

WestLand Resources, Inc.
Engineering and Environmental Consultants

September 24, 2014

Thomas J. Klimek, P.E., R.L.S.
CITY OF BISBEE
118 Arizona Street
Bisbee, Arizona 85603



EXPIRES 3/31/2017

**Re: TINTOWN WASTEWATER COLLECTION SYSTEM EXPANSION PROEJCT
STATUS UPDATE
WESTLAND PROJECT NO. 1719.02**

Dear Mr. Klimek:

WestLand Resources, Inc. (WestLand) has prepared this letter to briefly outline the Tintown construction project status and provide an overview of the purpose and need for KE&G Change Order No. 1.

Upon start of construction, and during the Contractor's potholing task, it became apparent that the newly installed water lines in certain locations were not installed as expected per the plans prepared by Arizona Water Company and AMEC. After extensive investigation and coordination (as documented in previous letters and emails regarding this topic) it was decided that the most expeditious route to keep the Tintown sewer project moving forward was to re-design a number of sections of sewer line. Due to right of way limitations and locations of the existing water lines, the new design entailed the use of additional ductile iron pipe (DIP) and addition of one manhole to address sewer-water separation issues.

KE&G Change Order No. 1 (attached) was generated to compensate the Contractor for the changes associated with this re-design:

- 478 feet of 8-inch polyvinyl chloride was replaced with 8-inch ductile iron pipe (see Quantities Spreadsheet, Item Nos. 3 and 4)
- 1 uncoated manhole was added to the project (see Item No. 11).
- Several miscellaneous items were addressed including 5 additional DIP service taps, re-staking of changed alignment areas, 10 days of vibratory monitoring equipment standby, and the associated Contractor cost (see Item No. 42, and attached KE&G breakdown).

The total cost increase for Change Order No. 1 was \$39,041.25.

KE&G Change Order No. 1 also included a time extension to document the time the project was delayed due to the issues described. The time extension included 21 days for the timeframe from notification by KE&G regarding the conflict to the finalization of the new design, and two additional days for the re-start of the project, for a total of 23 days. A revised construction schedule has been provided by the Contractor and is attached to this letter. It should be noted that the time extension in Change Order No. 1 was not to address weather-related or other delays. There have been several days missed due to weather conditions in September; these delays will be addressed in a separate time extension Change Order later in the project.

Mr. Thomas J. Klimek
September 25, 2014
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WestLand has updated the funding analysis for the Tintown project to reflect the current status of the funding from the various agencies and the expenditures on the project (attached).

Please let me know if you have any questions or concerns.

Respectfully,
WestLand Resources, Inc.

A handwritten signature in black ink, appearing to read "Kara D. Festa". The signature is fluid and cursive, with a large loop at the end.

Kara D. Festa, P.E.
Vice President

Enclosures: Change Order No. 1 with Attachments
 KE&G Updated Schedule
 Updated Funding Analysis

cc: Larry Saunders, KE&G

Change Order

No. 1

Date of Issuance: 9/18/14 Effective Date: 9/18/14

Project: Wastewater Collection System Project, City of Bisbee	Owner: City of Bisbee	Owner's Contract No.: CONTRA10-014
Contract: Tintown Collection System for the Community of Tintown, City of Bisbee, Arizona	Date of Contract: May 26, 2014	
Contractor: KE&G Construction, Inc.	Engineer's Project No.: 1719.02	

The Contract Documents are modified as follows upon execution of this Change Order:

Description: Realignment of Sewer resulting in addition of one uncoated manhole, 478 LF of 8" DIP in lieu of 478 lf of 8" PVC.

Attachments (list documents supporting change):

Contractor Change Order breakdown dated 9/16/14

CHANGE IN CONTRACT PRICE:

Original Contract Price:

\$ 1,345,028.50

[Increase] [Decrease] from previously approved Change Orders No. _____ to No. _____:

\$ N/A

Contract Price prior to this Change Order:

\$ 1,345,028.50

Increase [Decrease] of this Change Order:

\$ 39,041.25

Contract Price incorporating this Change Order:

\$ 1,384,069.75

RECOMMENDED:

By: [Signature]
Engineer (Authorized Signature)

Date: 9/23/14

Approved by Funding Agency (if applicable):

CHANGE IN CONTRACT TIMES:

Original Contract Times: Working days Calendar days

Substantial completion (days or date): 210 days

Ready for final payment (days or date): 240 days

[Increase] [Decrease] from previously approved Change Orders No. _____ to No. _____:

Substantial completion (days): N/A

Ready for final payment (days): _____

Contract Times prior to this Change Order:

Substantial completion (days or date): 210 days

Ready for final payment (days or date): 240 days

Increase [Decrease] of this Change Order:

Substantial completion (days or date): 23 days

Ready for final payment (days or date): 23 days

Contract Times with all approved Change Orders:

Substantial completion (days or date): 233 days

Ready for final payment (days or date): 263 days

ACCEPTED:

By: [Signature]
Owner (Authorized Signature)

Date: 10-7-14

ACCEPTED:

By: [Signature]
Contractor (Authorized)

Date: 9-25-14

Date: _____

Change Order

Instructions

A. GENERAL INFORMATION

This document was developed to provide a uniform format for handling contract changes that affect Contract Price or Contract Times. Changes that have been initiated by a Work Change Directive must be incorporated into a subsequent Change Order if they affect Price or Times.

