THE CITY OF GREELEY, COLORADO

RESOLUTION NO. _____, 2022

A RESOLUTION OF THE CITY OF GREELEY COUNCIL AUTHORIZING THE CITY ATTORNEY TO INITIATE APPROPRIATE LEGAL ACTION AGAINST HYDRO CONSTRUCTION, INC. AND HDR ENGINEERING INC. FOR DAMAGES RESULTING FROM DEFECTIVE CONSTRUCTION OF THE BELLVUE WATER TREATMENT PLANT

WHEREAS, Section 6-3 of the Greeley City Charter authorizes the City Attorney to institute any suit, action or proceeding on behalf of the municipal government, or agency thereof, when directed by City Council; and

WHEREAS, in 2016, the City of Greeley ("City") engaged HDR Engineering, Inc. to provide professional design services in relation to improvements to be made at the City's Bellvue Water Treatment Plant ("WTP");

WHEREAS, in 2017, the City entered into a Construction Manager at Risk contract with Hydro Construction, Inc. to construct the improvements at the WTP; and

WHEREAS, the City was notified in 2020 that work was substantially completed and that Hydro requested issuance of a Certificate of Substantial Completion, which certificate was issued on June 12, 2020; and

WHEREAS, it has since been determined that there were a number of defects in the design and/or construction of the WTP; and

WHEREAS, the City has engaged contractors to make repairs to the WTP to mitigate its damages; and

WHEREAS, pursuant to the Construction Manager at Risk contract, the City and Hydro have engaged in mediation, which did not result in settlement of this matter; and

WHEREAS, the City has identified that the defects at WTP may further deteriorate over time if left in their current condition, necessitating that additional repairs be made to WTP; and; and

WHEREAS, it is in the best interest of the citizens of the City of Greeley for Council to direct the City Attorney to initiate appropriate legal action including, but not limited to, instituting court action against Hydro Construction, Inc. and HDR Engineering Inc, as well as any subcontractor, subsidiary or affiliate that may be liable to the City, for recovery of damages.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREELEY, COLORADO:

Section 1. The City Attorney is hereby authorized to initiate appropriate legal action

regarding Hydro Construction, Inc. and HDR Engineering Inc, as well as any subcontractor, subsidiary, or affiliate for breach of contract, negligence, and any other applicable cause of action or claim.

<u>Section 2</u>. This Resolution shall become effective immediately upon its passage.

PASSED AND ADOPTED, SIGNED AND APPROVED THIS _____ day of _____, 2022.

ATTEST:

THE CITY OF GREELEY, COLORADO

City Clerk

Mayor