DATE: February 24, 2015

REGULAR ITEM#

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AGENDA ITEM: 39th Street North: Street and Sanitary Sewer Improvements - Change

Order No. 3

SUBMITTED BY: Chad Isakson, Project Engineer

THROUGH: Dean A. Zuleger, City Administrator

REVIEWED BY: Jack Griffin, City Engineer

Cathy Bendel, Finance Director

SUGGESTED ORDER OF BUSINESS:

- Call for Motion Mayor & City Council

POLICY RECOMMENDER: Engineering.

FISCAL IMPACT: \$19,435.00.

This change order increases the contract amount for the project by \$19,435.00 bringing the revised construction contract to \$1,921,082.80. With this change order the project remains within the authorized project budget and contingencies.

SUMMARY AND ACTION REQUESTED:

The City Council is respectfully requested to consider approving Change Order No. 3 for the 39th Street North: Street and Sanitary Sewer Improvements, thereby increasing the contract amount by \$19,435.00. The recommended motion for the action is as follows:

"Move to approve Change Order No. 3 for the 39th Street North: Street and Sanitary Sewer Improvements thereby increasing the contract amount by \$19,435.00."

LEGISLATIVE HISTORY/BACKGROUND INFORMATION:

This change order is being processed due to unforeseen subsurface conditions found by the Contractor in the trenchless installation of a 30-inch casing pipe within the Union Pacific Railroad Right-of-Way. An obstruction was encountered during the installation and the casing pipe could not be further advanced, in the opinion of the Contractor, utilizing the construction methods employed by the Contractor.

The Contractor has therefore made a claim that differing or unusual subsurface conditions warrant a change in contract price in accordance with Section 4.03. The Contractor mobilized equipment and employed a ramming method to hammer the pipe in an attempt to advance the pipe past the obstruction located at approximately Station 0+40 at the direction of the City. The cost for utilizing this method was a lump sum amount of \$19,435.00. This was an option reviewed by all parties involved and determined to provide the best opportunity to get through the obstruction at the lowest cost incurred by the City.

Unfortunately the attempt of ramming the existing 30-inch pipe in place did not work. Boulder and cobble obstructions in the soil caused the casing pipe to remain stuck in place. Options are currently being presented by the Contractor for City review to determine the most cost effective way to proceed with completing the crossing. Future costs are unknown at the moment, however it is expected that a larger casing pipe will need to be installed at a higher cost and it is expected that the higher cost will exceed the project's contingency budget. Staff's recommendation on how to proceed will be presented to the Council for consideration at either the February 24, 2015 meeting or the March 3, 2015 meeting.

RECOMMENDATION:

Staff is recommending that the City Council consider approving Change Order No. 3 for the 39th Street North: Street and Sanitary Sewer Improvements, thereby increasing the contract amount by \$19,435.00. The recommended motion for the action is as follows:

"Move to approve Change Order No. 3 for the 39th Street North: Street and Sanitary Sewer Improvements thereby increasing the contract amount by \$19,435.00."

ATTACHMENT(S):

1. Change Order No. 3