SPECIAL UTILITY COMMITTEE

A G E N D A

April 10, 2006 - 5:45 P.M. - Council Chambers - City Hall - City of Dover
Public comments are welcomed on any item and will be permitted at appropriate times. When possible, please notify the City Clerk (736-7008 or e-mail at Jgreen@dover.de.us) should you wish to be recognized.

AGENDA ADDITIONS/DELETIONS

1. Division Street Water Main/Bayard Avenue Water Main Project Budget Increases

2. Authorization to Purchase Security Fencing With Card Reader - Electric Department and Power Plant

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THE AGENDA ITEMS AS LISTED MAY NOT BE CONSIDERED IN SEQUENCE. THIS AGENDA IS SUBJECT TO CHANGE TO INCLUDE THE ADDITION OR THE DELETION OF ITEMS, INCLUDING EXECUTIVE SESSIONS.

ACTION FORM

PROCEEDING: Utility Committee and Council	**AGENDA ITEM**: 4/10/06 – 1 & 4/10/06 - 11
DEPARTMENT OF ORIGIN: Public Works	**DATE SUBMITTED**: 3/30/06
PREPARED BY: Scott D. Koenig, P.E., Public Services Manager	
SUBJECT: Division Street Water Main/Bayard Avenue Water Main Project Budget Increases	
REFERENCE: N/A	
RELATED PROJECT: N/A	
APPROVALS: City Manager	
EXHIBITS: N/A	
EXPENDITURE REQUIRED: $1,270,000 +/- for Division Street/Bayard Avenue Water Main Upgrades **AMOUNT BUDGETED**: $785, 866 plus an additional $227,348 transferred from other project budgets **FUNDING SOURCE (Dept./Page in CIP & Budget)**: Pages 187, 202, 343 & 344 of the 2005 Annual Operating Budget	
TIMETABLE: The Time and Materials contract portion of the Division Street/Bayard Avenue Water Main Upgrades will be completed during the first half of April.	
RECOMMENDED ACTION: Recommend the transfer of up to $260,000 from the Water/Wastewater Capital Asset (Brown Water) Reserve to the Division Street Water Main and Bayard Avenue Water Main Projects.	

BACKGROUND AND ANALYSIS

The original intent for the Division Street Water Main Upgrade Project was to improve the water supply from the east side of the City to the west side by replacing old 8-inch and 14-inch cast-iron pipes with a new 16-inch pipe. In addition, the project became an important part of the City's program to eliminate brown water. Construction on the Division Street Water Main Upgrade Project began on Monday, September 19, 2005 and has progressed continuously since that date under a Time & Materials contract with George & Lynch, Inc. The contract was approved by City Council on June 13 2005. The project was budgeted in FY 04/05 at $660,000; and $585,886 was carried into FY 05/06. The project budget was increased to $785,866 as part of the November 14, 2005 budget amendment when it had already appeared that the project was running over the projected costs.

A number of obstacles including unmarked old utilities, uncertain Miss Utility markings, changes in service shutdown schedules, unexpected pavement materials (concrete vs. hot mix), and changing roadway restoration requirements have caused significant construction challenges and cost overruns for this project. The cost overruns were not detected in advance of the approved budget because a weekly cost monitoring system was not in place. A weekly monitoring system will be required for all future Time and Materials contracts. Segment 1 of the Division Street Water Main Upgrade Project (from State Street to the St. Jones River) is now in service. Segment 2 (from the St. Jones River to Bayard Avenue) is awaiting the results of bacteriological testing and will be tied in and placed into service as soon as acceptable results are received. A few minor restoration requirements for Segment 2 remain.

In addition, the Director of Public Works authorized the purchase of additional pipe to upgrade pipe from Division Street to the Bayard Avenue Water Tank in January 2006 to address pipe issues associated with the old

pipe segment located in Bayard Avenue. This pipe segment has been identified in various public presentations related to brown water and is consistent with the Cast Iron Replacement/Relining project identified in the budget document. It should be noted that $76,000 in pipe material costs could have been charged to the Cast Iron Pipe Replacement Program which was funded in the amount of $100,000. However, it was decided to simply add it to the Division Street Water Main Project.

