



City Council Report

Date: May 16, 2022
To: City Council
Through: Marc Heirshberg, Deputy City Manager
From: Beth Huning, City Engineer
Marc Ahlstrom, Assistant City Engineer
Subject: Salt River Project (SRP) Lehi Service Line Relocation
City Project No. CP0875
Council District 1

Purpose and Recommendation

The purpose of this report is to request City Council approval of an increase in the contract amount for this project to cover unforeseen conditions as well as SRP requests. It is recommended that Council increase the construction contract with FPS Civil by \$10,000, for a new total authorization of \$1,174,417.10.

Background

The original project consists of relocation of existing City water and gas services along Lehi Road and Mesa Drive to accommodate the installation of a proposed new SRP pipe. Per the City's crossing agreement with SRP for the services, the City is required to relocate its services to allow for the installation of this new well collection line within the existing SRP easement. The new services had to be reinstalled below the new line as well as any other existing SRP lines.

On January 11, 2021, City Council awarded the SRP Lehi Service Line Relocation project to FPS Civil for a total authorization of \$1,164,417.10. This amount was comprised of their lowest responsible bid of \$1,058,561.00, plus a 10% change order allowance of \$105,856.10.

Discussion

This project is located in an older area of the City where there are a number of conditions that were unknown at the time of design. The change orders that were required for the project can be characterized as follows:

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| 1. Unforeseen Conditions
(including issues with existing services, valves, and saddles) | \$17,420.09 |
| 2. Additional SRP Requirements | \$66,083.57 |
| 3. Pothole fiber line | \$11,973.22 |

4. Gas line modifications	\$3,232.97
5. Final Quantity Adjustments	
\$14,260.00	
Total to Date	\$ 112,969.85

Item 2 for additional SRP requirements included three items and resulted in the use of over 60% of the contingency. The first was the requirement to use ½ sack slurry backfill after the plans were approved by SRP and bid. This requirement utilized approximately 30% of the contingency. The second and third requirements were due to an old existing SRP irrigation line in Mesa Drive that ran parallel to the new well collection line. Once the contractor started working in the field, SRP requested that they use ‘soft dig’ techniques due to the fragile nature of this very old pipe. In addition, when the trenches were opened on Mesa Drive, this older SRP line was leaking significantly. Due to saturated subgrade conditions and SRP’s requirement to install the services under the leaking, fragile pipe, the City’s new service lines could not be installed. The contractor was required to stop work and wait until the existing SRP pipe was dried up later in the year. The contractor had to demobilize and remobilize in April and return in October to finish the work. This resulted in an additional cost of approximately 34% of the contingency.

The total of these change orders exceeds the authorized amount, and it is anticipated that \$10,000 will be required to complete the project.

Alternatives

An alternative is to not award this contract increase for the proposed improvements. This is not recommended because this would be a violation of our utility crossing agreements with SRP.

Fiscal Impact

The new authorized amount of \$1,174,417.10 is comprised of the original authorized amount of \$1,164,417.10, and \$10,000 for the added scope-of-work. This project is funded by 2010 Gas Bonds and 2014 Water Bonds.

Coordinated With

The Water Resources and Energy Resources Departments concur with this recommendation.