

## Legislation Text

---

**File #:** BILL NO. 19-104, **Version:** 1

---

An Ordinance approving Change Order No. 1 to the contract with Industrial Salvage and Wrecking Company, Inc. for the 3<sup>rd</sup> Street Demolition Services, an increase of \$6,420.00 for a revised contract price of \$54,820 and authorizing the City Manager to enter into an agreement for the same. (PWC 4/23/19)

### Issue/Request:

An Ordinance approving Change Order No. 1 to the contract with Industrial Salvage and Wrecking Company, Inc. for the 3<sup>rd</sup> Street Demolition Services, an increase of \$6,420.00 for a revised contract price of \$54,820 and authorizing the City Manager to enter into an agreement for the same.

### Key Issues:

- The SW 3rd Street project, from Pryor Rd to Murray Rd, was authorized by Council in February 2016 and then formally approved in June 2016 as part of FY 2017 Capital Improvement Plan (CIP).
- Right of way acquisition began following the second public project meeting in October 2018
- 3 properties required total buyout, which has been completed
- The structures on those properties owned by the City must be demolished
- The base demolition contract did not include asbestos abatement and removal

### Proposed Committee Motion:

FIRST MOTION: I move for a second reading of an Ordinance approving Change Order No. 1 to the contract with Industrial Salvage and Wrecking Company, Inc. for the 3<sup>rd</sup> Street Demolition Services, an increase of \$6,420.00 for a revised contract price of \$54,820 and authorizing the City Manager to enter into an agreement for the same.

SECOND MOTION: I move for adoption of an Ordinance approving Change Order No. 1 to the contract with Industrial Salvage and Wrecking Company, Inc. for the 3<sup>rd</sup> Street Demolition Services, an increase of \$6,420.00 for a revised contract price of \$54,820 and authorizing the City Manager to enter into an agreement for the same.

### Background:

The project will improve safety and capacity of this major arterial corridor. The improvements are recommended in the Thoroughfare Master Plan to address existing and long term operational demand. These improvements were recommended by City Council with remaining funds from the 2007 CIP Sales Tax. The project was included in the adopted CIP, 2017-2022.

Design work began in April of 2017. Right of way acquisition began after the right of way plans were presented to the public at an October 4, 2018 public meeting. As part of the acquisition, the City bought out 3 properties because the roadway projects made them unusable in their current configuration. Using the relocation assistance provided by the City, the resident of those 3 properties moved, thus vacating those properties.

In order to comply with local property maintenance codes, the three vacant structures had to be demolished. City Staff acquired quotes to demolish the three homes. The base contract was \$48,400, and that contract did not include abatement and removal of hazardous materials.

Hazardous material testing found asbestos materials in properties at 1600 and 1808 SW 3rd Street. The Contractor proposed change order costs for the asbestos removal for an increase of \$6,420.00. The change order increase results in a total contract value of \$54,820.00. In accordance with section 6 of the Procurement Policy, changes resulting in a total contract amount of \$50,000 or more must be approved by the City Council.

The costs submitted by the Contractor to make these repairs has been evaluated by city staff. All costs are within the range we would expect given the nature of the work and the project location.

Impact/Analysis:

Approval of the Change Order will expedite the demolition and removal of the vacant properties in a cost effective manner.

Timeline:

Start:

Finish: June 2019

Other Information/Unique Characteristics:

Following the informal bid process outlined in Sections 4.2 and 7.2 of the City's Procurement Policy, 8 vendors were contacted; 3 vendors responded; Industrial Salvage & Wrecking Company was the lowest and best bid, in the amount of \$48,400. Since the amount was less than \$50,000, the contract was approved administratively in accordance with Section 4.2.3.

George Binger, Deputy Director of Public Works and City Engineer

Recommendation: Staff recommends approval of an Ordinance approving Change Order No. 1 to the contract with Industrial Salvage and Wrecking Company, Inc. for the 3<sup>rd</sup> Street Demolition Services, an increase of \$6,420.00 for a revised contract price of \$54,820 and authorizing the City Manager to enter into an agreement for the same.

Committee Recommendation:

The Public Works Committee voted unanimously 3-0 (Councilmember Forte "Absent"), to recommend to City Council approval of an Ordinance approving Change Order No. 1 to the contract with Industrial Salvage and

Wrecking Company, Inc. for the 3<sup>rd</sup> Street Demolition Services, an increase of \$6,420.00 for a revised contract price of \$54,820 and authorizing the City Manager to enter into an agreement for the same.