



Ore Dock Pile Splice and Delivery

CHANGE ORDER #001

Project Summary:

The Ore Dock Pile Splice and Delivery (PS&D) Project is supporting the Ore Dock Redevelopment Project in Skagway, AK. The PS&D contract was awarded to Hamilton Construction of Skagway, Alaska and the splice work is being performed in the contractor's yard in Bellingham, Washington. Per project specifications, Hamilton Construction is splicing sections of steel piling into longer sections and delivering them to Skagway where they will be stored until used to construct waterfront structures as part of the Ore Dock Redevelopment. The PS&D contract was awarded separate from the main contract in order to facilitate the Redevelopment project's tight construction schedule.

Scope of Change:

This change order includes two (2) changes:

1. ITEM 1: Proposed Change Order 1, Perform Additional Splices
2. ITEM 2: Proposed Change Order 1, Remove Welding Inspection

ITEM 1 & 2: Proposed Change Order 1, Remove Welding Inspection, Perform Additional Splices

This change was proposed by the engineer in order to reduce the complexity of the Ore Dock Redevelopment project and update the contract documents to reflect the Municipality of Skagway's desire to have the welding inspector subbed to KPFF rather than Hamilton Construction. The scope of the change was to remove the welding inspection line item from the original contract and to ask the contractor to perform additional pile splices prior to delivering the piles to Skagway. The desire for these changes was communicated to the contractor in Proposed Change 001, which was sent via e-mail on April 6th, 2023 and included a table detailing the work requested.

Negotiation Record for Item 1:

Hamilton Construction provided a cost proposal of \$237,302.00 via a letter dated April 13th, 2023. On April 18th, Dan DiIulio, Project Manager for the Ore Dock Project contacted Jeff Hamilton, owner of Hamilton construction to discuss the pricing of the proposed change. Mr. Hamilton stated the additional handling fee was needed to procure a larger spreader bar for lifting the longer pile sections, and because he will need to add an additional barge shipment between Bellingham and Skagway due to the layout of the barge and the size of the newly created piles. He also stated that the increased cost per splice was due to the larger average diameter of the newly added splices which require more material and labor to complete when compared to the smaller average splices ordered in the original contract.



Negotiation Record for Item 2:

Hamilton Construction's April 13th letter did not address the removal of the welding inspection line item. Instead, the Project Manager contacted Mr. Hamilton via text message on April 19th, 2023, and confirmed that he agreed to remove that item and all costs associated with it from the original contract. This change results in a deduction of \$25,075.00 from the original contract value.

Negotiation Record for Contract Schedule:

Mr. Hamilton's letter included a request for additional time but did not specify the length of time requested. The project manager called Mr. Hamilton on April 19th, 2023 to discuss this. During the call Mr. Hamilton requested extending the delivery deadline from June 30th, 2023, to August 30th, 2023. The extension would allow Hamilton Construction to coordinate pile delivery with the contractor selected for the Ore Dock Redevelopment Project and potentially reduce the pile handling requirements and associated costs. Notably, this extension will not affect the schedule of the Ore Dock Redevelopment project.

Cost Impact of this Change:

Item No.	Item	Total Cost
1	Additional Pile Splices	\$237,302.00
2	Remove Welding Inspection	- \$25,075.00
Total		\$ 212,277.00

Schedule Impact of this Change :

Overall, this change order shifts the contractual Completion Dates as follows:

- This contract pushes the contract completion date back two months. While significant, this delay will not affect the schedule of the Ore Dock Redevelopment Project, and may reduce the costs associated with that contract.

Having taken all information available to me into consideration, I believe the contractor's price and schedule proposals are fair and reasonable, and I recommend increasing the contract value by **\$212,277.00** and extending the contract completion date to **August 30th, 2023**.

Dan DiJulio

Dan DiJulio, Construction Project Manager
KPFF Consulting Engineers

19 APR 23

Date



Approval of this Change:

Jeff Hamilton, Owner
Hamilton Construction

Date

Brad Ryan, Manager
Municipality of Skagway

Date