



Board of County Commissioners - Staff Report

Meeting Date: December 6, 2016
Submitting Dept: ISWR/Engineering

Presenter: Heather Overholser
Subject: Change Order #2 to Montana Civil Contract for Waste Excavation

Statement / Purpose: To consider Change Order #2 to the County's contract with Montana Civil Contractors (MCC) for the waste excavation project at the Horsethief Canyon Landfill.

Background / Description (Pros & Cons): The waste excavation project with Montana Civil Contractors, which began in spring 2016, went smoothly this season; however, there is a considerable amount of additional waste (approximately 70% more than the original estimate both above and below grade), which is necessary to remove per the Wyoming Department of Environmental Quality-approved landfill closure plan. Work this summer was slow-going due to large amounts of over-excavation that was required, as well as wet weather in the fall. That said, staff feels that Montana Civil has project familiarity, has gained operational efficiencies throughout the course of the excavation thus far, understands the complexity of the project, and has the majority of their equipment on site. For all of these reasons, staff recommends that Montana Civil return in March 2017 to complete the project. Engineers recently estimated the quantity of remaining waste, and staff is bringing forth a change order that would increase the total project scope of work and cost to address the following:

- Considerable additional waste removal beyond the original scope of work;
- Re-mobilization in 2017 - an additional 37% on top of the original mobilization cost as Montana Civil plans to leave some equipment on site over the winter and a second full mobilization will not be necessary;
- An increase in two unit cost items (waste excavation and clean soil excavation) due to the additional quantities being 70% greater than the original scope of work;
- A 44% increase in fuel costs since the project was bid; and,
- A new substantial completion date due to the change in conditions (November 15, 2017).

Note: the two unit cost items proposed for an increase by MCC (waste excavation and clean soil excavation/backfill) would only be applied to quantities beyond the original scope of work, which have not yet been reached.

Stakeholder Analysis & Involvement: ISWR continues to involve all stakeholders, including ISWR Advisory Board, Bridger-Teton National Forest, Wyoming Department of Environmental Quality, SLIB, Golder Associates, Solid Waste Professionals of Wyoming, Yellow Iron, Terra Firma Organics, County Planning and Building, JH Gun Club, and WYDOT.

Fiscal Impact: With the adjustments to the scope of work and the two unit cost items as listed above, the proposed estimated contract total cost is \$3,596,257. The original contract price was \$2,511,286; Change Order #1 decreased the contract amount by \$630. Change Order #2 would increase the contract by \$1,085,601. The proposed total is clearly more than the bid amount of \$2.51 million; however, it is \$1.8 million less than the engineer's estimate and \$170,672 less than ISWR's project budget of \$3.8 million. The additional cost of the project would be covered 50/50 through approved State Land Investment Board funding, as well as the 2012 Special Purpose Excise Tax for landfill closure.

Staff Impact: ISWR staff will continue to manage the project, which would go through the 2017 construction season.

Legal Review: Gingery

Staff Input / Recommendation: Approval of Change Order #2 to the contract with Montana Civil Contractors for the expanded scope of work in 2017 and two unit cost increases (quantities beyond the original scope of work), for a lump sum and unit cost not-to-exceed total of \$3,596,257, which is an increase of \$1,085,601.

Attachments: Montana Civil Contractors Change Order #2 and Attachment A (Proposal from MCC)

Suggested Motion: I move to approve Change Order #2 to the contract with Montana Civil Contractors for the expanded scope of work in 2017 and two unit cost increases (quantities beyond the original scope of work), for a lump sum and unit cost not-to-exceed total of \$3,596,257, which is an increase of \$1,085,601.

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Attachment A: TCLF Waste Re-Location Project Change order #2

Project: Teton County Landfill Waste Relocation

Date: November 16, 2016

Dear Ms. Overholser,

It was a pleasure meeting with you onsite again, I really appreciate your continuous involvement, detailed understanding and overall commitment to this project. I am writing to request a price increase for the additional estimated quantities on the following bid items:

Original-

6. Waste Excavation, Haul, Place & Cover *300,000 CY @ \$3.65/CY*

Additional-

6A. ADD. Waste Excavation, Haul, Place & Cover *209,157CY @ \$4.60/CY*

Original-

10. Clean Soil Borrow Excavation, Haul Backfill, Compact & Grade. *50,000 CY @ \$2.35/CY*

Additional-

10A. ADD. Clean Soil Borrow Excavation, Haul, Backfill, Compact & Grade *106,279CY @ \$2.90/CY*

Given the recent updated estimated quantities, and after careful evaluation of our original estimate, we have several things to consider that will increase the unit prices.

