

Memorandum



Buckman Direct Diversion

Date: October 4, 2018
To: Buckman Direct Diversion Board
From: Mackie M. Romero, BDD Financial Manager
Subject: Request to Authorize Funding

ITEM AND ISSUE:

Request to authorize funding from the Major Repair and Replacement Fund to purchase and install two (2) new variable frequency drives.

BACKGROUND AND SUMMARY:

The Buckman Direct Diversion currently uses 4 variable frequency drives (VFD) at the Membrane Feed Pump Station. In 2017 the BDDDB approved our request to purchase two (2) new variable frequency drives to replace the failed equipment for pump # 2 and # 4. During this time a third VFD failed at pump # 3 leaving only # 1 operable. With this third failure staff had to procure emergency services to have the new equipment installed and decided to replace the VFD for pump 3 and 4, leaving the VFD for pump 2 inoperable, until a new VFD could be purchased.

This request is to authorize funds from the Major Repair and Replacement Fund, to make funds available to cover the replacement cost of the equipment which meets the criteria as established in the policy.

With this approval, staff will purchase (2) two VFDs which will replace equipment at pump 2 and pump 1 from National Electric, who has provided the lowest quote of \$20,300 for each VFD, for a total of \$40,600. We will also enter into a service agreement with Eaton Corporation for the installation of the new equipment. Eaton Corporation currently has a NM GSA Price Agreement, and has provided a quote of \$44,152 for the installation.

ACTION REQUESTED:

Staff recommends approval of a Budget Adjustment Resolution (BAR) from the Major Repair and Replacement Fund to cover the replacement cost of the new equipment.

Business Unit/Line Item:

System Equipment	72420.520150.320020	\$ 84,752.00
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Approved by BDDDB October 4, 2018

Councilor Peter Ives, BDDDB Chair



Log # {Finance use <i>only</i> } :	
Batch # {Finance use <i>only</i> } :	

City of Santa Fe, New Mexico

BUDGET AMENDMENT RESOLUTION (BAR)

DEPARTMENT / DIVISION NAME Buckman Direct Diversion						DATE 09/24/2018
ITEM DESCRIPTION	BUSINESS UNIT	LINE ITEM	SUBSIDIARY {.000000}	SUBLEDGER {0000}	INCREASE	DECREASE
EXPENDITURES					<i>{enter as positive #}</i>	<i>{enter as negative #}</i>
Repair & Maint of System Equipment	72420	520150	320020		84,752	
REVENUES					<i>{enter as negative #}</i>	<i>{enter as positive #}</i>
BDD City	71420	439960	100		(60,253)	
BDD County	71420	439960	200		(21,163)	
BDD LC Club	71420	439960	300		(1,456)	
BDD LC Coop	71420	439960	400		(1,879)	
JUSTIFICATION: <i>(use additional page if needed)</i> <i>--Attach supporting documentation/memo</i>					\$ 0	\$ 0

To budget fund balance from the BDD Major Repair and Replacement Fund 07415.

BDDDB Approved 10/04/2018

<i>{Complete section below if BAR results in a net change to ANY Fund}</i>	
Fund(s) Affected:	Fund Bal. Increase/ (Decrease):
07415	(84,752)
TOTAL:	(\$ 84,752)

Mackie Romero	10/04/2018	<i>{Use this form for Finance Committee/ City Council agenda items ONLY}</i>	
Prepared By <i>{print name}</i>	Date	CITY COUNCIL APPROVAL	Budget Officer
Division Director <i>{optional}</i>	Date		Finance Director <i>{≤ \$5,000}</i>
Department Director	Date		City Manager <i>{≤ \$50,000}</i>
		City Council Approval Date	
		Agenda Item #:	

Memorandum



Buckman Direct Diversion

Date: October 4, 2018
To: Buckman Direct Diversion Board
From: Nick Schiavo, Interim BDD Facilities Manager
Subject: Amendment No. 3 Alpha Southwest, Inc.

ITEM AND ISSUE:

Request for approval of Amendment No. 3 to the contract with Alpha Southwest for the BDD Raw Water Pump Project, Bid No. 16/38/B.

