



Request for City Council Committee Action From the Department of Public Works

Date: March 25th, 2008

To: Honorable Sandra Colvin Roy, Chair, and Transportation & Public Works Committee

Referral to: Honorable Paul Ostrow, Chair Ways & Means/Budget Committee

Subject: **Contract amendment and Closing Capital Project Funds with reallocation of excess revenue and bond proceeds**

Recommendation:

1. Authorize the proper city officials to amend the contract No. 018569 with Aduddell Restoration and Waterproofing (formerly Brent Anderson Associates, Inc) as follows:
 - a. Re-establish and extend the contract as required to allow for project closeout and payment.
 - b. Increasing the value of Contract No. 018569 by \$348,804.00 for a total contract price of \$2,286,754.00. Funds are available within the project appropriation 7400/ 950/ 9515/ C5297081 (2.C).
2. Receive and accept the final costs of all work described in the following Water projects for the total amount specified and adjust the capital appropriation as specified thereby closing these specified projects:
 - a. All work related to the Buildings and Structures – 1996 project for a total of \$5,052,815.88. Water capital appropriation in 7400-950-9515 project B4296 should be decreased by \$598.29.
 - b. All work related to the DWP Centrifuge Replacement project for a total of \$0.00. There is no remaining Water construction capital appropriation in 7400-950-9515 project C5201.
 - c. All work related to the 1997 Buildings and Structures project for a total of \$25,669,328.64. Water capital appropriation in 7400-950-9515 project C5297 should be decreased by \$825,885.53.
 - d. All work related to the 1998 Buildings and Structures project for a total of \$3,685,943.07. Water capital appropriation in 7400-950-9515 project C5298 should be decreased by \$72,615.49.
 - e. All work related to the 1999 Buildings and Structures project for a total of \$198,737.74. There is no remaining capital appropriation in 7400-950-9515 project C5299.
 - f. All work related to the 2000 Buildings and Structures Plant Security project for a total of \$1,766,551.43. Water construction capital appropriation in 7400-950-9515 project C5302 should be decreased by \$2,931.57.
 - g. All work related to the Near North Stage One project for a total of \$425,000.00. There is no remaining Water construction capital appropriation in 7400-950-9515 project C5401.
 - h. All work related to the 1997 Small Mains project for a total of \$904,746.98. There is no remaining Water construction capital appropriation in 7400-950-9515 project C6397.
 - i. All work related to the 2000 Water Main Repair and Lining project for a total of \$1,553,890.29. Water construction capital appropriation in 7400-950-9535 project C6500 should be decreased by \$354,176.23.
 - j. All work related to the 2001 Water Main Repair and Lining project for a total of \$562,118.13. Water construction capital appropriation in 7400-950-9535 project C6501 should be decreased by \$302,881.87.
 - k. All work related to the 2002 Water Main Repair and Lining project for a total of \$2,080,665.16. Water construction capital appropriation in 7400-950-9535 project C6502 should be decreased by \$644,334.84.

- l. All work related to the 2003 Water Main Repair and Lining project for a total of \$2,744,874.28. Water construction capital appropriation in 7400-950-9535 project C6503 should be decreased by \$430,125.72
- m. All work related to the 1996 Gates and Manholes project for a total of \$242,295.65. There is no remaining Water construction capital appropriation in 7400-950-9535 project C6596.
- n. All work related to the 1997 Gates and Manholes project for a total of \$71,735.10. There is no remaining Water construction capital appropriation in 7400-950-9535 project C6597.
- o. All work related to the 1998 Gates and Manholes project for a total of \$303,504.68. Water construction capital appropriation in 7400-950-9535 project C6598 should be decreased by \$143,037.78.
- p. All work related to the 1999 Gates and Manholes project for a total of \$35,785.41. There is no remaining Water construction capital appropriation in 7400-950-9535 project C6599.
- q. All work related to the 1997 Major Repairs and Distribution Replacement (valves) project for a total of \$200,670.30. There is no remaining Water construction capital appropriation in 7400-950-9535 project C6697.
- r. All work related to the 1999 Buildings and Structures Plant Security project for a total of \$69,885.34. There is no remaining Water construction capital appropriation in 7400-950-9515 project D5299.
- s. All work related to the 1998 Water Main Clean and Line project for a total of \$1,750,000.00. There is no remaining Water construction capital appropriation in 7400-950-9535 project D6398.
- t. All work related to the 1999 Water Main Clean and Line project for a total of \$2,528,392.64. Water construction capital appropriation in 7400-950-9535 project D6399 should be decreased by \$1,607.36.
- u. All work related to the 1996 Major Repairs and Replacement project for a total of \$927,888.69. Water construction capital appropriation in 7400-950-9505 project M7161 should be decreased by \$0.44.
- v. All work related to the 1996 Manhole Installation project for a total of \$130,779.68. There is no remaining Water construction capital appropriation in 7400-950-9505 project M7162.
- w. All work related to the Replace 24" Gate and Line Water Main project for a total of \$521,082.06. There is no remaining Water construction capital appropriation in 7400-950-9505 project M7163.
- x. All work related to the 1996 Major Repairs and Replacement (Recoating 48" Franklin Avenue Water main) project for a total of \$75,000.00. There is no remaining Water construction capital appropriation in 7400-950-9505 project M7164.
- y. All work related to the 1997 Major Repairs and Replacement project for a total of \$417,895.94.00. There is no remaining Water construction capital appropriation in 7400-950-9505 project M7171.
- z. All work related to the 1999 Meter Replacement project for a total of \$1,899,482.85. Water construction capital appropriation in 7400-950-9501 project MTR99 should be decreased by \$517.15.
- aa. All work related to the 2000 Meter Replacement project for a total of \$1,900,000.00. There is no remaining Water construction capital appropriation 7400-950-9501 project MTR00.
- bb. All work related to the 2001 Meter Replacement project for a total of \$14,833.47. Water construction capital appropriation in 7400-950-9501 project MTR01 should be decreased by \$166.53.
- cc. All work related to the 2000 Water Treatment (Dewatering plant roof) project for a total of \$280,516.85. There is no remaining Water construction capital appropriation 7400-950-9515 project W5200.
- dd. All work related to the 2005 Water Distribution Improvements project for a total of \$3,047,373.39. Water construction capital appropriation in 7400-950-9535 project WT512 should be decreased by \$1,437,626.61.
- ee. All work related to the 2006 Water Distribution Improvements project for a total of \$4,349,583.66. Water construction capital appropriation in 7400-950-9535 project WT612 should be decreased by \$150,416.36.
- ff. All work related to the Fridley Maintenance Facility project for a total of \$6,173,000.00. There is no remaining Water construction capital appropriation 7400-950-9535 project WTR01.
- gg. All work related to the 2004 Water Distribution Improvements project for a total of \$4,189,629.67. Water construction capital appropriation in 7400-950-9535 project WTR12 should be decreased by \$5,370.33.

