

Council Action: Approved: <input checked="" type="checkbox"/> Denied: <input type="checkbox"/>
Date of Action: 9/18/18
Verified by: <i>Janice [Signature]</i>

**CITY COUNCIL ACTION MEMORANDUM**

**AM No. 18-39: Contract Amendment to Big Dipper Construction in the amount of \$310,793 for the Wastewater Treatment Plant Outfall Improvements Project.**

Originator: Public Works Director  
 Date: September 12, 2018

Agenda of: September 24, 2018

Route to:	Department Head	Signature	Date
X	Public Works Director	<i>[Signature]</i>	9/12/18
X	Finance Director	<i>[Signature]</i>	9/17/18
X	Deputy Administrator	<i>[Signature]</i>	9/17/18
X	City Clerk	<i>[Signature]</i>	9/17/18

Reviewed by Mayor Bert L. Cottle: *[Signature]* 9/17/2018

**Fiscal Impact:**  yes      **Funds Available:**  yes      \$310,793

**Account name/number:** Sewer Treatment Plant Improvements/310-4359-435.45-29

**Attachments:** Stantec Review Letter (3 pages)

**Summary Statement:** The original contract award occurred through AM No. 18-16 in the amount of \$515,000 for this project that includes the installation of approximately 2,600 lineal feet of 8-inch HDPE pipe for a new outfall. This contract amendment is primarily for additional work needed to complete the installation of the outfall pipe and service road for this project.

A large deposit of saturated peat soil was encountered within the pipe alignment that was not captured on the test borings for the project. The attached Stantec letter provides a detailed review of this contract amendment. Another portion of the contract amendment is for the relocation of the lagoon drain line that was discovered during installation of the new outfall pipe.

**Staff Recommendation:** Adopt AM No.18-39.



Stantec Consulting Services Inc.  
725 East Fireweed Lane Suite 200, Anchorage AK 99503-2245

September 14, 2018  
File: 2047000415

**Attention: Archie Giddings**  
City of Wasilla  
290 East Herring Avenue  
Wasilla, AK 99654-7091

Dear Mr. Giddings,

**Reference: Wasilla Wastewater Outfall – Construction Change Order #1**

In August of 2018, Big Dipper Construction (Contractor) encountered unforeseen soils conditions on the subject project. Specifically, a large deposit of organic soil (peat) approximately 1000 feet long and reportedly as much as 11 feet deep was encountered in the pipe and roadway alignment. It was known the project area included wetlands and organic soils, but available soils data and mapping suggested the pipe as designed skirted and avoided nearly all the peat. This turned out to be incorrect, and Contractor has submitted a Change Order request to address the additional costs associated with the unforeseen conditions.

Stantec redesigned a portion of the project to reduce cost impacts, but even so, as much as 700 feet of alignment will remain in the unforeseen peat soils. Costs are summarized in the Contractors change order request, attached. Primary costs are associated with removal of the peat from the pipe alignment (grubbing); providing additional fill and effort to construct the access road; additional cost associated with constructing the buried pipe in the unstable soils; additional dewatering efforts; the cost associated with retaining leased equipment; and the seeding required to restore a larger disturbed area, plus a number of smaller ancillary items.

The requested change order request is partially offset by deletion of crushed aggregate D-1 surfacing from the road. The road will be adequately serviceable for the project needs without the surfacing.

The contractors initial change order request included a quantity of grubbing excavation and structural backfill material greater than Stantec believes is necessary to construct the work. Contractor was directed to remove that cost from their lump sum proposal, and instead show those items at a unit price cost, to be used if and only if the City determines the material is needed. If the material is not needed, it will not be used or paid for.

Lastly, the change order includes costs for addition of a Lagoon Drain Line to the project. During construction, a buried drain line was discovered than interferes with the operation of the new effluent discharge system. The "Lagoon Drain Line" cost is for relocating the drain line, and adding two new valves to that system so that it will function properly with the new effluent discharge.

Stantec reviewed the contractors initial change order request of \$321,650 (which did not include the Lagoon Drain Line). After two rounds of negotiations, and a meeting with the contractor, the current change order proposal is \$310,793. Of that amount, \$41,914 is the unit price contingency that will only be used to the extent needed.

September 14, 2018  
Archie Giddings  
Page 2 of 2

Reference: **Wasilla Wastewater Outfall – Construction Change Order #1**

The unforeseen soil conditions are a valid basis for the change order. Stantec has reviewed the Contractor's proposal and pricing, and believes the quantities and prices are appropriate for the difficulty of the work.

This work has not been performed yet. Contractor has indicated the work will be performed once the change order request is approved, anticipated for the end of September and first weeks of October. Delay in approval of the change order may result in additional charges for the leased equipment, or difficulty in completing the project this year.

Please let me know if you have any additional questions,

Sincerely,

**Stantec Consulting Services Inc.**



**Dean Syta** PE  
Principal

Phone: 907-343-5260  
Fax: 907-258-4653  
dean.syta@stantec.com

Attachment: As noted  
c. file  
sg document2



# Big Dipper Construction Inc.



LICENSED • BONDED • INSURED  
P.O. Box 874550 • Wasilla, Alaska 99687  
Office: 376-8341 • Shop: 376-8340

Date: 9/14/2018

Big Dipper Construction Inc. proposes to furnish all supervision, labor, materials and equipment for the changes outlined for the revised alignment and road. The last day we worked on site was August 14.

Description	Quantity	Unit	Unit Price	Total
Equipment Standby	1	Lsum	\$ 37,576.47	\$ 37,576.47
Fusion Machine Standby	1	Lsum	\$ 12,129.47	\$ 12,129.47
Trench Box Rental	1	Lsum	\$ 3,722.97	\$ 3,722.97
Extra Clearing	2	Acres	\$ 8,318.73	\$ 16,637.47
Grubbing	2,650	Cyds	\$ 11.68	\$ 30,952.94
Added cost for the Access Road	1	Lsum	\$ 34,827.43	\$ 34,827.43
Added cost for Pipe install	1	Lsum	\$ 42,832.17	\$ 42,832.17
Additional Dewatering	1	Lsum	\$ 16,637.47	\$ 16,637.47
Rig Mats for swamp crossing	5	Each	\$ 2,443.75	\$ 12,218.75
Added seeding	75,000	Sqft	\$ 0.38	\$ 28,137.47
Added Fencing	40	Lnft	\$ 53.69	\$ 2,147.47
Added SWPPP costs	1	Lsum	\$ 6,293.22	\$ 6,293.22
Site Clean up	1	Lsum	\$ 7,232.36	\$ 7,232.36
Added Culvert	40	Lnft	\$ 63.75	\$ 2,549.97
Surveying	1	Lsum	\$ 4,677.47	\$ 4,677.47
Geotextile	26,000	Sqft	\$ 0.28	\$ 7,378.47
Temporary Facilites	1	Lsum	\$ 997.47	\$ 997.47
Delete D1 surface	1	Lsum	\$ (16,110.00)	\$ (16,110.00)
Additional grubbing if required	2,750	cyds	\$ 6.04	\$ 16,600.00
Additional structural material if required	1,500	cyds	\$ 16.88	\$ 25,314.00
Lagoon Drain Line	1	Lsum	\$ 18,040.47	\$ 18,040.47
<b>Total</b>				<b>\$ 310,793</b>

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

*Terms: Invoices are due and payable within the 15th of receipt. A service charge of 18% per annum will be computed on all amounts overdue on regular statements dates.*