

Memorandum

To: Randy Recklaus, Village Manager
 From: Mike Pagonis, Village Engineer 
 Date: October 9, 2020
 Subject: Downtown Sewer Improvements – Final Change Orders

Final quantities have now been agreed to between the Village and the contractor, Martam Construction, Inc. for the Area 4 Campbell/Sigwalt Downtown Sewer Project. This memo summarizes the final change orders for both the construction contract with Martam Construction, Inc. and the construction engineering inspection contract with Burns & McDonnell.

Construction contract – Martam Construction, Inc.

Staff anticipated challenges and potential additional expenses as construction on the Downtown Sewer Improvement Project proceeded last year. Constructing large diameter sewers in the oldest part of town presented numerous challenges and conflicts with existing utilities. The intersections on Sigwalt Street at Vail Avenue, Highland Avenue, Chestnut Avenue, and Walnut Avenue all required additional pavement and subgrade excavation for changes to the proposed sewer work, due to unforeseen utility conflicts and not attributed to the changes paid for by the Sigwalt 16 development. In most cases, it was determined that additional pavement removal was needed to ensure that the pavement restoration could be accomplished with an acceptable final result.

The memos dated November 21, 2019 (Attachment #1) and July 8, 2020 (Attachment #2) discuss the additional work involved in the previous change orders. Below are charts to clarify the difference between the change order numbering for the contact payouts and the numbering for change orders brought before to the Village Board:

ORIGINAL CONTRACT VALUE:	\$ 3,649,582.80
CHANGE ORDER #1	\$ -
CHANGE ORDER #2	\$ -
CHANGE ORDER #3	\$ (7.35)
CHANGE ORDER #4	\$ 90.40
CHANGE ORDER #5	\$ 54,700.93
CHANGE ORDER #6	\$ 107,678.67
FINAL CONTRACT VALUE:	\$ 3,812,045.45

Numbering as reflected in the payouts

ORIGINAL CONTRACT VALUE:	\$ 3,649,582.80
CHANGE ORDER #1	\$ 54,700.93
CHANGE ORDER #2	\$ 107,761.72
FINAL CONTRACT VALUE:	\$ 3,812,045.45

Numbering as reflected through Board action

Village Change Order #2 & FINAL, in the amount of \$107,761.72 (Attachment #3), includes a variety of contract pay item increases and reductions to account for actual field quantities. This change

order also accounts for the \$83.05 net change from payout change orders #3 and #4. Additional work items account for unforeseen and necessary work that was not covered by a contract pay item. All the changes are itemized in payout Change Order #6 & FINAL (Attachment #4).

Nearly half of the final cost increase results from changes to the plans made to accommodate the Sigwalt 16 development. The Village received a payment of \$48,000.00 from the Sigwalt 16 development as part of their subdivision approval (Attachment #5) to pay the construction costs associated with these changes. This benefitted both parties by completing all the underground work along Sigwalt Street for both projects at once, reducing the number of structures in the street, and eliminating a second open cut on Sigwalt Street and the associated disruption to local traffic.

After deducting the \$48,000.00 in additional work paid for by the Sigwalt 16 project, the final Village contract cost will be 3.1% above the original contract price. The change order also changes the contract completion date from September 27, 2019 to December 1, 2019 to account for the time needed to complete the additional required work.

It is recommended that Change Order #2 & FINAL for the construction contract with Martam Construction, Inc. under PO# 071159 be approved in the amount of \$107,761.72.

Construction Engineering Inspection contract – Burns & McDonnell

The additional work and time required to complete the construction contract work also lengthened the time required for our engineering consultant, Burns & McDonnell, to be on the job. The contract final completion date was September 27, 2019, but construction work extended to the end of November. The engineering consultant was on site inspecting on the Village's behalf for nearly two additional months at an additional cost of \$64,800 (24.9%) over the current contract amount of \$259,800. Change Order #1 & FINAL for this contract (Attachment #6) also changes the contract completion date from September 27, 2019 to December 1, 2019.

It is recommended that Change Order #1 & FINAL for the construction engineering contract with Burns & McDonnell under PO# 071179 be approved in the amount of \$64,800.00.

