

RESOLUTION NO. 2008-47

AUTHORIZING AN INCREASE TO CONTRACT NO. 2006-010 WITH PERK CONSTRUCTION COMPANY FOR PROJECT 38-C02 FOR THE EUCLID CORRIDOR TRANSPORTATION PROJECT – EAST ROADWAY TO INNERBELT, PUBLIC SQUARE AND EAST 17TH STREET EXTENSION IN AN AMOUNT NOT TO EXCEED \$371,052.78 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$28,013,013.26 (RTA DEVELOPMENT FUND, EUCLID CORRIDOR TRANSPORTATION PROJECT DEPARTMENT BUDGET)

WHEREAS, by Resolution No. 2006-053, the Board of Trustees authorized Contract No. 2006-010 in the amount of twenty-two million eight hundred ninety-two thousand four hundred ninety & 29/100 dollars (\$22,892,490.29) with Perk Construction Company for Project 38-C02, located at 8100 Grand Avenue, Cleveland, Ohio 44104 for the furnishing of said Construction Services; and

WHEREAS, the General Manager/Secretary-Treasurer has issued ninety-eight (98) change orders in the net amount of four million seven hundred forty-nine thousand four hundred seventy & 20/100 dollars (\$4,749,470.20) based upon his change order authority pursuant to the Authority's Procurement Policies for a total contract value of twenty-seven million six hundred forty-one thousand nine hundred sixty & 48/100 dollars (\$27,641,960.48); and

WHEREAS, delays and third party issues and acceleration have increased costs; and

WHEREAS, Perk Construction Company offered to settle these delay related costs, third party issues, and acceleration at an amount not to exceed three hundred seventy-one thousand fifty-two & 78/100 dollars (\$371,052.78); and

WHEREAS, the General Manager/Secretary-Treasurer deems acceptance of the offer of Perk Construction Company, 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 Perk Construction Company to settle these delay related costs, third party issues, and acceleration is hereby accepted as being in the best interest of the Authority.

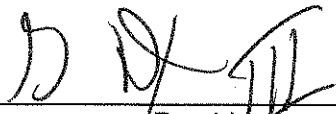
Section 2. That said amendment shall be payable from the RTA Development Fund, Euclid Corridor Transportation Project Department budget, including but not limited to Capital Grant OH-03-0247, for an amount not to exceed \$371,052.78 (\$296,842.22 in Federal funds which represents 80 % of the total cost) for a total contract amount not to exceed twenty-eight million thirteen thousand thirteen & 26/100 dollars (\$28,013,013.26).

Section 3. That the General Manager/Secretary-Treasurer change order authority be increased by an additional five hundred thousand 00/100 dollars (\$500,000.00).

Section 4. That all other terms and conditions of said contract shall remain unchanged.

Section 5. That this resolution shall become effective immediately upon its adoption.

Adopted: March 18, 2008



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: AUTHORIZING AN INCREASE TO CONTRACT NO. 2006-010 WITH PERK CONSTRUCTION COMPANY FOR PROJECT 38-C02 FOR THE EUCLID CORRIDOR TRANSPORTATION PROJECT-EAST ROADWAY TO INNERBELT, PUBLIC SQUARE AND EAST 17 TH STREET EXTENSION IN AN AMOUNT NOT TO EXCEED \$371,052.78 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$28,013,013.26 (RTA DEVELOPMENT FUND, EUCLID CORRIDOR TRANSPORTATION PROJECT DEPARTMENT BUDGET)	Resolution No.: 2008-47
	Date: March 18, 2008
	Initiator: Euclid Corridor Transportation Project

ACTION REQUEST:

Approval
 Review/Comment
 Information Only
 Other _____

- 1.0 **PURPOSE/SCOPE:** This action will allow the Authority to increase Contract No. 2006-010 with Perk Construction Company to adjust the work effort to accommodate unanticipated changes.

- 2.0 **DESCRIPTION/JUSTIFICATION:** The Euclid Corridor Transportation Project (ECTP), Project 38-C02 encountered changes that need to be authorized. Increased amounts will be required. The Authority and Perk Company negotiated an amount not to exceed \$371,052.78

 Potential Change Order (PCO) Number 382 is a change that will allow for delay related costs, primarily Public & Private utilities and third party issues and acceleration necessary for the completion of Project 38-C02 on schedule.

