COUNCIL ACTION FORM

SUBJECT: WATER POLLUTION CONTROL LIFT STATION IMPROVEMENT PROJECT

BACKGROUND:

The Water Pollution Control (WPC) Facility maintains five lift stations in the community. Lift stations are used to pump sewage from low-lying areas that cannot flow by gravity to the Facility. Two of the lift stations, Highway 30 and Orchard Drive, were in need of improvements. The Highway 30 lift station was constructed in 1994. The pumps and the electronic controls had reached the end of their useful life. The Orchard Drive lift station was constructed in approximately 1940, and underwent a minor upgrade in 2000. Multiple flooding events damaged the electrical components and improvements were needed.

On October 27, 2015, Council awarded a construction contract to C.L. Carroll in the amount of \$440,000. All work on the project was substantially complete on July 18, 2016. There were three change orders on the project for electrical work and site modifications. The total for all three change orders was \$14,100.

In the overnight hours of August 29, 2016, the lift station at Highway 30 was struck by lightning, causing equipment and pumps to be damaged. Although the project had not been accepted by Council, it was functional and being used as a lift station. It is the opinion of the City's insurance carrier that repair of the lift station is the City's responsibility and is covered by the City's property insurance coverage. Staff obtained temporary equipment to restore operation. The electrical components and pumps will be inspected and damaged parts will be replaced, but will likely take until late spring to complete.

Staff would like to close out the construction portion of the project, but leave the purchase order with C.L. Carroll open. It is the intent to sole source the repair work of the lift station to C.L. Carroll to minimize any potential warranty issues. All costs associated with the repair of the lightning damage have been submitted to the City's insurance carrier. The City's obligation is expected to be no more than our \$25,000 deductible.

ALTERNATIVES:

- 1 a. Accept completion of the lift station improvement project from C. L. Carroll Co., Inc., of Des Moines, IA and release retainage according to contract documents.
 - b. Authorize staff to utilize the same purchase order and sole source C.L. Carroll to repair the damaged lift station. Purchase authorizations will be made consistent with the City's Purchasing Policies.

2. Do not accept completion of the project at this time.

CITY MANAGER'S RECOMMENDED ACTION:

The WPC lift stations are an important part of the collection system and need to be maintained to continue providing service to the community. The contractor has completed all the requirements according to the contract documents, and the original scope of work is completed. Subsequent lightning damage to the equipment at the Highway 30 lift station will require some of the newly installed equipment to be repaired or replaced. Staff prefers to handle the repairs through the contractor to minimize any future warranty issues. The project is recommended for acceptance, but the purchase order will remain open for subsequent repair work. The cost of the repairs, except for the City's deductible, will be covered by insurance.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No.'s 1a and 1b as described above.