

Council Agenda Summary

May 17, 2022

Key Staff Contact: Doug Marek, City Attorney, 970-350-9755

Title:

Consideration of a Resolution Authorizing the City attorney to Initiate appropriate legal action against Hydro Construction, Inc. and HDR, Inc. for damages resulting from defective construction of the Bellvue Water Treatment Plant

Summary:

In 2016, the City engaged HDR, Inc. (HDR) to provide professional design services in relation to improvements to be made at the City's Bellvue Water Treatment Plant ("WTP"). In 2017, the City entered into a Construction Manager at Risk contract with Hydro Construction, Inc., to perform the work according to the specifications provided by HDR. Work was supposed to have been completed in 2020, and the City issued a Certificate of Substantial Completion on June 12, 2020.

Subsequently, it has been discovered that there were several problems with the performance of the improvements at the WTP, which have required significant repair efforts by the City, and which also require the City to engage in further repair work in the future. The lawsuit will seek damages for breach of contract, negligence, or other applicable legal theory against Hydro, HDR, and any other responsible entity, including but not limited to subcontractors, parent entities and subsidiary entities, for construction defects.

Fiscal Impact:

Does this item create a fiscal impact on the City of Greeley?	No
If yes, what is the initial, or onetime impact?	
What is the annual impact?	
What fund of the City will provide Funding?	
What is the source of revenue within the fund?	
Is there grant funding for this item?	N/A
If yes, does this grant require a match?	
Is this grant onetime or ongoing?	
Additional Comments:	

Legal Issues:

Greeley Municipal Charter Section 6-3 authorizes the City Attorney to institute any suit, action, or proceeding on behalf of the municipal government when directed to do so by the City Council.

Other Issues and Considerations:

None.

Strategic Work Program Item or Applicable Council Priority and Goal:

None.

Decision Options:

- 1) Adopt the resolution as presented; or
- 2) Amend the resolution and adopt as amended; or
- 3) Deny the resolution; or
- 4) Continue consideration of the resolution to a date certain.

Council's Recommended Action:

A motion to adopt the Resolution.

Attachments:

Resolution