli, PE, PMP, Utilities Director

COUNCIL DATE: April 12, 2016

SUBJECT: MWH Americas, Inc. – Change Order No. 2
Aeration and Headworks Improvements –
Engineering/Inspection Services

Background:

The City executed Work Assignment No. 3 with MWH Americas, Inc. for the City's Eastside Water Reclamation Facility Aeration System and Headworks Improvements on June 11, 2013. The Work Assignment included all work associated with design, engineering and project management support as well as construction inspection services. The construction contract for this project assumed an 18 month schedule for completion. Change Order No. 1 was approved by Council on August 27, 2015 for three additional months of construction inspection services that were not included in the original Work Assignment.

During the construction of Phase 1, there were multiple changes in the design that became apparent due to unforeseen conditions. The City reviewed the Engineer's recommendations to perform this additional work and agreed these changes needed to be incorporated into the project. These design changes also resulted in additional work and time needed for the Contractor.

This additional construction work will result in additional costs for engineering and inspection services. The original construction contract completion date was April 8, 2016. These design changes amounted to approximately three months of additional construction time. All services provided by MWH for engineering support and inspection services will need to be performed during this additional construction period.

In addition to the construction time needed due to unforeseen conditions, the Contractor's schedule performance has not been as anticipated. To date, the Contractor is over a month behind the additional time described above. The services provided by MWH as previously mentioned would need to be performed as well during the time of the Contractor's schedule delays. However, the City will be seeking liquidated damages to recover some of these additional costs.

Requested Action:

The Utilities Department requests Council's approval of Change Order No. 2 with MWH Americas, Inc. in the amount of \$67,075.00 bringing the new contract amount to \$1,167,195.00.

City Attorney Review:

The City Attorney has reviewed this document and finds it to be acceptable.

Risk Management Review:

The Risk Manager has reviewed this document and finds no risk management objections.

Funds Availability (account number):

Based on council approval, funds are available in account number 421-1204-536.63-00 (Bond 15-B15401).