

COUNCIL ACTION FORM

SUBJECT: CHANGE ORDER NO. 3 TO WATER TREATMENT PLANT FIVE-YEAR WELL REHABILITATION PROJECT

BACKGROUND:

On July 14, 2015 the Ames City Council awarded a contract to Northway Well and Pump Company of Marion, Iowa in the amount of \$59,212 to complete the rehabilitation of four drinking water wells prior to June 30, 2016. This is the fourth year of a renewable five-year contract. At the time of the contract award, staff indicated additional well repair work may be required in conjunction with the rehabilitation work. The extent of this work would not be known until each well is taken out of service for the rehabilitation. It was anticipated that change orders would be necessary to pay for additional repair work as the need arises. Previous change orders were as follows:

- No.1 – \$949.40 to replace five feet of column piping and line shaft bearings in Well No. 18.
- No. 2 – \$3,059.00 to replace 25 feet of column piping in Well No. 25.

Staff has now determined that a third change order is needed to complete repairs to Well No. 17.

During the disassembly and video inspection of Well No. 17, Northway Well and Pump Company found the steel casing had eroded away below ground level and caused the well to fill with gravel. To repair the eroded casing, Northway is recommending a new liner be installed within the original casing. Further inspection showed gravel and sand that entered the well through the damaged casing had damaged the pumping unit beyond repair. The total amount for change order No. 3 is \$38,256.00.

The Water Treatment Plant operating budget includes \$60,800 for the rehabilitation of four wells, with an additional \$20,000 budgeted for well repairs. After change orders Nos. 1 and 2, \$15,991.60 remains for repairs. An additional \$25,000 has been budgeted for well repairs in FY 2016/17. Between the remaining balance in the current year and the funds budgeted in the upcoming fiscal year, there are sufficient funds available to cover this repair. **The FY 2016/17 budget can be amended if future well repairs are needed.**

ALTERNATIVES:

1. Approve Change Order No. 3 to the FY 15-16 Water Treatment Plant Well Rehabilitation Project in the amount of \$38,256 for repairs to Well No. 17.
2. Do not approve Change Order No. 3 to the current year's Water Treatment Plant Well Rehabilitation Project at this time and direct staff to begin planning for replacement of Well No. 17.

MANAGER'S RECOMMENDED ACTION:

It is in the city's best interest to maintain the capacity of the existing wells for as long as possible and postpone the need to construct new potable supply wells. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.

In order to finance this change order, the remaining \$15,991.60 from the FY 2015/16 budget will be utilized along with the \$25,000 budgeted in FY 2016/17 for well repairs.