

Information to be included in all Legislation Modifying a Contract:

- 1. The names, location by City/State and status of all companies submitting a competitive bid or submitting an RFP or RFSQ for the original contract.**

<u>Name</u>	<u>City/State</u>	<u>Majority/MBE/FBE</u>
A. Crace Construction Company, Inc. Piketon, Ohio Majority		
B. Kokosing Construction Company, Inc. Columbus, Ohio Majority		

- 2. The name, address, contact name, phone number and contract number of the firm awarded the original contract.**

Crace Construction Company, Inc., P.O. Box 535, 316 Main Street, Piketon, Ohio 45661
Contract No. EL005858
Contact Person: Alan E. Crace, (740) 289-4118

- 3. A description of work performed to date as part of the contract and a full description of work to be performed during any future phasing of the contract.**

The contract with Crace Construction Company, Inc. is for Contract S66 – Digester Rehabilitation and is the second phase of construction under this CIP project. This contract will provide for extensive improvements to the sludge digestion process systems at the Southerly Wastewater Treatment Plant. Improvements include: rehabilitation of the six existing sludge digester tanks; construction of three new sludge digester tanks; installation of new process equipment including piping, valves, pumps, grinders, mixing systems, and boilers; rehabilitation of the existing Sludge Control Building; and demolition of process facilities that are to be replaced or are no longer needed. It was planned that this contract could be modified to provide needed monies, if necessary, for any anomalies in the work which may become evident as the work progresses.

- 4. An updated contract timeline to contract completion.**

The Contract Notice to Proceed was issued March 20, 2006. Substantial Completion of construction, defined as completely operational building and process systems, was originally scheduled for May 18, 2008, and is now projected to occur December 31, 2008. Final Completion of construction, defined as all work being complete, was originally scheduled for June 18, 2008, but is now projected to occur on March 13, 2009. Construction is currently on-going. Extension of the duration of the contract has been primarily caused by unforeseen additional special coatings work on the digester covers, increased capacity of steam injectors, a time extension due to unforeseen long lead time for delivery of glass-lined pipe, and additional effort for project scheduling and management, and other associated costs of needed additions to the contract work that have become necessary to complete the Digester Rehabilitation construction.

All identified known needed work additions are defined and priced, and this modification provides sufficient funding for the contract work anticipated as of this modification.

5. **A description of any and all modifications to date including the amounts of each modification and the Contract Number associated with any modification to date. (List each modification separately.)**

This is the first modification to this construction contract.

6. **A full description of the work to be performed as part of the proposed contract modification. (Indicating the work to be a logical extension of the contract is not sufficient explanation.)**

Proposed Modification No. 1: \$2,000,577

This modification will provide funding for additional items of work that have been identified as necessary, the total cost of which will be greater than the remaining contract contingency amount. The specific work beyond current funding is based on the 5 RFP estimated price quotes that have not completed the negotiation process and the outstanding claim:

<u>Item No.</u>	<u>Description</u>	<u>Cost</u>
RFP-017	Addresses 26 items, including access hatches changed to handle hydraulic loading, relocating 6 inch water line, replacing the deteriorated concrete coping on the Sludge Control Building, providing six 8 inch tees on the acid phase digester overflow lines for process enhancement, reroute roof drain piping, repair concrete in existing digester overflow pits, and revise closure method for pipes penetrating wall of existing digesters.	\$420,766
RFP-018	Addresses 10 items, including providing trap primers, SCB interior paint and prep work, change in steam pipe layout, changes in manual and automatic sample taps, and increasing size of pressure sensors from 8 inch to 10 inch.	\$140,301
RFP-019	Addresses 19 items, including electrical changes, changes to conduit layout, and deletion and addition of conduits.	\$308,000
RFP-020	Provides for Incinerator building piping revisions	\$100,550
RFP-021	Foam separator electrical box relocation	\$75,066
RFP-022	Addresses 20 items, including steam vessel changes, pipe changes, pipe layout changes, sampler changes, manhole changes, catch basin changes.	\$203,765

RFP-023 Addresses 20 items, including steam condensate changes, \$150,337
 digester overflow pit changes, add backflow preventer,
 drain line changes, add boiler water lines, relocate eye
 washer, boiler blowdown separator changes, vent line changes.

The additional items identified above total, \$2,029,935

 \$2,986,400 - Original Contract S66 Contingency Amount
 - \$2,325,892 - Approved Change Orders
 - \$631,150 - Change Order No. 4 (in the Approval Process)
 \$29,358 - Remaining Contingency

 \$2,029,935 - Total for additional items identified above
 - \$29,358 - Remaining Contingency
 \$2,000,577 - Total Projected Contingency Shortfall

Modification No. 1 provides the additional amount of \$2,000,577 in order to provide the above work items and claims.

7. **If the contract modification was not anticipated and explained in the original contract legislation a full explanation as to the reasons the work could not have been anticipated is required. (Changed or field conditions is not sufficient explanation. Describe in full the changed conditions that require modification of the contract scope and amount.)**

In any construction project changes to contract work are expected. Some reasons for additional work include: 1) details of equipment and systems specified to be provided are reviewed and sometimes refined during construction in order to provide a facility that is optimally configured for operation and safety; 2) components of the existing facility are concealed and conditions cannot be accurately determined prior to contract work; 3) latent errors or omissions may exist in the design.

8. **An explanation of why the work to be performed as part of the contract modification cannot be bid out. (Indicating the work to be a logical extension of the contract is not sufficient explanation.)**

The funding provided by this contract modification is for completion of the existing work of the contract. It is not deemed either feasible or reasonable to suspend work with the entity currently under contract, and undertake continuation of the work under a new procurement. The lengthy process for initiating a new procurement, and for a new entity to gain understanding of the project, would likely cause an unacceptable project delay and consequent additional cost to the City to settle the legitimate claims for such delay.

9. **A cost summary to include the original contract amount, the cost of each modification to date (list each modification separately), the cost of the modification being requested in the legislation, the estimated cost of any future known modifications and a total estimate of the contract cost.**

Original Contract	\$32,940,400
Proposed Modification No. 1	\$ 2,000,577

Future Anticipated Needs	\$ TBD
CONTRACT TOTAL	\$34,940,977

10. An explanation of how the cost of the modification was determined.

The current remaining balance of Contingency is insufficient to fund the \$2,029,935 in additional work items identified, as shown above.

\$2,986,400	-	Original Contract S66 Contingency Amount
- \$2,325,892	-	Approved Change Orders
- \$631,150	-	Change Order No. 4 (in the Approval Process)
\$29,358	-	Remaining Contingency

\$2,029,935	-	Total for additional items identified above
- \$29,358	-	Remaining Contingency
\$2,000,577	-	Total Projected Contingency Shortfall

Modification No. 1 provides the amount of \$2,000,577

Note: The Contract should be considered to include any and all work that is anticipated to be awarded to the company awarded the original contract throughout the contract/project timeline. This includes the original contract and any and all future anticipated modifications to the contract to complete the contract/project.

It has been determined that a planned modification will be needed in the near future to provide additional funding to the project once a dollar value can be negotiated between the Department of Public Utilities and Crace Construction Company, Inc.

7-20-07