

Raymond - South Bend Regional Wastewater Coordinating Committee

300 First Street • Raymond • WA 98577 •

RWCC Regular Meeting South Bend City Hall January 26, 2012

Called to order at 5:35 PM by Chairman Eric deMontigny.

Introductions: In attendance were Eric deMontigny, Kirk Church, Jerry Bowman, John Dunsmoor, Dean Parsons, Jay Swift, Doug Welch, Todd Stevens, Dale Little, Janet Cherry, Bob Jungar, Patricia Neve

- Review and approval of December 15 2011 meeting minutes
 - A motion to accept the minutes from the December 2011 meeting with input from RWCC members was made by Jerry Bowman and seconded by John Dunsmoor. The motion carried.
- Conveyance Project Closeout
 - Landis and Landis warranty issues (log of potential issues)
 - Per Janet Cherry, Greg Nichol is the main contact for these issues. Alder Street has been patched.
 - The settling at South Bend Pump Station 3 appears to have stopped and is no longer a concern. This has been confirmed via an e-mail message from the geotechnical engineer. Total observed settlement amounted to less than an inch. Will Scott continues to monitor the area. A warranty protects South Bend for two years from the project substantial completion date. Janet will check with Greg Nichol as to what that date is and advise. No settlement has been reported or detected at Raymond Pump Station 11.
 - Kirk asked for an investigation of a reported leak in the generator room at South Bend Pump Station 3.
 - Kirk asked what was being done about the handrail separation.
 - Janet advised that Greg has a running list of Landis & Landis issues and when the list is “substantial” he will call them to address items on the list.
- I/I project update
 - The Highway 101 Crossing in Raymond is complete except for some grouting in the manholes. The underground drilling activity hit pilings

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and debris which required emergency authorization from the Corps of Engineers for open trenching to complete the project. As a result the city of Raymond will be issued a credit for \$12,650. Rognlin's was on top of this situation to the benefit of the city. While grease released from McDonald's has not disappeared, it now moves more smoothly through the system.

- Construction closeout of the I&I Work by Rognlins
 - Everything is complete with the exception of Raymond Pump Station #2. Rognlin's sub QCC has asked for an extension to May 30, 2012. Funding is available through June 30, 2012 and this should not present a problem. QCC is planning to begin work on Pump Station #2 on the first of March and will finish by the end of March.
 - Janet distributed a summary of I/I costs & reimbursements and remaining dollars. This summary does not reflect engineering fees.
 - We are on track to maintain a 55% EPA to 45% DOE match. The extra work at the McDonald's location did not qualify for EPA financing and cannot be used in the match calculation as it was out of the project scope. DOE paid for the complete project. The Reid Street project in South Bend did qualify as a match. Current distributions are: DOE at \$387.8K and EPA at \$375.4K.
 - Summary of remaining dollars: Between DOE + EPA, less retainage, South Bend currently has \$17,973.50 remaining. Between DOE + EPA, less retainage, engineering, and Schedule B work, Raymond is \$6,873.89 out of pocket.
 - Out of the \$94,984 South Bend had committed to Raymond, to date \$88,372 has been reallocated. \$6,612 remains. The two mayors will get together and prioritize these funds: Reallocate to Raymond? Purchase an I&I camera for South Bend? (This has been approved by DOE.) Enclose control panel at the South Bend Schools? The mayors need to come to a decision by mid-March.
 - Hester and Dee are doing a great job sorting out these funding and disbursement issues.
- Panel at school
 - An additional support for the back of the panel for a cost of \$2,800 was rejected by the City of South Bend.
 - An enclosure for panel estimated at \$8-10K may be covered by the existing I/I funds available.
- Regional WWTP Project Update
 - Construction progress

