



Lexington-Fayette Urban County Government
DEPARTMENT OF ENVIRONMENTAL QUALITY AND PUBLIC WORKS

Jim Gray
Mayor

Richard Moloney
Commissioner

To: Mayor Jim Gray
Urban County Council

From: 
Charles Martin, P.E., Director

Date: June 10, 2013

Re: Request authorization to execute an agreement with Smith Contractors, Inc. for Change Order #1; Town Branch and West Hickman Wastewater Treatment Plant Electrical, SCADA, Blower/Aeration and Pump Station Improvements Project

The Division of Water Quality requests approval of Change Order #1 to Smith Contractors, Inc. for additional work to the Town Branch and West Hickman Wastewater Treatment Plant Electrical, SCADA, Blower/Aeration and Pump Station Improvements Project (Electrical/SCADA Project). Change Order #1 is for a total amount of \$478,000.00.

The Change Order for the Amount of \$478,000.00 includes equipment and labor for installing 2 new Aeration Blowers at the West Hickman Wastewater Treatment Plant, Zone 1 Aeration. This additional investment provides an estimated \$56,000 in annual operational savings, a 5 year warranty on the blowers and provides new blowers and control panels (See attached Back-Up Letter #1). The base bid currently in the contract calls for refurbishing 30 year old equipment (only replacing the impellers, shafts and seals). The refurbishing of the equipment would only include a 1 year warranty on the replaced parts.

This change order is being recommended after a re-quote of an original bid alternative was received from the contractor. The price for Alternative B3 was reduced from \$702,000.00 to \$478,000.00 (See attached Back-Up Letter #2). The estimated straight-line payback of 11 years and new equipment warranty makes this alternative more attractive than a one-year warranty for the re-build of 30 year old blowers.

The change order is fully budgeted with funds located in the accounting string shown below.

4003 303401 3421 92711 SCADA_2012 / CONSTRUCT

Should you have any questions, please contact me at 425-2455.

cc: Richard Moloney, Commissioner, Department of Environmental Quality and Public Works
Tiffany Rank, P.E., Division of Water Quality