



# City of Grand Island

Tuesday, October 14, 2003

Council Session

## Item G17

### **#2003-283 - Approving Change Order #1 - Platte River Pumping Station Engineering Services - CH2M Hill**

***Background:***

*The Platte River Pumping Station is used to transfer water from the 21 wells at the Platte River Well Field to three in-town reservoirs and high pressure pumping stations. On January 22, 2002, the Council authorized CH2M Hill, the consultant working on other water system projects, to perform design and procurement engineering services in the amount not to exceed \$58,109. Contracts awarded as part of these engineering services are \$513,566 to Flowsolve for the new pump and motor and \$127,500 to Kayton Electric for the installation of the pump.*

***Discussion:***

*The Engineering Services specified for this project were for design and specification preparation for a furnish and install project. A furnish and install contract requires the installing contractor to procure the required equipment as part of his scope and then install it. The advantage of this type of contract is reduced engineering and administrative costs due to preparing and administering only one contract. The disadvantage is reduced control of the quality of equipment being supplied by the contractor. In this case, with a delivery time of twelve months for the pump, prospective contractors were reluctant to commit to buying equipment for which their portion of the contract was relatively minor in comparison to the total project cost. To allow greater control over the pump selection and to make the project more attractive to installation contractors, Department staff directed CH2M Hill to proceed with two separate contracts; one for pump procurement and one for installation. The original project schedule planned for the new pump to be installed by April of 2003 as to not interrupt the pumping station during the peak summer months. Only one bid was received in May, 2002 for \$591,789, which was above the engineer's estimate of \$550,000. Discussions with pump vendors indicated that the City was paying a premium for manufacture and delivery of the pump to support this aggressive schedule. The schedule then changed to allow a completion date of April, 2004 and the specifications were revised and issued again for bid, with Flowsolve being awarded the bid for \$513,566, a savings of \$78,223. As a result of these changes in project direction, CH2M Hill incurred a cost increase of \$29,755.*

***Recommendation:***

*The scope changes in the project have resulted in additional work by from CH2M Hill. A review of the attached tabulation of authorized and actual costs for other projects performed by CH2M Hill for the City Water system indicates that they have always performed within the allotted amount. It is the recommendation of the Utilities Department that the additional amount of \$29,755 requested by CH2M Hill for this project be authorized.*

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*Fiscal Effects:*

*Additional expenditure for engineering services of not more than \$29,755 from Enterprise Fund 525.*

*Alternatives:*

*None recommended.*

Staff Contact: Gary R. Mader; Dale Shotkoski



CHANGE ORDER NO. 1

TO: Mr. Doug Simon  
CH2MHill  
9193 South Jamaica Street  
Englewood, CO 80112

PROJECT: Platte River Pumping Station Engineering Services – Contract Change

You are hereby directed to make the following change in your contract.

1. Additional engineering services on project.

ADD: \$29,755.00 and DELETE: \$

The original Contract Sum	\$ 58,109.00
Previous Change Order Amounts:	\$ -
The Contract Sum is increased by the Change Order # 1	\$ 29,755.00
The Contract Sum is decreased by the Change Order # 1	\$ -
The total modified Contract sum to date	\$ 87,864.00

Approval and acceptance of this Change Order acknowledges understanding and agreement that the cost and time adjustments included represent the complete values arising out of, and/or incidental to the work described herein. Additional claims will not be considered.

APPROVED: CITY OF GRAND ISLAND

By: \_\_\_\_\_  
Mayor

Date: \_\_\_\_\_

Attest: \_\_\_\_\_

\_\_\_\_\_  
Approved as to Form, City Attorney

ACCEPTED: CH2MHill

By: \_\_\_\_\_

Date: \_\_\_\_\_

RESOLUTION 2003-283

WHEREAS, on January 22, 2002, by Resolution 2002-18, the City of Grand Island approved the proposal of CH2M Hill of Englewood, Colorado to complete the engineering work to replace the failed Platte River Pumping Station pump; and

WHEREAS, due to scope of work changes in the project, additional engineering work is necessary from CH2M Hill; and

WHEREAS, CH2M Hill is requesting an additional \$29,755 to complete such engineering work; and

WHEREAS, although this will result in higher engineering costs for the project, the cost of installing the pump station will be considerably reduced.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that CH2M Hill is hereby authorized to complete additional engineering work in accordance with Change Order No. 1 in the amount of \$29,755 for the Platte River Pumping Station Engineering Services contract.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute Change Order No. 1 on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, October 14, 2003.

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RaNae Edwards, City Clerk

Approved as to Form	☐ _____
October 10, 2003	☐ City Attorney