

The Narragansett Bay Commission
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Vincent J. Mesoella
Chairman

Raymond J. Marshall, P.E.
Executive Director



OFFICIAL MINUTES OF:

Meeting of:	CEO Committee Meeting
Date:	March 6, 2012
Time:	9:15 a.m.

MEMBERS PRESENT:

Michael Salvatore, CEO Chairman
Robert Andrade
Jonathan Farnum
John MacQueen
Vincent J. Mesoella
Angelo Rotella
Leo Thompson
Richard Worrell

MEMBERS ABSENT:

Al Montanari

STAFF AND GUESTS PRESENT:

Raymond J. Marshall, Executive Director
Tom Uva, NBC
Joe Pratt, Louis Berger Group
Rich Bernier, NBC
Karen Musumeci, NBC
Linda George, RI Senate Policy Office
Jennifer Harrington, NBC
Deborah Samson, NBC

Paul Nordstrom, NBC
Leah Foster, NBC
Sherri Arnold, NBC
Brenda Smith, NBC
Pam Duckworth, NBC
Cecille Antonelli, NBC
Lori Vernon, NBC

1. Call to Order

Recognizing a quorum, CEO Chairman Salvatore called the March 6, 2012 Construction/Engineering/Operations (CEO) Committee Meeting to order at 9:20 a.m.

2. Approval of Minutes – December 20, 2011 CEO Committee

Chairman Salvadore asked for a motion to approve the December 20, 2011 CEO Committee Meeting minutes as written.

Commissioner Worrell advised that the December 20, 2011 CEO Committee minutes reflect that Commissioner Farnum made the motion to approve Resolution 2011:47 and that Commissioners MaQueen and Farnum seconded the motion. It was agreed that this was a typographical error and the record should be corrected to reflect the vote on Resolution 2011:47 as follows: Commissioner Farnum made a motion to approve Resolution 2011:47 and Commissioner MacQueen seconded the motion.

Commissioner Farnum moved to approve the minutes of the December 20, 2011 CEO Committee as amended. Commissioner Worrell seconded the motion. The vote taken by the CEO Committee was unanimous. The motion carries.

Commissioner Rotella arrives at 9:30 a.m., and joins the Committee meeting.

3. Items for Action

A. Review and Approval of Resolution 2012:01; Contract 119.00DB-Regulatory Compliance Building Land Acquisition Project, Recommendation to Increase the Limit of Change Order Requests

Mr. Marshall advised that in January 2009, the NBC Board of Commissioners approved the award of Contract 119.00DB, a Design/Build Contract for the construction of a new, Providence Animal Control Facility, for the amount of \$1,173,100 to Alhambra Building Company (Alhambra). The Contract was signed and a Notice to Proceed was issued to Alhambra on March 31, 2009, and the project completion date was set at January 9, 2010.

Alhambra and their designer, Torrado Architects, immediately began working with NBC on the design of the new facility. On May 18, 2009, Alhambra submitted foundation plans to the State Building Commission for approval, with the intention of beginning foundation installation in June 2009. The State Building Inspector rejected the foundation plan, stating that the Building Commission would not approve any plans until the State Fire Marshall had approved the plans. The Fire Marshall required a complete building design in order to do their review. So, rather than performing site and concrete work while the building design is finalized (one of the key benefits to the design/build construction concept) the construction was delayed until the entire set of plans were approved by the State Fire Marshall (August 2009) and a foundation permit was issued on September 27, 2009.

As a result of this delay, work that was scheduled to be performed in the summer/fall of 2009 was being performed in the fall 2009/winter 2010. Besides pushing the Project Completion beyond the originally scheduled date of January 9, 2010, performing the building erection in the winter caused reduced productivity. Alhambra's scope of work was also increased to include a number of items that were not included in their original Contract which also delayed final completion. A final Certificate of Occupancy was issued on August 16, 2010.

On August 19, 2010, Alhambra submitted a Change Order Request (COR) in the amount of \$17,496 for extended overhead for the delays described above. The Contract between NBC and Alhambra is essentially a cost plus fixed fee Contract with a Guaranteed Maximum Price (GMP). The extended overhead COR was tabled, pending a determination of the Cost of the Work. When the Project was complete, including the one year warranty period, an audit was performed to determine the actual Cost of

the Work. The audit showed that Alhambra's Cost of the Work surpassed the cost included in their GMP and that the COR was justified.