A budget amendment is recommended to Storm Water Control Fund Construction in Progress – Area 4 Campbell/Sigwalt, account number 426-7101-571.50-25 (SW1804), in the amount of \$172,600.00 from fund balance reserves. This amount covers the sum of both change order amounts.

c: Scott Shirley, Director of Public Works
Tom Kuehne, Director of Finance
Cris Papierniak, Assistant Director of Public Works

Memorandum

To: Randy Recklaus, Village Manager

From: Mike Pagones, Village Engineer

Date: November 21, 2019

Subject: Campbell-Sigwalt Downtown Sewer Improvements – Change Order #5

As this project comes to an end, we are reviewing Change Orders that were necessary to keep the Project on track for completion this year.

Staff anticipated challenges and potential additional expenses when reporting on the Downtown Sewer Improvement Project last spring. Constructing large diameter sewers in the oldest part of town presented numerous challenges and conflicts with existing utilities. To date, four Change Orders were authorized for needed additional work. These changes were within staff's authority, as they balanced out with savings from unused or reduced quantities on other pay items, resulting in a net increase to the contract of \$83.05.

Change Order #5, in the amount of \$54,700.93, includes a variety of pay item increases to account for actual field quantities. Increases in the sidewalk items resulted from field changes to the sewer alignment at multiple intersections along Sigwalt Street. Extra work items account for unforeseen and necessary work that was not covered by a contract pay item.

The next payout after this is expected to include a substantial change order, mainly involving required road improvements on recently completed Sigwalt Street. The intersections on Sigwalt Street at Vail Avenue, Highland Avenue, Chestnut Avenue, and Walnut Avenue, all required additional pavement and subgrade excavation for changes to the proposed sewer work. These field changes were due to unforeseen utility conflicts encountered during excavation. In most cases, it was determined that additional material needed to be excavated to ensure that the pavement restoration could be accomplished with an acceptable final result.

Staff wanted to update the Village Board as soon as we were aware of additional increases in contract value. It is anticipated that the additional roadway construction alone will exceed \$200,000. Staff is currently reviewing the contract and the field records documented by the Village's Engineering consultant to ensure the pay request increases are accurate.

Once the final number is determined, staff will prepare an agenda item for Village Board consideration at a future Board meeting. This will also include any necessary Storm Water Control Fund budget amendments.

Our plan is to make Change Order No. 6 the close-out change order that encompasses all of the necessary changes.

Please contact me if you have any questions, or desire additional information.

C: Scott Shirley, Director of Public Works
Tom Kuehne, Director of Finance
Cris Papierniak, Assistant Director of Public Works

Memorandum

To: Randy Recklaus, Village Manager
From: Mike Pagones, PE, Village Engineer 
Date: July 8, 2020
Subject: Campbell/Sigwalt Downtown Sewer Project

Martam Construction, Inc. was the general contractor for the Campbell/Sigwalt Downtown Sewer Project and is completing the last items of punch list work required to close out the project. We are reviewing quantities and expect to have them finalized in a couple weeks.

In large part, the final Change Order #6 will quantify the numerous changes needed to the plans in order to accommodate the large diameter storm pipes and the many unanticipated utility conflicts discovered in the field. As these conflicts developed, manholes had to be relocated and often resized, changing the quantities of pavement restoration. Once final quantities have been agreed to, a Final Change Order #6 will be brought before the Village Board for approval. It is anticipated that this change order will be in the neighborhood of \$200,000 to the current contract amount of \$3,704,366.78.

The increased scope of the work (due to unknown utilities) and additional time required to complete the work also increased the needed oversight of our construction management consultant, Burns & McDonnell. The construction final completion date was September 27, 2019, but the work extended to the end of November. The engineering consultant was on site inspecting on the Village's behalf for nearly two additional months at an additional cost of \$64,800. Staff will prepare a Final Change Order #1 to that original contract of \$259,800 at some point in the near future.

The Stormwater Utility Fund has sufficient reserve and unspent funds from the Cypress Project to cover these unanticipated expenses.

