



# City of Oregon City

625 Center Street  
Oregon City, OR 97045  
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## Staff Report

File Number: 18-359

**Agenda Date:** 11/7/2018

**Status:** Consent Agenda

**To:** City Commission

**Agenda #:** 8a.

**From:** Public Works Director John Lewis

**File Type:** Contract

### **SUBJECT:**

2017 Oregon City Roadway Reconstruction Projects Contract Change Orders 7 and 8 with S-2 Contractors, Inc.

### **RECOMMENDED ACTION (Motion):**

Authorize the City Manager to execute Change Orders 7 and 8 for the Contract Agreement (CI 16-018) with S-2 Contractors, Inc. which provided roadway reconstruction services to include reconstruction/remobilization work on 15th Street and amends the final contract value and unit quantities based on what was actually constructed.

### **BACKGROUND:**

On May 3, 2017, the City entered into a construction contract with S-2 Contractors, Inc. to complete the Oregon City Roadway Reconstruction Projects for 2017.

Change Order 7 settles the additional reconstruction services to include 15th Street, which was postponed in Change Order 5. The work within these limits was originally planned to resume in early spring of 2018, but was delayed so that the City could solicit bids and complete the construction of the 15th Street Storm Sewer Improvements, necessary to replace the existing 24-inch line which had several structural failures and needed to be replaced before the street was paved. The improvements included in this change order cover the cost to reconstruct the damaged roadway section and include remobilization and inflation costs. The Contractor was required to remove all equipment from the site through the postponement period, and inflation was due to price escalation within the construction industry from the time the work was postponed. The net contract increase of Change Order 7 is \$57,710.80.

Change Order 8 is the final change order and amends the final unit quantities for the project to reflect the actual final quantities installed. In this case, the value of the actual unit quantities installed was under the project estimate on several items resulting in a total contract **reduction** of \$76,911.04. Change Order 8 will close out the project.

Over the course of this project, the City has added a variety of work items, all of which provide value to the community. The original contract price was awarded at \$1,496,054.20. The net increase of Change Orders 1 through 8 was \$103,367.14, resulting in a contract price with change orders equal to \$1,599,421.34 which represented just under a 4.25 percent contract increase. A recap of prior cost adjustments approved for the 2017 Oregon City Roadway

Reconstruction Projects is as follows:

Change Order 1 with S-2 Contractors, Inc. was for the amount of \$14,425.00 and has been authorized by John Lewis, Public Works Director. This work included removal of existing roadway panels on Jersey Avenue because the City observed that the existing underlying subgrade was unsuitable for paving as shown in the original contract plans.

Change Order 2 was for the amount of \$29,112.11 which is within the City Manager's signing authority threshold. The work performed under this second change order was to remove and replace the existing driveway access on the west side of the intersection of High Street and 2nd Street. This work was requested by the City's Stormwater Division to resolve a surface drainage issue, reducing runoff from ponding near 205 High Street.

Change Order 3 was for the amount of \$54,902.00 for the removal and replacement of an existing half street roadway on S Center Street. This change order was brought to City Commission on August 16, 2017.

Change Order 4 was for \$833.33 for an additional induction loop on Warner Milne and was within the Operation Manager's signing authority threshold.

Change Order 5 was issued to postpone the road reconstruction/rehabilitation work on 15th Street and schedule it to resume in the spring of 2018. It was understood at this time that there would be additional costs agreed upon prior to work resuming to include mobilization and one vehicle detection loop replacement. All other bid items would remain at the agreed upon unit bid price established under the existing contract. There was no monetary value included in this change order, therefore, it could be signed by the Operations Manager.

Change Order 6 was for the amount of \$23,295.27 which is within the Public Works Director's signing authority threshold. It was for a curb replacement at 1020 15th Street and a portion of curb in front of 1014 15th Street to increase curb exposure and eliminate drainage concerns.

**BUDGET IMPACT:**

Amount: Approval of Change Orders 7 and 8 represent a contract reduction of \$19,200.24 from the prior contract amount

FY(s): 2018-19

Funding Source: PMUF