Per the NBC's approved procedures, the Chairman and Executive Director are authorized to approve CORs up to an aggregate amount of 5% of the Contract amount or \$58,655 for this Contract. To date, they have approved \$56,072 in CORs which the NBC is funding. I'd also like to point out that the City of Providence requested, and agreed to pay, another \$95,403 in CORs to this Contract. The latter amount does not require NBC Approval.

We recommend that the Chairman and Executive Director be authorized to approve CORs for Contract 119.00DB – Regulatory Compliance Building Land Acquisition for an aggregate amount not to exceed \$14,913 over the 5% authorized limit and recommend approval of Resolution 2012:01.

Commissioner MacQueen made a motion to approve Resolution 2012:01; Contract 119DB-Regulatory Compliance Building Land Acquisition Project, Recommendation to Increase the Limit of Change Order Requests. Commissioner Andrade seconded the motion and the vote taken by the CEO Committee was unanimous. The motion carries.

B. Review and Approval of Resolution 2012:02; Contract 303.09C-WCSOI Regulator Modifications Increase COR Authorization Limit

Mr. Marshall advised that Contract 303.09C – WCSOI Regulator Modifications was awarded in June 2011 and a Notice to Proceed issued on August 4, 2011 to Grove Construction, Inc. (GCI) at a cost of \$894,000 to make structural modifications to three existing regulators and electrical modifications to five existing regulators. By modifying the regulators more flow will be allowed to go to the interceptor during storms and we are adding meters to monitor flow. The project has proceeded well and is in the final phase of construction. To date we have approved \$33,053.84 in changes to the project and there is \$21,680.65 in pending costs (see attached COR log). This equates to a combined total of \$54,734.49 in authorized and pending costs.

Per the NBC's approved COR procedures, the Chairman and Executive Director are authorized to approve CORs up to an aggregate amount of 5% of the Contract amount or \$44,700 for this Contract. Consequently we are requesting that the authorized limit be increased by \$20,000 to fully cover the pending costs and provide an allowance should something else come up before the work is fully completed.

Based upon the above, it is recommended that the Chairman and Executive Director be authorized to approve CORs for Contract 303.09C – WCSOI Regulator Modifications for an aggregate amount not to exceed \$20,000 over the 5% authorized limit and recommend approval of Resolution 2012:02.

Commissioner Andrade made a motion to approve Resolution 2012:02; Contract 303.09C-WCSOI Regulator Modifications Increase COR Authorization Limit. Commissioner MacQueen seconded the motion and the vote taken by the CEO Committee was unanimous. The motion carries.

C. Review and Approval of Resolution 2012:03; Contract 303.05C-OF 027 Increase COR Authorization Limit

Mr. Marshall advised that Contract 303.05C – OF 027 was awarded in June 2011 and a Notice to Proceed issued on July 14, 2011 to John Rocchio Corporation (JRC) for a cost of \$6,580,587 to undertake sewer

separation on the East Side of Providence in the vicinity of Hope Street. The project involves the installation of approximately 15,875 feet of new drain pipe, 101 drain manholes, 126 catch basins, lining of 5,290 feet of 15" sewer modifications to 28 manholes along with water line relocation and street paving upon completion. This project is about 15% complete.

The purpose of this request and resolution is to address a significant change in conditions associated with the contractor's work that will result in a large change order amount. To date we have approved \$16,598 in changes to the project. In addition, there are two other categories of change orders with amounts as follows: JRC has submitted but we have not yet negotiated \$81,797 in costs from changed conditions already encountered in the field and \$801,500 in anticipated costs from changed conditions as described in the following paragraph.

There have been two main issues to date that were not known prior to the bid.

A) The first is a soils issue. The contract borings indicate that the soil is suitable to reuse as backfill. When JRC began working it became apparent that even though the soil appeared to be suitable, the moisture content was too high to achieve proper compaction. The material had to be hauled to an offsite location, screened and dried, then brought back to the site. Also, if it rains for a couple of days straight, JRC must buy gravel to put back in the trench. We have established and negotiated rates with JRC for the cost to double handle the existing material and the cost to bring in new material (CORs 13, 29, 30 and 31). These four CORs that total \$785,750 includes work done to date and the projected cost to complete the contract.

