

RESOLUTION NO. 2019-69

RATIFYING AND AUTHORIZING INCREASES TO CONTRACT NO. 2017-145 WITH PANZICA CONSTRUCTION COMPANY FOR PROJECT 24R – EAST 116TH STREET STATION RECONSTRUCTION IN THE NTE AMOUNTS OF \$242,657.00 AND \$28,199.00, FOR A TOTAL CONTRACT AMOUNT NTE \$5,474,878.00 AND REINSTATING CHANGE ORDER AUTHORITY IN AN AMOUNT NTE \$50,000.00 (RTA DEVELOPMENT FUND, ENGINEERING & PROJECT DEVELOPMENT DEPARTMENT BUDGET)

WHEREAS, the Authority deemed it necessary to procure construction services for Project 24R – East 116th Street Station Reconstruction; and

WHEREAS, by Resolution No. 2018-3, the Board of Trustees authorized Contract No. 2017-145 in an amount not to exceed \$4,975,000.00 with Panzica Construction Company located at 739 Beta Drive, Mayfield Village, Ohio 44143, to perform said services; and

WHEREAS, in order to respond to unforeseen conditions, to make construction modifications in response to community input and to address safety concerns, the Interim CEO, General Manager/Secretary-Treasurer authorized change orders in the amount of \$471,679.00; and

WHEREAS, when compiled, the change orders exceeded the General Manager's change order authority by \$242,657.00, and therefore, ratification by the Board of Trustees is now required; and

WHEREAS, the project now requires additional construction services to install diagonal bracing on the south ramp and railing to eliminate horizontal lateral deflection and Panzica Construction Company has offered to provide these additional services at a total negotiated cost not to exceed \$28,199.00; and

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

WHEREAS, in order to ensure that the remaining work proceeds uninterrupted in the event of unforeseen required changes, the staff requests that the General Manager's change order authority be reinstated, in part, at a total amount NTE \$50,000.00.

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

Section 1. That the Board of Trustees hereby ratifies change orders for construction services under Project 24R – East 116th Street Station Reconstruction, in the amount of \$242,657.00.

Section 2. That the offer from Panzica Construction Company to provide additional construction services in a negotiated amount not to exceed \$28,199.00, be and is hereby accepted.

Section 3. That the Interim CEO, General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to amend Contract No. 2017-145 with Panzica Construction Company to include these additional construction services.


Section 4. That the \$28,199.00 increase shall be payable from the RTA Development Fund, Engineering & Project Development Department budget, including but not limited to, Capital Grant OH-90-X823, in an amount not to exceed \$28,199.00 (\$22,559.20 in Federal funds which represents 80% of the total cost), for a total contract amount not to exceed \$5,474,878.00.

Section 5. That the change order authority of the Interim CEO, General Manager/Secretary-Treasurer be reinstated, in part, in an amount not to exceed \$50,000.00.


Section 6. That all other terms and conditions of said contract shall remain unchanged.

Section 7. That this resolution shall become effective immediately upon its adoption.

Adopted: June 18, 2019



President

Attest: 

Interim CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: RATIFYING AND AUTHORIZING INCREASES TO PROJECT NO. 24R – EAST 116 TH STREET STATION RECONSTRUCTION VENDOR: PANZICA CONSTRUCTION COMPANY AMOUNT: \$242,657.00, \$28,199.00 AND REINSTATEMENT OF GENERAL MANAGER/SECRETARY-TREASURER'S CHANGE ORDER AUTHORITY IN AN AMOUNT NTE \$50,000.00	Resolution No.: 2019-69
	Date: June 13, 2019
	Initiator: Engineering & Project Development
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 ratify the Interim General Manager/Secretary-Treasurer's ("GM") execution of Change Order Nos. 12 - 20, authorize an additional increase to Contract No. 2017-145, Project No. 24R – East 116th Street Station Reconstruction, and reinstate, in part, the GM's change order authority.

2.0 **DESCRIPTION/JUSTIFICATION:** Work on the East 116th Street Station Reconstruction project began on March 5, 2018. During the course of the work, change orders were necessary in order to respond to unforeseen conditions, for modifications made in response to community input, and to address safety concerns. The Board authorized the original \$4,975,000.00 contract with Panzica Construction Company. The GM's change order authority thus was \$250,000.00. Under this authority, the GM's authorized a total of \$229,022.00 required modifications to the contract (see Attachment A – Change Order Log, Change Order Nos. 1 -11). Inadvertently, additional work was requested and authorized in order to ensure uninterrupted construction and compliance with industry standards. That additional work, which was in excess of the GM's authority, amounted to \$242,657.00 and must be presented to the Board of Trustees for ratification. Change orders for this project total \$471,679.00

Also, in order to correct the occurrence of horizontal lateral deflection of the south ramp and railing by providing diagonal bracing to the ramp stringer system, additional construction services are required in an amount not to exceed \$28,199.00.

