

FOR BOARD ACTION

Agenda Item # 6

Meeting Date:

9/28/10

SUBJECT: Change Order No. 3 – Municipal Well No.40

PREPARED BY: Doug Rovang, Senior Civil Engineer

ITEM DESCRIPTION:

The City of Rochester, acting through the Utility Board entered into a unit price contract with E.H. Renner & Sons, Inc. effective October 30, 2009, for construction of Municipal Well No. 40 (Southwest). The unit price bid was \$248,320. Some significant changes have been made to the original project scope resulting in an increase in the final project scope.

The final project cost is \$301,456.60, an increase of \$53,136.60 from the original bid amount. A summary of the project quantities (as bid, and final) is provided on the attached spreadsheet. A proposed Change Order No. 3 which reflects the final project quantities and provides an explanation for each of the changes in quantities from the original bid is also attached for Board consideration.

Change Order No. 1 was issued to reflect a change in the project completion date to reflect a delay in getting the project contract signed. Change Order No. 2 reflected a change in the amount of 24" well casing installed. Copies of Change Orders No. 1 and No. 2 are attached. Those Change Orders were within staff approval levels and thus were not taken to the Utility Board for approval.

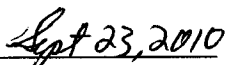
FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

\$570,000 was budgeted for construction of the well and wellhouse. The engineer's estimate for the well construction portion of the project at the time of the bidding was \$293,200.

UTILITY BOARD ACTION REQUESTED:

Management requests Board approval of Change Order No. 3 to the unit price construction contract with E.H. Renner & Sons, Inc. for construction of Municipal Well No. 40 establishing the final contract quantities and the final well construction cost of \$301,456.60, and authorizes the Mayor and the City Clerk to sign Change Order No. 3.


General Manager


Date

ROCHESTER PUBLIC UTILITIES



VISION
 We will set the standard for service.
 CORE VALUES
 Safety * Integrity * Service

CITY OF ROCHESTER CONSTRUCTION CONTRACT CHANGE ORDER

RPU Project No. **7003349**

Name of Project: ROCHESTER PUBLIC UTILITIES WELL NO. 40

Contractor: E.H. RENNER & SONS, 15688 Jarvis Street NW, Elk River, MN 55330

Change Order No. 3

You are hereby authorized to make the following change in plans and/or specifications for the above-designated project.

1. Description of change to be made: Project scope changes related to the twenty-four (24) inch well casing installation depth have been described in Change Order No. 2 and have been accomplished. Project scope changes described by this Change Order No. 3 include final Bid Item 8 (blasting) quantity, additional well development activities reflected by final Bid Item 10a. (bailing) quantity, and additional Bid Item 16 (video survey) quantity, all of which exceeded bid estimated quantities. (See attached spreadsheet which shows the net changes in final project quantities from bid quantities.) The project completion date is also extended to reflect the increased time required to complete the project scope changes.

2. Reason for ordering change: The substantial increase in both the well's final specific yield and sand-free pumping rate resulting from the additional well development accomplished through the additional blasting and bailing which will substantially increase the well's value to the City.

3. This change order (~~increases or decreases~~) the contract completion date as follows:

	<u>FROM:</u>	<u>TO:</u>
Substantial Completion Date:	August 18, 2010	September 22, 2010
Final Completion Date:	September 7, 2010	October 1, 2010

4. Total itemized cost of the above change:

See attached final project quantity and cost information communicated by Contractor related letter of September 23, 2010.

5. Summary of Costs:

Net Increase of this Change Order from Project Unit Price Bid Price:

\$53,136.60 (fifty-three-thousand-one-hundred-thirty-six dollars and sixty cents).

Total **Decrease** of all previous Change Orders: \$1,730.00 (Seventeen-Hundred-Thirty Dollars).

(Note: This previous estimated decrease is superseded by the final Net Increase shown above.)

Total Cost for this unit price project (based on original project quantities as modified by Change Orders No. 1, No. 2, and No. 3):

\$301,456.60 (Three-Hundred-One-Thousand-Four-Hundred-Fifty-Six Dollars and Sixty Cents).

