



MEMO

TO: President Mellon and Members of Council

FROM: Dustin Anderson, Town Manager

SUBJECT: 45th Street Grade Separation and Intersection Realignment Change Order

DATE: March 16, 2020

Background

During the construction of the shoo-fly for the CN Railroad, the project encountered two delays. The first occurred as fiber optic utilities were being relocated out of the previous track alignment and construction limits of the underpass. When any firm works in the CN right-of-way (ROW) they must apply for a permit. That permit specifies the times and days and conditions under which that the work may occur. A contractor working to move one of the fiber bundles arrived on site on the correct day and time. However, they began working before the prescribed time. When the CN safety officer found them, they were ran off the job. Additionally, their permit was revoked, they had to attend mandatory safety training at the CN's office in Homewood, and finally had to re-apply for their permit. Walsh has a pending change order requesting additional time and funding.

The second delay was a result of a long review for the plans to construct a temporary earth restraining system (TERS) wall. The TERS wall is constructed on the north side of the shoo fly and holds up the ground for the rail as Walsh excavates the underpass. The proper construction of this wall is essential to the safety of rail operations. CN required their engineering review sign-off prior to construction. This review took 57 days. Because this was longer than Walsh expected, they filed a change order to be awarded additional time and funding. While the contract stated that there were to be no time constraints on the CN review and the builder should build that risk into their bid, INDOT persisted in awarding the contractor additional time.

These two delays and their respective change orders present a threat to the timeline of the project.

Methodology

INDOT and the Town of Munster agree that there are acceleration costs associated with completing the work by the November intermediate completion date. From conversations with Walsh, the original schedule was based on a 40-hour work week. Weekly costs shall be forecasted each week prior to commencing any work. A change order will be created for acceleration costs up to \$275,000.00 and may be extended following approval by INDOT and the Town of Munster.

All parties agree that the adoption of the acceleration change order will allow the project to overcome the known delays associated with the TERS wall and the utility relocation. All parties share the goal of completing the project ahead of the contract documents (November 2020). However, INDOT regulations mandate that acceleration may only be enforceable to the contract documents (Summer 2021).

The total cost of acceleration is not to exceed \$275,000. This is a 1.34% increase in the total project cost. If adopted, total change orders to date will be \$507,082 or 2.47%.

This change order has been reviewed and approved by our construction engineering firm DLZ as well as INDOT.

Recommendation

Approve Change Order No. 005 for INDOT Contract B-36229