

RESOLUTION NO. R19-16

RESOLUTION APPROVING CHANGE ORDER NO.1 TO THE CONTRACT FOR THE CITY OF LAUREL'S WWTP SLUDGE DEWATERING FACILITIES AND AUTHORIZING THE MAYOR TO SIGN ALL CHANGE ORDER DOCUMENTS ON THE CITY'S BEHALF.

WHEREAS, the City of Laurel planned and publicly advertised the project known as the WWTP Sludge Dewatering Facilities Project, and the City awarded the project to Strategic Construction Solutions; and

WHEREAS, City Staff requested additional work on the project as detailed in the attached Change Order Documents and the additional work increased the charges due under the contract; and

WHEREAS, the City's Engineers, KLJ, prepared the attached Change Order No. 1 and has determined the additional work requires an extension of the contract term and cost which are both necessary, reasonable, and in the City's best interest.

NOW, THEREFORE, BE IT RESOLVED, the City Council hereby approves the attached Change Order No. 1 and authorizes the Mayor to execute it and all necessary documents on the City's behalf.

BE IT FUTHER RESOLVED the City Council authorizes both the increased cost and term of the contract as detailed and provided in the attached Change Order No. 1.

Introduced at a regular meeting of the City Council on May 21, 2019, by Council Member Herr.

PASSED and APPROVED by the City Council of the City of Laurel this 21st day of May 2019

APPROVED by the Mayor this 21st day of May 2019.

CITY OF LAUREL

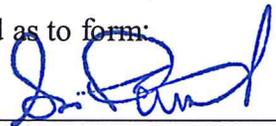

Thomas C. Nelson, Mayor

ATTEST:



Bethany Langve, Clerk-Treasurer, Clerk-Treasurer

Approved as to form:



Sam Painter, Civil City Attorney

April 29, 2019

Tim Reiter
Utility Plants Superintendent
City of Laurel
PO Box 10
Laurel, MT 59044

Re: WWTP Sludge Dewatering Facilities Change Order 1 – Partial Reconciliation

Dear Tim:

It is our recommendation that the City move forward with Change Order 1 (attached) for the WWTP Sludge Dewatering Facilities project. Change Order 1 involves the additional work required to pump down Digester B to the top of the cone after the City's pumps stopped working. The Contractor has agreed to move forward with payment as proposed in the Engineer's Recommendation Letter prepared March 25, 2019, included in Change Order 1. The proposed changes have been agreed upon by the Contractor with the understanding that the remaining cost in the Proposed Change Order 1 prepared by the Contractor submitted March 4th, 2019 (email) would be open to debate. The effects of this Change Order are as follows:

- **Contract Price Changes**
 - Original Contract Price - \$1,575,000.00
 - Increase to Contract Price - \$26,173.04
 - Final Contract Price - \$1,601,173.04
- **Contract Time Changes**
 - Original Contract Dewatering Time – 45 days
 - Increase to Dewatering Time – 9 days
 - Final Contract Dewatering Time – 54 days

It is important to note that the increase of Contract Time will only affect the time allocated for dewatering and will not influence the Substantial Completion date for the project. Please review the attached Change Order 1 for the WWTP Sludge Dewatering Facilities project. Feel free to contact us if you have any questions.

Sincerely,

KLJ

A handwritten signature in blue ink, appearing to read 'Douglas C. Whitney'.

Douglas C. Whitney, PE
Project Engineer

Enclosure(s): Change Order 1 & Attachments

Project #: 1804-00120

cc: Terry Sutherland, File

Change Order

No. 1

Date of Issuance: April 29, 2019

Effective Date: _____

Project: WWTP Sludge Dewatering Facilities	Owner: City of Laurel	Owner's Contract No.: N/A
Contract: Base Bid Lump Sum Price		Date of Contract: 11/16/2018
Contractor: Strategic Construction Solutions		Engineer's Project No.: 1804-00120

The Contract Documents are modified as follows upon execution of this Change Order:

Description:

This Change Order is to address the additional pumping required in Digester B, to lower the existing sludge to the top of the cone after the City's pumps stopped working. Change Order 1 address the work performed between February 4th and 12th as stated in the Engineer's Recommendation to the City of Laurel (March 25, 2019) and agreed upon by Strategic Construction Solutions. Additional contract price and contract time requested by Strategic Construction Solutions regarding this change in condition and not addressed in this Change Order will remain open to discussion, and potential reconciliation. As part of this Change Order an additional 9 days will be added to the 45 days of allocated time for dewatering. These days will not affect the Contract Time for Substantial completion.

