

ORDINANCE 2019-01-31-0104

**APPROVING A CHANGE ORDER IN THE AMOUNT OF \$169,682.32 TO INCREASE A CONSTRUCTION CONTRACT WITH J3 COMPANY LLC TO \$9,501,369.87 FOR THE RUNWAY 13R REHABILITATION AND TERMINAL AREA TAXIWAY IMPROVEMENTS - PACKAGE 4 AT THE SAN ANTONIO INTERNATIONAL AIRPORT.**

\* \* \* \* \*

**WHEREAS**, the City regularly coordinates with the Federal Aviation Administration for continued Airport Improvement Program funding for eligible projects at the airport; and

**WHEREAS**, the Runway 13R Rehabilitation and Terminal Area Taxiway Improvements - Package 4 has been part of an AIP project since October 13, 2016; and

**WHEREAS**, after completion of the project in late 2018, J3 and the City began negotiations on a number of items that J3 identified, including core drilling for modification of centerline light cans and project delays; and

**WHEREAS**, through Aviation Department executive-level negotiations the parties have agreed to resolve the matter for \$169,682.32, increasing the total contract value from \$ 9,331,687.55 to \$9,501,369.87; and

**WHEREAS**, it is now necessary to execute a change order using previously appropriated funds from the available project contingency; **NOW THEREFORE**,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The City Manager or her designee is authorized to execute the change order with J3 Company, LLC in the amount of \$169,682.32, as set out in **Exhibit 1**.

**SECTION 2.** Payment in the amount of \$54,682.32 in SAP Fund 51099000, Airport Capital Project, SAP Project Definition 33-00178, Runway 13R Rehabilitation, is authorized to be encumbered and made payable J3 Company LLC, to resolve claims related to construction services.

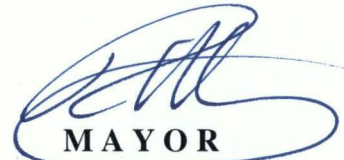
**SECTION 3.** Payment in the amount of \$115,000.00 in SAP Fund 51099000, Airport Capital Project, SAP Project Definition 33-00193, Terminal Area Taxiways, is authorized to be encumbered and made payable J3 Company LLC, to resolve claims related to construction services.

**SECTION 4.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS

Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

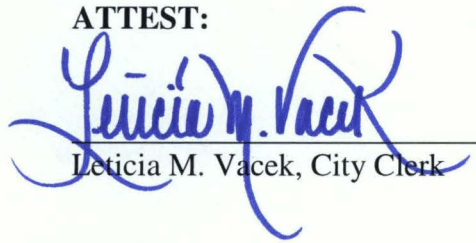
**SECTION 5.** This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

*PASSED and APPROVED this 31<sup>st</sup> day of January, 2019.*



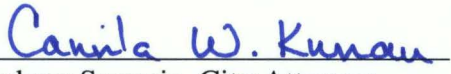
**MAYOR**  
Ron Nirenberg

**ATTEST:**



Leticia M. Vacek, City Clerk

**APPROVED AS TO FORM:**

for   
Andrew Segovia, City Attorney

<b>Agenda Item:</b>	15 ( in consent vote: 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21 )						
<b>Date:</b>	01/31/2019						
<b>Time:</b>	09:57:54 AM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	Ordinance approving a change order in an amount not to exceed \$169,682.32 to a construction contract with J3 Company LLC for Runway 13R Rehabilitation and Terminal Area Taxiways Improvements - Package 4 at the San Antonio International Airport. The funding for the change order is from both a FY 2019 - FY 2024 Capital Improvement Program funded project and from previously appropriated funding. [Carlos Contreras, Assistant City Manager; Russell Handy, Director, Aviation]						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x			x	
Art A. Hall	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8		x				
John Courage	District 9		x				
Clayton H. Perry	District 10		x				

MAT  
01/31/19  
Item No. 15

**EXHIBIT 1—CHANGE ORDER**





**CITY OF SAN ANTONIO  
AVIATION DEPARTMENT  
FIELD ALTERATION / CHANGE ORDER REQUEST**

Form PW-15-Aviation  
Rev 5/2013  
(Submit 3 Originals)

Date Prepared 12/18/2018 Field Alteration No 17 Project No 33-00178 & 33-00193

Project Name Runway 12R-30L Electrical Improvements and Terminal Area Taxiway Improvements - Package 4

The revision or amendment described below is to the work originally or previously specified in the contract documents. This notification is hereby requested, including all changes in costs and time. (Describe work to be added or deleted, including SAP Material number. Attach a revised plan sheet affected or drawings.)

