



COMMISSION FILE NO: 26-062-5 **DATE INTRODUCED:** May 4, 2026

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

REFERRED BY COMMISSION CHAIRPERSON TO: Operations Committee

RELATING TO: Executive Director Change Order Authority for Contract J06106C03, Screw-Compressor Water Chiller Repairs at Jones Island Water Reclamation Facility

SUMMARY:

The Commission is requested to delegate \$50,000 in change order authority to the Executive Director for future change orders for Contract J06106C03, Screw-Compressor Water Chiller Repairs at Jones Island Water Reclamation Facility (JIWRF), with Zien Service, Inc. (Zien).

At JIWRF's Dewatering and Drying (D&D) facility, two rooftop water chillers (WC-1 and WC-2) deliver chilled water to several building air handling systems that cool process critical spaces, including the electrical equipment rooms on each floor. Under normal operating conditions, only one water chiller operates at a time, while the other remains on standby. WC-1 and WC-2 were both installed in 1992, are at the end of their useful service lives, and have suffered failures.

In July 2025, Veolia Water Milwaukee submitted a Material Capital Repair or Replacement request, reporting that WC-2 is currently nonoperational, needing new refrigerant compressors, condenser coils, and a refrigerant recharge. WC-1 is still operational and meets the required cooling demand, but it has experienced outages of its own in the past and should not be solely relied upon for critical cooling capacity.

The District has a separate project to replace both chillers, but they will not be replaced for several years; therefore, staff recommends repairing WC-2 to ensure that the D&D facility's process critical electrical rooms have redundant air cooling until both chillers are replaced.

ATTACHMENTS: BACKGROUND KEY ISSUES RESOLUTION
FISCAL NOTE SBE OTHER _____

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COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Executive Director Change Order Authority for Contract J06106C03, Screw-Compressor Water Chiller Repairs at Jones Island Water Reclamation Facility

In January, the District publicly and competitively bid the WC-2 repair project (Contract J06106C03). Zien submitted the only responsive and responsible bid. Using the Executive Director's contract award authority, the District awarded the contract to Zien in the amount of \$269,710. The contract scope includes furnishing and installing new refrigerant compressors, condenser coils, and refrigerant, as well as servicing the chiller evaporator heat exchanger.

Commission policy delegates to the Executive Director the authority to approve construction contracts under \$300,000 without Commission approval, which applies to Contract J06106C03. If the contract amount plus cumulative change orders exceeds \$300,000, the Executive Director must seek Commission approval. The contract amount is \$30,290 below this threshold, so relatively minor change orders could trigger this requirement. If that occurs, the contractor may need to stop work while District staff obtain Commission approval for additional funds. This interruption could extend the D&D facility's cooling capacity risk into the summer months when redundancy is most critical and may also lead to contractor delay claims and additional costs to the District.

Per Commission Policy 1-78.02, Contracts, the Executive Director has been delegated the authority to authorize up to \$50,000 in change orders to contracts awarded by the Commission that were originally less than \$500,000. This request to authorize the Executive Director to approve change orders in a cumulative amount up to \$50,000 is consistent with this Commission policy.

RESOLUTION

Executive Director Change Order Authority for Contract J06106C03, Screw-Compressor Water Chiller Repairs at Jones Island Water Reclamation Facility

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is delegated \$50,000 in change order authority for future change orders for Contract J06106C03, Screw-Compressor Water Chiller Repairs at Jones Island Water Reclamation Facility, with Zien Service, Inc.