



## AGENDA STAFF MEMO

**TO:** Honorable Mayor and City Council Members  
**FROM:** Sara Leaders, PE, Public Works Director  
**DATE:** Submitted on March 28, 2025, for the April 14, 2025, Regular City Council Meeting

DocuSigned by:

*Sara Leaders*

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**AGENDA ITEM:** Approval of Change Order #1 to the Construction Services Agreement with J.G. Leone Enterprises, LLC for the Freemanville Road at Birmingham Road Roundabout

### **SUMMARY:**

The City of Milton awarded a contract to J.G. Leone Enterprises, LLC for the construction of a roundabout at the Freemanville Road and Birmingham Road intersection. During the course of construction, unforeseen impacts to the utility relocations, schedule, site conditions and necessary design modifications resulted in a cumulative and corrective change order.

The purpose of this Change Order is to Increase the original contract price in the amount of \$300,348.58 to close out this project. The contractor experienced plan changes and longer than normal delays on this project. This change order includes pipe relocations due to utility conflicts and additional milling and asphalt needed to build the roundabout.

### **FUNDING AND FINANCIAL IMPACT:**

This Change Order in the amount \$300,348.58 is funded by TSPLOST.

### **ALTERNATIVES:**

This change order is needed to close out the project.

### **PROCUREMENT SUMMARY (if applicable)**

<b>Purchasing method used:</b>	<b>Contract Addendum</b>
<b>Account Number:</b>	335-4101-541400005
<b>Requisition Total:</b>	\$300,348.58

### **REVIEW & APPROVALS:**

**Financial Review:** Bernadette Harvill, Deputy City Manager – March 28, 2025

**Legal Review:** Jennifer K. McCall, Jarrard & Davis, LLP – February 27, 2025

**Concurrent Review:** Steven Krokoff, City Manager –

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*Bernadette Harvill*

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DocuSigned by:

*Steven Krokoff*

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### **ATTACHMENT(S):**

Change Order #1

Justification Memo for Change Order Threshold

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**CHANGE ORDER #1 TO THE CONSTRUCTION SERVICES AGREEMENT  
Freemanville Road at Birmingham Road Roundabout Construction**

**WHEREAS**, the **CITY OF MILTON, GEORGIA** ("City") and **J.G. Leone Enterprises, Inc.**, ("Contractor"), entered into that certain Construction Services Agreement dated November 7, 2022, which is incorporated herein by this reference (the "Agreement"); and

**WHEREAS**, pursuant to Section 2-626(b)(6) of the City's Purchasing Policy, the City has selected the Contractor as a "brand name" provider of this service due to the operational effectiveness and efficiency of the construction project; and

**WHEREAS**, the City has requested for the Contractor to provide additional construction services described in the Scope of Work. This work includes additional stormwater removal and installation, and additional asphalt for full-depth construction of the road for the roundabout at the intersection of Freemanville Rd and Birmingham Rd in Milton, Georgia; and

**WHEREAS**, the City is extending the Contract Term in order to complete the Work stated in this Change Order #1; and

**WHEREAS**, the terms of this Change Order #1 shall be incorporated into the Agreement by the references herein.

**NOW THEREFORE**, the parties agree to amend the Agreement as follows:

1. Exhibit C, Scope of Work, of the Agreement is hereby amended by inserting the additional services and products thereto as set forth in Exhibit "A" attached hereto. The addition of these services equals a total cost of \$300,348.58 being added to the contract making the final Maximum Contract price of \$1,965,779.98.
2. Section 5 (A) of the Agreement is hereby amended by replacing the text from "The total amount paid under this Agreement as compensation for Work performed and reimbursement for costs incurred shall not, in any case, exceed **ONE MILLION, SIX HUNDRED SIXTY-FIVE THOUSAND, FOUR HUNDRED THIRTY-ONE AND 40/100 DOLLARS (\$1,665,431.40)**" to "The total amount paid under this Agreement as compensation for Work performed and reimbursement for costs incurred shall not, in any case, exceed **ONE MILLION, NINE HUNDRED SIXTY-FIVE THOUSAND, SEVEN HUNDRED SEVENTY-NINE AND 98/100 DOLLARS (\$1,965,779.98)**".
3. Section 4 (A) of the Agreement is hereby amended by replacing the text from "and the Parties intend that all Work shall be completed on or before September 30, 2023 (the "Expected Date of Final Completion")", to "and the Parties intend that all Work shall be completed on or before December 31, 2025 (the "Expected Date of Final Completion").".

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4. Except as amended hereunder, the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Change Order #1 to be duly executed by their duly authorized officers as of the day and year set forth next to each signature.

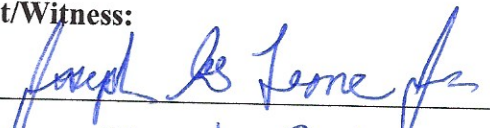
**CONTRACTOR: J.G. Leone Enterprises, Inc.**

By: 

Print Name: John G. Leone

Its: President/Vice President

**Attest/Witness:**



Print Name: Joseph G. Leone Jr.

