

**Metropolitan Domestic Water Improvement District
Board of Directors Meeting**

January 14, 2013

**Approval of Change Order #2 for the
La Cañada Dr., Ina Rd. to River Rd., Waterline Relocations and
La Cañada Dr. "A" Zone Transmission Main, Phase 1**

Synopsis

The Board of Directors is requested to approve Change Order #1 to La Cañada Dr., Ina Rd. to River Rd., Waterline Relocations and La Cañada Dr. "A" Zone Transmission Main, Phase 1 project with Action Pipeline Contractors, Inc. (Action) for the purpose of establishing a new contract amount of \$3,033,785.89 and a new contract completion date of December 31, 2012.

Background

Pima County's RTA-funded La Cañada Drive, Ina Rd. to River Rd., Roadway Improvement Project required the District to relocate existing waterlines that are in conflict with proposed roadway improvements. The waterline relocation portion of the project consists of 4", 6", 8" and 12" waterlines and appurtenances designed to avoid conflicts with roadway improvements and ensure continued water distribution system service to affected areas.

The 1994 Water System Management Plan (WSMP) identified the need for a large diameter transmission main system to convey water from the District's wells and reservoirs to the distribution system. The La Cañada Drive "A" Zone Transmission Main, Phase 1 is designed to convey water from the existing "A" Zone service areas to the south and east of this location. Additionally, this transmission main will provide a connection point for the future Riverside Well Transmission Main designed to convey water from the Riverside Well to the "A" Zone transmission Main system. This transmission main will also provide a connection point to facilitate a future CAP water wheeling agreement with Flowing Wells Irrigation District.

At the September 12, 2011 Board of Directors meeting the District Board of Directors awarded this project to Action Pipeline Contractors, Inc. (Action) in the amount of \$2,774,730.00. Also, the Board of Directors gave the General Manager the authority to approve up to \$100,000.00 in additional funding in order to allow work to proceed promptly should any unforeseen conditions be encountered during construction. The General Manager did exercise this authority in approving Change Order #1 in order to allow payment to Action for additional authorized work.

Issues

Change Order #2, which increases the approved Contract amount by \$159,055.89, includes all remaining Force Account work not paid under Change Order #1 and the Final ‘As-Built’ quantities for each bid item on this project. Some bid items have exceeded their original estimated quantity due to existing and/or unanticipated field conditions that differed from the project plans and/or improvement plans (from Pima County and utility companies) and areas omitted by the District’s design consultant. Change Order # 2 amount includes \$101,235.92 for additional work associated with waterline relocation and \$57,819.97 for the transmission main. Attached is a copy of Pay Application #11 – Final As-Built’ for reference.

The project construction consisted of forty-eight (48) Field Orders that directed Action to perform unanticipated work not called for on the plans. Field Order work was paid for by either: 1) under an existing bid item (i.e. additional lineal footage of pipe), or 2) under one of the two Force Account Bid Items (No. 26 for waterline relocation related work or No. 55 for transmission main related work). There were a total of 13 Force Account Items which are listed on Page 4 of the attached Pay Application #11 – Final As-Built’.

The contract time extension is to cover the actual time required by Action to perform all the work to complete this entire project, inclusive of all the work associated with the additional 48 field orders.

Funding for the additional work will be as follows: 1) the waterline relocation portion will be funded through the issuance and sale of Senior Lien Water Revenue Obligations, Series 2011 authorized by the Board of Directors during their November 8, 2010 meeting. The RTA waterline relocation fee will be used to repay these obligations; and 2) the transmission main portion will be funded by postponing part of the Shannon Road Transmission Main and the Casas Adobes Mainline Replacement projects scheduled to be funded by the 2007 WIFA loan, as approved by the Board of Directors during their October 13, 2010 meeting.

Recommendation

It is recommended that the Board of Directors approve Change Order No. 2 to the La Cañada Dr., Ina Rd. to River Rd., Waterline Relocations and La Cañada Dr. “A” Zone Transmission Main, Phase 1 contract with Action Pipeline Contractors, Inc. which establishes a new contract amount of \$3,033,785.89 and a new contract completion date of December 31, 2012.

Suggested Motion

I move to approve Change Order No. 2 to the La Cañada Dr. “A” Zone Transmission Main, Phase 1 contract with Action Pipeline Contractors, Inc. which establishes a new contract amount of \$3,033,785.89 and a new contract completion date of December 31, 2012.

Board of Directors Meeting

January 14, 2013

Approval of Change Order #2 for La Cañada Dr., Ina Rd. to River Rd., Waterline Relocations and La Cañada Dr.

“A” Zone Transmission Main, Phase 1

Page 3

Respectfully submitted,

Charlie A. Maish, P.E., R.L.S.
District Engineer

I concur with the above-noted recommendation.

Respectfully submitted,

Mark R. Stratton, P.E.
General Manager