

DIVISION OF SANITATION FACILITIES CONSTRUCTION GUIDELINES

Office of Environmental Health and Engineering
Navajo Area Indian Health Service
Window Rock, Arizona

CHAPTER 10--Project Procedures

Section 7: Requesting Additional Funds and/or Change in Scope of Work for P.L. 86-121 Projects

Guideline 10.7 (04-04)

December 23, 2004

Supersedes: G 10.7 (99-24), G 10.7 (93-14), G 89-2, G 10.7 (89-2)

Distribution: Standard List

INTRODUCTION

This guideline outlines the procedures for requesting an increase in funds and for making changes in scope of work (SOW) for Public Law 86-121 projects. It is necessary to ensure that changes to projects are properly documented by Project Summary and/or MOA amendments. The important necessity for the field Engineer/Project Manager to note is that changes in the project SOW and/or funding require documentation. This guideline describes the documentation requirements for different types of changes to P.L. 86-121 projects.

INCREASE OF FUNDS WITHOUT CHANGES IN SCOPE OF WORK

The following procedure is used when requesting an increase of funds without changing the SOW of a Public Law 86-121 project. A memorandum will be submitted to the Director, DSFC. The memorandum will include a summary of work accomplished to date, a summary of work remaining, justification for funding increase, and a revised Project Summary cost table showing original and revised items, quantities, unit costs, and total costs. The Project Manager will generally originate the memorandum with concurrence by the District Engineer. The memorandum also provides a signature space for approval by the Director, DSFC. The Area Office will initiate an amendment to the MOA if one is necessary (see the section on MOA Amendments).

CHANGES IN PROJECT SCOPE OF WORK

Substantial changes in the project SOW are when changes to the size or intent of the original SOW occur. For instance, substantial SOW changes include recommendations to install facilities different than those stated in the original Project Summary (change of original SOW intent) or the provision of water supply and waste disposal facilities to more or fewer homes than originally estimated (change of original SOW size). If the

changes in SOW are substantial, for example, a greater than 10% change in the number of homes, either higher or lower, a Project Summary Amendment shall be written. If the overall change in SOW is less than 10% of the number of homes to be served, formal accounting can wait to be done in the Final Report. Having good historical information in the form of letters to the record detailing the decision process greatly eases the writing of Final Reports.

An Amendment to the Project Summary shall be written utilizing the following abbreviated format for substantial changes to the SOW as described above:

1. Introduction – Briefly describe the original SOW of the project; project funding and sources; and the dates that the Project Summary, MOA, and previous amendments, if any, were executed. Also, briefly describe the reasons for this amendment and the revised project costs.
2. Recommended Facilities – Provide justification for recommending the changes in SOW, summary of the recommended facilities, and consideration of alternatives, when appropriate.
3. Revised Cost Estimate – Provide detailed estimated cost for completing the entire project according to the revised SOW. Original cost estimates will be adjusted to reflect actual cost experience as reflected in the Job Cost Accounting data. The revised cost estimate table shows original and revised items, quantities, unit costs, and total costs.
4. Signatures – The signature page is the same as in the Project Summary.

AMENDMENTS TO THE MOA

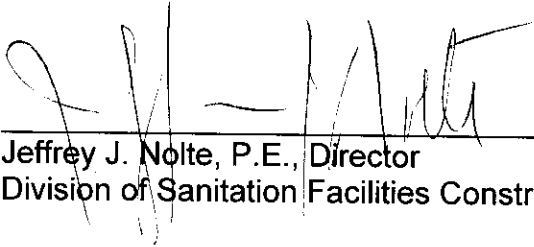
A MOA must be amended if any of the following conditions apply:

1. Additional funds in excess of the obligation amounts stated in the MOA are required to complete the project. (e.g., we need to increase our obligation to NECA).
2. Substantial change to the SOW in either size and/or intent from original SOW as described above.
3. The method of accomplishing the work changes significantly. (e.g., using government procurement to contract work on P.L. 86-121 projects instead of utilizing NECA).

If the Project Manager believes that the increase in funding or change in SOW would require an amendment to the MOA, the MOA paragraphs to be changed and how the changes should be made should be detailed. The Area Office (Director, DSFC) will initiate amendments to MOAs and will get the required signatures. All affected parties to the original MOA must approve and sign the Amendment. The signatures required

will change based on the content of the amendment. It is not necessary that all parties to the original MOA sign the amendment if they are not affected by the change.

