

Report to the City Council pursuant to LL 18 of 2012

Reporting Period: FY13 Q1 (7/1/2012 to 9/30/2012)

From: Mayor's Office of Contract Services

Please find in "Section B" information on contracts required to be reported under Section B of LL 18 per the following criteria:

- * Contracts registered with a maximum contract value of more than \$10M,
- * Connected with the capital budget,
- * Having a contract modification registered in the reporting period,
- * Current maximum contract value exceeds the maximum value from the time of registration by 20% or more.

Please find in "Section C" information on contracts required to be reported under Section C of LL 18 per the following criteria:

- * Contracts registered with a maximum contract value of more than \$10M,
- * Connected with the capital budget,
- * Maximum contract value exceeded the original by 20% or more as of 6/30/2012,
- * Having a contract modification registered in the reporting period,
- * Current maximum contract value exceeds the 6/30/2012 value by 10% or more.

Section B

AGENCY	CONTRACT ID	DESCRIPTION	VENDOR NAME	START DATE	END DATE	REG. DATE	ORIG. START DATE	ORIG. END DATE	ORIG. VALUE	MAX CONTRACT AMOUNT	% INCREASE SINCE REGISTRATION	Why did the maximum contract value increase more than 20% from the original value?
DCAS	CT185620070002908	ENERGY EFFICIENCY-CLEAN ENERGY TECHNOLOGY PROGRAM	NEW YORK POWER AUTHORITY	18-Mar-05	31-Dec-17	04-Aug-06	18-Mar-05	31-Dec-17	\$646,000,000.00	\$1,064,805,000.00	64%	When the contract was being negotiated many legal mandates had not yet been enacted that require the City to reduce greenhouse gas emissions (GHG) from its operations by 30% in ten years (Executive Order 109 of 2007 and Local Law 22 of 2007)and to implement building energy audits, retro-commissioning, and retrofits. Since building-related GHG emissions account for 64% of the City's total, the audit and retrofit program implemented through the NYPA agreement is key piece to achieving this 30% reduction target. In addition, Local Law 87 of 2009, requires reasonable capital improvements to the building's base building systems that are recommended in the building's energy audit to be completed. These laws have required DCAS to significantly ramp up its audit and retrofit program to meet the 30% reduction target. The original NYPA ENCORE II agreement did not factor in such a drastic increase in the number or scope of City audit and retrofit projects.
DOHMH	CT181620070030740	ELECTRONIC HEALTH RECORD SYSTEM	ECLINICALWORKS, LLC	01-Jan-07	31-Dec-10	16-Mar-07	01-Jan-07	31-Dec-10	\$19,770,752.00	\$27,217,333.00	37%	This initial contract was for the development and implementation of an electronic health record, and included a specified number of licenses. At the time Electronic Health Records were geared toward the medical community and the contract allowed for licenses for medical providers on Riker's Island and in the community. The number of community licenses was dictated by the budget – not by the need in the community. The 2nd amendment, which accounted for 92% of the increase, changed the contract amount due to authorized additional work. It allowed DOHMH to add licenses, maintenance and support for additional