



CITY COUNCIL ACTION REPORT

December 26, 2006

TO: Phillip L. Nelson, City Manager

FROM: Brian Murphy, Assistant City Manager/Services
Steven J. Vandette, City Engineer *[Signature]*

SUBJECT: Contract Addendum No. 2 - Contract 06-3, Ferry Drain Restoration Project

Background:

- During construction a buried storm sewer pipe was uncovered and needed to be restored. The end section of the pipe was rebuilt and additional excavation and bank stabilization measures were completed.
- Approximately 50 feet of additional excavation and bank stabilization was necessary at the south end of the project, west bank, in order to address severe undercutting of the bank, which was brought to our attention during construction by the property owner.
- The as-built bank excavation and stabilization quantity, as measured by our city survey crew using cross sectioning methods, exceeded the estimated plan quantities due to continuous bank erosion that occurred since the original project survey was done, more than 12 months prior to the start of construction.
- Since it is not practical or cost effective to stop construction for days or weeks until a change order can be approved for minor increases in contract quantities, the work continued on until final completion of the project.
- When the 10% contingency authorized with the contract award is sufficient to cover added costs, as is usually the case, final payment to the contractor is made and the project is closed out.
- If project costs exceed the authorized amount, as is the case with this project, council approval is needed prior to processing final payment for the additional work. The amount exceeding the 10% contingency on this project is \$15,058.97.

Financial Considerations:

- Funds are available to complete this project in the 2006/07 Drains and Retention Fund, account number 555.7970.015015. The budgeted amount includes funds for construction, inspection and contingencies.

Legal Considerations:

- There are no legal considerations associated with this item,

Policy Considerations:

- There are no policy considerations associated with this item.

Recommendation:

- It is recommended that City Council approve Contract Addendum No. 2 in the amount of \$15,058.97 to the Ferry Drain Restoration contract with D & J Lawn & Snow, Inc. of Clinton Twp.