CITY COUNCIL ITEM **COMMUNICATION:** OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA 02-450 **SYNOPSIS** -**AGENDA:** A change order in the amount of \$27,405.00 has been negotiated with Corell Contractor, Inc., Steve Corell, President, 1300 Lincoln Street, West Des Moines, Iowa, 50265, for additional work in conjunction AUGUST 19, 2002 with the Martin Luther King, Jr. Parkway Paving - Ingersoll Avenue to Center Street project. This change order will provide compensation to **SUBJECT:** the contractor for the relocation of the sanitary sewer service at 2007/2009 Pleasant Street. This relocation is necessary to remove the MARTIN LUTHER service from the sanitary sewer under existing MLK so that it may be KING, JR. abandoned. PARKWAY PAVING - INGERSOLL **AVENUE TO** FISCAL IMPACT -CENTER STREET **CHANGE ORDER** Funding for this change order is provided in the approved 2002-2003 NO. 5 Capital Improvements Budget, Martin Luther King, Jr., Parkway -North/South Segment, Index Code 483842, Account 543060, Fund CP038, Organization ENG990000, Project/Grant STR138, Activity ID **TYPE:** 06-2000-001. Federal TEA21 Funds will be utilized for 80% of this change order amount. **RESOLUTION ORDINANCE** RECEIVE/FILE **RECOMMENDATION -**Approval. **SUBMITTED BY:** JEB E. BREWER, P.E. **BACKGROUND** -**CITY ENGINEER** This sewer relocation was originally proposed as a change order to Corell Contractor's MLK Jr. Parkway Paving - Ingersoll Avenue to Center Street project. The estimate received from Corell, Inc. on July 9, 2002, for this work was \$27,405.00, but contained several stipulations which allowed the opportunity for extra compensation,

possibly resulting in a much higher final cost for this work. Due to the cost of the work and the likelihood of additional compensation, a decision was made to bid the relocation under a separate contract,

instead of accepting Corell's Change Order.

On August 5, 2002, Council authorized bids for the 2007/09 Pleasant Street Sanitary Sewer Relocation, and bids were opened for the project on August 13, 2002. Two bids were received, with the apparent low bid from The Underground Company in the amount of \$30,900.00. Corell Contractor did not submit a bid for this work. After bids were received, Corell Contractor was contacted to determine why they did not bid and to see if they would construct this relocation in accordance with the bidding documents for the original July 9, 2002 Change Order amount. Corell Contractor agreed to construct the work in accordance with the bidding documents at its original change order price of \$27,405.00.

After review of the above events, the City Engineer recommends acceptance of Change Order No. 5 with Corell Contractor and rejection of all bids for the 2007/09 Pleasant Street Sanitary Sewer Service Relocation.