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FINANCE & RECORDS

Memo

To: Gregg Mandsager, City Administrator

From: Nancy A. Lueck, Finance Director
Brian Stineman, Public Works Director

Date: June 29, 2017

Re: Revised Resolutions (2) Accepting Completed Work for Phases 3-A and 3-B of the West Hill Sewer Separation Project

Introduction and Background

At the June 1, 2017 meeting, City Council approved two resolutions accepting completed work on Phases 3-A and 3-B of the West Hill Sewer Separation project. Those resolutions did not reflect the final total contract costs and also did not detail the amounts of the liquidated damages on these phases of the contract.

Recommendation

The attached resolutions rescind the original resolutions and reflect the final contract costs of \$1,539,525.77 for Phase 3-A and \$1,476,401.04 for Phase 3-B. The liquidated damages for Phase 3-A total \$169,100.00 and for Phase 3-B total \$61,300.00. Since the liquidated damages exceed the calculated balances including the retainages on these contracts, no additional amounts are due to the contractor and the contractor owes the City \$65,817.08.

Summary

Please include the two revised resolutions accepting completed work on Phases 3-A and 3-B of the West Hill Sewer Separation project on the agenda for the July 6, 2017 meeting. Please contact either of us if you have any questions or need additional information.

RESOLUTION NO. _____

**RESOLUTION RESCINDING RESOLUTION 93879-0617 AND ADOPTING
THE REVISED RESOLUTION ACCEPTING COMPLETED WORK
PERFORMED UNDER THE
WEST HILL SEWER SEPARATION PROJECT
PHASE 3A**

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 and actual bid quantity and unit price calculations, for a total contract amount of \$1,539,725.77; and

WHEREAS, 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 \$1,462,739.63 has been previously paid to Hagerty Earthworks, LLC and a calculated balance of \$76,986.14 including the 5% retainage remains due and payable; and

WHEREAS, Article 4, section 4.2 of the construction contract provides that the project be substantially completed by November 20, 2015 and ready for final payment by December 18, 2015; and

WHEREAS, Article 4, section 4.3 provides for liquidated damages for not meeting the substantial and final completion dates; and

WHEREAS, the substantial and final completion dates were not met by Hagerty Earthworks, LLC and the liquidated damages total \$169,100;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MUSCATINE, that the City of Muscatine accepts the completed work under the West Hill Sewer Separation Project Phase 3A and will thereafter make no additional payments to Hagerty Earthworks LLC since the liquidated damages of \$169,100 exceed the calculated balance of \$76,986.14 including the retainage on the contract. These amounts result in Hagerty Earthworks LLC owing the City \$92,113.86 for Phase 3A of the contract.

PASSED, APPROVED, AND ADOPTED THIS 6th DAY OF JULY, 2017.

CITY COUNCIL OF THE CITY OF MUSCATINE, IOWA

BY: _____
Diana Broderson, Mayor

ATTEST:

Gregg Mandsager, City Clerk