

COUNCIL ACTION FORM

**SUBJECT: 2013/14 WATER SYSTEM IMPROVEMENTS PROGRAM –
WATER SERVICE TRANSFERS #1 (10TH STREET)**

BACKGROUND:

The annual Water System Improvements Program provides for replacing water mains in areas that are experiencing rusting water problems. It also provides for installing larger distribution mains in areas that have a high concentration of 4-inch supply lines, transferring water services from 4-inch water mains in streets where larger water mains exist, and abandoning 4-inch water mains. Eliminating duplicate water mains, where possible, improves water flow and helps reduce rusty water. Installing larger distribution lines in areas that have a high concentration of 4-inch supply lines and less than desirable fire-fighting capacity (predominately in the older areas of the community) also provides larger supply quantities in relation to the current and proposed land uses, in accordance with the Land Use Policy Plan.

This specific project entailed transferring existing services along 10th Street to the 8” water main and abandoning the existing 4” water main.

On April 22, 2014, City Council awarded this project to J & K Contracting of Ames, Iowa, in the amount of \$81,477. A balancing change order was prepared in the amount of \$22,320.35. **Since this change order is over 20% of the original contract amount, City Council approval is necessary in order to approve the change order.** Major items in the change order include additional service transfers on properties that had been converted to duplexes or unknown service type at the time of bid. The transfer of these additional services was necessary to complete the abandonment of the existing 4” water main and to achieve the overall goal of the project of eliminating older duplicate water mains. This change order also balanced the actual quantities installed in the field. Construction was completed in the amount of \$103,767.35

The 2013/14 Water System Improvements Program includes expenses as follows:

Sheldon Avenue Water Main Replacement (complete)	\$151,040.20
South Franklin/Tripp/Village Water Main Replacement (complete)	\$405,471.00
Southeast 5 th Street Water Main Replacement (estimated)	\$170,000.00
Water Service Transfers #1 (10th Street) (this project)	\$103,767.35
Engineering and Contract Administration (estimated)	\$140,000.00
	<u>\$970,278.55</u>

Project funding is shown in the 2013/14 Capital Improvements Plan in the amount of \$975,000 from the Water Utility Fund. Any remaining funds will be utilized on future projects.

ALTERNATIVES:

- 1a. Approve Change Order No. 1 in the amount of \$22,320.35 for the 2013/14 Water System Improvements – Water Service Transfers #1 (10th Street).
 - b. Accept the 2013/14 Water System Improvements – Water Service Transfers #1 (10th Street) as completed by J&K Contracting of Ames, Iowa, in the amount of \$103,767.35.
2. Direct staff to pursue modification to the project.

MANAGER'S RECOMMENDED ACTION:

This project has now been completed in accordance with approved plans and specifications.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as noted above.