



**CITY OF FLAGSTAFF
CONTRACT SUPPLEMENTARY JUSTIFICATION**

- CONTRACT ALLOWANCE
- ADMINISTRATIVE CHANGE ORDER

PROJECT NO.	<u>WA 3427</u>	PROJECT NAME	<u>Switzer Canyon Transmission Main Phase IV</u>
FILE NO.	<u>03-20011</u>	PROJECT MANAGER	<u>Greg Mace/Jeremy DeGeyter</u>
CONTRACTOR / CONSULTANT	<u>Mountain High Excavating</u>		

PROJECT DESCRIPTION

The Project generally consists of installing two new water transmission mains, 16" and 24", that will complete the distribution systems, zone A and B, from near the intersection of Fir Avenue and San Francisco Street to North Quintana Drive. The length of Phase IV is approximately 5200 feet. The project area extends outside City limits. Included in the project will be the two water mains with numerous gate valves, fire hydrants and other appurtenances.

JUSTIFICATION FOR USE & AMOUNT

Contract Allowance Amount	<u>\$ 223,581 (5% of Eng Estimate)</u>	Administrative Change Order Amount	<u>\$ 529,181 (10%)</u>
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Justification
Request is to provide an allowance to accommodate unanticipated and/or unforeseen issues and for quantity adjustments. Plan quantities are considered accurate but final quantities are measured during construction. The contractor must be compensated for actual quantities of work (MAG 102.3). Quantities often change because of unknown and/or necessary field changes. Without an allowance, project work may need to be suspended until an agenda item can be brought before Council for consideration and approval. An allowance will provide needed flexibility in delivery of improvements, minimizing negative impacts to the community during construction. Any additional quantities needed do become an asset of the City and any unused fund allocation is returned to the program fund.

COST / BUDGET / FUNDING SOURCE ANALYSIS

Contract Allowance Amount	<u>\$ 223,581 (5%)</u>	Administrative Change Order Amount	<u>\$ 529,181 (10%)</u>
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Justification
Allowance request is 5% of the \$4,471,622 Engineer's Cost Estimate from Turner Engineering. Change Order Amount is 10% of the \$5,291,814 lowest responsive bid from Mountain High Excavating, LLC. Adequate funding exists in the FY23 and FY24 authorized budget total of \$5,932,560. The budget accommodates design, construction estimated costs, permitting, testing and inspection, soft costs, and Capital Improvements' project management costs.

APPROVALS

Project Manager	<u>Jeremy DeGeyter</u>	<u>5/17/2023</u>
Section Head	<u>Trevor Henry</u>	<u>5/17/23</u>
Division Head	<u>Paul Mood</u>	<u>5/17/23</u>
	Signature	Date