



City Manager
334 Front Street
Ketchikan, AK 99901

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TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Lacey G. Simpson, Acting City Manager

DATE: August 24, 2022

RE: **Budget Transfer – Change Order No. 1 to Contract No. 22-08 - Replacement Vehicle for Public Works – Building Maintenance, Bowen Scarff Ford**

At its meeting of May 5, 2022, the Council adopted a motion accepting the bid of Bowen Scarff Ford in the amount of \$58,763.71 for Contract No. 22-08, Replacement Vehicle for Public Works – Building Maintenance.

The motion detailed below was prepared at the request of Contracts/Grants Administrator Bob Diaz, who asked that it be placed before the City Council for consideration at its September 1, 2022 meeting. If adopted, the motion provides for approving Change Order No. 1 to Contract No. 22-08 in the amount of \$12,006.19, bringing the total contract cost to \$71,769.90. The rationale for the change order is detailed in Mr. Diaz's transmittal memorandum and requires no elaboration on the part of the City Manager's office. I concur with the Contracts/Grants Administrator's recommendation.

The Public Works Director will be attending the City Council meeting of September 1, 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. 1 to Contract No. 22-08, Replacement Vehicle for Public Works – Building Maintenance, between the City and Bowen Scarff Ford in the amount of \$12,006.19, bringing the total contract cost to \$71,769.90; authorizing a budget transfer of \$12,006.19 from Appropriated Reserves of the Public Works Sales Tax Fund to the Public Works - Building Maintenance Division's 2022 Replacement Vehicle capital account; 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. 1 to Contract No. 22-08, Replacement Vehicle for Public Works – Building Maintenance, between the City and Bowen Scarff Ford in the amount of \$12,006.19, bringing the total contract cost to \$71,769.90; authorize a budget transfer of \$12,006.19 from Appropriated Reserves of the Public Works Sales Tax Fund to the Public Works – Building Maintenance Division’s 2022 Replacement Vehicle capital account; and directing the Acting City Manager to execute the change order on behalf of the City Council.

MEMORANDUM

TO: Lacey Simpson, Acting City Manager
CC: Mark Hilson, P.E., Public Works Director
FROM: Bob Diaz, Contract/Grants Administrator
DATE: August 22, 2022
SUBJECT: **Budget Transfer – Change Order No. 1 to Contract No. 22-08, Replacement Vehicle for Public Works - Building Maintenance**

At its meeting of May 05, 2022 the City Council approved Contract No. 22-08, Replacement Vehicle for Public Works – Building Maintenance for a Ford Transit-350 Van in the amount of \$58,763.71.

Immediately thereafter, staff began working with Bowen Scarff Ford to execute the transaction and then was informed that the 2022 vehicle that had been reserved for the City was no longer available due to supplier issues. Staff then determined that our best option going forward would be to acquire a similarly equipped 2023 vehicle to be delivered early next year.

The attached Change Order No. 1 to Contract No. 22-08 establishes the change in model year and a price increase due to: a change in the base model price, a decision by Ford to significantly reduce concessions offered for government fleet vehicles, and an increase in shipping costs. As the cost of the new vehicle exceeds the appropriation by \$12,006.19, City Council approval of a budget transfer from the Public Works Sales Tax Reserves is required.

A motion has been prepared for City Council consideration.

RECOMMENDATION

It is recommended that the City Council adopt a motion approving Change Order No. 1 to Contract No. 22-08, Replacement Vehicle for Public Works – Building Maintenance, to Bowen Scarff Ford in the amount of \$12,006.19 for a total vehicle cost of \$71,769.90; authorizing a budget transfer of \$12,006.19 from the Appropriated Reserves of the Public Works Sales Tax Fund to the Building Maintenance Replacement Vehicle capital account; and directing the Acting City Manager to execute the change order on behalf of the City Council.

Recommended Motion: I move the City Council approve Change Order No. 1 to Contract 22-08, Replacement Vehicle for Public Works – Building Maintenance, to Bowen Scarff Ford in the amount of \$12,006.19 for a total vehicle cost of \$71,769.90; authorize a budget transfer of \$12,006.19 from the Appropriated Reserves of the Public Works Sales Tax Fund to the Building Maintenance Replacement Vehicle capital account; and direct the Acting City Manager to execute the change order on behalf of the City Council.

