THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: September 22, 2020

Subject: Water System Distribution Project 2 – Professional Services Contract Change Order

Staff Resource(s): David Melton - Water Resources Director; Chad Pierce - Engineering Services Manager

Action Requested: Adoption of a resolution authorizing the City Manager to execute a change order with CDM Smith Inc. in the amount of $699,514 to increase the Water System Distribution Project 2 – Professional Services Contract from a total amount of $884,124 to $1,583,638.

Background:

- On February 27, 2018, City Council adopted a resolution to authorize the City Manager to execute a professional services contract with CDM Smith, Inc. for the Water System Distribution Project 2.
- The original total contract was for a not-to-exceed amount of $884,124 and the project work included: a survey, a hydraulic analysis, engineering design, construction administration, and other related professional services for approximately 10,600 linear feet of 24" potable water transmission main and all associated appurtenances along Patton Avenue from Craven Street to Haywood Road.
- The original transmission main alignment along Patton Avenue assumed construction would be within the travel lanes and therefore the survey and preliminary design was performed for the new water transmission main to be located within the NCDOT right-of-way only.
- On April 8, 2019, the preliminary plan was submitted for the required NCDOT Encroachment Agreement, which would allow the new water transmission main to be located within the NCDOT right-of-way; however this Encroachment Agreement was denied by NCDOT in accordance with its policy to not allow utilities to be placed under the roadway. Within the past five years, NCDOT has increased its enforcement of this policy.
- The Water Resources Department appealed the decision to deny the NCDOT Encroachment Agreement via the hardship appeal process procedure provided by NCDOT. The hardship appeal was based on impacts to private property and additional project cost; however the appeal was also denied.
- Because of the denial of the NCDOT Encroachment Agreement and subsequent appeal, the proposed water transmission main alignment had to be changed to be outside the NCDOT right-of-way to be installed within private property throughout the project corridor.
- This change in alignment of the 24" water transmission line created the requirement for an additional survey to be performed and a new design drawing to be developed which added a significant cost increase to the professional services contract.
- Also moving the new water transmission main onto private property creates the need to obtain 37 permanent and temporary construction easements for the installation of the proposed transmission main which requires additional funds to be added to the project for easement acquisition specialists, preparation of easement plats and documents, appraisals and purchase of the necessary easements. These efforts and associated costs were not considered in the original contract scope since the plan did not impact private property.
- Over the course of the design phase, CDM Smith also discovered three (3) North Carolina Department of Environmental Quality – Division of Waste Management (DWM) sites located adjacent to the new alignment requiring the additional services for assessment of potential impacts from residual contamination associated with the three sites.
- Water Resources Staff requested that the consultant provide an amended scope with the additional tasks and cost outlined. The proposed change order request is based on the amended scope.

- It is anticipated that the final project design and easement acquisition will take approximately 9 months being completed by July 2021. Following completion of the design phase, construction of the project is projected to begin in September 2021 with an 18 month duration.

Vendor Outreach Efforts:
- Not applicable, change to an existing contract

Council Goal(s):
- A Financially Resilient City

Committee(s):
- None.

Pro(s):
- This project is aligned with the City and the Water Resources Department goal of continued investment and improvement of the City's water system through Capital Improvement Projects to provide safe and reliable service.

Con(s):
- None

Fiscal Impact:
- The funding needed for the professional services agreement is currently allocated within the Water Resources Capital Improvements Project Fund in the Small Waterline Replacement Projects.

Suggested Motion:
- Move to adopt a resolution authorizing the City Manager to execute a change order with CDM Smith Inc. in the amount $699,514 to increase the Water System Distribution Project 2 – Professional Services Contract from a total in the amount of $884,124 to $1,583,638.

Attachment(s)
- Resolution

RESOLUTION NO. 20-_____

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CHANGE ORDER WITH CDM SMITH INC. TO INCREASE THE WATER SYSTEM DISTRIBUTION PROJECT 2 – PROFESSIONAL SERVICES CONTRACT

WHEREAS, pursuant to N.C.G.S. § 160A-312, the City of Asheville has authority to operate a public enterprise; and

WHEREAS, pursuant to N.C.G.S. § 160A-20.1, the City of Asheville may enter into contracts with private entities to carry out any public purpose the City is authorized to engage in; and

WHEREAS, on February 27, 2018 a resolution was passed for the City Manager to enter into a contract with CDM Smith Inc, for the Water System Distribution Project 2; and

WHEREAS, it has been determined that additional professional services are needed in order to meet the project objectives and resolve additional issues within the water system; and

WHEREAS, a change order in the amount of $699,514 is needed to increase the professional services contract for CDM Smith Inc, from a total in the amount of $884,124 to $1,583,638 for the project;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The City Manager, on behalf of the City of Asheville, is hereby authorized to execute a change order with CDM Smith Inc. in the amount $699,514.00 to increase the Water System Distribution Project 2 – Professional Services Contract from a total in the amount of $884,124 to $1,583,638.

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Read, approved, and adopted this 22nd day of September 2020.

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CITY CLERK MAYOR

Approved as to form:

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CITY ATTORNEY