



## Legislation Details (With Text)

**File #:** 17-1764      **Version:** 2      **Name:** 11/9/17 - Turnkey Contingency Increase  
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**Title:** Resolution to Approve Increase in Contract Contingencies for Turnkey Network Solutions (\$135,000.00) and J. Ranck Electric, Inc. (\$60,000.00) for the Construction of the City Fiber Optic Network (FON) RFP 973

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### Code sections:

### Attachments:

Date	Ver.	Action By	Action	Result
11/9/2017	2	City Council	Approved	Pass

Resolution to Approve Increase in Contract Contingencies for Turnkey Network Solutions (\$135,000.00) and J. Ranck Electric, Inc. (\$60,000.00) for the Construction of the City Fiber Optic Network (FON) RFP 973

The A2 I-Net project is nearing completion with project completion by December 31, 2017. When the contracts with Fiber Optic Management, LLC, dba Turnkey Network Solutions (Turnkey) and J. Ranck Electric, Inc. (J. Ranck), were originally approved on December 19, 2016 (Resolution R-16-489), contingency amounts were authorized for each contract to cover possible changes to the work and other additional costs. The details of those changes and the contingency amounts that would need to be used by each contractor were rough estimates and not known. Turnkey and J. Ranck had to undertake changes to the work and perform additional work such as having to install fiber underground where anticipated aerial attachments to poles were denied, and replace exiting handholes with larger handholes. The change orders for this additional work has depleted Turnkey's \$112,327.50 contract contingency amount and J. Ranck's \$112,327.50 contract contingency amount. An increase in the contingency amount for each to cover the additional work for Turnkey and J. Ranck to complete the project is necessary. The additional work includes splicing of fiber and placement of patch panels in fiber cabinets that were not originally anticipated. Increases of \$135,000.00 to Turnkey's contingency amount and \$60,000.00 to J. Ranck's contingency amount are needed to provide funding for this work, and to cover any other changes or additions to the work that are needed to complete the project. As with the original contract contingency amounts, the City Administrator will be authorized to approve change orders within each contingency amount.

**Budget Impact:** At present, the project is projected to come within budget, so no additional funds are required to fund the increases in the contingency amounts. A final accounting of the project will be completed before fiscal year-end.

Approval of an increase of \$135,000.00 to the contract contingency amount for Turnkey and an increase of \$60,000.00 to the contract contingency for J. Ranck is recommended.

Reviewed by: Tom Shewchuk, IT Director

Reviewed by: Tom Crawford, Chief Financial Officer

Approved by: Howard S. Lazarus, City Administrator

Whereas, Completion of construction of the City Fiber Optic Network (FON) is near;

Whereas, The two construction contractors for the FON, Fiber Optic Management, LLC, dba Turnkey Network Solutions (Turnkey) and J. Ranck Electric, Inc. (J. Ranck), have had to undertake changes to the work and perform additional work to perform their respective parts of the construction;

Whereas, Additional changes to and additions to the work will be required for Turnkey to complete their work on the project;

Whereas, Additional changes to and additions to the work will be required for J. Ranck to complete their work on the project;

Whereas, The changes and additions to the work done by Turnkey have depleted the \$112,327.50 contract contingency amount previously approved by City Council, and an additional contract contingency amount of \$135,000.00 is required to cover other changes and additions to the work necessary for Turnkey to complete the project;

Whereas, The changes and additions to the work done by J. Ranck have depleted the \$112,327.50 contract contingency amount previously approved by City Council, and an additional contract contingency amount of \$60,000.00 is required to cover other changes and additions to the work necessary for J. Ranck to complete the project; and

Whereas, Funds are available in the City Fiber Optic Network project budget;

RESOLVED, That City Council approve an increase of \$135,000.00 to the contract contingency amount for Turnkey;

RESOLVED, That City Council approve an increase of \$60,000.00 to the contract contingency amount for J. Ranck;

RESOLVED, That the City Administrator be authorized to approve change orders within the increased contract contingency amount for each contract; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this Resolution.