

**COUNCIL ACTION FORM**

**SUBJECT: CHANGE ORDER NO. 3 – ELECTRIC SERVICES TRANSMISSION MODIFICATIONS AT SE 16<sup>TH</sup> ST & S. DUFF AVE INTERSECTION**

**BACKGROUND:**

On October 14, 2021, the Ames Electric Services issued a purchase order to IES Commercial, Holdrege, Nebraska, for the construction and relocation of approximately 2300 feet of 69 kilovolt (kV) overhead transmission and 13.8 kV overhead distribution line modifications at the intersection of SE 16<sup>th</sup> St and S. Duff Ave in the amount of \$529,140.38.

Due to delays caused by outside utility companies, IES Commercial was unable to complete several construction activities outlined in the contract. **Ames Electric Services has accepted the work done by IES Commercial as substantially complete in exchange for a deduct to the contract. The remaining construction activities will be completed by Ames Electric Services crews. The value of the unperformed construction activities (\$87,392.26) will be deducted from the final contract amount owed to IES Commercial.**

**PURCHASE ORDER HISTORY:**

Change Order No. 1 to this purchase order in the amount of \$0 was performed to extend the project completion date from July 1, 2022 to July 8, 2022.

Change Order No. 2 to this purchase order in the amount of \$0 was performed to extend the project completion date from July 8, 2022 to August 1, 2022.

**THIS ACTION:**

**This proposed change order (Change Order No. 3) in the amount of (\$87,392.26) reflects the unperformed construction activities of IES.**

\$529,140.38	Original Contract Amount
\$ 0.00	Change Order No. 1
\$ 0.00	Change Order No. 2
- <b>\$ 87,392.26</b>	<b>Change Order No. 3 (pending City Council approval – this agenda)</b>
\$ 441,748.12	Final Contract Amount

**ALTERNATIVES:**

1. Approve Change Order No. 3 with IES Commercial, Holdredge, NE, for deduction of unperformed construction activities in the amount of \$87,392.26.
2. Reject contract Change Order No. 3.

**MANAGER'S RECOMMENDED ACTION:**

Due to delays caused by outside utility companies, IES Commercial was unable to complete several construction activities outlined in the contract so a Change Order is being requested to remove those activities from the contract. The remaining construction activities will be completed by Ames Electric Services crews. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.