### BEFORE THE METRO COUNCIL CONTRACT REVIEW BOARD

RESOLUTION OF METRO COUNCIL, ACTING AS THE METRO CONTRACT REVIEW BOARD, FOR THE PURPOSE OF APPROVING A CONTRACT AMENDMENT FOR GRAHAM OAKS NATURE PARK DEVELOPMENT PROJECT ) RESOLUTION NO. 10-4167

) Introduced by Chief Operating Officer

) Michael Jordan with the concurrence of

) Council President David Bragdon

WHEREAS, pursuant to ORS 279A.060 and Metro Code 2.04.058 the Metro Council is designated as the Public Contract Review Board for the agency; and

WHEREAS, Metro Code 2.04.058 requires Council approval for public contract amendments that exceed five percent of the initial contract value or \$25,000; and

WHEREAS, Metro awarded the contract to construct Metro's Graham Oaks Nature Park in Wilsonville (the "Contract") to JP Contractors, Inc. after conducting an open competitive bid process in which JP Contractors, Inc. was determined to be the lowest responsive and responsible bidder; and

WHEREAS, the original Contract amount was \$1,483,225.50, and the Metro Council has approved an amendment to the Contract in the amount of \$161,843, increasing it to \$1,645,068.50, via Resolution No. 10-4109; and

WHEREAS, Metro now wishes to obtain Metro Council approval for another amendment to the Contract for additional work in the amount of \$151,410, increasing the Contract amount to \$1,796,478.50. The additional work performed under these change orders was unforeseen and not part of the original Contract. The additional work elements include pavement refinements, additional trail development, additional site furnishings, permit agency requirements, and miscellaneous specifications changes and materials substitutions; and

WHEREAS, Metro has determined that the additional work set forth in these change orders was necessary and appropriate, and is within the contingency budget for the project. The debits and credits to the Contract have been reviewed by the Graham Oaks construction manager and the project landscape architect and the additional work has been approved as necessary and appropriately priced; and

WHEREAS, the Metro Procurement Officer believes that amending the existing contract with JP Contractors, Inc. is appropriate and that such action is in the best interests of Metro and will better ensure a better nature park; and

WHEREAS, the sum of the prior approved contract amendment and the amendment proposed herein amounts to a 21.1 percent increase in the cost of the original Contract; now therefore

BE IT RESOLVED that the Metro Council acting as the Public Contract Review Board authorizes the Procurement Officer to execute a contract amendment in the amount of \$151,410 with JP Contractors, Inc. for the Graham Nature Park development project.

ADOPTED by the Metro Council Contract Review Board this \_\_\_\_\_ day of July 2010.

David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney



# **STAFF REPORT**

## IN CONSIDERATION OF RESOLUTION NO. 10-4167, RESOLUTION OF METRO COUNCIL, ACTING AS THE METRO CONTRACT REVIEW BOARD, FOR THE PURPOSE OF APPROVING A CONTRACT AMENDMENT FOR GRAHAM OAKS NATURE PARK DEVELOPMENT PROJECT

Date: July 8, 2010

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## BACKGROUND

An open, competitive Request for Bid (RFB) was issued for the Graham Oaks Nature Park project in 2009. In accordance with Metro Code, the lowest responsive, responsible bidder was selected, which was JP Contractors, Inc. of Portland, Oregon (the "Contractor").

The project specifications and design drawings were prepared by the landscape architectural firm Greenworks, PC and adequately represented the scope of the project.

This contract was awarded on September 22, 2009 in the amount of \$1,483,225.50 and work began on September 28, 2009. The Construction Manager reports that this project has progressed as planned and that JP Contractors, Inc. has provided construction services in accordance with the contract.

Fiscal, social and environmental aspects of the Graham Oaks Nature Park project continue to be evaluated during the construction of the project. During the course of construction, a number of the design details and material choices have been reconsidered with regards to the source for products, pavement durability, long term maintenance and user experience at the Nature Park.

The Metro Council approved Change Order #1 (Resolution No. 10-4109) on January 7, 2010. Since then, additional contingency items have come to light.

Refinements to the pavement details and specifications will result in a finished product that would better align with the sustainability goals of the project, provide more uniformity with material usage and color, and reduce long term maintenance. Pavement refinements include material substitutions and adding structural steel to concrete pavement sections. These improvements will increase the structural stability and durability of the trail network and plaza areas. The total additional costs for these proposed pavement refinements is \$17,288.

