



City of Grand Island

Tuesday, January 13, 2004

Council Session

Item G18

#2004-7 - Approving Change Order #1 - Platte River Pumping Station No. 3 Replacement - Utilities Department

Background:

The pump station at the Platte River Well Field transfers water from the well field to reservoirs in the City. One of the three pumps developed serious erosion of the pump casing and was recently replaced. The replacement pump, electric motor and adjustable frequency drive were purchased in July of 2002 and installed in 2003. Installation of this pump was awarded to Kayton Electric in the amount of \$127,500.

Discussion:

During the course of the installation it was found that two 20-inch valves and a 20-inch pipe elbow at the pump header were deteriorated and in need of replacement. The installing contractor, Kayton Electric, was directed to replace the worn piping and valves. The extra cost of this work was \$1,948.10 for the pipe elbow and \$2,562.78 for labor to install the valves and pipe elbow. The valves were provided by the Utilities Department.

The second part of this Change Order deals with sales tax. During the course of the project, state law changed, and as of October 1, 2003, payment of tax was required on services not previously taxed. The additional sales tax totals \$4,674.01. These additional taxes were not known at the time the contract specifications were prepared.

The additions result in a final contract price of \$136,684.89.

Recommendation:

Proposed Change Order #1 has been reviewed by our engineering consultants for this project, the City Finance Department for the tax issues, and by Utilities Staff. The Utilities Department recommends authorizing Change Order # 1 to the Platte River Pumping Station No. 3 Pump Replacement Contract in the amount of \$9,184.89 for a final contract price of \$136,684.89.

Fiscal Effects:

An addition of \$9,184.89 to this project; to be paid from Water Enterprise Fund 525.

Alternatives:

None recommended.

Staff Contact: Gary R. Mader; Dale Shotkoski



*Working Together for a
Better Tomorrow, Today.*

TO: Kayton Electric Inc.
P.O. Box 27
Holdrege, NE 68949-0027

CHANGE ORDER NO. 1

PROJECT: Platte River Pumping Station No. 3 Replacement – Utilities Dept. – Contract Change Order

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

ADD: \$ 9,184.89 and/or DELETE:

The original Contract Sum	\$	127,500.00
Installation of two 20" valves and elbow.	\$	2,562.78
One 20" flanged 45 with bolt & gasket set.	\$	1,948.10
Taxes on labor & materials after October 1, 2003.	\$	4,674.01
The Contract Sum is decreased by the Change Order # 1	\$	<u>0.00</u>
The total modified Contract sum to date	\$	136,684.89

Approval and acceptance of this Change Order acknowledges understanding and agreement that the cost and time adjustments included represent the complete values arising out of and/or incidental to the work described herein. Additional claims will not be considered.

APPROVED: CITY OF GRAND ISLAND

By: _____
Mayor

Date: _____

Attest: _____

Approved as to Form, City Attorney

ACCEPTED: Kayton Electric, Inc.

By: _____

Date: _____

RESOLUTION 2004-7

WHEREAS, on April 22, 2003, by Resolution 2003-120, the City of Grand Island awarded the bid for Platte River Pumping Station Pump No. 3 Replacement to Kayton Electric, Inc. of Holdrege, Nebraska; and

WHEREAS, it has been determined that modifications to the work to be performed by Kayton Electric, Inc. are necessary; and

WHEREAS, such modifications have been incorporated into Change Order No. 1; and

WHEREAS, the result of such modifications will increase the contract amount by \$9,184.89 for a revised contract price of \$136,684.89.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Mayor be, and hereby is, authorized and directed to execute Change Order No. 1 between the City of Grand Island and the Kayton Electric of Grand Island, Nebraska to provide the modifications set out as follows:

Replace worn piping.....	1,948.10
Labor to install valves and pipe elbows	2,562.78
Sales tax due to change in law	4,674.01

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Adopted by the City Council of the City of Grand Island, Nebraska, January 13, 2004.

RaNae Edwards, City Clerk