



City of Keller

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Legislation Text

File #: 20-257, **Version:** 1

To: Mark R. Hafner, City Manager

From: Alonzo Liñán, P.E., Public Works Director

Subject:

Consider a resolution approving Change Order No. 5 to the contract for construction of the Water System Capital Improvements Plan - Phase 1 project with North Texas Contracting, Inc. and authorizing the City Manager to execute all contract documents relating thereto on behalf of the City of Keller, Texas.

Action Requested:

Consider a resolution approving Change Order No. 5 in the amount of \$100,000 to the contract for construction of the Water System Capital Improvements Plan - Phase 1 project with North Texas Contracting, Inc.

Background:

North Texas Contracting, Inc. was awarded Contract No. 19-86 for construction of the Water System Capital Improvements Plan - Phase 1 Project (Project) in the amount of \$2,667,155.00 by Council on November 5, 2019 (Resolution No. 4181). Funding for construction is provided from a loan with the Texas Water Development Board (TWDB) State Water Implementation Funding for Texas (SWIFT) program.

The Project includes the replacement of over 13,400 lineal feet (approximately 2.5 miles) of deteriorating, substandard water lines that are 40-plus years old. About 85% of the overall pipeline footage is being replaced using trenchless installation methods known as pipe bursting and horizontal directional drilling with the remaining footage being installed using traditional open trench excavation. The Project also includes water service replacements and associated asphalt and concrete pavement repair. A Location Map for the Project is attached.

Projects of this type require modifications to the design and additional work during construction which cannot be foreseen prior to construction. The cost for such modifications and additional work is reimbursed using the contingency Project Allowance Line Item provided within the contract. For this Project, staff estimated the contingency needs for the Project Allowance Line Item to be \$100,000.

Construction of the Project began on January 27, 2020. There have been four Change Orders issued to-date that have been funded using the Project Allowance and have not exceeded the Contract amount. The unanticipated modifications and additional work have been a result of numerous items that are generally summarized as follows:

1. Pipe and valve repairs and replacements to the existing deteriorating system beyond the expected replacement limits but within the Project area.

2. Providing additional temporary water lines to maintain service to customers during construction because the existing mains were too fragile or subject to damage due to closer proximity to the work activity than expected.
3. Atmos field representatives changed separation criteria with existing high-pressure mains during construction, which was contrary to what had been acceptable during the preparation of the design documents. The replacement water main had to be installed below the gas mains which was much deeper.
4. Additional fittings, pavement repair, sod restoration, water services and other work items as a result of unknown field conditions revealed during construction.
5. Having to use the more costly open trenching installation method rather than the specified trenchless method at some locations because the proximity to existing utilities, such as gas, telephone, fiber, storm drain or sanitary sewer, were too close and therefore considered a high risk for being damaged.
6. Considerable added potholing efforts exceeding the amount specified in the construction documents to locate existing utilities to avoid damage during trenchless installations.

As of May 1, 2020, the Project was about 53% complete and 90% of the Project Allowance has been spent. To fund future modifications and additional work encountered during construction of the remainder of the Project, staff is recommending approval of Change Order No. 5 to increase the Project Allowance in the amount of \$100,000. A copy of Change Order No. 5 is attached.

Approval of Change Order No. 5 increases the Contract amount to \$2,767,155 which will be included in a Budget Amendment before the end of the Fiscal Year. All modifications and additional work encountered during construction will be submitted to the TWDB to be funded under the existing SWIFT loan.

Financial Impact:

The change order will require a budget amendment of \$100,000 to provide additional funding from the Water-Wastewater Utility Fund.

Citizen Input/Board Review:

Not applicable.

Legal Review:

The City Attorney has reviewed and approved the proposed resolution.

Alternatives:

City Council has the following alternatives:

- Approve as submitted
- Approve with changes
- Denial

Council Action:

Staff recommends approval of the proposed resolution as presented.