



**Change order
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 42
AGENDA DATE: Thu 12/16/2004
PAGE: 1 of 4**

SUBJECT: Authorize execution of change order # 4 to the construction contract with SHAW ENVIRONMENTAL, INC., Findlay, OH, for the North Service Center Excavation for Site Clearance in the amount of \$689,957.09, for a total contract amount not to exceed \$2,309,985.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$689,957.09 is available in the Fiscal Year 2002-2003 Capital Budget of the Austin Water Utility.

FISCAL NOTE: A fiscal note is attached.

REQUESTING Public Works
DEPARTMENT:for Austin Water Utility;

**DIRECTOR'S
AUTHORIZATION:** Sondra Creighton

FOR MORE INFORMATION CONTACT: Alison von Stein, 974-7217; Laura Bohl, 974-7064

PRIOR COUNCIL ACTION: Construction contract ratified by Council June 24, 2004.

BOARD AND COMMISSION ACTION: Recommended by the Water & Wastewater Commission.

PURCHASING: N/A

MBE / WBE: 7.86% MBE and 0.22% WBE subcontractor participation to date.

On June 24, 2004, the City Council authorized ratification of an emergency contract with Shaw Environmental, Inc. to perform high-hazard excavation of the North Service Center site to provide clearance following the explosion that occurred November 3, 2003 during excavation of a storm sewer line. The explosion was determined to have been caused by benzoyl peroxide left at the site by the previous owner/occupant of the site, a chemical company. Benzoyl peroxide is a highly reactive/explosive chemical subject to heat, impact, and friction.

In order to provide assurance that the site will be safe for construction work to continue and for future occupation, the scope of the contract with Shaw Environmental, Inc. includes excavation of the site to bedrock in areas that have not been previously excavated to bedrock, screening the removed soil, replacing it and compacting it in place. Additional authority is being requested for a change order for the following reasons:

- The amount of material to be excavated will exceed the estimated amount
- Relocation of an asbestos concrete wastewater line is planned to be added to the project

The current estimated amount of soil to be removed has exceeded the original estimate. The original estimated amount was based on available information concerning the depth to bedrock. More precise bedrock depths could have been obtained but that would have required extensive soil borings, which were considered both cost prohibitive and time consuming.

Another factor which contributed to the estimated soil amount being exceeded was that some areas that had been planned to be excluded from excavation were determined during construction to be feasible to excavate. For instance, the original scope stipulated that excavation would not occur within ten feet of the existing building pads, in order to maintain the structural integrity of the pads. Evaluation by the geotechnical engineer, based on field conditions during excavation, resulted in this restriction being



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modified to allow excavation to occur up to the edge of the building pads and then sloped away from the pads. Also, the original scope called for the existing site utilities to remain in place and for the excavation to maintain a ten foot buffer around them. Further evaluation of the risk and benefit of this approach resulted in a modification of the scope to allow for removal the site utility lines. Similarly, the berms around the detention pond were originally scoped to remain in place, whereas further evaluation resulted in modifying the scope to provide for excavation of these berms. Combined, these modifications have altered the amount to be excavated from the original estimate of 84,850 cubic yards to the current estimated amount of 110,000 cubic yards.

On September 11, 2004, a vein of benzoyl peroxide was found within the area of the chemical company's former waste disposal pond. Additional authorization will be required to allow for the cost to transport and dispose of this material. An RCA for this will follow in early 2005, after we receive approval from TCEQ on the removal and treatment of this material.

Relocation of an asbestos concrete wastewater line is planned to be added to the project. Another asbestos concrete wastewater line is being replaced under this contract to allow for excavation to occur in that area. Work on both of these lines requires a by-pass and it will be cost effective to perform work on both lines with a single by-pass, which will also minimize downtime.

