

**Indian River County, Florida
Solid Waste Disposal District
Board Memorandum**

Date: January 10, 2020
To: Jason E. Brown, County Administrator
From: Vincent Burke, PE, Director of Utility Services
Prepared By: Himanshu H. Mehta, PE, Managing Director, Solid Waste Disposal District
Subject: Change Order No. 7 to Thalle (Bid #2018025)

Descriptions and Conditions:

On April 10, 2018, the Indian River County (IRC) Solid Waste Disposal District (SWDD) awarded Bid No. 2018025 in the amount of \$16,034,260.00 to Thalle Construction Company (Thalle), Inc. of Hillsborough, North Carolina, for the construction of the Landfill Segment 3 Cell 2 Expansion, Segment 2 Partial Closure and Landfill Gas System Expansion project. This funding included a base bid budget of \$14,576,600 plus a 10% contingency budget of \$1,457,660. A Notice to Proceed (NTP) was issued on May 9, 2018. Substantial completion of Segment 2 Partial Closure and Landfill Gas System Expansion phase (Milestone 1) is 180 calendar days (November 5, 2018), and substantial completion of Landfill Segment 3 Cell 2 Expansion phase (Milestone 2) is 360 calendar days (May 4, 2019) from the NTP. Final completion is 390 calendar days (June 3, 2019) from the NTP.

On September 17, 2018, Thalle submitted a request to our engineer, CDM Smith, for a 105-days-in-contract-time extension for Milestone 1, identifying wet conditions as a basis for this request. On November 20, 2018, the SWDD Board approved Change Order No. 1 to Thalle extending Milestone 1 to February 18, 2019.

On February 12, 2019, the SWDD Board approved Change Order No. 2 to Thalle for a deductive change order in the amount of \$2,659,127.14 as a result of direct purchase items, resulting in a revised contract amount of \$13,375,132.86.

On March 26, 2019, the SWDD Board approved Change Order No. 3 to Thalle to use \$12,236.97 from approved contingency budget into the active project budget as well as adding 27 days in contract time.

On June 18, 2019, the SWDD Board approved Change Order No. 4 to Thalle for approval of \$855,955.37 from the approved contingency budget into the active project budget as well as an additional 62 days in contract time.

On August 13, 2019, the SWDD Board approved Change Order No. 5 to Thalle use \$530,761.05 from approved contingency budget into the active project budget as well as adding 68 days in contract time. The corresponding Substantial Completion Date for Milestone 1 was changed to July 25, 2019, the Substantial Completion Date for Milestone 2 was changed to October 8, 2019 and Final Completion Date was changed to

November 7, 2019. Based on the previous change orders to date, the original contingency budget of \$1,457,660 has been reduced to \$58,707.

On November 5, 2019, the SWDD Board approved Change Order No. 6 approving extension in contract time for Milestone 1, Milestone 2, and Final Completion by 42 days to Thalle. The corresponding Substantial Completion Date for Milestone 1 was changed to September 5, 2019, the Substantial Completion Date for Milestone 2 to was changed to November 19, 2019, and the Final Completion Date was changed to December 19, 2019.

Our project engineer, CDM Smith, has reviewed and recommends for approval Change Order No. 7 for a request for material overruns and reconciliation of material underruns on the project bill of quantities. The change is for reconciliation of contingency funding and associated time only and does not affect the overall contract funding of \$13,375,132.86.

Analysis:

CDM Smith reviewed the Change Order No. 7 request and submitted a recommendation letter on January 10, 2020, to approve the request by Thalle for material overruns and reconciliation of material underruns on the project bill of quantities. Specifically, the total material overruns equal \$833,484.94 and a total reconciliation of material underruns equal -\$969,201.38 resulting in a net impact of -\$135,716.44 to the contingency on the project because of this change order. The corresponding impact on time is 43 days to Milestone 2 and Final Completion.

Upon approval of this change order, the total contingency remaining on the project is \$194,423.16 and the total contract amount remains at \$13,375,132.86. Similarly, the Substantial Completion Date for Milestone 2 to will be changed to January 1, 2020 and the Final Completion Date will be changed to January 31, 2020.

Funding:

This is a no-cost change order and therefore no impact to the project funding.

Recommendation:

Solid Waste Disposal District staff recommends that its Board approve and authorize the Chairman to execute Change Order No. 7 approving the reconciliation of the project to increase the contract contingency as well as an extension in contract time for Milestone 2, and Final Completion by 43 days to Thalle Construction Company, Inc., for the Segment 3 Cell 2 Expansion, Segment 2 Partial Closure and Landfill Gas System Expansion project.

Attachment:

1. CDM Smith Letter of Recommendation
2. Change in Contract Summary Log (attachments on file in the Department of Utility Services)
3. Change Order No. 7 (on file in the Department of Utility Services)