Attachments (list documents supporting change):

Engineers Recommendation Letter & Attachments – 3/25/19 (3 pages), Proposed Change Order prepared by SCS - 2/28/19 (1 page)

CHANGE IN CONTRACT PRICE:

Original Contract Price:

\$ 1,575,000.00

Increase from previously approved Change Orders No. 0 to No. 0:

\$ 0.00

Contract Price prior to this Change Order:

\$ 1,575,000.00

Increase of this Change Order:

\$ 26,173.04

Contract Price incorporating this Change Order:

\$ 1,601,173.04

CHANGE IN CONTRACT TIMES:

Dewatering Contract Times: Working days Calendar days

Dewatering completion (days): 45

Ready for final payment (days): N/A

Increase from previously approved Change Orders No. 0 to No. 0:

Dewatering completion (days): 0

Ready for final payment (days): N/A

Contract Times for Dewatering prior to this Change Order:

Dewatering completion (days): 45

Ready for final payment (days): N/A

Increase of this Change Order:

Dewatering completion (days): 9

Ready for final payment (days): N/A

Contract Times with all approved Change Orders:

Dewatering completion (days): 54

Ready for final payment (days): N/A

RECOMMENDED:

By: [Signature]
Engineer (Authorized Signature)

Date: 4/29/19

ACCEPTED:

By: [Signature]
Owner (Authorized Signature)

Date: 5/21/2019

ACCEPTED:

By: [Signature]
Contractor (Authorized Signature)

Date: 4-19-19



2611 Gabel Road
Billings, MT 59102-7329
406 245 5499
KLJENG.COM

March 25, 2019

Tim Reiter
Utility Plants Superintendent
City of Laurel
PO Box 10
Laurel, MT 59044

Re: WWTP Sludge Dewatering Facilities Claim 1 – Engineers Recommendation

Dear Tim:

As per section 10.05 A. of the Montana Public Works Standard Specifications (MPWSS) General Conditions, this letter is to service as the Engineer's recommendation to the proposed Change Order received by KLJ from Strategic Construction Solution (SCS) on March 4, 2019 (attached).

The proposed Change Order requests an additional Contract Price of \$74,424.70 and Contract Time of 22 days be added to the Contract due to additional Work and materials needed to dewater Digester B when the City's pumps stopped working.

Section 13265 Digester Drawdown, Sludge Dewatering and Digester Cleaning states that "after the sludge has been dewatered and the digesters have been drawn down to the top of the cones, cleaning of the digester will take place." The intent of this passage is to convey our anticipation that the City would be able to use the existing pumps to drawdown Digester B until the sludge reached the top of the cone, at which point the Contractor would be responsible for the removal of the remaining sludge from Digester B.

The City's pump stopped working on February 4th and SCS reached the top of the cone as of February 12th. The date regarding the City's pump is stated directly in the proposed Change Order provided by SCS, and the date that SCS reached the top of cone was determined from the weekly construction meeting and corresponding meeting minutes that took place February 12th. Meeting minutes from the weekly construction meetings are distributed to both the City and Contractor weekly.

It is the Engineers recommendation that additional Contract Price (\$26,173.04) and Contract Time (9 Days) between the dates of February 4th and February 12th be reimbursed to SCS in the proposed Change Order. It is KLJ's opinion that the City's inability to pump the sludge down to the top of the cone would constitute a change in condition and therefore the cost incurred during this time frame was not represented in SCS's bid and is eligible for reimbursement. The additional Contract Price includes the cost associated with Badger Daylighting Corp, who was brought in as a sub-contractor to assist with the sludge removal, SCS's labor cost (including Per Diem), and corresponding Contractors Fee (CF) as stated in MPWSS's General Conditions Section 12.01.C. Please see the corresponding adjustment to Contract Price and Time below. All cost were determined using invoices and labor costs provided by SCS.



Badger Daylighting Corp	\$15,052.85
SCS's Labor & Per Diem	\$9,015.26
Badger Daylighting Corp CF (5%)	\$752.64
SCS CF (15%)	\$1,352.29
Additional Contract Price	\$26,173.04
Additional Contract Time (Dewatering)	9 Days

Invoices submitted from Superior Water Solutions, Curb Box Specialists Inc., and Pierce Leasing and Commercial will not be considered as part of the Change Order as stated below.