providers; thus increasing the number of providers in the City using the Electronic Health Record. DOHMH was able to add licenses for additional Health providers in the community, as DOHMH received two grants to expand the number of community providers utilizing the EHR. In addition, after the initial implementation to health providers on Riker's Island, DOHMH decided it would improve patient care if mental health providers also used the system. Therefore, additional licenses were purchased for these providers as well.
DEP	CT182620000015221	Reconstruct Kensico South Effluent Chamber & Catskill Screen	SKANSKA MECHANICAL AND STRUCTURAL INC	22-Dec-99	31-Dec-07	08-Dec-99	20-Dec-99	16-Jun-04	\$22,483,000.00	\$31,140,053.68	38%	Major change orders to reflect field conditions were issued during the course of construction. During design the inspection of the equipment in the forebay area was limited because of the need for Shaft 18 to be online. The equipment in the forebay was in worse shape than anticipated. All the thimbles needed to be changed instead of repaired. The cost for this change alone was \$7,192,429.70. During construction, existing damage in Gate well 15 required additional work to be performed by the contractor. This included removal and replacement of the of the stop shutter guides. This Change cost \$1,270,867.00. The specified sluice gate operators were underpowered and needed to be larger to perform the work intended. The operators specified would not be able to open the sluice gates if the forebay was empty. Therefore larger operators were ordered and the change cost \$967,428.11.
DEP	CT182620070040570	Tunnel Shaft Rehabilitation Project Rondout West BranchTunl	SCHIAVONE/PICONE/FRON TIER- KEMPER JOINT VENTURE	30-Jul-07	09-Dec-13	16-Jul-07	25-Jul-07	25-Jul-12	\$239,508,150.00	\$287,601,697.79	20%	The bulk of the cost increases is related to dive work. Divers will not enter the water if significant pressure differential exists between the work at the bottom of Shaft 6 and an active Rondout-West Branch Tunnel on the other side. Therefore the tunnel must be shut down and pressure blown off for the divers to perform work. Contract Document permits tunnel shutdown between Oct 15 to June 1. However after the project started, Operations Bureau policy change reduced the duration of potential shutdown window (Oct 15 to January), thus requiring the work to be re-planned and performed in multiple shorter segments, resulting in several diver mobilization / demobilization costs. In addition several diving seasons were cancelled due to water quality issues in the Catskill watershed (algae bloom, turbidity), which precluded this tunnel from being shut down. Dive related change orders amounted to \$35 million. The only existing pressure boundary between Shaft 6 and the Rondout-West Branch Tunnel is a bronze door at the bottom of the shaft. An item of contract work is to assist the Engineer in the investigation of the condition of this bronze door. As data from the investigation was unable to confirm the continued good condition of the existing bonze door into the future, it was decided to install a bulkhead to back up the bronze door. The procurement of the bulkhead amounted to \$3½ million.

