



TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Lacey G. Simpson, Acting City Manager

DATE: April 28, 2022

RE: **Approving Change Order No. 2 (Final) to Contract No. 21-14 – Park Avenue Safe Shelter, PK Builders**

At its meeting of September 2, 2021, the City Council adopted a motion accepting the bid of PK Builders in the amount of \$621,000 for Contract No. 21-14, Park Avenue Safe Shelter. The motion adopted by the City Council also established a contingency in the amount of \$50,000, bringing the total project cost to \$671,000.

The motion detailed below was prepared at the request of Public Works Project Manager Amanda Robinson, who asked that it be placed before the City Council for consideration at its meeting of May 5, 2022. If adopted, the motion provides for approving Change Order No. 2 (Final) to Contract No. 21-14 in the amount of \$10,098.93, bringing the total contract cost to \$667,240.93, and also authorizing an additional seven (7) days to the contract completion time. The rationale for the change order is detailed in Ms. Robinson's transmittal memorandum and requires no elaboration on the part of the City Manager's Office. I concur with the Project Manager's recommendation.

The Public Works Director will attend the City Council meeting of May 5, 2022, in order to address any questions and/or concerns that Councilmembers may have.

A motion has been prepared for City Council consideration.

RECOMMENDATION

It is recommended the City Council adopt the motion approving Change Order No. 2 (Final) to Contract No. 21-14, Park Avenue Safe Shelter, between the City and PK Builders in the amount of \$10,098.93 with the addition of 7 days to the contract completion date, bringing the total contract cost to \$667,240.93; authorizing funding in the amount of \$10,098.93 from the contract contingency; and directing the Acting City Manager to execute the contract change order on behalf of the City Council.

Recommended Motion: I move the City Council approve Change Order No. 2 (Final) to Contract No. 21-14, Park Avenue Safe Shelter, between the City and PK Builders in the amount of \$10,098.93 with the addition of 7 days to the contract completion date, bringing the total contract cost to \$667,240.93; authorizing funding in the amount of \$10,098.93 from the contract contingency; and directing the Acting City Manager to execute the contract change order on behalf of the City Council.

MEMORANDUM

TO: Lacey Simpson, Acting City Manager

CC: Mark Hilson, P.E., Public Works Director

FROM: Amanda Robinson, AIA, Project Manager

DATE: April 25, 2022

SUBJECT: Change Order No. 2 (Final) to Contract No. 21-14, Park Avenue Safe Shelter Addition

At the meeting on August 5, 2021 City Council appropriated funds in the amount of \$683,499 to fund the construction of a one story 1,280 square foot addition to the existing shelter building at 632 Park Avenue. The City received a grant from the Alaska Community Foundation Coronavirus Nonprofit Relief Fund in the amount of \$683,499 and used it to offset Public Safety Employee wages, thereby freeing up other City funds to dedicate to the proposed addition to 632 Park Avenue. At the September 2, 2021 City Council meeting, the City Council awarded the contract to PK Builders in the amount of \$621,000 and established a contract contingency in the amount of \$50,000 for an anticipated project cost of \$671,000.

If approved by City Council the attached Change Order No. 2 (Final) would fund \$10,098.93 of additional work by the Contractor for a final contract amount of \$667,240.93. Change Order No. 2 (Final) addresses finishing the wood stair treads and risers, addition of a cover to conceal the venting components of the new commercial range hood, additional wiring required to operate the fire alarm bell, additional lighting to illuminate dark areas of the sleeping room, additional emergency exit signs and lights required by code and replacing a breaker for the new heat pump unit. Change Order No. 2 (Final) also adds 7 days to contract time to accommodate delays in materials acquisition due to ongoing supply chain issues outside of the Contractor's control. Change Order No. 2 (Final) is attached and details these changes. Change Order No. 2 (Final) will be funded by the project contingency.

RECOMMENDATION:

It is recommended that the City Council approve Change Order No. 2 (Final) to Contract No. 21-14, Park Avenue Safe Shelter Addition in the amount of \$10,098.93 for a revised project cost of \$667,240.93; authorizing funding of \$10,098.93 from the contract contingency; and authorizing the City Manager to execute the change order on its behalf.

Recommended Motion: I move the City Council approve Change Order No. 2 (Final) in the amount of \$10,098.93 to Contract 21-14, Park Avenue Safe Shelter Addition, bringing the contract amount to \$667,240.93; authorize funding of \$10,098.93 from the contract contingency; and direct the City Manager to execute the change order on behalf of the City Council.