This Change Order includes the settlement of outstanding Claims between J3 Company, LLC and the City of San Antonio for the Package 4 Project. The Claims to be settled or dismissed include the Base Bid Item 38 Credit Claim, Misaligned Saw Cuts Claim, Photometric Testing Claim, and the Removed Runway Centerline Light Cans Claim. Through Senior Level Negotiations, the total amount of \$169,682.32 was agreed upon as follows.

Bid Item 38 Credit: **\$54,682.32**  
 Misaligned Saw Cuts **Claim Dismissed**  
 Photometric Testing **Claim Dismissed**  
 Removed Centerline Cans **Claim Dismissed**  
**\$115,000.00** to be paid to J3 Company, LLC for delays prior to the start of Alternate 3 Work. This change adds twenty-three (23) compensable days at a daily rate of \$5,000.00

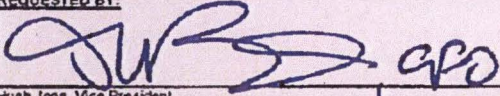
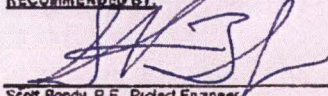
This Change Order resolves all Claims and includes resolution of all Liquidated Damages for Package 4

Justification for Proposed Alteration (Describe in detail why this work is to be added or deleted. Use attachments if necessary.)

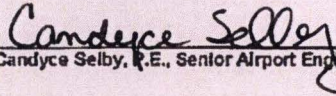
Throughout the Project, the Claims listed above were not successfully negotiated between the Engineer and the Contractor. The Dispute Resolution process as described in Section 4.4 of the General Conditions was followed to the Senior Level Negotiations. A meeting was held with the Contractor, Engineer, and the Airport on November 5, 2018 to discuss and attempt to resolve the Claims. After correspondence where further negotiation took place, a final settlement of \$169,682.32 was agreed upon by all parties as settlement in full for all outstanding and potential Claims related to the Package 4 project.

Field Alteration will result in change to Contract Days as  
 (To be negotiated by the Contractor and the City.)

<input checked="" type="checkbox"/> Increase	<input type="checkbox"/> Decrease	\$	<u>169,682.32</u>
<input checked="" type="checkbox"/> Working Days	<input type="checkbox"/> Calendar Days	# Days	<u>23</u>

<b>REQUESTED BY:</b>  Hugh Jans, Vice President J3 Company LLC	Date <u>12-18-18</u>	<b>RECOMMENDED BY:</b>  Scott Bondy, P.E., Project Engineer Kimley-Horn and Associates, Inc.	Date <u>12-18-18</u>
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**AVIATION DEPARTMENT APPROVALS**

<b>RECOMMENDED FOR APPROVAL BY:</b>  Candace Selby, P.E., Senior Airport Engineer	Date <u>12/19/18</u>	<b>APPROVED BY:</b> Dennis Fiemeyer, P.E., PMP, Capital Programs Manager	Date
Loyce D. Clark, Chief Asset and Planning Officer	Date	Russell J. Handy, Aviation Director	Date

This Field Alteration Amount: **\$ 169,682.32**  
 Total Original Contract: **\$ 9,216,350.00**

<u>Approved Contingency Base Bid &amp; Alt 1</u>	<u>Alternate 2 and 3</u>	<u>Summary</u>
WBS Element: 33-00178-05-03	33-00193-05-03	
Approved Contingency Amount: \$ <u>756,631.17</u>	\$ <u>364,947.57</u>	\$ <u>1,121,578.74</u>
Previous Field Alterations using CONTINGENCY: \$ <u>95,770.60</u>	\$ <u>19,566.95</u>	\$ <u>115,337.55</u>
This Field Alteration: \$ <u>54,682.32</u>	\$ <u>115,000.00</u>	\$ <u>169,682.32</u>
Field Alterations to date using Contingency: \$ <u>150,452.92</u>	\$ <u>134,566.95</u>	\$ <u>285,019.87</u>
Balance: \$ <u>606,178.25</u>	\$ <u>230,380.62</u>	\$ <u>836,558.87</u>

Field Alterations to date using Contingency: \$ 285,019.87

**REVISED CONTRACT VALUE: \$ 9,501,369.87**

Percent of Original Contract: 3.09%

(Contract Value will only change if "Contingency" is utilized. Revised Contract Value can not exceed 25% of Original Contract.)