B) The other main issue is utilities. To date twenty out of the thirty-one established CORs have been utility related. Even though during the design phase the NBC coordinated with the various utilities and DIG-SAFE marked the utilities in the field prior to construction, we have run into numerous conflicts (either the utility was mismarked or it was not marked at all). Due to the fact the contract is only 15% complete we would like to increase the contingency by \$100,000 for utility conflicts.

Per the NBC's approved COR procedures, the Chairman and Executive Director are authorized to approve CORs up to an aggregate amount of 5% of the Contract amount or \$329,029 in this case. We are requesting that the authorized limit be increased by \$900,000 to cover the costs associated with soils problems (\$800,000) and utility conflicts (\$100,000).

It is recommended that the Chairman and Executive Director be authorized to approve CORs for Contract 303.05C – OF 027 for an aggregate amount not to exceed \$900,000 over the 5% authorized limit and recommend approval of Resolution 2012:03.

Commissioner Andrade made a motion to approve Resolution 2012:03; Contract 303.05C-OF 027 Increase COR Authorization Limit. Commissioner Farnum seconded the motion and the vote taken by the CEO Committee was unanimous. The motion carries.

D. Review and Approval of Resolution 2012:04; Contract 303.11C-WCSOI West Change Order Request No. 5

Mr. Marshall stated the original concept for completion of Phase II of the CSO Program was to have one large construction contract for the Woonasquatucket service area. After additional consideration of the nature and scope of the work a decision was made to split the one large contract into six smaller contracts

to create a more competitive bidding process and to allow local contractors the ability to compete for the work.

One of the six contracts, Contract 303.11C – WCSOI West, was awarded in June 2011 and a Notice to Proceed was issued on July 27, 2011 to DiGregorio Inc. at a cost of \$6,848,518. The project called for the contractor to install 1318 feet of 60” diameter pipe, 9 manholes and a 15’X12’ junction structure along the bike path near the Providence/Johnston line plus miscellaneous drainage work on Glenbridge Ave.

This contract (303.11C) is located at the upstream end of the Woonasquatucket service area. The planned sequence was to start pipe installation just upstream of the new proposed WRI structure (see attached plan highlighted in yellow). After Contract 303.11C was awarded and work began it became apparent that the WRI structure should have been included in this contract. The reason is that the next contract in the sequence requires complicated by-pass pumping and we will need a suitable location to pump from when the sewage flows have to be re-routed to construct and activate new downstream structures. The WRI structure will be the best option to use as a “wet well” from which to bypass pump to handle the estimated flows of up to 24.8 million gallons per day during wet weather. This contract change makes the bypass system much less complicated allowing the subsequent contract to be completed more efficiently while minimizing the risk of an unintentional discharge to the river.

As a result of the development of the revised approach we asked DiGregorio Inc. to submit a cost to install the new WRI structure (highlighted in pink on the attached plan) as an additional item of work. NBC thoroughly reviewed the cost estimate and negotiated a price of \$767,800.

Per the NBC’s approved COR procedures, the Chairman and Executive Director are authorized to approve CORs up to an aggregate amount of 5% of the Contract amount or \$342,426 for this Contract. Because this work is an addition to the contract and not part of the original scope we are requesting that the authorized limit be increased by \$767,800. The \$342,426 is not part of the \$767,800 and will remain available for change orders related to the original contract scope.

Based upon the above, we recommend that the Chairman and Executive Director be authorized to approve CORs for Contract 303.11C – WCSOI West for an aggregate amount not to exceed the 5% standard authorized limit plus \$767,800 and recommend approval of Resolution 2012:04.

Commissioner Worrell made a motion to approve Resolution 2012:04; Contract 303.11C-WCSOI West Change Order Request No. 5 Commissioners Farnum and MacQueen seconded the motion and the vote taken by the CEO Committee was unanimous. The motion carries.

E. Review and Approval of Resolution 2012:05; Contract 303.14C WCSOI OF 054 Recommendation for Award

Mr. Marshall advised that four bids for construction Contract 303.14C WCSOI OF 054 were received by the Commission’s Procurement Section on February 21, 2012. The contractors and their bids are:

DiGregorio, Inc.	\$2,368,683
Barletta Heavy Division	\$2,372,332
J. H. Lynch & Sons, Inc.	\$2,614,000
Cardi Corporation	\$2,732,000

This contract is the tenth contract to be bid under the DEM mandated Phase II CSO Program. It entails construction of 2 concrete sewer structures associated with OutFall 054 under the Sheriden Street footbridge over Route 6 in Providence.

