



## AGENDA MEMORANDUM

Action Item for the City Council Meeting of February 27, 2024

**DATE:** February 27, 2024

**TO:** Peter Zanoni, City Manager

**FROM:** Jeff H. Edmonds, P.E., Director of Engineering Services  
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**Construction Change Order**  
**Citywide Lift Station Repairs**  
**(Sharpsburg Lift Station)**

**CAPTION:**

Motion authorizing the execution of Change Order No. 1 with Associated Construction Partners, Ltd, Boerne, Texas, for the citywide Lift Station Repairs at the Sharpsburg Lift Station located in Council District 1, in an amount of \$304,976.64, with FY 2024 funding available from the Wastewater Capital Fund.

**SUMMARY:**

This change order authorizes payment for emergency repairs that were conducted at the Sharpsburg Lift Station. The Sharpsburg Lift Station experienced an unexpected manhole collapse that affected a concrete slab at the lift station. During repairs, it was also discovered that an existing 10" VCP line was failing and also required replacement.

**BACKGROUND AND FINDINGS:**

CCW requested assistance from the contractor in August 2022 due to a wastewater emergency at the Sharpsburg Lift Station. A concrete slab was settling at the Sharpsburg Lift Station which caused a collapsing manhole.

The City engaged with one of our primary plant and lift station contractors, Associated Construction Partners (ACP), to review the situation and determine a probable cost. At the time, the Engineering Services Department believed the emergency repair work could be executed for under \$70,000. Given staff can approve change orders up to \$100,000, the Engineering Services Department concluded that an emergency declaration was not needed.

Engineering authorized ACP to start the repair work on a time and material basis. During the course of completing repairs, ACP discovered that the damage was far more extensive than the

original estimate. After assessment, ACP identified multiple manholes and a significant amount of 10" VCP needing to be removed and replaced. Engineering authorized ACP to proceed with the revised scope after reviewing ACP's assessment and repair recommendations. It was believed at that time that the repair work could be added as a staff-approval change order to an existing emergency contract with ACP for the McBride Lift Station since it would likely exceed staff approval levels.

The material and labor tickets were received in March 2023, subsequent to the completion of the repairs in January 2023. After conducting a comprehensive assessment on the labor, equipment, and material costs and factoring in the relevant markups, the City determined the final balance owed to be \$304,976.64. The Legal Department concluded that the Sharpsburg LS work cannot be amended to the McBride Lift Station Emergency contract without the issuance of a revised Emergency Declaration. The leadership decided to present this action to the City Council for ratification as a change order.

Engineering has revised its procedures in order to prevent the recurrence of similar situations in the future. Contractors will not be engaged for Emergency Work without a robust mechanism to be able to pay for the work. Contractors will not be mobilized unless the requesting department provides written confirmation that the City Manager is willing to sign an Emergency Declaration in order to compensate the contractor in the event that existing IDIQ contracts are unable to be utilized.

#### **PROJECT TIMELINE:**

The emergency work has been completed in February 2023.

#### **ALTERNATIVES:**

Work has been completed.

#### **FISCAL IMPACT:**

The fiscal impact for FY 2024 is an amount of \$304,976.64 with funding available from the Wastewater Capital Fund.

#### **FUNDING DETAIL:**

Fund: **Wastewater Capital Fund 2023 (Fund 4260)**  
Department: Wastewater (46)  
Organization: Grants & Capital Projects Funds (89)  
Project: Citywide Lift Station Repairs (Project No. E17086) reference project 19029 in the FY24 Capital Budget  
Account: Construction Contract (550910)  
Activity: E17086-01-4260-EXP  
Amount: \$304,976.64

#### **RECOMMENDATION:**

Staff recommends ratification of this Change Order No. 1 in the amount of \$304,976.64 with Associated Construction Partners, Ltd, Boerne, Texas, for the citywide Lift Station Repairs at the Sharpsburg Lift Station.

**LIST OF SUPPORTING DOCUMENTS:**

Location and Vicinity Map  
Bid Tab  
CIP Page