Projected completion date for the project is August 30, 2019. In order to ensure that the remaining work proceeds uninterrupted in the event of unforeseen required changes, the staff requests that the GM's change order authority be reinstated, in part, at a total amount NTE \$50,000.00.

3.0 **PROCUREMENT BACKGROUND:** On January 16, 2018, the Board of Trustees, by Resolution No. 2018-3, authorized a contract with Panzica Construction Company to perform construction services for the East 116th Street Station Reconstruction in an amount not to exceed \$4,975,000. Change orders to date have included additions in the amount of \$471,679.00, resulting in a current contract total amount of \$5,446,679.00. A Change Order Log is attached as reference (Attachment A).

4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 17% DBE goal was established for this procurement in January 2018. Panzica Construction Co. has agreed to maintain the established DBE participation goal through the use of its existing DBE firms.

- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: The \$28,199.00 increase shall be payable from the RTA Development Fund, Engineering & Project Development Department budget, including but not limited to, Capital Grant OH-90-X823 in an amount not to exceed \$28,199.00 (\$22,559.20 in Federal funds which represents 80% of the total cost), for a total contract amount not to exceed \$5,474,878.00.
- 7.0 ALTERNATIVES: Rejection of the \$28,199.00 contract increase will result in continued customer concerns regarding the stability of the ramp and railing. Failure to ratify previous change orders and reinstate, in part, the GM's change order authority will bar necessary construction work and delay completion of the project.
- 8.0 RECOMMENDATION: It is recommended that the Board of Trustees pass the resolution authorizing the following: ratifying the additional change orders in the amount of \$242,657.00, increasing the contract by \$28,199.00, reinstating the GM's change order authority, in part, in an amount not to exceed \$50,000.00, and authorizing the Interim CEO, General Manager/Secretary-Treasurer to modify the contract.
- 9.0 ATTACHMENT: Attachment A - Change Order Log.

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



Interim CEO, General Manager/Secretary-Treasurer

**ATTACHMENT A
CHANGE ORDER LOG
EAST 116TH STREET STATION RECONSTRUCTION
PROJECT NO. 24R**

Contract # 2017-145

Contractor: Panzica Construction Company

Original Contract Amount \$4,975,000

Total G.M. C.O. Authority Remaining \$0

Total Change Order Amount To Date \$ 471,679.00

% Change to Date: 9.5%

<i>C/O NO.</i>	<i>C/O DESCRIPTION</i>	<i>APPROVAL DATE</i>	<i>CHANGE ORDER AMOUNT</i>	<i>NEW CONTRACT AMOUNT</i>
1.	Extension Platform Extension	05/07/2018	\$24,090	\$4,999,090
2.	No Cost Time Extension	05/21/2018	\$0.00	\$4,999,090
3.	Overhead Wire Protection	10/31/2011	\$23,944	\$5,023,034
4.	Additional Lean Concrete Mix	07/10/2018	\$17,677	\$5,040,711
5.	Westbound Platform Modifications	07/11/2018	\$37,267	\$5,077,978
6.	Raising Track Structure	09/07/2018	\$15,984	\$5,093,962
7.	Televise Storm Sewer	09/21/2018	\$10,595	\$5,104,557
8.	Storm Drain Modifications	10/24/2018	(\$19,512)	\$5,085,045
9.	Electrical and Communication Changes	10/30/2018	\$24,621	\$5,109,666
10.	Repair of Deteriorated Concrete	11/30/2018	\$47,272	\$5,156,938
11.	Repair of Cantilevered Concrete	11/30/2018	\$47,084	\$5,204,022
12.	South Plaza Sidewalk System	01/04/2019	\$45,825	\$5,249,847
13.	ADA Signage	01/08/2019	\$20,367	\$5,270,214
14.	Secured Communication Cabinets	03/27/2019	\$48,815	\$5,319,029
15.	Train Annunciator System	04/08/2019	\$85,446	\$5,404,475
16.	AT&T Communications Delay	05/21/2019	\$11,264	\$5,415,739
17.	MEWS Entrance Modifications	05/21/2019	\$15,874	\$5,431,613
18.	Installation of Post for Berthing Markers	05/21/2019	\$5,314	\$5,436,927
19.	Closure Rail, Downspouts & Plywood	05/21/2019	\$6,095	\$5,443,022
20.	Bridge Fence Removal & Wall Repair	05/21/2019	\$3,657	\$5,446,679