Please contact me if you have any questions.

c: Scott Shirley, PE, Director of Public Works
Tom Kuehne, Director of Finance
Cris Papierniak, PE, Assistant Director of Public Works

**VILLAGE OF ARLINGTON HEIGHTS
CHANGE ORDER**

PROJECT Campbell-Sigwalt Downtown Sewer Program

CHANGE ORDER # 02 & FINAL

CONTRACTOR Martam Construction Inc.
1200 Gasket Drive
Elgin, IL 60005

PURCHASE ORDER 071159

DATE October 6, 2020

You are authorized to make the following change(s) in this contract:

Original Contract sum	<u>\$3,649,582.80</u>
Contract sum prior to this change order	<u>\$3,704,283.73</u>
Contract sum will be increased by	<u>\$107,761.72</u>
The new contract sum	<u>\$3,812,045.45</u>

The contract completion date will be changed to December 1, 2019.

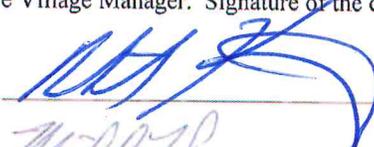
The reason(s) for the referenced change(s) in this contract are as follows:

*** See attached memo ***

NOTE: In accordance with state law, at least one of the three following conditions must be met if this change order exceeds \$25,000 and/or 30 days:

1. The circumstances said to necessitate the change in performance were not reasonably foreseeable at the time the contract was signed,
2. ~~The circumstances said to necessitate the change in performance were not within the contemplation of the contract as signed,~~
3. ~~The circumstances said to necessitate the change are in the best interest of the Village and authorized by law.~~

*Not valid unless signed by the Village Manager. Signature of the contractor indicates his agreement herewith.

Contractor By:  Date: 10-8-20

Project Engineer By:  Date: 10/8/2020

Department Head By: _____ Date: _____

Finance Director By: _____ Date: _____

Village Manager By: _____ Date: _____

Forward to Purchasing Agent to be processed.

OWNER: Village of Arlington Heights

CHANGE ORDER #6 & FINAL

CONTRACTOR: Martam Construction, Inc.

