



Joel Greer, Mayor
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January 24, 2022

To: Mayor Joel Greer
Members of the City Council

From: Heather Thomas, P.E.
Public Works Director

Re: SMW 20-001, Riverview Park Stormwater Pump Station Retaining Wall and Paving – Authorization for Change Order #2 in the amount of \$8,620.00 and extended completion date.

Policy Issue: City purchasing policy requires City Council to approve change orders that exceed an aggregate amount of \$25,000 on all public improvement projects.

Recommendation: Staff recommends approving CO #2.

Background: This project was originally awarded in May of 2020; however, the USACE permit (408) was not in place. Communication/coordination with the USACE resulted in the design and plans needing to be revised to meet USACE requirements. The Consultant updated plans and obtained pricing from the Contractor for the changes and for the Contractor to complete the required excavation plan that was required as part of the 408 Permit process. A change order for this work was authorized in April 2021. The city received the 408 Permit in November 2021.

While construction was underway, it was discovered that the updated plans revised the spacing/sizing of the reinforcement in the retaining wall – this was not noticed by the Contractor as part of the April 2021 change order. The Consultant agreed their call-outs on the revised plans could have been clearer for the revised reinforcement.

The material cost for reinforcement has significantly increased during the duration of this project. Based on documentation submitted, below is an idea of material cost increases:

April 2020: \$971 / Ton

March 2021: \$1,120 / Ton

January 2022: \$1,397 / Ton

Most of the delay on this project is no fault of the Contractor and we are very appreciative of the Contractor's work/assistance in obtaining the 408 Permit through the first change order. The oversight of the rebar change did result in about 1.65 Tons of cut/bent reinforcement being unusable. Contractor requested the material cost for the increase in the amount of \$12,320. City staff worked with Contractor to gather more information and are recommending a \$8,620 increase. The difference in the Contractor's requested amount and the City's recommended

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amount is a result of compromise due in part of the Contractor's oversight of the rebar change and delay in ordering material which resulted in some price increase in reinforcement.

Budget Impact: This project is being funded through Fund 740, the Storm Water Utility. The fund balance is sufficient to support this increase. We have updated project costs in our Plan It software and will provide this information to the Consultant currently doing the Storm Water rate analysis. Updated Fund 740 data is anticipated to be sent to the Consultant after approval of the City's current budget session / capital improvement planning.

Attachments: Change Order #2 with supporting documentation.

cc: Jessica Kinser, City Administrator

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