



AGENDA MEMORANDUM

CONTACT: CLIF CUSTER

SUBJECT: CHANGE ORDER

SUMMARY:

Preferred Industrial Contractors is requesting a change order be approved in the amount of \$37,000.00, changing PIC's base bid from \$694,800.00 to \$731,800.00.

BACKGROUND INFORMATION:

The bid process for the water tank to be located at the North Water Plant was a lengthy one due to the fact that the project had to be rebid. During this time between the contract award of the rebid to Preferred Industrial Contractors and Strand Associate's approval of PIC's submittal for the tank and foundation, steel prices drastically increased. This increase resulted in a net effect increase of 8% in the cost of tank and foundation construction.

ISSUE:

FISCAL IMPACT:

- Increases Preferred Industrials base bid, contractual price from \$694,800.00 to \$731,800.00
- Increases the overall North Water Plant project completion estimate from \$3,999,314.50 to \$4,036,314.50

RECOMMENDATION:

I'm recommending that Council make a motion approving Preferred Industrial Contractor's proposed change order in an amount not to exceed \$37,000.00.