

RESOLUTION NO. \_\_\_\_\_

RESOLUTION ACCEPTING THE PROJECT AS COMPLETE AND AUTHORIZING FINAL PAYMENT TO HORSESHOE CONSTRUCTION, INC., FOR CONSTRUCTION OF THE 2015 SANITARY SEWER ASSESSMENT REMEDIAL MEASURES, PHASE B, SUB-BASIN S003

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

SECTION 1: The construction of the 2015 Sanitary Sewer Assessment Remedial Measures, Phase B, Sub-Basin S003, Project Number 16-11-Construction 1 (C1), is accepted as complete.

SECTION 2: Final payment to Horseshoe Construction, Inc., in the amount of \$32,808.63, is hereby approved.

This Resolution adopted this \_\_\_\_\_ day of January 2020.

APPROVED:

\_\_\_\_\_  
Mayor

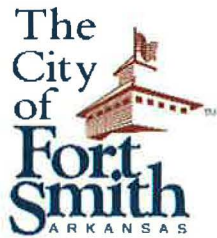
ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:



\_\_\_\_\_  
npr



UTILITY DEPARTMENT  
INTEROFFICE MEMORANDUM



**TO:** Carl Geffken, City Administrator  
**FROM:** Lance McAvoy, Utility Director *LM*  
**SUBJECT:** Final Payment and Declaring Project Complete for 2015 SSA Remedial Measures, Phase 2, Sub-Basin S003 - Project Number 16-11-Construction 1 (C1)  
**DATE:** December 31, 2019  
**CC:** Jeff Dingman, Deputy City Administrator

The Consent Decree Remedial Measures Construction Project (Project 16-11-Construction 1 (C1)) was approved by Resolution R-23-18 on February 6, 2018. Notice to proceed was provided in writing for April 9, 2018. The overall cost of the construction contract was \$1,887,540.00.

Several issues arose out of the contract with Horseshoe Construction for this project. Substantial completion of the project was determined to be April 22, 2019 which is 68 days past the contracted substantial completion date of February 14, 2019. Final completion was determined to be achieved on August 12, 2019 which was beyond the 30 days after substantial completion requirement. Adjusts to the final completion date were factored in for weather which included the effects of the May flood. The contractor is thus 91 days late resulting in \$56,750.00 liquidated damages being assessed.

At this time, the Contractor has still not fulfilled the obligation for delivery of Closed Circuit Televised Video (CCTV) and other data. Staff has no expectation that the CCTV data will be provided. Additionally, the Contractor has refused to sign a final pay application that assesses the liquidated damages. For these reasons and other issues experienced during the project, the Department Staff recommends that the Contractor not to be utilized in the foreseeable future for City projects.

The as the Project is complete and all structural construction has been completed, staff recommends the Board declare the Project as complete. The final pay request is in the amount of \$32,808.63 making the total cost of the contract \$1,570,832.60. The remaining \$316,707.40 on the contract will not be awarded to the Contractor due to liquidated damages, project underruns, and failure to deliver the CCTV and other data required by the original contact. This data will be collected using in-house staff as time allows. If an outside contractor were to be used to collect the data, the engineer's estimate would be less than \$100,000.

Resolutions authorizing the Mayor to accept the 2015 SSA Remedial Measures, Phase2, Sub-Basin S003 Project as complete and authorizing final payment of \$32,808.63 is attached. The funding for this project is available through the 2018 Revenue Bond.

Please contact me should you or members of the Board have any questions or desire additional information.

- Attachments: <sup>1</sup> Resolution Accepting the Project as Complete and Authorizing Final Payment to Horseshoe Construction, Inc., for Construction of the 2015 Sanitary Sewer Assessment Remedial Measures, Phase B, Sub-Basin S003  
<sup>2</sup> Project 16-11-C1 Summary  
<sup>3</sup> Exhibit Map & Exhibit Photos

## Project Summary

Project status: Complete

Project name: 2015 SSA Remedial Measures, Phase B, Sub-Basin S003

Today's date: January 7, 2020

Project number: 16-11-C1

Staff contact name: Lance McAvoy

Project engineer: Mickle Wagner Coleman, Inc.

