



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

PUBLIC WORKS DEPARTMENT

300 Sixth Street


Dirk Jablonski, Public Works Director
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MEMORANDUM

TO: Public Works Committee

CC: Robert Ellis, City Engineer

FROM: Dirk Jablonski, Public Works Director 

DATE: May 8, 2007

RE: Agreement with Bureau of Reclamation
Deerfield Dam Outlet Pipe Rehabilitation

In May 2006, the City entered into an agreement with the United States Department of the Interior Bureau of Reclamation for coating repairs to the outlet pipe coming from Deerfield Reservoir. The original scope of the project, as determined by the Bureau of Reclamation was to make coating repairs as needed on both the interior and exterior of the pipe. Upon further review, it has been discovered that the entire exterior of the pipe requires recoating. It was also found that lead is in the original coating and asbestos is in the support pads. These require special care. It has also been determined that the coating should be repaired on the by-pass pipe.

The original cost of the project was estimated by the Bureau to cost the City \$130,000. The new estimate is for a total of \$250,000. Authorization is requested to enter into a revised agreement.

The attached revised agreement from the Bureau provides additional detail.



IN REPLY REFER TO

DK-700
PRJ-13.00

United States Department of the Interior

BUREAU OF RECLAMATION

Dakotas Area Office
Rapid City Field Office
515 9th St., Room 101
Rapid City, SD 57701

FEB 26 2007



City of Rapid City
Mr. Dirk Jablonski P.E.
Public Works Director
Public Works Department
300 Sixth Street
Rapid City, SD 57701

Subject: Revisions to the Plan of Action for the Bureau of Reclamation and the City of Rapid City, South Dakota, Addressing Costs and Responsibilities for Coating Repairs on the Outlet Pipe at Deerfield Dam, Rapid Valley Project, South Dakota

Dear Mr. Jablonski:

On May 9, 2006, the City of Rapid City (City) and the Bureau of Reclamation (Reclamation) agreed to a Plan of Action for completion of coating repairs on the outlet pipe at Deerfield Dam. The City advanced \$30,000 to Reclamation to initiate the project and the preparation of plans and specifications for the work. Reclamation initiated the gathering of additional data for this work soon after the agreement was completed.

The initial plan was to perform coating repairs as needed on the interior of the pipe and also to perform spot repairs to the coating on the exterior of the pipe. Upon closer investigation of the condition of the exterior coating on the pipe, a determination was made to recoat the complete exterior of the pipe as the existing coating exhibits alligator cracking over the entire surface. In addition, a determination was made to coat the exterior of the by-pass pipe under the same contract as the coating on that pipe is deteriorated as well.

Testing of the existing coatings on the pipes revealed the presence of lead in the coatings which will require special treatment and handling during the completion of the work. In addition, the investigation revealed the presence of asbestos in the bearing pads where the outlet pipe rests on concrete supports. Some of the bearing pads appear to have moved since the original installation and will need to be trimmed in order to properly apply coatings at the pipe supports.

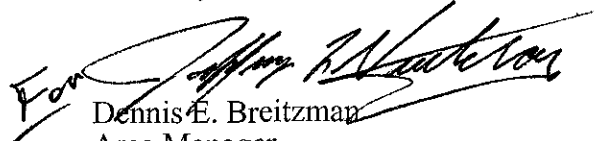
The initial estimates for the work prepared by our design and estimating staff raised the cost of the project above one of our contracting threshold limits of \$100,000 and requires us to use a different contracting process. This process change has caused the project to be delayed. Our current schedule anticipates issuance of the solicitation for bids on May 18, 2007, with a bid opening on June 18, 2007. The contract award is currently scheduled for mid-July with work scheduled to begin at the dam in August 2007. The scheduled completion date for the contract is mid-June of 2008 to allow completion of the work on the interior coatings to be completed during the mid-May through mid-June time period to reduce any potential impacts to the fishery.

The current estimated contract cost for the project is \$211,000. With the additional hazardous materials issues created by the presence of lead in the existing coatings and the asbestos in the bearing pads to address, the costs estimated for Reclamation to complete our work on this project is now estimated at \$39,000. This makes the total estimated cost for this project \$250,000.

The agreement for this project signed by the City on May 9, 2006 for this work allowed for a maximum cost to the City of \$130,000. In order to complete this project as outlined above and agreed to in the May 9, 2006 letter, the maximum cost to the City will need to be increased to \$250,000.

The City and Reclamation agree to the responsibilities and conditions outlined in the May 9, 2006 letter, as modified herein for the completion of coating repairs on the 39 inch diameter outlet pipe at Deerfield Dam, and acknowledge the same by signature of the appropriate representatives below.

Sincerely,


Dennis E. Breitzman
Area Manager

Concur:

Director, Public Works
City of Rapid City

Date: _____

cc: Mr. John Wagner
Rapid City Water Division
300 Sixth Street
Rapid City, SD 57701



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

Public Works Department

300 Sixth Street
Telephone: (605) 394-4165
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Web: www.rcgov.org

May 10, 2006

Jeff Nettleton
Bureau of Reclamation
Rapid City Field Office
515 9th St., Room 101
Rapid City, SD 57701

Re: Plan of Action – Deerfield Outlet Pipe Coating

Dear Mr. Nettleton:

Enclosed herein please find the executed authorization to proceed with the design plans and specifications for Coating Repairs on the Outlet Pipe at Deerfield Dam.

