



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

Requested Board Meeting Date: 02/16/2016

or Procurement Director Award ☐

Contractor/Vendor Name (DBA): Achen Gardner Construction, LLC

Project Title/Description:

North Rillito Relief Sewer Project.

Purpose:

Amendment of Award: Contract No. CT-WWW-15-082, Amendment No. One (1). This amendment extends the contract termination date to June 30, 2016, and increases the contract amount by \$30,000.00 for additional work required to complete construction activities. Administering Department: Regional Wastewater Reclamation.

Due to various administrative issues with the contractor, issuance of the Notice To Proceed (NTP) was delayed several months. Substantial completion of the project was attained by the contractor within the allowed 260 construction completion days, however, contract close-out duties remain unfinished and, as a result, the contract termination date has passed.

Procurement Method:

Pursuant to A.R.S. Title 34, Pima County Board of Supervisors Policy D 29.4 and Pima County Procurement Code 11.16.010 this contract was originally awarded by the Board of Supervisors on September 15, 2014, in the amount of \$2,410,440.00 and with a term ending September 15, 2015.

Attachments: Amendment No. One (1), Approved Retroactive Action Request and Justification Memo.

Program Goals/Predicted Outcomes:

To construct a gravity relief sewer between the North Rillito Interceptor (NRI) and the South Rillito West Central Interceptor (SRWCI), including a siphon across the Rillito River along the alignment of Columbus Boulevard. The completed project will allow up to ten (10) mgd of wastewater to be diverted from the NRI into the SRWCI during stormwater events, substantially reducing the possibility of sanitary sewer overflows from the NRI.

Public Benefit:

Reduced health risks to the public by elimination of sanitary sewer overflows from the NRI during stormwater events.

Metrics Available to Measure Performance:

Completion of the project within the project's budget and within the project's stated schedule.

Retroactive:

Yes. See attached Retroactive Action Request and Justification Memo.

Procure Dept 02/02/16 AM 10:16

To: COB - 2-2-16 (1)
pgs - 3

Original Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____
Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____
☐ Expense Amount: \$ _____ ☐ Revenue Amount: \$ _____
Funding Source(s): _____

Cost to Pima County General Fund: _____

Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No ☐ Not Applicable to Grant Awards
Were insurance or indemnity clauses modified? ☐ Yes ☐ No ☐ Not Applicable to Grant Awards
Vendor is using a Social Security Number? ☐ Yes ☐ No ☐ Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment Information

Document Type: CT Department Code: WW Contract Number (i.e., 15-123): 15-082
Amendment No.: One (1) AMS Version No.: 4
Effective Date: 02/16/2016 New Termination Date: 06/30/2016
☒ Expense ☐ Revenue ☒ Increase ☐ Decrease Amount This Amendment: \$30,000.00
Funding Source(s): RWRD Obligations

Cost to Pima County General Fund: \$0.00

Contact: Keith E. Rogers *Keith E. Rogers* 01-27-16 *mted* 1.28.16

Department: Procurement *May 11/16* Telephone: 724-3542

Department Director Signature/Date: *[Signature]* 2/1/16

Deputy County Administrator Signature/Date: *[Signature]* 2/1/16

County Administrator Signature/Date:
(Required for Board Agenda/Addendum Items)

[Signature] 2/1/16



REGIONAL WASTEWATER RECLAMATION DEPARTMENT
 201 NORTH STONE AVENUE
 TUCSON, ARIZONA 85701-1207

JACKSON JENKINS
 DIRECTOR

PH: (520) 724-6500
 FAX: (520) 724-9635

January 14, 2016

TO: C.H. Huckelberry, County Administrator

THRU: John M. Bernál, P.E., Deputy County Administrator – Public Works

FROM: Jackson Jenkins, Director - RWRD *Jackson Jenkins*

SUBJECT: **3NRR02 - Change Order Justification**

This contract was awarded by Procurement on October 14, 2014 (see attachment), with original contract duration of 260 days, which was considered enough time to complete the project by both the Owner and the Contractor. The Contractor was not able to present all the required submittals before the issuance of RWRD's Notice to Proceed (NTP) until January 1, 2015 (see attachment) to start construction. But even then, the Contractor presented RWRD with a project schedule and completion date of June 2015, well within the original contract allocated time.

From the beginning, RWRD tried to establish a good working/partnering relationship for the completion of the project. Kick off meetings were scheduled, RWRD supported the Contractor's Project Manager, his assistant and their superintendent to insure a good start to the project. Serious lack of the contractor's ability to manage resources delayed the construction to the point which all the allocated time was required for completion. One of RWRD's most experienced construction inspectors was assigned to the project with priority given to this project.

