

# STAFF REPORT REGULAR MEETING

**AGENDA DATE:** December 3, 2024

**DEPARTMENT:** Electric Utility

**TITLE:**

Change Order #2 to the contract with Energy Erectors, Inc. for increased costs due to latent site conditions and additional work at the Canal 138 kV Transmission Switchyard Project

**SUMMARY:**

Change Order #2 covers additional work with Energy Erectors, Inc. for increased project costs due to previously unknown site conditions, control house foundation work modifications and additional fiber communication conduit with fiber installation at the Canal 138 kV Transmission Switchyard Project in the amount of \$61,158.13. This project has been identified as an element of the City's electric utility System Hardening and Reliability Improvement Project (SHRIP) and for which bonds were sold in 2020.

**BACKGROUND AND JUSTIFICATION:**

IFB # 22-110 dated September 21, 2022 resulted in a construction services award to Energy Erectors, Inc. for a \$3,352,690.00 contract for the construction of the Canal 138 kV Transmission Switchyard Project.

Permitting delays and subcontractor substitutions caused by the delays, material inflation and labor inflation resulted in Change Order #1 previously approved by City Commission on February 27, 2024 thereby increasing the contract by \$115,575.07 for a total of \$3,468,265.07.

Change Order 2 represents documented additional work for:

- Unexpected Hydrovac excavation to maintain minimum clearance between an existing underground feeder conduit at its intersection with a new site drainage pipe,
- Unexpected excavation required for foundation column clearance from an underground feeder,
- Increased control house foundation dimensions and
- extending fiber communications conduit with fiber installation

The additional work totals \$61,158.13. This Change Order #2 would increase the contract to a total of \$3,529,423.20.

**MOTION:**

Move to approve/disapprove Change Order #2 to contract with Energy Erectors, Inc. for increased costs as detailed above in the amount of \$61,158.13.

**ATTACHMENT(S):**

Fiscal Impact Analysis  
Change Order #2

**FISCAL IMPACT ANALYSIS**

Five Year Summary of Fiscal Impact:

<b>Fiscal Years</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Inflows/Revenues</b>					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
<b>Outflows/Expenditures</b>					
Appropriated (Budgeted)	\$61,158.13	0	0	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
<b>Net Fiscal Impact</b> <i>(If not budgeted)</i>	0	0	0	0	0
<b>No. of Addn'l Full-Time Employee Positions</b>	0	0	0	0	0

<b>Contract Award - Existing Appropriation (Budgeted)</b>	
	Expenditure
Department	Electric Utility
Division	Transmission
GL Description	Improve other than Build/Transmission Line
GL Account Number	421-6034-531.63.16
Project Number	SH2500
Requested Funds	\$61,158.13
Remaining Balance	\$6,841.87
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Series 2022 Consolidated Utility Revenue Bond