COUNTY OF ERIE

MARK C. POLONCARZ
COUNTY EXECUTIVE

June 23, 2014

Erie County Legislature
92 Franklin Street – Fourth Floor
Buffalo, New York 14202

RE: Erie County Sewer District No. 2
Energy Performance Agreement Dated October 8, 2013
Wendel Energy Services – Change Order No. 2

Honorable Members:

Enclosed please find a memorandum from the Department of Environment and Planning, pertaining to Change Order No. 2 for the Erie County Sewer District No. 2/Wendel Energy Services Agreement dated October 8, 2012.

Should your honorable body require further information, I encourage you to contact Joseph L. Fiegl, P.E., in the Department of Environment and Planning. Thank you for your consideration on this matter.

Sincerely yours,

Mark C. Poloncarz, Esq.
Erie County Executive

MCP/bp
Enclosure

MEMORANDUM

To: Honorable Members of the Erie County Legislature
From: Department of Environment and Planning
Re: Erie County Sewer District No. 2
Energy Performance Agreement Dated October 8, 2012
Wendel Energy Services – Change Order No. 2
Date: June 23, 2014

SUMMARY

It is requested that the Erie County Legislature approve the attached Change Order No. 2, to the Erie County Sewer District No. 2/Wendel Energy Performance Agreement dated October 8, 2012. The Change Order is in the amount of $59,924.30. The Division is requesting a transfer of $100,000 from Captital Account C.00008 to Capital Project Account C.12201 for the Change Order and to provide a contingency of $40,075.70 for the remainder of the Contract.

FISCAL IMPLICATIONS

There will be no fiscal impact on the County's General Fund. Funds for this project are included in Sewer District No. 2, Account C.12201 and Sewer District No. 2 Capital Reserve Account C.00008.

REASONS FOR RECOMMENDATION

Wendel Energy Services will be compensated for the following additional services currently outside of the Scope of the project: Increase in size of the Control Room building addition, termination testing of four (4) additional fiber optic strands throughout the Big Sister Creek Wastewater Treatment Plant, and installing fiber optic termination panels to safely maintain the additional fibers for future use.

BACKGROUND INFORMATION

During excavation of the original proposed footprint of the control room building addition, a large (three foot wide) concrete encasement containing electrical conduits was discovered in direct conflict with the alignment of the proposed foundation. Although the conduits were shown on the contract drawings, the location (as determined from record information) was not in the anticipated spot. The encasement houses both the primary and emergency backup power to the existing building and therefore cannot be relocated. Instead the new addition will be shifted four feet to the west and an approximately 40 square foot corridor will be added bridging over the concrete encasement to maintain proper access to the existing building.

In addition, the Scope of Services for the project included the use of two (2) strands of fiber optic lines. County staff previously "pulled" six (6) strands throughout the facility for future work and redundancy. The termination and testing of the four (4) additional strands is currently outside the scope of the project; however, completing these additional tasks brings value to the County in

County in terms of redundancy and capacity for future use, as well as a cost savings by completing these tasks under a single mobilization already included in the contract cost.

CONSEQUENCES OF NEGATIVE ACTION

The control room, a key element to the success of the project, will not be able to be constructed as currently scoped. The project would need to be terminated and $750,000 in grant funding and additional National Grid incentives towards this project would be lost.

STEPS FOLLOWING APPROVAL

The Department will execute process the change order.

COMPTROLLER'S OFFICE REVIEW

The proposed legislation has been reviewed by the Comptroller's Office and is related to an authorized capital project for which there are sufficient capital appropriations for the action proposed.

Signed _____ Date 6/18/14
Title Greg Gach
Deputy Comptroller

DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT
ENERGY PERFORMANCE AGREEMENT CHANGE ORDER

Change Order No. 2 Date: June 17, 2014 Sheet: 1 of 2

Contract No. 90 File No. 2.3.3.90

Project: Big Sister Wastewater Treatment Plant Energy Performance Project

Engineer's Name: Wendel Energy Services, LLC

Engineer's Address: 140 John James Audubon Parkway, Amherst, NY 14228

Description of Change to Contract:

Wendel Energy Services will shift the construction of the control room building addition so as to avoid the concrete encased power distribution lines along the alignment of the originally proposed foundation, and additional construct an approximately 40 square foot enclosed corridor, bridging over the encased conduits, to maintain originally planned points of access to the existing building.

Wendel Energy Services will conduct additional fiber optic termination, testing, and panel work as directed by the County on the additional four (4) fiber strands in the fiber optic pulls throughout the plant.

Reason for Modification:

During excavation of the original proposed footprint of the control room building addition a large (three foot wide) concrete encasement containing electrical conduits was discovered in direct conflict with the alignment of the proposed foundation. The encasement houses both the primary and emergency backup power to the existing building and therefore cannot be relocated. Instead the site of the new addition will be shifted four feet to the west and an approximately 40 square foot corridor will be added bridging over the concrete encasement to maintain proper access to the existing building.

During field verification it was discovered that the fiber optic lines pulled through the plant by district staff contained six (6) strands, not two (2) as indicated on the contract drawings. The termination and testing of the four (4) additional strands is currently outside the scope of the

project, however completing these additional tasks brings value to the County in terms of redundancy and capacity for future use, as well as a cost savings by completing these tasks under a single mobilization already included in the contract cost.

Payment:

The Engineer will be compensated pursuant to the terms of the Energy Performance Agreement and lump sum estimates submitted for the additional work. The total amount of the compensation to be paid by the County which the Contractor agrees to accept as full compensation for services under Change Order No. 2 shall not exceed $59,924.30.

Contract Cost Summary

Original Contract	$1,100,000.00
Change Order No. 1	$ 0.00
Change Order No. 2	$ 59,924.30
Revised Total Contract	$1,159,924.30

Authorization

CONRACTOR _____ DATE: _____
Wendel Energy Services

ENGINEER _____ DATE: _____
Sanitary Engineer – Erie County DSM

COUNTY OF ERIE _____ DATE: _____
Deputy Commissioner – Erie County DSM

ERIE COUNTY LEGISLATURE COMM # _____ DATE: _____

ERIE COUNTY SEWER DISTRICT NO. 2 BOARD OF MANAGERS DATE: _____

A RESOLUTION SUBMITTED BY:
DEPARTMENT OF ENVIRONMENT & PLANNING

RE: Erie County Sewer District No. 2
Big Sister Energy Performance Project – Contract No. 90
Wendel Energy Services – Change Order No. 2

WHEREAS, the County of Erie on behalf of Erie County Sewer District No. 2 entered into an agreement with Wendel Energy Services on October 8, 2012 to complete the Big Sister Energy Performance Project in Erie County Sewer District No. 2; and

WHEREAS, differing site conditions in the form of the location of concrete encased primary and backup power utilities have been uncovered during preliminary excavation for the Control Room building addition, requiring that the addition be shifted to avoid the power utilities and an additional corridor be constructed to maintain access points to the existing building; and

WHEREAS, without the construction of the Control Room the project cannot be completed; and

WHEREAS, termination, testing, and paneling of four (4) additional fiber optic strands throughout the Big Sister Creek Wastewater Treatment Plant is outside the current Scope of Services but will bring value to the County in the form of redundancy for the SCADA system at the plant and capacity for future expansion; and

WHEREAS, the Project has been awarded the following grants and incentives: $750,000 from the Clean Water State Revolving Fund (Green Innovation Grant Program (GIGP)) and $112,000 from National Grid energy efficiency incentives; and

WHEREAS, Erie County Sewer District No. 2 has adequate cash in its capital reserve account C.00008 to fund this Change Order; and

WHEREAS, the Department of Environment and Planning, Division of Sewerage Management recommends the approval of Change Order No. 2 to the County of Erie/Wendel Agreement.

NOW, THEREFORE, BE IT

RESOLVED, that Change Order No. 2 to the County of Erie/Wendel Agreement dated June 17, 2014 be approved in the amount of $59,924.30; and be it further

RESOLVED, that the Department of Environment and Planning, Division of Sewerage Management is hereby directed to execute and process the necessary Change Order, subject to certification of availability of funds from the project fund balance by the Comptrollers Office; and be it further

RESOLVED, that the County Director of Budget and the County Comptroller be authorized to increase the appropriations and estimated revenues in Erie County Sewer District No. 2 Capital Project C.12201 by $100,000.00; and be it further

RESOLVED, that the Director of Budget and the County Comptroller be authorized to transfer $100,000.00 from Erie County Sewer District No. 2 Capital Reserve Account C.00008 to Sewer District No. 2 Capital Project C.12201 and to establish all budgeting accounts necessary to facilitate the transfer of $100,000.00; and be it further

RESOLVED, that the Erie County Comptroller is directed to allocate $59,924.30 from Sewer District No. 2 Account C. 12201 for payment of this Change Order and $40,075.70 to provide a contingency for the remainder of the Contract; and be it further

RESOLVED, that the Clerk of the Legislature be directed to send one (1) certified copy each to the County Executive, the Director of Budget, Management and Finance, the Erie County Comptroller, and Kristen Walder, Assistant County Attorney; and two (2) certified copies of this resolution to Joseph L. Fiegl, P.E., Department of Environment and Planning.