

COUNCIL ACTION FORM

**SUBJECT: STANGE ROAD SUBSTATION TO AMES POWER PLANT 161/69 KV
TRANSMISSION LINE CONSTRUCTION CHANGE ORDERS**

BACKGROUND:

The 2008/09 adjusted budget includes \$3.6 million for a project to construct a 161 kV “in-town” transmission line from the Stange Road 161kV substation to the Ames Plant 161 kV substation. The 2009/10 Capital Improvements Plan also contains an additional \$830,000 to complete this work. Total budget for the in-town portion of the line is \$4,430,000. 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. Change Orders Number 1, 2, 3 and 4 were approved by Council on June 23, 2009 for a cumulative total of \$65,391.32.

Proposed Change Order No. 5 will provide for additional pole reinforcement units and various adjustments, but the majority of the cost is for additional underground and overhead transfer work necessary to remove several unnecessary poles along the route. This transfer and removal work was originally intended to be left for subsequent removal by Ames electric crews to improve contractor efficiency. However, current staffing vacancies will not allow for a timely transfer and removal effort, so additional contract services are needed to expedite the transfer and clean-up effort in highly visible areas near downtown Ames and ISU residential areas. The total cost of Change Order No. 5 is \$84,787.95. The cumulative total of Change Orders Number 1 through 5 is \$150,179.27, which is 4.31% of the original contract amount. This brings the total cost of the contract with Hooper to \$3,635,666.23. The funds for this additional cost are available within the approved budget amounts.

Iowa State University will eventually be billed for approximately 21.4% of the total cost of this contract.

ALTERNATIVES:

1. Approve Change Order No. 5 to the contract with Hooper Corporation, increasing the total amount of the construction contract by \$84,787.95 to provide additional construction services. The revised contract amount including Change Order No. 5 will now be \$3,635,666.23.
2. Delay construction of the Stange Road to Ames Plant 161 kV transmission line until City crews can do the work included in Change Order No. 5.

MANAGER'S RECOMMENDED ACTION:

Additional construction services are required to complete construction of the Stange Road to Ames Plant 161kV Transmission line in a timely manner.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving Change Order No. 5 to the contract with Hooper Corporation, increasing the total amount of the construction contract by \$84,787.95, for a revised contract amount of \$3,635,666.23.

CAF APPROVAL

SS _____ BK _____ SL _____

DM _____ JP _____

To be sent to:

Dennis J. Haselhoff, P.E.
DeWild Grant Reckert & Associates Co.
PO Box 511
Rock Rapids, IA 51246