The project has two contingencies: one that is part of the construction contract and one that is an owner's contingency that was budgeted for this project and previously approved by council when the contract awarded was ratified on June 6, 2004. The owner's contingency was set up to allow for variances in the estimated amount of soil to be removed and to cover the cost of testing, and/or treating hazardous waste that might be excavated. There is sufficient remaining balance in these contingencies to provide some of the funding for the proposed/requested change order. Additional authorization is requested for the remaining \$500,000 that is required for this change order. Proposed funding information, including the remaining balances in the contingencies, is shown below.

AUTHORIZATION HISTORY

Contract amount, including contract contingency, prior to this Council	\$1,620,027.96
Owner's Contingency, balance remaining prior to this Council action.....	<u>\$189,957.04</u>
Contract Authorization prior to this Council action.....	\$1,809,985.00

DATE	CO#	Description	Amount	Contract	Owner's	CO%
		Contingency	Contingency			
06/24/04		Original Contract Authorization, Contract Contingency and Owner's Contingency (Ratification)		\$1,323,985	\$250,000	\$236,000
Contingency	1	Remove existing site utilities, install meter at hydrant, abandon a monitoring well, provide tarps, rope and cardboard edges for construction materials stored on site.		\$16,254.61		<\$16,254.61> 1.03%



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Contingency	2	Remove asbestos concrete wastewater line	\$4,065.00	<\$4,065.00>	0.26%
Contingency	3	Mitigate and dispose of lab Bottles containing unknown substance(s) & remove & dispose of asbestos debris	\$25,723.30	<\$25,723.30>	1.63%
Proposed	4	Excavate & backfill additional soil, & relocate 500 linear feet of asbestos concrete wastewater line	\$500,000	\$189,957.04	46.76%

Totals: \$1,870,027.01 \$250,000 \$0

Current contract amount, not including contract contingency.....	\$1,370,027.96
Contract Contingency, to be applied to change orders.....	\$250,000.00
Owner's Contingency balance, to be applied to proposed change order.....	\$189,957.04
Proposed additional authority.....	<u>\$500,000.00</u>
Total Authorization after this council action.....	\$2,309,985.00
Total change orders to date including this council action	46.76%

The contract with Shaw Environmental, Inc. was awarded on an emergency basis. In that this was an emergency action, the 25% limit on change orders does not apply and there were no M/WBE goals. However, an estimate of the total participation for this change order (based on the existing participation thus far) is as follows:

NON M/WBE TOTAL – PRIME	\$377,392.10	54.70%
Shaw Environmental, Inc., Findlay, Ohio	\$377,392.10	54.70%

MBE TOTAL – SUBCONTRACTORS	\$107,480.00	15.58%
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Hispanic Subtotal	\$107,480.00	15.58%
Melendrez Brothers Trucking, Austin, TX (hauling)	\$10,565.00	1.53%
Martinez, Wright and Mendez, Austin, TX (surveying)	\$21,915.00	3.18%
Benitez Construction, Inc., Manor, TX (wastewater line)	\$75,000.00	10.87%

NON M/WBE TOTAL – SUBCONTRACTORS	\$205,085.00	29.72%
Hertz Equipment Rental Corp. (equipment rental)	\$54,795.00	7.94%
Neff Rental, Inc., Austin, TX (equipment rental)	\$10,945.00	1.59%
Powerscreen Texas, Inc., La Grange, TX (screener rental)	\$30,520.00	4.42%
H. Richards Oil Co., Austin, TX (oil)	\$21,920.00	3.18%
Crescent Machinery Co., Austin, TX (equipment rental)	\$26,855.00	3.89%
Kwik Ice, Austin, TX (ice)	\$790.00	0.11%



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Airgas, Austin, TX (oxygen supply)	\$3,070.00	0.44%
Bradford Homesuites, Austin, TX (lodging)	\$47,170.00	6.84%
Central Texas Refuse, Inc., Austin, TX (waste disposal)	\$3,320.00	0.48%
Capitol Chem Can Co., Buda, TX (portable toilets)	\$700.00	0.10%
ARC Abatement, Inc., Austin, TX (asbestos abatement)	\$5,000.00	0.72%

Overall subcontractor participation, including this change order: 1.50% MB; 6.36% MH; 0% MN; 0%MA; 0.22% WBE and 91.92% Non M/WBE.

