

Legislation Text

File #: BILL NO. 22-33, **Version:** 1

An Ordinance approving Change Order No. 1 to the agreement with Radmacher Brothers Excavating Company, Inc. for Project No. 543-32272C, Stormwater Projects: SW 34th Street and SW Pinnell Drive, an increase of \$65,822.23 for a revised agreement amount of \$501,036.26, and authorizing the City Manager to execute the same. (PWC 2-14-22)

Issue/Request:

An Ordinance approving Change Order No. 1 to the agreement with Radmacher Brothers Excavating Company, Inc. for Project No. 543-32272C, Stormwater Projects: SW 34th Street and SW Pinnell Drive, an increase of \$65,822.23 for a revised agreement amount of \$501,036.26, and authorizing the City Manager to execute the same.

Key Issues:

- The City had previously entered into an agreement with Blue Nile Contractors, Inc. for the construction of Project No. 543-32272C, Stormwater Projects: SW 34th Street and SW Pinnell Drive (hereinafter "Project"), being undertaken by the City's Public Works Department.
- Blue Nile Contractors, Inc. ("Initial Contractor") signed a Voluntary Letter of Default and surrendered the remaining contract to the Surety, North American Surety Company, Inc. ("Surety")
- The Surety tendered and assigned Radmacher Brothers Excavating Company, Inc. ("Completion Contractor") to complete the project.
- To complete the project, the Surety did provide to the City payment for the cost difference between the Initial Contractor and the Completion Contractor to construct.
- The monies provided to the City by the Surety is now included into the contract with the Completion Contractor as a lump sum payment.
- Several contract quantities are being adjusted to match the actual quantities constructed.

Proposed Committee Motion:

I move to recommend to City Council approval of an Ordinance approving Change Order No. 1 to the agreement with Radmacher Brothers Excavating Company, Inc. for Project No. 543-32272C, Stormwater Projects: SW 34th Street and SW Pinnell Drive, an increase of \$65,822.23 for a revised agreement amount of \$501,036.26, and authorizing the City Manager to execute the same.

Background:

This Change Order will adjust all contract quantities to match the actual quantities constructed and measured during construction and to provide for various additional items to provide for field adjustment contingencies as part of the project.

During construction, Blue Nile Contractors, Inc. issued a voluntary letter of default to their Surety. The Surety was then tasked to complete the project and secured Radmacher Brothers Excavating Co. Inc. to perform the remaining work. The value of the remaining work, as bid by Radmacher, increased in cost by \$35,766.00. The Surety provided a Tender Agreement assigning the contract to Radmacher and provided a lump sum payment to the City for the contract increase. This Change Order incorporates the value of the Sureties payment into the project budget. This will provide for payment to Radmacher per the Sureties Tender Agreement.

Perry Allen, Construction Manager

Staff recommends approval of an Ordinance approving Change Order No. 1 to the agreement with Radmacher Brothers Excavating Company, Inc. for Project No. 543-32272C, Stormwater Projects: SW 34th Street and SW Pinnell Drive, an increase of \$65,822.23 for a revised agreement amount of \$501,036.26, and authorizing the City Manager to execute the same.