



Item: Approval of Change Order 2 to reduce the contract amount by \$11,812.48 and add 10 days to the contract time; and, Authorization of Final Payment to Dick Olson Construction, Inc. and the State Miscellaneous Tax Division for construction of the Police Department Rehabilitation CTEP Project, O.F. 1567

From: Planning & Community Development/Police Department

Prepared By: Andrew Finch, Senior Planner

Presented By: Mike Haynes, AICP, Planning & Community Development Director

Action Requested: Approve Change Order 2 and Authorize Final Payment to Dick Olson Construction, Inc. and State Miscellaneous Tax Division

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission approve Change Order 2 to reduce the contract amount by \$11,812.48 and add 10 days to the contract time, and approve final payments in the amount of \$12,041.94 to Dick Olson Construction, Inc, and \$121.64 to the State Miscellaneous Tax Division for Police Department Rehabilitation, and authorize the City Manager to make the payments and execute the Change Order.”

2. Mayor calls for a second, discussion, inquiries from the public, and calls for the vote.

Staff Recommendation: Staff recommends that the City Commission approve Change Order 2 and authorize final payment.

Background: The City Commission awarded a construction contract to Dick Olson Construction, Inc. on May 17, 2011, for repair and rehabilitation of deteriorated concrete features on the exterior of the Police Department Building. The project is funded by the Community Transportation Enhancement Program (CTEP), with a small percentage (13.42%) provided by the City of Great Falls as required matching dollars.

The project was shut down over the winter months, and was completed when weather improved this year.

Change Order No. 1 was approved by the City Commission on September 20, 2011 to authorize

additional work to repair and support the deck of the ramp to the loading dock.

Change Order Background: As construction progressed and demolition of deteriorated concrete column caps began, the project engineer, Lacy & Ebeling Engineering, and the contractor, Dick Olson Construction, determined some caps were not in need of full removal and repair. They agreed upon an alternate approach to repair/rehabilitation, which resulted in a savings in the contract. In addition, the new method was more labor intensive and required some additional contract time (10 days).

Concurrences: Lacy & Ebeling Engineering and the City Police and P&CD Departments concur in Change Order No. 2 and final payment.

Fiscal Impact: If the Change Order is approved, the final project costs and contributions will be as follows:

Original Contract Amount:	\$ 127,389.65
Contract Amount Adjusted for Change Order 1:	\$ 133,427.65
Change Order 2 Deduction Amount:	-\$ 11,812.48
Final Contract Amount:	\$ 121,615.17

Final funding Distribution:

CTEP:	\$ 105,294.41
City of Great Falls:	\$ 16,320.76

Alternatives:

- (1) The City Commission could vote to deny final payment. However, the contractor has met all contractual obligations, and staff does not recommend this alternative.
- (2) The City Commission could vote to deny the Change Order, but approve final payment. However, because this is a deductive change, staff does not recommend this alternative.

Attachments/Exhibits:

1. Change Order 2
2. Application for Final Payment & Gross Receipts Withholding Tax form

Cc: Captain Shanks, PD

CHANGE ORDER

No. 2

DATE OF ISSUANCE August 21, 2012

EFFECTIVE DATE August 21, 2012

OWNER City of Great Falls
 CONTRACTOR Dick Olson Construction, Inc.
 Contract: Police Department Rehab-GTF; STPE 5299(82)
 OWNER'S Contract No. O.F. 1567 ENGINEER'S Contract No. N/A
 ENGINEER Lacy & Ebeling Engineering, Inc.

You are directed to make the following changes in the Contract Documents:

Description: Decrease final contract price by \$11,812.48 to \$121,615.17, including \$2,800.02 reduction due to fewer concrete column caps being worked on, and \$9,012.46 reduction due to a modification to the repair/rehabilitation method. Adjust contract time to reflect more labor and extended spring construction.

Reason for Change Order:

concrete column caps and door mantle were in better condition than originally anticipated, and a modified rehabilitation method was more appropriate than full removal and replacement. However, more work days were necessary due to the new process and due to closure of project over the winter months and re-start in the spring.

CHANGE IN CONTRACT PRICE:
Original Contract Bid Price \$ <u>\$127,389.65</u>
Net Increase (Decrease) from previous Change Orders: \$ <u>6,038.00</u>
Contract Price prior to this Change Order: \$ <u>133,427.65</u>
Net increase (decrease) of this Change Order: \$ <u>-11,812.48</u>
Contract Price with all approved Change Orders: \$ <u>121,615.17</u>

CHANGE IN CONTRACT TIMES:
Original Contract Times: Substantial Completion: <u>90 days</u> Ready for final payment: _____ (days or dates)
Net change from previous Change Orders No. <u>0</u> to No. <u>1</u> : Substantial Completion: <u>10</u> Ready for final payment: _____ (days)
Contract Times prior to this Change Order: Substantial Completion: <u>100 days</u> Ready for final payment: _____ (days or dates)
Net increase (decrease) this Change Order: Substantial Completion: <u>10</u> Ready for final payment: _____ (days)
Contract Times with all approved Change Orders: Substantial Completion: <u>110 days</u> Ready for final payment: _____ (days or dates)

RECOMMENDED:

By: Andrew Erick
 ENGINEER (Authorized Signature)

PROJECT MANAGER
 Date: 8/13/12

APPROVED:

By: _____
 OWNER (Authorized Signature)

Date: _____

ACCEPTED:

By: [Signature]
 CONTRACTOR (Authorized Signature)

Date: 8.13.2012

EJCDC 1910-8-B (1996 Edition)

Prepared by the Engineers Joint Contract Document Committee and endorsed by the Associated General Contractors of America and the Construction Specifications Institute.



