

MEMORANDUM

October 10, 2013

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
David Parker, City Engineer/CIP Executive
Paul Holzen, Director of Engineering
Jonathan Marston, Staff Engineer

SUBJECT: **Consideration of Change Order No. 1 to the Construction Contract for the Carothers Parkway South Extension Project (COF Contract No. 2013-0048, Resolution 2013-37) for an INCREASE of \$560,000.00**

Purpose

The purpose of this memorandum is to provide the Board of Mayor and Aldermen (BOMA) with information to consider Change Order No. 1 to the Construction Contract with Mountain States Contractors, LLC for the Carothers Parkway South Extension Project (COF Contract No. 2013-0048, Resolution 2013-37).

Background

The construction contractor for the Carothers Parkway South Extension Project was awarded by the BOMA to Mountain States Contractors LLC on June 11, 2013, in the amount of \$10,262,066.99. The full Notice to Proceed was issued for this project with an effective date of September 1, 2013. Change Order No. 1 includes the following:

1. Per COF Contract No. 2009-0012 and Amendment No. 1 to that contract, the City of Franklin agreed to install 1 1/2" inches of asphalt topping on Truman Road West and Alfred Ladd Road. Before this topping could be placed, approximately 425 tons of leveling asphalt was required to provide adequate roadway cross-slope for drainage.
2. Once grading operations began, it was discovered that the existing sub-grade materials in several areas along the project's length would require bridging with graded gravel stone to allow further placement of roadway fill. In addition to the stone, many areas require a layer of geotextile fabric to prevent migration of finer soils.
3. Additional storm sewer infrastructure was required to accommodate the storm water from the Highlands at Ladd Park subdivision. Also, the Carothers Parkway cross-section, within the limits of the Highlands at Ladd Park subdivision, was changed to a boulevard style section (e.g. median with one lane on each side), which required some additional storm sewer infrastructure.

There is no extension of time associated with this change order. To keep the project moving forward, approximately \$243,000 of the original \$350,000 contingency allowance has been used to pay for the items discussed above. Staff is requesting a change order in the amount of \$560,000 to replenish the contingency allowance to its original amount and to cover the additional items as discussed. See attached Exhibit A for Change Order No. 1 documentation.



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Financial Impact

Change Order No. 1 to the Construction Contract (COF Contract No. 2013-0048, Resolution 2013-37) with Mountain States Contractors, LLC is for a cost INCREASE of \$560,000.00. The new contract price becomes \$10,822,066.99 (Original Contract of \$10,262,066.99 plus Change Order No. 1 of \$560,000.00.)

Recommendation

Approval of Change Order No. 1 to the construction contract (COF Contract No. 2013-0048, Resolution 2013-37) with Mountain States Contractors, LLC in the amount of \$560,000.00 is recommend.

CHANGE ORDER

No. 1

DATE OF ISSUANCE: September 24, 2013

EFFECTIVE DATE: _____

CONTRACTOR: Mt. States Contractors
Attn: Kevin Tubberville
2209 Crestmoore Road
Nashville, TN 37215

OWNER: City of Franklin, TN.
Attn: Paul Holzen, PE, Director of Engineering
109 3rd Avenue South
Franklin, TN 37064

Contract: General Construction

Project: Carothers Parkway South Extension
From 80' South of Truman Road West, to 500' South of Upland Drive/Meandering Way

OWNER's Contract No. 2013-0048

DESIGN ENGINEER's Contract No. 12-005

DESIGN ENGINEER: Mr. Richard Sullivan, PE, Sullivan Engineering, Inc.
317 Main Street, Suite 201, Franklin, TN 37064

CEI CONSULTANT: Mr. Tony Montiel, PE, CDM Smith
830 Crescent Centre Drive, Suite 400, Franklin, TN 37067

You are directed to make the following changes in the Contract Documents:

Description:

Shortly after the start of grading operations it was determined that, the material south of the Harpeth River was not suitable as is for construction of the roadway. The geotechnical report identified that some instances of unsuitable material could be encountered therefore, what was felt to be a sufficient contingency allowance combined with the roadway undercut item would cover the expenditure. Additional funding was also used for a leveling course on Alfred Ladd and Truman Road. A field review of these two roads was done early and it was estimated that a small amount of leveling material would be required. However, once work begin it was realized that to provide the proper crown of the road and suitable riding surface much more material would be required.

The original Bid Documents stipulated the project schedule as *"In accordance with Article 4 of the Agreement the Work shall be substantially completed on or before December 15, 2014, less final asphalt riding surface, permanent pavement markings, and permanent signs. The roadway lighting system shall be energized and operation 30 days prior to the general contractor requesting a review for "Substantial Completion." The project shall be ready for final completion and payment on or before April 30, 2015 in accordance with paragraph 14.07 of the General Conditions."* However, for circumstances outside the control of Mt. States Contractors, the project was not able to start as anticipated because of some property acquisition issues. Therefore, a Notice to Proceed was not made effective until September 1, 2013, although Mt. States Contractors did perform some construction activities prior in an effort to expedite the project. The revised construction schedule shall be as follows *"In accordance with Article 4 of the Agreement the Work shall be substantially completed on or before September 15, 2015. The project shall be ready for final completion and payment on or before November 1, 2015 in accordance with paragraph 14.07 of the General Conditions."*

Reason for Change Order:

Because of the aforementioned items, the contract schedule shall be adjusted along with the original contingency allowance, which has been nearly exhausted. Replacement of the Contingency Allowance will help to avoid potential delays in construction, allowing an expeditious means to cover additional cost should any arise.

Attachments: (List documents supporting change)

- 1) Change Directive #1, dated September 24, 2013
- 2) T.D.O.T. aggregate conversion guideline
- 3) Notice to Proceed

CHANGE IN CONTRACT PRICE:
Original Contract Price <u>\$10,262,066.99</u>
Net Increase (Decrease) from previous Change Orders No. -0- to -0-: <u>\$0.00</u>
Contract Price prior to this Change Order: <u>\$10,262,066.99</u>
Net increase (decrease) of this Change Order: <u>\$560,000.00</u>
Contract Price with all approved Change Orders: <u>\$10,822,066.99</u>

CHANGE IN CONTRACT TIMES:
Original Contract Times: Substantial Completion: <u>December 15, 2014</u> Ready for final payment: <u>April 30, 2015</u> (days or dates)
Net change from previous Change Orders No. -0- to No. -0-: Substantial Completion: December 15, 2014 Ready for final payment: April 30, 2015 (days or dates)
Contract Times prior to this Change Order: Substantial Completion: December 15, 2014 Ready for final payment: April 30, 2015 (days or dates)
Net increase (decrease) this Change Order: Substantial Completion: September 15, 2015 Ready for final payment: November 1, 2015 (days or dates)
Contract Times with all approved Change Orders: Substantial Completion: September 15, 2015 Ready for final payment: November 1, 2015 (days or dates)

RECOMMENDED:

APPROVED:

ACCEPTED:

By: _____

ENGINEER (Authorized Signature)

By: _____

OWNER (Authorized Signature)

By: _____

CONTRACTOR (Authorized Signature)

Date: _____

Date: _____

Date: _____