

## **..Title**

Resolution to Approve Change Orders #1 and #2 to the Construction Contract with 21<sup>st</sup> Century Salvage Inc. for the Demolition of four City Properties and Appropriate Funding (\$146,052.80 Increase; \$1,569,803.80 Total Contract) **(8 Votes Required)**

## **..Memorandum**

Attached for your review and approval are Change Orders #1 and #2 to the Construction Contract with 21<sup>st</sup> Century Salvage Inc. for the Demolition of four City properties. Together Change Orders #1 and #2 total \$146,052.80 and, if approved, would result in a total contract amount of \$1,569,803.80.

The Construction Contract was approved by City Council on August 8, 2024 (R-24-310) in the amount of \$1,423,751 for the demolition of four City-owned structures at the following locations:

- 415 West Washington Street (Vacant City Facility)
- 721 North Main Street (Vacant City Facility)
- 315 Detroit Street (Farmers Market Office Building)
- 2150 Jackson Avenue (Veterans Memorial Park Picnic Shelter)

The Project and the construction contract include a cost and contingency amount for each structure, and because the structures relate to different operating units, the funding appropriations and contingencies were established separately for each structure.

Demolition is substantially complete at 415 W. Washington, 315 Detroit Street, and 2150 Jackson Avenue. Work at 721 N. Main Street is underway and is expected to be completed in Summer 2025.

During the work, changes to the work were identified and due to work occurring simultaneously at four locations, other timing issues, and because of the separate funding and contingency for the costs for each structure, the changes have been grouped into Change Orders #1 and #2.

A use of General Fund fund balance is requested in the amount of \$89,789.38 to cover the costs related to the demolition of 415 West Washington. In addition, it is requested that fund balance from the Park Maintenance and Capital Improvements Millage Fund be utilized to cover the costs associated with the Farmers Market and Veterans Memorial Park Picnic Shelter demolitions, in the amount of \$88,865.96.

## **Budget/Fiscal Impact**

Current contract amount:	\$1,423,751.00
Contract Modification #1:	\$ 66,041.06
Contract Modification #2:	<u>\$ 80,011.74</u>
New Contract Amount:	\$1,569,803.80

### **..Staff**

Prepared by: Adam Fercho, Landscape Architect / Park Planner  
Reviewed by: Josh Landefeld, Parks & Recreation Services Manager  
Reviewed by: Kim Buselmeier, Financial Manager  
Reviewed by: Derek Delacourt, Community Services Area Administrator  
Approved by: Milton Dohoney Jr, City Administrator

### **..Body**

Whereas, Pursuant to R-24-310 the City entered into a construction contract agreement with 21<sup>st</sup> Century Salvage Inc. in the amount of \$1,423,751.00 for the demolition of City-owned structures at four locations;

Whereas, The work in Change Orders #1 and #2 is required to complete the demolition of the structures and related work;

Whereas, The existing contingency amounts are insufficient to cover the additional work in Change Orders #1 and #2;

Whereas, Funding for the work in Change Orders #1 and #2 is available in the General Fund fund balance and Park Maintenance and Capital Improvements Millage Fund fund balance;

RESOLVED, That City Council approves Change Orders #1 and #2 to the construction contract with 21<sup>st</sup> Century Salvage Inc. in a total amount of \$146,052.80 for the Demolition Project (RFP 24-41);

RESOLVED, That \$57,186.84 be appropriated from the General Fund fund balance to the FY 2026 General Fund Parks and Recreation expenditure budget for the demolition of 415 W Washington;

RESOLVED, That \$88,866 be appropriated from the Park Maintenance and Capital Improvement Millage Fund fund balance to the FY 2026 Park Maintenance and Capital Improvement Millage Fund Parks and Recreation expenditure budget for the demolition and related work at the Farmers Market and the demolition of the Veterans Memorial Park Picnic Shelter;

RESOLVED, That the original contingency amounts be re-established and that the City Administrator be authorized to approve change orders not to exceed those amounts, in order to satisfactorily complete this project;

RESOLVED, That all amounts herein are without regard to fiscal year;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said change orders after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

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