

COUNCIL ACTION FORM

**SUBJECT: ACCEPTANCE OF COMPLETION – POWER PLANT UNIT 7
CIRCULATING WATER PIPE REHABILITATION**

BACKGROUND

On September 13, 2011, the City Council approved preliminary plans and specifications for the Unit 7 Circulating Water Pipe Rehabilitation. This project was for the rehabilitation of the circulating water pipe located in Unit 7 at the Power Plant.

On October 12, 2011, bids were received and evaluated by Electric Services staff, who determined that the low bid submitted by L & P Painting was acceptable. The contract was awarded on October 25, 2011, at a cost \$155,072.

There was one staff approved change order issued in the not-to-exceed amount of \$25,000 for overtime to expedite the completion of the project. As a result, the total contract amount with the one change order is \$180,072. Since the actual overtime was less than anticipated, the actual cost to complete the project was \$157,428.25. The budgeted funding available to close this project is \$500,000, which is sufficient for this payment and all remaining close-out costs for this project.

All of the requirements of the contract have been met by L & P Painting, and the Power Plant Engineer has provided a certificate of completion.

ALTERNATIVES:

- 1) Accept completion of the contract for the Unit 7 Circulating Water Pipe Rehabilitation, and authorize final payment to the contractor in amount of \$7,871.41.
- 2) Delay acceptance of this project.

MANAGER'S RECOMMENDED ACTION:

The contractor for the Unit 7 Circulating Water Pipe Rehabilitation has completed the requirements of the contract. The Power Plant Engineer has issued a certificate of completion on the work, and the City is legally required to make final payment.

Therefore, it is the City Manager's recommendation that the City Council adopt Alternative No. 1 as stated above.