

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

April 8, 2013

**Approval of Change Order #1 for the
Cortaro Farms Road/Magee Road, Shannon Road (South) to Thornydale Road, Waterline
Relocations and Shannon Road Transmission Main, Phase I, and Cortaro Farms
Road/Magee Road Reclaimed Water Line**

Synopsis

The Board of Directors is requested to approve Change Order #1 to the Cortaro Farms Road/Magee Road, Shannon Road (South) to Thornydale Road, Waterline Relocations and Shannon Road Transmission Main, Phase I, and Cortaro Farms Road/Magee Road Reclaimed Water Line contract with Innova Engineering, LLC (Innova) for the purpose of establishing a new contract amount of \$3,083,923.83 and a new contract completion date of February 7, 2013.

Background

Pima County's RTA-funded Cortaro Farms Road/Magee Road Improvements, Thornydale Road to Mona Lisa Road required the District to relocate water lines that are in conflict with the proposed road improvements. The waterline relocation portion of this project consisted of new 6", 8", 12" and 16" waterlines and appurtenances designed to avoid conflicts with proposed road improvements and ensure continued water distribution system service to the affected areas. In addition, this project made provisions for a future renewable water wheeling agreement with Tucson Water, by providing connection points for a future potable water metering station from Tucson Water.

The Shannon Road Transmission Main, Phase I is the first segment of a 30-inch transmission main designed to directly convey water from a future renewable water supply located to the west of the Metro Main service area, and to more immediately assist in conveying water from the Herb Johnson Reservoir and "A" Zone Transmission Main system to "A" Zone service areas west of the CDO wash. The construction of this portion of the transmission main at this time was necessitated by the Pima County Cortaro Farms Road/Magee Road Improvements, Thornydale Road to Mona Lisa Road.

The Cortaro Farms Road/Magee Road Reclaimed Water Line will convey reclaimed water from an existing Tucson Water reclaimed water line in Cortaro Farms Road at Thornydale Road to a future reclaimed water metering station, and from there to a terminus point at Magee Road west of the CDO Wash Bridge. Reclaimed water will be delivered from this point via meters to the Omni Tucson

National Golf Course and to Pima County Parks and Recreation facilities.

At the October 12, 2011 Board of Directors meeting the District Board of Directors awarded this project to Innova Engineering, LLC (Innova) in the amount of \$2,887,889.00. 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 not exercise this authority during the course of this project.

Issues

Change Order #1 increases the approved Contract amount by \$196,034.83 and includes all Force Account work and 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 an area overlooked during design. The District will attempt to recover some of the costs incurred due to these utility conflicts by filing claims against the involved utilities (TEP and CenturyLink). Attached is a copy of Pay Application #11 – Final As-Built' for reference.

The project construction consisted of twenty-six (26) Field Orders that directed Innova 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 three Force Account Bid Items (No. 26 for Waterline Relocation related work, No. 46 for Transmission Main related work and No. 58 for the Reclaimed Waterline related work). There were a total of thirty-eight (38) Force Account Items which are listed on Page 6 of the attached Pay Application #11 – Final As-Built'.

The contract time extension is to cover the actual time required by Innova to perform all the work to complete this entire project, inclusive of all the work associated with the additional 26 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; 2) the transmission main portion will be funded by the postponement of the Shannon Road Transmission Main, Phase 2 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; and 3) the reclaimed waterline portion will be funded from the Board approved Fiscal Year 2012 – 2013 Budget.

Recommendation

It is recommended that the Board of Directors approve Change Order #1 to the Cortaro Farms Road/Magee Road, Shannon Road (South) to Thornydale Road, Waterline Relocations and Shannon Road Transmission Main, Phase I, and Cortaro Farms Road/Magee Road Reclaimed Waterline contract with Innova Engineering, LLC which establishes a new contract amount of \$3,083,923.83

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(a 6.8% increase) and a new contract completion date of February 7, 2013.

Suggested Motion

I move to approve Change Order #1 to the Cortaro Farms Road/Magee Road, Shannon Road (South) to Thornydale Road, Waterline Relocations and Shannon Road Transmission Main, Phase I, and Cortaro Farms Road/Magee Road Reclaimed Waterline contract with Innova Engineering, LLC which establishes a new contract amount of \$3,083,923.83 and a new contract completion date of February 7, 2013.

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