



Legislation Text

File #: ID-424-18, **Version:** 1

Department of Finance - Division of Procurement & Contracts

Reference: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRIGHTON, COLORADO, ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE, APPROVING THE 8.3MG TANK STRUCTURAL REPAIRS CHANGE ORDER TO THE WATER TANK MAINTENANCE SERVICES AGREEMENT WITH SEH DESIGN BUILD, INC., AMENDING THE SCOPE OF WORK IN AN AMOUNT NOT TO EXCEED FIVE HUNDRED THREE THOUSAND, SIX HUNDRED EIGHTY DOLLARS (\$503,680.00); AND AUTHORIZING THE MAYOR TO EXECUTE SAID CHANGE ORDER ON BEHALF OF THE CITY AND THE CITY CLERK TO ATTEST THERETO

To: Mayor Kenneth J. Kreutzer and Members of City Council

Through: Philip Rodriguez, City Manager

Prepared By: Michael Woodruff, Director of Infrastructure

Date Prepared: December 12, 2018

PURPOSE

Staff is requesting City Council approval for a change order involving structural repairs of the 8.3 million gallon water tank.

Brighton Municipal Code states in Sec 3-8-175, "Change Orders:" The City Manager shall have the authority to approve individual change orders on City construction contracts greater than \$2,500.00 up to \$25,000.00 per change order, not to exceed the greater of \$50,000.00 per contract or 25% of the original contract amount.

STRATEGIC FOCUS AREA

Financially Responsible

BACKGROUND/HISTORY

As part of the Water Tank Maintenance Services Agreement contract entered into with SEH Design/Build, Inc. in September of 2017, work under the contract scope of services for the 8.3MG tank started in November 2018. As a result of the cleaning and inspection of the tank it was discovered that the following repairs are required that are not covered under the existing contract scope of services:

1. Replace Outer Rafters (Quantity: 96)
2. Replace Inner Rafters (Quantity: 30)
3. Replace Beam Clips (Quantity: 126)
4. Replace Shell Clip/Plate (Quantity: 96)
5. Install Rafter Purlins (Quantity: 147)
6. Install Crow's Nest at Center Support
7. Incidentals required for repairs:
 - a. Door sheet
 - b. Lift rentals
 - c. Equipment
 - d. Material freight
 - e. Temporary Heat

- f. Inspection Blasting
- g. Re-blast and prime
- h. Blasting/coating equipment on-site down time during repairs
- i. Robotic blasting equipment re-mobilization following repairs

Notes:

1. The scope includes replacement of the roof plate at the center vent at a radius of 4 feet. Additional roof areas have been reported to be thin, areas needing roof replacement may be identified as the roof is blasted to remove the existing coatings and corrosion. Roof plate replacement will be proposed in a separate change order with associated costs when it is identified and quantified.
2. The scope includes project management and NACE (coating) inspection costs; a separate change order proposal will be issued for Certified Weld Inspection services.

Additional costs to be incurred through a Change Order covering the additional repairs outlined above:

- A. Tank Repair (materials & labor): \$491,470.00
- B. Certified Weld Inspection Services: \$12,210.00

Total Costs: \$503,680.00

As noted in SEH Design/Build, Inc. Proposal dated 11/29/18: Additional costs may be incurred if additional roof panel replacement is needed as identified following roof blasting.

FINANCIAL IMPACT

Up to \$1,500,000 was budgeted in the 2019 Budget for repairs to water tanks, due in large part to the recent discoveries of the limited scope outlined within the SEH Design/Build, Inc. contract.

STAFF RECOMMENDATION

After thorough review, the Infrastructure Department/Utilities Division's recommendation is to award the change order for the Water Tank Maintenance Services Agreement to SEH Design Build, Inc. in the additional total cost of **\$503,680.00**.

OPTIONS FOR COUNCIL CONSIDERATION

- Approval as presented
- Reject
- Require bids be solicited

ATTACHMENTS:

- Resolution