



## WEST DES MOINES WATER WORK BOARD OF TRUSTEES MEETING COMMUNICATION

**ITEM:****DATE:** February 20, 2018

4. Consent Agenda
- c. Motion – Concurring with Staff Approval of Change Order #8 for the Deep Well No. 26 Project

**FINANCIAL IMPACT:**

Change Order #8 increases the project cost by \$4,225.00.

**SUMMARY:**

As detailed in the attached letter, there were some plan changes after bidding related to the location of the electrical transformer. This resulted in additional work for the contractor.

This change order amount is less than the authorized approval limit of the General Manager and it was administratively approved to avoid project delay.

**BACKGROUND:**

West Des Moines Water Works maintains multiple deep wells as our primary source of raw water. The need for a new deep well was identified in the recent Veenstra & Kimm, Inc. report.

**RECOMMENDED ACTION BY THE BOARD OF TRUSTEES:**

To Concur with Staff approval of Change Order #8 for the Deep Well No. 26 Project.
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Prepared by: \_\_\_\_\_

A handwritten signature in cursive script, appearing to read 'William Weber', written over a horizontal line.

Approved for Content by: \_\_\_\_\_

A handwritten signature in cursive script, appearing to read 'J. Wilson', written over a horizontal line.





**VEENSTRA & KIMM, INC.**

3000 Westown Parkway • West Des Moines, Iowa 50266-1320

515-225-8000 • 515-225-7848 (FAX) • 800-241-8000 (WATS)

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February 2, 2018

Diana Wilson, P.E.  
General Manager  
West Des Moines Water Works  
4200 Mills Civic Parkway, Suite 1D  
West Des Moines, Iowa 50265-2034

WEST DES MOINES WATER WORKS  
DEEP WELL NO. 26  
CHANGE ORDER NO. 8

Enclosed are three copies of Change Order No. 8 for the contract between the West Des Moines Water Works and C.L. Carroll Co., Inc. for Deep Well No. 26. Change Order No. 8 is in the amount of \$4,225.

Change Order No. 8 is to compensate the electrical subcontractor to C.L. Carroll Co., Inc. for additional costs associated with the installation of the transformer and electric service for Deep Well No. 26. The project was bid based on the service location proposed by the MidAmerican Energy Company.

Following receipt of bids MidAmerican Energy Company determined the original service location was not satisfactory. After evaluating several alternatives, MidAmerican Energy Company rebuilt the overhead electric service to a pole southwest of the well. This change required the contractor to install an underground secondary electric service. The secondary electric service was necessary because the transformer supplying the secondary service was removed to accommodate the upgraded electric service for the deep well.

After the award of contract the transformer was moved to the southwest to satisfy the requirements of the Iowa Department of Natural Resources. The Iowa Department of Natural Resources required the transformer to be moved as far southwesterly as possible. This change in the location increased the amount of work necessary to install the transformer wiring. This change was less costly than would have been incurred if the Iowa Department of Natural Resources required the transformer to be shifted outside of the normal protection zone.



The change order compensates the electrical subcontractor the amount of \$1,100 for installing the secondary electric service required by MidAmerican Energy Company. The change order compensates the electrical subcontractor \$3,125 for work associated with relocating the transformer as required by the Iowa Department of Natural Resources. For Change Order No. 8 C.L. Carroll Co., Inc. voluntarily elected to forego any markup for overhead and profit. The total amount of the change order is the subcontractor costs of \$4,225.

Change Order No. 8 is a reasonable reflection of the additional costs incurred by the contractor. After several requests for the electrical subcontractor to reflect a credit for the small amount of work that was deleted from the contract as a result of the relocated transformer, both Veenstra & Kimm, Inc. and C.L. Carroll Co., Inc. have been unable to convince Iowa Automation it was necessary to reflect the reduction in the change order. Iowa Automation is indicating they reduced the request for addition work to reflect the reduction in work even though it is not set forth in the change order request.

The estimated value of the work deleted from the contract is in the range of \$500. Under the contract C.L. Carroll Co., Inc. could have requested up to a 15% general contractor's markup for overhead and profit. Rather than continuing to the discussions with Iowa Automation, C.L. Carroll Co., Inc. elected not to incorporate a general contractor's markup for overhead and profit. This effectively maintained the change order cost at about the same level it would have been had the subcontractor incorporated the appropriate credit and C.L. Carroll Co., Inc. added the normal general contractors markup for overhead and profit.

Resolution of this item is the last outstanding issue on the contract. Although it may have been preferable for the change order to be structured in a more appropriate manner, the restructuring of the change order would not have affected the value of the change order.

Veenstra & Kimm, Inc. would recommend the West Des Moines Water Works approve Change Order No. 8 which increases the contract price by \$4,225.



Diana Wilson, P.E.  
February 2, 2018  
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If you have any questions or comments concerning the project, please contact the writer at 225-8000.

VEENSTRA & KIMM, INC.

A handwritten signature in blue ink, appearing to read "H. R. Veenstra Jr.", with a stylized flourish at the end.

H. R. Veenstra Jr.

HRVJr:pjh  
157152  
Enclosure



# VEENSTRA & KIMM, INC.

3000 Westown Parkway • West Des Moines, Iowa 50266-1320

515-225-8000 • 515-225-7848(FAX) • 800-241-8000(WATS)

January 29, 2018

## **CHANGE ORDER NO. 8**

### WEST DES MOINES WATER WORKS DEEP WELL NO. 26 PROJECT

This change order is to incorporate in the contract additional costs incurred by the electrical subcontractor to C.L. Carroll Co., Inc. relating to the electric service for Deep Well No. 26. The project was bid based on information provided by MidAmerican Energy Company indicating the electric service drop for Deep Well No. 26 would be south of the deep well. Following award of contract, MidAmerican Energy Company moved the electric service location to a pole just southwest of the well. In conjunction with this change, MidAmerican Energy Company required the contractor to install a secondary electric service south to intercept an existing electric service that would no longer be serviceable except through the transformer installed for Well No. 26. The location of the transformer was shifted slightly to the southwest at the request of the Iowa Department of Natural Resources. This change order incorporates the additional costs incurred by the electrical subcontractor as a result of the change in the transformer location. The change order does not include any markup for overhead and profit. C.L. Carroll Co., Inc. voluntarily agreed to the change order with no general contractor markup for overhead and profit.

Change Order No. 8 makes the following modification to the contract:

2. Secondary service conduit	\$1,100.00
1. Relocation of pad mounted transformer	<u>\$3,125.00</u>
TOTAL	\$4,225.00

Change Order No. 8 increases the contract cost by \$4,225.00.

C.L. CARROLL CO., INC.

By 

Title PRESIDENT

Date 2/2/18

VEENSTRA & KIMM, INC.

By 

Title Pres. elect

Date February 2, 2018

WEST DES MOINES WATER WORKS

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

ATTEST:

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_