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COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

March 20, 2017

Erie County Legislature
92 Franklin Street – 4th Floor
Buffalo, New York 14202

**RE: Various Highway Maintenance Facilities- 2015- New Salt Storage Buildings
Construction Contingency Fund Increase**

Dear Honorable Members:

On July 30, 2015, your Honorable Body pre-approved award of construction contracts for the Various Highway Maintenance Facilities-2015-New Salt Storage Buildings project, including a construction contingency.

The construction contingency needs to be increased due to the unforeseen contaminated soil conditions incurred during execution of the project at the Clarence Highway Facility and remedial clean-up has been requested by the NYS Department of Environmental Conservation (NYS DEC).

Should your Honorable Body require further information, I encourage you to contact Charles E. Sickler at the Department of Public Works. Thank you for your consideration on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark C. Poloncarz".

Mark. C. Poloncarz, Esq.

Erie County Executive

Dpty CE

cc: Charles E. Sickler, Department of Public Works

MEMORANDUM

To: Honorable Members of the Erie County Legislature
From: Department of Public Works
Re: Various Highway Maintenance Facilities- 2015- New Salt Storage Buildings
Construction Contingency Fund Increase
Date: March 20, 2017

SUMMARY

On July 30, 2015 your Honorable Body approved a resolution to pre-award construction contracts for an amount not to exceed \$925,000.00, including a Construction Contingency Fund. After receiving bids and awarding contracts to the lowest responsible bidder, there was a balance of \$47,418.00 remaining to fund the Construction Contingency Fund. When the excavation work started at the Clarence Highway Facility, contaminated soils were encountered and tested. The results came back greater than acceptable limits per NYS-DEC regulations. On May 12, 2016, the NYS-DEC sent a letter to the County that the contaminated soils must be remediated. On July 28, 2016, your Honorable Body approved a construction contingency increase of \$150,000 to cover the anticipated cost. The contractor's final cost for the Phase 1 remediation is \$217,988.75. The total construction contingency approved is \$197,418.00. There is also a credit of \$13,000.00 due the County and an add of \$2,082.26 on this project resulting in a shortfall of $(\$217,988.75 - \$197,418.00 - 13,000.00 + 2,082.26)$ \$9,653.01.

This resolution is seeking approval for the County Executive to increase the Construction Contingency Fund by \$10,000 to a total of \$207,418.00 for the clean-up cost.

FISCAL IMPLICATIONS

Funds for the project are available from the approved, as adopted, 2015 Capital Budget Project – A.15006- 2015 DPW Environmental Regulatory Compliance (Countywide), Fund 410, Business Area 122.

REASON FOR RECOMMENDATION

If the Construction Contingency fund is not increased, The County will not be able to fully pay the contractor for the remediation cost.

BACKGROUND INFORMATION

The County is replacing the old dilapidated wood salt storage building at the Clarence Highway Facility with a new and larger state-of-the-art salt storage building. When the contractor started excavating for the building foundations, contaminated soils were encountered which must be remediated per NYS-DEC regulations.

CONSEQUENCES OF NEGATIVE ACTION

Since the old wood salt storage building at the Clarence Highway Facility was already demolished, the new salt storage building must be built in order for the County to store salt for use during winter months. If the new salt storage building is not completed the County would not be in compliance with the NYS-DEC regulations for containing salt run off. The public would be at risk for driving on non-salted roads.

STEPS FOLLOWING APPROVAL

Upon Legislative approval, the Construction Contingency fund will be increased.

COMPTROLLER'S OFFICE REVIEW

The proposed legislation has been reviewed by the Comptroller's Office and is related to an authorized capital project for which there are sufficient appropriations for the action proposed.

GREGORY GACH

Deputy Comptroller

Comptroller's Office

A RESOLUTION SUBMITTED BY:
DEPARTMENT OF PUBLIC WORKS

RE: Various Highway Maintenance Facilities- 2015- New Salt Storage Buildings
Construction Contingency Fund Increase

WHEREAS, last year construction contracts were authorized by your Honorable Body for the Various Highway Maintenance Facilities-2015-New Salt Storage Buildings project; and

WHEREAS, when the contractor started excavating for the foundations and contaminated soils were encountered which must be remediated per NYS-DEC regulations; and

WHEREAS, the Construction Contingency must be increased to fund additional work.

NOW, THEREFORE, BE IT

RESOLVED, that the County Executive is authorized to increase the current construction contingency fund by \$10,000.00 to a total of \$207,418.00; and be it further

RESOLVED, that deduct change orders will result in these funds being returned to the Construction Contingency Fund; and be it further

RESOLVED, that Contract Amendments will be negotiated and issued to the previously approved contractors on site to complete the additional work; and be it further

RESOLVED, that the Comptroller's office be authorized to make payment for all the above from SAP Project A.15006-2015-DPW Environmental Regulatory Compliance (Countywide), Fund 410, Business Area 122, for a total amount not to exceed \$10,000.00; and be it further

RESOLVED, that two certified copies of this resolution be sent to the Department of Public Works, Commissioner's Office, and one copy each to the Office of the County Executive, the Division of Budget and Management, and the Office of the Comptroller.

TO: GREGORY GACH, COMPTROLLER'S OFFICE

PROPOSED RESOLUTIONS REQUIRING RULE 55

CONTRACT APPROVAL CHECKLIST

CONFIRMATION OF AVAILABILITY OF FUNDS IN CAPITAL PROJECTS

REQUESTING DEPARTMENT

COMPLETE ITEMS 1 THROUGH 5

- | | | |
|----|--------------------|--|
| 1. | CONTRACTOR'S NAME | <u>On-site Contractors</u> |
| 2. | AMOUNT OF CONTRACT | <u>\$10,000.00</u> |
| 3. | PROJECT NUMBER | <u>A.15006</u> |
| 4. | PROJECT TITLE | Various Highway Maintenance Facilities- 2015-
New Salt Storage Buildings-Construction
<u>Contingency Fund Increase</u> |
| 5. | DEPARTMENT CONTACT | Funding questions: Jeffrey P. Zack #8824
<u>Letter pickup: Diane Bukowski at 8301</u> |

COMPTROLLER'S OFFICE

COMPLETE ITEMS 6 AND 7

- | | | |
|----|-----------------------|-----------|
| 6. | AVAILABILITY OF FUNDS | <u>\$</u> |
| 7. | PERFORMED BY | <u></u> |

Date sent to Comptroller's Office: March 6, 2017

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