



AGENDA MEMO

7/7/2020 Agenda

TO: Honorable Mayor and City Council

FROM: Jacob Speer, Director of Public Works

SUBJECT: Final Payment to John Burns Construction Company

BACKGROUND:

On October 2, 2018, City Council approved a contract to John Burns Construction in the amount of \$3,925,775.00 for replacement of water and sanitary sewer mains and pavement in six (6) alleys. John Burns began the project in January 2019 after issuance of the Notice to Proceed on January 7, 2019. In November 2019, Council approved a Change Order for the contract reducing the scope of work by removing the work in the 4100 block of the Normandy/Shenandoah alley. John Burns Construction completed the final alley in May 2020, after 311 working days.

The contract required completion of the project in 230 working days after issuance of Notice to Proceed and allowed for \$500.00 per day of liquidated damages. The Notice to Proceed was issued on January 7, 2019 and the project completion date was May 14, 2020. Because John Burns Construction exceeded the allowable number of working days by 81 days, liquidated damages in the amount of \$40,500.00 are appropriate within the terms of the contract. John Burns Construction is in agreement with this methodology and has submitted a final pay request in the amount of \$140,639.79 which deducts the appropriate liquidated damages resulting in a total contract amount of \$3,582,295.86.

RECOMMENDATION:

Staff recommends Council approval of final payment to John Burns Construction in the amount of \$140,639.79.