Vendor #: 1038714 Original Ordinance #: 2016-10-13-0768 This FA Ordinance #: NA  
 Purchase Requisition #: 1000143409 Contract #: 4600015837 Purchase Order #: 4500410978

NOTE: This form is a local government record and shall be retained in accordance with the provisions of the Local Government Code, Section 201.



**CONTRACT SUMMARY**

<i>AIP Grant No.</i>	<i>AIP 86-16</i>	<i>AIP 84-16</i>	<i>AIP 84-16</i>	<i>AIP 83-16</i>	<i>AIP 83-16</i>	
	<b>Base Bid Elec</b>	<b>Base Bid TW J</b>	<b>Alternate 1</b>	<b>Alternate 2</b>	<b>Alternate 3</b>	<b>Total</b>
Original Contract	\$2,763,370.00	\$1,545,725.00	\$1,320,500.00	\$834,535.00	\$2,752,220.00	\$9,216,350.00
Field Alteration 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00
Field Alteration 2	\$ 7,000.00	\$ -	\$ -	\$ -	\$ -	\$7,000.00
Field Alteration 3	\$ -	\$ (9,956.40)	\$ (12,879.60)	\$ (7,011.60)	\$ (22,976.40)	(\$52,824.00)
Field Alteration 4	\$ -	\$ 44,400.00	\$ -	\$ -	\$ -	\$44,400.00
Field Alteration 5	\$ -	\$ -	\$ -	\$ 1,785.82	\$ -	\$1,785.82
Field Alteration 6	\$ -	\$ -	\$ -	\$ 18,728.40	\$ -	\$18,728.40
Field Alteration 7	\$ 46,608.50	\$ -	\$ -	\$ -	\$ -	\$46,608.50
Field Alteration 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00
Field Alteration 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00
Field Alteration 10	\$ -	\$ 10,959.10	\$ 9,639.00	\$ -	\$ -	\$20,598.10
Field Alteration 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00
Field Alteration 12	\$ -	\$ -	\$ -	\$ 9,492.15	\$ -	\$9,492.15
Field Alteration 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00
Field Alteration 14	\$ -	\$ -	\$ -	\$ -	\$ (5,844.00)	(\$5,844.00)
Field Alteration 15	\$ -	\$ -	\$ -	\$ -	\$ 1,350.00	\$1,350.00
Field Alteration 16	\$ -	\$ -	\$ -	\$ -	\$ 24,042.58	\$24,042.58
Field Alteration 17	\$ 54,682.32	\$ -	\$ -	\$ -	\$ 115,000.00	\$169,682.32
<b>Revised Contract Value</b>	<b>\$ 2,871,660.82</b>	<b>\$ 1,591,127.70</b>	<b>\$ 1,317,259.40</b>	<b>\$ 857,529.77</b>	<b>\$ 2,863,792.18</b>	<b>\$9,501,369.87</b>

**Approved Contingency**

<i>WBS Element</i>	<i>33-00178-05-03</i>	<i>33-00178-05-03</i>	<i>33-00178-05-03</i>	<i>33-00193-05-03</i>	<i>33-00193-05-03</i>	<b>Total</b>
Approved Contingency Amount:	\$ 276,644.47	\$ 219,478.46	\$ 260,508.24	\$ 85,798.96	\$ 279,148.61	\$ 1,121,578.74
Previous Field Alterations using <b>Contingency</b> :	\$ 53,608.50	\$ 45,402.70	\$ (3,240.60)	\$ 22,994.77	\$ (3,427.82)	\$ 115,337.55
This Field Alteration:	\$ 54,682.32	\$ -	\$ -	\$ -	\$ 115,000.00	\$ 169,682.32
Field Alterations to date using <b>Contingency</b> :	\$ 108,290.82	\$ 45,402.70	\$ (3,240.60)	\$ 22,994.77	\$ 111,572.18	\$ 285,019.87
Balance:	\$ 168,353.65	\$ 174,075.76	\$ 263,748.84	\$ 62,804.19	\$ 167,576.43	\$ 836,558.87

**Non-AIP Eligible Field Alterations**

	<b>Base Bid Elec</b>	<b>Base Bid TW J</b>	<b>Alternate 1</b>	<b>Alternate 2</b>	<b>Alternate 3</b>	<b>Total</b>
Field Alteration 5	\$ -	\$ -	\$ -	\$ 1,785.82	\$ -	\$1,785.82
Field Alteration 12	\$ -	\$ -	\$ -	\$ 9,492.15	\$ -	\$9,492.15