Rochester Public Utilities, 4000 East River Road NE, Rochester, Minnesota 55906-2813
 telephone 507-280-1540 .facsimile 507-280-1542 .website www.rpu.org

IN WITNESS WHEREOF, the parties have executed this Amendment to the Agreement as of the day and year first above written.

CITY

City of Rochester, a Minnesota municipal corporation

By: _____

Print Name: _____

Its: Mayor

[MUNICIPAL SEAL]

Attest: _____

Print Name: _____

Its: City Clerk

Approved as to Form: _____

Print Name: _____

Its: City Attorney

By: _____

Print Name: _____

Its: General Manager, Rochester Public Utilities

Address: City of Rochester
c/o Rochester Public Utilities
4000 East River Road NE
Rochester, MN 55905

Phone: (507) 280-1500

Federal Tax ID No.: 41-6005494

STATE OF _____)

COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2009, by _____,

_____ and _____, the Mayor, City Clerk, and City Attorney and Rochester Public Utilities General Manager, respectively, of the City of Rochester, a Minnesota municipal corporation, on behalf of the corporation.

[seal]


Notary Public
My commission expires _____

September, 2010

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LESSEE

E.H. Renner & Sons, Inc.

By: 

Name: Roger Renner

Its: President

STATE OF MINNESOTA)
)ss
COUNTY OF ~~HENNEPIN~~)

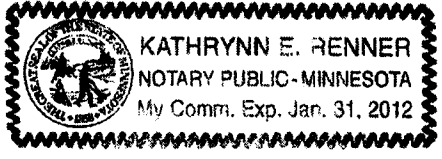
Sherburne

The foregoing instrument was acknowledged before me on the 23 day of September, 2010, by Roger Renner the President of E.H. Renner & Sons, Inc., on behalf of the corporation.

Notary Public 

My commission expires: Jan 31 2012

[Seal]



