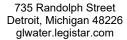
Great Lakes Water Authority





Legislation Text

File #: 2024-152, Version: 1

Proposed Change Order No. 3
Contract No. PC-795
Pump Station No. 2 Pumping Improvements
CIP #211002 / BCE Score: N/A

Agenda of: April 24, 2024 Item No.: **2024-152**

Amount: Original Contract \$3,275,000.00

Change Order No. 1 (303,980.00)

Change Order No. 2 0.00 Proposed Change Order No. 30.00

Total Contract Amount \$2,971,020.00

TO: The Honorable

Board of Directors

Great Lakes Water Authority

FROM: Suzanne R. Coffey, P.E.

Chief Executive Officer

Great Lakes Water Authority

DATE: April 2, 2024

RE: Proposed Change Order No. 3

Contract No. PC-795

Pump Station No. 2 Pumping Improvements Vendor: Tooles Contracting Group, LLC

MOTION

Upon recommendation of Navid Mehram, Chief Operating Officer - Wastewater Operating Services, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to enter into Contract No. PC-795, Proposed Change Order No. 3, "Pump Station No. 2 Pumping Improvements" with Tooles Contracting Group, with no increase in cost for a total cost not to exceed \$2,971,020.00 and an increased duration of 557 days for a total duration of 3,056 days; and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

On October 5, 2016, Tooles Contracting Group and GLWA entered into a contract for replacement and improvement of

File #: 2024-152, Version: 1

Pump No. 11 and 14 for Pump Station No. 2.

On January 19, 2021, Change Order No.1 was fully executed, changing the substantial and final completion dates for the entire project, while accepting Pump No. 11 with a negotiated credit, based on the performance of the pump falling short of the performance criteria specified in the Agreement. Additionally, GLWA agreed to revise the performance criteria for Pump No. 14 based on the assumption that the pump will achieve similar performance as Pump No. 11.

In May 2021, Tooles installed Pump No. 14, conducted the ten-day performance test, and submitted the test data analysis to GLWA. GLWA and its consultant, Arcadis, reviewed the submitted test data and determined that Pump No. 14 did not meet the revised agreement's specified performance criteria.

On December 7, 2021, GLWA issued a defective work notice to Tooles. Tooles agreed to furnish and install a new impeller for Pump No. 14 based on new computational fluid dynamics modeling. However, a change was requested in the operating range for the pump to be between 76' and 87' of the wet well water level with the design point at 79'. As a result of the performance issues experienced with Pump No. 14, GLWA and Tooles executed Change Order No. 2 revising the pump performance criteria to the original agreement's specified criteria but with a different design point and wetwell operating range.

On July 7, 2023, Tooles/Flowserve installed a new impeller for Pump No. 14 and completed the ten-day performance test. Upon completion of the test, Tooles/Flowserve submitted a short version of test data analysis to GLWA, suggesting that it met the performance requirements of the agreement for Pump No. 14. However, GLWA and its consultant, Arcadis, found that Pump No. 14 does not meet all agreed upon performance requirements. Specifically, Pump No. 14 did not meet the pump flow, power, and capacity drift performance requirements.

On August 21, 2023, GLWA issued a liquidated damages notice to Tooles advising its intent to assess liquidated damages in accordance with the agreement for not meeting the substantial completion milestone and final completion milestone.

Tooles/Flowserve disagreed with GLWA's position and believes that GLWA's system downstream of the pump is the cause for pump No.14 not meeting the performance requirements.

JUSTIFICATION

Change Order No. 3 proposes to extend the final completion date, so that Tooles can address the performance issues associated with Pump No.14, and both parties can negotiate an agreement acceptable to all parties.

GLWA intends to assess liquidated damages from the revised substantial completion date, and final completion until the project achieves key milestones in accordance with the agreement. GLWA will evaluate the implications of alleged system problems raised by Tooles/Flowserve in its consideration for assessment of liquidated damages.

PROJECT MANAGEMENT STATUS

Original Contract Price 977 days (10/17/2016 - 06/20/2019)

Change Order No. 1 792 days (06/21/2019 - 08/20/2021)

Change Order No. 2 730 days (08/21/2021 - 08/20/2023)

Proposed Change Order No. 3 557 days (08/21/2023 - 02/28/2025)

New Contract Time 3,056 days (10/17/2016 - 02/28/2025)

PROJECT ESTIMATE

Original Contract Price \$3,275,000.00

Change Order No. 1 (303,980.00)

Change Order No. 2 0.00

Proposed Change Order No. 3 0.00

New Contract Total \$2,971,020.00

FINANCIAL PLAN IMPACT

Summary: Sufficient funds are provided in the financial plan for this project.

Funding Source: Wastewater Construction Fund

Cost Center: Wastewater Field Engineering

Expense Type: Construction (5421-892211.000-616900-211002)

Estimated Cost by Year and Related Estimating Variance: See table below.

Original Contract Price \$3,275,000.00

Change Order No. 1 (303,980.00)

Change Order No. 2 0.00

Proposed Change Order No. 3 0.00

New Contract Total \$2,971,020.00

Amended Financial Plan Estimate \$2,971,020.00

Estimating Variance 0.00

This proposed change order is for an extension of time only and there is no substantive financial impact.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on April 10,

File #: 2024-152, Version: 1

2024. The Operations and Resources Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.