

STAFF REPORT

DATE: May 7, 2019

CONSENT

AGENDA ITEM: 2018 Street Improvements – Change Order No. 3

SUBMITTED BY: Amanda Groh, Project Engineer **REVIEWED BY:** Kristina Handt, City Administrator

Jack Griffin, City Engineer

ISSUE BEFORE COUNCIL: Should the City Council approve Change Order No. 3 for the 2018 Street Improvements?

BACKGROUND: Valley Paving, Inc. was awarded a construction contract on May 15, 2018 to complete the 2018 Street Improvements project. On October 2, 2018 Council approved Change Order No. 1 revising the substantial complete date from September 21, 208 to October 12, 2018 and the final completion date from October 26, 2018 to November 9, 2018. After approving Change Order No. 1, Valley Paving failed to meet the contract substantial completion date of October 12, 2018. Due to winter weather it was necessary to defer final completion until May 2019.

PROPOSAL DETAILS/ANALYSIS: Staff has requested Change Order No 3 to revise the substantial completion date from October 12, 2018 to October 20, 2018 and revise the final completion date from November 9, 2018 to May 31, 2019. This change order also includes a deduction in the contract amount by \$7,200 for failing to meet Contract dates (representing 9 days assessment for liquidated damages).

This change order also provides an additional \$247.50 to the contract for new materials and installation for new support posts for 5 mailboxes. The original support posts could not be reused on the project as they had rotted away.

The net total reduction to the contract under this change order is \$6,952.50

<u>FISCAL IMPACT</u>: This change order will decrease the contract in the amount of \$6,952.50 bringing the revised construction contract to \$1,038,251.07. With this change order, the project remains within authorized project budget and contingencies.

RECOMMENDATION: Staff is recommending that the City Council approve, as part of the Consent Agenda, Change Order No. 3 for the 2018 Street Improvements. If removed from the consent agenda, the recommended motion for the action is as follows:

"Move to approve Change Order No. 3 for the 2018 Street Improvement Project, thereby revising the substantial completion date from October 12, 2018 to October 20, 2018 and revising the final completion date from November 9, 2018 to May 31, 2019; and decreasing the contract amount by \$6,952.50".

ATTACHMENTS:

1. Change Order No. 3

CONTRACT CHANGE ORDER FORM

FOCUS ENGINEERING, inc. CITY OF LAKE ELMO, MINNESOTA 2018 STREET IMPROVEMENTS PROJECT NO. 2017.156 3 DATE: April 2, 2019 CHANGE ORDER NO. TO: Valley Paving, Inc. 8800 13th Ave E, Shakopee, MN 55379 ATTN: Brandt Sylvestre This Document will become a supplement to the Contract and all provisions will apply hereto. The Contract Documents are modified as follows upon execution of this Change Order. CHANGE ORDER DESCRIPTION / JUST FICATION: This Change Order revises the substantial completion date from October 12, 2018 to October 20, 2018, and revises the final completion date from November 9, 2018 to May 31, 2019. This change order also includes a deduction in the total contract amount for failing to meet Contract dates. This change order is also being processed at the direction of the city to amend the Contract to include additional work as follows: 1) Rotting and unusable mailbox posts were replaced with new posts during reinstallation of salvaged mailboxes. NONE Attachments (list documents supporting change): UNIT QTY. UNIT PRICE INCREASE/(DECREASE) DESCRIPTION OF PAY ITEM CO3-1 LIQUIDATED DAMAGES LS -\$7,200.00 (\$7,200.00) LS \$247.50 \$247.50 CO3-2 **NEW MAILBOX SUPPORTS** 1 **NET CONTRACT CHANGE** (\$6,952.50) 1,043,136.70 **Amount of Original Contract** 2,066.87 Sum of Additions/Deductions approved to date (CO No.2) 1.045.203.57 Contract Amount to date Amount of this Change Order (ADD) (DEDUCT) (NO CHANGE) (6,952.50)1,038,251.07 **Revised Contract Amount** The Contract Period for Completion will be (UNCHANGED) (INCREASED) (DECREASED) days APPROVED BY ENGINEER: FOCUS ENGINEERING ENGINEER APPROVED BY OWNER: CITY OF LAKE ELMO, MINNESOTA RV DATE DATE