




## ENGINEERING & ENVIR. SVCS> DEPARTMENT

Hameed Malik, Ph.D., P.E., Director

### MEMORANDUM

**TO:** Ms. Geri Sams, Director - Procurement

**FROM:**  Hameed Malik, Ph.D., PE, Director- Engineering & Envir. Services

**DATE:** Monday, June 12, 2023

**SUBJECT:** Tobacco Road Improvements and various Sidewalk Rehabilitation Project -  
Field Engineering Construction Changes & Supplemental Improvements  
Construction Cost Escalation  
Bid Item: 20-247  
File Reference: 23-014(A)

Ms. Sams, this memo is to render a justification for the subject project cost variance between the bid "received cost" and the completed improvements construction "final cost". The project improvements primarily consist of sidewalk construction for pedestrian safety and providing area residents' walkability connection to surrounding businesses. The contract was awarded to Horizon Construction & Associates (Horizon) and improvements are substantially completed.

Engineering conducted a project site final walkthrough and accordingly Horizon submitted final invoice for review and approval. Review of Horizon's submitted final invoice revealed that estimated quantities were overrun that resulted in project cost overrun. Original scope included adding a sidewalk small segment at Kissingbower Road targeted area and sidewalks along Tobacco Road. Numerous field changes occurred during construction due to unknown subsurface utilities and storm conveyance system conflicts. In addition sidewalks length was extended to make it ADA compliant. Other filed changes occurred in vicinity of various major intersections at Tobacco Road. Since it is a "unit price" contract, contract unit rates were applied to completed work quantities overrun and calculated amount is \$483,469. Cost escalation is due to additional work that was critical for completion of needed improvements in a manner ensuring public safety and minimizing Augusta, Georgia's liability risk exposure.

For the aforementioned reasons, Augusta Engineering is requesting approval of adding supplement funds to subject contract original amount, that will able Augusta Engineering to fully pay final invoices for Tobacco Road and Kissingbower Road work. Funds are available in Augusta Engineering SPLOSTs allocation.

Thank you.

/s:hm

cc: Darrell White & Nancy Williams, Procurement Department  
Lewis Avery, CPA, Engineering Assistant Director – Finance & Admin  
AED Finance Manager  
June Hamal, Engineering Associate Director-Construction and Program Delivery  
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