Attachments:
22-08 Change Order No. 1



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

Bowen Scarff Ford
1157 Central Ave N
Kent, WA 98032

RE: CHANGE ORDER NO. 1 / CONTRACT NO. 22-08 / BOWEN SCARFF FORD

This Change Order verifies your original contract with the City of Ketchikan and reflects a change in the vehicle model year from 2022 to 2023, as well as the contract time and contract amount:

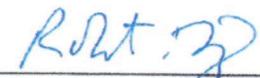
TOTAL CHANGE ORDER NO. 1		AMOUNT	
Original Contract:	\$58,763.71	Previous Total:	\$58,763.71
Previous Addition:		This Change Order:	\$12,006.19
Previous Deduction:		New Total:	\$70,769.90
Original Contract Time:		New Contract Time:	March 31, 2023

The above amount covers all work in connection with this project. Your acceptance and the Owner's acceptance shall constitute and become a part of your contract with the City of Ketchikan dated August __, 2022. The above changes shall be subject to the same term and conditions contained in said contract and shall be made in accordance with the requirements and specifications of the Contract Administrator.

APPROVALS



(CONTRACTOR SIGNATURE)
Paul Ray 8-17-22
(PRINTED NAME) DATE



(CONTRACT ADMINISTRATOR SIGNATURE)
Robert Diaz 8/17/22
(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

Budget Transfer – Electric Division – Whitman Lake Skiff

Moved by Flora, seconded by Bradberry, the City Council authorize the Acting General Manager to transfer \$8,834 from the Electric Division’s 2022 Additional Projects Capital Account to the Electric Division’s 2022 Minor Vehicles and Moving Equipment Account No. 790.20 to replace the disposed of Whitman Lake workboat.

Motion passed with Gass, Kistler, Gage, Zenge, Bradberry, Flora and Mahtani voting yea.

Agreement for 2021-2024 Joint Use of Ketchikan Public Utilities System Poles – GCI Communication Corp

Moved by Flora, seconded by Bradberry, the City Council approve the 2021-2024 Joint Use of Ketchikan Public Utilities System Poles Agreement between GCI Communication Corp. and the City of Ketchikan d/b/a Ketchikan Public Utilities and authorize the Acting General Manager to execute the contract on behalf of the City Council.

Motion passed with Gass, Kistler, Gage, Zenge, Bradberry, Flora and Mahtani voting yea.

Ordinance No. 22-1946 – Amending Chapter 11.12, Telecommunications Services and Rates of the Ketchikan Municipal Code – Second Reading

Copies of Ordinance No. 22-1946 were available for all present.

Moved by Flora, seconded by Bradberry, the City Council approve in second reading Ordinance No. 22-1946 amending Chapter 11.12, Telecommunications Service and Rates of the Ketchikan Municipal Code; providing for a public hearing; and establishing an effective date.

Motion passed with Gass, Kistler, Gage, Zenge, Bradberry, Flora and Mahtani voting yea.

Budget Transfer – Award of Contract No. 22-08 – Replacement Vehicle for Public Works – Building Maintenance - Bowen Scarff Ford

Moved by Gage, seconded by Mahtani the City Council accept the bid of Bowen Scarff Ford for Contract No. 22-08, Replacement Vehicle for Public Works-Building Maintenance; authorize a budget transfer in the amount of \$8,763.71 from Appropriated Reserves of the Public Works Sales Tax Fund to the Building Maintenance Replacement Vehicle Capital Account; authorize funding from Appropriated Reserves of the Public Works Sales Tax Fund to the Public Works-Building Maintenance Replacement Vehicle Capital Account; and direct the Acting City Manager to execute the contract documents on behalf of the City Council.

Councilmember Gass said we need to be more fiscally responsible and stay within our budgets.

Motion passed with Gage, Zenge, Bradberry, Flora, Mahtani and Kistler voting yea; Gass voting nay.

UNFINISHED BUSINESS

This item was moved to the Consent Agenda.