



City Of Valdez Alaska 2016 City Streets

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Ref: DOWL's project involvement and cost savings result

City of Valdez

First I want to say what it pleasure it has been to work in Valdez on this project. The City's team of professionals was on top of the project from day one. We challenged through several design changes to ensure the public and business needs were met.

Unfortunately these design changes affected the schedule, construction administration cost overruns, and scope. With each design change, the contractor has to issue a proposal/cost/schedule change for the addition or deletion to the project. Each design change affected DOWL's workload. There was additional reviewing, processing, discussing, verifying, and recommending approval/rejection on every single proposal. Ultimately, the amount of paperwork resulted in the need for an additional inspector/technician on site in the field for longer than anticipated to verify and observe the construction operations.

One of my tasks was to review change orders proposals. However, once the first two change order proposals were received, the costs were unreasonable. In May, I met with the City to discuss going to a T&M cost basis instead of lump sum change order proposals. This approach was approved and the cost savings totaled \$11,800.00 (See items 1 & 2 under examples). The City continued to request change orders be completed on a T&M basis. Time and Materials review is more involved than change order proposal review which increased DOWL's workload than originally anticipated. However, the City saved money using the T&M method for most of the remaining work for a total savings around \$45,000. There were a few lump sum proposals that were accepted but most were rejected. Attached is a list of the T&M work and savings. Please note that this is not a complete list.

DOWL was further delayed by the contractor due to late T&M submissions. When the contractor finally submitted T&M reports, many were inaccurate. Most of the reports resulted in the contractor having to go back multiple times to fix the reports, further delaying the process. Therefore the review process was lengthy but critical. Almost every review found errors in the City's favor, resulting in significant savings.

As the project Inspector, my schedule is dependent on the contractor's schedule. The contractor's original schedule had us expecting to complete the project by the 14th of

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September. However, owner directed changes and design changes delayed the original schedule. The attached pages describe the work still outstanding at that time. Much of the work required DOWL's presence on site to ensure project compliance and some of the inspections required Special Inspection per the IBC (International Building Code). We did pull off site due to budget concerns and the work completed in our absence was deficient which will be addressed next spring.

This project was not typical of a construction project and filled with its own challenges. However, the end result is a finished product that will benefit the City in a positive way for many years to come and it would not have happened without diligence on both the DOWL and the City's part. This collaborative effort was one of the best partnerships seen in a long time and the City has a project they can be proud of.

Michael Felch
Construction Manager
DOWL



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Outstanding Field Work as of 9/19/2016

- New Archway Welcome Special Inspections requirements per the *International Building Code 2009* as designated per plans, Special Inspection Includes:
 - Forming verification
 - Structural Reinforcing, type, size, correct placement and tie requirements
 - Structural Concrete, mix design, placement procedures, QC testing verification
 - Concrete Pier Inspections, reinforcing, tie requirements,
 - Anchor Bolts placement and Size, ASTM specifications grade
 - Sign Placement, Bolt Torque requirements, field welding inspection
 - New Guard Rail Placement verifying specifications per DOT requirements
 - Final Grade requirements per DOT requirements
 - Verifying correct Traffic Control Submittal issued and followed during Sign Work
- Other work outstanding:
 - 3 locations of concrete work still outstanding along Egan, QC inspections required
 - Punch list on new planters, Plazas, Grade work, Asphalt patching etc.,
 - New Curb Ramp for Hospital
 - Finish Grade work for the Hospital per specifications, verifying grade and compaction requirements
 - Correction Repair for the Hospital new Parking Lot, Deficiencies
 - Electrical inspection for new Light Poles, placement and safety requirements, preliminary electrical inspections, preparing for final close out
 - Final grade work along the Richardson Hwy, to meet DOT Highway Standards
 - Remove old sign post, T&M work
 - T&M work at the Plaza By the Fish

Project Close Out Work From 9/19/2016 Forward

- Verifying/reviewing Redline Drawings,
- Punch list items,
- Pay Request,
- Electrical Final Inspection and putting together our inspection and observations for the project to submit to the Electrical Inspector,
- OM manuals review
- Close out for the SWPPP
- Final on all T&M work,



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- T&M Review Outstanding
 - There were approximately 40 T&M reports outstanding for review, T&M work has shown to save the City of Valdez a recognizable sum of money already, see a few examples below and see the attached list for a more complete schedule of cost savings.

Change order work was originally requested as a COP, during the review process the CA felt that going to a T&M cost base would be a more cost efficient approach in some instances after review, in all cases the T&M was more cost efficient.

1. *Rain Leader COP submitted by PDCC was listed at 13,823.00, CA recommendation to go to T&M, final cost was \$6,815.00, **Savings** of app. **\$7,000***
2. *Valve Box Assemblies on Pioneer, COP submitted cost was at \$61,000, CA recommended going to T&M and after 5 rejections and resubmittals the final cost was \$57,400 plus another \$1,200 corrected from the original bid, total **Savings** of **\$4,800***
3. *Reviewed T&M report for additional concrete removal for the SW corner of Egan and Pioneer, T&M submitted cost was at \$4,200, this was rejected and requested for resubmittal, expected cost not to exceed \$1,000, **Savings** estimated at **\$3,200***
4. *COP for Clearing and Grubbing was submitted at \$39,500, CA recommended that we work on a T&M cost basis's, T&M was submitted at a total of \$23,570, which is still under review and may have more savings attached, current **Savings** is **\$15,900***
5. *There was a credit t for work which was omitted on SE Tatitlek. Total should be reduced from \$13,180.64 to \$6960.89. The previously submitted T&M report for extra work on this corner did not include a credit for the contract work that the T&M work replaced. Savings of **\$6,200.00***