APPROVED BY:



Jeffrey J. Nolte, P.E., Director
Division of Sanitation Facilities Construction

Attachments

- A. Justification Memo Requesting Additional Funds w/Cost Table
- B. Justification Memo Requesting a Change of Scope w/Cost Table



MEMORANDUM

Date: November 10, 2003

From: Jeanne Zamora, Project Engineer

Subject: Request for additional funding for project NA-00-N31

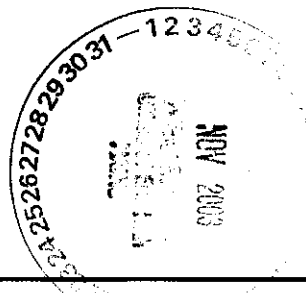
To: Jim Magnuson, P.E., District Engineer, SRSU *JAM*

The Newcomb-Toadlena Intertie Project requires additional funding for project completion. The original project cost was estimated at \$77,000. The revised estimate is \$84,000. Additional funding of \$7,000 is needed in order to complete this project.

There are a couple of reasons for the discrepancy between the original and revised costs. The major difference was with tank plumbing. Tank plumbing was not considered in the original estimate. Plumbing was required at the tank sites to tie in the new line, and to install altitude valves at two tank sites. In addition to this NTUA required significant changes to the existing plumbing layout at one of the tank sites. The total cost of tank site plumbing amounted to \$18,000. Another cost which was not considered in the original estimate were two HDPE pipe wash crossings that totaled to \$3,400. Fortunately, waterline construction, NECA management, and archaeological surveys were less costly than originally estimated, and overestimates for these items have made up for the bulk of the additional cost resulting from tank plumbing.

The total estimated cost for construction above the Not to Exceed amount is \$23,000. In addition to the \$7,000 increase, it is necessary to request that \$15,593.21 from the engineering account be transferred to the NECA account to cover NECA construction expenditures. The projected completion date for this project is November 2003.

Concurrence:
[Signature]



Project #NA-00-N31 Amendment to the Project Summary and Memorandum of Agreement

Amended Estimated Cost of Recommended Facilities

WATER SUPPLY FACILITIES

<u>Item</u>	<u>Original Project Summary Cost</u>				<u>Revised Project Summary Cost</u>		
	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total Cost</u>
ROW Survey & Prep	4,700	LF	0.67	3,149	4,060	0.78	3,167
Arch Clearance	1	EA	10,000	10,000	1	1,500	1,500
T&E Clearance	1	JB	1,200	1,200	1	500	500
4-inch Waterline	4,700	LF	3.95	18,565	4,060	3.15	12,789
ROW Clearing	4,700	LF	0.10	470	4,060	0.15	609
Pressure Testing	4,700	LF	0.10	470	4,060	0.10	406
Leak Repair	1	EA	326	326	1	250	250
Flush Valves	1	EA	275	275	1	586	586
HDPE Wash Crossing	0	LF	0	0	440	7.80	3,432
Rock Excavation	300	LF	7.42	2,226	300	1.20	360
Altitude Valve Vault	1	JB	4,300	4,300	2	3,850	7,700
Altitude Valve	2	JB	2,000	4,000	2	3,000	6,000
Flow Control Valve	1	JB	1,100	1,100	1	1,000	1,000
Tank Plumbing	0	JB	0	0	2	9,000	18,000
NECA Mgmt & Crew	1	LS	16,492	16,492	1	12,000	12,000
TOTAL WATER SUPPLY FACILITIES				62,573			68,299

COST SUMMARY

	<u>Original Cost</u>	<u>Revised Cost</u>
TOTAL	62,573	68,299
10% Contingencies	6,257	6,830
SUBTOTAL	68,830	75,129
12% Support Services	8,260	9,015
TOTAL PROJECT COST	77,090	84,144
	7,054	
REQUESTED INCREASE	7,000	



DEPARTMENT OF HEALTH & HUMAN SERVICES

Indian Health Service
Kayenta Service Unit**MEMORANDUM**

Date: July 26, 2004

From: Donnell Hnat, Field Engineer, Winslow DSFC, OEH&E.

Subject: Request for Additional Funds, Project NA-99-B22, Teesto East Extensions.

To: Jeff Nolte, P.E., Director, DSFC, OEH&E, NAIHS.

Please consider this a request to increase the funding level for Project NA-99-B22 from the original amount of \$247,000 to \$454,000, an increase of \$207,000. Potential funding sources are Projects NA-93-A20, NA-99-B20, and NA-00-B44, which have a combined total of leftover funds of approximately \$310,000.

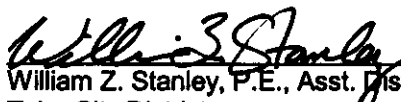
The additional \$207,000 in funding is requested to serve the original eight homes on the B22 project when hydraulic calculations at design revealed the homes to be served would receive less than 15-psi dynamic pressures during times of high demand.