The project costs for both projects as billed to date and estimated for March & April are:

FY-2006 Construction Project Start thru December 31, 2005	$ 582,484.85	
January 2006 Invoice (including pipe material for Bayard Avenue)	$ 409,120.99	
February 2006 Invoice (labor, equipment & misc. materials)	$ 147,610.93	
March 2006 Invoice (labor, equipment & misc. materials)	$ 100,000.00	(estimate)
April 2006 Invoice (labor, equipment & misc. materials)	$ 30,000.00	(estimate)
Total	$1,269,216,77	(estimate)

The construction obstacles and the additional pipe for Bayard Avenue have put the project $483,350.77 over budget. Some of the cost overage has been addressed by transferring moneys from other project accounts as follows:

Project		$ Transfer	Status
Cast Iron Pipe Replace	WS0502	$ 100,000	- Both Bayard & Division Street meet objective of this project fund.
Misc. Distr. Imp.	WS0602	$ 30,000-	Both Bayard & Division Street meet objective of this project fund.
U.S. 13 N. Water Main Crossing	WD0403	$ 35,000	- Project completed, these funds remain in account.
SE Water Loop	WD0701	$ 8,000	- Project contracted, contract below budget.
Vehicle #681 (Water Fund Only)		$ 41,850	- Purchase deferred, need will be re-evaluated by Public Utilities Manager.
Construction Budget Lease (40-42)		$ 12,498	- Leased Vehicle transferred.
	Total	$ 227,348	

With the use of these transferred funds, the project is still estimated to be over budget by approximately $260,000. The City Manager is requesting to transfer up to $260,000 from the Water/Wastewater Capital Asset Reserve account to allow the project charges to be paid.

The George and Lynch contract work will stop on Division Street at Bayard Avenue. The Bayard Avenue pipe will be installed by our own utility construction crew. How the new 16-inch Division Street Water Main west of Route 13 will be connected to the line east of Route 13 will be re-evaluated by the Public Utilities Manager and engineers to develop the most cost-effective route.

ACTION FORM

PROCEEDING: Utility Committee and Council	A**GENDA ITEM NO.:** 4/10/06- 2 & 4/10/06-10
DEPARTMENT OF ORIGIN: Electric	**DATE SUBMITTED**: 4/3/06
PREPARED BY: Steve Sax, Electric Department Director/ Scott D. Koenig, Public Services Manager	
SUBJECT: Authorization to Purchase Security Fencing With Card Reader - Electric Department and Power Plant	
REFERENCE: N/A	
RELATED PROJECT: N/A	
APPROVALS: City Manager, Finance Director	
EXHIBITS: N/A	
EXPENDITURE REQUIRED: $39,500.00	**AMOUNT BUDGETED**: $ 0.00
FUNDING SOURCE (Dept./Page in CIP & Budget): Federal FY-2005 Homeland Security grant funds (Physical Security Enhancements); this purchase was not part of the original FY-2006 spending plan for the Electric Department.	
TIMETABLE: Issue award letter on Tuesday, April 11, 2006, pending Council authorization. The target completion date for the fence installation will be May 31, 2006.	
RECOMMENDED ACTION: Authorize staff to use Federal FY-2005 Homeland Security grant funds to purchase and install a 30 foot slide gate with all electric controls at the Electric Administration Building and McKee Run Power Plant. Installation will be completed by the City's authorized fence contractor, Duck's Quality Fences, using some of the items on the annual fence contract. The electronic components of this purchase have been negotiated with the fence contractor. Staff will adjust the final budget to reflect this purchase as well as the receipt of the grant funds.	

BACKGROUND AND ANALYSIS

The City of Dover has requested Federal FY-2005 (Physical Security Enhancement) grant funds for improvements to various sites within the City of Dover's utility systems. The proposed fencing project would limit access to the rear of the administration building where equipment, vehicles, tools, and project materials are stored. This project will also limit access to the Electric Department's designated environmental hazard area.

In addition to the new fencing, an electronic gate reading card will be installed that will only allow access for employees of the Electric Department and McKee Run Power Plant. This type of fencing was listed on the City's annual fencing contract which was awarded to Duck's Quality Fences earlier this fiscal year. Duck's Quality Fences will complete the fencing installation for this project upon authorization by the City of Dover. Electric Department staff is awaiting the signed authorization from DEMA for this improvement and will utilize the sub-grant process offered by DEMA to complete the project. Staff is anticipating the written authorization of the sub-grant from DEMA by April 11, 2006.

This purchase will be included in the final budget revisions and will be 100% reimbursed through the Homeland Security Grant Program.