AGENDA ITEM

TO: Tim Vandall, City Administrator

FROM: Jason Crum, Parks and Recreation Director

DATE: March 30, 2023

SUBJECT: Sands Construction asphalt price increase request

In January of this year, staff received a request from Sands Construction for funds to cover the cost of asphalt due to the large increase in fuel prices last summer in the amount of \$28,578.37. Attached is the letter with this request. If this is approved, the original contract price would have a savings due to the fact that there is a credit for the cost of running electricity inside the park of \$46,235.00. This is referring to the cost before any change orders. Staff met to discuss this request, and decided as an alternative for consideration to ask Sands for a price on some additional work that could be completed inside the park. Attached is their proposal for this work for consideration. It would include patching and resurfacing the outer loop of the original parking lot and the road other than the bridge deck, adding a flagpole near the new concession stand, a gate at the entrance of the new parking lot, sidewalk adjacent to the parking lot leading to the north entrance and sidewalk to the batting cage. Images of this proposed work are attached.

Policy Consideration: N/A

Financial Consideration: N/A

Action:

A motion to deny Sands Construction's request for \$28,579.37 to help offset the asphalt price increase.

A motion to approve Sands Construction's request for \$28,579.37 for the asphalt price increase using funds saved on the installation of the power line.

A motion to approve a change order in the amount of \$212,709.61 using reserves from the General Fund (10-030-43301).



1284 Eisenhower Rd Leavenworth, KS 66048 913.306.4015 www.sandsconstructionlyn.com

January 27, 2023

City of Lansing Attn: Jason Crum 800 1st Terrace Lansing, KS 696043

RE: Kenneth W. Bernard Park Baseball/Softball Complex

Asphalt Pricing Index Request

Jason,

During the course of this project Sands Construction absorbed many price increases due to massive fuel increases during 2022, which in-turn increased asphalt costs. We would like to propose a price indexing provision to cover those price increases for the asphalt utilized on this project. Our contract price with the asphalt vendor increased by \$ 28,579.37 due to the oil price increases.

The asphalt cost increase is calculated as follows:

	Tons	Bid	Actual	Difference	
		Asphalt Indexing	Asphalt indexing		
Base	1,942.10	\$ 55.06	\$ 63.25	\$ 15,905.80	
Surface	1,905.80	\$ 56.25	\$ 62.90	\$ 12,673.57	
		\$ 28,579.37			

All construction projects in the metropolitan area have experience these significant price increases on all oil-based projects. Therefore, we are requesting approval of this **cost increase of \$28,579.37**, to cover the shortage that was no fault of the General Contractor, Sands Construction.

Respectfully Submitted

Steve Sands

Owner

Sands Construction, LLC



Project: Bernard Park Baseball/Softball Complex

							DATE: 3/17/2023	
PCO #30 - Asphalt Overlay, SW, Flagpole, & Gate	s							
Description	Qunt.	Unit	Labor Totals	Material Totals	Equipment Totals	Subcontract Total	Totals	
2" Asphalt Overlay with Edge Milling	9640	SYDS				\$122,572.55	\$122,572.55	
6" Full Depth Asphalt Patch	150	TONS				\$19,648.63	\$19,648.63	
30' Flagpole & Base	1	EA	\$507.81	\$2,849.76	\$193.92		\$3,551.49	
4' x 32' (Galvinized) Double Barrier Entrance Gate	1	EA				\$3,000.00	\$3,000.00	
10' Wide 5" Side Walk	556	LF	\$13,200.69	\$18,921.42	\$5,017.60		\$37,139.71	
5" Concrete Walk at Batting Cage	390	SF	\$1,096.63	\$1,348.55	\$367.54		\$2,812.71	
SUBTOTAL			\$14,805.12	\$23,119.73	\$5,579.06	\$145,221.18	\$188,725.09	
MU - Own Forces	15.00%	•					\$6,525.59	
MU - Subcontract	10.00%						\$14,522.12	
Bond Premium	1.40%						\$2,936.82	
Grand Total:							\$212,709.61	

Joe Radzevich

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