Its: Secretary  
(Corporate/Assistant Corporate Secretary)

**CITY OF MILTON, GEORGIA:**

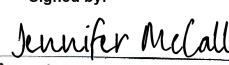
By: \_\_\_\_\_  
Peyton Jamison, Mayor      Date

**Attest:**

\_\_\_\_\_  
Tammy Lowit, City Clerk

(CITY SEAL)

**Approved as to form:**

Signed by:       3/10/2025  
City Attorney      Date



## EXHIBIT "A"







# AIA® Document G701™ – 2017

## Change Order

**PROJECT:** *Freemanville Rd. & Birmingham Rd.*

**OWNER:** *The City of Milton  
2006 Heritage Walk  
Milton, GA 30004*

### CONTRACT INFORMATION:

19-TP-010  
Date: 2.24.25

### CHANGE ORDER INFORMATION:

Change Order Number: 1  
Date: 2.24.2025

**CONTRACTOR:** *J.G. Leone Enterprises, Inc.*

THE CONTRACT IS CHANGED AS FOLLOWS: SEE BELOW Change Order 1

The original Contract Sum was	\$ 1,665,431.40
The net change by previously authorized Change Orders	\$ 0.00
The Contract Sum prior to this Change Order was	\$ 1,665,431.40
The Contract Sum will be increased by this Change Order in the amount of	\$ 300,348.58
The new Contract Sum including this Change Order will be	\$ 1,965,779.98
The Contract Time will be increased by Zero (0) days.	
The new date of Substantial Completion will be	

**NOTE:** This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction \$1,665,431.40 until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

### SIGNED BY CONTRACTOR AND OWNER.


_____	<i>J.G. Leone Enterprises, Inc.</i>	_____
	CONTRACTOR (Firm name)	OWNER (Firm name)
_____	<i>John G. Leone</i>	_____
	SIGNATURE	SIGNATURE
_____	<i>John G. Leone President</i>	_____
	PRINTED NAME AND TITLE	PRINTED NAME AND TITLE
_____	<i>3/4/2025</i>	_____
	DATE	DATE

### Change Order 1

CO-1.1	Net Add Item Over/Under Runs	1	LS	\$209,688.88	\$209,688.88
CO-1.2	Flashing Beacon	1	LS	\$5,150.00	\$5,150.00
CO-1.3	Water Service Abandon	2	EA	\$750.00	\$1,500.00
CO-1.4	Full Depth Asphalt Construction Change	1	LS	\$84,009.70	\$84,009.70
				<b>TOTAL</b>	<b>\$300,348.58</b>



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**TO:** Honor Motes, Procurement Manager  
**FROM:** Sara Leaders, PE, Public Works Director   
**DATE:** February 25, 2025  
**RE:** Justification for Contractor Exceeding 10% Change Order Threshold

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**Project Name:** Freemanville Road at Birmingham Road Roundabout Intersection  
**Contractor:** JG. Leone Enterprises, Inc.  
**Original Contract Amount:** \$1,665,431.40  
**Total Change Order Amount:** \$300,348.58  
**Percentage Increase:** 18%  
**Date:** Construction Services Agreement approved on November 7, 2022

**Background:**

The City of Milton awarded a contract to J.G. Leone Enterprises, LLC for the construction of a roundabout at the Freemanville Road and Birmingham Road intersection. During the course of construction, unforeseen impacts to the utility relocations, schedule, site conditions and necessary design modifications resulted in a cumulative and corrective change order exceeding the allowable 10% threshold.

**Justification for “Brand Name” Approval:**

After careful evaluation, it has been determined that retaining JG. Leone to complete the additional work is in the best interest of the project and the City, based on the following factors:

1. **Project Continuity:** Engaging the original contractor ensures seamless project execution, minimizing delays and disruptions that would arise from bringing in a new contractor mid-project.
2. **Specialized Knowledge:** The Contractor's familiarity with project specifications, site conditions, and ongoing work reduces the risk of miscommunication and rework, which could further escalate costs and timelines.
3. **Cost Efficiency:** Conducting a new procurement process and onboarding a different contractor would likely result in higher overall expenses due to mobilization, demobilization, and potential price variations.
4. **Regulatory Compliance:** The Contractor has already coordinated with relevant regulatory agencies and implemented required compliance measures. Transitioning to a new contractor could require re-permitting or additional reviews, further delaying the project.

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**Conclusion:**

Given these considerations, the Public Works Department requests approval to proceed with JG. Leone Enterprises as a 'brand name" provider for the additional work required. This approach ensures the project is completed safely, efficiently, and in alignment with the City's objectives and budgetary constraints.

**Review & Approvals:****Financial Review:**

Karen Ellis, Finance Director

**Legal Review:**

Jennifer McCall, Jarrard &amp; Davis, LLP -

**Department Approval:**

Sara Leaders, Public Works Director








# Memo for CO Freemanville at Birmingham (H edits 022725)

Final Audit Report

2025-02-27

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