

RESOLUTION NO. 2007-164

AUTHORIZING AN INCREASE TO CONTRACT NO. 2006-046 WITH TERRACE CONSTRUCTION COMPANY FOR PROJECT 38-C04 FOR THE EUCLID CORRIDOR TRANSPORTATION PROJECT – REHABILITATION OF EUCLID AVENUE FROM EAST 79TH STREET TO WINDERMERE IN AN AMOUNT NOT TO EXCEED \$258,000.00 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$22,650,184.47 (RTA DEVELOPMENT FUND, EUCLID CORRIDOR TRANSPORTATION PROJECT DEPARTMENT BUDGET)

WHEREAS, the Authority requires the services of a construction company for construction for the Euclid Corridor Transportation Project, Project 38-C04; and

WHEREAS, by Resolution No. 2006-109, the Board of Trustees authorized Contract No. 2006-046 in the amount of twenty-two million fifty thousand five hundred fifty-six & 92/100 dollars (\$22,050,556.92) with Terrace Construction Company located at 3965 Pearl Road, Cleveland, Ohio 44125 for the furnishing of said Construction Services; and

WHEREAS, the General Manager/Secretary-Treasurer has issued fourteen (14) change orders in the net amount of three hundred forty-one thousand six hundred twenty-seven & 55/100 dollars (\$341,627.55) based upon his change order authority pursuant to the Authority's Procurement Policies for a total contract value of twenty-two million three hundred ninety-two thousand one hundred eighty-four & 47/100 dollars (\$22,392,184.47); and

WHEREAS, an error and omission has caused additional changes to the contract to be necessary; and

WHEREAS, Terrace Construction Company offered to provide these changes at a negotiated amount not to exceed two hundred fifty-eight thousand & 00/100 dollars (\$258,000.00); and

WHEREAS, acceptance of said offer will cause the total amount of change orders to exceed the General Manager/Secretary-Treasurer's delegated authority; and

WHEREAS, the General Manager/Secretary-Treasurer deems acceptance of the offer of Terrace Construction Company, as negotiated, to be in the best interest of the Authority and recommends acceptance thereof.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit authority, Cuyahoga County, Ohio:

Section 1. That the offer of Terrace Construction Company to provide additional changes is hereby accepted as being in the best interest of the Authority.

Section 2. That the General Manager/Secretary-Treasurer be and he is hereby authorized to amend Contract No. 2006-046 with Terrace Construction Company to include the additional changes.

Section 3. That said amendment shall be payable out of the RTA Development Fund, Euclid Corridor Transportation Project Department budget in an amount not to exceed \$258,000.00, including but not limited to Capital Grant OH-03-0247-02 in an amount not to exceed \$140,855.00 and ODOT Non-FFGA funding in an amount not to exceed \$117,145.00 (\$206,400.00 in Federal funds which represents 80 % of the total cost) for a total contract amount not to exceed twenty-two million six hundred fifty thousand one hundred eighty-four & 47/100 dollars (\$22,650,184.47).

Section 4. That the General Manager/Secretary-Treasurer change order authority be reinstated to its entirety.

Section 5. That all other terms and conditions of said contract shall remain unchanged.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: November 20, 2007



President

Attest:



CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: AUTHORIZING AN INCREASE TO CONTRACT NO. 2006-046 WITH TERRACE CONSTRUCTION COMPANY FOR CONSTRUCTION SERVICES ON PROJECT 38-C04 FOR THE EUCLID CORRIDOR TRANSPORTATION PROJECT-REHABILITATION OF EUCLID AVENUE FROM EAST 79 TH STREET TO WINDERMERE IN AN AMOUNT NOT TO EXCEED \$258,000.00 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$22,650,184.47 (RTA DEVELOPMENT FUND, EUCLID CORRIDOR TRANSPORTATION PROJECT DEPARTMENT BUDGET.	Resolution No.: 2007-164
	Date: November 15, 2007
	Initiator: Euclid Corridor Transportation Project
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

1.0 PURPOSE/SCOPE: This action will allow the Authority to increase Contract No. 2006-046 with Terrace Construction Company to adjust the work effort to accommodate unanticipated changes.

2.0 DESCRIPTION/JUSTIFICATION: The Euclid Corridor Transportation Project (ECTP), Project 38-C04 encountered changes that need to be authorized, that additional work effort is required to complete the project in a timely manner. Increased work effort will be required. The Authority and Terrace Construction to date has negotiated 14 changes to a negotiated amount of \$341,627.55.

