

**COUNCIL ACTION FORM**

**SUBJECT: CHANGE ORDER 2 - WATER TREATMENT PLANT REMOTE SITE RADIO AND PLC UPGRADES**

**BACKGROUND:**

The Water Utility uses radios and programmable logic controllers (PLCs) to monitor and control conditions at the various remote sites operated by the utility. These sites include water towers, pump stations, and wells. Some of this equipment had been experiencing ongoing communication problems, necessitating a replacement project to ensure reliable operation.

On January 12th, 2021, the City Council approved preliminary plans and specifications and issued a Notice to Bidders for the Water Treatment Plant Remote Site Radio and PLC Upgrades. Jetco, Inc. was awarded the project for \$45,340 on February 19, 2021.

As the project has progressed, items have been identified that need to be addressed and would result in a change to the contract. One previous change has been authorized by the Department Head in accordance with the City’s Purchasing Policies, for an increase of \$1,215.

**Staff is recommending the replacement of five additional radios and PLCs for the SAM and NADC pump stations. Since the project began, there have been additional communication failures with other remote sites. The pump station equipment was not included in the original project scope because they were still working at the time and were expensive to replace. Staff recommends their replacement be incorporated into the project due to the ongoing problems, long equipment lead times, and high costs associated with obsolete repair equipment. With the completion of this project, over 90% of the PLCs will be interchangeable within the Water Plant and provide redundancy for future repair situations.**

Below is a breakdown of Change Order 2.

<b>DESCRIPTION</b>	<b>COST</b>
<i>Additional Radio Equipment: 5 Radios + accessories</i>	\$8,909
<i>NADC Pump Station PLC Upgrade</i>	\$13,695
<i>SAM Pump Station PLC Upgrade</i>	\$13,275
<i>Extend project completion date to 6/1/22 due to equipment lead times</i>	
<b>TOTAL AMOUNT - CHANGE ORDER #2:</b>	<b>\$35,879</b>

The budget for this change order includes in part the unused contingency for this project that will not be needed. The additional funds needed will come from savings from the FY 2020/21 Automatic Meter Reading CIP project. The funding summary is shown below:

**Change Order Budget**

Unused Contingency Funds	\$ 22,751
Automatic Meter Reading CIP Savings	13,128
<b>Change Order Amount</b>	<b>\$ 35,879</b>

The revised project budget has been adjusted to include this change order.

Original Contract Price	\$45,340
Change Order #1	\$1,215
Change Order #2 ( <i>This action</i> )	\$35,879
<b>Revised Contract Amount</b>	<b>\$82,434</b>

**ALTERNATIVES:**

1. Approve Change Order 2 in the amount of \$35,879 to Jetco, Inc.
2. Do not approve the Change Order at this time.

**CITY MANAGER’S RECOMMENDED ACTION:**

The Water Treatment Plant monitors and controls all remotes sites via data telemetry radios and programmable logic controllers. Replacement of this equipment will ensure that Water Plant personnel can efficiently and reliably communicate with the remote sites associated with treating drinking water. The ability to monitor and control the groundwater wells, pump stations, and water towers is essential to the water treatment process.

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