

RESOLUTION 19-79

**A RESOLUTION TO APPROVE FIELD CHANGE EXPENDITURE FOR
DUPLEX ROAD WIDENING PROJECT WATER LINE BUTTERFLY
VALVE REPAIRS**

WHEREAS, the Duplex Road widening project is currently in construction phase; and

WHEREAS, due to a lack of correct installation information, twenty-five (25) water line butterfly valves need to be repaired by adding ductile iron fittings on either side of each valve; and

WHEREAS, the City is responsible for the cost of the materials only in the amount of \$59,880.00 as the utility in conflict belongs to the City, who would have incurred this cost if the ductile iron fittings had been installed initially; and

WHEREAS, the cost for the repairs will be paid through the contract with the Tennessee Department of Transportation ("TDOT") and be deducted from the deposit paid by the City in March 2017.

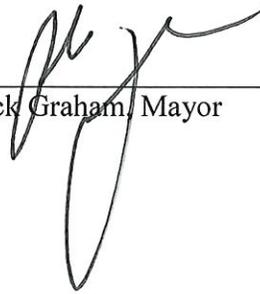
NOW, THEREFORE BE IT RESOLVED, that the City of Spring Hill, Board of Mayor and Aldermen approves a Field Change Expenditure for the Duplex Road widening project water line butterfly valve repairs at cost of \$59,880.00, as recommended by the Budget and Finance Advisory Committee on June 3, 2019.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 17th day of June, 2019.

ATTEST:



April Goad, City Recorder



Rick Graham, Mayor

LEGAL FORM APPROVED:



Patrick Carter, City Attorney

SUBJECT: Resolution to approve field change expenditure for Duplex Road widening project water line butterfly valve repairs

DATE: May 28, 2019

ATTENTION: Board of Mayor and Aldermen

STAFF: Victor Lay, City Administrator
Missy Stahl, Senior Project Manager



STAFF MEMORANDUM

The Duplex Road widening project is currently in the construction phase. Twenty-eight (28) water line butterfly valves were installed that met city specifications. However, in order for the valves to work properly, ductile iron fittings had to be used or the inside of the pipe needed to be beveled. This installation information was not included in the submittal for approval nor was it provided when the valves were delivered to the site. Therefore, the valves were installed with unbeveled PVC pipe. As a result, the valves will only open and close one time properly; after that, the gaskets tear and do not allow for a positive seal.

Gresham Smith (hired by TDOT for CEI services) evaluated the issue and determined that all parties associated with the valves have a level of financial responsibility to correct the problem. The correction involves excavating each valve and adding the special fittings needed to make the connection work properly. Eutaw Construction developed a cost analysis to replace twenty-five valves (three have already been replaced). The allocation of costs to remedy the problem is as follows:

City of Spring Hill – to pay for materials only. This is a cost the city would have incurred if the ductile iron had been used initially. Also the water line belongs to the city and TDOT’s policy is whoever owns the utility is responsible for the field change. Payment will be made through the utility contract currently in place with TDOT and will be deducted from the deposit previously made in March 2017.

TOTAL CITY COST: \$59,880.00

Dempsey Dilling & Associates, Hayes Pipe Supply, Eutaw Construction – to pay for labor and equipment rental. All charges will be direct cost (no markups) and will be tracked daily. The three entities have agreed in writing to split the total of labor and equipment equally three ways. Cost is an estimate and could vary higher or lower.

TOTAL OUTSIDE COST: \$36,120.00

Staff requests approval of this change order request.

Missy Stahl

From: Ryan Cary <rcary@eutaw.us>
Sent: Monday, May 13, 2019 1:48 PM
To: Missy Stahl; Victor Lay
Cc: Ryan Cary; T.C. Norman; Patrick Kuykendall; davidgarrett67@yahoo.com; 'Jeff Heredia'; Jerome Dempsey; hgilbert@hayespipe.com; gthurman@hayespipe.com; Matt McQueen; ernie.milteer@mh-valve.com; Chip Moore
Subject: [External] (17081) Valve Repair Cost vs. Revenue Analysis

****External Email****

Victor, Missy, et. al-

As discussed in Wednesday's (May 1, 2019) meeting, we have vetted multiple repair options for the valves and have come up with what we believe to be the best repair plan. As you are aware, in order for these two materials to work properly in conjunction with one another, a special connection is required. This connection can be made by adding special fittings/appurtenances. Thus, we propose excavating each valve, while coordinating with the COSH and DDA, and adding the special fittings needed to make this connection work properly. While installing the special fittings, any valve wafers that were damaged during the original installation will be repaired by the manufacturer at no cost to the COSH.

After vetting multiple options, we proposed the following special fittings be added to the system:

- 12" Domestic MJ L/P Solid Sleeve Less Acc = 50 each @ 136 lbs. = 6,800 lbs.
- 12" Megalug DI w/ Acc. = 100 each @ 31.2 lbs. = 3,120 lbs.
- 12" Megalug PVC w/ Acc. = 50 each @ 31.4 lbs. = 1,570 lbs.
- 12" x 2' PE x PE Ductile Iron Spool = 50 each @ 69.60 lbs. = 3,480 lbs.
14,970 lbs. x \$4.00 per lbs. = \$59,880

It is imperative to note, had we known this special connection was required for these two products to work properly, we would have installed these same materials during the original installation at these contract unit prices. Thus, the COSH is not encountering any additional costs associated with the repair of these valves.

After thoroughly analyzing this process, we believe the total cost impact will be approximately \$96,000. See below for breakdown:

| Description | Qty | Unit | Unit Cost | Total | |
|---------------------|-----|------|-----------|---------------------|-------|
| 12" CL350 DIP | 100 | LF | \$ 28.62 | \$ 2,862.35 | Mat'l |
| 12" Megalug | 50 | EACH | \$ 134.45 | \$ 6,722.70 | Mat'l |
| 12" Megalug for DIP | 100 | EACH | \$ 122.45 | \$ 12,244.74 | Mat'l |
| 12" Sleeve | 50 | EACH | \$ 280.77 | \$ 14,038.63 | Mat'l |
| 57 stone | 144 | TON | \$ 16.82 | \$ 2,422.73 | Mat'l |
| Haul 57 stone | 144 | TON | \$ 4.00 | \$ 576.00 | Mat'l |
| Trackhoe | 250 | HOUR | \$ 64.96 | \$ 16,240.00 | Equip |
| Loader | 125 | HOUR | \$ 44.22 | \$ 5,527.50 | Equip |
| Truck, Foreman | 250 | HOUR | \$ 11.50 | \$ 2,875.00 | Equip |
| Pipe Layer | 250 | HOUR | \$ 25.74 | \$ 6,435.00 | Labor |
| Operator | 500 | HOUR | \$ 28.49 | \$ 14,242.80 | Labor |
| Foreman | 250 | HOUR | \$ 46.80 | \$ 11,700.00 | Labor |
| Total | | | | \$ 95,887.45 | |

Assuming the COSH accepts their fair share of this expense being \$59,880, Eutaw proposes the remaining \$36,120 in cost be split three ways between Eutaw, Hayes Pipe, and DDA.

If this proposal is amenable to all parties, Eutaw will begin this process as soon as possible. Please let us know your thoughts on how you would like for us to proceed.

Respectfully,

Ryan Cary | Senior Project Manager | Tennessee Division
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