



# Council Communication

Office of the City Manager

<b>Date</b>	February 26, 2007
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<b>Agenda Item No.</b>	<b>10</b>
<b>Roll Call No.</b>	<b><u>07-</u></b>
<b>Communication No.</b>	<b><u>07-110</u></b>
<b>Submitted by: William G. Stowe, Assistant City Manager/Public Works/Engineering, and Jeb E. Brewer, P.E., City Engineer</b>	

## AGENDA HEADING:

Approving Change Order No. 4 with Des Moines Asphalt & Paving Co. for additional work on 2006 Hot Mix Asphalt (HMA) Pavement Scarification & Resurfacing, and reassign previously budgeted funds to the correct contract for a total not to exceed \$219,699.15.

## SYNOPSIS:

Recommend approval of Change Order No. 4 in an amount not to exceed \$219,699.15 with Des Moines Asphalt & Paving Co., Jim Gauger, President, P.O. Box 3365, Des Moines, IA, 50316, for additional work on 2006 HMA Pavement Scarification & Resurfacing, and reassign previously budgeted funds to the correct contract.

## FISCAL IMPACT:

Amount: \$219,699.15

Funding Source: 2006-07 CIP, Page Street-7, Asphaltic Paving Restoration Program, STR003, G.O. Bonds, with a transfer of \$150,000 from the 2006-2007 Operating Budget, Page 303, SP360, PWK040400, Street Maintenance, Road Use Tax Fund.

## ADDITIONAL INFORMATION:

By Roll Call 06-1131 on June 5, 2006, a unit price contract for providing and placing Hot Mix Asphalt (HMA) was awarded to Des Moines Asphalt & Paving Company. The 2006 HMA Pavement Scarification & Resurfacing contract specifications require that the actual quantities of work completed be measured and paid for at the unit prices included in the contract. The final tabulations and verification of documented quantities have been completed in agreement by the contractor. This change order adjusts the estimated quantities to the actual as-built quantities in accordance with the specifications. The contractor is paid for these quantities at the price originally bid in 2006.

In April of 2006, a complete list of all street improvements to be accomplished within the City was published. This list included all types of paving and rehabilitation work including the HMA Program. The City's HMA program has significantly increased over the last couple of years by the addition of gaming funds. These additional funds allowed the number of lane miles resurfaced to increase from 25 to 75 each year. In order to accomplish this expanded program, the work has been divided into multiple contracts to increase bidding competition and to utilize existing City workforce. Last year, the City awarded four separate contracts for the 2006 expanded resurfacing program. These contracts require the contractor to perform all elements of the resurfacing on residential and arterial roads. In addition, there was a contract for HMA Pavement Scarification and Resurfacing, where the contractor provides the

HMA and places the new HMA with city crews providing traffic control. Finally, a blanket purchase order to provide only the HMA material with city crews placing and compacting the HMA, and providing traffic control was awarded. The last two contracts are funded from either G.O. Bonds or the City Operating Budget, and represent the overlay program before additional gaming funds.

In 2006, SW 56<sup>th</sup> Street from McKinley Avenue north was identified in the April 2006 published street program as being a city crew placed street under a blanket purchase order. Later, the program was modified to assign SW 56<sup>th</sup> Street to the Contractor placed program; however, there was no Change Order to the contract quantities. The work was issued inadvertently under the 2006 HMA Pavement Scarification and Resurfacing contract instead of the blanket purchase order. Since both contracts were awarded to Des Moines Asphalt, neither the contractor nor city staff noticed the error. Later, at the end of the calendar year review, the mistake was discovered. This Change Order is necessary to correct this error and authorize payment to the Contractor. Since the Contractor is being paid at the original unit bid price, the final cost of this work is the same by change order as it would have been if it were included in the original contract quantities. The final transfer is necessary to realign the previously budgeted funds to the correct contract.

**PREVIOUS COUNCIL ACTION(S):**

Date: June 5, 2006

Roll Call Number: 06-1131

Action: On 2006 HMA Pavement Scarification & Resurfacing: Resolution approving plans, specifications, form of contract documents, Engineer's estimate, and designating lowest responsible bidder as Des Moines Asphalt & Paving Co., (Jim Gauger, President), \$1,215,985. (Council Communication No. 06-350). Moved by Kiernan to adopt. Motion Carried 6-1.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Normal Council actions on construction contracts.