**ROCHESTER PUBLIC UTILITIES
CONSTRUCTION OF MUNICIPAL WELL NO. 40**

**WELL 40 FINAL PAY ITEM QUANTITIES
(E.H. Renner & Sons, Inc., Elk River , MN)**

Item No.	Item Description	Bid Quantity	Unit Price \$	Bid Price	Project ActualCost		Pay Item Cost Changes
					Completed Quantity	Requested Payment	
1	Mobilization/Demobilization (LS)	1	\$30,000.00	\$ 30,000.00	1	\$30,000.00	\$0.00
2	Drill & drive 30" casing (LF)	33	\$215.00	\$ 7,095.00	31	\$6,665.00	(\$430.00)
3	Drill 30" Nominal Open Hole (LF)	510	\$144.00	\$ 73,440.00	537	\$77,328.00	\$3,888.00
4	Set 24" Casing (LF)	543	\$70.00	\$ 38,010.00	466.39	\$32,647.30	(\$5,362.70)
5	Drill 24" Nominal Open Hole (LF)	80	\$62.00	\$ 4,960.00	80	\$4,960.00	\$0.00
6	Plumbness/Alignment Test (LS)	1	\$300.00	\$ 300.00	1	\$300.00	\$0.00
7	Grout (CY)	36	\$420.00	\$ 15,120.00	71	\$29,820.00	\$14,700.00
8	Blasting (LB)	400	\$20.00	\$ 8,000.00	515.19	\$10,303.80	\$2,303.80
9	Development Equipment (LS)	1	\$8,000.00	\$ 8,000.00	1	\$8,000.00	\$0.00
10a.	Material Removal (Bailing) (Hr)	80	\$295.00	\$ 23,600.00	215.5	\$63,572.50	\$39,972.50
10b.	Material Removal (Air Develop) (Hr)	120	\$175.00	\$ 21,000.00	59	\$10,325.00	(\$10,675.00)
11	Discharge Piping & Erosion Control (LS)	1	\$3,000.00	\$ 3,000.00	1	\$3,000.00	\$0.00
12	Test Pump Equipment (LS)	1	\$6,000.00	\$ 6,000.00	1	\$6,000.00	\$0.00
13	Test Pump (HR)	48	\$140.00	\$ 6,720.00	48	\$6,720.00	\$0.00
14	Water Analysis (LS)	1	\$500.00	\$ 500.00	1	\$500.00	\$0.00
15	Sand Analysis (LS)	1	\$75.00	\$ 75.00	1	\$75.00	\$0.00
16	Video Survey (LS)	1	\$1,250.00	\$ 1,250.00	3	\$3,750.00	\$2,500.00
17	Gamma Log (LS)	1	\$1,250.00	\$ 1,250.00	1	\$1,250.00	\$0.00
18	Pea Gravel Installed	-	\$135.00	-	20	\$2,700.00	\$2,700.00
19	Pea Gravel Removed	-	\$295.00	-	12	\$3,540.00	\$3,540.00
TOTAL BASE BID 1 - CABLE TOOL -				\$ 248,320.00	Work Completed -	\$301,466.60	\$63,136.60
EXPLANATION OF WELL #40 CONSTRUCTION PAY ITEM COST CHANGES:							
						Less 30" Casing Needed -	(\$430.00)
						Additional Depth of 30" Hole to Jordan Formation -	\$3,888.00
						Less 24" Casing due to Termination of Casing at Higher Level (in Prairie du chien Formation) -	(\$5,362.70)
						Additional Grout Required -	\$14,700.00
						Additional Blasting Required -	\$2,303.80
						Additional Material (Sand) Removal from Jordan Formation -	\$39,972.50
						Less Air Development (Decompressing) -	(\$10,675.00)
						Two Additional Video Surveys -	\$2,500.00
						Installation and Removal of Pea Rock Needed for Installation of 24" Casing at Higher Level -	\$6,240.00
						PROJECT COST INCREASE -	\$63,136.60

Change Order 2



VISION
We will set the standard for service.
CORE VALUES
Safety • Integrity • Service

CITY OF ROCHESTER CONSTRUCTION CONTRACT CHANGE ORDER

RPU Project No. **7003349**

Name of Project: **ROCHESTER PUBLIC UTILITIES WELL NO. 40**

Contractor: **E.H. RENNER & SONS, 15688 Jarvis Street NW, Elk River, MN 55330**

Change Order No. **2**

Signed original sent to Roger Renner and
copy of signed original sent to Brian
Noma (AIBH) on 6/10/2010. D.R. Romay

You are hereby authorized to make the following change in plans and/or specifications for the above-designated project.

1. Description of change to be made: Installing the twenty-four (24) inch well casing to the four-hundred-sixty (460) foot depth (within the Prairie du Chien formation) instead of the previously specified ten (10) feet into the Jordan formation, and extending the project Substantial and Final Completion dates to reflect this change in the scope of the project.

2. Reason for ordering change: Thorough evaluations by the Minnesota Geological Survey and the Minnesota Department of Health have determined that at all locations within one (1) mile of Well No. 40 the top of the Prairie du Chien formation is at least fifty (50) feet below the ground surface. Under these conditions, Minnesota Rules, Chapter 4725.3050, Subpart 7 (Grouting in Rock), allows use of the Prairie du Chien formation as a water supply source. Therefore, the Owner is directing the Contractor to install the twenty-four (24) inch casing to the four-hundred-sixty (460) foot depth, rather than the previously specified ten (10) foot into the Jordan formation, to enable use of the lower portion of the Prairie du Chien formation as a water supply source in addition to the Jordan formation.

3. This change order (~~increases or decreases~~) the contract completion date as follows:

	<u>FROM:</u>	<u>TO:</u>
Substantial Completion Date:	August 10, 2010	See Below(*)
Final Completion Date:	August 30, 2010	See Below(*)

(*Completion Dates extended by number of days between June 1, 2010 and Date of Owner Approval to begin setting the 24" casing.)

