

February 1, 2023

Paul Johnson, Public Works Director
Town of Fraser
PO Box 370
153 Fraser Avenue
Fraser, Colorado 80442
Via email: pjohnson@town.fraser.co.us

**RE: Request for Consideration of Change Order
for Water Efficiency Plan and 10-YR Water CIP Report Projects**

Dear Paul:

In early January 2023 I shared information with the Town that Merrick is over budget on the Water Efficiency Plan (WEP) and the 10-YR Water CIP projects as of December 31, 2022. I indicated that Merrick would follow up with a letter to request a change order, for the Town's consideration. This letter includes the requests for the Water Efficiency Plan and the 10-YR Water CIP.

The original scopes of work did not include or anticipate additional effort spent and we request consideration for a change order or request permission to charge this time as Time and Materials to the existing General Services project account.

The reasons for the overage fall into three main categories:

- Effort on project management
- Complexities of data discovery and analysis
- Identifying SFEs and EQRs

Project Management. Project management tasks such as weekly progress meetings and monthly invoicing were not included in the original scope of work. Merrick initiated the weekly 30-minute progress meeting in April 2022 in part to improve the Merrick team's knowledge of the Town and to improve efficiency with the execution of the three Capital Improvements Projects (Sewer crossing, WEP, and 10-YR Water CIP). These weekly progress meetings turned out to be of great benefit to all as both Merrick and the Town experienced staff transitions and changes.

Starting in September, I developed and included a brief Monthly Report. The report identifies tasks completed during the month and a snapshot of the total contract amount, total amount spent, amount remaining, and the amount of the invoice.

These project management tasks and tools are essential to successful project communications, progress, and completion. They should have been included in the scope but were not. Merrick requests a 50-50 cost sharing of these historical costs because of the mutual benefit derived.

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Data Discovery and Analysis. Merrick spent effort on investigating complexities of the data analysis portion of the work that was not anticipated when the project was scoped. Merrick is grateful for all the data and assistance from Staff to find it, provide it, and help explain it. The water data itself was provided in different formats including digital and PDF that required data-entry time to input into a digital format. The scope identifies monthly water demand data and the Town’s demand data was provided quarterly. The quarterly data needed to be de-accumulated which took more effort than anticipated, revealed several anomalies and errors that required explaining and re-analyzing. Neither Merrick nor the Town knew the effort to obtain and analyze the data would be challenging until we started digging in.

In January 2023, Merrick was provided with copies of the 1998 and 2003 annexation agreements between the Town and Rendez Vous/Grand Park. Discovering these documents 10 months after the project started and on the cusp of submitting the 10-YR Water CIP Report required Merrick to review them to determine if changes would be required to the report. Data discovery affects both Merrick and Town staff and causes us to wonder what other documents might be out there, that we do not know about. The effort to continue to discover documents was not anticipated with the projects were scoped.

Identifying SFE and EQR. When Merrick scoped the projects, no effort was directly included to identify, tabulate, or reconcile SFEs and EQRs. The on-going complexity of coordinating SFE/EQR counts with the Town, HRS and water supply, and reconcile with previous water studies was not anticipated when scoping the project. These numbers are critical to demonstrating that the right amount of water exists in the place that it is needed and legally allowed. Merrick spent effort to attempt to identify, tabulate, and reconcile SFEs and EQRs that we did not anticipate.

The table below shows a summary of the budget status of the two projects and the estimated cost to complete the work. An explanation of the table is provided below.

Project Name	Budget Items			Merrick Costs		Requested Change Order Estimated Cost to Complete			
	Original Budget Total Amount	Amount Remaining as of 12/31/2022	Percent Spent	50% of Historical Project Management Tasks	Overage from 2022	Merrick Costs to Absorb	50% of Historical Project Management Tasks	Remaining Work	Total Cost to Complete
10 YR Water CIP	\$45,000	-\$4,735	111%	\$3,838	\$4,735	\$8,573	\$3,838	\$11,155	\$14,993
Water Efficiency Plan	\$42,000	-\$9,782	123%	\$3,838	\$9,782	\$13,620	\$3,838	\$15,865	\$19,702
Totals						\$22,192			\$34,695

For the 10-YR Water CIP, the original budget amount was \$45,000. At the end of 2022 Merrick experienced an overage of \$4,735 due to the efforts described above. Merrick is able to take responsibility for the overage from 2022. Merrick will share 50% of the historical project management cost bringing Merrick’s costs to \$8,573. The Requested Change Order and Estimated Cost to Complete includes two items:

- The cost for shared project management tasks from 2022 is \$3,838.
- The remaining work to complete the 10-YR Water CIP includes project management tasks for January and February 2023; submitting the 1st draft of the 10-YR Water CIP (complete), reviewing and compiling

comments; finalizing the 10-YR Water CIP; and holding a remote meeting with the Town. The estimated cost is \$14,993.

The cost of the remaining work is an estimate and depends greatly on the comments received and the amount of effort to edit or revise the 10-YR Water CIP. The assumption is that the comments will require minor edits such as clarifying existing text or other similar fixes. Minor edits exclude additional coordination with HRS, data gathering and analysis including SFE/EQR counts, edits to incorporate estimates of the buildout of Grand Park; revisions to costs, reading new documents that may be discovered, or major edits requiring effort in excess of the proposed amount. If effort above the estimated amount is requested, Merrick will request an additional change order.

For the WEP, the original budget amount was \$42,000. At the end of 2022 Merrick experienced an overage of \$9,782 due to the reasons described above. Merrick is able to take responsibility for the overage from 2022. Merrick will share 50% of the historical project management cost bringing Merrick's costs to \$13,620. The Requested Change Order and Estimated Cost to Complete includes two items:

- The cost for shared project management tasks from 2022 total is \$3,838.
- The remaining work to complete the WEP includes project management tasks for January, February, and March 2023; finalizing and submitting the draft WEP (complete); reviewing and compiling the comments; finalizing the WEP and resubmitting the document; and preparing for and presenting the WEP to the Board including two Merrick staff and an overnight stay. The estimated cost to complete these tasks is \$19,702.

Similar to the 10-YR Water CIP, the remaining work is an estimate and depends greatly on the comments received and the amount of effort to edit or revise the WEP and the amount of effort to develop and present to the Board. The assumption is that the comments require minor edits or changes. If effort above the estimated amount is requested, Merrick will request an additional change order.

The total amount of the requested change order is \$34,695 spread over the 10-YR Water CIP and the WEP. If acceptable to the Town, Merrick will charge time to the existing General Services task order. Merrick appreciates consideration of the request. Please call me at 303-353-3359 or email at julie.koehler@merrick.com with questions or comments.

Sincerely,
Merrick & Company



Julie Koehler, PE
Senior Project Manager

cc: Monica Kopf, Project Manager