



Legislation Text

File #: 17-743, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the Award of Change Order #1 to Option Year Two of Contract 15-122, Excavation and Underground Utility Repairs, to Western Utility LLC for an amount not to exceed \$50,000 and a total award of \$166,953.

DEPARTMENT: Water Utilities

SUBMITTED BY: James Holzapfel, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

On October 18, 2014, City Council awarded Contract 15-122, Excavation and Underground Utility Repairs, to Western Utility LLC for an amount not to exceed \$116,953 to excavate and repair underground water and wastewater utility infrastructures. The Water Utilities uses this contract to respond to emergencies when in-house resources are not available and for planned work that cannot be accomplished without diverting in-house resources from other high-priority work. City Council approved Option Year 1 on October 20, 2015 and Option Year 2 on November 1, 2016. Each of the two option year awards were for an amount not to exceed \$116,953.

The current contract term expires December 31, 2017, with no renewal options remaining.

DISCUSSION:

The Water Utilities has recently assigned three water main breaks to the contractor resulting in an unplanned expense of approximately \$25,000. Additionally, there were unforeseen complications on a planned water main replacement assigned to Western Utility, resulting in an additional \$6,000 expense. The requested \$50,000 change order will allow outstanding invoices to be paid and provide a reserve of approximately \$19,000 to respond to emergencies such as water main breaks that would require repair prior to the end of the contract term on December 31, 2017.

FISCAL IMPACT:

CIP #: WU04, WWU06

Excavation and underground utility repairs are expensed to the capital improvement program and building repair and maintenance service accounts listed below. A total of \$4,717,500 is budgeted for underground work in the Water and Wastewater Utility in CY2017. The requested award is within budget.

Account Number	Fund Description	Total Budget Amount
430-3490-537.70-89	Water & Wastewater	\$8,852,500
430-3913-537.40-34	Water & Wastewater	\$68,000