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- There is good progress at the regional plant. Current focus is on the aeration and equipment building structures and the outfall. Work at the outfall was suspended this past week due to high flow and excessive debris in the river from recent storm activity.
- All walls for the aero-bio-digester, aeration basins, and the equipment building are expected to be complete by the end of February. Grade beams have been installed for the equipment building and as of today the equipment pads have been painted.
- Rognlin's and Totem have coordinated layouts for equipment location
- Switchboard submittals which are necessary for conduit placement are expected by the end of this week.
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- Payment status
 - G&O is pleased with progress. As of the January 10th pay estimate, 41% of total contract amount had been expended. The 11th pay estimate is due at the end of January.
- Change orders and potential construction issues
 - Change order #4 – 6 items
 - Item #1: Add Current Position Transmitters (CPT) for the five (5) motor-operated butterfly valves on the discharge lines of the blowers in the Equipment Building: Price = \$4,271.45 plus tax. This is required to provide analog position feedback to the Plant PLC of the Aeration Basin and Aerobic Digester blower discharge valves.
 - Item #2: Provide and install 46 additional pressure gauge assemblies required for the Project: Price = \$33,926.09 plus tax. Quality Controls Corporation (QCC), the instrumentation and controls subcontractor to the electrical subcontractor Totem Electric, misinterpreted Specification Section 13422 requiring pressure gauges to be provided and installed on the suction and discharge of all pumps, blowers, compressors, etc. QCC has provided documentation showing their bid only included 4 pressure gauges and are requesting additional compensation to provide the remaining 46 gauges.

Neither G&O nor Totem picked up on the omission of the gauges. It was discovered when, as a courtesy, G&O provided a list of the 50 required gauges to QCC at which point they came back and said they had included only 4. The initial request for the additional gauges was for \$70,000. After discussions and

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negotiations Doug was able to get all parties to agree on a reduced amount of \$33K. This figure includes zero for markup. Doug has verified the cost of the gauges at \$550 each. Doug's opinion is that QCC is due the money as it will provide "added value" to the Project. The gauges are necessary. Had the original bid included the gauges the cost would have included a markup and would have been double the \$33K being requested. That being said, not everyone agreed with the "value added" statement.

A lengthy discussion followed. Doug's opinion is that QCC made an honest mistake and fairness dictates we pay them; plus, it will go far in building good will. There was a question as to whether this was the best and final offer or is there a chance for additional negotiations. Doug advised that the quote does include an amount for Rognlin's to install and Rognlin's may absorb their share. QCC appears to be in financial jeopardy with their oversight to take less. There was a question as to whether G&O would be willing to accept responsibility for a percentage of the change order amount. There was no response to the question but Jay reminded the RWCC that there was \$1.43 million set aside for change orders and that this amount would take us to \$200K in change orders. Very few are errors and omissions issues. At this time we are 40% complete in contract time. This is all grant money. There is an additional contingency amount of \$4.5 million.

The WRCC and others expressed concern that because Totem's bid came in \$300K below other bidders that this \$33K might just be the tip of the iceberg. It's not RWCC's fault that QCC misinterpreted the specs. Was anybody suspicious of the low bid? The general sentiment of the RWCC is that if the gauges were a part of the plans and specifications prepared by G&O and approved by RWCC, RWCC is not responsible.

Unfortunately, the bidding process does not allow for close examination of the details included in the contractor's bid. Will the RWCC be subject to additional requests for financial relief from the contractor? Despite the project's specifications, QCC has worked on similar installations and should be well acquainted with what is required. Doug does not expect to see

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any more “mistakes”. We are basically through the majority of the submittal process and the other area where RWCC might see additional requests from Totem is in their installation costs.

There is no “typical” solution to this. It will vary from city to city – municipality to municipality. Eric’s opinion is that if the RWCC refuses to pay this request that the contractor will more than likely file a claim, and not for the negotiated \$33K, but for the original \$70K. The contractor may try to create a conflict based on the discrepancy between the plans and the specs, which is G&O’s responsibility. Someone will be paid to deal with it. Doug’s opinion is that time will be lost. Eric’s opinion is that the current trend in arbitration is to rule in favor of the contractor over the owner/engineer.

A motion to table this Item pending further investigation until the next meeting was made by John and seconded by Todd. The motion carried.

