



**COMMISSION FILE NO:** 24-117-9 **DATE INTRODUCED:** September 9, 2024

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Operations Committee

**RELATING TO:** Change Order Request, Contract J04038D01, Engineering Services – Jones Island Water Reclamation Facility Milorganite® Dryer Waste Heat Valve and Gate Replacement, Restore the Executive Director’s Original Delegated Authority, and Approve Changes in Total Project Cost

**SUMMARY:**

The Commission is requested to authorize the Executive Director to execute a change order to Contract J04038D01, Engineering Services – Jones Island Water Reclamation Facility (JIWRF) Milorganite® Dryer Waste Heat Valve and Gate Replacement, with Mead & Hunt, Inc., in an amount not to exceed \$36,375 and to restore the Executive Director’s original delegated authority.

Further, the Commission is requested to increase the total project cost (TPC) for Project J04038, Drying and Dewatering (D&D) Dryers Guillotine Gate Replacement, by \$194,000 for an amended TPC of \$3,911,000 and to make a corresponding change to the TPC of Project M99001, Allowance for Cost and Schedule Changes.

The D&D Facility at JIWRF has been in service since 1994. A total of 12 Milorganite® dryers utilize a combination of natural gas, landfill gas, and waste heat from the JIWRF turbines to supply heat to the dryers. The dryer waste heat isolation and flow control valves isolate and modulate the waste heat supplied to each dryer. The isolation valves allow for safe entry into dryers that are out of service, and the flow control valves are used to modulate the flow of waste heat to each dryer. Most equipment is original to the building.

The isolation and flow control valves have reached the end of their service lives. The isolation valves have experienced seal, actuator, and bearing problems, preventing them from closing properly. The flow control valves have experienced wear and spring failures. The flow control valves periodically stick when called to open and the valve actuators are obsolete and repair or replacement parts are difficult to obtain.

**ATTACHMENTS:** **BACKGROUND**  **KEY ISSUES**  **RESOLUTION**   
**FISCAL NOTE**  **S/W/MBE**  **OTHER**  \_\_\_\_\_

*OP\_Change\_Order\_J04038D01\_Milorganite\_Dryer\_Waste\_Heat\_Valve\_and\_Gate\_Replacement\_legislative\_file.docx  
08-21-24*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## **SUMMARY (Cont'd)**

Change Order Request, Contract J04038D01, Engineering Services – Jones Island Water Reclamation Facility Milorganite® Dryer Waste Heat Valve and Gate Replacement, Restore the Executive Director's Original Delegated Authority, and Approve Changes in Total Project Cost

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The purpose of this project is to restore operational reliability of the D&D waste heat control system.

In October 2019, the Executive Director executed Contract J04038D01 with Mead & Hunt, Inc., in amount not to exceed \$248,301. The work under this contract includes engineering services for the replacement of the Milorganite® dryers waste heat isolation and flow control valves. The scope of the contract includes project management, engineering design, bid package preparation, bid and award services, applications engineering, and engineering services during construction.

Mead & Hunt, Inc., developed a bid package for Contract J04038C01 for the replacement of the dryer waste heat isolation and flow control valves. The Commission authorized and awarded this construction contract in March 2021 to Butters-Fetting Company, Inc., in the amount of \$2,558,189. Work on the construction contract was originally expected to be completed in July 2023.

The project has experienced schedule delays due to both contractor issues, equipment delivery delays, and dryer availability. In addition, there have been equipment performance problems that have required resolution. To date, the contractor has completed three of 12 dryers. The remaining nine dryers are expected to be completed by summer 2025.

These issues have resulted in the need for additional engineering services, including additional project management time, applications engineering, and engineering support. District staff have authorized \$33,236 of these services using the Executive Director's change order authority. The requested change order adds the remaining funding for these services needed to complete the project.

In addition, there was one other change order approved under the Executive Director's delegated change order authority. That change order added design of the replacement of waste heat isolation valves 1, 6 and 10 (not originally included in this design contract).

## SUMMARY (Cont'd)

Change Order Request, Contract J04038D01, Engineering Services – Jones Island Water Reclamation Facility Milorganite® Dryer Waste Heat Valve and Gate Replacement, Restore the Executive Director’s Original Delegated Authority, and Approve Changes in Total Project Cost

### CONTRACT COST CHANGES

	AMOUNT	PERCENTAGE INCREASE OVER ORIGINAL CONTRACT	AUTHORIZED BY	SWMBE
Original Contract	\$248,301		Executive Director Authority	39.5%
Previous Change Orders	\$47,619	19%	Executive Director Authority	31.2%
Requested Change Order	\$36,375	15%	Request of Commission	12.4%
Total Change Orders	\$83,994	34%		23.1%
<b>TOTAL</b>	<b>\$332,295</b>			<b>35.3%</b>

Contract J04038D01 was originally awarded under the Executive Director’s contract execution authority. In December 2019, the Commission delegated \$50,000 in change order authority to the Executive Director for future change orders to Contract J04038D01. To date, the Executive Director has utilized \$47,619, leaving a balance of \$2,381. The request to restore the Executive Director’s authority is in case any other additional engineering services are needed during construction.

The requested change order adds costs to the project that were unbudgeted. Further, additional District administration and field labor budget is being requested to manage and administer the remainder of the project. Staff requests to increase the TPC accordingly.

## RESOLUTION

Change Order Request, Contract J04038D01, Engineering Services – Jones Island Water Reclamation Facility Milorganite® Dryer Waste Heat Valve and Gate Replacement, Restore the Executive Director's Original Delegated Authority, and Approve Changes in Total Project Cost

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute a change order to Contract J04038D01, Engineering Services – Jones Island Water Reclamation Milorganite® Facility Dryer Waste Heat Valve and Gate Replacement, with Mead & Hunt, Inc., in an amount not to exceed \$36,375, and that the Executive Director's original delegated authority is restored.

**FURTHER RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the total project cost for Project J04038, Drying and Dewatering Dryers Guillotine Gates Replacement, is increased by \$194,000 for an amended total project cost of \$3,911,000, and that a corresponding change is made to the total project cost for Project M99001, Allowance for Cost and Schedule Changes.