BY FINANCE COMMITTEE

01-R-0366

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE CHANGE ORDER NO. 1 FOR FC-7129-99, CONCOURSE "E" EXPANSION WITH ACI/EGM, INC., A JOINT VENTURE ON BEHALF OF THE DEPARTMENT OF AVIATION IN AN AMOUNT NOT TO EXCEED $3,552,425.00. ALL CONTRACTED WORK SHALL BE CHARGED TO AND PAID FROM FUND, ACCOUNT AND CENTER NUMBER 2H21 573001 R21E01049999.

WHEREAS, the City of Atlanta of Atlanta (CITY") entered into Contract ("Contract") No. FC-7129-99, Concourse "E" Expansion on behalf of the Department of Aviation at Hartsfield Atlanta International Airport; dated April 4, 2000; and

WHEREAS, the Concourse "E" ("Project") at Hartsfield Atlanta International Airport did not include a cost for the complete telecommunications systems design that requires review and approval by various Federal agencies, therefore creating additional cost over and above the allowance for unforeseen conditions in the construction contract; and

WHEREAS, it has been determined that the 2001 summer flight schedule in the international concourse will create an unprecedented demand on the gate availability at Concourse "E"; and

WHEREAS, the deliveries of the new Boeing 777 aircraft and continued expansion of the South American routes will increase the need for aircraft capable gates; and

WHEREAS, this approach for work will require an increase in the number of days for substantial completion by 104 days and will shorten the implementation schedule and deliver the gates by summer 2001 to meet the unprecedented demand; and

WHEREAS, it is desirable and in the best interest of CITY to issue a Change Order No. 1 to the Contract in the amount of $3,552,425 to facilitate completion of the project on schedule; and

WHEREAS, the General Manager of the Department of Aviation and the Director of the Bureau of Purchasing and Real Estate have recommended that Change Order No. 1 for FC-7129-99, Concourse "E" Expansion be executed; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, that the Mayor be and is hereby authorized to enter Change Order No. 1 with ACI/EGM, Inc., A Joint Venture in a not to exceed amount of $3,552,425.00.

BE IT FURTHER RESOLVED, that the Director of the Bureau of Purchasing and Real Estate be and is hereby directed to prepare Change Order No. 1 to the Contract for execution by the Mayor, to be approved by the City Attorney as to form.

BE IT FURTHER RESOLVED, that this agreement shall not become binding on the City and the City shall incur no liability upon same until Change Order No. 1 has been executed by the Mayor and delivered to the contracting party.

BE IT FINALLY RESOLVED, that all contracted work shall be charged to and paid from Fund Account and Center Number: 2H21 573001 R21E01049999.

(BPRE-CRC/02/13/01)

WILLIAM B. HARTSFIELD
ATLANTA INTERNATIONAL AIRPORT

CHANGE ORDER NO. 1
TO
CONTRACT FC-7129-99

CONCOURSE "E" EXPANSION

To: ACI / EGM, A Joint Venture
2690 Cumberland Parkway
Suite 500
Atlanta, GA 30339

A change in the Contract Documents, as described in this Change Order and its Addendum, is agreed to in accordance with the Contract Documents.

A. DESCRIPTION OF CHANGES

1. Incorporate the following scope of work that defines the detailed requirements of the Telecommunications and Special Electrical Systems for the Concourse E Four Gate Expansion project:

   - Public Address System Expansion at the North and South extensions, including the provision and installation of general paging microphone stations, holdroom paging stations, speakers for both departure lounges and third level sterile corridors, replacement of two existing amplifiers and enlarging the microphone switching unit in the Main Communications Room.
   - Security System Expansion to meet US Customs and FAA requirements, including furnishing and installing card readers, magnetic locks, door position sensing switches, CCTV cameras, intercom stations and all associated equipment, including expansion of the existing consoles' capabilities to monitor the new facilities.
   - Flight Information Display Expansion, including LCD displays and airline logo for each holdroom pylon and LED baggage claim assignment displays for arriving passengers.
   - Communication System Expansion, consisting of new telephones at check-in counters and at ramp level on the passenger loading bridges, conduit and wiring for data and telephones, a UPS for each new communications room, and optical fiber connection of the new communications rooms to the main communications room, including patch panel, punch-down blocks, patch cords, and testing.