4. Total Itemized cost of the above change:

See attached estimated quantity and cost change information communicated by Contractor related letter of June 3, 2010. A revised Estimated Well/Aquifer Profile drawing reflecting the proposed changes is also attached. Final project quantities will determine final project cost.

email sent late in day 6/10/2010
Consider 6/10 to be date of contract,
so completions extended by 3 days.
D.R. Romay

Change Order No. 2 (Rochester Public Utilities Well No. 40)
June 7, 2010
Page 2

5. Summary of Costs:

Net **Decrease** of this Change Order:

\$1,730.00 (Seventeen-Hundred-Thirty Dollars) subject to final project quantities.

Total **Increase** of all previous Change Orders: \$0.00 (No Dollars).

Estimated **Total** Cost for this project (based on original project quantities as modified by Change Orders No. 1 and No. 2, but subject to final project quantities):

\$246,590.00 (Two-Hundred-Forty-Six-Thousand-Five-Hundred-Ninety Dollars).

Recommended: Douglas C. Renner
Owner's Authorized Rep.

Senior Civil Engineer 6/8/2010
Title Date

Approved: [Signature]
Contractor's Authorized Rep.

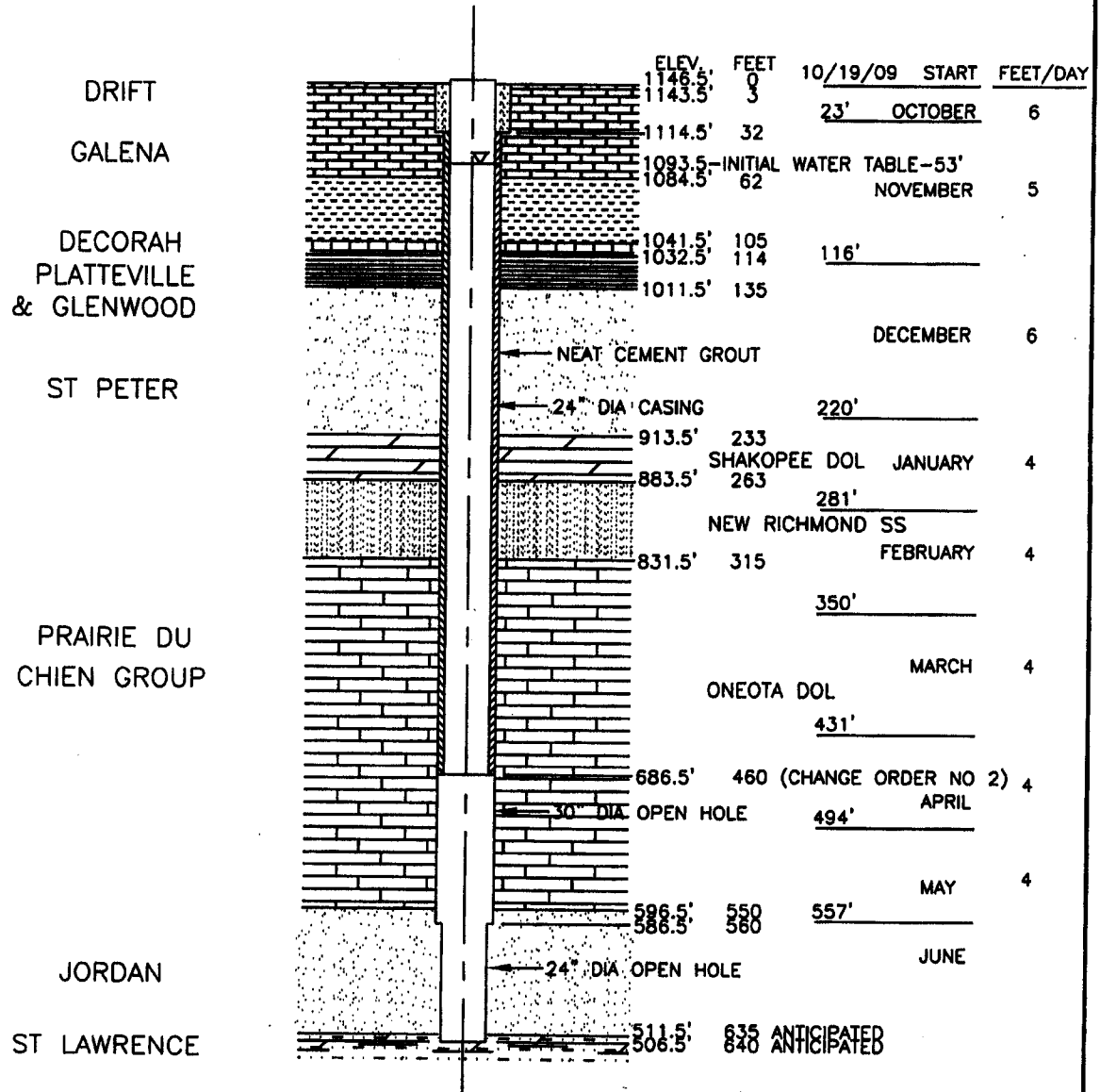
President, E.H. Renner & Sons 6/8/2010
Title Date