BACKGROUND AND SUMMARY:

2016

The Buckman Direct Diversion Board awarded RFB '16/38/B "BDD Raw Water Pump Project" to Alpha Southwest, Inc. to construct and install four (4) raw water pumps at Booster Station 1A (BSA1) and four (4) raw water pumps at Booster Station 2A (BS2A) for a total contract amount of \$1,009,472.50. The scope of work includes manufacturing, installation and testing of the eight new vertical turbine pumps with the use of the existing motors.

The first Notice to Proceed (NTP) was issued on October 5, 2016. 240 calendar days were given for substantial completion for the first four pumps. On November 7, 2016 the second NTP was issued for the second set of four pumps.

2017

Change order No. 1 was approved on February 16, 2017 in the amount of \$38,527.02 for the purpose of upgrading the thrust bearings in the existing motors. During the manufacturing phase it was determined the existing motors that were for the raw water pumps at BS2A needed extra high thrust bearings.

Change order No. 2 was approved on June 13, 2017. The change order was for the addition of 50 calendar days to the contract only.

The installation of the first pumps occurred the week of July 19th, 2017. Two pumps and motors were installed at each BS1A and BS2A.

On August 24, 2017 all four pumps failed and were taken offline. The cause of failure was excessive wear of the replaceable shaft sleeve within the stuffing box.

The means for lubricating the pump shafts was rethought and beginning on November 8, 2017 through December 14, 2017 mechanical seals and oilers were installed and tested. The pumps were reinstalled and subsequently failed within 30 days.



2018

The week of April 25th, 2018 four new pumps and mechanical seals were installed (two pumps at BS1A and two pumps at BS2A). One pump at BS1A and one at BS2A pump were taken offline due to mechanical seal failure. The two remaining pumps have been place in lag position (being run infrequently).

The items included in this change order request relate to field conditions of the pump installation and modifications to the proposed sealing system. The contractor will correct the misalignment, including machining the pipe flanges and adjustment of pipe supports to allow for a satisfactory installation of the pump. The remainder of the change order is to allow the contractor to provide oil bath mechanical seals instead of a stuffing box with packing rings.

This request limits funding to the contractor for one booster pump. After installation and a reasonable test period, staff will make a recommendation to the board on whether to continue to fund the project.

The Buckman Direct Diversion Board has authorized these expenditures from the Major Repair and Replacement fund. Therefore this request includes approval of a Budget Amendment Resolution (BAR) to authorize \$27,718.71 from the Major Repair and Replacement fund to cover the additional cost.

ACTION REQUESTED:

Staff recommends approval of Amendment No. 3 to the contract with Alpha Southwest, Inc. to increase the contract amount by \$27,718.71 for a total amount of \$1,075,718.24 and approval of the Budget Adjustment Resolution (BAR) from the Major Repair and Replacement Fund.

Major Repair & Replacement Fund:

System Equipment	72420.570550.991330	\$ 27,718.71
City of Santa Fe	71420.439960.100	\$ 19,706.12
Santa Fe County	71420.439960.200	\$ 6,921.58
Las Campanas – Club	71420.439960.300	\$ 476.32
Las Campanas – Coop	71420.439960.400	\$ 614.69

FY 2018/19 Total Budget Net Effect \$27,718.71

Approved by BDDDB October 4, 2018

Councilor Peter Ives, BDDDB Chair



**BUCKMAN DIRECT DIVERSION BOARD
AMENDMENT No. 3 TO THE
AGREEMENT WITH ALPHA SOUTHWEST, INC.**

This AMENDMENT No. 3 (the "Amendment") to the Agreement between Owner and Contractor dated August 4, 2016, and subsequently amended (the "Agreement"), is made between the Buckman Direct Diversion Board (the "BDDDB") and Alpha Southwest, Inc. ("Contractor"). The effective date of this Amendment shall be the date it is executed by the BDDDB.

