



AGENDA REPORT

City Council Meeting

TODAY'S DATE: October 13, 2026

MEETING DATE: October 21, 2026

TO: MAYOR AND CITY COUNCIL

FROM: Rachel McKinley, Project Manager

SUBJECT: Construction Contract No. A26-3170-4 - Cedar Street Reconstruction Project;
Proposed Change Order 1

BACKGROUND/ DESCRIPTION:

The Cedar Street Reconstruction project includes roadway, water main, stormwater, sidewalk, and street tree improvements between Division and Lincoln Avenues, along with stormwater conveyance on Lincoln Avenue from Cedar Street to Pine Street. City Council awarded the contract to Stewart Contracting, Inc. on June 3, 2026, for \$2,097,705.

The project's construction is behind schedule and will not meet the original October 30, 2026 final completion date. Change Order No. 1 extends substantial completion to May 28, 2027, and final completion to June 30, 2027.

A November 27, 2026 milestone requires completion of the stormwater and fiber conduit work on Lincoln Avenue from Cedar Street to Pine Street and the water, stormwater, and roadway improvements on Cedar Street from Lincoln Avenue to Willow Drive. The contractor must also restore water service, provide safe pedestrian and vehicle access, temporarily patch the gas trench, and secure the site for winter shutdown.

The change order increases the contract by \$19,986, resulting in a revised contract amount of \$2,117,691. This includes \$2,400 for additional tree maintenance performed on 10 trees during construction and \$17,586 for temporary asphalt patching over Avista's gas main trench. The temporary patch is needed because the extended schedule postpones permanent paving until 2027. The time extension includes no additional compensation beyond the for temporary patching. Staff recommends the time extension and temporary asphalt patching to maintain safe access during winter shutdown and support successful completion of the project in 2027.

STAFF RECOMMENDATION:

Staff recommends approval of Change Order No. 1 to Contract A26-3170-4 with Stewart Contracting, Inc., increasing the contract by \$19,986 and revising the contract times.

ACTION: Move to approve Change Order No. 1 and authorize the Mayor to sign.

WILL THERE BE ANY FINANCIAL IMPACT? Yes **HAS THIS ITEM BEEN BUDGETED?** Yes

ATTACHMENTS:

1. Proposed Resolution
2. Change Order #1
3. A26-3170-4 Contract

LINKS:

- Cedar Street Reconstruction:
<https://cleargov.com/idaho/bonner/city/sandpoint/projects/19631/cedar-street-reconstruction>