

Committee Report

Business Item No. 2014-95

Environment Committee

For the Metropolitan Council meeting of May 14, 2014

Subject: Summarize Authorization to Increase in the General Manager's Delegated Change Order Authority for the MWWTP Solids Process System Improvements, MCES Project 805946, Contract 12P005A

Proposed Action

That the Metropolitan Council authorize an increase in the General Manager's delegated construction contract change order authority for the MWWTP Solids Process System Improvements project from \$895,891.33 to \$1,650,000.00, MCES Project 805946, Contract 12P005A.

Summary of Committee Discussion/Questions

In response to a question staff confirmed that energy savings from this system is approximately \$2,500,000 annually.

Motion to approve the proposed action was made, seconded, and passed unanimously.

Environment Committee

Meeting date: April 22, 2014

For the Metropolitan Council meeting of May 14, 2014

Subject: Authorization to Increase in the General Manager's Delegated Change Order Authority for the MWWTP Solids Process System Improvements, MCES Project 805946, Contract 12P005A

District(s), Member(s): All

Policy/Legal Reference: 3-3, Expenditures

Staff Prepared/Presented: Bryce Pickart, 651-602-1091

Division/Department: MCES c/o Leisa Thompson, 651-602-8101

Proposed Action

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Background

In August 2012, a construction contract in the amount of \$17,911,826.62 was awarded to Harris Contracting to implement improvements to the MWWTP incineration process. The scope of that contract was to renew the existing incinerators, replace the primary heat exchangers and to complete forensic examination of tube conditions in the energy recovery system.

Almost all of the work has progressed according to plan, however, upon opening the units up and conducting the forensic examinations, additional renewal work beyond the original change order allowance was identified and needs to be completed in this project.

This request to increase the delegated change order authority is based on the following unanticipated costs:

- Economizer replacement (\$400,000) – the number of leaks accelerated during construction, requiring replacement in lieu of the specified repairs.
- Additional tube shielding and tube replacement (\$350,000) – A few localized wear areas were identified in the forensic analysis that needed to be fixed immediately.

Rationale

Policy 3-3 requires Council authorization prior to exceeding the General Manager's delegated change order authority.

Funding

Currently available under 8059 Metro Rehabilitation and Facilities Improvements

Currently Authorized: \$21,000,000

Unencumbered Funds: \$1,200,000

Requested Amount: \$754,109

Known Support / Opposition

None