Three of the original 8 homes were originally to be served off of the Teesto pressure zone, but elevations determined by the right-of way survey indicated the homes were higher in elevation than first thought and dynamic pressures calculated from these new elevations were less than 10-psi. These three homes will now be served off the Dilkon pressure zone from an existing waterline that is nearby. The Dilkon Tank is higher in elevation than the Teesto tanks and will supply the adequate pressures needed to serve these three homes.

The remaining five homes on the B22 project are near the base elevation of the Dilkon tank and the dynamic pressures calculated for these homes were negative during times of high demand. A 5,500-foot section of 4-inch mainline in Dilkon was identified as the source of high head losses and will be replaced by 6-inch water main creating a continuous 6-inch main line between the Dilkon and Teesto pressure zones which is currently interrupted by this 4-inch section. A 30,000-gallon tank will also be constructed with a base elevation near that of the Dilkon tank from which it will be filled via an altitude valve. The new tank will alleviate the negative dynamic pressures at times of high demand calculated for 51 homes including all 8 original homes of the B22 project.

Should you have any questions or require additional information, please contact me.

Concurrence:


William Z. Stanley, P.E., Asst. District Engr.
Tuba City District

Concurrence:


Jeffrey J. Nolte, P.E., Director, DSFC, OEHE
Navajo Area Indian Health Service

xc: NA-99-B22, Design File.
Field Engineer, Winslow DSFC/OEH&E.

COST ESTIMATE OF RECOMMENDED FACILITIES

July 22, 2004

Table 1. Revised Estimated Costs of Recommended Facilities
NA-99-B22

Item	QUANTITY		Unit	Unit Cost		Total Cost	
	Original	Revised		Original	Revised	Original	Revised
WATER SUPPLY FACILITIES							
Row Survey & Preparation	13,700	24,800	LF	\$0.60	\$0.36	\$8,220	\$8,928
Archaeology	1	1	JB	\$15,000.00	\$15,000.00	\$15,000	\$15,000
Endangered Species Survey	1	1	JB	\$1,000.00	\$1,000.00	\$1,000	\$1,000
SWPPP	0	1	JB	\$0.00	\$370.00	\$0	\$370
ROW Clearing	13,700	24,800	LF	\$0.10	\$0.15	\$1,370	\$3,720
6-inch PVC-160 psi	5,800	5,500	LF	\$5.00	\$5.76	\$29,000	\$31,680
4-inch PVC-160 psi	4,400	16,200	LF	\$4.00	\$5.26	\$17,600	\$85,212
2-inch PVC-200 psi	2,700	2,200	LF	\$4.00	\$4.26	\$10,800	\$9,372
Flush Valves	8	6	EA	\$480.00	\$550.00	\$3,840	\$3,300
Pressure Testing	13,700	24,800	LF	\$0.30	\$0.33	\$4,110	\$8,184
Leak Repair	3	6	EA	\$550.00	\$600.00	\$1,650	\$3,600
HDPE Wash crossing	800	600	LF	\$22.00	\$26.00	\$17,600	\$15,600
Road Crossing Open cut (cased)	800	300	LF	\$26.00	\$26.50	\$20,800	\$7,950
1" House Service	8	8	EA	\$875.00	\$950.00	\$7,000	\$7,600
Pneumatic System (AC pressure)	2	0	EA	\$2,600.00	\$0.00	\$5,200	\$0
30,000 gallon Water Tank w/appurt.	0	1	EA	\$0.00	\$63,000.00	\$0	\$63,000
NECA Management & Crew Support	1	1	JB	\$38,500.00	\$51,750.00	\$38,500	\$51,750
SUBTOTAL WATER SUPPLY FACILITIES							\$316,266
SEWAGE DISPOSAL FACILITIES							
1000-gal Septic Tanks	6	8	EA	\$1,200.00	\$1,250.00	\$7,200	\$10,000
Drainfield Infiltrator	900	2,200	LF	\$8.00	\$8.40	\$7,200	\$18,480
NECA Management & Crew Support	1	1	JB	\$4,300.00	\$5,550.00	<u>\$4,300</u>	<u>\$5,550</u>
SUBTOTAL SEWAGE DISPOSAL FACILITIES							<u>\$34,030</u>
TOTAL- Water & Sewer Facilities						\$200,390	\$350,296
+ 10% Contingencies						<u>\$20,039</u>	<u>\$35,030</u>
Subtotal						\$220,429	\$385,326
+ 15% (12%) Support Services						<u>\$26,451</u>	<u>\$57,799</u>
Subtotal						\$246,880	\$443,124
+3% Navajo Nation Tax						\$0	\$10,509
TOTAL PROJECT COST						\$246,880	\$453,633
TOTAL PROJECT COST (ROUNDED)						\$247,000	\$454,000
IHS COST PER HOME =						ORIGINAL	REVISED
= Total Cost / 51 Homes						\$30,875	\$8,902
INCREASED FUNDING LEVEL							\$207,000