CIP FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
WHERE ON AGENDA:
DEPARTMENT:

12/16/2004
Resolution
Austin Water Utility

DESCRIPTION:

Authorize execution of change order # 4 to the construction contract with SHAW ENVIRONMENTAL, INC., Findlay, Ohio, for the North Service Center Excavation for Site Clearance in the amount of \$689,957.09, for a total contract amount not to exceed \$2,309,985.

FINANCIAL INFORMATION:

Parent Project Name: 1998 Water Improvements Prop. 8
Project Authorization: 2002-03 Amended Capital Budget
Funding Source: 1998 Revenue Bonds
Number: 4200 227 1024

Current Appropriation	\$ 64,179,000.00
Unencumbered Balance	23,965,199.13 *
Amount of This Action	<u>(344,978.54)</u>
Remaining Balance	<u>\$ 23,620,220.59</u>
Current Available Balance	\$ 28,511,099.13
Less Outstanding Commitments	<u>(4,545,900.00)</u>
Estimated Unencumbered Balance	<u>\$ 23,965,199.13 *</u>

Utility Finance: _____

David Anders, Utilities Finance Manager

Date: 11/22/04

REF. # 4200 227 7959

CIP FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
WHERE ON AGENDA:
DEPARTMENT:

12/16/2004
Resolution
Austin Water Utility

DESCRIPTION:

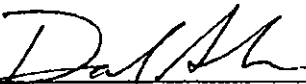
Authorize execution of change order # 4 to the construction contract with SHAW ENVIRONMENTAL, INC., Findlay, Ohio, for the North Service Center Excavation for Site Clearance in the amount of \$689,957.09, for a total contract amount not to exceed \$2,309,985.

FINANCIAL INFORMATION:

Parent Project Name:	1998 Wastewater Imps. Prop. 9
Project Authorization:	2002-03 Amended Capital Budget
Funding Source:	1998 Revenue Bonds
Number:	4530 237 2020

Current Appropriation	\$ 66,802,000.00
Unencumbered Balance	28,723,340.50 *
Amount of This Action	<u>(344,978.55)</u>
Remaining Balance	<u>\$ 28,378,361.95</u>
Current Available Balance	\$ 29,287,050.50
Less Outstanding Commitments	<u>(563,710.00)</u>
Estimated Unencumbered Balance	<u>\$ 28,723,340.50 *</u>

Utility Finance:



David Anders, Utilities Finance Manager

Date: 11/22/04

REF. # 4530 237 8962

No.120104-C
WATER AND WASTEWATER COMMISSION RESOLUTION
CHANGE ORDER #4 TO THE CONSTRUCTION CONTRACT WITH SHAW ENVIRONMENTAL,
INC., FOR THE NORTH SERVICE CENTER EXCAVATION FOR SITE CLEARANCE
IN THE AMOUNT OF \$689,957.09 FOR A TOTAL CONTRACT
AMOUNT NOT TO EXCEED \$2,309,985