- 3.0 **PROCUREMENT BACKGROUND:** In March 2006, the Board of Trustees by Resolution No. 2006-053 authorized a contract with Perk Construction Company to perform construction services for the Euclid Corridor Transportation Project, East Roadway to Innerbelt, Public Square and East 17th Street Extension. Unanticipated delays have required additional work effort and increased supply costs by the Perk Construction Company.

 The Procurement Department has determined the negotiated change order as 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 March 2006 when the contract was awarded to Perk Construction Company. Perk Construction Company has committed to maintaining the established 20% DBE goal with its current DBE Firms.

- 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, including but not limited to Capital Grant OH-03-0247, Line Item 13.23.01 in an amount not to exceed \$371,052.78 (\$296,842.22 in Federal funds which represents 80% of the total cost) for a total contract amount not to exceed twenty-eight million thirteen thousand thirteen & 26/100 dollars (\$28,013,013.26).

- 7.0 **ALTERNATIVES:** Reject this offer: Rejection of this offer will impact construction of Contract No. 2006-010 and could cause delay claims to be forthcoming.

- 8.0 RECOMMENDATION: Pending change orders were discussed at the February 5, 2008 Planning and Development Committee and recommended for approval pending completion of due diligence by staff. This change order has been reviewed and approved by the Change Order Committee. It is recommended that this change order be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to modify the contract.
- 9.0 ATTACHMENTS: Attachment A – Approved 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 #2006-010				
CONTRACTOR: PERK COMPANY				
ORIGINAL CONTRACT AMOUNT:	<u>\$22,892,490.29</u>		TOTAL G.M. CHANGE ORDER AUTHORITY REMAINING:	\$2,271.66
TOTAL CHANGE ORDER AMOUNT TO DATE:		<u>\$4,749,470.20</u>		

<u>ITEM NUMBER</u>	<u>NOTE</u>	<u>APPROVAL DATE</u>	<u>CHANGE ORDER</u>	<u>APPROVAL AUTHORITY</u>	<u>NEW CONTRACT AMOUNT</u>
1-93	1	05/06 thru 01/16/08	\$3,415,844.85	\$96,342.28	\$26,308,355.14
94	94	22-Jan-2008	\$835,897.00	\$500,000.00	\$27,144,232.14
95	95	27-Feb-2008	\$421,769.60	\$78,230.40	\$27,566,001.74
96	96	5-Mar-2008	\$21,760.38	\$56,470.02	\$27,587,762.12
97	97	10-Mar-2008	\$27,600.00	\$28,870.02	\$27,615,362.12
98	98	13-Mar-2008	\$26,598.36	\$2,271.66	\$27,641,960.48

NOTES/CHANGE ORDER DESCRIPTION FOR CHANGE ORDERS

#94 – PCO#350, Forecasted Quantity Adjustments. PCO#350, in the amount of \$835,897.00 regarding forecasted Quantity Adjustments for 35 line items that are consistently overrun and/or projected to overrun before project completion. This reauthorized the GM’s signing authority for change orders per Resolution 2008-14.

#95 - PCO#324, in the amount \$421,769.60 regarding delays and accelerations

#96 - PCO#291, regarding sidewalk removal at East 4th Street. PCO #311, regarding hand removal of sidewalk near East 6th by the Dollar Bank Building. PCO#316, regarding existing controller and signal pole foundation removal. PCO#327, regarding utility conflicts at East 9th street and East 13th street intersection. PCO#328, regarding excess granite curbing to be turned over to the City of Cleveland. PCO#331, regarding hand removal and repour of sidewalk at East 18th street at M r. Hero and Comfort Inn Buildings. PCO#342, regarding repairs to Bofeoy Building stucco. PCO#354, regarding replacing granite pavers at Key Tower.

#97 - PCO#377, regarding the installation of CPP manhole 79B-38 115+18.84 at East 9th street.

#98 - PCO#360, regarding December 2007 Bid Quantity Adjustments.