

# City Council Agenda Memo

**From:** Jackie Lanning, City Engineer

**Council Meeting:** January 12, 2021

**Subject:** Resolution 21-003, Change Order No. 2 (Final) for the 20<sup>th</sup> Street S. Improvement Project, Bowes Construction Co. Inc.

**Person(s) Responsible:** Jackie Lanning, City Engineer

## **Summary:**

This resolution will approve Change Order No. 2 (Final) for the 2019-03SSI 20<sup>th</sup> Street South Construction Project to adjust bid quantities to final as-constructed quantities for an increase of \$61,177.49 to the contract to close out the project.

## **Background:**

This project was the reconstruction of 20<sup>th</sup> Street South from Main Avenue South to Rio Grande Avenue, which included storm sewer, water main, sanitary sewer, grading, curb & gutter, asphalt paving and a new 8'-wide concrete shared use path along the south side of the street. The project was phased over the two-year period of 2019 and 2020.

## **Item Details:**

This project has been completed and is ready to be closed out. There will be a warranty inspection in the spring of 2021 to view the seeding, topsoil, and any other issues which may need to be addressed by the contractor. The change order increase was primarily due to additional excavation, trench material, and gravel to stabilize the subgrade and for maintenance of the detour routes.

The change order summary is as follows:

Original Contract Price:	\$3,241,110.70
Increase from Previously Approved Change Order (No. 1):	\$ 45,130.00
Contract Price Prior to this Change Order:	\$3,286,240.70
Increase of this Change Order (No. 2 Final):	\$ 61,177.49
Contract Price Incorporating This Change Order:	\$3,347,418.19

## **Legal Consideration:**

SDCL 5-18B-19 allows for a change order up to \$250,000 for this size of contract. The change order proposed is within the change order limit allowed by statute.

**Strategic Plan Consideration:**

This change order will aid in the longevity of the trench areas and subgrade, thereby protecting the City's investment.

**Financial Consideration:**

The contract will increase by \$61,177.49 which will be funded by the project budget.

**Options and Recommendation:**

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a work session
5. Do nothing

Staff recommends approval of the resolution as presented.

**Supporting Documentation:**

Resolution

Map