Contractors Gross Receipts Gross Receipts Withholding Return

1. Contract Awarded by: Agency Prime Contractor

Federal Identification Number (FEIN): 81-6001269		
Name: City of Great Falls		
Address: P.O. Box 5021		
City: Great Falls	State: MT	Zip Code: 59403

2. Contract Awarded to: Prime Contractor Sub Contractor

Federal Identification Number (FEIN): 22-3889437		
Name: Dick Olson Construction, Inc.		
Address: 1124 24th St S		
City: Great Falls	State: MT	Zip Code: 59405

3. Government Issued Contract Number.....	3.	O.F. 1567
4. Contract Award Date.....	4.	17-May-11
5. Month and year increment payment earned	5.	Jun-12
6. Gross amount due prime contractor or sub-contractor at the time of this report	6.	\$12,163.58
7. Amount Withheld (1% of line 6) (If payment made to prime contractor from awarding agency, remittance must accompany this report)	7.	\$121.64
8. Net amount paid prime contractor or sub-contractor at the time of this report	8.	\$12,041.94
9. Check proper box for type of return being filed:		
<input checked="" type="checkbox"/> Remittance attached for credit to prime contractor's account (amount paid)	9a.	\$121.64
<input type="checkbox"/> Sub-Contractor allocation. Authorization to transfer credit to sub-contractor Failure of prime contractor to file a distribution report within thirty (30) days of payment will result in a 10% penalty. Date payment made to sub-contractor	9b.	n/a

10. Description of work to be performed:
Repairs to exterior of Police Station building ***FINAL PAYMENT*******

11. Location of work to be performed (be specific):
112 1st St S, Great Falls, Montana

The agency or contractor must, in accordance with Section 15-5-206, Montana Code Annotated, withhold one percent (1%) of incremental payments due the contractor or sub-contractor. Amounts withheld from a prime contractor must be forwarded with this report to the Department of Revenue. Amounts withheld from sub-contractors must be reported on this form so that proper allocation of credit can be made from prime contractor's account to the sub-contractor.

Return Submitted by: Agency Prime Contractor Sub-Contractor

Award Authorization
Preparer's Signature: *Andrew Tinkle*
Preparer's Title **Senior Planner** Date: 8/13/2012
Phone: (406) 455-8434 Fax: (406) 452-6256

APPLICATION AND CERTIFICATE FOR PAYMENT

TO OWNER: City of Great Falls

PROJECT: GREAT FALLS

POLICE DEPARTMENT
REHABILITATION

APPLICATION NO: FIVE

PERIOD TO: June 19, 2012

CONTRACT FOR: General Construction

CONTRACT DATE: May 17, 2011

PROJECT NOS: O.F. 1567

Distribution to:
OWNER:
ARCHITECT:
CONTRACTOR:
FIELD:
OTHER:

FROM
CONTRACTOR: **DICK OLSON CONSTRUCTION INC**
1124 24th Street So
Great Falls, MT 59405

Via:
Architect: Lacy & Ebeling Engineering
10 12th Street So
Great Falls, MT 59401

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM..... \$127,389.65
2. NET CHANGE BY CHANGE ORDERS..... -\$5,774.48
3. CONTRACT SUM TO DATE (Line 1 +- 2)..... \$121,615.17
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)..... \$121,615.17
5. RETAINAGE:

- a. 0% of Completed Work (Column D + E on G703) \$0.00
- b. 0% of Stored Material (Column F on G703) \$0.00

Total Retainage (Lines 5a+5b or Total in Column I of G703)..... \$0.00

6. TOTAL EARNED LESS RETAINAGE..... \$121,615.17

7. LESS PREVIOUS CERTIFICATES FOR PAYMENT ~~\$109,451.59~~ ~~-\$409,236.96~~

8. 1% MT GROSS RECEIPTS TAX ~~\$12,163.58~~ ~~-\$18,379.22~~

9. CURRENT PAYMENT DUE..... ~~121.64~~ ~~-\$183.79~~

10. BALANCE TO FINISH, INCLUDING RETAINAGE \rightarrow ~~\$18,406.43~~ \$12,041.94

(Line 3 less Line 6) \$0.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total Changes approved in previous months by owner	6,038.00	\$
Total Approved this Month	(11,812.48)	\$
TOTALS	(5,774.48)	\$
NET CHANGES by Change Order		\$

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

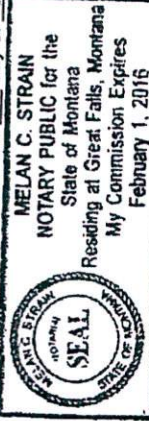
CONTRACTOR:

By:

Melanie C. Strain

Date: 6-19-2012

Subscribed and sworn to before me this 19 day of June, 2012



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED..... \$121,615.17

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:

S. Aquino

Date: 29 June 12

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

Note: corrections by A-Finck, City of Great Falls.