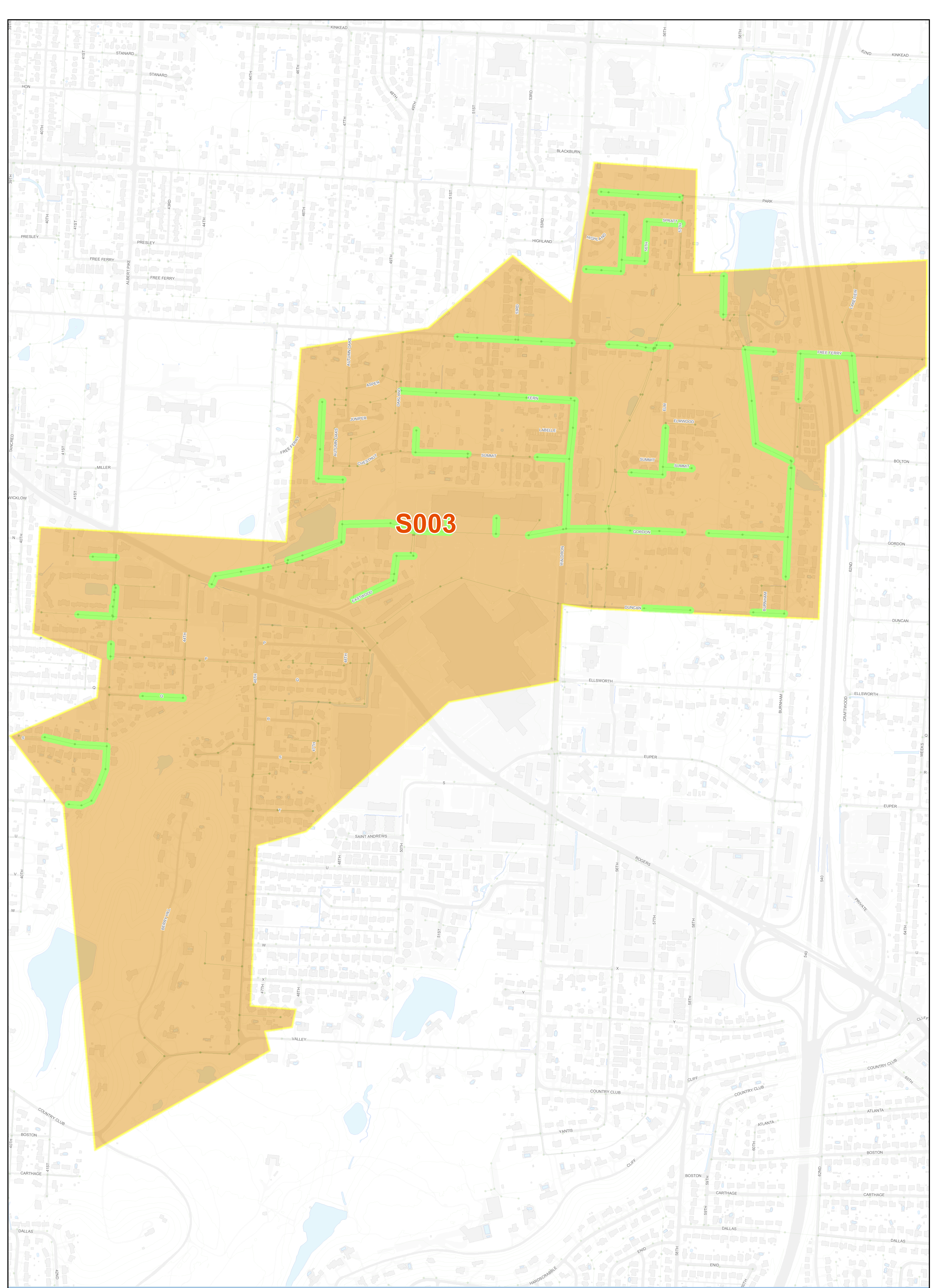
Staff contact phone: 784-2401

Project contractor: Horseshoe Construction, Inc

Notice to proceed issued: April 9, 2019

	Dollar Amount	Contract Time (Days)
Original contract	\$1,887,540.00	270
Change orders:		
Total change orders	\$0.00	
Adjusted contract	\$1,887,540.00	270
Payments to date (as negative):	-\$1,538,023.97	
Amount of Liquidated Damages	\$56,750.00	
Retainage held	\$0.00	
Amount of this payment	-\$32,808.63	
Contract balance remaining	\$316,707.40	
Amount over original as a percentage	16.8%	

Comments: Contract balance does not include the LDs.

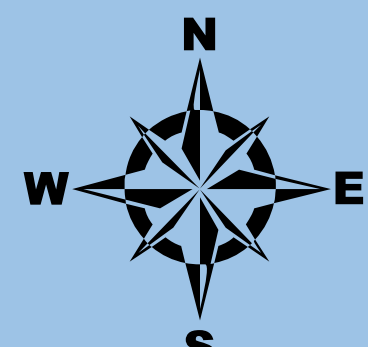


**S003**

# City of Fort Smith Sanitary Sewer Remediation Project Areas

Project 16-11-C1, 2015 Remedial Measures, Phase B, Sub-basin S003

 Project Areas S003



1 inch = 350 feet



# 16-11-C1 S003



## **Comprehensive Plan Goal Supported By Wastewater Projects**

- Ensure adequate, well-maintained infrastructure, public safety, and public facilities for all development and prevent development ahead of infrastructure and service provision. (FLU-1.4)
- Continue to ensure that customers within Fort Smith have access to reliable water, sewer, drainage, solid waste services by reducing or eliminating deficiencies and gaps in infrastructure systems (TI-5.1)
- Implement an infrastructure Asset Management Program as a tool for management of the utility department's water and sewer systems and to track, manage, and schedule necessary facility upgrades and improvements. (TI-5.1.1)
- Ensure that utility and infrastructure systems can meet the city's long-term needs. (TI-5.2)
- Coordinate land use planning and capital programming to ensure infrastructure improvements and extensions are phased to support the future land use pattern. (TI-5.2.1)
- Adopt criteria for prioritizing funding to infrastructure-related capital improvement projects. (TI-5.2.4)
- Provide new facilities in a manner that protects investments in existing facilities and promotes orderly growth. (PFS-4.2)