

COMMISSION FILE NO: 21-133-10 **DATE INTRODUCED:** October 11, 2021

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 Purchase Order 11975, Material Capital Repair or Replacement Nos. 1469 and 1481, Jones Island Water Reclamation Facility Interplant Solids Pipeline Pumps #3-2 and #2-2 Repairs

SUMMARY:

The Commission is requested to delegate \$50,000 in change order authority to the Executive Director for future change orders for Purchase Order 11975, issued to Veolia Water Milwaukee LLC, (VWM), Material Capital Repair or Replacement (MCRR) Nos. 1469 and 1481, Jones Island Water Reclamation Facility (JIWRF) Interplant Solids Pipeline (ISP) Pumps #3-2 and #2-2 Repairs.

At JIWRF, three ISP pump sets are used to pump primary sludge from JIWRF to the South Shore Water Reclamation Facility (SSWRF) for anaerobic digestion. Each pump set consists of two centrifugal pumps that operate in series, resulting in a pumping capacity of 1,400 gallons per minute per pump set. One pump set is required under normal pumping conditions, but two pump sets could be required if the solids processing at JIWRF is at reduced capacity and additional solids must be pumped to SSWRF for processing.

One of the six pumps has failed (Pump #3-2) and another is leaking significantly (Pump #2-2). Both have been taken out of service. It is necessary to repair these two pumps to ensure full pumping capacity and redundancy to the critical ISP pumping process.

VWM competitively bid the work to repair ISP Pumps #3-2 and #2-2, for which Butters Fetting Co., Inc., (Butters Fetting) was the only responsive, responsible bidder. Using the Executive Director's authority, the District issued Purchase Order 11975 in the amount of \$136,260 to VWM. VWM issued a notice to proceed to Butters Fetting in September 2021 for the repair work. The repair scope of work includes furnishing and installing new pump impellers, shafts, mechanical seals, bearings, and gaskets.

ATTACHMENTS: **BACKGROUND** ☐ **KEY ISSUES** ☐ **RESOLUTION** ☒

FISCAL NOTE ☐ **S/W/MBE** ☐ **OTHER** ☐ _____

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COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Executive Director Change Order Authority for Purchase Order 11975, Material Capital Repair or Replacement Nos. 1469 and 1481, Jones Island Reclamation Facility Interplant Solids Pipeline Pumps #3-2 and #2-2 Repairs

Commission policy delegates to the Executive Director the authority to approve purchase orders less than \$150,000 without Commission approval, which was done for Purchase Order 11975. In the event that the purchase order and cumulative change orders exceed \$150,000 in total, the Executive Director shall seek the approval of the Commission. There is a reasonable chance that this could occur given that the purchase order is only \$13,740 less than the threshold for Commission approval. Even a small change order would require the contractor to stop work while District staff requests the required change authority from the Commission. This delay could put the ISP pumping process at risk of not meeting capacity if another failure were to occur and could also result in 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 Purchase Order 11975, Material Capital Repair or Replacement Nos. 1469 and 1481, Jones Island Reclamation Facility Interplant Solids Pipeline Pumps #3-2 and #2-2 Repairs

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is delegated \$50,000 in change order authority for future change orders for Purchase Order 11975, Material Capital Repair or Replacement Nos. 1469 and 1481, Jones Island Water Reclamation Facility Interplant Solids Pipeline Pumps #3-2 and #2-2 Repairs.