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DEP	CT182620080020242	CROTON WATER TREATMENT PLANT PLUMING CONTRACT	PICONE-WDF JV	31-Dec-07	31-Mar-13	28-Dec-07	20-Jan-08	20-Sep-12	\$58,475,000.00	\$73,062,133.58	24%	<p>The CRO-312P original contract value was \$58,475,000.</p> <p>To date, approximately 98 change orders have been identified. These change orders fall into three major categories:</p> <ol style="list-style-type: none"> 1. 8 change orders related to above grade architectural work valued at \$2,349,724.89. These change orders were required as a result of the City's decision to hire an Architect (Grimshaw) to design the architectural and landscaping on the surface of the plant after the CRO-312P contract was bid. 2. 19 Fire Protection related change orders valued at \$7,253,976.37. These change orders were required to comply with the 2008 NYC Fire Code issued after the contract was bid. Also, requests by FDNY for full coverage of all areas required change orders. Additionally, design omissions including the fact that seismic joints were not specified in the base contract at the underground plant expansion joints required change orders. 3. 71 miscellaneous change orders valued at approximately \$5,722,547.68. These changes orders included modifications to piping systems in the plant, drains, insulation, compressed air system, hot water system, natural gas system, sump pumps and panels. <p>The current CRO-312P contract value including base contract, registered change orders, change orders negotiated and not registered, and an estimated value for change orders pending negotiation (8) is \$73,801,248.94.</p>
DEP	CT18269568638	FINAL DESIGN COMBINED SEWER OVERFLOW ABATEMENT FACILITY WP16	HAZEN & SAWYER	15-Feb-95	14-Oct-12	10-Feb-95	28-Feb-95	28-Oct-02	\$19,058,354.00	\$36,980,987.00	94%	<p>February 15, 1995. Contract completion was scheduled for October 14, 2002. The original length of the contract was 2,798 consecutive calendar days or 92 months. The contract duration and cost was determined based on the NYSDEC CSO Order on Consent R2-3351-90-12 dated 6/24/92, which stipulated construction completion of the Paerdegat CSO Facility in July 2001.</p> <p>Due to circumstances beyond the Department's control, the final design and the project construction were delayed beyond July 2001 consent order date. The Department renegotiated the Consent Order and the new construction completion milestone was set for August 2011, subsequently re-negotiated to May 2011. Many factors contributed to this extraordinary time extension such as re-bidding of Paerdegat Pumping Station contract PS-159, 2-year delay in award of construction contract CSO-4A, default of CSO-4B contractor and subsequent construction delay to contract CSO-5. The Consultant continued to provide engineering services throughout the entire time since inception of the project assisting DEP in addressing the above delays and in re-negotiation of the consent order. The Department met the Consent Order date by putting CSO facility on line on March 29, 2011.</p>
DDC	CT185020030012929	THE FIRE PROGRAM UNIT	LIRO PROGRAM & CONSTRUCTION MANAGEMENT, PC	2-May-03	30-Apr-07	23-Apr-03	3-Jan-03	3-Jan-06	\$50,000,000.00	\$108,198,403.22	116%	<p>This contract was registered in 2003, and later extended to 2006. It is a requirements contract (if and when needed) which by its very nature allowed the agency to extend its terms, and increase the original amount to accommodate additional work in the form of task orders, not change orders.</p> <p>Due to the heavy construction workload, immediate need to renovate some of the most critical FDNY facilities well over 100-years old, FDNY's preference and directive to use the CM/Build method for an expedited construction, was fully justified. This contract was widely and exclusively used for the FDNY work. This was the only requirements contract available for the Fire Unit at the time. Because procurement of a new contract would take a significant amount of time, and because Liro's familiarity and experience with the FDNY, the contract was deemed the right vehicle to get the tremendous amount work done right and in time; hence, capacity increase of over 200% was needed.</p> <p>Also it is to be noted that the increased capacity was not used entirely for new projects. It involved several small renovation projects along with a \$12M renovation to FDNY's repair and maintenance facility in Maspeth; the building was in immediate need of renovation due to its age and other structural issues. Liro's contract was not only used for the base contract work but was also used for all the change orders due to added scope of work by</p>