- Superior Water Solutions – Pressure Washer (Part of cleaning operation)
- Curb Box Specialists Inc. – Backflow Rental (Outside of dates for Change Order)
- Pierce Leasing and Commercial – Job Trailer (No change to critical path or overall project)

Please review our Change Order recommendation for an additional Contract Price of \$26,173.04 and Contract Time of 9 days. The additional Contract Time of 9 days is only added to the 45 days of allocated time for dewatering and will not extend the 150 days until Substantial Completion, as sludge drawdown work is not a critical pathway for the overall construction process and work on the overall project could have continued.

Feel free to contact us if you have any additional questions or concerns regarding the recommendation or would like to request any additional material be provided.

Sincerely,

KLJ

Douglas C. Whitney, PE
Project Engineer

Enclosure(s): Proposed Change Order – March 4, 2019 email
Project #: 1804-00120
cc: Terry Sutherland, File

From: [Terry Sutherland](#)
To: [Doug Whitney](#)
Cc: [McKenzie Butcher](#); [William Willis](#); [Riley Willis](#)
Subject: Sludge removal
Date: Monday, March 4, 2019 7:26:32 AM
Attachments: [PCO 1.pdf](#)

Doug,
Please see attached PCO 1 for removal of sludge.

Terry Sutherland

Estimator/Project Manager

Strategic Construction Solutions

AN ATWELL GROUP COMPANY

406.581.3312 Mobile

4700 E Southern Avenue Mesa, AZ 85206

www.scsbuild.com

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PCO #001

SCS
 4700 E Southern Ave
 Mesa, Arizona 85206
 Phone: (480) 586-2400

Project: SCS18002715 - SCS - Laurel WWTP Sludge Dewatering
 Facilities
 Laurel, Montana 59044

Prime Contract Potential Change Order #001: CE #01 - Change Order #1 - Sludge Removal

TO:	KLJ 2611 Gabel Rd. Billings Montana, 59102	FROM:	Strategic Construction Solutions 4700 E. Southern Ave Mesa Arizona, 85206
PCO NUMBER/REVISION:	001 / 0	CONTRACT:	1 - SCS - Laurel WWTP Sludge Dewatering Facilities Prime Contract
REQUEST RECEIVED FROM:		CREATED BY:	Wendi DeLaCruz (SCS)
STATUS:	Pending - In Review	CREATED DATE:	2/28/2019
REFERENCE:		PRIME CONTRACT CHANGE ORDER:	None
FIELD CHANGE:	No		
LOCATION:		ACCOUNTING METHOD:	Amount Based
SCHEDULE IMPACT:	22 days	PAID IN FULL:	No
		TOTAL AMOUNT:	\$74,424.70

POTENTIAL CHANGE ORDER TITLE: CE #01 - Change Order #1 - Sludge Removal

CHANGE REASON: Client Request

POTENTIAL CHANGE ORDER DESCRIPTION: *(The Contract Is Changed As Follows)*

CE #01 - Change Order #1 - Sludge Removal

As of February 4th, city's pump would no longer pump the sludge due to the thickness of sludge. SCS crews had to bring in a vac truck to remove the sludge that was the owners responsibility to pump. The level of the sludge in the tank was approximately 9' above the top of the cone. In addition to the associated costs we request an additional 22 days of contract time to both the dewatering and cleaning and total contract times.

ATTACHMENTS:

#	SubJob	Cost Code	Description	Type	Amount
1	N/A	160.1 - Sludge Dewatering	SCS Labor	Labor	\$23,585.55
2	N/A	160.1 - Sludge Dewatering	United Rentals - Forklift	Equipment	\$1,797.98
3	N/A	160.1 - Sludge Dewatering	Badger- Vac Truck	Commitment	\$29,742.84
4	N/A	160.1 - Sludge Dewatering	Materials	Materials	\$5,005.00
5	N/A	160.1 - Sludge Dewatering	Trucks	Equipment	\$3,000.00
6	N/A	160.1 - Sludge Dewatering	Office Traller/Backflow Rental	Other	\$945.00
7	N/A	160.1 - Sludge Dewatering	1% GRT	Other	\$736.88
8	N/A	160.1 - Sludge Dewatering	SCS 15% Profit and Overhead	Other	\$9,611.45
Subtotal:					\$74,424.70
Grand Total:					\$74,424.70

Doug Whitney (KLJ)
 2611 Gabel Rd.
 Billings Montana 59102

KLJ
 2611 Gabel Rd.
 Billings Montana 59102

Strategic Construction Solutions
 4700 E. Southern Ave
 Mesa Arizona 85206

SIGNATURE _____ DATE _____ SIGNATURE _____ DATE _____ SIGNATURE _____ DATE _____