

SUBJECT: Approval of contract amendment for Jim Psenak Construction LLC, Contract No. 18-112B, to add \$200,000 and extend the time to complete the project to October 31, 2018 for the Reddane Avenue Extension project, Project No. 75001, Fund 490.

AGENDA OF: August 7, 2018

ASSEMBLY ACTION:

Approved Under the Consent
Agenda 8-7-18 *BM*

MANAGER RECOMMENDATION: Present to the Assembly for consideration.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:

Route To:	Department/Individual	Initials	Remarks
	Originator: Bob Walden	<i>BW for BW</i>	
	Capital Projects Director: Jude Bilafer	<i>JB</i>	
	Purchasing Division	<i>JA</i>	For Russ Kraft
	Finance Director	<i>OK</i>	
	Borough Attorney	<i>JA for N.S.</i>	
	Borough Clerk		<i>BM</i>

ATTACHMENT (S): Fiscal Note: Yes ☒ No ☐

SUMMARY STATEMENT: Assembly approval of contract amendments (change orders) are required by MSB 3.08.170(C)(3) for contracts with an original award value greater than \$500,000 up to \$2,000,000; a contract amendment or change order, or cumulative contract amendments or change orders, that will cause the total contract amount, as amended, to exceed 120 percent of the original contract award, or to increase the original contract by \$200,000, whichever is less.

On April 17, 2018, in AM 18-028, the Assembly awarded Bid 18-112B in the amount of \$626,413.60 to Jim Psenak Construction LLC for

the Reddane Avenue Extension project, part of Project No. 75001.

As part of the development of the second and last segment of the railroad alignment from Port Mackenzie to Houston, Reddane Avenue needs to be connected to Point MacKenzie Road. This will then serve as a collector road providing access for the farming community and rail yard development off Guernsey Road. This new connection will be designed and constructed with two 12-foot lanes with 4-foot shoulders and 3-foot flat bottom ditches for additional snow storage. The base bid segment of the project extends west one-half mile off the Point Mackenzie Road at approximately MP 12.3 which will create a new 4-way intersection at Alsop Road. The add-alt portion of the project begins one-half mile west of Point MacKenzie Road at the end of the base bid segment and extends west to connect with Reddane Avenue.

Work includes clearing, grubbing, excavation, installation of drainage culverts; import and placement of borrow material, import and placement of surface course, and placing topsoil and seed.

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

During the current construction period, an unexpected development has occurred: pockets of unusable material have been found, requiring additional disposal costs and an increase in borrow import costs. Additional time will be required to move these materials and quantify with extra survey.

Because of this unexpected development, Jim Psenak Construction LLC now requires additional funds and time to complete the construction of the Reddane Avenue Extension project.

In accordance with MSB 3.08.170(c)(3), the Capital Projects Department requests the approval of this Contract Amendment No. 1 for Contract No. 18-112B in the amount of \$200,000 to Jim Psenak Construction LLC for the Reddane Avenue Extension project.

RECOMMENDATION OF ADMINISTRATION: Approval of a contract amendment for Jim Psenak Construction LLC, Contract No. 18-112B, to add \$200,000 and extend the time to complete the project to October 31, 2018 for the Reddane Avenue Extension project.

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FISCAL NOTE

Agenda Date: August 7, 2018

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Fund 490.

ORIGINATOR: Bob Walden, P.E.

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="radio"/> YES <input type="radio"/> NO
AMOUNT REQUESTED \$ 200,000	FUNDING SOURCE Grant
FROM ACCOUNT # 490.000.000.4XX.XXX	PROJECT # 75001
TO ACCOUNT :	PROJECT #
VERIFIED BY: <i>Barbara Baumgart</i>	CERTIFIED BY:
DATE: 7/26/18	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		200				
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REVENUE						
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FUNDING:

(Thousands of Dollars)

General Fund						
State/Federal Funds		200				
Other						
TOTAL		200				

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY:

PHONE:

DEPARTMENT:

DATE:

APPROVED BY:

DATE:

Chesenne Howard

7/26/18