

SUBJECT: Approval of a contract amendment for The Boutet Company, Contract No. 18-085P-A (the Construction Management Term Contract), to add \$51,000, add up to five percent (5%) in additional change order authority, and extend the completion time to October 1, 2018, for Construction Management of the Reddane Road Extension project, Project No. 75001, Fund 490.

AGENDA OF: September 4, 2018

ASSEMBLY ACTION:

Approved under the Consent
Agenda 9-4-18 (SD)

MANAGER RECOMMENDATION: Present to the Assembly for consideration.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:

Route to:	Department/Individual	Initials	Remarks
	Originator: Bob Walden	BJS for RW	
	Capital Projects Director: Jude Bilafer	BJS for JB	8/22/2018
	Purchasing Division		
	Finance Director	BB	8/22/18
	Borough Attorney	NS	
	Borough Clerk	SNL	8/27/18 (SD)

ATTACHMENTS: Fiscal Note: Yes x No

SUMMARY STATEMENT: Assembly approval of contract amendments (change orders) are required by MSB 3.08.170(c)(1) for contracts with an original award value of \$100,000 or less; a contract amendment or change order, or cumulative contract amendments or change orders, that will cause the total contract amount, as amended, to exceed \$100,000; the department shall recommend, with concurrence of the purchasing officer, the maximum contract amendment or change order value that can be executed without assembly approval. This value shall be established and approved concurrently with the contract award under MSB 3.08.161.

On April 25, 2018, the Matanuska-Susitna Borough (Borough) Capital Projects Department, Pre-Design and Engineering Division entered into a Construction Management Term Contract 18-085P with The Boutet Company (TBC) in the amount of \$89,367.00 for the Reddane Road Extension project, Project 75001.

The Construction Management contract fee for this project was based on 1) fulltime construction observation and inspection from May 22 through August 15 and 2) the contractor working five (5) 10-hour shifts per week.

There have been no contract amendments to this contract to date.

TBC made the Borough aware that the project has been faced with numerous unknown conditions requiring mitigation; primarily the Contractor ran into substantial unsuitable materials within the road alignment of the project. In an effort to meet their contract deadlines, the Contractor switched to working six (6) 12-hour shifts per week approximately one month ago.

Because of these challenges to the scope of work, TBC now requires additional funds and time to complete the construction management of the Contractor constructing the Reddane Road Extension project.

In accordance with MSB 3.08.170(c)(4), staff requests the approval of this Contract Amendment for Contract No. 18-085P-A in the amount of \$51,000 to The Boutet Company, Inc. and an extension of the completion time to October 1, 2018 for Construction Management of the Reddane Road Extension project, Project No. 75001, Fund 490.

In addition, due to future possible unknown conditions, and in order to avoid any further delays, staff requests up to five percent (5%) in additional change order authority.

RECOMMENDATION OF ADMINISTRATION: Approval of a contract amendment for The Boutet Company, Contract No. 18-085P-A (the Construction Management Term Contract), to add \$51,000, add up to five percent (5%) in additional change order authority, and extend the completion time to October 1, 2018 for Construction Management of the Reddane Road Extension project, Project No. 75001, Fund 490.

MATANUSKA-SUSITNA BOROUGH - FISCAL NOTE

Agenda Date: Sept. 4, 2018ORIGINATOR: Bob Walden, P.E.

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FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT? <u>YES</u> NO
AMOUNT REQUESTED \$ <u>51,000</u>	FUNDING SOURCE: <u>Grant</u>
FROM ACCOUNT # <u>490.000.000.4XX.XXX</u>	PROJECT # <u>75001</u>
TO ACCOUNT #	PROJECT #
VERIFIED BY: <u>Barbara Juenger</u>	CERTIFIED BY:
DATE: <u>8/22/18</u>	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						
CAPITAL		<u>51</u>				
REVENUE						

FUNDING: (Thousands of Dollars)

General Fund						
Federal Funds		<u>51</u>				
Other						
TOTAL		<u>51</u>				

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: _____

DEPARTMENT: _____

APPROVED BY: Barbara JuengerActing Finance Director

Phone: _____

Date: 8/22/18

Date: _____

AM 18-085