2. Activate nine (9) existing fuel pits, including the extension of the emergency fuel shut-off system (EFSO), for the four gate expansion of Concourse "E". The scope of work

shall be inclusive of furnishing and installing Carter model fuel hydrants – three (3) at Gate E-2, two at Gates E-1, E-35 and E-36 respectively, plus the installation of four EFSO devices, signage and lights and finally testing and start-up of these systems.

3. Incorporation of additional work that was originally programmed to be bid and awarded under the Concourse "E" Expansion Phase II (Moving Walkways and Gate Reconfiguration) Contract package. The scope of work includes the following elements to be performed under ACI/EGM's existing Contract:

   - Relocation of four (4) existing passenger boarding bridges (PBBs), including rotundas and gate systems (PCA, 400 Hz ground power units). Work involves removal and re-installation of existing PBBs currently at Gates E-15 and E-16 by swapping one with the other and similar work for Gates E-17 and E-18.
   - Re-striping apron markings at all twenty-eight (28) aircraft contact gates at Concourse "E". Apron markings include new lead-in lines, nose stops and gate and aircraft identification marks at each individual gate location.
   - Relocation of existing and the furnishing of new aircraft docking guidance units at all Concourse "E" gates.
   - Installation of eight (8) fuel hydrant pits and valves for Gates E-7, E-11, E-15, E-17, E-18 and E-36. Work will require sawcutting the apron pavement, excavation and installation of new jet fuel laterals, installation of fuel hydrant pits and fuel hydrant valves, backfilling of the new fuel laterals and replacement of aircraft rated concrete pavement, pavement joint sealing and flushing and acceptance testing of the new fueling pits.

B. JUSTIFICATION FOR CHANGE ORDER

1. At the time the design drawings and specifications were issued for bid, the telecommunications systems had not been completely designed due to time constraints imposed during the design phase of the project (8 week design period). The allowance of $595,000 was included in the Contact bid package to cover the costs of all equipment for the Security System, CCTV System, PA System, Intercom System, FIDS, Data System, Telephone System, and UPS System. Additionally, it should be noted that the final design scope is based on all necessary approvals from the Federal agencies, specifically US Customs and the FAA. These special requirements were neither anticipated nor budgeted during the bid package preparation for establishing a contract allowance amount. The known raceways (cable trays, conduits at holdrooms, etc.) to support these systems were included in the design drawings at the time of bid. Upon completion and approval of the design requirements for each specialize system, it was determined that additional conduits, cables and devices were required to support these systems. These additional conduits, cables and specialty equipment represent the majority of the cost difference between the original contract bid allowance and the actual cost estimate received from the contractor.

2. The addition of ramp fueling work is necessary for a complete and fully functional jet contact operation at each of the new gates being constructed under this Contract. DOA's programming of the expansion of jet contact gates at the international concourse was developed as a multi-phased plan, with the physical expansion of the facility tendered as Phase I. Reconfiguration of existing passenger loading bridges, fueling expansion and activation of the inactive fuel hydrants along the existing Concourse "E" jet fuel loop were incorporated as part of a separate bid package being tendered as Phase II. The original scheme required Phase II to be bid and awarded during the early part of ACI/EGM's construction schedule. The work associated with the activation of the existing blank fuel pits at each of the four gates constructed under Phase I would have been completed and ready for use at the completion of ACI/EGM's Contract. Since it is now apparent that the delays experienced with bidding the Phase II package will prevent this ramp fueling work to be completed in time to support the opening of the new gates, ACE recommended that the scope necessary for **only** the new gates be transferred into the existing Phase I Contract work. The inclusion of only a portion of Phase II bid scope that has been identified above will ensure fueling capability at each of the new gates at the completion of this Contract.