Various measures were taken to allow the Contractor flexibility and better control of the project, including:

1. Notice to Proceed (NTP) issued in January to allow the project to start after the winter rains, before monsoon season per the Contractor's request.
2. Issuance of the NTP in January afforded the Contractor ample time to turn in all required submittals for approval before the project start.
3. The requirement to coat the steel pipe internally (twin steel pipe, along bottom of the river), as well as re-testing of internal welds and coating after installation was removed from the contract. The pipes were to be lined using cured-in-place pipe (CIPP) technology. This could be done faster and would allow for the acceptance of the pipe faster than the original setup. This would allow the Contractor to start work on the siphon structures to insure acceptance and payment of the pipes crossing the river.
4. Weekly construction progress meetings were held that included a three week "look ahead" schedule from the Contractor to assist in performance, cost and schedule tracking.
5. RWRD agreed to allow the Contractor and RWRD Inspector to maintain a seven (7) day work week during the river crossing phase.

6. Removal of the Diversion Structure over the NRI and the Junction Structure over the SRI from the project to avoid the need for additional flow management plan requirements and extended project duration.
7. The Contractor was allowed to use Conshield (Trade name for a bacteria growth inhibitor) to treat pre-cast structures that did not require corrosion protection on their surfaces.
8. RFCD did not require Contractor to re-vegetate undisturbed areas of the project.

Throughout the project several issues affected their performance:

1. Subcontractors would not provide dates or stick to the schedules; the general contractor did not hold them accountable.
2. Contractor's lack of knowledge of Department Standards and Specifications caused sub-standard performance and required work to be done two, three and even four times before work could be deemed acceptable. Example: Installation of gravity sewer pipe (alignment and elevations), backfill compaction, manhole installation, replacement of concrete curbs and sidewalks, replacement of asphalt pavement and protection of installed pipeline.
3. Reluctance of the contractor to remediate the sub-standard work in a timely manner.
4. Constant replacement of Contractor's managing personnel. Specifically, seven changes of Project Superintendents and Foremen, as well as a lack of resources assigned to the project, resulted in a slow moving project.
5. When the aforementioned issues and allowances were discussed with the Contractor they continued to insist upon maintaining the original schedule with a completion date of June 16, 2015. With the completion date nearing, the Contractor then requested to utilize the total 260 days offered within the contract; thus moving the completion date to September 2015.

When the aforementioned issues and allowances were discussed with the Contractor they continued to insist upon maintaining the original schedule with a completion date of June 16, 2015. At the same time, RWRD proposed that the Contractor review schedules and evaluate their performance allowing them time to submit change orders before contract completion and final invoicing. With the completion date nearing, the Contractor then requested to utilize the total 260 days offered within the contract; thus moving the completion date to September 2015. RWRD did not receive required information or justification in a timely manner to evaluate the Contractor's claim of additional project costs prior to the expiration date of the contract.

The Contractor was allowed to continue construction to avoid river crossing during monsoon season and further delays to the project. In retrospect, the Project Manager should have stopped the project until the Contractor was able to provide required information to process a contract extension prior to the expiration date.

In addition, items done according to the Consultant provided specifications that called for additional work to be performed and paid by the Owner not in accordance with RWRD standards for payment; resulting in increased project costs, thereby exceeding the Owner's contingency fund of \$400,000. Additional work included:

- Third testing of the steel pipe welding.
- Recoating of exterior coating of steel pipe after welding was completed.

C.H. Huckelberry, County Administrator

SUBJECT: 3NRR02-Change Order Justification

January 14, 2016

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- 5-Year Warranty of landscaping completed during the project. This 5-Year requirement is beyond the project standard 1-Year Warranty. Required to be covered with project funds to FCD as per signed IGA.
- Multi-Use path detours were not included in contract (South and North path detours were required). Path locations selected required removal of sidewalks, installation of ADA compliant ramps and patching of existing roads.
- Permits for electrical drops/connections to TEP.
- Access to new Bio-Filter locations not included in plans.
- Access gates thru new fence over project acquired easements were not included within the project.


New odor control requirements not included in project plans or specifications required for safe operation of the filters were not included in the project specifications or plans. These items were not presented to the Contractor at the time of bid:

- Pull boxes for electrical connections.
- Spark proof motors.
- Performance testing.

Despite the difficulties with the Contractor Management, the project has been completed as designed. All affected Departments are satisfied with the restoration of their properties (RFCD and NRP&R) and the Augmentation Project is performing as intended.

The total amount agreed upon to settle the additional work required to complete the project is \$30,000. Allowing this retroactive amendment will allow this project to be closed.

CONCUR:




John M. Bernal, P.E., Deputy County Administrator

1/21/16

Date

APPROVED:



C.H. Huckelberry, County Administrator

1/22/16

Date

Attachment

c: John Warner, Deputy Director - RWRD
Jaime Rivera, P.E., Program Manager - RWRD
Noel Ortiz, P.E., Civil Engineer Manager - RWRD

**PIMA COUNTY REGIONAL WASTEWATER RECLAMATION
DEPARTMENT**

PROJECT: NORTH RILLITO RELIEF SEWER PROJECT
NO. 3NNR02

CONTRACTOR: Achen Gardner Construction, LLC
2425 West Wave Hill Court
Tucson, AZ 85705

CONTRACT NO.: CT-WW-1500000000000000082

AMENDMENT NO.: One (1)

FUNDING: RWRD Obligations

CONTRACT

NO. CT-WW-15 X 082

AMENDMENT NO. 01

This number must appear on all
invoices, correspondence and
documents pertaining to this
contract.