Approved: [Signature]
Owner's Authorized Rep.

Manager of Engineering 6/10/2010
Title Date

WELL# 40

REVISED ESTIMATED WELL AQUIFER PROFILE
(REFLECTING PROPOSED CHANGE ORDER NO. 2)



ROCHESTER PUBLIC UTILITIES
-WATER-
6/08/10 - DWR

L:\RPU\WT\WELLHOUSE\WELL40\WELL40SECTIONC02



Change Order #40 Well #40
Change Order #40
April, 2010

VISION
We will set the standard for service.
CORE VALUES
Safety * Integrity * Service

CITY OF ROCHESTER CONSTRUCTION CONTRACT CHANGE ORDER

Sylvia has original (Purchasing) D.R. Renner 6/10/2010

RPU Project No. **7003349**

Name of Project: **ROCHESTER PUBLIC UTILITIES WELL NO. 40**

Contractor: **E.H. RENNER & SONS, 15688 Jarvis Street NW, Elk River, MN 55330**

Change Order No. 1

You are hereby authorized to make the following change in plans and/or specifications for the above-designated project.

1. Description of change to be made: Time extension of the project Substantial and Final Completion dates.

2. Reason for ordering change: Contractor has encountered a significant hydraulic downdraft in the well which has slowed the drilling of the open hole down to as little as four (4) feet per 12 hour shift as described in the Contractor's letter requesting extension of time dated April 2, 2010 (Copy attached).

3. This change order (~~increases or decreases~~) the contract completion date as follows:

	<u>FROM:</u>	<u>TO:</u>
Substantial Completion Date:	April 1, 2010	August 10, 2010
Final Completion Date:	April 30, 2010	August 30, 2010

4. Total itemized cost of the above change:
a. Increase contract by \$0.00 (No Dollars)
b. Decrease contract by \$0.00 (No Dollars)

5. Summary of Costs:
Net (increase or decrease) of this Change Order: \$0.00 (No Dollars)
Total (increase or decrease) of all previous Change Orders: \$0.00 (No Dollars)

Recommended: <u>Douglas C. Rovney</u>	Senior Civil Engineer	<u>4/14/2010</u>
Owner's Authorized Rep.	Title	Date
Approved: <u>Roger E. Renner</u>	President, E.H. Renner & Sons	
Contractor's Authorized Rep.	Title	Date
Approved: <u>Randy Anderson</u>	Manager of Engineering	<u>4/23/10</u>
Owner's Authorized Rep.	Title	Date



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve Change Order No. 3 to the October 30, 2009 unit price contract with E.H. Renner & Sons, Inc. for construction of Municipal Well No. 40 (Southwest), which establishes final contract quantities and the final well construction cost of \$301,456.60, amends the project completion date, and authorizes the Mayor and the City Clerk to sign Change Order No. 3.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 28th day of September, 2010.

President

Secretary