- Item #3: Provide and install additional grating and grating support as detailed in Clarification Drawing Nos. 19 and 20: Price = \$4,468.62 plus tax. This additional grating is required to provide operator access to the existing sluice gate valves that will direct leachate flows into either of the existing two leachate holding tanks.
- Item #4: Provide and install two additional 4’-0” wide x 6’-4” tall HDPE baffles and corresponding supports, one in each of two grit basins at the Headworks Structure per Clarification Drawing No. 21: Price = \$5,848.99 plus tax. All of the baffles necessary for the proper operation of the aerated grit basins were not shown on the Contract Drawings. The two baffle sections depicted on Clarification Drawing No. 21 are required to optimize the performance of the Aerated Grit Basins.
- Item #5: Provide and install two additional 8’-0” wide x 4’-0” tall HDPE baffles and corresponding supports; one in each of two Digester tanks per Clarification Drawing No. 39: Price = \$5,392.44 plus tax. The initial jet mix system layout for the Aerobic Digesters submitted by Fluidyne varied from the Contract Drawings to avoid the potential for short circuiting to occur between one of the jet mix nozzles and the jet motive pump intake. Fluidyne’s proposed layout would have required significant re-design of the air piping, electrical components,

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access platforms, handrail, and pump hoists associated with each jet mix pump. In lieu of this redesign, Gray & Osborne proposed to Fluidyne to incorporate an HDPE baffle positioned between the first jet mix nozzle and the jet motive pump intake. Fluidyne concurred with this solution.

- Item #6: Provide and install one stainless steel sluice gate over a new core-drilled hole in the common wall between Digester #1 and #2 per Clarification Drawings Nos. 50 and 51. Price = \$9,261.34 plus tax. The addition of this sluice gate and opening between the two aerobic digesters will provide the operational flexibility necessary to allow the digesters to be operated in parallel or in series. This change will also ensure that the liquid level in both digesters can be equalized while wasting sludge from one aerobic digester.
- A motion to approve items 1,3,4,5 and 6 was made by Jerry, seconded by John. The motion carried. As noted above, Item #2 was tabled and will be addressed at the next RWCC meeting.

- Schedule

- Project is on schedule. G&O is satisfied with the work being done. Rognlin's is good to work with. The Totem superintendent is good to work with. G&O's Will Scott is doing a great job.-

- Quality

- Overall quality is satisfactory.

- Doug distributed his draft of Process Equipment Control Descriptions. Conley will use this to program the plant – both liquid and solid stream. Doug asked that the RWCC review and get back to him with comments in the next two months.

- Regional Project Accounting Spreadsheet Update

- Jay presented an updated accounting spreadsheet

- Tracking all regional projects including RD, Phase 2-B, and I/I projects.
- Shows I/I split between Raymond and South Bend
- Shows the credit to South Bend for the reallocation of \$94K to Raymond.
- Shows the contingency for change orders which is all grant. Future contract changes will be reflected in future sheet as a draw down from the contingencies number
- Explicit authorization for South Bend's Central Avenue project has yet to be obtained. Requests for changes and additional information have

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been sent. Initially information was sent to Debbie Harper; however, it was not forwarded to Dave Dunnell. Dave wants to see all contracts for projects to ensure there is no double dipping. Everything seems to be in order and approval is expected soon – hoping that approval by Dave Dunnell will come next week. G&O is reluctant to incur costs on this project until approval is obtained.

- Discussion / planning for initiation of annual budgeting process
 - Dean distributed his budget estimate for the annual operation and maintenance costs of the Regional treatment plant.. This is a preliminary estimate as implementation is two years in the future. Figures shown for salaries and other elements of the budget are likely to change and require adjustment.
 - Todd will obtain budgets from similar installations for Dean to use in his budget process.
- Biosolids removal / lagoon decommissioning investigation status
 - See above
 - Jay continues to await DOE actual approval of the decommissioning permit. It's been about a year since submission of the permit. Jay has received "quasi verbal approval" and an e-Mail blessing the concepts that were in the application. Actual, final approval is still pending.
- Central Avenue sewer investigation status
 - See above
- Other
 - Fiber Optics at Treatment plant – Estimated cost to run fiber optics between the plant and pump stations is at \$200K. Personnel are currently using two-way radios.
- Set next meeting – Feb 23, 2012 – South Bend City Hall
- Adjourned at 8:03 PM