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DDC	CT185020050016107	ARDC/RMSC 200/800 BED ADDITION AT RIKERS ISLAND	URS CORPORATION-NEW YORK	16-Oct-02	31-Dec-11	4-Nov-04	18-Aug-02	30-Mar-07	\$114,330,244.80	\$144,308,324.43	26%	Additional scope was added to the project for temporary clinic, nursery and phasing costs. This was compounded by DOC being unable to provide the areas for work in a timely manner because of bedloss issues. Renovations at the existing medical suite and the existing religious/social services areas resulted in numerous minor scope changes. We encountered a number of unforeseen conditions, especially deterioration including clogged and broken sewer lines, roof beams requiring reinforcement to support new loads, leaking roofs. The cost is spread over a multitude of small change orders for miscellaneous items resulting from either field conditions, client scope changes and or design omissions. A revised layout of the law library resulted in >\$100,000 in change orders, additional Telephone closets, security items and such minor pieces as plumbing mixing valves cost >\$150,000 resulted in the overall increase in construction cost. The accompanying delay in turnover because of bedloss resulted in higher costs for the Construction Manager.
DDC	CT185020090034646	Installation of Water Mains and Appurtenances in Astor Pla	JLI IV ENTERPRISES INC.	3-Aug-09	11-Nov-12	26-Jun-09	15-Jun-09	14-Jun-11	\$10,784,669.00	\$13,011,447.24	20%	The excess was due to various field conditions including the relocation of existing sewers, additional 20" steel main, blow-off valve boxes for DEP, additional traffic enforcement agents, and overruns (several items were needed and ordered in quantities exceeding the original estimates.) These increases resulted from the client agency's (DEP) requests for additional work in front of their shaft. Also, location of subway tunnels required a change in design and additional piping.
DDC	CT185020101415379	RECONSTRUCTION OF CHAMBERS STREET, MANHATTAN	JUDLAU CONTRACTING INC	14-Jul-10	27-Jun-13	14-Jul-10	7-Jun-10	21-May-13	\$24,471,287.01	\$29,997,805.97	22%	The increase was due mainly to: 1) Overrun #0001 (an overrun is an increase to original estimated quantities) for additional Traffic Enforcement Agents with a supplemental funding of \$4.3 million. The impact on traffic in the area was inevitable due to this development, combined with other major street reconstruction projects such as Church Street and Broadway. 2) For this reason, NYCDOT determined that this reconstruction project should use extended work hours both during the week and on weekends, and therefore Change Order #0002 was a necessity, an allowance for extended work hours; 3) also, Change Order #0003 (ECS/Verizon) supplemental funding of \$1 million provided by private utility ECS for work performed during extended work hours.
DDC	CT185020111403481	CM/DESIGN/BUILD FOR REMOVAL/UPGRADE/REPLACEMENT OF TANKS	LIRO ENGINEERS INC	12-Oct-10	10-Oct-13	12-Oct-10	7-Sep-10	5-Sep-13	\$15,000,000.00	\$18,938,822.00	26%	The contract covers city-owned underground petroleum storage tanks. A 1994 NYS Consent Order obligates the City to bring all tanks into compliance with federal, state and local regulations. The original contract amount of \$15 million was based on a preliminary list of tanks, which was essentially an estimate based on an initial site investigation. As a result of tank tightness failure tests subsequently performed by client agencies, the city is obligated to decommission, upgrade or replace the leaking tank. The preliminary list under the contract was therefore expanded, and as a result the contract was increased by \$18 million to cover additional non-compliant sites to the contract, thus changing the original scope of the contract.
DDC	CT185020121401714	Manhattan Community Districts 1/2/5 Garage	DEMATTEIS/DARCON, JOINT VENTURE	17-Dec-10	20-Mar-14	16-Aug-11	17-Dec-10	31-Aug-11	\$133,639,000.00	\$171,188,310.46	28%	This contract was reassigned from Sanitation to DDC. The increase to the contract value was not an increase to the project budget; instead, it was due to the timing in transferring the remaining portion of the money in two installments from the original contract with Sanitation. The original contract was held by DSNY in the amount of \$194.5M (approx). DSNY kicked off construction 12/17/10 and then in May 2011 the project was transferred to DDC. First we received \$133M(approx) in August 2011 and then we recently received \$36M(approx). DSNY processed approximately \$24M in payments to the contractor.
DDC	CT185020111429236	Reconstruction of Collapsed defected Storm, Sanitary Sewers,	DELANEY ASSOCIATES LP	1-Apr-11	30-Jun-12	17-Mar-11	7-Mar-11	6-Mar-12	\$14,000,000.00	\$25,352,118.00	81%	The contract in question is a "where and when" contract for emergency sewer repairs on a time and materials basis. The increase in contract maximum value was necessary to respond to and repair a condition with a significant concern for life safety and protection of public and private property (including at least 2 multi story buildings which would have collapsed had we failed to act), along with an emergency sewer condition that had the potential for public health and clean water act implications had we not responded. This contract is an annual contract and the successor contract was delayed in registration, making the Delaney contract the only tool available to address this issue. The degree of complexity, including the need for large diameter bypass pumping and excavations in excess of 75 ft deep, made the cost of the added project significant.