Attachments: 21-14 Change Order No. 2 (Final)



City of Ketchikan
Public Works Department / Engineering Division
2930 Tongass Avenue / Ketchikan, AK 99901

04/22/2022

PK Builders
850 Nordstrom Drive
Ketchikan, AK 99901

RE: CHANGE ORDER NO. 2 (Final) / CONTRACT NO. 21-14 / Park Avenue Safe Shelter Addition

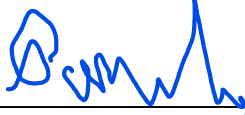

This Change Order modifies your original contract with the City of Ketchikan to reflect a change in contract amount and contract time:

ITEM	DESCRIPTION	QTY	TYPE	PRICE	AMOUNT	# DAYS
1	Wood Stair Tread Finishing	1		\$630	\$630	
2	Kitchen Range Hood Cover Fabrication	1		\$552	\$552	
3	Additional Fire Alarm Bell Wiring	1		\$5,451.93	\$5,451.93	
4	Additional Lighting	1		\$1,125	\$1,125	
5	Additional Exit Lighting and Breaker change	1		\$2,340	\$2,340	
6	Window Delay Due to Supply Chain Issues/Covid	1		\$0	\$0	7


TOTAL CHANGE ORDER NO. 2 (Final)		AMOUNT	
Original Contract:	\$621,000.00	Previous Total:	\$657,142.00
Previous Addition:	\$36,142.00	This Change Order:	\$10,098.93
Previous Deduction:		New Total:	\$667,240.93
Original Contract Time:	February 25, 2022	New Contract Time:	March 25, 2022

The above amount covers all work in connection with this change. Your acceptance and the Owner's acceptance shall constitute and become a part of your contract with the City of Ketchikan dated September 14, 2021. The above changes shall be subject to the same term and conditions contained in said contract and shall be made in accordance with the drawings and specifications of the Engineer.

APPROVALS

 
(CONTRACTOR SIGNATURE)

Pamela Roth 4/25/2022
(PRINTED NAME) DATE

 Digitally signed by Amanda Robinson
Date: 2022.04.22 09:29:23-08'00'

Amanda Robinson 04/22/2022
(PRINTED NAME) DATE

NOTE: All changes in work done on this contract must be reported to and accepted by the Owner before extras will be authorized.

ACCEPTED BY OWNER: CITY OF KETCHIKAN

DATE

"UNAPPROVED" September 2, 2021

Mayor Sivertsen said the City is still in the hole and we are shored up by federal monies and when that money runs out it will be unknown what that effect is going to be and what we're going to look like. He explained originally the City/KPU was looking at a shortfall of about \$33 million dollars, and that has not changed. He stated the City is down on revenue, which will have a significant impact going into the 2022 budget because we have had to draw down on reserves to make up some of those shortfalls. He continued both the City and KPU postponed some very important capital projects and infrastructure maintenance projects such as 15 million dollars' worth of cathodic protection for the Port. He said he appreciates this report and that the Council will need updates as we go into the budget.

Councilmember Gage said this leads us into working on those grants with Ms. Hayden.

Mayor Sivertsen stated those grants will most likely be very competitive. He said the deputy secretary of commerce was in town and he tried to discuss how the State of Alaska and our communities could be more competitive for those monies but they do not know yet how they will be disbursed.

Award of Contract No. 21-14 – Park Avenue Safe Shelter

Moved by Kiffer, seconded Gage by the City Council accept the bid of PK Builders in the amount of \$621,000 for Contract No. 21-14, Park Avenue Safe Shelter; establish a contingency of \$50,000, bringing the total project cost to \$671,000; authorize funding from the Public Health Department's 2021 Overnight Warming Shelter Capital Account in the amount of \$671,000; and direct the City Manager to execute the contract documents on behalf of the City Council.

Public Works Director Hilson answered questions from the Council.

Motion passed with Gass, Kiffer, Gage, Zenge, Bradberry, Flora and Bergeron voting yea.

Award of Contract No. 21-07 – Ketchikan General Hospital Original Building Re-Roof

Moved by Bergeron, seconded by Flora the City Council accept the bid of Coogan Construction Co. in the amount of \$2,401,000 for Contract No. 21-07, Ketchikan General Hospital Original Building Re-Roof; establish a contingency of \$240,100, bringing the total project cost to \$2,641,100; and direct the City Manager to execute the contract documents on behalf of the City Council.

Public Works Director Hilson answered questions from the Council.

Motion passed with Bradberry, Flora, Bergeron, Gass, Kiffer, Gage and Zenge voting yea.

Dash Cameras in Ketchikan Police Department Vehicles – Councilmember Flora

Councilmember Flora said he read up on dash cams and says there are many benefits of their use. He stated body worn cameras are good and dash cams should be an enhancement. He felt this discussion should be about when we purchase them, how we fund it, and other priorities the police department may have. He said we will be hiring a new police chief and he would like to see what they think the priorities are for the department.