

COUNCIL ACTION FORM

SUBJECT: TOP O HOLLOW SUBSTATION CONSTRUCTION – APPROVAL OF CHANGE ORDER #7 AND CONTRACT COMPLETION FOR PRIMORIS AEVENIA, INC.

BACKGROUND

On March 8, 2018, City Council awarded a contract to Primoris Aevenia, Inc. of Johnston, Iowa in the amount of \$1,511,291.16 to convert the existing single underground 69kV transmission tap connection at the Top-O-Hollow substation to a more reliable dual-source transmission connection, including the necessary relaying and breakers for high-speed line and transformer protection. The Engineer's estimate of the cost of the construction was \$1,620,000.

The scope of this project includes the replacement and expansion of the existing 13.8kV metalclad switchgear to provide the addition of a main breaker and replacement of obsolete airblast breakers and electromechanical relays with vacuum-interrupter breakers, microprocessor-based relaying equipment, the addition of 69kV line breakers and the addition of a 13.8kV capacitor bank for power factor correction.

There were six change orders to the Primoris Aevenia, Inc. contract, which are detailed below:

Change Order #1: On June 1, 2018, was done to modify units/price changes. No change to contract total.

Change Order #2: On November 7, 2018, was done to modify units/price changes. No change to contract total.

Change Order #3: On April 10, 2019, was done to modify units/price changes and dates. No change to contract total.

Change Order #4: On July 24, 2019, was done to modify units/price changes. No change to contract total.

Change Order #5: On September 17, 2019, was done to modify units/price changes. No change to contract total.

Change Order #6: On November 27, 2019, was done to modify units/price changes. No change to contract total.

Change Order #7: To balance the contract for final payment. Deduct \$96,500 for liquidated damages and \$45,588.78 for unused Construction Allowances

(contingency). The liquidated damages result from considerable construction delays on the part of the contractor exceeding the contractual completion date of the project by more than a year.

The total contract amount, including these seven change orders is \$1,369,202.38. All of the requirements of the contract have been met by Primoris Aevenia, Inc. and the Engineer has provided a certificate of completion.

ALTERNATIVES:

1. Approve Change Order No. 7 to deduct \$142,088.78 from the contract to balance the purchase order, accept completion of the contract with Primoris Aevenia, Inc. of Johnston, Iowa for the Top O Hollow Substation Construction, and release the 5% retainage being held per the contract terms and conditions.
2. Delay acceptance of this project.

CITY MANAGER'S RECOMMENDED ACTION:

The contractor for the Top O Hollow Substation Construction has completed the work under the contract, and the City is obligated to make the final payment to the vendor.

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