



City of Grand Island

Tuesday, August 26, 2014

Council Session - Updated

Item G-13

**#2014-243 - Approving Change Order #1 - Installation of 72/48
Fiber - Contract #2013-OPWG-V with IES**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

From: Timothy Luchsinger, Utilities Director
Stacy Nonhof, Assistant City Attorney

Meeting: August 26, 2014

Subject: Change Order #1 – Installation of 72/48 Fiber OPGW
Shield Wire – IES

Item #'s: G-13

Presenter(s): Timothy Luchsinger, Utilities Director

Background

The referenced project was awarded to IES Commercial, Inc., of Holdrege, Nebraska at the September 24, 2013 Council meeting.

The construction contract completes the fiber optics loop between the Electric Service Center (1116 W. North Front Street) and the City's Substation "B" (3645 Faidley Avenue). The project also extends fiber to the Utilities Engineering Office (1306 W. 3rd Street); and to the City Library (211 N. Washington Street). The installation provides high speed communication, internet service, and redundant network connections between City Hall and off-site locations. Attached is a site map of the project.

Discussion

The project specified furnishing and installing an OPGW (optical ground wire) aerial fiber optic cable. The OPGW is installed at the top of power poles and provides multiple functions. The conductive part of the cable serves to "ground" the electric system, and shields the high-voltage conductors from lightning strikes. The optical fibers within the cable are used for transmitting voice, data, and system control communication.

During installation of the OPGW cable, it was determined that instead of removing the existing shield wire and replacing it with the new OPGW, it would be beneficial to utilize both sets of conductors. This would provide additional system protection, and a quicker and cleaner installation; thereby insuring a safer work environment, and less chance of power outages during and following the reconstruction.

Since less labor was required for shield conductor change-out, the Utilities Department entered into negotiations with IES to reduce the project's original contract amount of \$307,117.00. The result is Change Order #1, decreasing the contract amount by \$34,000.00. The new contract amount is \$273,117.00.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve Change Order #1, decreasing the contract amount due to IES Commercial, Inc., by \$34,000.00.

Sample Motion

Move to approve Change Order #1; decreasing the amount due to IES Commercial, Inc., of Holdrege, Nebraska, by \$34,000.00, for Contract 2013-PPGW-V – Installation of 72/48 Fiber OPGW Shield Wire.

CHANGE ORDER #1

TO: IES Commercial, Inc.
120 S Lincoln St,
Holdrege, NE 68949

PROJECT: Contract 2013-OPGW-V
Installation of 72/48 Fiber OPGW Shield Wire.

You are hereby directed to make the following change in your contract:

Amend the original contract price of \$307,117.00 to \$273,117.00, a decrease of \$34,000.00, due to decrease in labor on the project.

| Description | Original Bid Total \$ | Decrease \$ | Total Amount \$ |
|---------------------------------|-----------------------|-------------|---------------------|
| Original Contract Amount | \$307,117.00 | | |
| Decrease in Labor | | \$34,000.00 | |
| Final Contract Amount | | | \$273,117.00 |

Approval and acceptance of this Change Order acknowledges understanding and agreement that no additional claims will be considered.

APPROVED: **CITY OF GRAND ISLAND**

By: _____
Mayor

Date: _____

Attest: _____

Approved as to Form, City Attorney

ACCEPTED: **IES Commercial, Inc.**

By: *Zed Keytors*

Date: 8/22/14

RESOLUTION 2014-243

WHEREAS, IES Commercial, Inc., of Holdrege, Nebraska was awarded the contract for Installation of 72/48 Fiber OPGW Shield Wire, at the September 24, 2013 City Council meeting; and

WHEREAS, during installation of the OPGW cable, it was determined that instead of removing the existing shield wire and replacing it with the new OPGW, it would be beneficial to utilize both sets of conductors; and

WHEREAS, this change would provide additional system protection, and a quicker and cleaner installation; thereby insuring a safer work environment, and less chance of power outages during and following the reconstruction; and

WHEREAS, the Utilities Department entered into negotiations with IES to reduce the project's original contract amount; and

WHEREAS, Change Order #1 was prepared for a contract adjustment of a decrease in the amount of \$34,000.00, resulting in a final contract amount of \$273,117.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that Change Order #1 with IES Commercial, Inc., of Holdrege, Nebraska, resulting in a decreased cost of \$34,000.00, for a final contract price of \$273,117.00, is hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, August 26, 2014.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

| | |
|---------------------|-----------------|
| Approved as to Form | ☐ _____ |
| August 25, 2014 | ☐ City Attorney |