



AGENDA MEMORANDUM

Future Item for the City Council Meeting of October 30, 2018
Action Item for the City Council Meeting of November 13, 2018

DATE: October 15, 2018

TO: Keith Selman, Interim City Manager

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<p style="text-align: center;"><u>Construction Contract Change Order No. 1</u> Oso Water Reclamation Plant Headworks and Lift Station (CIP)</p>
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CAPTION:

Motion to authorize execution of Change Order No. 1 with CSA Construction Inc., of Houston, TX in the amount of \$381,427 for a total restated fee of \$23,246,967 for the Oso Water Reclamation Plant Headworks and Lift Station project.

PURPOSE:

This change order provides for urgently needed work at the Oso and the Laguna Madre Wastewater Treatment Plants (WWTP's). Adding this work to the ongoing Oso Water Reclamation Plant Headworks and Lift Station construction project is the most expeditious and cost-effective option.

BACKGROUND AND FINDINGS:

On January 9, 2018, City Council awarded the Oso WWTP headwork's and lift station project. During construction, the structural condition of catwalks at the Oso WWTP were determined to be near failure and presented potential hazards to city staff and contractors. Additionally, during the design of a major Laguna Madre WWTP rehab project, it was determined that the severe

deterioration of the digester piping at the Laguna Madre WWTP is near critical failure. The degraded piping requires constant repair and excessive chemical treatment of effluent to meet discharge permit requirements.

This change order provides structural renovations for Oso WWTP catwalk and replacement of Laguna Madre WWTP digester piping. CSA Construction is already performing similar work and therefore it is cost effective to bundle both elements of work in this change order. This change order of \$381,427 represents a total change of 1.67% of the original contract amount.

ALTERNATIVES:

1. Authorize execution of the Change Order. (Recommended)
2. Do not authorize execution of the Change Order. (Not Recommended)

OTHER CONSIDERATIONS:

(Optional)

CONFORMITY TO CITY POLICY:

Complies with statutory requirements for construction contracts and change orders. Conforms to FY 2019 Capital Improvement Planning (CIP) Budget.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Water Utilities Department

FINANCIAL IMPACT:

Fiscal Year 2018-2019	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Budget	16,477,256	13,770,644	8,000,000	38,247,900
Encumbered / Expended Amount	16,177,256			16,177,256
This item		381,427		381,427
Future Anticipated Expenditures This Project		13,689,217	6,935,145	20,624,362
BALANCE	0	0	1,064,855	1,064,855

Fund(s): Wastewater CIP

RECOMMENDATION:

Staff recommends the approval of Change Order No. 1 with CSA Construction, Inc.

LIST OF SUPPORTING DOCUMENTS:

Project Budget
Location Map
Presentation
Change Order