Changes that affect Contract Price or Contract Times should be promptly covered by a Change Order. The practice of accumulating Change Orders to reduce the administrative burden may lead to unnecessary disputes.

If Milestones have been listed in the Agreement, any effect of a Change Order thereon should be addressed.

For supplemental instructions and minor changes not involving a change in the Contract Price or Contract Times, a Field Order should be used.

B. COMPLETING THE CHANGE ORDER FORM

Engineer normally initiates the form, including a description of the changes involved and attachments based upon documents and proposals submitted by Contractor, or requests from Owner, or both.

Once Engineer has completed and signed the form, all copies should be sent to Owner or Contractor for approval, depending on whether the Change Order is a true order to the Contractor or the formalization of a negotiated agreement for a previously performed change. After approval by one contracting party, all copies should be sent to the other party for approval. Engineer should make distribution of executed copies after approval by both parties.

If a change only applies to price or to times, cross out the part of the tabulation that does not apply.

Change Order Tin Town

9/16/2014

Number 3 8" PVC Deduct	\$ (57,360.00)
Number 4 Addition of DIP	\$ 88,430.00
<hr/>	
Overhead, Taxes, and Bond Included in Above Price	

New Items

DIP Service Taps (5 EA) \$ 1,000.00

Over and Above the Current Service Cost

Addition of New Survey Re-Staking \$ 2,100.00

Standby of Vibratory Monitoring Equipment (10 Days) \$ 960.00

Subtotal \$ 4,060.00

KEG Overhead 10% \$ 406.00

Tax \$ 307.27

Bond \$ 47.98

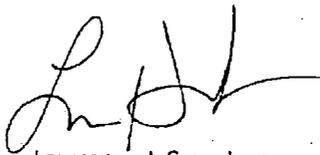
New Item Total \$ 4,821.25

Number 3 8" PVC Deduct \$ (57,360.00)

Number 4 Addition of DIP \$ 88,430.00

Addition of Manhole \$ 3,150.00

Change Order Total \$ 39,041.25



Lawrence J. Saunders
Project Manager



SEP 16 REC'D

1601 S. Paseo San Luis, Suite 202
Sierra Vista, Arizona 86351
Office: (520) 438-7770
Fax: (520) 438-7770

September 11, 2014

K E & G Construction, Inc.
Attn: Mr. Larry Saunders
1601 S. Paseo San Luis, Suite 202
Sierra Vista, AZ 85635

Subject: City of Bisbee TinTown
CHANGE ORDER NO. 1

CHANGE ORDER NO. 1

Construction Staking: Stake and grade new sewer per Engineer's revised design (10 Hours) \$1,500.00

Office: Construction calculations and point maps per revised design (12 Hours) 600.00

Client Signature

Please sign above to accept above Change Order No. 1.