PURCHASE ORDER #: 71159

SITE LOCATION: Downtown Campbell Storm Sewer Improvements - Arlington Heights

MARTAM JOB #: 1260

ITEM #	ITEM ID	ITEM DESCRIPTION	U OF M	CURRENT QUANTITY	ADD/DELETE	FINAL QUANTITY	UNIT PRICE	AMOUNT
2	2	NON SPL WASTE DISPOSAL	CY	1900	-60.09	1839.91	\$ 66.00	\$ (3,965.94)
3	3	TRENCH BACKFILL	CY	8300.3	-2700.3	5600	\$ 42.00	\$ (113,412.60)
4	4	AGG BSE CSE TY B 12"	SY	5994.4	585.6	6580	\$ 14.00	\$ 8,198.40
5	5	HMA BIND CSE N50	TON	2958	1238	4196	\$ 116.00	\$ 143,608.00
6	6	HMA SURF CSE N50	TON	636.62	738.18	1374.8	\$ 155.00	\$ 114,417.90
7	7	PAVEMENT REMOVAL FULL DEPTH	SY	6606.4	425.6	7032	\$ 14.00	\$ 5,958.40
8	8	CC&G REM & REPL B6.12	FT	740	592.8	1332.8	\$ 37.00	\$ 21,933.60
9	9	DIWM 4"	FT	20	-20	0	\$ 187.00	\$ (3,740.00)
13	13	CASING PIPE 18"	FT	24	-24	0	\$ 133.00	\$ (3,192.00)
17	17	WTR SERV TO B BOX 1.5"	FT	643	72	715	\$ 133.00	\$ 9,576.00
24	24	MH TY A 6' DIA	EA	7	2	9	\$ 7,960.00	\$ 15,920.00
25	25	MH TY A 7' DIA	EA	6	-2	4	\$ 14,220.00	\$ (28,440.00)
27	27	CB TY A 4' DIA	EA	35	-6	29	\$ 3,460.00	\$ (20,760.00)
29	29	REM MH	EA	43	-6	37	\$ 350.00	\$ (2,100.00)
30	30	REM CB	EA	24	-5	19	\$ 350.00	\$ (1,750.00)
31	31	REM INLETS	EA	18	-8	10	\$ 100.00	\$ (800.00)
32	32	REM VALVES	EA	6	-1	5	\$ 460.00	\$ (460.00)
34	34	SAN SERV ADJ LATERALS	FT	550	-228	322	\$ 52.00	\$ (11,856.00)
35	35	SEW REM 4"	FT	45	-45	0	\$ 6.00	\$ (270.00)
38	38	SEW REM 10"	FT	185	-136	49	\$ 8.00	\$ (1,088.00)
39	39	SEW REM 12"	FT	1575	-565	1010	\$ 8.00	\$ (4,520.00)
40	40	SEW REM 15"	FT	1600	-327	1273	\$ 12.00	\$ (3,924.00)
42	42	PVC C900 12"	FT	380	-71	309	\$ 82.00	\$ (5,822.00)
45	45	RCP RG CL A TY 2 12"	FT	174	-35	139	\$ 67.00	\$ (2,345.00)
46	46	RCP RG CL A TY 2 15"	FT	333	-182	151	\$ 74.00	\$ (13,468.00)
47	47	RCP RG CL A TY 2 18"	FT	962	5	967	\$ 81.00	\$ 405.00
48	48	RCP RG CL A TY 2 21"	FT	643	5	648	\$ 82.00	\$ 410.00
49	49	RCP RG CL A TY 2 24"	FT	377	-33	344	\$ 88.00	\$ (2,904.00)
50	50	RCP RG CL A TY 2 30"	FT	349	14	363	\$ 106.00	\$ 1,484.00
51	51	RCP RG CL A TY 2 36"	FT	487	-104	383	\$ 138.00	\$ (14,352.00)
52	52	RCP RG CL A TY 2 54"	FT	318	11	329	\$ 411.00	\$ 4,521.00
53	53	RCP RG CL A TY 3 24"	FT	662	31	693	\$ 188.00	\$ 5,828.00
54	54	RCP RG CL A TY 3 30"	FT	327	3	330	\$ 201.00	\$ 603.00
59	59	ENGINEERS FIELD OFFICE TY A	LSUM	1	-0.67	0.33	\$ 16,800.00	\$ (11,256.00)
61	61	BRICK PAVERS REM & REPL	SY	250	-207.4	42.6	\$ 244.00	\$ (50,605.60)
62	62	DUST CONTROL MECHANICAL	EA	20	-8	12	\$ 260.00	\$ (2,080.00)
63	63	SOD	SY	278	57	335	\$ 26.00	\$ 1,482.00
64	64	PCC DRIVE REM & REPL	SY	145	-11.1	133.9	\$ 81.00	\$ (899.10)
65	65	DETECTABLE WARNINGS	EA	42	8	50	\$ 440.00	\$ 3,520.00
66	66	SIDEWALK REMOVAL	SF	1947.5	776.3	2723.8	\$ 2.00	\$ 1,552.60
67	67	PCC SIDEWALK REPLACEMENT	SF	1947.5	776.3	2723.8	\$ 8.00	\$ 6,210.40
ALTERNATE #2 - Dunton Avenue Pedestrian Crossing								
1	ALT 2	TREE TRUNK PROT	EA	1	-1	0	\$ 220.00	\$ (220.00)
6	ALT 2	THICKENED EDGE PCC RIBBN 15"	SF	368	-201	167	\$ 44.00	\$ (8,844.00)
7	ALT 2	PREMIUM FINISH CONC PAVER	SF	679	128	807	\$ 33.00	\$ 4,224.00
10	ALT 2	PCC PAVEMENT REMOVAL	SY	14	3	17	\$ 112.00	\$ 336.00
13	ALT 2	PAVER BRICK SIDEWALK REM	SF	306	278	584	\$ 13.00	\$ 3,614.00
15	ALT 2	PCC PVT 12"	SY	14	3	17	\$ 368.00	\$ 1,104.00
16	ALT 2	PREMIUM CONC PVR CROSSWALK	SF	350	33.4	383.4	\$ 67.00	\$ 2,237.80
17	ALT 2	18"X12" CONC BAND	FT	48	77.5	125.5	\$ 55.00	\$ 4,262.50
18	ALT 2	CC&G TY B6.12	FT	130	32	162	\$ 36.00	\$ 1,152.00
23	ALT 2	DRAINAGE STRUCT ADJ	EA	1	-1	0	\$ 480.00	\$ (480.00)

