Moab City Council Agenda Item  
Meeting Date: July 28, 2020

Title: Approval of Change Orders for and Briefing on North Sewer Line Project Construction

Disposition: Discussion and possible action

Staff Presenter: Chuck Williams, City Engineer

Attachment(s):
Attachment 1 – Hank Williams, Inc. Change Orders Nos. 1 through 3

Recommended Motion:
“I move to approve the deduct change orders for the North Sewer Line Project Construction for Hank Williams, Inc. in the contract reduction amount of $69,874.96.

Background/Summary:
The North Sewer Line resulted in construction of approximately 3,600 linear feet of new sanitary sewer trunk line and a lift station and the project final completion date was June 16, 2020. Since the project has been completed 2 large RV Parks have submitted plans and applications to take their facilities off septic tanks and connect to the new North Sewer Line. Additionally, 2 large motels have been taken off their unreliable private lift stations and have been connected to the new North Sewer Line.

The project was awarded in September, 2019 to Hank Williams, Inc. in the amount of $1,654,609.07. As is normal for any large infrastructure project, change orders were needed to address the unknown existing conditions. Change orders were negotiated and reviewed by City staff. Construction change orders by Hank Williams, Inc. were additionally reviewed by Bowen-Collins Associates, within their role as construction management consultants.

Some change orders were approved for Hank Williams, Inc. and some requested by the contractor were not approved. Only those change orders necessary to complete the project were approved by City staff to keep the project moving.
The total amount of the three approved change orders is a reduction of $69,874.96. This represents a decrease of 4% less than the original contract prices of $1,654,609.07. The industry standard for large construction projects is from 10% to 20% increase over the contract price.

Consistent with the recommended motion, Staff recommends approval of the 3 change orders as described above.