1. Deeper Excavations require longer haul routes and steeper grades, consequently slowing the trucks and decreasing our production by 25%-30%.
2. Increased Waste Excavation, increases the elevation of the dumping area which increases the hauling grades, consequently decreasing production by 25%-30%.
3. A Larger Swell factor of pure trash, original estimated Swell-20%, actual Swell-30% to 40%.
4. Deeper Excavations require additional Safety Measures & Revised Excavation & Fill Plans Daily.
5. Deeper Excavations require more room, therefore, limiting our working area to accommodate existing other working operations (Terra Firma, Yellow Iron, County Scrap Metal, and General Public).
6. Over Excavations-Below Design Grade Excavations are restricting us from using Scrapers as our primary backfill equipment, with limited room and the order of operations required we must backfill with excavator and trucks before we can continue Waste Excavation again.
7. Additional Survey Measurements below design grade more frequent and more difficult.
8. Increased Fuel Cost by 44%, at bid time April 2016- \$1.83/gal. throughout the 2016 project the fuel cost reached a high of- \$2.65/gal.



As per our discussions, there is some additional cost for remobilization of equipment and personnel, in which I am trying to minimize the cost by leaving a fair amount of equipment on site that will need to be serviced over the winter at the landfill. With that said, I am requesting a portion of the original mobilization, and my request is **\$38,470.00**. As per your request below is a itemized list of what this includes;

- 2EA-627F Scrapers
- 1EA-Fuel & Lube Truck
- 1EA-4000 Gal Water Truck
- 1EA-700J Mid-Size Dozer
- 1EA-772G Motor Grader
- 1EA-Rented Haul Truck 400 Komatsu
- 1 EA-Utility/Office Trailer w/UTV
- 4EA-Operator's Camper Trailers
- 1EA-Kenworth Semi w/Side Dump
- 1EA-Smooth Drum Vibratory Roller
- 1EA-6"Godwin Water Pump with J-Stand
- 1EA-F450 Utility Truck
- 1EA-2500 Crew Truck

I have put together a bar chart schedule to reflect the estimated quantity increases and slower production rates, with this in mind I feel we can have Substantial Project Completion on or before **November 15th 2017**. I would like to request additional contract time of **378 Calendar Days** to include the 2016/2017 winter shut down. We are anticipating resuming the project Mid-March 2017.

Sincerely,
Montana Civil Contractors

Bob Koch

Date of Issuance: November 23, 2016
 Owner: Teton Co ISWR
 Engineer: Golder Associates, Inc.
 Contractor: Montana Civil Contractors, Inc.
 Project: TCLF Waste Re-location Project

Effective Date: November 23, 2016
 Owner's Representative: Peak GeoSolutions
 Engineer's Project No.:

The Contract is modified as follows upon execution of this Change Order:

Description: Adjust contract estimated quantities to new estimates based on aerial (drone) survey conducted in September, 2017. Add winter shutdown and re-mobilization; Spring 2017. Adjust unit prices for waste excavation in excess of the 300,000 CY and the 50,000 CY of borrow excavation in the original contract. See attachment A.

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price: \$ <u>2,511,286.00</u>	Original Contract Times: Substantial Completion: <u>171 days</u> Ready for Final Payment: <u>201 days</u> days or dates
Decrease from previously approved Change Orders No. 1 o No.1: \$ <u>(630)</u>	[Increase] from previously approved Change Orders No. 1 to No. 1: Substantial Completion: <u>0 days</u> Ready for Final Payment: <u>0 days</u> days
Contract Price prior to this Change Order: \$ <u>2,510,656.00</u>	Contract Times prior to this Change Order: Substantial Completion: <u>171 days</u> Ready for Final Payment: <u>201 days</u> days or dates
Increase of this Change Order: \$ <u>1,085,601.30</u>	Increase of this Change Order: Substantial Completion: <u>November 15, 2017</u> Ready for Final Payment: <u>November 15, 2017</u>
Contract Price incorporating this Change Order: \$ <u>3,596,257.30</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>November 15, 2017</u> Ready for Final Payment: <u>November 15, 2017</u> days or dates

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By:  _____ William Hensley	By: _____ Barbara Allen	By: _____ Contractor (Bob Koch)

Title: CM/CQA PM Title: TCBCC Chair Title: Owner

Date: November 23, 2016 Date: _____ Date: _____

Attested By: _____ Date: _____

Sherry Daigle Title: County Clerk