

CITY OF COOS BAY CITY COUNCIL
Agenda Staff Report

MEETING DATE May 3, 2016	AGENDA ITEM NUMBER
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TO: Mayor Shoji and City Councilors

FROM: Jennifer Wirsing, Wastewater Project Engineer

THROUGH: Rodger Craddock, City Manager *RC*
Jim Hossley, Public Works Director *JH*

ISSUE: Award Addendum Number 1 to the Mortenson Contract for Wastewater Treatment Plant 2 - Piping Work within Empire Boulevard.

BACKGROUND:

On March 15, 2016 Council approved to award a Zero Cost contract to the CMGC (Mortenson Construction) for the Wastewater Treatment Plant 2 project. This award allowed Mortenson to proceed forward with the bidding process. Altogether Mortenson plans on bidding 22 separate bidding packages.

This addendum was brought to the City Council for award consideration on April 5, 2016. However, because the loan agreement for Wastewater Treatment Plant #2 was not approved that night, this issue was not considered by Council on April 5th.

The City's Empire Boulevard Widening project is currently under construction. Due to construction constraints and schedules, the piping work associated with the proposed Plant 2 construction within Empire Boulevard right of way must be completed by July (initially an August 31 deadline was given). As a result, the bidding package associated with this piping work must be expedited.

Originally Staff was prepared to return to council with one addendum representing all 22 bid packages, however in light of the potential conflict with the Empire Boulevard project, staff is recommending two Addendums; Addendum 1 for the piping work and Addendum 2 for the remainder of the project. The CMGC has provided a Guaranteed Maximum Price (GMP) of \$868,277 for Addendum 1. Staff has worked with the Department of Environmental Quality (DEQ), to ensure that the work associated with this bid package will be reimbursed when the City enters into the State Revolving Fund (SRF) loan agreement for the Plant 2 project.

Staff will continue to direct Mortenson to prepare the remaining 21 bid packages and obtain bids under the Zero Cost contract. The bids for the remainder of the project will be presented to Council as Addendum 2.

ADVANTAGES:

By expediting the piping work, it will eliminate any potential conflicts with Empire Boulevard

widening project. However, the one-month delay in award of this addendum may result in change orders with the Empire Boulevard project.

DISADVANTAGES:

Staff sees none.

BUDGET IMPLICATIONS:

All costs associated with piping work in Empire will be obtained from the City's reserve Wastewater Improvement Fund 29 and reimbursed when the City enters into the DEQ SRF loan agreement. Should the work associated with the addendum result in a change order for the Empire Boulevard Project, those funds would come from Empire Urban Renewal Funds.

ACTION REQUESTED:

If it pleases Council, staff recommends Council approve Mortenson's Addendum Number 1 for Wastewater Treatment Plant 2's piping work within Empire Boulevard for an amount not to exceed \$868,277.

ATTACHMENTS:

Draft Estimated Cost Summary

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Cost for the CMGC Construction of WWTP2 & Piping Road Crossing Projects

GMP = Guaranteed Maximum Price

	Pipe Road Crossing (mini GMP)	Main WWTP 2 Project
Construction Cost	\$713,589	\$20,588,000
CMGC Contingency	\$ 71,408	\$ 617,640
GMP (subtotal)	\$784,997	\$21,205,640
Bonds/Insurance/Other cost	\$ 54,615	\$ 2,902,035
CMGC fee 3.9% of GMP	\$ 28,665	\$ 827,018
Estimated Total Cost	\$868,277	\$25,264,048