RECITALS

WHEREAS, under the terms of the Agreement, Contractor agreed to provide professional services to the BDDDB to remove, construct and install four (4) raw water pumps for the Buckman Direct Diversion's Booster Pump Stations 1A and 2A, pursuant to Bid No. 16/38/B for the BDD Raw Water Pump Project ("the Bid");

WHEREAS, the Bid contained Alternative Bid Items which included up to four (4) additional pumps that could be purchased by the BDDDB within one year of the Agreement;

WHEREAS, pursuant to Amendment No. 1 to the Agreement, the BDDDB elected to purchase four (4) additional pumps as provided for in the Alternate Bid Items;

WHEREAS, pursuant to Amendment No. 2 to the Agreement, the BDDDB approved a change order request for parts needed in the construction of the four (4) 2A raw water pumps for the BDD Raw Water Pump Project;

WHEREAS, Contractor has submitted a request for a change order, related to field conditions at one pump installation; two modifications to the proposed sealing system for the BDD Raw Water Pump Project; and to extend the time of completion.

WHEREAS, the BDDB wishes to approve the change request and increase the Contract Sum in Article 4, paragraph 4.1 and to extend the time for completion in Article 3, paragraph 3.1;

WHEREAS pursuant to Article 10.22 of the Agreement, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the BDDB and Contractor agree as follows:

1. Change Order

The change order request for necessary parts and labor in the amount of Twenty-Seven Thousand Seven Hundred Eighteen and .71/100 Dollars (\$27,718.71) plus applicable gross receipts tax and to extend the time of completion to June 30, 2019 is approved.

2. Contract Sum

Article 4, Contract Sum, of the Agreement is amended so that Article 4, paragraph 4.1 reads in its entirety as follows:

4.1 The Owner shall pay Contractor in current funds for the performance of the Work, subject to additions and deductions by Change Order as provided in the Contract Documents, the Contract Sum of One Million Seventy-Five Thousand Seven Hundred Eighteen and .24/100 Dollars (\$1,075,718.24).

The Contract Sum is determined as follows:

Base Bid Price (Increased by Amendment No. 1)	<u>\$ 932,000.00</u>
Change Order No. 1 (Amendment No. 2)	<u>\$ 35,570.25</u>
Change Order No. 2 (Amendment No. 3)	<u>\$ 25,591.42</u>
Bid Alternates (0 thru 0) Price	<u>\$ 0</u>
Gross Receipts (8.4375%) Tax	<u>\$ 82,127.29</u>
TOTAL:	<u>\$ 1,075,718.24</u>

3. Time of Commencement and Substantial Completion

Article 3, Time of Commencement and Substantial Completion, is amended to extend the time of completion of the Base Bid to June 30, 2019.

4. **Agreement in Full Force**

Except as specifically provided in this Amendment, the Agreement remains, and shall remain, in full force and effect, in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 3 to the Agreement as of the dates set forth below.

**[Remainder of Page Intentionally Left Blank;
Signature Page Follows]**

BUCKMAN DIRECT DIVERSION BOARD

**CONTRACTOR:
Alpha Southwest, Inc.**

By: _____
Councilor Peter Ives, BDDDB Chair

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:


Nancy R. Long, BDDDB Counsel

APPROVED:

Mary T. McCoy, City Finance Director

ATTEST:

Yolanda Y. Vigil, City Clerk

File Date: _____

Business Unit/Line Item: 72420.570550.991330



**Buckman Direct Diversion Board
Summary of Contracts, Agreements, & Amendments**

Section to be completed by department for each contract or contract amendment

1 **FOR:** ORIGINAL CONTRACT or CONTRACT AMENDMENT

2 Name of Contractor Alpha Southwest, Inc.

3 Complete information requested Plus GRT
 Inclusive of GRT

Original Contract Amount: \$504,736.25

Termination Date: June 30, 2017

Approved by BDDB Date: August 4, 2016

or by Project Manager Date: _____

Contract is for: To install, manufacture and test (4) four verticle turbine pumps.

