

Public Works
STAFF REPORT



SUBJECT: Harbin Drive Improvements Project – Change Order
MEETING: Public Works Committee Meeting – 16 APR 2024
DEPARTMENT: Public Works
STAFF CONTACT: Nick Williams

RECOMMENDATION:

Staff recommends approval of Change Order Number 8 to the contract with Jay Mills Contracting, Inc. for the Harbin Drive Improvements Project for a total cost of \$591,770.00 or \$457,870.00.

BACKGROUND:

On October 4, 2021, the City of Stephenville awarded the above referenced project to Jay Mills Contracting, Inc. for the Base Bid plus Bid Alternate #1, for concrete pavement, in the total amount of \$10,097,474.50.

The project includes the reconstruction of Harbin Drive from Washington Street to the Senator Robert J. Glasgow Loop (formerly Northwest Loop). The existing roadway is being reconstructed with concrete paving, curbs and gutters, and sidewalks. Storm drainage infrastructure is being installed and existing water and sewer lines are being replaced.

PROJECT:

Previous Change Orders and overruns addressing water, sewer, and stormwater utility adjustments as well as signalization and illumination issues have been presented in detail and are summarized in the below table. Change Order Number 8 is pending and is described below.

- **Change Order #8: \$591,770.00 or \$457,870.00 (Pending)**
 - Concrete median improvements between Washington and the Senator Robert J Glasgow Loop
 - **Option 1: \$591,770.00**
 - Colored and Brick-Stamped concrete to be used for all median sections. Existing narrow sections of median concrete paving between Washington and Frey to be removed and replaced.
 - **Option 2: \$457,870.00**
 - Colored and Brick-Stamped concrete to be used in median sections 5-feet or greater in width in lieu of sod. Existing narrow median sections between Washington and Frey to remain as is with plain concrete. Plain concrete paving would be used for remaining narrow sections, per plan.

FISCAL IMPACT SUMMARY:

Below are tabulations of project costs.

Table 1			
Description	Total Amount	TSU Reimbursement	City Obligation
Original Contract	\$ 10,097,475	\$ 1,400,000	\$ 8,697,475
TSU MOU No. 2		\$ 200,000	-\$ 200,000
Approved Change Orders	\$ 743,234	\$ 534,397	\$ 208,836
Pending Change Order No. 8	\$ 591,770		\$ 591,770
Revised Contract	\$ 11,432,478	\$ 2,134,397	\$ 9,298,082
Change Order Overruns	\$ 324,869		\$ 324,869
Additional Overruns	\$ 190,322	\$ 26,054	\$ 164,268
Revised Total with Overruns	\$ 11,947,669	\$ 2,160,451	\$ 9,787,218

Option 2

Pending Change Order No. 8	\$ 457,870		\$ 457,870
Revised Total with Overruns	\$ 11,813,769	\$ 2,160,451	\$ 9,653,318

TSU agreed to cover university project costs of \$1.4 million, per Amendment No. 1 to the Memorandum of Understanding (MOU) executed 01/02/2022. The cost of Change Order No. 3, in the amount of \$534,397, plus \$200,000 for the original scope of work and \$50,000 in contingency, was authorized for reimbursement by TSU in MOU No. 2 executed 1/3/2023.

The addition of the approved and pending change order amounts as well as the cost overruns to the original contract amount of \$10,097,475 yields a total contract amount of \$11,947,669 comprised of TSU’s obligation of \$2,160,451 and the city’s obligation of \$9,787,218. Original project funding was appropriated with \$8.5 million in FY21-22 bond proceeds. Additional funding of \$1,056,707 allocated from a combination of FY21-22 and FY22-23 Annual Street Maintenance Programs with Interest Earned provides \$9.56 million to cover the project.

The \$9.56 million currently allocated for the city’s portion of the project leaves a balance of approximately \$230,511. Allocating \$500,000 from the \$1,200,000 FY23-24 Annual Street Maintenance Program is proposed to cover the cost of Change Order No. 8 and provide funding for any final, contemplated, or unforeseen issues on this project. Any remaining amount would be reallocated back to the FY23-24 Annual Street Maintenance Program.

It is recommended that Change Order No. 8, in the amount of \$591,770 be approved for a revised total contact amount of \$11,947,669. Alternatively, Option 2 in the amount \$457,870 would provide a cost savings of \$133,900, with revised total contact amount of \$11,813,769.

The below table shows a summary of project costs.

Table 2			
Change Order	Change Order Amount	Amount Applied To Existing Pay Items	Total
No. 1 (Approved)	\$ 24,971		\$ 24,971
No. 2 (Approved)	\$ 11,620	\$ 106,265	\$ 117,885
No. 3 (Approved)	TSU \$ 534,397		\$ 534,397
No. 4 (Approved)	\$ 54,395	\$ 211,425	\$ 265,820
No. 5 (Approved)	\$ 32,187		\$ 32,187
No. 6 (Approved)	\$ 44,124		\$ 44,124
No. 7 (Approved)	\$ 41,540	\$ 7,179	\$ 48,719
Approved CO Subtotal	\$ 743,234	\$ 324,869	\$ 1,068,103
Additional Overruns		\$ 190,322	\$ 190,322
No. 8 (Pending – Option 1)	\$ 591,770		\$ 591,770
Total	\$ 1,335,004	\$ 515,191	\$ 1,850,195

Option 2

No. 8 (Pending – Option 2)	\$ 457,870		\$ 457,870
Total	\$ 1,201,104	\$ 515,191	\$ 1,716,295

ATTACHMENTS:

Options 1 and 2 are attached as exhibits a visual representation of the median improvements.

[Option 1 – \\$591,770.00 – Colored and Brick-Stamped Concrete on all median sections.](#)

[Option 2 – \\$457,870.00 – Colored and Brick-Stamped concrete on median sections 5-feet or greater in width.](#)