



## Agenda Statement

**File #:** 17-0068      **Version:** 1

**Type:** New Business      **Status:** Passed

**File created:** 1/31/2017      **In control:** City Council

**On agenda:** 2/7/2017      **Final action:** 2/7/2017

**Title:** Approval of Change Order to DOWL in the Amount of \$74,356.96 for Construction Administration and Inspection Services on the 2016 City Streets Project

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. DOWL CO #1 final.pdf, 2. Letter from DOWL, 3. Fully Executed - PSA 2016 City Streets Inspection Services with DOWL, LLC

Date	Ver.	Action By	Action	Result
2/7/2017	1	City Council	approved	Pass

**ITEM TITLE:**

Approval of Change Order to DOWL in the Amount of \$74,356.96 for Construction Administration and Inspection Services on the 2016 City Streets Project

**SUBMITTED BY:** Jason Miles, PE, Capital Facilities Director

**FISCAL NOTES:**

Expenditure Required: \$74,356.96  
Unencumbered Balance: \$690,025.31  
Funding Source: 310-1150-58000 33% Egan Drive Beautification  
310-1140-58000 33% East Pioneer Drive  
310-9195-58000 33% Hospital Parking Lot Improvements

**RECOMMENDATION:**

Approve a change order to DOWL in the amount of \$74,356.96 for construction administration and inspection services on the 2016 City Streets project.

**SUMMARY STATEMENT:**

DOWL was contracted to provide construction administration and inspection services for the 2016 City Streets project. The construction contract was originally scheduled to be complete by September 1, 2016. The City's agreement with DOWL was to run until the middle of August assuming the project would be substantially complete by that time and their services would no longer be required. However, due to numerous design errors and Owner-directed changes, project completion was delayed. DOWL's schedule was dependent on the contractor's construction schedule, and critical remaining inspections extended beyond September 1st, particularly for the arch. It is important to

note that DOWL began to reduce expenses wherever possible without sacrificing service to the City when they recognized that completion of construction would be extended. It was not until 39 days after the original completion date that DOWL demobilized from Valdez following final inspection of the arch foundations on October 10th. Still required of DOWL was review and verification of numerous Time and Materials reports for additional work that was performed by the contractor. Submittal of these reports was substantially delayed by the contractor as most of them were not submitted until December 2016 for work that had been done months before. DOWL subsequently completed their review of these reports and closeout of the project with exception of minor punchlist items that will be completed in the spring when the weather is favorable. Staff will address these remaining punchlist items without DOWL's assistance.

The original contract amount for DOWL was \$221,290. They have requested an additional \$74,356.96 to cover expenses they have incurred due to delayed completion of the project. This remaining fee is billed as Time and Expenses per the original agreement with the City, so only the exact amount of additional hours worked and expenses incurred are compensable. It is worth noting that the total of DOWL's fee for construction management services constitutes 5.0% of the Total project Cost (TPC). A recent industry study indicates an average construction management fee of 4.8% of TPC.

Staff recommends that this change order amount be split equally among the three projects and accounts for which DOWL was contracted to administer.