Amendment # 3 to the Original Contract# 16-0769

Increase/(Decrease) Amount \$ 27,719

Extend Termination Date to: _____

Approved by BDDB Date: Pending

or by Project Manager Date: _____

Amendment is for: Increase compensation for modifications to complete the pump installation.

4 **History of Contract & Amendments:** (option: attach spreadsheet if multiple amendments) Plus GRT
 Inclusive of GRT

Amount \$ 504,736.25 of original Contract# 16-0769 Termination Date: 06/30/2017

Reason: To install, manufacture and test (4) four verticle turbine pumps.

Amount \$ 504,736.25 amendment # 1 Termination Date: 06/30/2017

Reason: To purchase (4) four additional verticle turbine pumps.

Amount \$ 38,527.08 amendment # 2 Termination Date: 06/30/2018

Reason: Upgrade the trust bearings in the existing motors.

Amount \$ 27,718.71 amendment # 3 Termination Date: 06/30/2019

Reason: Increase compensation for modifications to complete the pump installation.

Total of Original Contract plus all amendments: \$ 1,075,718



**Buckman Direct Diversion Board
Summary of Contracts, Agreements, & Amendments**

5 Procurement Method of Original Contract: (complete one of the lines)

RFP# BDD RFB '16/38/B Date: August 4, 2016

RFQ _____ Date: _____

Sole Source _____ Date: _____

Other _____

6 Procurement History: _____

example: (First year of 4 year contract)

Purchasing Approval

7 Funding Source: Major Repair & Replacement Fund **BU/Line Item:** 72420.570550.991330

Budget Officer Approval

Comments or Exceptions: _____

8 Any out-of-the ordinary or unusual issues or concerns:

none

(Memo may be attached to explain detail.)

9 Staff Contact who completed this form: Mackie Romero, BDD Financial Manager

Phone # 955-4506

10 Certificate of Insurance attached. (if original Contract)

To be recorded by City Clerk:

Contract # _____

Date of contract Executed (i.e., signed by all parties): _____

Note: If further information needs to be included, attach a separate memo.

Comments:

Buckman Direct Diversion Board

Log # {Finance use <i>only</i> }: _____
Batch # {Finance use <i>only</i> }: _____

City of Santa Fe, New Mexico BUDGET AMENDMENT RESOLUTION (BAR)

DEPARTMENT / DIVISION NAME Buckman Direct Diversion					DATE 09/24/2018	
ITEM DESCRIPTION	BUSINESS UNIT	LINE ITEM	SUBSIDIARY {.000000}	SUBLEDGER {0000}	INCREASE	DECREASE
<u>EXPENDITURES</u>					<i>{enter as positive #}</i>	<i>{enter as negative #}</i>
System Equipment	72420	570550	991330		27,719	
<u>REVENUES</u>					<i>{enter as negative #}</i>	<i>{enter as positive #}</i>
BDD City	71420	439960	100		(19,706)	
BDD County	71420	439960	200		(6,922)	
BDD LC Club	71420	439960	300		(476)	
BDD LC Coop	71420	439960	400		(615)	
JUSTIFICATION: <i>(use additional page if needed)</i> <i>--Attach supporting documentation/memo</i>					\$ 0	\$ 0

To budget fund balance from the BDD Major Repair and Replacement Fund 07415.
Change order request to increase cost for "BDD Raw Water Pump Project".
BDDDB Approved 10/04/2018

<i>{Complete section below if BAR results in a net change to ANY Fund}</i>	
Fund(s) Affected:	Fund Bal. Increase/ (Decrease):
07415	(27,719)
TOTAL:	(\$ 27,719)

Mackie Romero	10/04/2018	<i>{Use this form for Finance Committee/ City Council agenda items ONLY}</i>	
Prepared By <i>{print name}</i>	Date	CITY COUNCIL APPROVAL	Budget Officer
Division Director <i>{optional}</i>	Date		Finance Director <i>{≤ \$5,000}</i>
Department Director	Date		City Manager <i>{≤ \$50,000}</i>
		City Council Approval Date	
		Agenda Item #:	

Contract Change Order No. One

Contract Name BDD Raw Water Pump Project Orig. Contract Amt. \$ \$504,736.25 Days 240