Please note that prior to the expenditure of any City funds, the bids must be approved by the City Council. This process could take from three (3) weeks to a month for Council approval so please schedule accordingly.

Sincerely,

Theodore J. Vore
Public Works Department

Encl: DK-700, PRJ-13.00

Cc: John Wagner, Water Division Supt.
Stacey Titus, Utility Engineering Project Manager
Dan Coon, Project Finance Coordinator
Dirk Jablonski, Public Works Director



EQUAL OPPORTUNITY EMPLOYER



United States Department of the Interior



BUREAU OF RECLAMATION
Dakotas Area Office
Rapid City Field Office
515 9th St., Room 101
Rapid City, South Dakota 57701

IN REPLY REFER TO:

DK-700
PRJ-13.00-

APR - 6 2006

City of Rapid City
Mr. Dirk Jablonski P.E.
Public Works Director
Public Works Department
300 Sixth Street
Rapid City, SD 57701

Subject: Plan of Action for the Bureau of Reclamation and the City of Rapid City, South Dakota, Addressing Costs and Responsibilities for Coating Repairs on the Outlet Pipe at Deerfield Dam, Rapid Valley Project, South Dakota

Dear Mr. Jablonski:

The Bureau of Reclamation through its normal program for review of operation and maintenance of Reclamation-owned facilities has made a recommendation to repair damaged areas of protective coatings inside of the 39 inch diameter outlet pipe at Deerfield Dam.

Recommendation 2003-2-A taken from the 2003 Periodic Facilities Review Report for Deerfield Dam reads as follows: "Perform spot re-coating where needed on the interior of the 39 inch diameter outlet works pipe." The need for coating repairs on the outlet works pipe was first discovered and a recommendation was made to complete those repairs in an operation and maintenance review conducted at Deerfield Dam by Reclamation in 1991. Recommendation 2003-2-A is a restatement of the original recommendation based on more recent inspections of the outlet pipe.

The city of Rapid City assumed responsibility for the operation and maintenance of Deerfield Dam under the terms of the "Contract Between the United States, Rapid City, South Dakota, and The Rapid Valley Water Conservancy District" (Reclamation Contract No. Ilr-1413), dated July 27, 1943. This contract also affirms that the United States maintains ownership of the facilities (Deerfield Dam) and as such the United States through Reclamation has a responsibility to assure the dam is properly maintained.

Through discussions among personnel representing the city and Reclamation, a plan of action has been established to complete the coating repairs. This plan includes the following:

1. Completion of this agreement wherein the city will provide funding to Reclamation for required work activities;
2. Preparation by Reclamation of plans, specifications, and supporting documentation such as NEPA compliance documentation for completion of the required coating repairs;
3. Review of plans and specifications by the city;
4. Solicitation of bids for the coating repairs through Reclamation's standard bidding process;

5. Award of a contract by Reclamation for the completion of the coating repairs by the selected bidder; and,
6. Completion of coating repairs by the selected contractor with contract administration, field inspection, and oversight performed by Reclamation.

Through discussions with parties having an interest in the fishery in Castle Creek below Deerfield Dam a determination has been made that the best time for completion of the coating repairs would be during the month of May 2007. In order to complete the repairs at that time Reclamation would begin preparation of plans, specifications, and associated documentation in September or October 2006. We anticipate the award of a contract about March 1 to allow a contractor adequate time to prepare for completion of the coating repairs during May 2007.

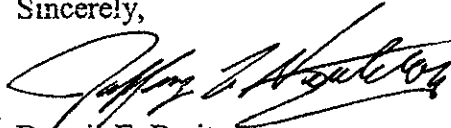
Article 10 of the "Contract Between the United States, Rapid City, South Dakota, and The Rapid Valley Water Conservancy District" provides that the United States may perform construction or maintenance work on the project using funds advanced by the city or the district. The city has requested that Reclamation perform engineering and contract oversight in the completion of the repairs required at Deerfield Dam. Article 10 also includes a requirement that work completed on project facilities be approved by Reclamation, and that funding for Reclamation's involvement be provided in advance. Article 16 of the above cited contract provides the mechanism for the collection of funds by Reclamation for operation and maintenance charges due from the city.

In order to complete this work and in accordance with Article 16 of the "Contract Between the United States, Rapid City, South Dakota, and The Rapid Valley Water Conservancy District," Reclamation will request a supplemental operation and maintenance advance of \$30,000.00 in September 2006 to cover the costs of preparation of designs, specifications, and supporting documents and a portion of the anticipated contract administration costs for the work. An additional request for advance of funds will be made following the opening of bids for the work and prior to award of the contract to cover the contract costs. Reclamation's preliminary estimate for the second advance due in February 2007 would be in a range of \$70,000 to \$100,000. Therefore, the total charges to the city by Reclamation for this work are anticipated to be in the range of \$100,000 to \$130,000.

The city and Reclamation agree to the responsibilities and conditions outlined herein for the completion of coating repairs on the 39 inch diameter outlet pipe at Deerfield Dam and acknowledge the same by signature of the appropriate representatives below.

6/62,000
Engineering
Estimate

Sincerely,


For Dennis E. Breitzman
Area Manager

Concur:


Director, Public Works
City of Rapid City

Date: 5/9/06