



**Request for City Council Committee Action
From the Department of Public Works**

Date: September 22, 2009

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: **Minneapolis Pump Station # 4 Renovation – Amendment # 3 for Contract # C-26005 with Madsen-Johnson Corporation for construction change orders 15-30.**

Recommendation:

The proper City Officials are authorized to execute amendment # 3 to Contract #C-26005 with Madsen-Johnson Corporation for construction change orders 15-30. This amendment will increase the contract by an estimated \$460,145.22 for a total contract value of approximately \$8,665,854.22. The funds are available Fund 07400, Department 090001, Project # CWTR15.

Previous Directives:

- On June 12, 2009, Council authorized execution of Change Orders 6-15, for an estimated amount of \$550,000.00.
- On February 20, 2009, Council authorized execution of Change Orders 1-5 in the amount of \$398,909.00.
- On July 25, 2008, Council authorized acceptance of the low bid on Official Publication # 6970 of Madsen-Johnson Corporation for the renovation of Pump Station 4.

Prepared by: Peter Pfister, PE, Professional Engineer (4906)

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Shahin Rezaia, PE, Director, Water Treatment & Distribution Services

Reviews

Permanent Review Committee (PRC):	Approval	NA	Date
Civil Rights Affirmative Action Plan	Approval	NA	Date
Policy Review Group (PRG):	Approval	NA	Date

Financial Impact

Action is within current department budget

Community Impact

Neighborhood Notification: Not Applicable

City Goals: Not Applicable

Comprehensive Plan: Not Applicable

Zoning Code: Not Applicable

Background/Supporting Information

The Minneapolis Public Works Department, Water Division currently has a contract with Madsen-Johnson Corporation to perform renovations to Pump Station 4. During the course of the work, changes in scope were identified, which resulted in additional demonstrated costs.

When Public Works submitted the previous letter on June 2, 2009 to Transportation and Public Works Committee, the main change order was the foundation piling repair work that was underway, and our request was based on a cost estimate. That work has been completed and the additional cost (in excess of the originally estimated and approved amount) is \$131,415.48.

The other large change orders are for the compressed air delivery system (\$110,000) and a plumbing loop (\$104,473). The bid specifications for this project assumed reusing the existing compressed air delivery system and the plumbing loop system. As these systems were exposed during the construction process, it was determined that it would be most cost effective to replace the systems while they were accessible.

There are multiple smaller change order items (12) that total \$114,256.74.

The total cost of Change Orders 15-30 is estimated to be \$460,145.22.

These change orders are funded from the project contingency fund (\$1.6M). Including this action, the total amount of change orders for this project is \$1.4M. Public Works anticipates a future group of smaller change orders totaling an estimated \$50,000. This will take the project from its current status (80% complete) through completion.

Finally, there is also the need to add a new surge protection system to protect critical water transmission lines. During construction, deficiencies were discovered in the existing surge system. Public Works is examining the best way to fund improved surge protection related to the pump station upgrades. A favorable bidding climate resulted in bids for the Pump Station 4 project coming in below the capital appropriation, providing an existing and related sources of funds for the surge protection system. A final recommendation will come to the committee at a later date.