



ERIE COUNTY WATER AUTHORITY

INTEROFFICE MEMORANDUM

August 30, 2024

To: Terrence D. McCracken, Secretary to the Authority

From: Michael Quinn, PE, Senior Distribution Engineer

A handwritten signature in black ink, appearing to read "MQ", is written over the name "Michael Quinn" in the "From:" line.

Subject: Contract MP-088
Sturgeon Point WTP Washwater Tank Replacement
Change Order No. 1: Cost Escalation
ECWA Project No. 202100111

Attached is Change Order No. 1 pertaining to the above referenced contract. The change order pertains to a change in the contract price associated with cost escalations due to a delay on the project start.

On April 6, 2023, the Erie County Water Authority entered into a contract with DN Tanks of New York, LLC (DN Tanks) for the construction of a new washwater storage tank at the Sturgeon Point Water Treatment Plant. The construction was originally anticipated to be completed during the 2023 construction season and as such, the bids reflected costs for 2023.

Due to delays attributed to obtaining a New York State Department of Environmental Conservation permit for construction within the buffer zone for adjacent wetlands, the construction could not start until 2024, a full year later than anticipated. Due to normal inflation, the costs for materials and subcontractors have increased as well. This Change Order will compensate DN Tanks for the additional \$97,645.90. After a review of the additional costs, the Authority's design consultant and the Engineering Department staff collectively feel that the additional cost is reasonable. Funds for this change order are available as follows:

- Unit 2510 – Engineering/Construction Sturgeon Point
- Item 101608 – Washwater Tank Replacement

MJQ:jmf

Attachments

cc: L.Kowalski, PE

CONT-MP-088-2101-X-14

ERIE COUNTY WATER AUTHORITY
AUTHORIZATION FORM
For Approval/Execution of Documents
(check which apply)

Contract: MP-088 **Project No.:** 202100111
Project Description: Washwater Tank Replacement at Sturgeon Point WTP

Item Description:








<input type="checkbox"/> Agreement	<input type="checkbox"/> Professional Service Contract	<input type="checkbox"/> Amendment	<input checked="" type="checkbox"/> Change Order
<input type="checkbox"/> BCD	<input type="checkbox"/> NYSDOT Agreement	<input type="checkbox"/> Contract Documents	<input type="checkbox"/> Addendum
<input type="checkbox"/> Recommendation for Award of Contract	<input type="checkbox"/> Recommendation to Reject Bids		
<input type="checkbox"/> Request for Proposals			
<input type="checkbox"/> Other _____			

Action Requested:


<input checked="" type="checkbox"/> Board Authorization to Execute	<input checked="" type="checkbox"/> Legal Approval
<input type="checkbox"/> Board Authorization to Award	<input checked="" type="checkbox"/> Execution by the Chairman
<input type="checkbox"/> Board Authorization to Advertise for Bids	<input type="checkbox"/> Execution by the Secretary to the Authority
<input type="checkbox"/> Board Authorization to Solicit Request for Proposals	
<input type="checkbox"/> Other _____	

Approvals Needed:

APPROVED AS TO CONTENT:

<input checked="" type="checkbox"/> Sr Distribution Engineer		Date: <u>9/3/2024</u>
<input checked="" type="checkbox"/> Chief Operating Officer		Date: <u>09/03/2024</u>
<input checked="" type="checkbox"/> Executive Engineer		Date: <u>9/9/2024</u>
<input checked="" type="checkbox"/> Director of Administration		Date: <u>09/09/2024</u>
<input checked="" type="checkbox"/> Risk Manager		Date: <u>9/03/2024</u>
<input checked="" type="checkbox"/> Chief Financial Officer		Date: <u>09/04/2024</u>
<input checked="" type="checkbox"/> Legal		Date: <u>09/03/2024</u>

APPROVED FOR BOARD RESOLUTION:

<input checked="" type="checkbox"/> Secretary to the Authority		Date: <u>9/9/24</u>
--	--	---------------------

