ITEM # <u>16</u> DATE: 01-11-11

COUNCIL ACTION FORM

SUBJECT: ACCEPTANCE OF COMPLETION FOR STANGE ROAD SUBSTATION TO AMES POWER PLANT 161/69 KV TRANSMISSION LINE CONSTRUCTION

BACKGROUND:

The FY 08/09 Capital Improvement Plan and budget included a project to construct a 161 kV "in-town" transmission line from the Stange Road 161 kV substation to the Ames Plant 161 kV substation. On January 13, 2009, City Council approved a contract with Hooper Corporation of Madison Wisconsin for this work in the amount of \$3,485,486.96. Work was completed in FY 08/09, but the contractor only recently completed final paperwork to request final payment.

A number of change orders have been issued on this project. Change Orders Numbered 1 through 4 were approved by City Council on June 23, 2009, at a cumulative total of \$65,391.32. Change Order 5 was approved on September 8, 2009, increasing the contract by \$84,787.95. That change order provided for additional overhead and underground transfer work to remove some existing poles.

Change order No. 6 was approved by staff on November 23, 2009, in the amount of \$17,104.31. This change order addressed several restoration items such as asphalt and concrete repair, in addition to pole adjustments due to underground conflicts. It also reconciled actual installed units with contract construction units (units are unit-priced material and labor components with assigned unit-pricing in the contract).

The cumulative total of Change Order No's 1 through 6 is \$167,283.58, which is 4.8% of the original contract amount. The funds for these additional costs are available within the approved budget amount for the project that was originally estimated to cost \$4,430,000. The final contract amount including all change orders is \$3,652,770.54

ALTERNATIVES:

- 1. Approve completion of the Stange Road Substation to Ames Plant 161/69 kV transmission line construction contract by Hooper Corporation, Madison, WI in the amount \$3,652,770.54.
- 2. Delay acceptance of completion of this project.

MANAGER'S RECOMMENDED ACTION:

The contractor for the Stange Road Substation to Ames Plant 161/69 kV transmission line construction has completed the work under this contract. The project engineer has issued a certificate of completion on the work, and the City is legally required to make final payment to the contractor.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving completion of the contract for the Stange Road Substation to Ames Plant 161/69 kV transmission line construction by Hooper Corporation, Madison, WI in the amount \$3,652,770.54.