

ITEM REPORT CITY COUNCIL

Agenda Date: 10/15/2024 Agenda Section: Consent Agenda

Department Origination: Public Works

Agenda Item: Approve the Thein Well Company Change Order No. 2 in the Increased Amount of

\$7,450.50 for the 2024 Well Rehabilitation Project

Approval Required: Simple Majority Vote

BACKGROUND

The Council awarded the 2024 Well Rehabilitation contract to Thein Well Company (Thein) in the unit price amount of \$120,000.00 at the March 20, 2024 meeting. Rehabilitation of Well No. 3 began on April 12, 2024 and was completed on April 25, 2024. Rehabilitation of Well No. 2 began on April 26, 2024 and was completed on May 9, 2024.

Change Order 1 was fully executed on June 4, 2024 in the amount of \$30,891.00 with no change in Contract Time to complete a second rehabilitation on Well No. 3. The second rehabilitation of Well No. 3 occurred in June. Refer to the Agenda Item 2024 Well Rehabilitation Project Update for rehabilitation results so far.

Prior to the rehabilitation work for Well No. 4 commencing, SEH consulted with Johnson Screens which recommended adding Nu-Well 400 to the chemical mixture specified for the well rehabilitation. During the rehabilitation of Well No. 4, it was determined that the drop pipe connecting the submersible pump to the pitless adapter was corroded and had damaged threads, requiring replacement. Staff approved both changes to keep work progress moving.

Change Order 2 is being presented in the amount of \$7,450.50 with no change in Contract Time for the use of Nu-Well 400 and replacement of the drop pipe in Well No. 4.

FINANCIAL IMPLICATIONS

Change Order 2 is in the amount of \$7,450.50. Additional details are included in the Change Order 2 document. Change Order 2 increases the total contract price from \$150,891.00 to \$158,341.50.

The project has not been budgeted or identified in the water enterprise fund five-year cashflow analysis. The impact on future water utility rates is unknown at this time. The combination of the proposed expenses will result in future rate increases.

STAFF RECOMMENDATIONS

The Utilities Commission and Staff recommends approval of the Thein Well Company Change Order No. 2 in the increased amount of \$7,450.50 for additions to the 2024 Well Rehabilitation Project.

COUNCIL ACTION REQUESTED

MOTION to approve the Thein Well Company Change Order No. 2 in the increased amount of \$7,450.50 for additions to the 2024 Well Rehabilitation Project.