

MEMORANDUM

TO: City Council

FROM: David J. Deutsch
City Manager

SUBJECT: Street and Storm Drainage Improvements – 5th Street
Change Order #1 – Contract Increase
R-33-09

DATE: May 28, 2009

At the meeting on May 4, 2009, City Council approved R-27-09 to award a contract to Reliable Contracting Co., Inc. for the construction of street and storm drainage improvements on 5th Street from Chestnut Avenue to 200' west in the amount of \$78,930.20. This amount is 51% below the budgeted amount of \$155,500. This project is being done in accordance with the City's five (5) year consolidated plan which identifies various streets to receive improvements in the Huntington Section. This project is being funded through the U.S. Department of Housing and Community Development Block Grant Program, as well as Maryland's Department of Housing and Community Development's Community Legacy Program and Prince George's County's Livable Initiative grant program.

Due to the favorable pricing received from Reliable Contracting Co., Inc., staff has determined that additional street and storm drainage improvements can be made to the remaining 161' of 5th Street. Based on the unit prices received, the additional work can be completed at a cost of \$36,786, which, combined with the original award of \$78,930.20, is still within the budgeted amount of \$155,500.

The contract with Reliable Contracting Co., Inc. allows for increases up to 30% without Council approval. The proposed additional work represents a 47% increase to the original contract amount.

The Public Works Department recommends approving a 47% increase to the contract with Reliable Contracting Co., Inc. in the amount of \$36,786.

I concur with the above recommendation to increase the contract with Reliable Contracting Co., Inc., in the amount of \$36,786, and request your approval of R-33-09.

RESOLUTION

OF THE COUNCIL OF THE CITY OF BOWIE, MARYLAND
AUTHORIZING A CONTRACT INCREASE FOR ADDITIONAL CONSTRUCTION OF STREET
AND STORM DRAINAGE IMPROVEMENTS ON 5TH STREET FROM CHESTNUT AVENUE
TO 200' WEST IN THE HUNTINGTON SECTION

WHEREAS, at the meeting on May 4, 2009, City Council approved R-27-09 to award a contract to Reliable Contracting Co., Inc. for the construction of street and storm drainage improvements on 5th Street from Chestnut Avenue to 200' west in the amount of \$78,930.20, 51% below the budgeted amount of \$155,500; and

WHEREAS, this project is being funded through the U.S. Department of Housing and Community Development Block Grant Program, as well as Maryland's Department of Housing and Community Development's Community Legacy Program and Prince George's County's Livable Initiative grant program; and

WHEREAS, due to favorable pricing received from Reliable Contracting Co., Inc., it has been determined that additional street and storm drainage improvements can be made to the remaining 161' of 5th Street at a cost of \$36,786; and

WHEREAS, the Instructions to Bidders contained in the Invitation for Bids for the subject contract reserved to the City the right to purchase additional like units at the same unit cost; and

WHEREAS, the contract with Reliable Contracting Co., Inc. allows for increases up to 30% without Council approval; the proposed additional work represents a 47% increase.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Bowie, Maryland, that the Council authorizes a contract increase with Reliable Contracting Co., Inc. and hereby directs the City Manager to issue a change order to Reliable Contracting Co., Inc. for \$36,786.

INTRODUCED AND PASSED by the Council of the City of Bowie, Maryland at a Regular Meeting on June 1, 2009.

G. Frederick Robinson, Mayor

ATTEST:

Pamela A. Fleming, City Clerk