Contract No. Bid Number 16/38/B Prev. Appvd. Changes \$ \$504,736.25 Days 53

Contractor Alpha Southwest This Change \$38,527.04 Days

Owner Buckman Direct Diversion Board Revised Contract Amt. \$ \$1,047,999.52 Days 293

This Change Order covers changes to the subject contract as described herein. The Contractor shall construct, furnish equipment and materials, and perform all work as necessary or required to complete the Change Order Items for a lump sum price agreed upon between the Contractor and Buckman Direct Diversion Board otherwise referred to as Owner. Owner's Name

Description of Changes	Increase in Contract Amount (\$)	(Decrease) in Contract Amount (\$)	Contract Time Extension (days)
BS2A 700HP VSS Motor, upgrade existing motors to 300% extra high thrust bearings.	\$62,045.38		
BS2A 700HP VSS Motor 175% extra high thrust bearing Credit.		<\$23,518.36>	
<i>Note: To maintain the existing completion time of the project by July 25, 2017. We need to order the parts to upgrade the existing 700HP VSS motors by February 27, 2017 otherwise an extension of contract time may be required.</i>			
Totals	\$62,045.38	<\$23,518.36>	
Net change in contract amount increase or (decrease)	\$38,527.02		

The amount of the contract will be increased (decreased) by the sum of \$ \$38,527.02 and the contract time shall be extended by _____ calendar days. The undersigned Contractor approves the foregoing Change Order as to the changes, if any, in the contract price specified for each item including any and all supervision costs and other miscellaneous costs relating to the change in work, and as to the extension of time allowed, if any, for completion of the entire work on account of said Change Order. The Contractor agrees to furnish all labor and materials and perform all other necessary work, inclusive of items directly or indirectly related to the approved time extension, required to complete the Change order items. This document will become a supplement of the contract and all provisions will apply hereto. It is understood that the Change Order shall be effective when approved by the Owner.

Recommended: Kelby Sommer /Engineer Date: 2/17/17
 (Signature)

Accepted: Warren Ellis /Contractor Date: 2/16/17
 (Signature)

Approved: _____ /Owner Date: _____
 (Signature)

Contract Change Order No. Three

Contract Name BDD Raw Water Pump Project Orig. Contract Amt. \$ \$504,736.25 Days 240

Contract No. Bid Number 16/38/B Prev. Appvd. Changes \$ \$543,263.29 Days 53

Contractor Alpha Southwest This Change _____ Days 50

Owner Buckman Direct Diversion Board Revised Contract Amt. \$ \$1,047,999.52 Days 343

This Change Order covers changes to the subject contract as described herein. The Contractor shall construct, furnish equipment and materials, and perform all work as necessary or required to complete the Change Order
 Items for a lump sum price agreed upon between the Contractor and Buckman Direct Diversion Board
 otherwise referred to as Owner. Owner's Name

Description of Changes	Increase in Contract Amount (\$)	(Decrease) in Contract Amount (\$)	Contract Time Extension (days)
Stuffing box design and configuration completion – extension of contract time needed and requested.			50
Totals			
Net change in contract amount increase or (decrease)			50

The amount of the contract will be increased (decreased) by the sum of \$ _____ and the contract time shall be extended by _____ calendar days. The undersigned Contractor approves the foregoing Change Order as to the changes, if any, in the contract price specified for each item including any and all supervision costs and other miscellaneous costs relating to the change in work, and as to the extension of time allowed, if any, for completion of the entire work on account of said Change Order. The Contractor agrees to furnish all labor and materials and perform all other necessary work, inclusive of items directly or indirectly related to the approved time extension, required to complete the Change order items. This document will become a supplement of the contract and all provisions will apply hereto. It is understood that the Change Order shall be effective when approved by the Owner.

Recommended: Kelby Sommer /Engineer Date: 6/15/2017
 (Signature)

Accepted: Warren Alley /Contractor Date: 6/13/17
 (Signature)

Approved: _____ /Owner Date: _____
 (Signature)