Remarks: _____

Resolution Date: _____ **Item No:** _____

CHANGE ORDER NO.: G-01

Owner: Erie County Water Authority Owner's Project No.: 202100111
Engineer: Arcadis of New York, Inc. Engineer's Project No.: 30076280
Contractor: DN Tanks Contractor's Project No.: 2023-003
Project: Sturgeon Point Water Treatment Plant Washwater Tank Replacement
Contract Name: MP-088
Date Issued: 8/6/2024 Effective Date of Change Order: 8/13/2024

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

Description:

This Change Order results in an increase in Contract Price and increase of Contract Time for Contract MP-088. The additional costs account for the escalation in material and subcontractor costs from 2023 to 2024 due to the delay in starting construction outside of the Contractor's control. The increase in Contract Time were requested by the Contractor since construction did not start until Spring 2024 due to outstanding permitting approvals with the NYSDEC and the U.S. Army Corp of Engineer's.

- **Modification GCP-002, 2024 Tank Material Cost Escalation and Time Extension:** Increase of \$97,645.90 to Bid Item No. 1 General Construction for general construction of Washwater Tank Replacement, Contract MP-088. Increase of 365-calendar days to Substantial Completion date and Ready for Final Payment date.

Attachments:

- GCP-002 – Modification Response Letter – 6/6/2024

CHANGE ORDER NO.: G-01

Change in Contract Price	Change in Contract Times
Original Contract Price: \$ <u>3,530,700.00</u>	Original Contract Times: Substantial Completion: <u>12/1/2023</u> Ready for final payment: <u>5/21/2024</u>
[Increase] [Decrease] from previously approved Change Orders No. N/A to No. N/A: \$ <u>N/A</u>	[Increase] [Decrease] from previously approved Change Orders No. N/A to No. N/A: Substantial Completion: <u>N/A</u> Ready for final payment: <u>N/A</u>
Contract Price prior to this Change Order: \$ <u>3,530,700.00</u>	Contract Times prior to this Change Order: Substantial Completion: <u>12/1/2023</u> Ready for final payment: <u>5/21/2024</u>
Increase this Change Order: \$ <u>97,645.90</u>	Increase this Change Order: Substantial Completion: <u>365 Calendar Days</u> Ready for final payment: <u>365 Calendar Days</u>
Contract Price incorporating this Change Order: \$ <u>3,628,345.90</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>12/1/2024</u> Ready for final payment: <u>5/21/2025</u>

Recommended by Engineer (if required)

By: _____
 Title: Project Manager
 Date: 8/26/2024

Accepted by Contractor

Authorized by Owner

By: _____
 Title: _____
 Date: _____

Approved by Funding Agency (if applicable)

Mr. David Drinkwater, P.E.
Project Manager
DN Tanks
11 Teal Road
Wakefield, MA 01880

Arcadis of New York, Inc.
50 Fountain Plaza
Suite 360
Buffalo, NY 14202
United States
Phone: 716 667 0900
www.arcadis.com

Date: June 06, 2024
Our Ref: 30076280
Subject: STP WTP Washwater Tank Replacement
ECWA Project No. 202100111
Contract No. MP-088
Modification No. GCP-002, 2024 Tank Material Cost Escalation
And Time Extension

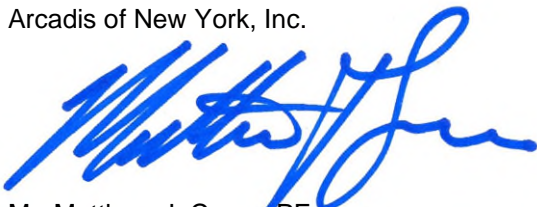
Dear Mr. Drinkwater,

Arcadis of New York, Inc has review the DN Tanks proposal for Modification No. GCP-002 – 2024 Tank Material Cost Escalation and Time Extension (copy attached), dated May 23, 2024. This modification is required due to a delay to the Project outside of the Contractor's control. The Contract Price will be increased by the requested \$97,645.90 to account for escalation in labor and material costs caused by the delay. The Contract Time will also be extended by the requested 365-calendar days. This change in Contract Price and Contract Time will be included in the next Change Order prepared for the project.

