

COUNCIL ACTION FORM

SUBJECT: FINAL COMPLETION - WPCF DIGESTER IMPROVEMENT PHASE II PROJECT

BACKGROUND:

On October 9, 2018, the City Council awarded a construction contract to Shank Constructors Inc. of Minneapolis, Minnesota, in the amount of \$2,165,200 for improvement to the Digester Complex at the Water Pollution Control Facility (WPCF). As construction has progressed, items have been identified that need to be addressed and would result in a change to the contract. Three previous change have been authorized in accordance with the City's Purchasing Policies, for an increase of \$115,314.

An additional change order is now needed. Below is a breakdown of what is included in Change Order 4.

Manhole Exhaust Fan Replacement

City staff determined the manhole exhaust fan specified could present maintenance issues if mounted outside as originally intended. To mitigate maintenance concerns, the fan was mounted inside the manhole and protected from outside elements. This cost represents the exhaust fan model change and re-routing of electrical power. The total cost for this item is \$3,735.

Unsuitable Foundation Material Adjustment

The original contract included this line item to address excavation and backfill of unsuitable foundation material. Due to favorable existing foundation material, this line item was not used. The total cost for this item is (\$2,500).

Gas Safety Room Duct Modifications

The testing and balancing of the Gas Safety Room indicated that the largest deficiency in the system is the pressure drop across the motor operated damper. The extra pressure drop is causing the exhaust fan to not meet the required airflow. To mitigate this issue, the damper should be removed from the system and replaced with the necessary linear ductwork. This cost represents the necessary scaffolding, labor, and materials to complete this work. The total cost for this item is \$3,962.

The total cost for the change order is \$5,197. The cost for each of the items have been reviewed by City staff and the consulting engineers and determined to be reasonable. A copy of the change order is attached. What follows is a summary of all project change orders, cost of each change order, and the revised total contract amount.

Original Contract Amount		\$2,165,200
Change Order 1 Relocate 10" DG Piping CIP Concrete Spec. Addition Additional DG Pipe Fittings	8,267 6,920 7,876	\$23,063
Change Order 2 Replace (2) 90 Degree Elbows with Tees Replace Additional Piping	7,283 42,650	\$49,933
Change Order 3 Shift Gas Safety Room Door Replace Non-Classified Conduit Replace Deteriorated Piping – DG Piping Drainage Improvements – Culvert Add. MAU Opening Location Change DSP Conduit Replacement	2,213 17,842 7,918 8,909 1,497 3,939	\$42,318
Change Order 4 Manhole Exhaust Fans Foundation Material Adjustment Duct Modifications	3,735 (2,500) 3,962	\$5,197
Revised Contract Amount		\$2,285,711

In addition to the costs associated with these changes, the overall project schedule has been revised and working days have been added to account for the additional work. This change order adds: 0 days to the Milestone 1 completion date (June 17, 2019); 0 days to the Milestone 2 completion date (September 10, 2019); 0 days to the Substantial Completion date (December 31, 2019); and, 188 days to the Final Completion date (now September 1, 2020).

All work on Shank's contract has been completed, and the work is ready for final acceptance. A copy of the engineer's statement of completion is attached.

The revised project budget is shown below.

Engineering fees	515,700
Original Contract	2,165,200
Change Order #1	23,063
Change Order #2	49,933
Change Order #3	42,318
Change Order #4 (<i>This action</i>)	5,197
Total Project Cost	2,801,411

Other work that has been authorized under the same Capital Improvements Plan account number includes the following.

Jetco Electric	9,500
SCADA License Upgrade	
Shank Constructors	244,138
Digester Cover Repairs	

The available carryover of unspent funds from the FY 19/20 budget is \$594,218. All current year payments and remaining encumbrances total \$531,456, leaving a remaining balance of \$62,762 from the originally authorized project budget.

ALTERNATIVES:

1. a.) Approve Change Order #4 in the amount of \$5,197 to Shank Constructors Inc. of Minneapolis, Minnesota.
b.) Accept final completion of the WPCF Digester Improvements Phase II Project and authorize final payment in accordance with the contract to Shank Constructors Inc. of Minneapolis, Minnesota.
2. Take no action at this time.

MANAGER'S RECOMMENDED ACTION:

The changes to the contract have been reviewed by the consulting engineers and City staff to ensure the costs are reasonable and cost effective. Work associated with the Water Pollution Control Facility Digester Improvements Phase II Project has been completed in accordance with the plans and specifications. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.