

City of Ann Arbor

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Legislation Text

File #: 12-1367, Version: 1

Resolution for Approval of Change Order No. 2 to the Contract for the Lime Feed System Improvements Project with Irish Construction Company (\$177,939.18)

This memorandum and resolution requests approval of Change Order No. 2 to the contract with Irish Construction Company for the Lime Feed System Improvements in the amount of \$177,939.18.

This project includes replacing three lime slakers and modifying the associated lime storage bins at the Water Treatment Plant (WTP). The existing lime slakers are in poor condition and were identified during the WTP Facilities Master Plan - 2006 as one of the highest priority capital improvements. The lime slakers are some of the most critical pieces of equipment at the WTP. Without operating slakers, the treatment process is ineffective and the WTP would not be able to meet state drinking water standards.

Council approved the contract with Irish Construction Company for \$2,895,000.00 and contingency in the amount of \$300,000.00 in November 2009 as part of Resolution No. R-09-463 to complete this work. In June 2012, Change Order No. 1 for a value of \$299,369.46 was approved by the City Administrator. Change Order No. 2 will exhaust the contingency for this project, thus requiring Council to authorize for this Amendment.

Change Order No. 2 includes the following additional work:

- Modifications to Lime Slaking System 1 to address grit removal problems;
- Platform modification to accommodate additional pump;
- Time extension to address system modifications for enhanced grit removal;
- Lime slurry hoses;
- Electrical modifications to accommodate additional pumps and variable frequency drives; and
- Concrete modifications for new pump bases.

It is recommended that Change Order No. 2 to the contract with Irish Construction Company in the amount of \$177,939.18 be approved.

Irish Construction Company received Human Rights approval on May 31, 2012, and complies with the living wage ordinance.

Funds for this project are available in the approved Water Supply System Capital Budget and is to be funded via the Drinking Water Revolving Loan Fund (DWRF). This project is part of the first quarter FY10 funding for DWRF projects. First quarter funded projects are eligible for principal relief of their loans up to a value of 40% of the loan amount as part of the American Recovery and Reinvestment Act Stimulus funding.

Prepared by: Brian Steglitz, P.E., Sr. Utilities Engineer, WTP Reviewed by: Craig Hupy, Public Services Administrator

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Approved by: Steven D. Powers, City Administrator

Whereas, It is necessary to complete the Lime Feed System Improvements Project to replace three lime slakers that are in poor condition and can no longer be repaired, and to address safety concerns associated with the existing lime storage facilities at the Water Treatment Plant (WTP);

Whereas, This project is included as part of the Drinking Water Revolving Loan Fund application made by the City for a select number of water system projects and was accepted for funding through this program;

Whereas, Council this project is included in the approved Water Supply System Capital Budget;

Whereas, There is not sufficient contingency available to cover the costs associated with Change Order No. 2; and

Whereas, Irish Construction Company has received Human Rights approval on May 31, 2012, and complies with the Living Wage Ordinance;

RESOLVED, That the Change Order No. 2 in the amount of \$177,939.18 to the contract with Irish Construction Company be approved;

RESOLVED, That Council authorize an additional \$177,939.18 beyond the existing contingency approved by Council as part of Resolution No. R-09-463 to cover the cost of Change Order No. 2;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute Amendment No. 2 to the Construction Contract after approval as to substance by the City Administrator and approval as to form by the City Attorney;

RESOLVED, That the City makes the following declaration for the purpose of complying with the reimbursement rules of Treas. Reg. 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended, that the City reasonably expects to reimburse itself for expenditures for the costs of the Project with proceeds of Bonds; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution.