



AGENDA MEMORANDUM

Future Item for the City Council Meeting of December 15, 2015
Action Item for the City Council Meeting of January 12, 2016

DATE: November 19, 2015

TO: Ronald L. Olson, City Manager

THRU: Gustavo Gonzalez, P.E., Assistant City Manager, Public Works and Utilities
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<p><u>Engineering Contract</u> Mary Rhodes Pipeline Phase 2</p>
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CAPTION:

Motion authorizing the City Manager or designee to extend construction management services by executing Amendment No. 14 to the professional services contract with Freese and Nichols, Inc. of Corpus Christi, Texas in the amount of \$513,767 for a total restated fee not to exceed \$15,949,042 for Mary Rhodes Pipeline Phase 2.

PURPOSE:

The purpose of this agenda item is to obtain authority to execute a contract amendment for Mary Rhodes Pipeline Phase 2.

BACKGROUND AND FINDINGS:

Freese & Nichols Inc. was awarded the design and overall construction management contracts in February 2010 and March 2014. The Mary Rhodes Phase 2 project was developed and awarded in two construction contracts as indicated below.

Contractor	Description	Award Amount	Construction Dates
Oscar Renda Contracting	Pump Stations & Sedimentation Basin	\$29,167,288	Start: April 2014 Finish: June 2015
Garney Companies	Pipeline Sections A, B & C	\$84,121,405	Start: April 2014 Finish: August 2015

The Pipeline Sections A, B, and C contract was substantially complete in July 2015. The Pump Station & Sedimentation anticipated completion is March 2016. The completion delays are due to adverse weather, unforeseen conditions and contractor delays. The weather accounts for several weeks. The unforeseen conditions are related to construction material shortages, property owner easements conditional requirements, and differing site conditions. The remaining delays are caused by the contractor.

As a result of these factors the following change orders were processed:

Oscar Renda Contracting – Pump Stations & Sedimentation Basin (\$29,167,288)			
Change Order	Description	Amount	Percentage
No.1	Additional work of barbed wire fence for Miller property	\$96,083.41	0.33%
	Design modification for adding 20" extension of slab section in 480V VFD		
	Pump station site power realignment		
No.2	Sump underdrains with power for manhole #1 and manhole #2 in sedimentation basins	\$330,019.24	1.13%
	Add monitoring facilities at river pump station		
	Standby emergency generators at the river pump station and booster pump station		
	Total Change Orders	\$426,102.65	1.46%

Garney Companies – Pipeline Sections A, B & C (\$84,121,405)			
Change Order	Description	Amount	Percentage
No.1	Additional fence upgrade work for Miller property	\$99,923.14	0.19%
	Re-mobilization due to LCRA permit issue		
	Pipeline grade adjustment due to unknown gas line		
	Additional work to deal with unknown ground grade conflict		
No.2	Boring and casing six additional tunnels in Jackson County roads	\$460,933.39	0.55%
	Total Change Orders	\$560,856.53	0.74%

The engineering and construction management contracts were amended as follows:

Freese & Nichols Incorporated –Overall Construction Management Services		
Contract	Description	Amount
Original and Amendments 1 - 13	Overall design, construction management, testing and engineering services for Pump Station/Sedimentation Basin and Pipeline Sections A, B and C.	\$15,435,275
	On-site construction inspection Pump Station and Sedimentation Basin and Pipeline Section C.	
No.14 (Proposed)	Extended construction management, testing and engineering services for Pump Station/Sedimentation Basin and Pipeline Sections A, B and C.	\$513,767
	On-site representation providing continuous monitoring of all construction activities	
	Total	\$15,949,042

This contract amendment to FNI provides for extended construction management services for the MRPP2 project from August 2015 to March 2016. The scope of this contract amendment includes extended eight-month engineering services, construction observation services and additional construction materials testing services.

AGCM, Inc. was awarded a separate construction observation contract for Pipeline Sections A and B in March 2014. That contract is now complete. The following table presents the AGCM contract summary.

AG CM – Construction Observation Services (Pipeline Sections A & B)		
Contract	Description	Amount
Original	Construction observation services Pipeline Sections A and B.	\$1,679,942
No.1	Clarification that AGCM is not responsible for the safety of construction jobsite.	\$0
No.2	Added additional inspectors to recover construction schedule from January to March, 2015.	\$49,742
No.3	Added additional inspectors to recover construction schedule in April 2015.	\$44,036
No.4	Added additional inspection hours from May 2015 to project completion.	\$25,000
	Total	\$1,798,720

ALTERNATIVES:

1. Authorize the execution of the professional services contract.
2. Do not authorize the execution of the professional services contract. (Not Recommended)

OTHER CONSIDERATIONS:

The construction contracts provide for liquidated damages (\$3,500/day) (LDs). At project closeout, the excusable and non-excusable delays will be evaluated to determine assessment of LDs.

CONFORMITY TO CITY POLICY:

Conforms to City Fiscal Policy and policy on procuring Professional Services.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Utilities Department

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year 2015-2016	Project to Date Expenditures	Current Year	Future Years	TOTALS
Line Item Budget	\$150,835,700.00	16,570,500.00		\$167,406,200.00
Encumbered / Expended Amount	\$150,835,700.00			\$150,835,700.00
This Item		\$513,767.00		\$513,767.00
Future Anticipated Expenditures This Project		\$3,071,223.00		\$3,071,223.00
BALANCE	\$0.00	\$12,985,510.00		\$12,985,510.00

Fund(s): Water Supply CIP #1

RECOMMENDATION:

City Staff recommends approval of the extension of construction management services by executing Amendment No. 14 to the professional services contract with Freese and Nichols, Inc. of Corpus Christi, Texas in the amount of \$513,767 for a total restated fee not to exceed \$15,949,042 for Mary Rhodes Pipeline Phase 2.

LIST OF SUPPORTING DOCUMENTS:

Project Budget
Location Map
Contract
Presentation