As part of the design and development phase of the project, Metro purchased a pre-manufactured restroom facility and picnic shelter from two Oregon companies. The restroom was reviewed by the project team architect for consistency with other structures on the project. Unfortunately, some of the materials indicated in the drawings that were to be provided by the manufacturer, were either substituted or missing. These substitutions and omissions forced the Contractor to either modify their installation methods or required them to secure the missing products at their cost. Metro reviewed these situations on a daily basis and found that these conditions were not a result of Contractor error or oversight. Metro and the Contractor have discussed each of these situations with the restroom manufacturer. The total additional costs for rectifying the situation is \$8,560 and Metro will be reimbursed for this amount by the manufacturer.

As part of Change Order #1, Metro identified 1,800 linear feet of additional trails through the conifer forest area found on the south side of the site. Providing a defined, accessible trail in this area will offer access to one of the most desirable areas on the site. Upon further review of this area with the Contractor, an outside trail development specialist, and Metro's natural resource technician and site scientist, an additional 200 linear feet of trail is being proposed to address overland drainage patterns. This additional trail development will reduce long term maintenance implications. Additional viewing opportunities complete with crushed rock plazas, stone walls benches and access control structures are also included. The total additional costs for this work is \$79,860.

As part of the installation of the regional Tonquin Trail, the sidewalk along Wilsonville Road is being extended from six feet wide to twelve feet wide. The City of Wilsonville required the Contractor to saw cut and remove excess concrete within the right-of-way that was a result of poor workmanship from the original walk installation. This material was uncovered during excavation and was an unforeseen condition resulting in additional work to satisfy the local permitting agency. Metro approved this work on a Force Account basis. The total additional costs for this work was \$4,088.

Metro requested that the Contractor fabricate steel posts for additional outreach and educational signage proposed for the site. Metro also requested additional signage posts, benches and trash cans to promote way finding, enforce regulations and provide for a better park user experience. The total additional costs for these site furnishings is \$25,600.

Metro requested that the Contractor provide and install native trees along the eastern property line to provide privacy screening for those residences most affected by the local trail connection from the Tonquin Trail to the Park at Merryfield. The cost of this additional planting is \$225.

There is a need to address minor additional park construction work that was discovered as construction proceeded. These include additional concrete scoring in the accessible routes, mislabeled stone wall footing dimensions, substituted stone types, unidentified irrigation controller and quantities of excavation and soil mix requirements. The total additional costs for these improvements is \$15,769.

The Metro Construction Manager reviewed these additional items and agreed the work is necessary and can be paid within the existing project budgets. The consulting landscape architect for the project also reviewed the requests and verified that the work is outside of the existing contract scope and reasonably priced, a conclusion supported by the Metro Procurement Officer.

The total for all change orders is \$313,253. There was one previous change order for \$161,843. The two change orders combined equal 21.1 percent of the original contract amount and we believe represent effective cost control and project management. While Metro's procurement rules limit construction change orders to five percent, the Oregon Attorney General's Model Rules set this amount at 20 percent.

Metro Code 2.04.058, Public Contract Amendments, requires Metro Council approval of contract amendment or change orders that exceed \$25,000 or five percent of the original contract value. The Metro Procurement Officer has deemed this amendment to be appropriate and reasonably related to the original scope of work, and therefore, believes the amendment is in Metro's best interest to approve.

The Sustainability Center will continue to manage and administer this contract to ensure these exhibits are constructed in accordance with the contract, including all plans and specifications. The Graham Oaks nature park project is scheduled to open for public use in September 2010.

# ANALYSIS/INFORMATION

**1. Known Opposition** None known.

#### 2. Legal Antecedents Metro Code 2.04.058, ORS Chapter 279C.

## 3. Anticipated Effects

Construction will continue on the Graham Oaks nature park project under the direction of the Construction Manager and in accordance with schedules.

### 4. Budget Impacts

These change orders fall within budgeted contingency amounts. Total contract amount for JP Contractors will be \$1,796,478.50. The total budget for construction included in the CIP for this project is \$2,542,500, with a remaining contingency of \$746,021.50.

## **RECOMMENDED ACTION**

Metro Council, acting as Public Contract Review Board, approve the attached contract amendment representing change order #2, with JP Contractors, Inc.