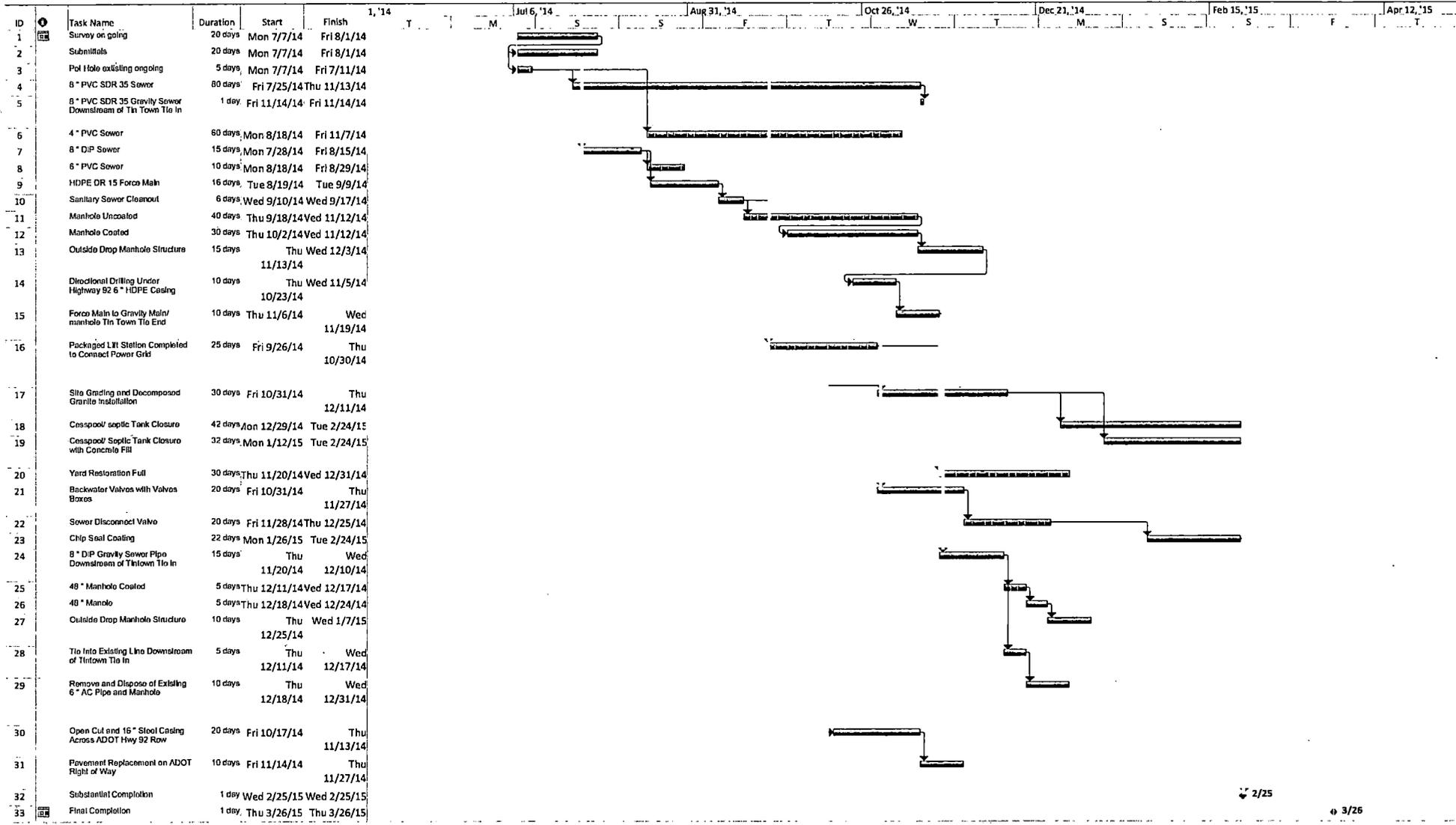
Thank you for your consideration.

Bid Quantities
Tintown Wastewater Collection System

Item No.	Description	Unit	Original Quantity	Revised Quantity	Unit Price	Original	Revised	Difference
1	Construction Staking	LS	1		\$15,400.00	\$15,400.00	\$0.00	
2	Traffic Control FA (ADOT ROW)	All	1		\$40,000.00	\$40,000.00	\$0.00	
3	8" PVC (SDR 35) Gravity sewer (within Tintown)	LF	1,688	1210	\$120.00	\$202,560.00	\$145,200.00	-\$57,360.00
4	8" DIP Gravity sewer (within Tintown)	LF	200	678	\$185.00	\$37,000.00	\$125,430.00	\$88,430.00
5	6" PVC (SDR 35) Gravity Sewer HCS (within Tintown)	LF	70		\$145.00	\$10,150.00	\$0.00	
6	4" PVC (SDR 35) Gravity Sewer HCS (within Tintown)	LF	1739		\$92.50	\$160,857.50	\$0.00	
7	3" HDPE (DR 15.5) Force Main	LF	558		\$34.50	\$19,251.00	\$0.00	
8	6" Sanitary clean-out	EA	1		\$485.00	\$485.00	\$0.00	
9	4" Sanitary Clean-out	EA	40		\$255.00	\$10,200.00	\$0.00	
10	48" diameter Manhole - Coated (within Tintown)	EA	6		\$6,200.00	\$37,200.00	\$0.00	
11	48" diameter Manhole - uncoated (within Tintown)	EA	6	7	\$3,150.00	\$18,900.00	\$22,050.00	\$3,150.00
12	Outside Drop Manhole Structure (within Tintown)	EA	4		\$2,150.00	\$8,600.00	\$0.00	
13	Watertight Manhole Lids (within Tintown)	EA	6		\$700.00	\$4,200.00	\$0.00	
14	Directional Drilling under HY 92 (6" HDPE Casing) LF	LF	81		\$195.00	\$15,795.00	\$0.00	
15	Connect Force Main to Gravity Main/Manhole (Tintown tie-in)	EA	1		\$1,250.00	\$1,250.00	\$0.00	
16	Packaged Lift Station - Complete (Connected to Power Grid)	EA	1		\$72,900.00	\$72,900.00	\$0.00	
17	Generator and Automatic Transfer Switch	EA	1		\$29,400.00	\$29,400.00	\$0.00	
18	5-kW Solar Photovoltaic on-grid system	LS	1		\$35,100.00	\$35,100.00	\$0.00	
19	Electrical and controls	LS	1		\$120,000.00	\$120,000.00	\$0.00	
20	Site grading and Decomposed Granite installation	LS	1		\$4,400.00	\$4,400.00	\$0.00	
21	Chain Link fence and Gate	LS	1		\$8,300.00	\$8,300.00	\$0.00	
22	Final Site Preparation	EA	1		\$5,000.00	\$5,000.00	\$0.00	