Please contact me if you should have any questions or would like to discuss this further.

Sincerely,

Arcadis of New York, Inc.



Mr. Matthew J. Czora, PE
Principal Engineer

Email: matt.czora@arcadis.com
Direct Line: 585.662.4055
Mobile: 585.314.6388

Mr. David Drinkwater, P.E.
DN Tanks
June 06, 2024

CC. Mr. Michael Quinn, PE, BCEE, Erie County Water Authority
Mr. Michael Wymer, PE, Erie County Water Authority
Mr. Cameron Daley, Arcadis of New York, Inc
Mr. Gregory Moran, Arcadis of New York, Inc
Mr. Justin Francis, Arcadis of New York, Inc
Mr. Ed Skalny, DN Tanks

Enclosures: Modification No. GCP-002 – 2024 Tank Material Cost Escalation and Time Extension



BUILT
FOR THE FUTURE

May 23, 2024

Matt Czora
Arcadis of New York, Inc.
100 Chestnut Street, Suite 1020
Rochester, NY 14604

Reference: Contract MP-088: Sturgeon Point Water Treatment Plant Washwater Tank
Replacement
Project No. 20210011
Derby, NY

Mr. Czora,

As discussed, we have prepared the attached cost proposal for the additional cost to begin construction of the Sturgeon Point Water Treatment Plant Washwater Tank in Spring of 2024. This quote is inclusive/exclusive of the following items:

- Material – Included in this Change Order
- Subcontractors – Included in this Change Order
- Rental Equipment – Not included in this Change Order but starting on 07/1/24 equipment costs will be tracked and sent monthly for price increase due to construction pushing a full year.
- Labor – Not included in this Change Order but starting 07/1/24 manhours will be sent in monthly for a cost reimbursement for wage increases due to construction pushing a full year.

Spring of 2024 Site Work Construction Start & Summer of 2024 Tank Start

The escalation cost for a spring site mobilization and a summer tank construction is \$97,645.90

This includes DN Tanks allowable mark-up of 15%.

DN Tanks is also requesting a new substantial completion date of December 1, 2024, and a final completion date of May 21, 2025.

Please feel free to contact me at 978-578-3424 if you have any questions concerning this proposal.

Sincerely,

David Drinkwater
Project Manager

Attachments:

- Overall 2024 Tank Escalation Cost Breakdown
- Supporting Documentation from STC Construction on Escalation Cost
- Supporting Documentation from United Materials on Escalation Cost
- Supporting Documentation from G&J Contracting on Escalation Cost
- Supporting Documentation from 3rd Rock, LLC on Escalation Cost
- Supporting Documentation from Benchley Crane on Escalation Cost

Job Number 2023-003
Derby, NY - Sturgeon Point

GC:
SUB:

DN Tanks
STC Construction
May 23, 2024

**Change Order Proposal No. 002
2024 Tank Escalation Pricing**

COST PROPOSAL PRICING SUMMARY

Description	Amount
Direct Labor	\$0.00
Equipment	\$0.00
Material	<u>\$68,369.79</u>
Subtotal	\$68,369.79
Subcontractor Costs	<u>\$16,539.69</u>
Subtotal	\$84,909.48
Mark-up/profit (15%)	<u>\$12,736.42</u>
Total Proposed Amount	\$97,645.90

