

**TOWN OF PRESCOTT VALLEY
REQUEST FOR COUNCIL ACTION
Date: July 28, 2016**

SUBJECT: 2016 PRV Rehab Project, CIP # W386 – Contract Change Order Number One (CCO#1)

SUBMITTING DEPARTMENT: Utilities Department

PREPARED FOR: Randy Perham - Utilities Engineer, for
Neil Wadsworth - Utilities Director

AGENDA LOCATION: Comments/Communications , Consent , Work/Study ,
New Business , Public Hearing , Second Reading

ATTACHMENTS: a) Change Order #1 with Exhibits A & B

SUMMARY BACKGROUND: The water utility enterprise project, 2016 PRV Rehab Project, CIP # W386, involves the rehabilitation of 5 existing PRV (Pressure Reducing Valve) Stations throughout the Town. During the rehabilitation of the Lakeshore PRV Site an unforeseen condition was discovered that prevented the contractor from making the necessary repairs. Two of the gate valves, which would have allowed us to isolate the PRV assembly and safely install the new equipment, were not functioning properly. As a result, new isolation valves are required.



Figure 1

This change order is for the installation of the required isolation valves and increases the original contract price by \$17,329.95. The Engineer of Record, Granite Basin Engineering, Inc., has reviewed the scope and fee and agrees with the charges outlined by the Contractor per Table 1. In addition, the change order will add 30 calendar days to the contract duration.

Table 1

| | | |
|--------------|----------------------------------|---|
| COST: | Contract Change Order #1: | \$ 17,329.95 <this change order |
| | Previous Change Order(s): | \$ 0.00 |
| | Original Contract: | \$ 159,173.00 |
| | Revised Contract Amount: | \$ 176,502.95 |

OPTION ANALYSIS: The Council may vote to:

- 1.) Approve this Change Order, **OR**
- 2.) Not approve this Change Order, **AND/OR**
- 3.) Direct staff to pursue other options

ACTION OPTION: Motion to approve Change Order #1 to the Construction Contract with Earth Resources Corporation for an increase in the amount of \$17,329.95, **OR** Motion not to approve this change order. **VOTE.**

RECOMMENDATION: Town staff recommends approval of this change order to the construction contract with Earth Resources Corporation.

FISCAL ANALYSIS: This project was 90% complete in Fiscal Year 2015/2016 but was not included in the Budget for Fiscal Year 2016/2017, and hence a budget transfer is required for both the change order and remaining contractual obligations for this project. This budget transfer qualifies for administrative approval from small water projects. The budget status for this project for both fiscal years is outlined in Tables 2, 3 and 4 below:

Table 2

Enterprise Water

| | | | |
|--------------------------------|------------------------|------------------------|------------------------|
| PRV Upgrades, CIP # W386 | | | |
| HTE Code(s): 511-7020-700-7320 | | Finance Proj. # CW1606 | |
| FISCAL YR 2015/2016 | Original Budget: | \$50,000.00 | FISCAL YR 2015/2016 |
| | Budget Transfer(s): | \$129,171.00 | |
| | Expended & Encumbered: | -\$156,092.92 | |
| | Balance: | \$23,078.08 | |

Table 3

Enterprise Water

| | | | |
|--------------------------------|---|------------------------------|------------------------|
| PRV Upgrades, CIP # W386 | | | |
| HTE Code(s): 511-7020-700-7320 | | Finance Proj. # CW1606 | |
| FISCAL YR 2016/2017 | Original Budget: | \$0.00 | FISCAL YR 2016/2017 |
| | Expended & Encumbered: | -\$23,078.08 | |
| | CCO#1: | -\$17,329.95 < (this action) | |
| | Budget Transfer (administrative) from Available Funds: | \$40,408.03 | |
| | Balance: | \$0.00 | |

Table 4

Enterprise Water

| Available Funds: Small Water Projects | | |
|---------------------------------------|---|----------------------------|
| HTE Code(s): 511-7020-700-7320 | | Finance Proj. # CW1607 |
| FISCAL YR 2016/2017 | Original Budget: | \$75,000.00 |
| | Expended & Encumbered: | \$0.00 |
| | Budget Transfer (administrative) to 2016 PRV Rehab Project (W386): | <u><u>-\$40,408.03</u></u> |
| | Balance: | \$34,591.97 |
| FISCAL YR 2016/2017 | | |

REVIEWED BY:

Management Services Director _____

Town Clerk _____

Town Attorney _____

Town Manager _____

COUNCIL ACTION:

Approved Denied Tabled/Deferred Assigned to _____