

# City Council Agenda Memo

**From:** Charlie Richter, City Engineer

**Council Meeting:** January 10, 2023

**Subject:** Resolution 23-006: Change Order No. 2 for 2022-08STI Street Maintenance & Overlay Project; Bowes Construction, Inc.

**Person(s) Responsible:** Charlie Richter, City Engineer

**Summary:**

The 2022-08STI Street Maintenance & Overlay Project has been completed and a balancing change order to adjust bid quantities to as-constructed quantities is needed for final payment.

**Background:**

This is an annual street maintenance project, which includes asphalt milling, road reconstruction, water main work, and overlays on various streets in Brookings in need of repair. This year, the project also included sidewalk ramp upgrades and new fillets.

**Item Details:**

The project is completed and is ready to be closed out. The recommended change order will adjust the bid quantities to as-constructed quantities for a total decrease of \$138,643.23 (7%). The decrease in cost for the project was primarily due to the removal of the mill and overlay of Medary Avenue (6<sup>th</sup> Street to Harvey Dunn Street).

The substantial completion date for the project was November 11, 2022; however the project exceeded the substantial completion date by 3 working days. In accordance with the construction contract, staff recommends that the contractor be charged 3 days of liquidated damages.

**Recommended Change Order:**

Medary Ave. (6 <sup>th</sup> St. to Harvey Dunn St., Approx.)	(\$154,987.90)
Liquidated Damages (3 days x \$950)	(\$ 2,850.00)
Variety of additional bid quantities	<u>\$ 19,194.67</u>
Total Change Order	(\$138,643.23)

The following is a summary of the contract from origination:

Original Contract Price:	\$1,947,515.05
Change from Previously Approved Change Orders:	\$ 79,410.55
Contract Price Prior to this Change Order:	\$2,026,925.60
Decrease of this Change Order (No. 1 Final):	<u>(\$ 138,643.23)</u>
Contract Price incorporating this Change Order:	\$1,888,282.37

**Legal Consideration:**

None.

**Strategic Plan Consideration:**

The street maintenance program furthers the accomplishment of City Council Strategic Initiative of Maintaining Facilities with a Sustainable Plan. The asphalt material that is milled from the street surfacing is used in the hot asphalt mix that is placed in the overlay, thereby recycling the amount of virgin aggregate material and using less percentage of oil in the mix. The asphalt overlays will extend the life of the streets and reduce the need for a full reconstruction of the streets.

**Financial Consideration:**

The contract with Bowes Construction will be decreased by \$138,643.23 for the adjustment of quantities.

**Options and Recommendation:**

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a study session
5. Discuss / take no action / table

Staff recommends approval of the resolution as presented.

**Supporting Documentation:**

Resolution