

**CIP  
EXPENSE DETAIL**

**DATE OF COUNCIL CONSIDERATION:**

**CONTACT DEPARTMENT(S):**

Austin Water Utility

**SUBJECT.** Authorize execution of a change order to the construction contract with MATOUS CONSTRUCTORS, LTD., for the Hornsby Bend Biosolids Management Plant Digester Improvements and Sustainability Project for an additional contingency amount of \$131,000, for a total contract amount not to exceed \$28,528,710.

**CURRENT YEAR IMPACT:**

<b>Department:</b>	<b>Austin Water Utility</b>
Project Name:	Hb Digester Cleaning
Fund/Department/Unit:	4480 2307 8239
Funding Source:	AWU Fund Transfer
Current Appropriation:	4,715,000.00
Unencumbered Balance:	192,060.93
Amount of This Action:	<u>(131,000.00)</u>
Remaining Balance:	<u>61,060.93</u>
Total Amount of this Action	<u><u>131,000.00</u></u>

**ANALYSIS / ADDITIONAL INFORMATION:** The Hornsby Bend Biosolids Management Plant (BMP) is an award-winning, nationally-recognized environmental management and research facility, located on FM 973, east of the Colorado River. The original project, approved in 2009, is one part of a mutually supporting set of capital improvements to implement green infrastructure at the Hornsby Bend BMP.

Funding for this project was provided from a \$31.8 million zero-interest loan from the Texas Water Development Board as part of the American Recovery and Reinvestment Act (ARRA). The original project will significantly reduce the plant's carbon footprint by improving plant-wide energy efficiency and reliability, reducing the use of petroleum based polymers, and enhancing production and capture of digester gas, a renewable energy source that will be used to generate electricity. The original contract has provided improvements to the Flow Equalization Basin, Blend Tank mixing, Gravity Belt Thickeners, Process Building ventilation, Digester and Sludge-Holding Basin cleaning and repairs, Process Flow Measurement, gas collection, flares, and iron feed system for odor control. Overall, the proposed improvements will optimize the current process to reduce energy consumption and substantially increase the production of digester gas, which is a renewable energy source. The increased digester gas production from this contract will fuel a combined heat and power facility that is being implemented in a separate project.

On April 25, 2013 Council authorized a change order in the amount of \$525,709.09 for an emergency incident at Hornsby Bend related to a digested sludge pipe exceeding pressure limits. The burst pipe in the Govalle Complex Basement Mechanical room caused significant damage to both existing systems as well as new equipment installed as part of the contract. The work associated with this change order was to address the repair and replacement of equipment damaged by the flood, restore safe working conditions, and install preventative equipment to protect against future flooding.

After Council approved award of this change order, staff discovered an error in the total not-to-exceed contract authorization. The initial construction contract authorization was in the amount of \$25,410,000, plus a \$2,541,000 contingency, for a total contract amount not to exceed \$27,951,000. Due to an error in the Authorization History, Council only authorized a total not-to-exceed amount of \$28,397,710 on the action taken on April 25, 2013. As a result, the current not-to-exceed amount is \$131,000 less in contingency.

This request will add \$131,000 in contingency back to the project to reflect the original contingency amount authorized in the amount of \$2,541,000, with a total contract not-to-exceed amount of \$28,528,710. This funding is needed to complete the plant-wide energy efficiency and reliability improvements.

This project is located within zip code 78725 and is managed by the Public Works Department.

Matous Construction. Ltd., is located in Belton, Texas.