



Legislation Text

File #: 2024-039, Version: 1

Proposed Change Order No. 2

Contract No. **GLWA-CON-252**

Springwells Water Treatment Plant Steam, Condensate Return, and Compressed Air Improvements

CIP #114011 / BCE Score: 77.0

Agenda of: February 28, 2024

Item No.: **2024-039**

Amount:	Original Contract	\$23,601,341.69
	Change Order No. 1	2,318,534.00
	Proposed Change Order No. 2	0.00
	Total Revised Contract	\$25,919,875.69

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Suzanne R. Coffey, P.E.
Chief Executive Officer
Great Lakes Water Authority

DATE: January 26, 2024

RE: Proposed Change Order No. 2
Contract No. GLWA-CON-252
Springwells Water Treatment Plant Steam, Condensate Return, and Compressed Air Improvements
Vendor: Clark Construction Company

MOTION

Upon recommendation of Cheryl Porter, Chief Operating Officer - Water and Field Services, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. GLWA-CON-252, Proposed Change Order No. 2, "Springwells Water Treatment Plant Steam, Condensate Return, and Compressed Air Improvements" with Clark Construction Company, with no increase in cost for a total cost not to exceed \$25,919,875.69 and an increased duration of 182 days for a total duration of 1,923 days;**

and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

Contract GLWA-CON-252 was executed on January 31, 2019, with a total value of \$23,601,341.69 with Clark Construction Company. The scope included demolition and replacement of over 60,000 linear feet of steam, condensate, compressed air, and natural gas piping systems at the Springwells Water Treatment Plant. Change Order No. 1 was executed in September 2022 for steam generator replacement and extended final completion from August 1, 2022, to November 7, 2023. This proposed Change Order No. 2 would extend final completion from November 7, 2023, to May 7, 2024.

The steam generator replacement included three (3) units: two (2) 350 HP units, and one (1) 500 HP unit. The smaller steam generators were successfully installed, certified, and put into operation prior to contract expiration on November 6, 2023. However, the larger steam generator could not be fully commissioned and certified due to unexpected issues encountered during startup. One of these issues was that the natural gas supply pressure was too low for the steam generator to maintain a flame. GLWA requested that DTE increase the gas pressure on November 6, 2023, and DTE made the adjustment on December 21, 2023. Additional contract time is necessary for the contractor to complete the startup, commissioning, and certification process.

Construction Change Directive (CCD) No. 014 was executed on October 10, 2023, to install a new elevated platform made with fiber reinforced polymer and relocate a condensate pump. The condensate pump needs to be relocated since the existing area can become flooded, which risks equipment failure and allows for untreated water to enter the condensate system through the vent line. Untreated water introduces oxygen into the condensate system and is extremely corrosive at elevated temperatures to piping, steam traps and valves. This untreated water also introduces dissolved solids that would accumulate in the steam generator and necessitate an increased blow down frequency with proportional increase in makeup water that requires chemical treatment and energy to heat. Relocating the condensate pump onto a new elevated platform ensures the condensate pump does not get submerged and provides easier access for operations and maintenance. METCO Services evaluated this condition with potential options to remediate, recommended that the condensate pump be relocated and then designed the new platform and scope to relocate.

JUSTIFICATION

The Contractor completing installation of the last steam generator is necessary to have a fully functional and efficient heating system at the Springwells Water Treatment Plant. Relocating the condensate pump on a new platform is needed to ensure system reliability and avoid damaging new piping systems. The Contractor has waived costs related to the time extension.

PROJECT MANAGEMENT STATUS

Original Contract Time	1,278 days	(02/01/2019-08/01/2022)
Change Order No. 1	463 days	(08/02/2022-11/07/2023)
Proposed Change Order No. 2	182 days	(11/08/2023-05/07/2024)
New Contract Time	1,923 days	(02/01/2019-05/07/2024)

PROJECT ESTIMATE

Original Contract Price	\$23,601,341.69
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Change Order No. 1	2,318,534.00
Proposed Change Order No. 2	0.00
New Contract Total	\$25,919,875.69

FINANCIAL PLAN IMPACT

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

Funding Source: Water Construction Fund

Cost Center: Water Engineering

Expense Type: Construction (5519-882111.000-616900-114011)

Estimated Cost by Year and Related Estimating Variance: . N/A

This proposed amendment is for an extension of time only. Although the amendment extends the final completion date further into FY 2024, there is no substantive financial impact.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on February 14, 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.