

ITEM # 19
DATE November 20, 2007

COUNCIL ACTION FORM

SUBJECT: PARTIAL ACCEPTANCE OF COMPLETION AND RELEASE OF RETAINED FUNDS FOR BID NOS. 2 AND 3 FOR 161-KV TRANSMISSION LINE MATERIALS

BACKGROUND:

On June 13, 2006, City Council awarded contracts to furnish 161-kV transmission line materials for the 161-kV interconnection project. The materials are to be installed by contractors under separate contracts. An updated report of original and current estimated costs of the components of this CIP is attached.

Laminated Wood Systems of Seward, Nebraska, was awarded Bid Nos. 2 and 3 for wood structures in the total amount of \$1,564,773.69. Two change orders have been approved by City Council, and the revised current total contract amount is \$1,533,855.48. Laminated Wood Systems has now furnished 108 of the 350 structures. Structures delivered include all of those for the transmission line from the Stange Road substation to the new Ames Power Plant substation (the in-town line), plus a small portion of the structures for the Ames Power Plant to NE Ankeny transmission line. The City requested that the remainder be delayed, and Laminated Wood Systems has agreed to delay the remainder for now since installation of these structures is delayed.

Laminated Wood Systems has requested release of the 5% retainage on the structures that have been delivered. The retained amount is \$48,317.24. The contractor has provided notification to its subcontractors and suppliers in accordance with *Iowa Code* provisions for early release of retained funds. The certification of completion by the consulting engineer from DeWild Grant Reckert & Associates (DGR) is attached for this portion of the contract.

ALTERNATIVES:

1. Accept partial completion of the contract with Laminated Wood Systems, Seward, Nebraska, for the purchase of wood structures for the 161-kV interconnection project for Electric Services, and release retained funds in the amount of \$48,317.24 for this portion of the contract.
2. Delay acceptance of this project.

MANAGER'S RECOMMENDED ACTION:

The contractor for wood structures for the 161-kV interconnection project has completed part of the work under this contract and has agreed to delay the remainder for now. The contractor has requested release of retained funds for the completed portion in accordance with *Iowa Code* provisions. Under Iowa law, the City is required to pay this portion of the retained funds within 30 days, or must also pay interest from that point.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving partial acceptance of completion of Contract No. 2006-174, Bids 2 and 3, with Laminated Wood Systems of Seward, Nebraska, for the purchase of wood structures for the 161-kV interconnection project for Electric Services. The Council would also then release retained funds in the amount of \$48,317.24.

161-KV INTERCONNECTION PROJECT

Description	Original Estimate	Estimate August 14, 2007	Estimate November 20, 2007	Status
Preliminary routing study (Stephen Rodick)		\$ 37,541	\$ 30,767.29	
Right-of-way (Myers & Associates)	\$ 488,557	\$ 539,057	\$ 541,780.50	
Engineering & construction management (DGR)	\$ 1,375,500	\$ 1,473,603	\$ 1,473,603.00	
MAPP design review subcommittee study	\$ 100,000	\$ 100,000	\$ 100,000.00	
Legal (Nymaster)	\$ 150,000	\$ 150,000	\$ 145,000.00	
Land and easements	\$ 850,000	\$ 850,000	\$ 850,000	
Autotransformers (Waukesha Electric Systems)	\$ 1,800,000	\$ 2,839,708	\$ 2,839,708	Complete
161-kV circuit breakers (Misubishi)	\$ 490,000	\$ 423,814	\$ 423,814	complete
69-kV circuit breakers (WESCO)	\$ 140,000	\$ 180,983	\$ 180,983	complete
MEC interconnection	\$ 974,538	\$ 985,495	\$ 985,495	

Substation materials & construction:

Substation misc. materials (2006-017)		\$ 845,172	\$ 845,172	complete
Materials for Ames Power Plant substation construction		\$ 518,060	\$ 518,060	complete
Stange substation construction (LE Myers)		\$ 931,186	\$ 931,186	complete
Stange Rd Sub Landscaping Design and Construction Svcs	\$ 3,795,000	\$ 23,500	\$ 23,242	awarded
Boone substation modifications (Nikkel & Associates)		\$ 117,770	\$ 117,770	complete
Stange Rd sub Contracted Testing Services		\$ 25,000	\$ 25,000	
Alliant charges for testing and engineering work at Boone		\$ 72,380	\$ 72,380	complete
Ames Power Plant substation construction (Z Contractors)		\$ 1,355,172	\$ 1,404,674	complete
Ames Plant Sub-- Contracted Testing Services		\$ 25,000	\$ 25,000	
COA crew Substation construction support & expenses		\$ 50,000	\$ 50,000	
Misc. Contracted construction services by COA for Subst support		\$ 20,000	\$ 20,000	
Total of substation materials & construction	\$ 3,795,000	\$ 3,983,240	\$ 4,032,484	

161-KV INTERCONNECTION PROJECT

Description	Original Estimate	Estimate August 14, 2007	Estimate November 20, 2007	Status
Transmission line materials & construction:				
Transmission line materials	\$ 3,749,000	\$ 4,560,231	\$ 4,556,397	awarded; partially complete
Transmission line construction, Stange Road to Ames Plant	\$ 3,616,000	\$ 3,217,172	\$ 3,217,172	delayed
Transmission line construction, Ames Plant to MEC, NE Ankeny		\$ 4,050,000	\$ 4,050,000	delayed
Phase 1 foundation and pole installation for transmission line		\$ 650,000	\$ 650,000	delayed
Transmission line Conductor-- Ames Plant to MEC, NE Ankeny		\$ 1,147,509	\$ 1,220,359	complete
Transmission line contingency	\$ 1,250,000			
Total of transmission line materials & construction	\$ 8,615,000	\$ 13,624,912	\$ 13,693,928	
Project Total	\$ 18,778,595	\$ 25,188,353	\$ 25,297,563	