MARTAM JOB #: 1260

ITEM #	ITEM ID	ITEM DESCRIPTION	U OF M	CURRENT QUANTITY	ADD/DELETE	FINAL QUANTITY	UNIT PRICE	AMOUNT
24	ALT 2	THERMO PVT MRK LINE 4"	FT	10	-10	0	\$ 155.00	\$ (1,550.00)
25	ALT 2	SIGN PANEL TY 1	SF	14	-5.5	8.5	\$ 44.00	\$ (242.00)
26	ALT 2	SERV INSTALL GROUND MNT	EA	1	-1	0	\$ 3,860.00	\$ (3,860.00)
28	ALT 2	GULFBOX JUNCTION COMPOSITE	EA	1	1	2	\$ 3,000.00	\$ 3,000.00
29	ALT 2	FLASHER CONTROLLER	EA	1	-1	0	\$ 1,730.00	\$ (1,730.00)
33	ALT 2	TRAFFIC SIGN POST 14'	EA	2	-2	0	\$ 1,660.00	\$ (3,320.00)
35	ALT 2	SIGN HEAD LED 1 SECT	EA	2	-2	0	\$ 410.00	\$ (820.00)
37	ALT 2	LANDSCAPE RESTORATION	SY	30	-30	0	\$ 36.00	\$ (1,080.00)
AUP-005-00	CO #2, #6	2" milling greater than 10,000 sf and full road widths	SY	1452	-127	1325	\$ 7.02	\$ (891.54)
AUP-001-00	CO #3, #6	2" milling	SY	404.7	1779.3	2184	\$ 10.90	\$ 19,394.37
AUP-014-00	CO #6	14-01: UNIT DUCT 1-1/4 5 #4, 1 #6 G	LF	0	240	240	\$ 37.60	\$ 9,024.00
AUP-014-00	CO #6	14-02: LED ENHANCED PED CROSSING SIGN	EA	0	2	2	\$ 3,524.00	\$ 7,048.00
AUP-014-00	CO #6	14-03: STERNBERG LIGHTPOLE 12'	EA	0	2	2	\$ 5,793.00	\$ 11,586.00
AUP-014-00	CO #6	14-05: REMOVE EXISTING FOUNDATION	EA	0	1	1	\$ 990.00	\$ 990.00
AUP-016-00	CO #6	CONSTRUCTION LAYOUT ALT #2	LSUM	0	1	1	\$ 1,562.00	\$ 1,562.00
AUP-018-00	CO #6	FILLING EXIST 15" SEWER WITH CLSM	LF	0	55	55	\$ 26.00	\$ 1,430.00
AUP-019-00	CO #6	MOBILIZATION FOR EX-030 CONCRETE WORK	LSUM	0	1	1	\$ 2,000.00	\$ 2,000.00
EX-026	CO #6	RELOCATE CB 28 WEST SIDE OF VAIL	LSUM	0	8957.99	8957.99	\$ 1.00	\$ 8,957.99
EX-027	CO #6	RECONSTRUCT & CONNECTIONS FOR MH 31	LSUM	0	14713.06	14713.06	\$ 1.00	\$ 14,713.06
EX-029	CO #6	FORM, POUR, STRIP B-CURB SIGWALT & DUNTON	LSUM	0	1718.03	1718.03	\$ 1.00	\$ 1,718.03
EX-030	CO #6	R&R CURB, SIDEWALK AT SE CORNER SIGWALT/HIGHLAND	LSUM	0	2421.22	2421.22	\$ 1.00	\$ 2,421.22
	CO #6	Price Difference for Junction Chamber	LSUM	0	1	1	\$ (1,520.00)	\$ (1,520.00)
	CO #6	Price Credit for Village Supplied Bricks	SF	0	1184	1184	\$ (3.50)	\$ (4,144.00)
	CO #6	Price Credit for Village Thermo Pavement Striping	LSUM	0	1	1	\$ (6,012.82)	\$ (6,012.82)