Change Order Proposal No. 002
2024 Tank Escalation Pricing

COST SUMMARY BREAKDOWN

DIRECT LABOR						
	Quantity	Unit	Unit Rate	Totals		
				\$	-	
				\$	-	
				\$	-	
				\$	-	
						Direct Labor Total
				\$	-	
EQUIPMENT						
	Quantity	Unit	Rate	Totals		
		LS		\$	-	
				\$	-	
				\$	-	
				\$	-	
				\$	-	
						Equipment Total
				\$	-	
MATERIAL COSTS						
	Quantity	Unit	Unit Cost	Totals		
Concrete	10%	LS	\$ 171,906.00	\$	17,190.60	
Rebar (Furnish)	10%	LS	\$ 93,490.00	\$	9,349.00	
STC Construction - All Work in 2024 (Excludes Labor)	1	LS	\$ 41,830.19	\$	41,830.19	
				\$	-	
				\$	-	
				\$	-	
						Material Total
				\$	68,369.79	
DN TANKS SUBCONTRACTOR OUTSIDE OF SITEWORK						
	Quantity	Unit	Rate	Total		
Concrete Testing Services	9.5%	LS	\$ 18,000.00	\$	1,710.00	
Rebar (Installation)	20%	LS	\$ 64,748.45	\$	12,949.69	
Crane (All Cranes)	2%	LS	\$ 94,000.00	\$	1,880.00	
				\$	-	
						Subcontractor Subtotal
				\$	16,539.69	

STC Construction

	QTY			Orig Price		Escalated Price		Difference
Crusher Run Stone	2920	ton		26.15	\$ 76,358.00	30	\$ 87,600.00	\$ 11,242.00
Crushed #1 Gravel	243	ton		24.6	\$ 5,977.80	26.55	\$ 6,451.65	\$ 473.85
Crushed #3 Gravel	100	ton		31.25	\$ 3,125.00	34.3	\$ 3,430.00	\$ 305.00
Concrete	40	cy		197.65	\$ 7,906.00	225.321	\$ 9,012.84	\$ 1,106.84
Trucking	300	hr		145	\$ 43,500.00	155	\$ 46,500.00	\$ 3,000.00
Extended Rentals							\$ 2,740.00	\$ 2,740.00
Mob/Remob Costs							\$ 6,044.00	\$ 6,044.00
Labor Increase					\$ 93,588.00	3.00%	\$ 96,395.64	\$ 2,807.64
Remaining Project Cost					\$ 452,640.20	2.53%	\$ 464,102.59	\$ 11,462.39
							Subtotal	\$ 39,181.72 \$36,374.08
							15% M/U	\$ 5,877.26 \$5,456.11
							Total	\$ 45,058.98 \$41,830.19

Paid by actual hours worked



MATERIALS QUOTATION
2023 PRICES

CUSTOMER: STC Construction

DATE: 5/26/2023

ATTN: Estimating

Quote #2023-016-C

PROJECT: Sturgeon Point Rd Derby

BID DATE: 1/25/2023

We appreciate the opportunity to quote your firm for your concrete needs in reference to the project listed above.

Any Projects quoted on a 2023 quote that goes into the next year (2024) will have a 14.0% increase applied. The increase will be implemented on January 1, 2024, this will apply to all quoted material(s).

2cy minimum load size

STRENGTH	AREA OF USE	PER CUBIC YARD
4500 PSI	Normal Weight/General Use / Mix A	\$197.65
4500 PSI	Normal Weight /Mix B, 3,800 psi in 7 days/All Admix included	\$252.00
5000 PSI	Normal Weight/General Use/ Mix C (ASTM #89)	203.05
Misc Note 1	Unless otherwise labeled, all mixes do not included admixtures of fibers	
Misc Note 2	In the price of concrete. MRWR must be used for any	
Misc Note 3	Slump requested above 4". IB cannot be held responsible for	
Misc Note 4	performance of mixes. Mixes are customer supplied	
Misc Note 5	IB has similar mixes/materials as supplied mixes, and will	
Misc Note 6	make substitutions as necessary. All pricing will change based on	
Misc Note 7	substitutions made to mix designs.	
Shot Comm	Spec'd: Customer supplied Mix D & Mix E	NO BID
Shot Comm	Proposed: Shortcrete/IB Mix D, Mix E (Contains ASTM #89)	\$213.30
3500 PSI	517 Fine Grout/ Mix G	\$197.65
4500 PSI	Spec'd: Mix F, 838# cement/cy	NO BID
4500 PSI	Proposed: Fine Grout (IB Mix F)	\$208.30
	Environmental Fee and Fuel Surcharge (Adjusted Weekly)	\$ 7.23