hh. All work related to the 1996 Small Mains project for a total of \$769,844.55. Water construction capital appropriation in 7400-950-9515 project B6396 should be decreased by \$69,844.55.

3. As a result of the project close outs in Section 2; \$3,475,053.32 of capital appropriation becomes available. There are no appropriation adjustments required, but rather to replace water bonds with water revenue as the source of funding to financially balance the projects.
 - a. \$1,843,656.18 to Project 2-c.1997 Buildings and Structures 7400-950-9515-C5297.
 - b. \$927,384.51 to Project 2-d. 1998 Buildings and Structures 7400-950-9515-C5298.
 - c. \$69,844.55 to Project 2-hh 1996 Small Mains 7400-950-9515-B6396.
 - d. \$634,168.08 will not be reappropriated and will remain in the fund balance.

Previous Directives:

1. August 23, 2002 - O.P. 5916 Acceptance of low bid submitted by Brent Anderson Associates for a sum of \$1,937,950 to furnish and deliver all labor, materials, equipment and incidentals necessary to accomplish earthwork and membrane installation for Public Works Water Department.
2. All previous capital resolutions regarding projects discussed within.

Prepared by: Robert L. Verke, Public Works, 673-4905
Julie Schiller, Finance, 673-3709

Approved by: _____
Steven A. Kotke, P. E., City Engineer, Director of Public Works

Patrick Born, City Finance Office

Presenters: Robert Verke, Public Works
Craig Troutman, Finance

Reviews

Permanent Review Committee (PRC):	Approval	NA	Date
Civil Rights Affirmative Action Plan:	Approval	NA	Date
Policy Review Group (PRG):	Approval	NA	Date

<p>Financial Impact (Check those that apply)</p> <p><input checked="" type="checkbox"/> No financial impact - or - Action is within current department budget. (If checked, go directly to Background/Supporting Information)</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Capital Budget</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Operating Budget</p> <p><input type="checkbox"/> Action provides increased revenue for appropriation increase</p> <p><input checked="" type="checkbox"/> Action requires use of contingency or reserves</p> <p><input type="checkbox"/> Other financial impact (Explain):</p> <p><input type="checkbox"/> Request provided to the Budget Office when provided to the Committee Coordinator</p>
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Community Impact

Neighborhood Notification: Nothing required at this time
City Goals: The City's infrastructure will be improved as well as enhancing our environment.
Comprehensive Plan: Consistent
Zoning Code: Not Applicable

Background/Supporting Information:

Recommendation 1: The cost items of the change order are summarized as follows:

- Modified project scope to Improve the existing drainage system to prevent erosion and seepage problems.
- City requested changes increased the cost of labor and materials due a delayed start time of construction and the change of the original scope of work. The original scope required work on two separate cells of the reservoir in 2003, requiring that both cells of the reservoir be out of service during the construction time. Due to Water Operation and Treatment constraints, the Department allowed contractor to start work in 2004 and limited construction to one cell at a time. The second cell of the reservoir was completed in 2005. The change of construction time and the original scope of work had an impact on the cost of labor and materials, including additional excavation cost and hauling time.

Recommendation 2 and 3: Public Works and the Finance have been working cooperatively on officially closing out as many projects as possible. This letter represents our effort to date for the Division of Water Treatment and Distribution services.

- All projects on the above list have been physically completed for some time. All except for one are financially complete. All projects are within the original project appropriation. Also, all projects (less one) have been paid to date and are reflected in the water fund balance.
- One project, Buildings and Structures 1997 project has a recently agreed to project closure transaction of \$348,804.00. The changer order amount requested is for additional work requested by the City.
- Buildings and Structures 1997 project was comprised of several smaller water reservoir improvements. Through execution of one of these improvements, the Contractor ownership changed hands. The project was physically completed but due to the contracting companies purchase, many months passed until the financial closeout of the project could be discussed with the new owners. Sufficient appropriation is available but due to the timing of the negotiated agreement, water bond revenue is not available.

Enclosure: Closing Capital Project Funds - Worksheet

CC: Jack Qvale: Board of Estimate and Taxation

William Schroeder, Finance

Mike Ablen, Finance

Roger Simonson, Finance

Heidi Hamilton, Public Works

Dick Smith, Public Works

Shahin Rezania, Public Works

Rob Verke, Public Works