



THE CITY OF KEY WEST

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MEMORANDUM

EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager
E. David Fernandez, Asst. City Manager

FROM: Jay Gewin, Utilities Manager

DATE: November 3, 2011

SUBJECT: **Extending the Contract for Encore Construction Company, LLC for the Headworks Modification Project at the Wastewater Treatment Plant to a Substantial Completion Date of January 27, 2012 and a Final Completion Date of February 27, 2012 on a No-Cost Basis.**

ACTION STATEMENT:

This resolution will extend the City's contract with Encore Construction, LLC for the Headworks Modification Project at the Wastewater Treatment Plant from December 28, 2011 to January 27, 2012 for substantial completion, and from January 27, 2012 to February 27, 2012 for final completion. The City will be billed no extra cost for this extension.

BACKGROUND:

The City Commission awarded a contract for the Headworks Modification Project at the Wastewater Treatment Plant to Encore Construction, LLC in the amount of \$3,056,000 at its meeting on December 7, 2010. (Resolution 10-349) \$895,168 of the costs of this project is being funded through an Army Corps of Engineers grant.

The need for this project is twofold. First, the City needs to replace the aging headworks at the location where sewer flow enters the WWTP. It hasn't been replaced or received significant improvements or repair in approximately 25 years of heavy wear and tear.

Second, the work will be incorporated within our City's plan to increase our sewer collection system capacity. The City of Key West has completed a hydraulic analysis of our wastewater collection and transmission system. The

Key to the Caribbean – Average yearly temperature 77° F.

City currently pumps all wastewater to the Richard A. Heyman Environmental Protection Facility (WWTP) through one 30" transmission main. With the installation of the second Deep Injection Well at the WWTP, the City can utilize the abandoned 30-inch effluent pipeline to direct additional wastewater flows to the WWTP.

The City plans to connect the pump station D/DA force main to the 30-inch abandoned pipeline which currently runs to the WWTP, and upgrade our 25 year old existing headworks facility to handle the additional capacity at the plant. Additionally, work was performed at the Eaton St. and White St. intersection that included pipe work as part of the plans to increase flow capacity.

The proposed improvements to the wastewater collection system will help reduce surcharging of the sewer system in residential areas during extreme rain events and storm surges. This reduction of sewer backups and potential overflows in the City during these events would further reduce potential health risks to the citizens of Key West and near shore waters.

PURPOSE & JUSTIFICATION:

Overall, this project has proceeded successfully and we should be able to complete the construction work under budget barring any unforeseen circumstances at this juncture. The contractor has been an excellent partner with the City in maintaining operation of the WWTP during this complex and substantial construction project. Encore has managed and operated the construction project to date professionally and efficiently.

The contractor was delayed in a few instances due to matters that were no fault of their own. One reason being the substantial rains of October 17th and 19th that put a tremendous surcharge of wastewater into the WWTP. Other reasons include the City's request for the contractor to test an existing 30' pipeline, the need to coordinate multiple temporary plant shutdowns over the course of the project while various components were installed, along with lead time required for the delivery of materials.

City Staff and CH2M Hill, the City's Construction Engineer for the project, have found these reasons to be acceptable and therefore are supportive of the contractor's request for a contract extension.

This extension will not inhibit the City's ability to utilize the Army Corps of Engineers' grant funding of the project.

OPTIONS:

1. Approve the contract extension with Encore Construction, LLC on the Headworks Modification Project to a substantial completion deadline of January 27th, with a final completion deadline of February 27th. This will allow the City to complete the project successfully while utilizing the full share of Army Corps of Engineers funding.

2. Do not approve the contract extension. This option is not recommended, because it could result in the City having to endure the time-consuming delays of finding another contractor to finish the work. It could also result in an increased cost to the City, and an overall delay in project completion while a new contractor is mobilized to the site.

FINANCIAL IMPACT:

There will be no financial impact to this no-cost contract extension. Additionally, this contract extension will not impact our ability to receive the grant funding for the project as per the City's agreement with the Army Corps of Engineers.

RECOMMENDATION:

Staff recommends option # 1, that the City Commission approves an extension to the Encore Construction, LLC contract for the Headworks Modification project to a substantial completion deadline of January 27th with a final completion deadline of February 27th.