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DOT	CT184120040006249	REHAB: METROPOLITAN AVE BRIDGE OVER ENGLISH KILLS - BROOKLYN	KIEWIT CONSTRUCTORS INC	12-Oct-03	25-Feb-08	03-Oct-03	12-Oct-03	11-Jul-07	\$30,661,343.00	\$41,903,618.71	36%	Metropolitan Avenue Bridge is a double leaf draw bridge with a span of 33.8 meter. The bridge carries a four lane two way vehicular roadway with sidewalks on either side serving the Williamsburg section of Brooklyn. The contract was registered with the original scope to rehabilitate the existing bridge elements and did not envision many preventive maintenance provisions that were incorporated in the contract as additional work, in the best interest of the City. Compliance with new standards was required in the installation of LED type lights and sidewalk widening; unforeseen field conditions such as existing pier wall concrete repair and, rack turn bolt replacement in the machinery room, resulted in overrun of quantities of several bid items and inclusion of various extra work items in the contract; Winter weather concreting procedures had to be implemented, as an acceleration measure, resulting in additional cost; several re-design actions were taken to meet the current standards in the civil, electrical and mechanical sections of the bridge. There were total of thirty six (36) Change Orders, processed and registered resulting in an additional cost of \$11.24M to the project.

Section C

AGENCY	CONTRACT ID	DESCRIPTION	VENDOR NAME	START DATE	END DATE	REG. DATE	ORIG. START DATE	ORIG. END DATE	ORIG. VALUE	AMOUNT AS OF 6/30/2012	CURRENT MAX CONTRACT AMOUNT	% INCREASE	Why did the maximum contract value increase by more than 10% in this quarter?
DSBS	CTA180120100018543	Willets Point Infrastructure Rereg (19060044)	NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION	01-Jul-09	31-Dec-10	04-Jan-10	11-Sep-09	13-Nov-10	\$10,636,800.00	\$22,296,846.00	\$51,897,077.00	132%	Typically on Construction Management contracts, NYCEDC does not register CM contracts with full project budget. We only register the general conditions which include CM's staff costs, insurance costs, reimbursable expenses and fees. The full project gets registered as each trade involved in the project is awarded. This project's full CP budget is for \$67 Million. The Willets Point construction management contract was originally executed for pre-construction costs in 2009. In 2011 when funding for the construction of the sanitary and storm sewers became available, the original contract was amended for the construction managers general conditions, fee and insurance costs, as well as the subcontractors who would be performing the work. The subcontractors who will be performing the construction work are competitively procured by the construction manager pursuant to the contract, then each subcontractors contract value is registered. So far we have registered \$51,897,077.00. We have not exceeded the full projected budget for this project. CM contracts are never registered with full project budget.
DSBS	CTA180120127204981	Goldwater North 47840001	NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION	01-Feb-12	04-Mar-14	21-Mar-12	01-Feb-12	04-Mar-14	\$42,398,047.06	\$81,899,897.06	\$134,872,851.06	64%	Typically on Construction Management contracts, NYCEDC does not register CM contracts with full project budget. We only register the general conditions which include CM's staff costs, insurance costs, reimbursable expenses and fees. The full project gets registered as each trade involved in the project is awarded. This project has total budget of \$209 M. So far we have registered \$134,872,851.06. The Goldwater North construction manager contract was originally executed for the construction managers general conditions, insurance costs, and fee, subsequent amendments to the base contract added the anticipated construction costs. The subcontractors were then competitively procured and each subcontract value is independently registered as the work in the field progresses. CM contracts are never registered with full project budget.
DEP	CT182620010022403	NEWTOWN CREEK WATER POLLUTION CONTROL FINAL DESIGN PLANT	GREELEY & HANSEN-HAZEN AND SAWYER - MALCOLM PIRNIE, JV	23-Jul-01	30-Jun-15	18-Jul-01	13-Aug-01	13-Aug-11	\$70,995,735.00	\$177,923,343.00	\$203,311,093.00	14%	When the contract was being negotiated the Enhanced Track 3 Facility Plan had not yet been approved by NYSDEC. In 1998, NYCDEP submitted to NYSDEC a Track 3 Facility plan which was rejected. Negotiations were then initiated between NYCDEP and NYSDEC to obtain approval of the Enhanced Track 3 Facility so that the program's capital cost could be reduced by over \$1 billion. Ultimately in 2004, the Enhanced Track 3 Facility Plan was approved. In addition to reducing the capital cost of the program, the Track 3 plan allowed secondary treatment to be achieved two years earlier. The original Engineering agreement did not factor in all of the elements of the finally approved Enhanced Track 3 Facility Plan or the work needed during the five year period it took to obtain NYSDEC approval.