



AGENDA MEMORANDUM

Action Item for the City Council Meeting of July 24, 2018

DATE: July 19, 2018

TO: Keith Selman, Interim City Manager

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Change Order No. 12

O.N. Stevens Water Treatment Plant
High Service Building No. 3
(Capital Improvement Program)

CAPTION:

Motion authorizing Change Order No. 12 with PLW Cadagua Partners of The Woodlands, Texas in the amount of \$300,000 for the O.N. Stevens Water Treatment Plant High Service Building No. 3. (Capital Improvement Program - CIP)

PURPOSE:

The purpose of this Agenda Item is to obtain authority to execute a construction contract change order with PLW Cadagua Partners of The Woodlands, Texas in the amount of \$300,000 to perform immediate repairs at the chlorine evaporator piping inside the gas measurement building at O.N. Stevens Water Treatment Plant (ONSWTP).

BACKGROUND AND FINDINGS:

On August 16, 2016, City Council awarded the construction contract to PLW Cadagua Partners in the amount of \$ 21,650,000. Eleven change orders were administratively executed for minor modifications to the scope and price. Change Order No. 12 is required to perform immediate repairs to the ONSWTP high pressure chlorine gas piping that is critical to the continued safe water treatment process.

The high-pressure gas lines, valves, fittings, and miscellaneous items are experiencing severe deterioration and at risk of complete failure. The risk of failure creates potential hazards to the employees and public with leakage of the chlorine gas. Additionally, the chlorine gas system is critical to the water treatment process.

This high-pressure system was originally designed with only partial redundancy limiting the ability to implement major repairs and replacement. Additionally, the chlorine disinfection system is planned for complete replacement to enhance the treatment process with an onsite generation (OSG) system in lieu of the current rail car supply of chlorine gas. The OSG project is planned to be under construction within the next few years.

This change order allows immediate action to replace the piping and associated components to eliminate the potential hazards and interruption to water treatment. The design for the change order chlorine system repairs is underway and will be ready for construction within the next couple weeks. The design will include the detailed scope of repairs and replacement for negotiations with the contractor. The estimated cost of the repairs is under \$300,000. The scope includes replacing the main supply line, pipes and fittings/appurtenances inside the Gas Measurement Building to the evaporator inlets, and other miscellaneous improvements.

ALTERNATIVES:

1. Authorize the execution of a construction contract change order. (Recommended)
2. Do not authorize the execution of a construction contract change order. (Not Recommended)

OTHER CONSIDERATIONS:

Not Applicable

CONFORMITY TO CITY POLICY:

Complies with statutory requirements for construction contract changes.

EMERGENCY / NON-EMERGENCY:

Not Applicable

DEPARTMENTAL CLEARANCES:

Water

FINANCIAL IMPACT: Fund: Water CIP

☐ Operating ☐ Revenue ☒ Capital ☐ Not applicable

Fiscal Year 2017-2018	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Budget		28,547,400		28,547,400
Encumbered / Expended Amount		22,715,760		22,715,760
This item		\$300,000		\$300,000
Future Anticipated Expenditures This Project		5,327,974		5,327,974
BALANCE		203,666		203,666

COMMENTS: None

RECOMMENDATION:

City staff recommends approval of Change Order No. 12 with PLW Cadagua Partners in the amount of \$300,000 for the O.N. Stevens Water Treatment Plant High Service Building No. 3.

LIST OF SUPPORTING DOCUMENTS:

Project Budget
Location Map
Presentation
Change Order No. 12