DiGregorio, Inc. (DiGregorio) submitted the low bid of \$2,368,683. This bid is 0.15% lower than the second low bid. DiGregorio is presently working on Contract 303.11C – WCSOI West.

As with all projects of this size and complexity there will be ancillary costs associated with the project including but not limited to: advertising, printing, police details, specialty engineering consultants (maximum contract ceiling of \$20,000), material/soil testing firm and staff time associated with contract inspection and administration. Louis Berger Group (LBG) has evaluated the qualifications and the bid proposal of the low bidder and has checked references for the purpose of establishing the firm's capability to successfully complete this construction project. LBG has recommended that the Commission award the Contract for the construction of Contract 303.14C WCSOI OF 054 to DiGregorio, Inc. of Smithfield, RI because LBG has determined that DiGregorio, Inc. is the lowest, responsive, responsible bidder

We respectfully request your approval of the attached Resolution 2012:05 Authority to Award Contract 303.14C WCSOI OF 054 to DiGregorio, Inc. for a cost not to exceed \$2,368,683 subject to the approval of the Contractor's MBE/WBE plan and EEO requirements by the Rhode Island Department of Administration.

Commissioner MacQueen made a motion to approve Resolution 2012:05; Commissioner Rotella seconded the motion and the vote taken by the CEO Committee was unanimous. The motion carries.

F. Review and Approval of Resolution 2012:06; Planning and Preliminary Design for Utility Reliability Enhancement for the Field's Point Campus

Mr. Marshall advised many of the utility poles along Field's Point campus are very old, and should they fail in a storm, critical NBC operations could be affected. The potential impacts on NBC operations were experienced in part, after the hurricane last August. In addition, the existing power lines and utility poles located along Service Road are poorly positioned in relation to the new NBC Administration building and the Regulatory Compliance building proposed to be built on the former dog pound site.

It is critically important that these buildings be powered by a modern reliable utility infrastructure. PP&R staff has contacted National Grid to determine if the poles and wires along Service Road and a few poles on Ernest Street could be relocated, either underground or along Shipyard Street to New York Avenue. National Grid has reviewed site plans provided by NBC and has indicate that a solution is available.

National Grid has provided an estimated construction cost of \$150,000 to perform their work to relocate their poles and power lines, with a 25% variance. This cost includes \$22,500 to develop design plans. All the work to relocate the poles and power lines will be done by or through National Grid. NBC will also be responsible for the costs to move any other utility wires from these poles. NBC would have to contract with other utilities or entities, including Cox, Verizon, City of Providence, Prov Port, Emergency Management Agency and possibly others. These entities will also move their own lines at NBC expense.

The cost to move the other utilities is unknown until the National Grid design plan is complete. As a result, NBC recommends authorizing National Grid to complete the design plan for this project. The \$22,500 cost for the design would be credited back to the NBC by National Grid when construction is performed. Since the total project construction costs cannot be determined until National Grid completes their design, staff recommends funding the planning and preliminary design phase of this project at a cost of \$50,000 to account for interaction with entities other than National Grid.

As with all projects of this size and complexity there will be ancillary costs associated with the project including but not limited to: advertising, printing, police details, specialty engineering consultants (maximum contract ceiling of \$20,000), material/soil testing firm and staff time associated with contract inspection and administration.

We respectfully request your approval of the attached Resolution 2012:06 in the amount of \$50,000 to complete the planning and preliminary design phase necessary to fully evaluate the cost for electrical utility reliability enhancement for the Field's Point campus.

Commissioner MacQueen made a motion to approve Resolution 2012:06;. Commissioner Farnum seconded the motion and the vote taken by the CEO Committee was unanimous. The motion carries.

4. Other Business

None.

5. Adjournment

A motion to adjourn was made by Chairman Mesolella , seconded by Commissioner Andrade and the CEO Committee meeting adjourned at 10:20 a.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Raymond J. Marshall".

Raymond J. Marshall, P.E.

Executive Director/Secretary