All Quoted Prices are good for 45 days from Quoted Date unless otherwise noted. Excluding Fuel Surcharge that will be updated weekly

OTHER PRODUCTS

Description	Dose/cy	Unit	Pricing
Fiber F70 Commercial	1.5#	Fibrillated Syn Micro Fiber (Polypropylene)	cy \$13.95
Fiber F70 Residential	1.0#	Fibrillated Syn Micro Fiber	cy \$9.30

All fiber pricing is good for 10 days of quote date. Please contact sales for updated pricing

Extra Charges:

Winter Service Charge – Concrete Hot Water- As Required	\$ 7.25 per yard	2 Yard Min Batch
Winter Service Charge – Concrete Full Heat- As Required	\$ 11.35 per yard	1 yds to 1 ¼ yds \$ 202.00
Winter Service Flowable Fill:	\$ 7.25 per yard	2 yds to 2 ¾ yds - \$ 180.00
Waiting Time in Excess of 8 minutes per cubic yard:	\$ 2.55 per minute	3 yds to 3 ¾ yds - \$ 158.00
Conveyor Truck Rental (One hour Minimum):	\$190.00 per hour	4 yds to 4 ¾ yds - \$ 136.00
Conveyor Cleaning	\$75.00 per use	5 yds to 5 ¾ yds - \$ 114.00
Color Concrete Washout	\$75.00 per load	6 yds to 6 ¾ yds - \$ 92.00
Delivery Charges (in season) after 4:00 Loading – 6:00 P.M.	\$155.00 per load	7 yds and up - \$ 0.00
Saturday Deliveries before 1 PM (in season) add:	\$155.00 per load	
Multiple Stops: (minimum)	\$135.00 per load	
Testing Service (inc. first 4 cylinders) Same Day \$575.00 24hr Notice:	\$392.00 per test	
Additional Sets 4x8 (qty. 4)	\$15.00 per set	
Professional Engineer (PE) Stamped Mix Design (If Required)	\$420.00 per mix	
Shrinkage Testing per ASTM C157 (3 Beams per mix)	\$500.00 per mix	

OFF HOUR AND OFF SEASON CHARGES ARE QUOTED SEPARATELY

ADMIXTURES

CERTIFIED MBE, DBE

CPI Inflation Calculator

\$ 452,640.20

in January 2023

has the same buying power as

\$464,102.59

in December 2023

Calculate

DN Tanks

Drinkwater, David

From: Anthony Rebmann <anthony.rebmann@vcimentos.com>
Sent: Tuesday, July 18, 2023 11:54 AM
To: Skalny, Edward
Subject: Re: Derby, NY - Concrete Water Storage Tank Escalation Pricing

This message originated from outside DN Tanks

Ed,

I am confirming that it will roughly be a 10% increase for cost of concrete from 2023 to 2024 season. Let me know if you need anything else.

Thank you,
Anthony Rebmann

Sent from my iPhone

On Jul 18, 2023, at 11:38 AM, Sean Morningstar <sean.morningstar@vcimentos.com> wrote:

Get [Outlook for iOS](#)

From: Skalny, Edward <edward.skalny@dntanks.com>
Sent: Tuesday, July 18, 2023 11:16:05 AM
To: Michele Mesi <michele.mesi@vcimentos.com>; Eric Albrecht <eric.albrecht@vcimentos.com>
Cc: Sean Morningstar <sean.morningstar@vcimentos.com>; Stephen Riggi <stephen.riggi@vcimentos.com>; Mario Avarello <mario.avarello@vcimentos.com>
Subject: FW: Derby, NY - Concrete Water Storage Tank Escalation Pricing

EXTERNAL EMAIL / EMAIL EXTERNO / COURRIEL EXTERNE

Sean,

Please see e-mail below regarding escalation pricing for next year construction. Can you confirm 10% increase was discussed for material cost of concrete?

