

A G E N D A



Recommendation for Council Action (CMD)

Austin City Council - Commissioner's Court Meeting		Item ID:	34647	Agenda Number	19.
Meeting Date:	August 28, 2014				
Department:	Contract Management				
Subject					
Authorize negotiation and execution of a change order to the construction contract with AUSTIN FILTER SYSTEMS for the Harold Court East Regional Service Center Improvements Project in the amount of \$610,625 with a funding contingency in the amount of \$539,375 for additional change orders as necessary to resolve and mitigate health and safety conditions and unforeseen damage to City property for a total contract amount not to exceed \$6,481,415.					
Amount and Source of Funding					
Funding is available in the Fiscal Year 2013-2014 Austin Resource Recovery Capital Budget.					
Fiscal Note					
A fiscal note is attached.					
Purchasing Language:					
Prior Council Action:	December 6, 2012 - Council awarded the construction contract.				
For More Information:	Dennis Crabill, 512-974-7232; Tony Davee, 512-974-1923; Lucy Bonee, 512-974-7967; Elizabeth Godfrey, 512-974-4141				
Boards and Commission Action:					
Related Items:					
MBE / WBE:	This contract was awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) with 0.96% MBE and 4.71% WBE subcontractor participation to date.				
Additional Backup Information					

The current slope stabilization and drainage project is underway on approximately 23.3 acres of the 74.9-acre Harold Court East Regional Service Center property. The Service Center is located at 6301 Harold Court, in East Austin immediately west of Ed Bluestein Blvd. (US 183), and adjacent to Fort Branch Creek to the west and to Boggy Creek to the south. The Harold Court East Regional Services Center is a City-owned multi-purpose facility shared by the Public Works Department, Watershed Protection Department, Fleet Services, and the Austin Water Utility. The site is largely used for material storage, and currently includes 52 buildings for vehicle maintenance, construction equipment storage and general office space. The Service Center contributes significant storm-water runoff to both the Fort Branch Creek and Boggy Creek Watersheds, both of which are classified as urban watersheds.

Due to unstable slopes on the western and southern boundaries of the property, resulting in periodic movement of the slope embankment, the City conducted engineering, geotechnical, and environmental investigations to respond to these conditions. Those studies indicated the site required permanent slope stabilization and other drainage improvements. In addition, an existing 48-inch storm drain outfall at the bottom of the western slope had been displaced and damaged as a result of the shifting embankment and required repair. The shifting embankment also had the potential to damage an existing wastewater main in the area. Erosion of the embankment along the southern perimeter had also eliminated the storm drain outfall originally constructed at Harold Court. The Project is currently under construction and will stabilize the site's slope embankment and provide a long term drainage solution.

The project improvements include slope controls constructed on the eroding embankment along the western and southern perimeters of the facility to prevent further migration of the material into Fort Branch Creek and to provide improved worker safety and function of the site as a material storage yard. The slope controls will consist of multiple rows of gabion walls separated by vegetative terraces with a service road to provide access to the proposed bio-filtration pond. The project improvements also include repairs and upgrades to the existing storm sewer system and water quality treatment system.

As additional benefits to the existing facility, upgrades to the existing sidewalk, screening from adjacent landowners, and landscaping are proposed to bring the site into compliance with current code requirements.

Change Order No. 8 will provide funding for additional excavation, borrow material, and removal of waste.

After commencement of the work the contractor encountered many unforeseen conditions including an unstable, saturated slope resulting in a series of failure slides, endangerment of an Austin Energy high voltage tower, an undocumented storm water system, underground seeps or springs which surfaced during excavation, groundwater seeps exacerbating unstable slope conditions and deficiencies in quantity calculations. Addressing these issues has depleted the previously approved contract authority for processing of previous change orders. The original engineer has been removed from the project, and the Public Works Department has assumed engineering responsibilities for revising the design to complete the project.

While it appears that the anticipated scope of additional work may be accomplished within the standard statutory 25% change order authority ceiling, the actual costs of the work will not be known until actual site conditions are uncovered, investigated, and addressed with additional engineering. Therefore, it is possible that this ceiling could be exceeded. On the basis of a legal analysis, this would be permitted in the current situation because of the application of the health and safety exception and the unforeseen damage to public property exception to bidding that are supported by the following facts in this case:

- * The unforeseen conditions on this project include the unanticipated damage to City property encountered during the construction described above; and
- * The unforeseen conditions have also resulted in a pending situation where the failure to complete the present project and protect the slopes and construction site could foreseeably result in the further erosion of the slopes,

potential further slope failures, and the potential release of significant construction run-off and siltation into the two watersheds, all of which would result in additional work to remedy, if the City were to suspend construction and re-bid the Project.

The Public Works Department is evaluating solutions for the most cost-effective successful completion of the project. Because the corrective design effort is ongoing, the estimate to complete construction has not been finalized. This current request, including the requested contingency, is based on the best available information and may not accurately reflect the remaining work needed to complete the project. In the event that additional funding is necessary to complete the project, such funding will be requested in a future recommended for council action.

This project is located within zip code 78721 and is managed by the Public Works Department.

This item is pending review by the City's Change Control Committee.

Austin Filter Systems is located in Austin, Texas.