CONTRACT TERM: 09/16/14 to 09/15/15

TERMINATION PRIOR AMENDMENT: NA

TERMINATION THIS AMENDMENT: 06/30/2016

ORIGINAL CONTRACT AMOUNT: \$ 2,410,440.00

PRIOR AMENDMENT(S): \$ -

AMOUNT THIS AMENDMENT: \$ 30,000.00

REVISED CONTRACT AMOUNT: \$ 2,440,440.00

CONTRACT AMENDMENT

WHEREAS, COUNTY and CONTRACTOR have entered into the Contract referenced above dated September 16, 2014 for the North Rillito Relief Sewer Project No. 3NNR02; and

WHEREAS, the termination date of the Contract must be extended to June 30, 2016 to allow for the completion of post construction project activities; and

WHEREAS, due to added owner requirements additional funding in the amount of \$30,000.00 is required to fully compensate CONTRACTOR for all construction activities; and

WHEREAS, COUNTY and CONTRACTOR have agreed to a new termination date and have also agreed to the amount of additional compensation required.

NOW, THEREFORE, it is agreed as follows:

CHANGE: ARTICLE I – TERM AND EXTENSION/RENEWAL/CHANGES, First Paragraph as follows:

From:

"This Contract, as approved by the Board of Supervisors on September 16, 2014, shall commence on September 16, 2014, and shall terminate on September 15, 2015, unless sooner terminated or further extended for the purposes of project completion. Any modification of the Contract shall be by formal written amendment executed by the parties hereto."

To:

"This Contract, as approved by the Board of Supervisors on September 16, 2014, shall commence on September 16, 2014, and shall terminate on June 30, 2016, unless sooner terminated or further extended for the purposes of project completion. Any modification of the Contract shall be by formal written amendment executed by the parties hereto."

CHANGE: ARTICLE III – COMPENSATION AND PAYMENT, Third Paragraph, First Sentence as follows:

From:

"Total payment for this Contract shall not exceed Two Million, Four Hundred and Ten Thousand, Four Hundred and Forty Dollars (\$2,410,440.00)."

To:

"Total payment for this Contract shall not exceed Two Million, Four Hundred and Forty Thousand, Four Hundred and Forty Dollars (\$2,440,440.00)."

CHANGE: EXHIBIT "A" SCOPE OF WORK, Add the following after paragraph three:

"The following work was required in addition to the original project Scope of Work, using and exceeding (by \$30,000) the project's Force Account monies:

- Third testing of the steel pipe welding.
- Recoating of exterior coating of steel pipe after welding was completed.
- 5-Year Warranty of landscaping completed during the project. This 5-Year requirement is beyond the project standard 1-Year Warranty. Required to be covered with project funds to FCD as per signed IGA.
- Multi-Use path detours were not included in contract (South and North path detours were required). Path locations selected required removal of sidewalks, installation of ADA compliant ramps and patching of existing roads.
- CIPP option to line the steel pipes instead of welding, recoating and retesting the inside of the pipe.
- Permits for electrical drops/connections to TEP.
- Access to new Bio-Filter locations not included in plans.
- Access gates thru new fence over project acquired easements were not included within the project.
- Additional Odor control requirements:
 - Pull boxes for electrical connections.
 - Spark proof motors.
 - Performance testing."

This Amendment shall be effective on February 16, 2016.

All other provisions of the Contract, not specifically changed by this Amendment, shall remain in effect and be binding upon the parties.

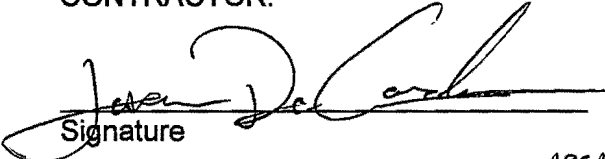
IN WITNESS WHEREOF, the parties have affixed their signatures to this Amendment on the dates written below.

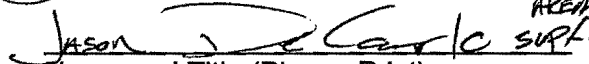
PIMA COUNTY:

Chair, Board of Supervisors

Date

CONTRACTOR:


Signature


Name and Title (Please Print)

2-1-16
Date

ATTEST:

Clerk of the Board

APPROVED AS TO FORM:


Deputy County Attorney

CHARLES WESSELHOFF

Name (Please Print)

JAN 29 2016

Date