



## REQUEST FOR BOARD ACTION

ITEM NO. 12

**DATE OF MEETING:** August 10, 2015

**REQUESTED BY:** Michael G. Mack, Utilities Director

**SHORT TITLE:** Approval of a Contract Amendment and Budget Ordinance Amendment to the Original McKim & Creed Pender Commerce Park Wastewater Treatment Plant Contract for the Additional Construction Administration and Inspections Services Required to Accommodate the Unforeseen Phase I Project Delays.

**BACKGROUND:** Pender County executed a contract with McKim & Creed (MCE) on September 16, 2013 for professional design and construction phase services to complete the Pender Commerce Park Wastewater Treatment Plant. The original contract included Construction Phase Services in the form of Construction Administration and Construction Observation services during the estimated construction period of 15 months.

Pursuant to changes in the original completion schedule of RC Creations, the project had to be separated into two (2) design and construction phases to accommodate the accelerated schedule. Phase I construction began on April 1, 2014 and that portion of the project work is yet to be completed due to a lack of schedule compliance, defective work, and contractor mediation. The Phase II portion of the work began on June 8, 2015 with a final completion date of August 8, 2016. Ultimately the overall project duration will exceed the original 15 month construction duration period by an additional 15 months.

As a result of the Phase I project delays resulting in an extension of the overall project duration from 15 months to 30 months MCE is requesting additional compensation to provide Construction Phase services through the revised project duration to include Phase II. More specifically MCE is requesting an additional fee of \$96,500.00 to cover Construction Administration services expensed to date above the originally budgeted time for the Phase I portion of the project. The additional fee the County will pay to McKim & Creed for the additional Construction Administration services provided through the protracted Phase I construction period will be recovered through Liquidated Damages withheld from the Phase I contractor. Due to the project circumstances this additional compensation is justified and recommended.

**SPECIFIC ACTION REQUESTED:** To approve a Contract Amendment and Budget Ordinance Amendment to the original McKim & Creed Pender Commerce Park Wastewater Treatment Plant Contract for the additional construction administration services required to accommodate the unforeseen Phase I Project Delays in the amount of \$96,500.00



ENGINEERS

SURVEYORS

PLANNERS

July 16, 2015

150051

Mr. Michael Mack, PE, Director  
Pender County Utilities  
PO Box 995  
Burgaw, NC 28425

Re: Pender County Wastewater Treatment Facilities  
Amendment No. 1 – Additional Construction Administration and  
Construction Observation Services

Dear Mr. Mack:

We are pleased to submit this Amendment No. 1 to our original Engineering Services Agreement, dated September 16, 2013. This Amendment will entail professional services for additional Construction Administration and Construction Observation for the referenced project. Our scope of work for this Amendment is detailed as follows:

#### I. AMENDMENT NO. 1 JUSTIFICATION

The scope of services detailed in the original Engineering Services Agreement was based upon providing Construction Administration (CA) and Resident Project Representative (RPR) services for a single construction contract with a duration of 15 calendar months. Following execution of that Agreement, the project timeline was accelerated and the project approach was revised to bid and construct the treatment plant as two separate projects, identified as Phase I and Phase II. The scope of Phase I entailed construction of a wastewater pump station and equalization basin designated for use as a pump & haul facility. Phase II includes the remainder of the treatment plant and incorporation of the Phase I infrastructure as part of the overall facility.

Phase I began construction on April 1, 2014 with 180 day (6 month) completion timeline. Phase II began construction on June 8, 2015 and is contracted for a duration of 15 calendar months.

Venture IV Building

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As a result of such scope and timeline revisions, McKim & Creed has provided additional CA and RPR services to accommodate the 6-month Phase I contract, utilizing a significant portion of the fees originally approved under the original Engineering Services Agreement. Therefore, the budgets for both CA and RPR need to be amended to restore the fees expended for this time period. This proposed amendment includes the following additional services and tasks provided as a result of the above referenced change in scope:

**Construction Administration Phase Services - Phase I Contract**

1. Conducted pre-construction meeting and issue minutes.
2. Scheduled and conducted regular monthly construction meetings with the owner and contractor. Prepared and distributed construction meeting minutes to document discussions and responsibilities.
3. Received, logged, tracked and performed shop drawing reviews.
4. Received, logged, tracked, & responded to contractor's written requests for information or clarification of the contract documents.
5. Provided clarification of requirements as indicated on the construction plans and specifications if/when questions arose during construction.
6. Received, logged, tracked, & responded to notifications from contractor of changes to work conditions and requests for change orders.
7. Reviewed materials testing for conformance to the specifications.
8. Received, logged, tracked, & reviewed contractor's monthly invoices and make recommendations for payment.
9. Conducted site visits with the Resident Construction Observer to review project status and to confirm that work is progressing in accordance with the approved construction documents.
10. Schedule and conduct the substantial completion evaluation. Prepare the substantial completion punch-list and work with the contractor to insure outstanding work is completed.
11. Prepare substantial and final certifications to NCDENR.

