



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 10/6/2020

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**Item #: 8. File #:** TMP 2020-688

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**To:** Honorable Mayor and Members of Town Council

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Tim Friday, P.E., Assistant Director of Castle Rock Water  
Walt Schwarz, Engineering Project Manager

**Resolution Approving An Extension Of Contract Times On the Plum Creek Water Purification Facility (PCWPF) Advanced Treatment (AT) Project [1929 Liggett Rd.]**

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### Executive Summary

Castle Rock Water (CRW) staff request approval of a Resolution (**Attachment A**) approving project Change Order No. 5 (**Exhibit 1**) with Garney Construction (Garney) to extend contract times on the PCWPF AT project. This project was awarded by Town Council in two Work Packages and the Notice to Proceed for Work Package Number 2 (WP2) was issued in June of 2019. Since that time, Garney has done an excellent job working with CRW staff on a variety of challenges that have arisen during construction. Earlier this year the COVID-19 pandemic interrupted typical daily operations and, more recently, Garney (as requested by CRW) pushed back a three week facility shutdown to October 19 through November 6 to occur after the high demand water season.

Garney requested via attached letter dated September 4, 2020 (**Attachment B**) that project substantial completion be extended to December 31, 2020 from the current contractual substantial completion date of October 26, 2020. Garney is subsequently requesting project final completion date be extended to February 11, 2021 from the current final completion date of December 3, 2020. There is no change to the Final Guaranteed Maximum Price (FGMP) associated with this proposed Change Order No. 5 (CO5). The construction project is proceeding within the previously approved contract budget and we anticipate there will be no change to the FGMP through final project completion.

This project is nearing completion and a project extension will allow Garney to proceed with their Commissioning Schedule (**Attachment C**) as planned and coordinate all necessary facility startup activities with representatives from the advanced equipment manufacturers. Onsite services include various training sessions for CRW staff. Staff recommends approval of Change Order No. 5 (**Exhibit 1**) with Garney to extend the contract substantial and final completion dates as previously noted.

### **Discussion**

The PCWPF AT project was presented to Town Council in two separate Work Packages (WP). Both WP's were approved for construction and the FGMP was established in the amount of \$28,452,538. This FGMP included a 2% construction contingency in the amount of \$589,533. The previous four change orders included justified cost changes working within this construction contingency amount (current contingency balance remaining is \$89,904). On June 16, 2020, CRW also presented the PCWPF Ammonia Conversion Project to Town Council in the amount of \$379,153 (included a \$24,800 contingency - none used to date). Town Council approved this ammonia conversion project with Garney. The ammonia conversion tasks are proceeding according to plan.

During the course of the PCWPF AT project there were schedule impacts created by the COVID-19 pandemic. For example, earlier this year the ozone system manufacturer was delayed shipping equipment from Italy through California to the PCWPF AT project. Most recently, Intermountain Rural Electric Association (IREA) subcontractor's crews were quarantined for safety concerns related to the virus. With some uncertainty surrounding when permanent electric power would be available, Garney could not set hard dates with activities such as flying in manufacturers' representatives from out of state. The IREA site work was completed this September and CRW expects an IREA meter to be installed during the week of October 12<sup>th</sup> (at the latest). Garney is in the process of finalizing all startup and training schedules for advanced treatment equipment such as the ozone and UV systems.

### **Budget Impact**

There is no budget impact with Change Order No. 5. Change Order No. 5 is a time extension request only.

### **Staff Recommendation**

Staff recommends approval of Change Order No. 5, an extension of times on the PCWPF AT project.

### **Proposed Motion**

*"I move to approve the Resolution as introduced by title."*

### **Attachments**

Attachment A: Resolution  
Exhibit 1: Change Order No. 5  
Attachment B: Garney letter dated 9/4/2020 requesting contract time extension  
Attachment C: Garney Commissioning Schedule