Thanks,
Edward

Edward Skalny
Project Engineer
781-246-1133 Main Office

Drinkwater, David

From: Skalny, Edward
Sent: Tuesday, September 5, 2023 3:42 PM
To: Drinkwater, David
Subject: FW: Re[3]: Derby, NY - Rebar

From: Todd Geartz <todd@gjcontracting.com>
Sent: Monday, August 21, 2023 1:04 PM
To: Skalny, Edward <edward.skalny@dntanks.com>
Cc: Andrew B <andrew@gjcontracting.com>
Subject: Re[3]: Derby, NY - Rebar

This message originated from outside DN Tanks

Good Afternoon Edward,

As per our discussion, here is a summary of what we talked about in regards to pricing escalation due to project delay.

- Two (2) Union Wage Rate increases will now occur from when this project was originally bid (1/31/23) to when the project will be complete.
- Delayed Schedule Implications - Other work will be starting as scheduled in Spring of 2024. This project now being pushed to Spring 2024 creates some unforeseen obstacles in regards to resources available to cover this project as well as increased cost of materials. Per diam will come into play now due to the project delay for a traveling workforce.

I am willing to negotiate the previous pricing increases as follows:

- 20% Increase on Labor
- 10% Material Purchasing

Let me know if you have any questions.

Thanks,

Todd Geartz
G & J Contracting, Inc.
Estimator / Ironworker V.P.
Phone: 585-367-2270
Fax: 585-367-2159

G & J Contracting, Inc. Certifications
MBE Certified Erie County and City of Buffalo
MBE Certified Monroe County
DBE Certified

Drinkwater, David

From: Jeanne Asquith <jasquith@soilstesting.com>
Sent: Monday, July 17, 2023 11:28 AM
To: Skalny, Edward
Subject: Re: Derby, NY - Concrete Water Storage Tank Escalation Pricing

This message originated from outside DN Tanks

Edward:
Yes that is correct.
Thanks, Jeanne

On 07/17/2023 11:20 AM EDT Skalny, Edward <edward.skalny@dntanks.com> wrote:

Jeanne,

We spoke about a month ago regarding the Derby, NY water tank project being pushed to 2024 Spring Construction. At that time, you mentioned that we should expect a 9.5% increase in escalation costs for concrete testing services - can you please confirm this was what you had estimated?

Thanks,
Edward

Edward Skalny
Project Engineer
781-246-1133 Main Office
781-779-5944 Cell
11 Teal Road
Wakefield, MA 01880
www.dntanks.com<<http://www.dntanks.com/>> | Edward.Skalny@DNTanks.com
[cid:image001.png@01D9B8A0.A4660D90]<<https://www.dntanks.com/>>

Disclaimer

The information contained in this communication from the sender is confidential. It is intended solely for use by the recipient and others authorized to receive it. If you are not the recipient, you are hereby notified that any disclosure, copying, distribution or taking action in relation of the contents of this information is strictly prohibited and may be unlawful.

This email has been scanned for viruses and malware, and may have been automatically archived by Mimecast Ltd, an innovator in Software as a Service (SaaS) for business. Providing a safer and more useful place for your human generated data. Specializing in; Security, archiving and compliance. To find out more visit the Mimecast website.

Drinkwater, David

From: Andrew Benchley <abenchley@benchleycrane.com>
Sent: Monday, July 17, 2023 11:32 AM
To: Skalny, Edward
Subject: Re: Derby, NY - Concrete Water Storage Tank Escalation Pricing

This message originated from outside DN Tanks

Yes that is accurate

Thanks,
Andrew M Benchley

On Jul 17, 2023, at 11:24 AM, Skalny, Edward <edward.skalny@dntanks.com> wrote:

Andrew,

We spoke about a month ago regarding the Derby, NY water tank project being pushed to 2024 Spring Construction. At that time, you mentioned that we should expect an increase in hourly rate of \$18/hr, or approximately 2%, as escalation for your crane rentals – can you please confirm this was what you had estimated?

Thanks,
Edward

Edward Skalny

Project Engineer

781-246-1133 Main Office
781-779-5944 Cell
11 Teal Road
Wakefield, MA 01880
www.dntanks.com | Edward.Skalny@DNTanks.com

<image001.png>

Disclaimer