



Legislation Details (With Text)

File #: 21-054 **Version:** 1 **Name:**
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On agenda: 2/9/2021 **Final action:**
Title: A Resolution of the Board of Trustees of the Town of Erie Approving Change Order No. 6 to the Agreement with Spiegel Industrial, LLC for Second Phase of the 4MG Concrete Storage Tank Lining Removal

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution 21-021, 2. Change Order 6

Date	Ver.	Action By	Action	Result
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SUBJECT: Consent Agenda

A Resolution of the Board of Trustees of the Town of Erie Approving Change Order No. 6 to the Agreement with Spiegel Industrial, LLC for Second Phase of the 4MG Concrete Storage Tank Lining Removal

DEPARTMENT: Public Works

PRESENTER: Todd Fessenden, Public Works Director

FISCAL SUMMARY:

Cost as Recommended: \$76,449.09
Balance Available: \$100,000
Budget Line Item Number: 500-70-110-605000-100343
New Appropriation Required: No

STAFF RECOMMENDATION:

Approve the change order in the amount of \$76,449.09, between the Town of Erie and Spiegel Industrial, LLC, authorize the appropriate Town officer to execute said change order, and authorize staff to expend contracted funds

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The Town's largest drinking water storage tank, a 4 million gallon concrete tank was constructed in 2015 and a protective coating (liner) was installed to protect the concrete from corrosion (aka concrete degradation). Upon final warranty inspection in 2017 we discovered that the liner had begun to fail and separate from the tank wall. This situation was monitored in the interim while staff considered engineering investigations and negotiations with the general contractor. In 2019 the Town received \$500,000 as a settlement towards the ultimate replacement of this liner.

- March 24, 2020 - Board awarded the initial construction contract for Phase 1
- May 12, 2020 - Board approved Change Orders 1 and 2
- May 26, 2020 - Board approved Change Order 3
- August 11, 2020 - Board approved Change Order 4
- January 7, 2021 - Staff approved Change Order 5

Fiscal Impact:

The Town had a cumulative balance of \$400,000 available for the replacement of the liner and hatches for this tank between multiple accounts and a pending transfer from the Water Treatment Facility Expansion project (which is well under budget). Phase 1 for this removal process was awarded by the Board on March 24, 2020, with change orders awarded on May 12, 2020 and May 26, 2020. Phase 2 change order was awarded on August 11, 2020. Change order 5 for \$52,113.64 was approved internally as the amount was under Board approval with the new purchasing policy.

Change Order 6 order will cost \$76,449.09 and should be the final change order for the crack repairs and heating equipment necessary. While it alone is under the threshold for Board approval, the combination of Change Order 5 and 6 are over. In the interest of transparency, we are bring Change Order 6 to the Board for approval. These added costs were due to surface damage to the floor caused by aggressive techniques needed to remove some of the old lining, thus requiring additional coating material and labor as well as heating costs incurred due to cold weather.

Board Priority(s) Addressed:

- ✓ Prosperous Economy
- ✓ Safe and Healthy Community
- ✓ Fiscally Responsible

ATTACHMENTS:

1. Resolution 21-021
2. Change Order 6