\$ 107,678.67

ORIGINAL CONTRACT VALUE:	\$ 3,649,582.80
CHANGE ORDER #1	\$ -
CHANGE ORDER #2	\$ -
CHANGE ORDER #3	\$ (7.35)
CHANGE ORDER #4	\$ 90.40
CHANGE ORDER #5	\$ 54,700.93
FINAL CHANGE ORDER #6	\$ 107,678.67
FINAL CONTRACT VALUE:	\$ 3,812,045.45

**VILLAGE OF ARLINGTON HEIGHTS
CHANGE ORDER**

PROJECT Campbell-Sigwalt Downtown Sewer Program

CHANGE ORDER # 01 & FINAL

CONTRACTOR Burns & McDonnell
1431 Opus Place, Suite 400
Downers Grove, IL 60515

PURCHASE ORDER 071179

DATE September 24, 2020

You are authorized to make the following change(s) in this contract:

Original Contract sum	<u>\$ 259,800.00</u>
Contract sum prior to this change order	<u>\$ 259,800.00</u>
Contract sum will be increased by	<u>\$ 64,800.00</u>
The new contract sum	<u>\$ 324,600.00</u>

The contract completion date will be changed to December 1, 2019.

The reason(s) for the referenced change(s) in this contract are as follows:

Burns & McDonnell personnel performed resident engineering services for the Village during the construction of the Campbell/Sigwalt Downtown Sewer Project. The general contractor, Martam Construction, Inc., ran into numerous underground conflicts during construction requiring re-engineering of the sewers in a number of locations and incurring time delays.

NOTE: In accordance with state law, at least one of the three following conditions must be met if this change order exceeds \$25,000 and/or 30 days:

1. The circumstances said to necessitate the change in performance were not reasonably foreseeable at the time the contract was signed,
2. ~~The circumstances said to necessitate the change in performance were not within the contemplation of the contract as signed,~~
3. ~~The circumstances said to necessitate the change are in the best interest of the Village and authorized by law.~~

*Not valid unless signed by the Village Manager. Signature of the contractor indicates his agreement herewith.

Consultant By: Claus Dunkelberg Date: 10-6/2020

Project Engineer By: Michael R. Ryan Date: 9/24/2020

Department Head By: _____ Date: _____

Finance Director By: _____ Date: _____

Village Manager By: _____ Date: _____

Forward to Purchasing Agent to be processed.

Pagones, Mike

From: Dunkelberg, Claus <cdunkelberg@burnsmcd.com>
Sent: Tuesday, June 9, 2020 11:13 AM
To: Pagones, Mike
Subject: Jim Doleshal's Time beyond Substantial completion - Martam Contract

[**NOTICE:** This message originated outside of Village of Arlington Heights email system -- **DO NOT CLICK** on links or open attachments unless you are sure the content is safe.]

Hi Mike;

Per our previous conversation regarding the project completion deadlines per contract and the extended completion dates that occurred through Martam's construction activities, we are submitting Jim Doleshal's time spent beyond the substantial completion date of September 27, 2019. Our original CM services budget for the resident engineer (RE) used the contract calendar days, converted to standard working days, allotted in the contract. Following is the recorded time by Jim for each week beyond the original substantial completion date. During these weeks, the contractor was still working towards substantial completion and had a full complement of construction crews and equipment working.

Week Ending	Hours
10/05/2019	58
10/12/2019	55
10/19/2019	58
10/26/2019	55
11/02/2019	47
11/09/2019	45
11/16/2019	40
11/23/2019	47
TOTAL	405

As per previous invoices, Jim's hourly billing rate is \$160/hr. The total hours of 405 results in a cost of \$64,800. We are requesting that you give consideration to Jim's additional hours required to perform our contracted RE services beyond the contract time caused by the contractors activities. Please review the information and get back to me with your questions or thoughts. If you need a formal letter requesting the additional costs, please let me know.

Feel free to call my cell.

Regards
Claus