

Agenda Item: 11.

MEMORANDUM

TO: Programs, Projects and Operations Subcommittee

SUBJECT: Request from Olsson Associates for Additional Engineering Fees for Kramper Lake/Danish Alps Recreation Area construction inspection

DATE: May 6, 2015

BY: Terry Schumacher, Land & Water Programs Coordinator

In September of 2007, the P-MRNRD Board of Directors approved a contract with Olsson Associates for the Pigeon/Jones Site 15 Final Design in the amount of \$534,573. The contract for Phase I included the design of the dam, design of the County road improvements, design of the downstream levees and the off-line storage area. In March of 2009, the Phase I contract was amended to include \$51,300 for additional design of the dam using new Probable Maximum Precipitation values and preparation of a Nebraska Environmental Trust application.

The Phase II Amendment to the contract was approved in July of 2009 for an additional \$513,000. Phase II not only provided additional fees for environmental permitting and final land rights survey, but added new services for recreation area design and a subcontract with Midwest Right of Way to assist in land rights acquisitions.

Phase III, approved in October 2010 for \$114,150, only pertained to preliminary design services for upstream sediment and grade control structures and was partially funded by an EPA Section 319 Grant through NDEQ.

Phase IV, \$340,980, was approved in April of 2012 to provide administration, observation and testing for construction of the Phase I design: including the dam, county roads, in-lake fisheries, levee and offline storage. Like the amendment addressed by this memo, construction services were approved in a separate phase once construction plans were complete so that services could be better prescribed and estimated.

Phase V was approved in March of 2013 for \$179,000. This amendment covered increased costs in the design of the recreation area and provided additional funding to continue the design of upstream sediment and grade control structures supported by additional 319 Grant funding.

Phase VI was approved in April of 2014 for \$142,270.00 for services necessary to provide construction administration and inspection of the recreation facilities at Kramper Lake. These services included contract administration, field survey, field observation and documentation and a migratory bird nesting survey. This approval increased the professional services contract with Olsson Associates for Pigeon Jones Site 15 project to a not to exceed amount of \$1,875,853.00.

A Notice to Proceed with construction of the recreation facilities was issued to Dixon Construction on May 2, 2014 with a substantial completion date of October 31, 2014. The project site received an extraordinarily large amount of rainfall in the summer of 2014 which resulted in significant construction delays. The substantial completion date for the project is now June 15, 2015.

Attached is a letter from Olsson Associates that explains in detail their request for additional professional services due to the significant construction delays, in the not to exceed amount of \$83,583.00. If approved, it would increase the overall project contract to a not to exceed amount of \$1,959,436.00.

Management recommends that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute an amendment to increase the maximum, not to exceed amount of the professional services contract with Olsson Associates for the Pigeon Jones Site 15 Project, to \$1,959,436.00, subject to changes deemed necessary by General Manager and approval as to form by District legal counsel; and that account 01-04-552-4400 be allowed to exceed 110% of the FY 2015 budgeted amount.



May 6, 2015

Mr. Terry Schumacher
Papio-Missouri River NRD
8901 S. 154th Street
Omaha, NE 68138-3621

Re: Pigeon Jones Creek Dam Site 15 Phase VI Services
OA Project No. 007-1658

Dear Mr. Schumacher,

The purpose of this letter is to request an amendment to the above referenced project for additional services necessary to provide construction administration and observation during the construction of the Recreational Area for Dam Site 15 project near Hubbard, NE. The final design has been completed and construction of the Danish Alps Recreational Area is nearing completion.

As of the March invoice, Olsson has billed \$1,832,281.66, leaving approximately \$43,571 available budget for completing remaining scope items for the final design of upstream Community-Based Watershed Management Plan Structures. However, the budget for the construction phase services for Danish Alps Recreation Area is exhausted. At this time Olsson is requesting \$83,583.00 to continue construction observation and administration.

This project has been completed in several phases and is summarized below:

Phase I Design and planning – Oct 2007:	\$534,573.00
Phase I Design Amendment – Mar 2009:	\$ 51,380.00
Phase II Amendment – July 2009:	\$531,000.00
Phase III Upstream Structures – Oct 2010:	\$114,150.00
Phase IV Construction – April 2010:	\$340,980.00
Phase V Rec Design and 319 Structures – Mar 2013:	\$179,500.00
Phase VI Amendment Construction Services – Feb 2014	\$142,270.00
Total Contract Cost:	\$1,875,853.00

Background:

The contractor was given notice to proceed on May 2, 2014, with an agreed upon substantial completion date of October 31, 2014 (approximately 6 months) for the recreational area. Due to delays, most of which was weather related due to heavy rains in summer of 2014, the substantial completion date has been extended to June 15, 2015 – an additional 8 ½ months.

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Of the \$142,270 for Phase VI Amendment (above); the construction observation and administration fees were estimated at \$115,200 as shown in Table 1.

Due to the extension in construction time and additional services provided (bi-monthly on site progress meetings as compared to the scoped monthly progress meetings) Olsson is requesting an additional \$83,583.00 for professional services necessary to complete the construction process as shown in Table 2.

The cost is estimated based on expenditures already incurred and substantial completion date of June 15, 2015. If approved, the increase of \$83,583.00 would bring the total contract amount to \$1,959,436.00.

Table 1: Cost Breakdown for Construction Administration and Field Observation for Approved Phase VI - February 2014

Approved Phase VI Amendment #1 Dated Feb 2014	Task	Duration (Months)	Monthly Fee	Fee
	Construction Administration	9	\$ 2,466.67	\$ 22,200.00
	Monthly Progress Meetings	9		Included
	Additional Progress Meetings	9	*	\$ (11,250.00)
	Field Observation			
	Peak Construction	5	\$ 13,000.00	\$ 65,000.00
	Non-Peak Construction	4	\$ 7,000.00	\$ 28,000.00
* Additional Progress Meetings Not Included In Fee				\$ 115,200.00

Table 2: Cost Breakdown for Construction Administration and Field Observation for Proposed Phase VI Amendment - May 2015

Proposed Phase VI Amendment #2 Dated May 2015	Task	**Duration (Months)	Monthly Fee	Fee
	Construction Administration	5	\$ 2,466.67	\$ 12,333.33
	Monthly Progress Meetings			Included
	Additional Progress Meetings	5	\$ 1,250.00	\$ 6,250.00
	Field Observation			
	Peak Construction	5	\$ 13,000.00	\$ 65,000.00
	Non-Peak Construction	0	\$ 7,000.00	\$ -
**Only for Months of February, March, April, May and June 2015				\$ 83,583.33

Thank you for your consideration of our proposal. Please feel free to contact me with any questions you may have.

Sincerely,



Michael W. Placke
Olsson Associates