

RESOLUTION NO. 3554

A RESOLUTION AUTHORIZING AN AMENDMENT TO THE CONSTRUCTION AGREEMENT WITH DICK ANDERSON CONSTRUCTION, INC., A MONTANA CORPORATION, FOR CONSTRUCTION OF THE SCHEDULE I WASTEWATER SYSTEM IMPROVEMENTS (HAYNES AVENUE LIFT STATION).

WHEREAS, on July 24, 2012, the City of Miles City approved the award of a contract to Dick Anderson Construction, Inc. for the construction of Schedule I Wastewater System Improvements (Haynes Avenue Lift Station, hereinafter the "*Contract*," which Contract was approved by Resolution No. 3521.

AND WHEREAS, there was an erroneous calculation by Dick Anderson Construction, Inc. of Item 7, electrical work, on Schedule 1, of \$91,00.00 due to transposition of Item 7, Lift Station Electrical, on their bid on Schedule 1 Lift Station, for Item 6, headworks electrical, for their bid on Schedule 2, the headworks building. They were not awarded the bid upon Schedule 2.

AND WHEREAS, Dick Anderson Construction asserts that they are entitled to withdraw from contract because it was offered to them more than 30 days beyond the award date, and additionally, that the contract price should be increased by \$56,000.00 for heat and cover issues due to such delay.

AND WHEREAS it would cause additional expense and delay to the City to either delay construction until the spring of 2013 to avoid the heat and cover issues, or to re-bid the contract should Dick Anderson Construction, Inc. decline to accept the contract.

AND WHEREAS, Dick Anderson Construction, Inc. is agreeable to accept the offered contract and forgoing any claims for heat and cover issues, if the City of Miles City agrees to modify the contract price for Item 7, Lift Station Electrical on Schedule 1, from \$91,000.00 to \$166,000.00 to partially relieve Dick Anderson Construction, Inc. from the result of its erroneous calculation;

AND WHEREAS, such change order will result in the alteration or modification of the specifications or plans of the Contract and will result in an increase in the contract price in the sum of \$75,000.00

AND WHEREAS, pursuant to §7-5-4308 MCA, the modification of the contract price may be authorized only upon resolution of the City Council;

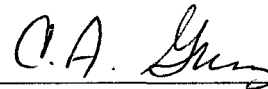
NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA AS FOLLOWS:

1. It hereby authorizes an increase Item No. 7 Electrical Lift Station on Schedule 1 from \$91,000.00 to \$166,000.00, contingent upon Dick Anderson Construction, Inc., executing the contract, proceeding with construction, and providing to the City of Miles City its written waiver

of any claims for extra costs for heat and cover due to late commencement of work. Such increase and waiver shall be memorialized in writing as Change Order No. 1.

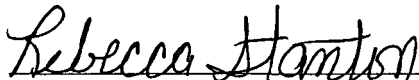
2. The Mayor of the City of Miles City is hereby empowered and authorized to execute Change Order No. 1 on behalf of the City of Miles City and bind the City of Miles City thereto.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, AT A REGULAR MEETING OF THE CITY COUNCIL CONDUCTED THIS 25TH DAY OF SEPTEMBER, 2012



C. A. Grenz, Mayor

ATTEST:



Rebecca Stanton, City Clerk

Change Order

No. 1

Date of Issuance: September 24, 2012 Effective Date: September 26, 2012

Project: Miles City Wastewater Improvements	Owner: Miles City, MT	Owner's Contract No.: NA
Contract: Schedule One – Haynes Avenue Lift Station		Date of Contract: July 20, 2012
Contractor: Dick Anderson Construction, Inc.		Engineer's Project No.: 0681

The Contract Documents are modified as follows upon execution of this Change Order:

Description:

See Attached Description of Change.

Attachments (list documents supporting change):

See Attached Description of Change.

CHANGE IN CONTRACT PRICE:

CHANGE IN CONTRACT TIMES:

Original Contract Price:

\$ 1,181,000.00

Original Contract Times:

Substantial completion: 150 Calendar Days

Increase from previously approved Change Orders:

\$ 0.00

Increase from previously approved Change Orders:

Calendar Days: No Previous Changes

Contract Price prior to this Change Order:

\$ 1,181,000.00

Contract Times prior to this Change Order:

Calendar Days: 150 Calendar Days

Increase of this Change Order:

\$ 75,000.00

Time Increase this Change Order:

Calendar Days: No Change In Contract Time

Contract Price incorporating this Change Order: Contract Times with all approved Change Orders:

\$ 1,256,000.00

Calendar Days: 150 Calendar Days

RECOMMENDED:

By: [Signature]
Engineer (Authorized Signature)

Date: 9/21/12

ACCEPTED:

By: [Signature]
Owner (Authorized Signature)

Date: 1/10/12

ACCEPTED:

By: [Signature]
Contractor (Authorized Signature)

Date: 9/26/2012

Date: _____

Change Order One

A. CHANGE DESCRIPTION

There was an erroneous calculation by Dick Anderson Construction, Inc. of Item 7, electrical work, on Schedule 1, of \$91,00.00 due to transposition of Item 7, Lift Station Electrical, on their bid on Schedule 1 Lift Station, for Item 6, headworks electrical, for their bid on Schedule 2, the headworks building. They were not awarded the bid upon Schedule 2. Dick Anderson Construction has presented a claim for costs associated with delays and anticipated cold weather because the contract was offered to them more than 30 days beyond the date prescribed by the Contract Documents. This claim includes a price increase of \$56,000.00 for heat and cover of concrete, cold weather backfill, and work production modifications due to such delay.

Dick Anderson Construction, Inc. agrees to forego all claims associated with the heating and covering of concrete, cold weather backfill, and production modification factors if the City of Miles City agrees to modify the contract price for Item 7, Lift Station Electrical on Schedule 1, from \$91,000.00 to \$166,000.00 to partially relieve Dick Anderson Construction, Inc. from the result of its erroneous calculation. This Change Order includes an increase in contract price of \$75,000 and does not change the Contract Time.