3. Reconfiguration of the existing gate systems is necessary for the mixed aircraft (narrow-body and wide body) parking layout that has been planned for the expanded Concourse "E" facility. In order to service both narrow-body and wide body aircraft mix, the various gate systems will require modifications to their current arrangement. In a similar rationale that was made for the inclusion of the reactivation of existing fuel hydrants required for the Phase I gates expansion (item no. 2 above), change ordering the remaining gate reconfiguration scope of work from the Phase II bid package into the existing Phase I contractor's scope will ensure the timely completion of the modifications to Concourse "E" current gate systems. This additional scope is necessary to be performed at this time because of the airlines increased flight schedules, which was not previously anticipated. Because of this, the airlines have requested that we accelerated the gate reconfiguration portion of work in order to meet their increased demand. If not included into the current Phase I Contract scope, airlines schedule changes and aircraft utilization requirements will not be accommodated for this upcoming Spring flight changes. The additional time of performance required to perform the gate reconfiguration work will extend ACI/EGM's Contract completion date to 18 May 2001, an increase of one hundred and four (104) calendar days.

C. COST INFORMATION

1. After start of construction on 10 April 2000, the final design scope of the specialty systems that would meet the requirements of US Customs and FAA were issued to ACI/EGM as a change request (PC) no. 6 under ACE's cover letter no. 19, dated 26 May 2000. Subsequent design and specification changes were transmitted to ACI/EGM on 19 July 2000. Based on the detailed scope definition of PC No. 6, the

contractor's proposal, in the amount of $1,614,541, was transmitted to the construction manager (ACE) on 4 August 2000 under their cover letter no. 49. During a scope and pricing review of the contractor's proposal, ACE determined that the contractor's estimate of the change request was excessive, in comparison to the original allowance budget and also to a fair and reasonable cost estimate that was prepared by the Engineer. Recommendations were made to DOA that alternate firms should be allowed to quote the telecommunication package. Under ACE's cover letter no. 43 dated 8 August 2000, ACI/EGM was advised that their pricing was not accepted and that other avenues for performing this work was being persuade by the Engineer. Later in the month, a firm bid proposal, submitted by Baker Interactive Services, was received by ACE and their quote of $969,162 was determined to be a fair and reasonable estimate of the scope and nature of the changed work. Pursuant to Contract terms that allows inclusion of work performed by outside forces, a lump sum amount of $100,000 was given to ACI/EGM for their administrative, coordination and expediting costs necessary to incorporate the telecommunication scope within the base contract scope and time of completion.

In order to proceed with the procurement of the specialty equipment, in which the majority of the components were determined to have long lead delivery issues, an authorization under the miscellaneous modification allowance and the original telecommunication allowance was prepared and approved by the CM and DOA. The difference between ACI/EGM's authorization and the telecommunication allowance - $474,162 – was taken against the Contract's other allowance line item. Copies of all relevant documentation are attached to this Change Order as Exhibit "A".

Total cost of this item of work **$ 474,162.00**

2. Additional electrical scope items were identified by ACI/EGM after the negotiation of the telecommunication package with Baker was finalized. To confirm the greater security systems requirement of the completed security specialty design with the base bid electrical scope, additional electrical scope – UPS and emergency power feeds to the individual communication room - was added to ACI/EGM's Contract. During coordination meetings between ACI/EGM, their electrical subcontractor and Baker, the requirement of wiring the low voltage power circuits to the controlled exit devices was determined to not be in either contractor's scope of work. Although the actual door hardware is supplied under the base contract, the adjustment and electrical hook-up of the Von Duprin controlled exit devices hardware is needed to ensure an operational and secure access. The Engineer and the security consultant deemed this work would be best performed by the security installer (Baker). The additional scope of work was transmitted to the contractor under ACE's cover letter no. 74 dated 15 September 2000 as PC No. 22. The contractor's cost proposal in the amount of $64,467.00 was transmitted to ACE on 21 November 2000 under their cover letter no. 111. The contractors' quotes were deemed to be a fair and reasonable estimate of the materials and labor required to perform this work. Copies of all relevant documentation are attached to this Change Order as Exhibit "B".

Total cost of this item of work **$ 64,467.00**

3. Baker's proposal for performing the telecommunication package excluded from the estimate all sales taxes associated with the materials purchased under the change directive. To compensate the contractor for the added cost generated by the sales tax at 7% on the materials purchased, an additional $35,345.89 was submitted by Baker to the contractor. ACE accepted the fact that the original bid excluded all necessary sales tax allowance from the overall cost and gave merit to ACI/EGM's claim. Including ACI/EGM's fee of 2.5% (or $884.11), the additional cost increase associated with the telecommunication package is $36,230.00. Copies of all relevant documentation are attached to this Change Order as Exhibit "C".