December 1, 2004
REGULAR MEETING
VOTE: 6-0-1-2

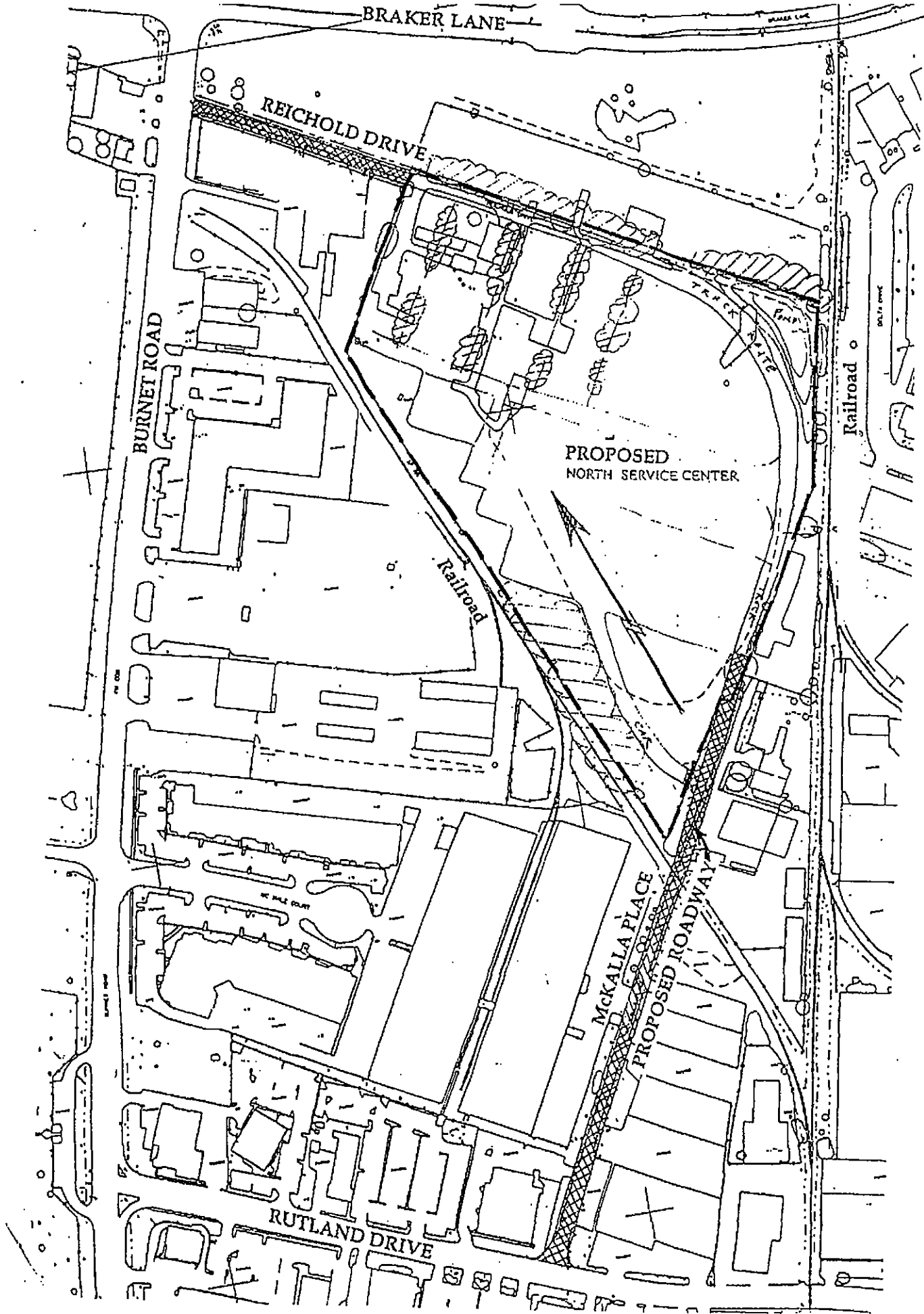
Motion made by: Warner
Commissioners Consenting: Lee, Raun, Friese, Coleman, Chan
Commissioners Dissenting:
Commissioners Abstaining: Miller
Commissioners Absent: Kirfman, Pool

The Water and Wastewater Commission recommends the Council authorize the execution of a change order #4 to the construction contract with Shaw Environmental, Inc., for the North Service Center Excavation for Site Clearance in the amount of \$689,957.09 for a total contract amount not to exceed \$2,309,985.

Commissioner Miller abstained on this item because he feels his law firm has a potential interest in events and decisions related to the North Service Center.


Michael Warner Chairperson
Water and Wastewater Commission

12/1/04
Date



LOCATION MAP