**Resident Project Representative Phase Services - Phase I Contract**

1. Provided a Resident Project Representative experienced in constructing wastewater treatment facilities.
2. Prepared reports for each day on-site and submitted them to the Project Engineer for review on a weekly basis.
3. Maintained a photographic record during construction to document aspects of the construction process.
4. Immediately called the Contractor's attention to work that was completed that did not comply with the approved plans and specifications.
5. Documented field conditions and maintained a record as to the weather, contractor's personnel on-site, contractor's equipment on-site and the specific work completed since the last site visit.
6. Reviewed the Contractor's monthly pay requests to confirm that all quantities are accurate prior to payment recommendation.
7. Participated in monthly construction meetings and represented the Engineer in responding to technical questions.

**II. COMPENSATION**

The following table details the fee proposed for Amendment No. 1. Billing/invoicing will be provided pursuant the McKim & Creed 2015 Hourly Rate Schedule.

<b>Task</b>	<b>Proposed Amendment No. 1 Fee (Expended for Phase I Contract)</b>
Construction Administration	\$71,100
Resident Project Representative	\$25,400
<b>Total Amendment No. 1 Fee</b>	<b>\$96,500</b>

Additionally, McKim & Creed requests to combine the remaining Construction Administration and Resident Project Representative budgets in order to optimize the duration that our professional services that can be provided for the Phase II construction project. The following table summarizes the proposed budget recombination:

Mr. Michael Mack  
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Task	Fee Available
Construction Administration	\$71,100
Resident Project Representative	\$279,985
<b>Total Revised Construction Phase Services Fixed Fee Budget</b>	<b>\$351,085</b>

Therefore, \$351,085 is available for construction phase services to accommodate the Phase II contract, which began on June 8, 2015. Based on the project scope and workload, it is estimated that the revised construction phase services budget will provide approximately 7 months of professional services under this amendment and will be expended by January 8, 2016. It is noted that additional budget will be required to complete the Phase II contract, however, scope and fees associated with additional work cannot be determined until such time that the Phase I project has been completed.

If you have any questions or comments regarding this proposal or any other services we are providing for you, do not hesitate to call me. Thank you for this opportunity to provide our proposal and we look forward to working with you on this significant project for Pender County

Sincerely,

McKIM & CREED, INC.



Tony Boahn, PE  
Vice-President

APPROVED BY: PENDER COUNTY

\_\_\_\_\_  
Michael Mack, Director, Pender County Utilities

\_\_\_\_\_  
Date



**BUDGET ORDINANCE AMENDMENT TITLE:** Contract Amendment to McKim & Creed for PCP-WWTP

Introduced by: Randell Woodruff, County Manager Date: 2015-08-10 Item #: \_\_\_\_\_

Fund: 88 Department: PCU Division: PCP-WWTP



**PENDER COUNTY, NORTH CAROLINA**

FY 2015-2016 Budget Amendment # \_\_\_\_\_ Date Approved: \_\_\_\_\_  
 Appropriations

REVENUES		EXPENDITURES	
Increase: <input type="checkbox"/>		Increase: <input checked="" type="checkbox"/>	
Decrease: <input type="checkbox"/>		Decrease: <input checked="" type="checkbox"/>	
Account # and Title	Amount	Account # and Title	Amount (leave off \$ sign)
		88-407492	
		WWTP - Phase II Construction (Contingency)	\$-96,500.00
		88-404505	
		Contract Services - Engineer	\$96,500.00
Total:		Total: <span style="float: right;">\$0.00</span>	

Reason and Justification for Request:

Dept Mgr. Approval: Michael G. Mack	Date: 2015-08-10	Finance Officer Approval: <i>KC Bropp</i>	Date: 8-5-2015	Budget Officer Approval: _____	Date: _____
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Board Approval (When Applicable)      Item # \_\_\_\_\_      Date of Minutes \_\_\_\_\_