Bid Quantities
Tintown Wastewater Collection System

Item No.	Description	Unit	Original Quantity	Revised Quantity	Unit Price	Original	Revised	Difference
24	Cesspool/Septic Tank Closure (with concrete fill)	EA	6		\$5,950.00	\$35,700.00	\$0.00	
25	Yard restoration - full	EA	22		\$1,400.00	\$30,800.00	\$0.00	
26	Backwater Valves with valve boxes	EA	16		\$760.00	\$12,160.00	\$0.00	
27	House Connection	EA	23		\$220.00	\$5,060.00	\$0.00	
28	Sewer disconnect valve	EA	40		\$280.00	\$11,200.00	\$0.00	
29	Chip Seal Coating for storm water stabilization	SY	3555		\$10.00	\$35,550.00	\$0.00	
30	Allowance - existing utility relocations	all	1		\$40,000.00	\$40,000.00	\$0.00	
31	Allowance - Vibratory monitoring	All	1		\$55,000.00	\$55,000.00	\$0.00	
32	8" PVC (SDR 35) Gravity sewer pipe, full restrained (downstream of Tintown tie-in)	LF	1,140		\$86.50	\$98,610.00	\$0.00	
33	8" DIP Grvainty Sewer pipe, fully restrained (Downstream of Tintown tie-in)	LF	110		\$165.00	\$18,150.00	\$0.00	
34	48" diameter Manhole - Coated (Downstream of Tintown tie-in)	EA	4		\$5,550.00	\$22,200.00	\$0.00	
35	48" diameter Manhole - uncoated (Downstream of Tintown tie-in)	EA	1		\$2,550.00	\$2,550.00	\$0.00	
36	Outside Drop Manhole Structure (Downstream of Tintown tie-in)	EA	1		\$2,650.00	\$2,650.00	\$0.00	
37	Watertight Manhole Lids (Downstream of Tintown tie-in)	EA	2		\$700.00	\$1,400.00	\$0.00	
38	Tie-in to existing Line (Downstream of Tintown tie-in)	LS	1		\$1,900.00	\$1,900.00	\$0.00	
39	Remove and dispose of existing 6" AC pipe and manholes	LS	1		\$9,600.00	\$9,600.00	\$0.00	
40	Pavement Replacement	SY	20		\$120.00	\$2,400.00	\$0.00	
41	Open cut and 16" steel casing across ADOT highway 92 ROW	LF	86		\$375.00	\$32,250.00	\$0.00	
42	Change Order #1- Additional Items	LS	1	1				\$4,821.25
	Total					\$1,345,028.50		\$39,041.25



Project: Revised JTW 9.26.14
Date: Fri 9/26/14

Task	Summary	External Milestone	Inactive Summary	Manual Summary Rollup	Finish-only
Split	Project Summary	Inactive Task	Manual Task	Manual Summary	Deadline
Milestone	External Tasks	Inactive Milestone	Duration-only	Start-only	Progress

Bisbee Tintown Wastewater Collection System Funding Analysis

9/24/2014

Summary of Funding	
RD Funds - Due City	\$72,053

Sources of Construction Funds	
RD Grant	\$627,947
NADB-BEIF Grant	\$1,057,031
TOTAL Construction	\$1,684,978

Per NADB, Uses of Funds	NADB Amounts	Contract Holder	Original Contract Amount	Change Orders	Total Contractual Obligation	Remaining Contingency	Total Used to Date (PE.9/24/14)	Remaining Funds (PE.9/24/14)
Construction	\$1,347,982	KE&G	\$1,345,028.50	\$39,041.25	\$1,384,069.75		\$50,485.82	\$1,333,583.93
CM Contract	\$202,198	WestLand	\$149,759.00	\$91,826.00	\$241,585.00		\$108,138.40	\$133,446.60
Contingency	\$134,798	Extra Funds Available	\$190,193.50			\$59,326.25		\$59,326.25
TOTAL	\$1,684,978		\$1,684,981.00	\$130,867.25	\$1,625,654.75		\$158,624.22	\$1,526,356.78