



**City Manager's Report**  
**May 28, 2019 City Council Meeting**  
**Prepared By: Rebecca Neves, City Engineer**

**Item#: 8.4**

**Subject:** Adopt a Resolution:

1. Approving a contract change order #1 with Carnahan Electric, Ltd. in the amount of \$16,016.45 for the Automatic Transfer Switch (ATS) Bypass Project (CIP#41803); and
2. Authorize the City Engineer to execute the same; and
3. Approving an \$18,803 budget appropriation from the Sewer Enterprise Fund unassigned fund balance for the said project

**Purpose:** The Automatic Transfer Switch (ATS) at the Water Reclamation Facility (WRF) is currently used to engage the Detroit Standby Generator, which provides backup power to the older portion of the WRF in the event of a power failure. The ATS has failed in the past, and a secure source of continuous power is needed to operate the WRF in an emergency.

**Background:** The WRF carries an Industrial General Permit with the State that requires the facility to have a reliable and constant source of power in the event of a power failure. On February 26, 2019, the Council awarded a contract to Carnahan Electric, Ltd. for the ATS Bypass project. This project will bypass the ATS by connecting the older portion of the WRF to the Caterpillar generator that was installed as part of the 2009 upgrade to the plant. Construction for this project began in April of this year.

**Discussion:** While construction for this project was underway, it was determined the cables could not be pulled through the last 50' of conduits due to multiple sharp bends, risking damage to the wire as it was pulled through. This final segment of connection will be completed through open trench excavation and placement of new and straighter conduit segments. The connecting wires will then be pulled through and connected to complete the project. The open trenching was not included in the original contract and is presented in a contract change order in the amount of \$16,016.45.

**Options:**

1. Approve the contract change order with Carnahan Electric, Ltd. in the amount of \$16,016.45 as recommended by staff.
2. Direct staff to provide a revised solution or negotiate different terms for the change order.

**Cost:** The cost of the proposed change order with Carnahan Electric, Ltd. is \$16,016.45.

**Budget Impact:** The City Council adopted the Fiscal Year 2017/2018 Capital Improvement Program Budget which appropriated \$80,062 for the Automatic Transfer Switch Replacement

## 8.4

Project (CIP#41803). The Council approved an additional \$32,798 budget appropriation at its meeting held on February 26, 2019. As mentioned above, the scope of work has been revised to account for the open trench excavation and conduit placement to complete the project, necessitating a need for additional funds. In order to complete the project, staff recommends an additional \$18,803 budget appropriation from the Sewer Enterprise Fund unassigned fund balance for a total project budget of \$131,663.

Below are the proposed project revenue and expenditure budgets:

Description	Revised Project Budget	Proposed Project Budget	Increase/ (Decrease)
Measure H Fund	\$ 80,062	\$ 80,062	\$ -
Sewer Enterprise Fund	32,798	51,601	18,803
<b>Total revenues</b>	<b>\$ 112,860</b>	<b>\$ 131,663</b>	<b>\$ 18,803</b>

Description	Revised Project Budget	Proposed Project Budget	Increase/ (Decrease)
Construction	\$ 110,647	\$ 126,663	\$ 16,016
Contingency	2,213	-	(2,213)
Personnel Time	-	5,000	5,000
<b>Total expenditures</b>	<b>\$ 112,860</b>	<b>\$ 131,663</b>	<b>\$ 18,803</b>

To date, the project has encumbered the following costs:

Carnahan Electric, Ltd. (Original Agreement)	\$ 110,647
Carnahan Electric, Ltd. (Proposed Change Order No. 1)	16,016
City Personnel Costs	1,903
<b>Total</b>	<b>\$ 128,566</b>

As you can see, the \$128,566 in project encumbrances, including the proposed \$16,016.45 change order No. 1 with Carnahan Electric, Ltd. is within the \$131,663 proposed project budget.

### Recommendation:

Adopt a Resolution:

1. Approving a contract change order #1 with Carnahan Electric, Ltd. in the amount of \$16,2016.45 for the Automatic Transfer Switch (ATS) Bypass Project (CIP#41803); and
2. Authorize the City Engineer to execute the same; and
3. Approving an \$18,803 budget appropriation from the Sewer Enterprise Fund unassigned fund balance for the said project.



M. Cleve Morris, City Manager



Rebecca Neves, City Engineer

Attachment:

- A. Resolution
- B. Carnahan Electric CCO#1 Proposal