



AGENDA ITEM SUMMARY FORM

MEETING DATE: July 26, 2022
PREPARED BY: Chris Whittaker
AGENDA CONTENT: Street Bond Project - Package #1
AGENDA ITEM SECTION: Regular Agenda

BUDGETED AMOUNT: \$1,660,385	FUNDS REQUESTED: \$23,000
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FUND: N/A

EXECUTIVE SUMMARY:

HTI was the low bidder for the Street Bond Project Package #1 with a low bid of 1,660,385.00. HTI beat the second low bidder by \$453,840. Bids were open on April 12, 2022 and awarded on April 19, 2022. HTI is proceeding along with the project according to the proposed plan set. However due to the current volatility in the construction market, HTI has received documentation from two concrete suppliers that the price they previously received for this project is increasing by \$10 per cubic yard effective July 1 & 15, 2022 (See attachment). The projected increase to contractor cost due to this is approximately \$23,000. Please note that the suppliers stated that there may be another major increase in prices later in the summer. This increase will still be over \$400,000 below the second place bidder.

Also attached to this agenda item is a letter from the lime supplier stating there is a cost increase (See attachment). The contractor stated that they will handle this increase for now but will have to request a price adjustment if the prices continue to escalate as they believe it will.

RECOMMENDATION: Council discuss the current volatility and inflation currently being seen everywhere and consider possible increase to the construction contract.