



# City of Grand Island

Tuesday, August 28, 2012

Council Session

## Item G10

**#2012-228 - Approving Contractor's Retainage Release for the  
Aeration Basin Improvements at the Wastewater Treatment Plant**

Staff Contact: Terry Brown, Interim Public Works Director

# **Council Agenda Memo**

**From:** Marvin Strong, Wastewater Treatment Plant Engineer

**Meeting:** August 28, 2012

**Subject:** Approving Contractor's Retainage Release for the Aeration Basin Improvements at the Wastewater Treatment Plant

**Item #'s:** G-10

**Presenter(s):** Terry Brown, Interim Public Works Director

## **Background**

The City Council awarded the contract for construction to Oakview dck, LLC of Red Oak, Iowa in the amount bid of \$3,487,000 for the Aeration Basin Improvements for the Wastewater Treatment Plant on December 7, 2010. The primary purpose of the Aeration Basin Improvements project is to replace existing aeration equipment that is at or near the end of its useful life. Two existing blowers have been replaced with two high efficiency units that improve reliability and reduce energy usage and operating costs. The two new blowers operate with the two existing blowers which have remained in service. In addition to the blowers, the aeration basin piping and aeration equipment is modified or replaced to optimize process controls and replace aged equipment.

August 9, 2011, City Council approved a unit cost Change Order No. 1 for structural concrete sealing in joint work, in the amount of \$89,252.00, for a revised contract is \$3,576,252.00.

September 13, 2011, City Council approved a unit cost Change Order No.2 for Spiral Screw Pump modifications, in the amount of \$397,897.00, for a revised contract is \$3,974,149.00.

March 13, 2012, City Council approved a unit cost Change Order No.3 for miscellaneous changes to the work scope in the combined amount of a credit \$(30,124.00), for a revised contract is \$3,944,025.00.

June 26, 2012 City Council approved a no cost Change Order No.4 in contract time extension for the blower and aeration basin improvements and the screw pump rehabilitation work, additionally a final completion contract time extension was adjusted to October 23, 2012.

## **Discussion**

The Aeration Basin Improvements Construction Project is at substantial completion; the need to withhold additional retainage in the schedule of values is not warranted.

City staff and the consulting engineer, Black & Veatch of Kansas City, Missouri recommend reducing the current withheld retainage of \$188,898.77 to \$80,000.00 in which is sufficient funds to cover any outstanding scope in work for the project.

## **Alternatives**

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

1. Move to approve a resolution granting a retainage reduction in the contract with Oakview dck, LLC of Red Oak, Iowa in the Aeration Basin Improvement Project.
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 a retainage reduction to the contract for Aeration Basin Improvement to Oakview dck, LLC of Red Oak, Iowa at the Wastewater Treatment Plant.

## **Sample Motion**

Move to approve a retainage reduction to the contract for Aeration Basin Improvement to Oakview dck, LLC of Red Oak, Iowa.



August 16, 2012

City of Grand Island, Nebraska Publics Works Dept.  
Grand Island Wastewater Treatment Plant  
Aeration Basin Improvements

B&V Project 163132.0420  
B&V File G-1.3

Mr. Marvin Strong  
City of Grand Island, Nebraska  
P.O. Box 1968  
Grand Island, Nebraska 68802-1968

**Substantial Completion for Blower and Basin Work**

Attention: Marvin

This letter addresses Oakview's request for substantial completion for the above referenced project. The following items are attached:

- Oakview's letter dated July 3, 2012 requesting substantial completion.
- List of outstanding items dated August 9, 2012.

Based on our inspection, it is our opinion that all facilities and related work can be used for their intended purpose. As such, we recommend that an effective date for project substantial completion be established as July 5, 2012. Attached is a list of outstanding items. The items must be completed prior to final acceptance of the work. This list is tentative and should not be considered all-inclusive. A reduction in retainage to \$80,000 is reasonable to complete or resolve the remaining items.

If you have any questions regarding these items, please contact me at 913-458-6558 or Derek Cambridge at 913-458-3465.

Very truly yours,

BLACK & VEATCH

Gary J. Schnettgoecke  
Engineering Manager

Enclosures

cc: Marvin Strong, City, w/encl  
Roger Scott, w/encl  
James McClellan, Olsson, w/encl  
Jeff Soe, Oakview, w/encl  
Derek Cambridge, w/encl  
B&V File, w/encl



Oakview dck, LLC  
a dck worldwide company

July 3, 2012

Black & Veatch  
8400 Ward Parkway  
Kansas City, MO 64114

Attn: Mr. Gary S.

Re: Substantial Completion  
Grand Island  
Aeration Project  
OCI #71021

Dear Gary,

Oakview dck, LLC considers the original contract of the Grand Island Aeration project substantially complete and request your inspection of the project.

Sincerely,

Oakview dck, LLC

A handwritten signature in blue ink, appearing to read "Jeff Sue".

Jeff Sue  
Project Manager

Cc Travis Grammer

Oakview dck, LLC 1981 G Avenue, Box 450 Red Oak Iowa 51566 4474  
phone: 712.623.4927 dckww.com fax: 712.623.5497

RESOLUTION 2012-228

WHEREAS, the Aeration Basin Improvements Construction Project is at substantial completion; and

WHEREAS, the need to withhold additional retainage in the schedule of values is not warranted; and

WHEREAS, City staff and the consulting engineer, Black & Veatch of Kansas City, Missouri recommend reducing the current withheld retainage of \$188,898.77 to \$80,000.00; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that retainage be reduced to the amount of \$80,000.00 with the contracting firm, Oakview dck, LLC of Red Oak, Iowa, for WWTP-2010-3 Aeration Basin Improvements project at the Wastewater Treatment Plant is hereby approved.

BE IT FURTHER RESOLVED, that City Staff is hereby authorized and directed to execute such retainage reduction on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, August 28, 2012.

\_\_\_\_\_  
Jay Vavricek, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☐ _____
August 28, 2012	☐ City Attorney