Currently there is \$158,372.45 remaining from the CEO original change order authority of \$500,000.00. This is insufficient to cover a negotiated change to full depth pavement in the University Circle area of Euclid Ave. in the amount of \$258,000.00

3.0 PROCUREMENT BACKGROUND: In January 2006, the Board of Trustees by Resolution No. 2006-109 authorized a contract with Terrace Construction Company to perform construction services for the Euclid Corridor Transportation Project, East 79th Street to Windermere. Unanticipated changes have required additional work to be performed by Terrace Construction Company. This negotiated increase required Board authorization, as it will exceed the General Manager/Secretary-Treasurer's change order authority.

The new total contract amount of \$22,650,184.47 is comprised of the following:

Original Contract Amount	\$22,050,556.92
Original CEO Approval Authority	<u>341,627.55</u>
Subtotal	22,392,184.47
Full Depth Pavement Repair (PCO # 71)	<u>258,000.00</u>
Total	\$22,650,184.47

The Procurement Department has determined the negotiated change order is fair and reasonable to the Authority.

- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: All Affirmative Action requirements have been met. A 20% DBE goal was established for this procurement in January 2006 when the contract was awarded to Terrace Construction Company. The company has agreed to maintain the established 20% DBE goal through utilization of its current DBE subcontractors.
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This amendment shall be funded from the RTA Development Fund, Euclid Corridor Transportation Project Department budget in an amount not to exceed \$258,000.00, including but not limited to Capital Grant OH-03-0247-02 in an amount not to exceed \$140,855.00, Line Item 13.23.01, and ODOT Non-FFGA funding in an amount not to exceed \$117,145.00 (\$206,400.00 In Federal funds which represents 80% of the total cost) for a total contract amount not to exceed twenty-two million six hundred fifty thousand one hundred eighty-four & 47/100 dollars (\$22,650,184.47).
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer will impact construction of Contract No. 2006-046 and could cause delay claims to be forthcoming.
- 8.0 RECOMMENDATION: It is recommended that his change order be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to modify the contract.
- 9.0 ATTACHMENTS: Attachment A – Change Order Log.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



CEO/General Manager/Secretary-Treasurer

ATTACHMENT A
CHANGE ORDER LOG

CONTRACT NO. 2006-046

CONTRACTOR: TERRACE CONSTRUCTION CO.

TOTAL G.M.
C.O.
AUTHORITY
REMAINING:

ORIGINAL CONTRACT AMOUNT:

\$22,050,556.92

\$158,372.45

TOTAL CHANGE ORDER AMOUNT TO DATE:

\$341,627.55

<u>ITEM NUMBER</u>	<u>NOTE</u>	<u>APPROVAL DATE</u>	<u>CHANGE ORDER</u>	<u>APPROVAL AUTHORITY</u>	<u>NEW CONTRACT AMOUNT</u>
1	1	21-Aug-2006	\$0.00	\$500,000.00	\$22,050,556.92
2	2	8-Feb-2007	\$6,956.21	\$493,043.79	\$22,057,513.13
3	3	8-Feb-2007	\$23,979.00	\$469,064.79	\$22,081,492.13
4	4	8-Mar-2007	\$112,627.00	\$356,437.79	\$22,194,119.13
5	5	3-May-2007	\$0.00	\$356,437.79	\$22,194,119.13
6	6	10-Jul-2007	\$33,046.00	\$323,391.79	\$22,227,165.13
7	7	14-Aug-2007	\$0.00	\$323,391.79	\$22,227,165.13
8	8	29-Aug-2007	\$11,796.32	\$311,595.47	\$22,238,961.45
9	9	12-Sep-2007	(\$5,535.00)	\$317,130.47	\$22,233,426.45
10	10	21-Sep-2007	\$22,822.57	\$294,307.90	\$22,256,249.02
11	11	21-Sep-2007	\$49,826.85	\$244,481.05	\$22,306,075.87
12	12	25-Sep-2007	\$19,995.36	\$224,485.69	\$22,326,071.23
13	13	4-Oct-2007	\$9,344.35	\$215,141.34	\$22,335,415.58
14	14	11-Oct-2007	\$56,768.89	\$158,372.45	\$22,392,184.47