



Legislation Text

File #: 2024-040, Version: 1

Proposed Change Order No. 4

Contract No. 1900516

Energy Management: Imlay Pump Station Freeze Protection Pump Installation

CIP #132007 / BCE Score: 35.1

Agenda of: February 28, 2024

Item No.: **2024-040**

Amount:	Original Contract	\$4,994,000.00
	Change Order No. 1	0.00
	Change Order No. 2	50,000.00
	Change Order No. 3	0.00
	Proposed Change Order No. 4	0.00
	Total Revised Contract	\$5,044,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: January 26, 2024

RE: Proposed Change Order No. 4
Contract No. 1900516
Energy Management: Imlay Pump Station Freeze Protection Pump Installation
Vendor: Commercial Contracting 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. 1900516, Proposed Change Order No. 4, "Energy Management: Imlay Pump Station Freeze Protection Pump Installation" with Commercial Contracting Company, with no increase in cost for a total cost not to exceed**

\$5,044,000.00 and an increased duration of 123 days for a total duration of 1,491 days; and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

GLWA Contract No. 1900516, Energy Management: Freeze Protection Pump Installation at Imlay Pump Station, is a design-build contract that involves the design, construction, and resident project representation services at the Imlay Booster Station. This project includes demolition of the existing reservoir/line pumping unit, P3, and associated variable frequency drive (VFD), piping, valves, and appurtenances. In addition, installation of a new pumping unit, freeze protection pump (FPP) and associated VFD, piping, valves, and appurtenances.

There were three previous change orders associated with Contract No. 1900516:

1. Change Order No. 1 - This change authorized a time extension to accommodate the longer than expected lead time on the pump, motor, and variable frequency drive installed as part of this contract.
2. Change Order No. 2 - This change authorized additional scope to correct the hydraulic control panel and provide for vibration analysis as part of the commissioning of the pump unit.
3. Change Order No. 3 - This change authorized a time extension in consideration of unforeseen incidents that occurred on-site to include an electrical equipment fire and a leak on the butterfly valve within the station.

This proposed change order is requesting additional time only for the following reasons:

- Testing of equipment was delayed due to a resonance and vibration issue with the pump and valve assembly.
- Final waivers are required from subcontractors and suppliers by the construction contract in order to release final payment.

Final payment is withheld until all final waivers are provided to GLWA. The prime contractor, Commercial Contracting Company, was not able to secure the final waiver from the key subcontractors while they are resolving resonance and vibration issues. It is likely that all construction activities were anticipated to be completed by the final completion date of February 28, 2024 (as extended by Change Order No. 3). Water Engineering recognizes that this Contract has had multiple time extensions due to unforeseen conditions. Even though the construction activities will be completed by February 28, 2024, the final 30-day testing period will likely extend beyond this period. If the pump testing period reveals additional issues with the installation, Water Engineering believes it is in GLWA's best interest to extend the Contract rather than covering these issues under a warranty period. GLWA Water Engineering proposes to extend the contract to June 30, 2024, to make sure the Contract conditions fully cover the final pump installation.

JUSTIFICATION

The design build contract requires that the final completion date be extended to June 30, 2024, to complete the testing and to obtain final waivers from subcontractor and suppliers.

PROJECT MANAGEMENT STATUS

Original Contract Time	821 days	(06/01/2020 - 08/30/2022)
Change Order No. 1	366 days	(08/31/2022 - 08/31/2023)
Change Order No. 2	91 days	(09/01/2023 - 11/30/2023)
Change Order No. 3	90 days	(12/01/2023 - 02/28/2024)

Proposed Change Order No. 4 123 days (02/29/2024 - 06/30/2024)

New Contract Time 1,491 days (06/01/2020 - 06/30/2024)

PROJECT ESTIMATE

Original Contract Price	\$4,994,000.00
Change Order No. 1	0.00
Change Order No. 2	50,000.00
Change Order No. 3	0.00
Proposed Change Order No.4	0.00
New Contract Total	\$5,044,000.00

FINANCIAL PLAN IMPACT

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

Funding Source: Water Construction Bond

Cost Center: Water Field Engineering

Expense Type: Construction (5519-882411.000-616900-132007)

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

Original Contract Price	\$ 4,994,000.00
Change Order No. 1	0.00
Change Order No. 2	50,000.00
Change Order No. 3	0.00
Proposed Change Order No. 4	<u>0.00</u>
New Contract Total	5,044,000.00
Amended Financial Plan Estimate	<u>5,534,000.00</u>
Estimating Variance	\$ 490,000.00

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 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.