

COUNCIL ACTION FORM

SUBJECT: 2016/17 WATER SYSTEM IMPROVEMENTS PROGRAM #1 – WATER SERVICE TRANSFER (8TH STREET, HAYWARD AVE, LITTLE STREET)

BACKGROUND:

The Water System Improvements program provides for replacing water mains in areas that are experiencing rusty water problems. It also provides for installing larger distribution mains in areas that have a high concentration of 4” supply lines, transferring water services from 4” water mains in streets where larger water mains exist, and abandoning 4” water mains. Eliminating duplicate water mains, where possible, improves water flow and helps reduce rusty water. Installing larger distribution lines in areas that have a high concentration of 4” supply lines and less than desirable fire-fighting capacity (predominantly in the older areas of the community) provides larger supply quantities in relation to the current and proposed land uses, in accordance with the Land Use Policy Plan.

This project is for water service transfers on 8th Street (Northwestern Avenue to Duff Avenue), Hayward Avenue (Knapp Street to Storm Street), and Little Street (Hayward Avenue to Welch Avenue).

At the January 24, 2017 meeting, City Council awarded the contract to Ames Trenching of Ames, Iowa in the amount of \$422,737.00.

Now that construction is substantially complete, a balancing change order is required to adjust the quantities based on field measurements. The balancing change order is for \$20,713.05. The majority of this cost is due to unknown additional water services that needed to be restored along the project areas. Staff previously administratively approved two other change orders in the amounts of \$18,500 and \$24,000. This balancing change order brings the cumulative change order amount to \$63,213.05. Engineering and administration costs are estimated to be \$63,500 which brings the **total estimated project costs to \$549,450.**

The Water System Improvements are shown in the 2016/17 Capital Improvements Plan with \$1,300,000 in funding. From this program, approximately \$700,000 will be utilized for the water main replacements on other projects. **This leaves \$600,000 to fund the project costs shown above.**

ALTERNATIVES:

1. Approve Change Order No. 3 in the amount of \$20,713.05

2. Do not proceed with the change order and direct staff to pursue other options.

MANAGER'S RECOMMENDED ACTION:

By approving this change order, this project can move towards final acceptance. The project has provided a more reliable and higher quality water system for our citizens in these areas.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.