



**CITY OF FLAGSTAFF
CONTRACT SUPPLEMENTARY JUSTIFICATION**

- CONTRACT ALLOWANCE**
- ADMINISTRATIVE CHANGE ORDER**

PROJECT NO.	<u>ST3613</u>	PROJECT NAME	<u>Hwy 89 and Smokerise Rebuild</u>
FILE NO.	<u>03-25009</u>	PROJECT MANAGER	<u>Geneva Lanzetta</u>
CONTRACTOR / CONSULTANT	<u>J. Banicki Construction, Inc.</u>		

PROJECT DESCRIPTION

The Project is located at the intersection of Smokerise Drive and Highway 89, with a bid alternate location at the intersection of Country Club Drive and Nestle Purina Avenue. Work at Smokerise Drive includes complete signal replacement, median realignment, curb ramps, signing, and striping. Work at Nestle Purina Avenue will include one signal pole replacement and related work.

JUSTIFICATION FOR USE & AMOUNT

Contract Allowance Amount	<u>\$ 53,206.46 (5% of Lowest Bid)</u>	Administrative Change Order Amount	<u>\$ 106,412.92 (10% of Lowest Bid)</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>\$ 53,206.46 (5%)</u>	Administrative Change Order Amount	<u>\$ 106,412.92 (10%)</u>
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Justification

Allowance request is 5% of the lowest bid of \$1,064,129.25 from J. Banicki Construction, Inc. and Change Order Amount is 10% of the \$1,064,129.25 amount from J. Banicki Construction, Inc. Adequate funding is available in FY26 and pending approval in the FY27 authorized budget for a total of \$1,348,000. The budget accommodates construction administration, construction estimated costs, permitting, testing and inspection, soft costs, and Capital Improvements project management costs.

APPROVALS

Project Manager	<u><i>Geneva Lanzetta</i></u>	<u>04.16.2026</u>
Section Head	<u><i>Jim Hung</i></u>	<u>4/16/26</u>
Division Head	<u><i>Paul Wood</i></u>	<u>04/16/2026</u>
	Signature	Date