Total cost of this item of work **$ 36,230.00**

The original telecommunication allowance specified in Section 1F2 of the Contract was established as an amount of $595,000. This change order increases the original bid allowance amount by **$574,859.00** to a revised allowance amount of **$1,169,859.00**

4. A budgetary estimate not-to-exceed $92,500 was determine to be a reasonable value of work required for the activation of the existing ramp fueling system at the North and South ends of Concourse "E". Recognizing the long lead time for purchasing the specified fuel hydrant assemblies and to ensure this work would be completed by the Contract completion date, ACI/EGM was directed by ACE to immediately place a purchase order for the nine (9) Carter fuel hydrants under ACE's cover letter no. 104 dated 13 December 2000 (attached hereto as Exhibit "D"). Besides the actual cost of the fuel hydrants at approximately $5,000 each, mechanical, electrical, testing requirements and contractor's fees were estimated to arrive at the not-to-exceed amount. A scope and pricing review will be performed upon receipt of the Contractor's detailed cost proposal.

Total cost of this item of work (not-to-exceed) **$ 92,500.00**

The original miscellaneous modification allowance specified in Section 1F1-1 of the Contract was established as $1,250,000. This change order increases the original bid allowance amount by **$92,500.00** to a revised total allowance amount of **$1,342,500.00**

5. A detailed Engineer's estimate of the portion of the Phase II bid scope for only the gate reconfiguration work was determined to be worth $2,652,300. In order to commence immediately upon acceptance of this Change Order, it is requested that a not-to-exceed amount based on the Engineer's estimate be established for the purpose of this Change Order. Detailed scope of work will be transmitted to ACI/EGM as a change notice request under the provisions of their Contract. A scope and pricing review will be performed upon receipt of the Contractor's detailed cost proposal. The time of performance specified in SC-6, paragraph 6.2, for Contract completion of the

Work shall be extended by an additional one hundred and four (104) calendar days. The Contract's revised Contract completion date shall now be **404 calendar days from the Notice to Proceed.**

Total cost of this item of work (not-to-exceed) **$ 2,885,066.00**

Total amount of Contract increase (including all items listed in this Change Order No.1) is $ 3,552,425.00

The adjustment to the contract sum and time extension granted under this Change Order No. 1 constitutes payment of monies and compensation in time in full for the work covered by this Change Order No. 1, including, without limitation, all direct costs, indirect costs, overhead costs, general and administrative expenses, profit and all effects, direct, indirect and consequential, including impacts of the work covered by this Change Order No. 1, including CONTRACTOR, subcontractors, materialmen, vendors, suppliers and other Persons, as well as extended general conditions, that are itemized in Exhibit A attached.

TRANSMITTAL FORM FOR LEGISLATION

TO MAYOR'S OFFICE: ***Greg Pridgeon***

Commissioner's Signature _____ Director's Signature _____

Originating Department DAS/ Purchasing Contact (name) Felicia Strong-Whitaker

Committee(s) of Purview FINANCE Council Deadline 01/29/01

Committee Meeting Date(s) **FINANCE** 02/14/01 Full Council Date **02/19/01**

CAPTION: A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE CHANGE ORDER NO. 1 FOR FC-7129-99, CONCOURSE "E" EXPANSION WITH ACI/EGM, INC., A JOINT VENTURE ON BEHALF OF THE DEPARTMENT OF AVIATION IN AN AMOUNT NOT TO EXCEED $3,552,425.00. ALL CONTRACTED WORK SHALL BE CHARGED TO AND PAID FROM FUND, ACCOUNT AND CENTER NUMBER 2H21 573001 R21E01049999.

BACKGROUND: Extension of Concourse "E", five building bays to the north and four building bays to the south to accommodate two MD-11 aircraft to the north and two to the south. The total area to be constructed is approximately 76,000 sq. ft. Additionally, 400 HZ and pre-conditioned air will be included in this project.

FINANCIAL IMPACT *(if any)*:

Mayor's Staff Only

****

Received by Mayor's Office: _____ (date) Reviewed by: _____ (initials) (date)

Submitted to Council: _____ (date)

Action by Committee: Approved _____ Adversed _____ Held _____ Amended _____

Substitute _____ Referred _____ Other _____