

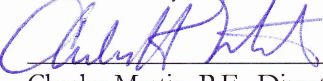


Lexington-Fayette Urban County Government
DEPARTMENT OF ENVIRONMENTAL QUALITY AND PUBLIC WORKS

Jim Gray
Mayor

Susan C. Bush
Acting Commissioner

To: Mayor Jim Gray
Urban County Council

From: 
Charles Martin, P.E., Director

Date: January 23, 2012

Re: Request authorization to execute an agreement with Judy Construction for West Hickman WWTP Improvements Clarifier #8 Modifications/Repairs per the attached Settlement Agreement and Release.

Clarifier #8 at the West Hickman Wastewater Treatment Plant was damaged in a flood in September 2006. Through mediation, completed in September 2011, this claim was settled with Judy Construction and Tetra Tech per the Settlement Agreement and Release attached. Judy Construction has agreed to complete the modifications/repairs of Clarifier #8 for \$231,500.00.

This mediation agreement provides for an \$85,000 lump sum payment from Judy Construction and Tetra Tech to FM Global for final settlement of LFUCG's claim. The mediation also concluded that the LFUCG claims-fund was responsible for damage equaling \$101,038. Lastly, the Division of Water Quality is recommending additional measures that include:

- Extra pressure relief valves (PRVs)
- Ground water monitoring wells

These additional measures will decrease the likelihood of future damage to the clarifier. The cost of these additional measures is \$45,462, which will be paid from the division's capital account.

Because the LFUCG claim fund does not cover the additional measures described above, two accounting streams are shown below.

DWQ Accounting	4002 303403 0001 91017	\$45,462.00
Claims Accounting	6021 160906 0001 73204	<u>\$186,038.00</u>
Total		\$231,500.00

Questions regarding this agreement should be directed to Tiffany Rank, P.E. at 425-2406.

pc: Susan Bush, Acting Commissioner, Department of Environmental Quality
Ed Gardner, Department of Law
Thomas Sweeney, Department of Law
Tiffany Rank, P.E., Division of Water Quality