



1459 Washington St.  
 Muscatine, IA 52761-5040  
 (563) 263-8933  
 Fax (563) 263-2127

**Public Works**

**City Transit**  
 263-8152

MEMORANDUM

**Equipment Maintenance**  
**Roadway Maintenance**  
**Collection & Drainage**  
**Building & Grounds**  
**Engineering**

To: Brian Stineman Public Works Director  
 FROM: Jim Edgmond, City Engineer  
 CC: Nancy Lueck, Finance  
 DATE: May 25, 2017  
 RE: Phase 3A and 3B of the West Hill Sewer Separation Projects

INTRODUCTION:

The construction of these two phases of the sewer separation is complete to where the City desires to close the projects out. Some minor work to be done will be transferred to Phase 3C to allow these phases to be closed out. The City Staff has completed final inspection of the project and the project is ready for the close out process.

BACKGROUND:

Due to some contract disputes in Phase 3A and 3B the City Council directed the staff to close these contracts on May 18, 2017. The information below summarizes the cost left in the contract.

Phase	Payments Due to Contractor	Liquidated Damages Due City
Phase 3A	\$93,219.31	\$169,100.00
Phase 3B	\$73,820.05	\$ 61,300.00
TOTAL=	\$167,039.36	\$230,400.00

Due to these amounts showing the contractor would owe the City for Liquidated Damages it is the City Staff's recommendation that the entire amount owed to the contractor including retainage be held until the items in dispute and the Liquidated Damages are resolved. However, the notice should be given to the contractor that City Council has taken action to close these two projects out.

RECOMMENDATION/RATIONALE:

Recommend City Council approves the resolution for acceptance of Phase 3A and 3B as completed projects. This action starts the 30-day waiting period before the retainage can be released to the contractor. However, in this instance the retainage will be held until resolution of Liquidated Damages and other items of dispute. This approval also starts the warranty period for the projects.

BACKUP INFORMATION:

NA.

**"I remember Muscatine for its sunsets. I have never seen any on either side of the ocean that equaled them" — Mark Twain**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION ACCEPTING COMPLETED WORK PERFORMED UNDER  
WEST HILL SEWER SEPARATION PROJECT  
PHASE 3A  
AND AUTHORIZING FINAL PAYMENT**

WHEREAS, the City of Muscatine approved the Plans, Specifications, and Form of Contract for the West Hill Sewer Separation Project Phase 3A; and

WHEREAS, the City of Muscatine entered into a contract for said project with Hagerty Earthworks LLC for \$1,362,319.30 with 14 change orders, for a total contract amount of \$1,516,906.39; and

WHEREAS, all work under the contract has been completed by Hagerty Earthworks, LLC. and approved and accepted by the City Engineer and appears to meet the requirements of the Plans and Specifications heretofore adopted by this Council, as evidenced by the Project Engineer's Certificate; and

WHEREAS, the amount of \$1,423,687.08 has been previously paid to Hagerty Earthworks, LLC and a balance of \$93,219.31 including 5% retainage remains due and payable;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MUSCATINE, that the City of Muscatine make immediate payment of \$-0- to Hagerty Earthworks, LLC for completed and accepted work under the West Hill Sewer Separation Project Phase 3A and thereafter make no other additional payment for retainage until current contract and liquidated damages are resolved.

PASSED, APPROVED, ADOPTED THIS 1st DAY OF JUNE, 2017.

CITY COUNCIL OF THE CITY OF MUSCATINE, IOWA

BY: \_\_\_\_\_  
Bob Bynum, Mayor Pro Tem

ATTEST:

\_\_\_\_\_  
Gregg Mandsager, City Clerk